

Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2024



Annual Comprehensive Financial Report

City of Cape Coral, Florida

For the Fiscal Year Ended
September 30, 2024



Prepared by:
Financial Services Department



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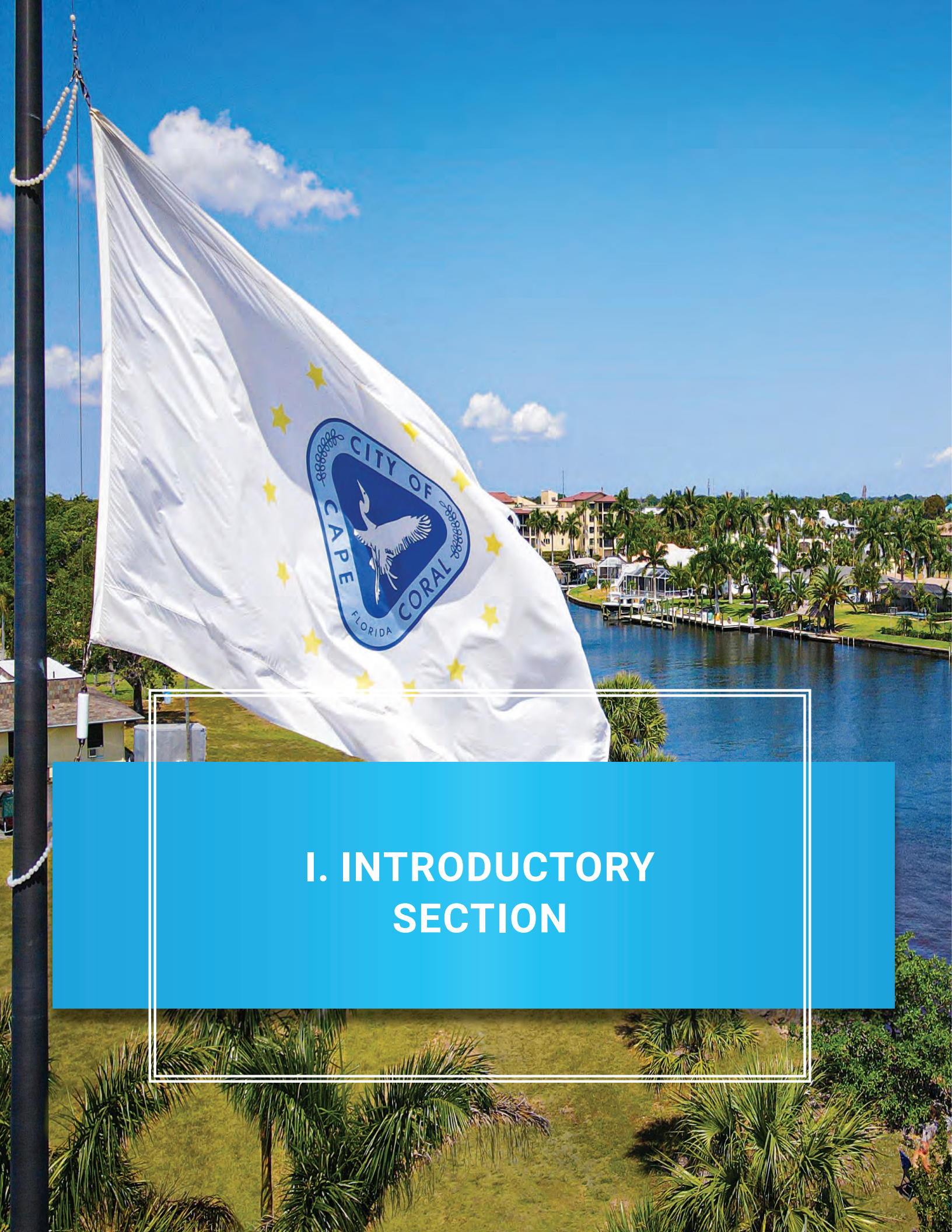
Our Vision

Cape Coral will thoughtfully grow into a vibrant and inclusive community that encourages residential character, creates economic opportunity, and ensures respect for its unique environment.



Our Mission

Provide services and resources that enhance the quality of life for those who live, learn, work, and play in our city.

A large white flag with the City of Cape Coral logo and yellow stars is flying on a pole. The background shows a waterfront with palm trees, houses, and a clear blue sky. A blue rectangular box with a white border is overlaid on the bottom half of the image.

I. INTRODUCTORY SECTION



CITY OF CAPE CORAL

April 26, 2025

Citizens of Cape Coral
Honorable Mayor
Members of the City Council
City of Cape Coral, Florida

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Cape Coral, Florida:

We are pleased to present to you the Annual Comprehensive Financial Report of the City of Cape Coral, Florida (the City) for the fiscal year ended September 30, 2024. Chapter 218.39, Florida Statutes, and the City Charter require that a complete set of financial statements be published within nine months of fiscal year end and presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America and those standards applicable to audits performed in accordance with *Government Auditing Standards* by licensed independent certified public accountants.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. We believe the data, as presented, is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and the results of operations of the City, on a government-wide and fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management of the City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that sufficient, reliable, adequate accounting data is compiled for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal accounting controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. We believe that the City's internal controls adequately safeguard assets and provide reasonable assurance of properly recorded financial transactions.

In addition, the City maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual budget approved by the City Council. The City also maintains an encumbrance system that is employed as an extension of formal budgetary integration in all fund types. In compliance with the laws of the State of Florida, the City's financial statements have been audited by Mauldin & Jenkins LLC, a firm of licensed certified public accountants. The independent auditor has issued an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2024 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

Financial Services • City of Cape Coral • P.O. Box 150027 • Cape Coral, Florida 33915-0027
(239) 574-0497 • Fax (239) 574-0734 • www.capecoral.gov

Profile of the City

The City of Cape Coral, incorporated in 1970, is located on the southwest coast of Florida in Lee County, approximately 125 miles south of Tampa, at the mouth of the Caloosahatchee River. The City is the third largest city in Florida land-area wise, encompassing 120 square miles, with an estimated population of 219,500 (City of Cape Coral Economic Development Office), making it the most populated city in Southwest Florida and the eighth most populous in the state.



The City is principally a residential, recreational, and vacation community, and is one of the nation's first master-planned, pre-platted communities. In addition to broad boulevards and paved streets, the City is interlaced with over 400 miles of waterways. These canals provide home sites with access to the Intra-Coastal Waterway and the Gulf of America. City-owned recreational facilities include numerous parks, a youth center, a municipal golf course, a yacht club, a waterpark, and an ecological preserve. Because the tax burden rests mostly on residential properties, the City is actively seeking more aggressive economic development to encourage new construction and expansions to balance the tax burden more equitably between residential and commercial properties.

The City operates under a Council/City Manager form of government. Legislative authority is vested in an elected City Council consisting of eight members elected at large on a nonpartisan basis from districts. The City Council is responsible for all policy-making functions of the government and retains the services of a City Attorney, City Auditor, and City Manager. The City Manager is responsible for the administration of the City.

The City provides a comprehensive range of municipal services including general government, public safety (police, fire and building), public works, community development, parks and recreation, planning, utilities, transportation, education and economic development. In evaluating the City as a reporting entity, we have included all component units for which the City Council is financially responsible. The Community Redevelopment Agency (CRA) is blended with the financial statements presented for the Primary Government because the component unit exclusively serves the City. The Cape Coral Charter School Authority is a discretely presented component unit. The City of Cape Coral Health Facilities Authority does not meet the criteria established by GAAP for inclusion in this report. Additional information on all three of these entities can be found in the notes to the financial statements (see Note I). For additional information concerning the City, please visit our website at www.capecoral.gov.

The City Council is required to adopt a final budget no later than the close of the preceding fiscal year to which the budget applies. Formal legal appropriation by the City Council is at the department level for the General Fund and at the fund level for all other funds to allow the degree of flexibility provided by the City policy. Amendments to the City's operating budget in which appropriations are increased or decreased, or transfers between funds, must be approved by City Council via ordinance changes and include public input. The City Charter authorizes the City Manager to transfer appropriations within an operating department of the General Fund and within the fund for all other funds. Transfers are reviewed and processed by the budget staff and approved by the City Manager when required by administrative policy.

Local Economy

With over 9,000 businesses, the City's year-round population of 219,500 swells during the winter months with seasonal residents, tourists, and international visitors. Cape Coral has experienced the largest amount of growth throughout the last decade contributing to its strong economy. Some of the major indicators are as follows:

- Unemployment Rates in Cape Coral: July 3.8%, August 3.7%, September 3.6% (fred.stlouisfed.org)
- YTD Vacancy Rate – Retail: 1.6%, Office: 1.6%, Industrial: 4.4 % (CoStar)
- Building and property value changes:

	2023	2024	Change	% Change
New Permit Applications	83,194	43,505	(39,689)	(48%)
Building Permits Issued	81,851	41,796	(40,055)	(49%)
Valuation of Building Permits Issued ¹	\$ 3,356	\$ 2,259	\$ (1,097)	(33%)
Taxable Assessed Property Value ¹	\$ 22,545	\$ 25,692	\$ 3,147	14%

¹Amounts shown in Million increments

- Sales tax revenue generated from purchases made in the incorporated city-limits:

Year	Actual	\$ Change	% Change
2020	\$ 20,040,384	\$ (637,737)	(3%)
2021	\$ 24,359,362	\$ 4,318,978	22%
2022	\$ 29,260,198	\$ 4,900,836	20%
2023	\$ 31,999,585	\$ 2,739,387	9%
2024	\$ 30,667,548	\$ (1,332,037)	(4%)

Historical information and long-term trends can be viewed in the statistical section of this report.

There are many development projects in different phases that are expected to have a great impact on our economy and fiscal health in the near future. Some of these projects include:

- Mixed-use project called Cape Coral Grove, will have 550,000 square feet of retail/professional space, 138 hotel rooms, and 1,312 multi-family units.
- Mixed-use project called Bimini Square, will have a waterfront restaurant, 48,000 square feet of retail/professional space, 218 premium apartments, and a 25-slip boat dock, and is expected to be complete by the end of 2025.
- Mixed-use 140 acre master planned development called Victory Park will have medical, retail, multi-family residential, veteran services and a hotel and will begin construction in 2025.
- A shopping retail center called Shops at Del Mar is expected to open in 2025.
- A 7-story, 48-unit short-term vacation rental project called Lake Shadroe Resort is expected to open in 2026.
- Seven Islands - Gulf Gateway Resort, will include multi-family condos, townhomes, fish houses, a resort hotel, commercial space, a community center, a park, boat slips and a marina.

Long-Term Financial Planning

A significant measure of the City's financial strength is the level of its fund balances. Per financial policies, and for the long-term health of the City's General Fund, certain reserves are committed within the fund balance and provide resources for specific purposes such as budget stabilization and disaster recovery, among others. Changes in net position for the fiscal year for governmental activities and business-type activities are discussed starting on page 4 of this report. The components of fund balance for the General Fund and other government funds are discussed on page 10 of this report.

The City of Cape Coral's Asset Management Program is a comprehensive program including a summary of assets owned by the City coupled with the condition and future plans for those assets. The Asset Management Program's budgetary process encompasses the integration of revenues and expenditures along with program and policy issues included in the City's long-range planning process. This long-term plan is in the annual adopted budget document, which can be found at: <http://www.capecoral.gov/budgetbook>.

The City of Cape Coral's 2022-2030 Strategic Plan is a management tool that helps the organization assess the current operating environment, anticipate changes, and envision the future. This plan provides a framework for decision-making and helps meet the community's future needs. The Cape Compass Strategic Plan document can be viewed online at www.capecoral.gov/strategicplan.

Relevant Financial Policies

The City has adopted a comprehensive set of financial management policies in the areas of operating management, debt management, accounts management, financial planning, and economic resources. These policies were reviewed and approved by the City Council on October 30, 2024 by Resolution 334-24.

Major Initiatives

The 2025 general operating budget was crafted with a reduced millage rate of 5.2188 yielding 12% more in property tax revenue over 2024 (including Debt Service: 5.3979 millage rate). There was a \$37,275,279 decrease from 2024 Adopted Budget or a 3.4% decrease in total budget. This is the net impact of decreases in enterprise fund expenses related to rate studies and road expansion projects for NE 24th Avenue and Andalusia Boulevard in the prior year partially offset by the addition of the capital project for an Emergency Management Resilience Recreation Center and Emergency Hub in 2025. The Proposed Budget includes a Budget Sustainability Reserve of 2.7 months of General Fund expenditures. The 2025 Budget does not include new revenue sources; however, the City has several fee studies in process, including Parks and Recreation Fees, Community Development Services Fees, and Building Fees that may affect service level cost recovery increases in later years.

The City's fiscal year 2024 Asset Management Plan (AMP) was budgeted at \$265 million, consisting of capital projects that are major initiatives for the community, highlighted by a \$35 million community center and disaster shelter along with continued utility related expansions to serve the needs of the growing community.

Asset Management Program	
Capital Projects	\$ 211,100,379
Equipment	10,625,196
Maintenance	28,707,540
Fleet	13,347,668
Land	800,000
	\$ 264,580,783

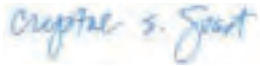
Awards & Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cape Coral for its annual comprehensive financial report for the fiscal year ended September 30, 2023. This is the 38th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement for Excellence is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.



The preparation of this report could not be accomplished without the efficient and dedicated service of the Financial Services Department staff. Their continuing effort toward improving the accounting and financial reporting systems improves the quality of information reported to the City Council, state and federal agencies, and the citizens of the City of Cape Coral. We sincerely appreciate and commend them for their contributions.

Respectfully submitted,

A handwritten signature in blue ink that reads "Crystal S. Feast".

Crystal S. Feast, MBA
Interim Financial Services Director





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

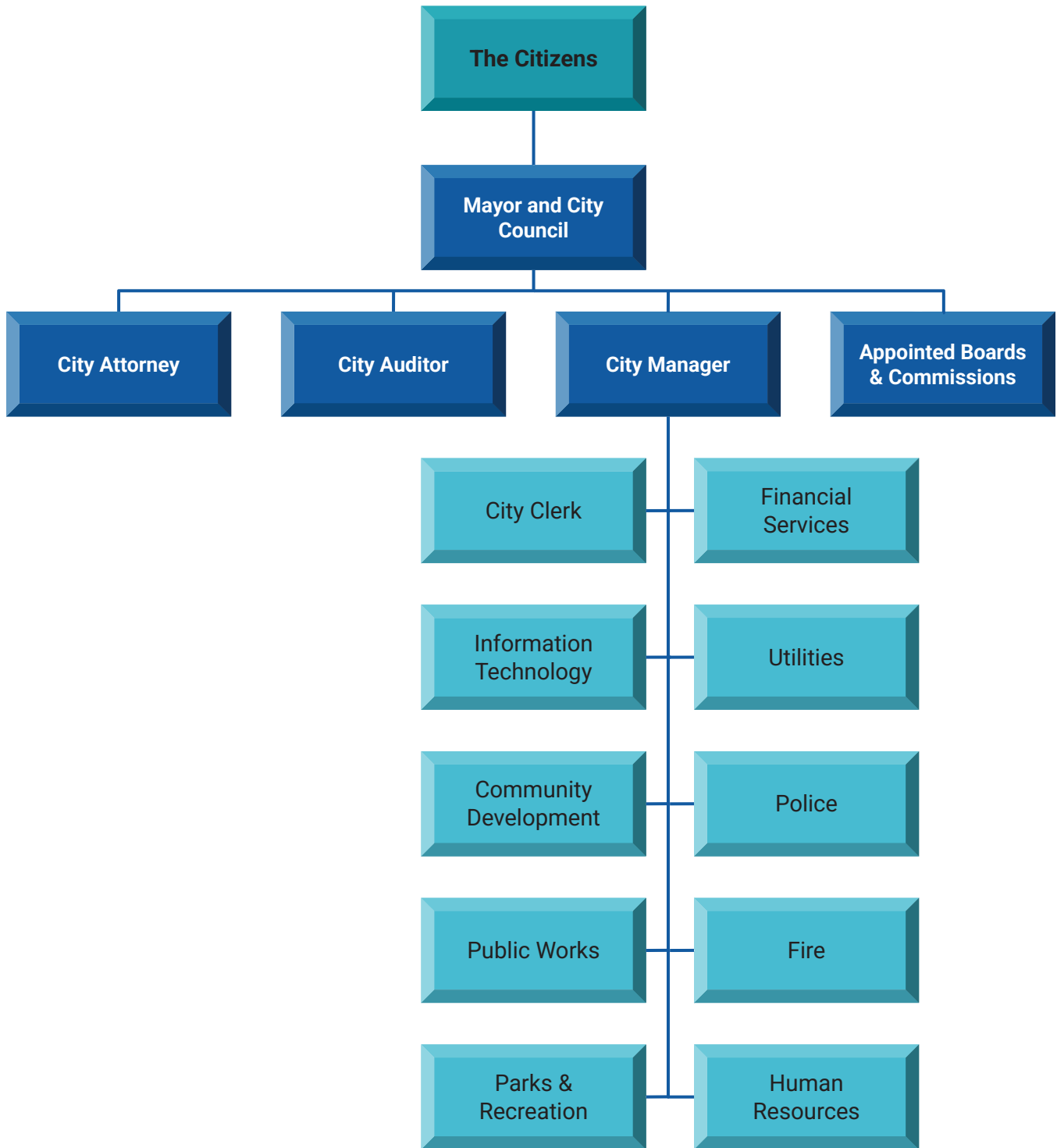
**City of Cape Coral
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Executive Director/CEO

ORGANIZATIONAL CHART



City Council

John Gunter
Mayor

William (Bill) Steinke
District I

Laurie Lehmann
District II

Dr. Derrick Donnell
District III

Jennifer Nelson-Lastra
District IV

Joe Kilraine
District V

Keith Long
District VI

Rachel Kaduk
District VII

Michael Ilczyszyn
City Manager

Aleksandr Boksner
City Attorney

Andrea Russell, CPA, CFE, CIA, CGMA
City Auditor

Crystal S. Feast, MBA
Interim Financial Services Director

II. FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

**To the Honorable Mayor and Members
of the City Council
City of Cape Coral, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Cape Coral, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules for the General Fund, fire and solid waste funds, and the pension and other post-employment benefit schedules on pages 5 through 19 and 113 through 127, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

The budget to actual schedules of the capital projects funds on pages 167 through 170 and 172, which are the responsibility of management, are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

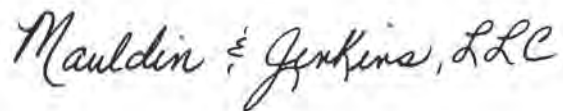
Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Bradenton, Florida
March 26, 2025



Management's Discussion & Analysis



Management's Discussion and Analysis

The City of Cape Coral's (the City) Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and current known facts. Please read this section in conjunction with the City's financial statements (beginning on page 23) and letter of transmittal.

The MD&A provides an overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024. It is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position, (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Highlights

Financial Highlights

- For fiscal year 2024, the City's total net position increased by \$196.1 million or 20.8%. The governmental activities net position increased by \$130.5 million or 49.0% and the business-type activities net position increased by \$65.6 million or 9.7%. The analysis of these changes in net position related to governmental and business-type activities is further discussed on pages 7-8 of this MD&A.
- The governmental activities revenue increased \$76.1 million or 19.6%. In fiscal year 2024, the results of governmental activities produced an increase in net position of \$130.5 million, while in fiscal year 2023 governmental activities net position increased by \$13.2 million. The analysis of these changes and current year impacts related to governmental activities is further discussed on pages 10-12 of this MD&A.
- The business-type activities revenue increased by \$32.0 million or 15.1%. In fiscal year 2024, the results of the business-type activities produced an increase in net position of \$65.6 million, while in fiscal year 2023 net position increased by \$58.8 million. The analysis of these changes and current year impacts related to business-type activities is further discussed on pages 12-13 of this MD&A.
- The City's total expenses decreased by \$16.0 million or 3.0%. The analysis of this change related to government-wide activities and changes in net position is further discussed on pages 11 of this MD&A.
- The General Fund, the primary operating fund, reflected on a current financial resource basis, reported an increase in fund balance of \$41.3 million, compared to a decrease of \$56.5 million in fiscal year 2023. The analysis of these changes related to the General Fund is further discussed in the fund financial statement analysis section on pages 13 of this MD&A.

Overview of the Financial Statements

This MDA is intended to serve as an introduction to the City's basic financial statements. The basic financial statements include the government-wide financial statements, fund financial statements and 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* (statement of net position and statement of activities) are designed to provide a broad overview of the City, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Net position may serve as a useful indicator of whether the financial position of the City is improving.

The *Statement of Activities* reflects the expenses of a given function, which are offset by program revenues. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function.

Governmental activities are supported by taxes and intergovernmental revenues whereas the business-type activities are primarily supported by user fees and charges for services. The governmental activities of the City include General Government, Public Safety, Public Works, Parks and Recreation, and Community Development. The business-type

activities of the City reflect private sector type operations where the fee for service typically covers all or most of the cost of operation, including depreciation. The business-type activities include Water and Sewer operations, Stormwater Utility, and the Yacht Basin.

The government-wide financial statements include not only the City of Cape Coral itself (known as the primary government), but also a legally separate Charter School Authority, reported as a component unit. Separate financial statements are issued for the Cape Coral Charter School Authority which can be obtained through the Financial Services Department of the City of Cape Coral, 1015 Cultural Park Blvd., Cape Coral, FL 33990.

The government-wide financial statements can be found on pages 22-23 of this report.

Fund Financial Statements

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 operations for each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures or expenses, as appropriate. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - *Governmental Fund* financial statements (see pages 24-27) are prepared on a modified accrual basis using a current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets.

The total columns on the Governmental Funds and Proprietary Funds financial statements are not the same as the governmental activities column and the business-type column on the government-wide financial statement. The Governmental Funds total column requires reconciliation to the governmental activities total to account for the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 25 and 27). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations (bonds and others) into the Governmental Activities column in the government-wide Statements. The Proprietary Funds total column requires reconciliation because the internal service fund is consolidated as part of the governmental activities, but a portion of the internal service funds is for business-type activities. This reconciliation is a result of the surplus elimination (see pages 29-30).

Four of the City's governmental funds, the General Fund, the Fire Fund, the Solid Waste Fund, and the General Obligation Fund, are considered major funds and are shown separately on the financial statements. All other governmental funds are combined into a single column on the governmental fund's financial statements. Individual fund data for the non-major funds is found in the combining statements as supplemental financial data (see pages 134-141).

The City adopts an annual appropriated budget for the General Fund, Special Revenue Funds and the Debt Service Fund. Budgetary comparison statements for the General Fund are presented on page 114 of the basic financial statements and other governmental funds are presented on pages 142-174 of the combining statements.

Proprietary Funds - The City maintains two different types of *proprietary funds* known as enterprise funds and internal service funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal Service Funds are used to accumulate and allocate costs internally among the City's various functions. Internal Service Funds have been included within governmental activities in the government-wide financial statements because they predominantly benefit governmental rather than business-type functions.

Proprietary Fund financial statements (see pages 28-32), like government-wide financial statements, are prepared on the full accrual basis. These funds account for both operating and non-operating revenues and expenses. Operating revenues are generated directly from the fund's operations.

The Proprietary Fund financial statements provide separate information for the Water and Sewer Fund and for the Stormwater Fund, which are considered major funds. Other Non-Major Enterprise Funds are combined into a single column on the Proprietary Fund financial statements when there is more than one non-major fund. Right now the only non-major proprietary fund is the Yacht Basin Fund. Additionally, the Internal Service Funds are reported in a

single column on the proprietary statements. Individual fund data for the Non-Major Enterprise Funds and for the Internal Service Funds are found in the combining statements as supplemental financial data (see pages 176-178).

Fiduciary Funds - The *Fiduciary Fund* financial statements (see pages 33-34) are not presented as part of the government-wide financial statements because the resources of these funds are not available to support the City's programs. Fiduciary (Pension Trust, Private-Purpose Trust and Custodial) Funds represent trust responsibilities of the government; however, these assets are restricted as to purpose and do not represent discretionary assets of the government.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 36-111 of this report.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information including budgetary comparison information and the funding progress for pension and schedule of changes in total Other Post Employment Benefits (OPEB) liability. Required supplementary information can be found on pages 114-128 of this report.

Government-Wide Financial Analysis

The government-wide financial statements are designed so that the user can determine if the City is in a better or worse financial condition from the prior year. The City's overall financial condition has improved, as summarized in the following table.

SUMMARY OF NET POSITION (in millions)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 509.8	\$ 389.8	\$ 486.6	\$ 285.7	\$ 996.4	\$ 675.5
Capital assets	587.7	506.4	1,226.4	1,136.8	1,814.1	1,643.2
Total assets	1,097.5	896.2	1,713.0	1,422.5	2,810.5	2,318.7
Deferred outflows of resources	122.9	117.4	41.2	38.1	164.1	155.5
Current and other liabilities	111.7	62.5	95.0	88.0	206.7	150.5
Noncurrent liabilities	613.2	591.0	900.9	676.9	1,514.1	1,267.9
Total liabilities	724.9	653.5	995.9	764.9	1,720.8	1,418.4
Deferred inflows of resources	98.9	94.0	17.2	20.1	116.1	114.1
Net position:						
Net investment in capital assets	388.4	330.8	517.9	510.2	906.3	841.0
Restricted	291.9	147.5	223.1	176.0	515.0	323.5
Unrestricted	(283.7)	(212.2)	0.1	(10.7)	(283.6)	(222.9)
Total net position	\$ 396.6	\$ 266.1	\$ 741.1	\$ 675.5	\$ 1,137.7	\$ 941.6

The net position of the City increased by \$196.1 million or 20.8%. Governmental activities net position increased by \$130.5 million or 49.0% and business-type activities increased by \$65.6 million or 9.7%.

Net investment in capital assets is the largest portion of net position. This represents capital assets (land, buildings, improvements, equipment, capital leases, computer software, subscription based IT arrangements, infrastructure, and construction in progress), net of accumulated depreciation and amortization and the outstanding related debt used to acquire the assets. Unamortized bond insurance costs "follow the debt" in calculating net asset components for the statement of net position. That is, if debt is capital-related, the unamortized amounts are included in the calculation of net investment in capital assets. If the debt is restricted for a specific purpose and the proceeds are

unspent, the net proceeds impact restricted net position. If the debt proceeds are not restricted for capital or other purposes, the unamortized costs are included in the calculation of unrestricted net position.

The City's total net investment in capital assets balance of \$906.3 million is an increase of \$65.3 million or 7.8%, over fiscal year 2023. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The total restricted net position of \$515.0 million (45.3% of total net position) represents resources subject to external restrictions on their use. There was an overall increase of \$191.5 million or 59.2% during fiscal year 2024. Governmental activities experienced an increase in their restricted net position of \$144.4 million or 97.9%, and business-type activities experienced an increase of \$47.1 million or 26.8%.

The City's total unrestricted net position balance decreased during the fiscal year, from negative \$222.9 million to negative \$283.6 million, a change of \$60.7 million from the prior year.

Net Position – Governmental Activities Millions:



Net Position – Business Type Activities Millions:

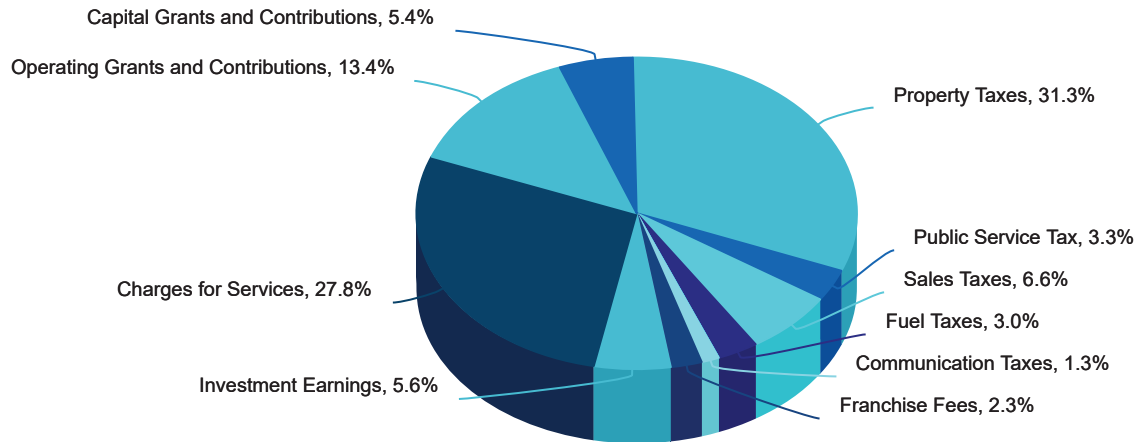


SUMMARY OF CHANGES IN NET POSITION
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
REVENUES:						
Program Revenues:						
Charges for Services	\$ 128.6	\$ 105.9	\$ 142.8	\$ 132.9	\$ 271.4	\$ 238.8
Operating Grants and Contributions	62.0	40.3	0.3	1.2	62.3	41.5
Capital Grants and Contributions	25.3	28.3	69.4	60.5	94.7	88.8
Property Taxes	144.8	121.5	-	-	144.8	121.5
Public Service Tax	15.0	15.2	-	-	15.0	15.2
Sales Taxes	30.7	32.0	-	-	30.7	32.0
Fuel Taxes	14.0	14.6	-	-	14.0	14.6
Alcohol and beverage	0.1	0.1	-	-	0.1	0.1
Communication Taxes	5.8	5.5	-	-	5.8	5.5
Franchise Fees	10.5	10.8	-	-	10.5	10.8
Investment earnings (loss)	26.0	12.4	31.5	17.2	57.5	29.6
Gain on sale of capital assets	0.1	0.2	0.2	0.4	0.3	0.6
Total Revenues	<u>462.9</u>	<u>386.8</u>	<u>244.2</u>	<u>212.2</u>	<u>707.1</u>	<u>599.0</u>
EXPENSES:						
Program Activities						
Governmental Activities:						
General Government	75.6	137.0	-	-	75.6	137.0
Public Safety						
Police	70.7	67.7	-	-	70.7	67.7
Fire	68.0	60.8	-	-	68.0	60.8
Building	22.6	22.4	-	-	22.6	22.4
Public Works	54.0	46.8	-	-	54.0	46.8
Parks and Recreation	27.6	27.4	-	-	27.6	27.4
Community Development	7.0	5.3	-	-	7.0	5.3
Interest and fiscal charges	6.3	6.2	-	-	6.3	6.2
Business-type Activities:						
Water and Sewer	-	-	153.0	135.9	153.0	135.9
Stormwater	-	-	25.9	17.0	25.9	17.0
Yacht Basin	-	-	0.3	0.5	0.3	0.5
Total Expenses	<u>331.8</u>	<u>373.6</u>	<u>179.2</u>	<u>153.4</u>	<u>511.0</u>	<u>527.0</u>
Increase (Decrease) in Net Position before transfers	131.1	13.2	65.0	58.8	196.1	72.0
Transfers, net	(0.6)	-	0.6	-	-	-
Change in Net Position	130.5	13.2	65.6	58.8	196.1	72.0
Net Position - beginning	266.1	252.9	675.5	616.7	941.6	869.6
Net Position - ending	<u>\$ 396.6</u>	<u>\$ 266.1</u>	<u>\$ 741.1</u>	<u>\$ 675.5</u>	<u>\$ 1,137.7</u>	<u>\$ 941.6</u>

Governmental Activities

Revenues by Source – Governmental Activities:



Total revenues for governmental activities increased \$76.1 million or 19.6%, during fiscal year 2024, as a result of an increase in revenues from charges for services, property tax, FEMA revenues from Hurricane Ian and investment earnings. Outlined below are explanations for the significant revenue changes within governmental activities.

Charges for services increased \$22.7 million or 21.4% due to increases in the annual assessment rates for fire service and solid waste service. The Fire Service Assessment increased by \$12.7 million due to the Tier 1 rate increasing from \$172.13 to \$240.78. The Solid Waste Public Service Assessment increased \$4.0 million due to an increase in the fee from \$248.95 to \$304.37. General government charges for service increased \$5.6 million due to an increase in internal administrative fees. Higher interest rates contributed to a decrease to building fees of \$1.4 million. While higher interest rates have cooled the housing market, they also serve as a tool to curb inflation and stabilize the economy in the long run.

Operating grants and contributions increased \$21.7 million or 53.8% primarily due to hurricane-related revenues from the Federal Emergency Management Agency (FEMA) of over \$40 million. Police and Fire pension payments received from the state increased by \$1.6 million.

Capital grants and contributions decreased by \$3.0 million or 10.6%. Impact fees decreased overall by \$3.5 million or 12.5% from last fiscal year's \$27.7 million. Commercial impact fee revenue increased by \$1.3 million while residential impact fee revenue decreased by \$3.3 million. Sidewalk grants from the Florida Department of Transportation decreased by \$0.5 million due to the completion of sidewalk projects eligible for grant reimbursement.

Property tax revenue for fiscal year 2024 increased \$23.3 million or 19.2%, to \$144.8 million, representing 31.3% of the total revenue from the City's governmental activities. Despite a decrease in the millage rate of 5.3694 mills to 5.2188, the increase in revenue is attributable to the continued rise in taxable assessed property values to \$26.3 billion.

Public Service Tax revenue from electricity purchased by residents and business owners decreased \$0.2 million or 1.3% over last fiscal year.

Revenue from sales taxes, including the Local Government Half-cent and state-shared collections, decreased by \$1.3 million or 4.1% over the prior fiscal year due to inflationary pressures and reduced consumer spending.

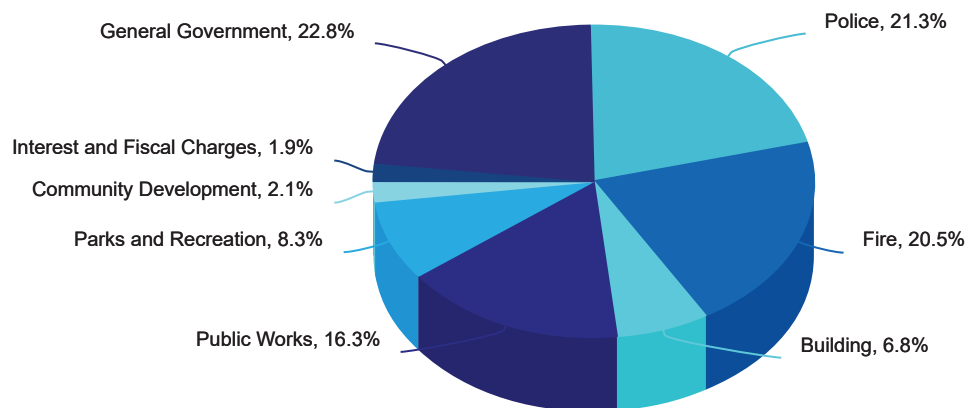
Fuel tax revenue includes state-shared collections on fuel sales, as well as rebates of fuel taxes paid by the City on its purchases. A decrease of \$0.6 million or 4.1% over the prior year was recorded by the City in fiscal year 2024 due to inflationary pressures and reduced consumer spending.

Communication Services Tax revenue from telephone and cable services decreased slightly by \$0.3 million or 5.5%. The current rate of 5.5% was adopted January 1, 2019, and remained unchanged for fiscal year 2024.

Franchise fees decreased \$0.3 million or 2.8%. Franchise fees are levied on corporations or individuals by the City in return for granting a privilege or permitting the use of public property subject to regulations. The City receives franchise fees for electricity, solid waste, and natural gas.

The City's investment portfolios at fiscal year end reflect unrealized gains of \$26.0 million, primarily due to improvements in market conditions. This is an increase of \$13.6 million from the prior year. Gains and losses are only realized when the securities are sold.

Expenses by Source – Governmental Activities:



Total expenses for governmental activities decreased \$41.8 million or 11.2% during fiscal year 2024. The majority of the change is due to general government operations which make up 95.3% of all expense categories. The large decrease in total expenses this year is due to the majority of Hurricane Ian expenses being included in fiscal year 2023. Outlined below are the explanations for the most significant expense changes within governmental activities.

General Government expenses decreased \$61.4 million or 44.8%. The primary reason for the decrease is due to Hurricane Ian debris-related expenses totaling \$3.2 million in the current fiscal year compared to \$64.5 million in the previous year.

Public Safety – Police expenses increased \$3.0 million or 4.4%. A software subscription for body cameras increased expenditures by \$1.1 million. Salary and benefit costs had some large variances which significantly offset each other. Pension-related expenditures decreased \$7.3 million based on the fiscal year 2024 actuarial valuation offset by increases of \$4.5 related to the OPEB actuarial valuation. Additional increases in salary and benefit expense are attributed to the addition of eleven new positions, budgeted increases in salaries, and salary related to Hurricane Ian captured in General Government category in the previous year.

Public Safety – Fire expenses increased by \$7.2 million or 11.8%. Expenses increased \$5.4 million due to internal administrative charges. Salary and benefit costs had some large variances which significantly offset each other. Pension-related expenditures decreased \$7.3 million based on the fiscal year 2024 actuarial valuation offset by increases of \$5.8 related to the OPEB actuarial valuation. Additional increases in salary and benefit expense are attributed to the addition of eleven new positions, budgeted increases in salaries, and salary related to Hurricane Ian captured in General Government category in the previous year.

Public Safety – Building expenses increased by \$0.2 million or 0.9%. Pension-related expenditures decreased \$0.8 million based on the fiscal year 2024 actuarial valuation. OPEB also decreased by \$1.0 million based on the actuarial valuation. These decreases were offset by budgeted increases in salaries. Other increases were related to outside services for \$0.3 million and internal services for \$0.4 million.

Public Works expenses increased by \$7.2 million or 15.4%. OPEB-related expenditures increased \$2.3 million based on the fiscal year 2024 actuarial valuation. This was partially offset by a decrease in pension-related expenditures

of \$0.7 million based on the fiscal year 2024 actuarial valuation. Other operating expenses increased \$5.1 million, of which \$1.5 million was attributable to outside professional services for solid waste collection and disposal and \$0.2 million increase in power charges for street lights. Maintenance of roads, bridges, street and traffic lights, and median beautification generated \$2.5 million of the increase in operating expenses.

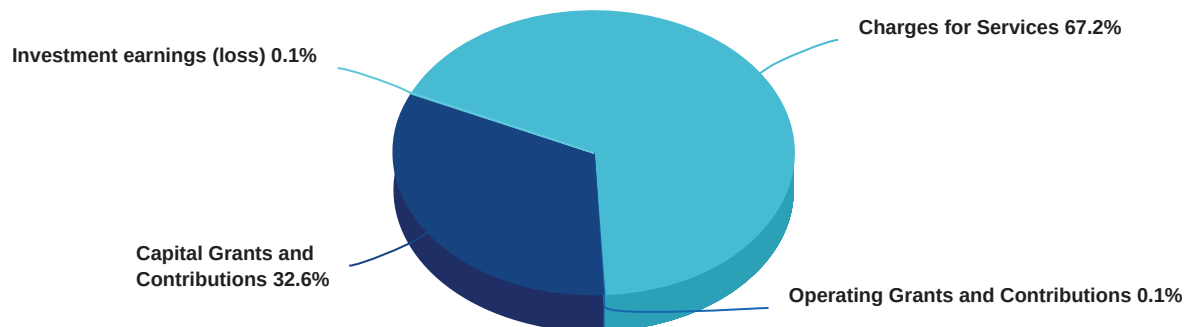
Parks and Recreation expenses increased by \$0.2 million or 0.7%. Pension-related expenditures decreased \$0.7 million based on the fiscal year 2024 actuarial valuation. Salary and benefit expenses increased \$0.8 million due to the OPEB actuarial valuation. Outside services related to the managed operations of the golf course and the racquet center increased expenses by \$1.8 million. These costs were offset by revenues from these management contracts.

Community Development expenses increased \$1.7 million or 32.1%. This increase is primarily due to expenditures related to a community development block grant.

Business-type Activities

The net position of the City's business-type activities increased by \$65.6 million or 9.7%. There was an increase in the business-type activities' net investment in capital assets of \$7.7 million, or 1.5% in comparison to the prior year.

Revenues by Source – Business-type Activities:



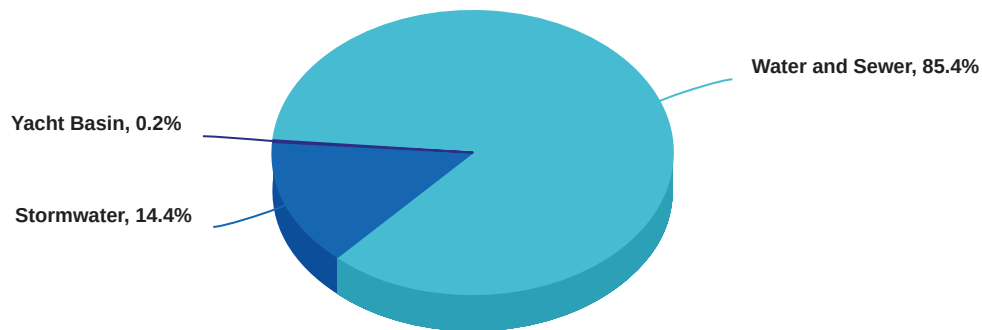
Total revenues for business-type activities increased \$29.8 million or 14.0% during fiscal year 2024, mainly due to increases in revenues from charges for services, capital grants and contributions, and investment earnings.

Charges for services reported in business-type activities increased \$9.9 million or 7.4%. The majority of the change is due to a \$7.7 million increase in water and sewer revenues, the result of higher commodity and capacity charges related to an increase in new construction. Stormwater revenues increased by \$1.3 million due to the Stormwater equivalent residential unit (ERU) increasing from \$135 to \$142. Yacht Basin revenues increased by \$0.3 million due to the Yacht Basin operating the full year after being closed for six months of the previous year due to damage caused by Hurricane Ian.

Operating grants and contributions reported in business-type activities decreased \$0.9 million or 75.0%, mainly a result of funding from the Federal Emergency Management Agency for Hurricane Ian relief recorded in the prior fiscal year.

Capital grants and contributions reported in business-type activities increased by \$8.9 million or 14.7%, primarily due to higher grant funding from the Florida Department of Environmental Protection, which rose to \$15.0 million from \$5.8 million in the previous fiscal year. These grants supported the North 1 Utility Expansion Project and the Wastewater Lift Station Bypass Pumps project.

Investments reported in business-type activities resulted in a gain of \$31.5 million which is an increase of \$14.3 million from the prior year's gain of \$17.2 million. This change is due to market conditions improving and favorable interest rates on investments. Gains and losses are only realized when the securities are sold.

Expenses by Program – Business-type Activities:

Water and Sewer expenses reported in business-type activities increased \$17.1 million or 12.6%. Salary and benefit expense increased by \$2.3 million due to a \$5.4 million increase related to the OPEB actuarial valuation offset by a \$3.1 decrease in pension expense. Contractual services, materials and supplies increased by \$6.4 million due to higher costs for fuel, electricity, chemicals and other items. Debt service costs increased by \$7.7 million.

Stormwater expenses reported in business-type activities increased \$8.9 million or 52.4%. The increase is primarily due to a \$3.0 million increase towards efforts to study and maintain the City's stormwater systems and a \$2.2 million increase related to the OPEB actuarial valuation. Additionally, there were increases of \$0.7 million related to the plans for removal of the Chiquita Boat Lock, \$0.6 million in debt service costs and \$0.2 million in debris removal from Hurricane Ian.

Yacht Basin expenses dropped by \$0.2 million due to the removal of the OPEB liability from the fund. Following the closure of certain areas due to damage from Hurricane Ian, personnel expenses and related liabilities were no longer incurred by the fund.

Financial Analysis of the City's Funds

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

Governmental Funds

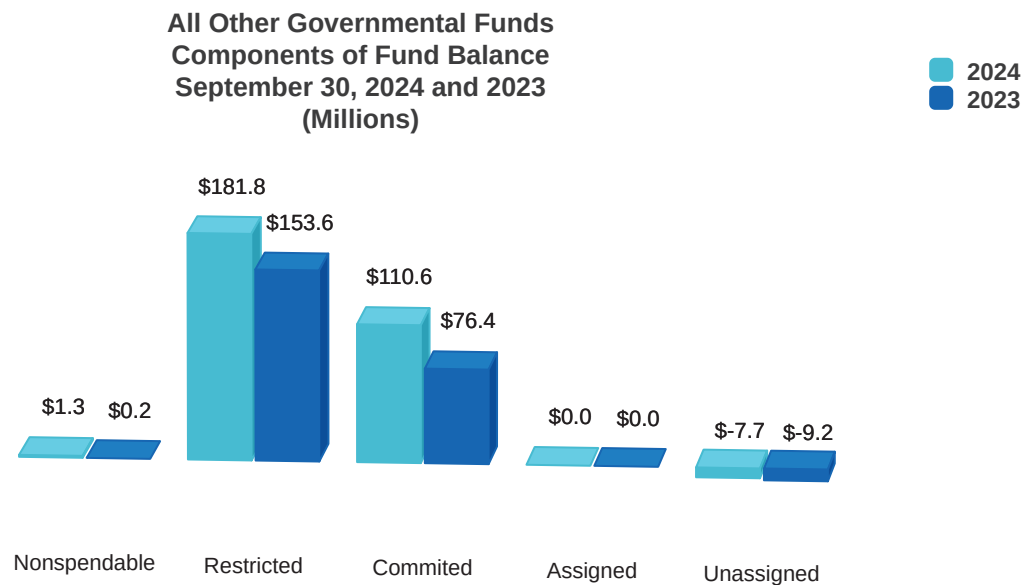
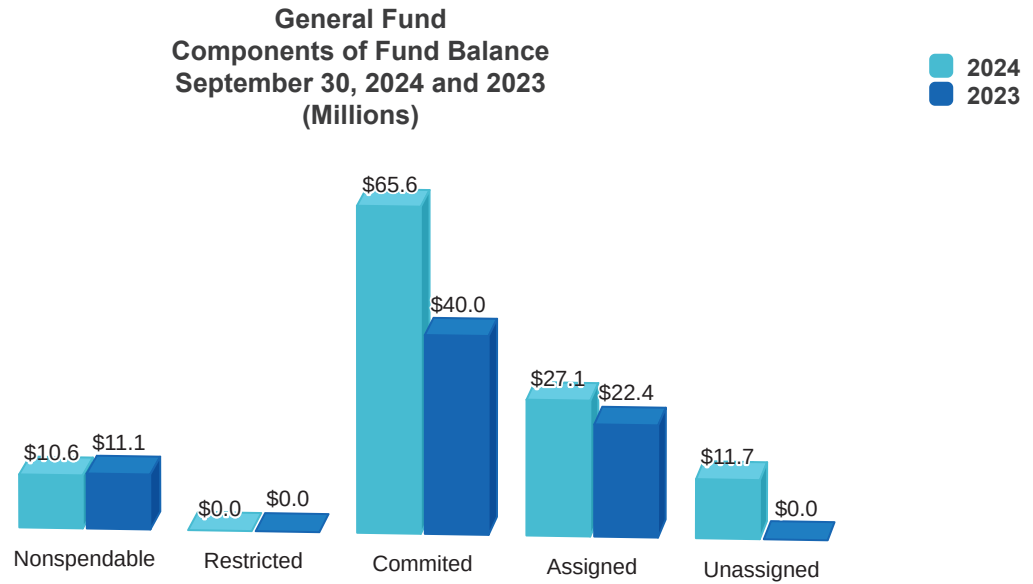
Governmental funds are comprised of the general fund, special revenue funds, debt service fund and the capital projects funds. Governmental funds use the current financial resources measurement focus that provides information on near-term inflows, outflows, and balances of spendable resources. The following funds are the City's major governmental funds.

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. At the end of the current fiscal year, the General Fund fund balance increased by \$41.3 million or 56.2% from \$73.5 million to \$115.0 million. The increase is primarily due to expenditures resulting from Hurricane Ian that are pending reimbursement from the Federal Emergency Management Agency and the State of Florida.

The *Fire Fund* is used to account for fire operations and grants including a special assessment for fire protection services based on a "readiness-to-serve" level of service. This fund is also supported by the general fund revenues. This fund has a total fund balance of \$9.2 million.

The *Solid Waste Fund* is used to account for the City's collection and payment of solid waste fees. This fund has a total fund balance of \$10.3 million compared to \$4.1 million last year. This was primarily due to an increase to the tax assessment resulting in additional revenues.

The *General Obligation Fund* is used to account for the voter approved \$60.0 million expansion of the City's parks and recreation amenities. The fund has a fund balance of \$36.5 million, an increase of \$28.6 million or 359.2% compared to the prior year due to the issuance of debt and transfers from other funds to support the parks projects.



Proprietary Funds

The City's proprietary funds are the enterprise funds and internal service funds. An enterprise fund is used to account for activities for which a fee is charged to external users for goods and services. These funds provide the same type of information found in the business-type activities in the government-wide financial statements, but in more detail. The following are the major enterprise funds:

Water and Sewer Fund - This fund is used to account for the activities of the City's water, sewer, irrigation and utility programs.

Stormwater Fund - This fund is used to account for the activities of the City's stormwater drainage in compliance with the Environmental Protection Agency, and local and state regulations.

General Fund Budgetary Highlights

Original budget compared to final budget. The budgetary comparison schedule can be found on page 114. Four budget amendments were adopted by the City Council for fiscal year 2024. Major changes to the budget as a result of those amendments include:

Revenues

- Fund balances brought forward from the end of fiscal year 2023 were \$73.5 million.
- Intergovernmental revenue was decreased by \$0.2 million or 5.1% to reflect actual grant award amounts.
- Use of fund balance was increased by \$30.1 million, or 164% to help pay for a land purchase, GO Bond expenditures, other capital projects and full cost allocations.

Expenditures

- General government expenditures budget was amended to include an increase by \$13.9 million or 23.4% for expenditures related primarily to the local state of emergency declared as a result of Hurricanes Milton and Helene and full cost allocations.
- Transfers out of the General Fund were increased by \$32.5 million, or 85.0% to transfer funds into GO Bond, a fiber wireless project and deferred parks maintenance projects.
- Transfers out for capital improvement projects were increased by \$6.6 million or 38.7% to fund Fire, Police, Parks & Recreation GO Bond projects and deferred maintenance projects, a fiber wireless project and infrastructure capital projects.

Final budget compared to actual results. Budgetary numbers are based on historical trends as well as decisions of senior management and City Council. A review of actual results compared to the appropriations in the final budget highlights the following:

Revenue

- Tax revenue was \$4.2 million or 2.3% higher than the budgeted amount primarily due to electric utility service tax revenues and sales tax revenues.
- Intergovernmental revenue was more than the final budget by \$49.4 million primarily due to federal grant funds from the Federal Emergency Management Agency for Hurricane Ian relief that were budgeted in the prior fiscal year.
- Franchise fee revenue was \$2.6 million or 33.3% more than budgeted and consisted of fees on electricity, natural gas, and solid waste.
- Other revenue was \$1.8 million more than budgeted and includes items such as reimbursable charges, contributions, cooperative dividends, and insurance reimbursements. These items are budgeted conservatively as they are less predictable than other revenue sources.
- Fines and forfeitures revenue exceeded budget by \$0.7 million or 96.6%. This revenue line item includes several different fines and fees such as ordinance violation fines, filing fees, and tax billed penalties and is budgeted conservatively.
- Investment earnings were \$9.2 million over budget mainly due to changes in market conditions.

Expenditures

- General Government expenditures were \$9.5 million or 13.0% less than the budgeted amount, mainly due to anticipated expenditures from Hurricane Ian that were not incurred during the fiscal year and lower than expected internal service charges.
- Public Safety Police expenditures were \$1.7 million or 2.5% under budget primarily because of deferred computer software and licensing costs.

- Public Works expenditures were under budget by \$3.2 million or 17.0% primarily due to transportation maintenance projects not being completed as planned and staff vacancies.
- Community Development expenditures were \$0.7 million or 9.2% under budget primarily due to staff vacancies.
- Parks and Recreation expenditures were \$2.3 million or 10.3% under budget due to delayed planned maintenance expenditures in the wake of recovery from Hurricane Ian.
- Capital Outlay expenditures were \$10.7 million or 95.2% more than budget primarily due to timing of delivery of equipment for parks, fleet and police.

Capital Assets and Debt Administration

Capital Assets

The following schedule reflects the City's net capital assets as of September 30, 2024 and 2023:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 166.4	\$ 163.5	\$ 33.9	\$ 32.2	\$ 200.3	\$ 195.7
Buildings	74.3	77.9	234.9	246.2	309.2	324.1
Right to use - buildings	0.7	0.2	0.1	0.2	0.8	0.4
Improvements other than buildings	28.4	31.7	123.5	134.0	151.9	165.7
Equipment	24.6	21.0	14.6	12.4	39.2	33.4
Right to use - equipment	0.6	0.8	-	-	0.6	0.8
SBITA ¹	11.8	1.0	-	-	11.8	1.0
Infrastructure	125.3	131.2	572.6	593.8	697.9	725.0
Construction in progress	155.6	79.1	246.7	118.0	402.3	197.1
Total capital assets	<u>\$ 587.7</u>	<u>\$ 506.4</u>	<u>\$ 1,226.3</u>	<u>\$ 1,136.8</u>	<u>\$ 1,814.0</u>	<u>\$ 1,643.2</u>

During fiscal year 2024, the City's total capital assets increased by \$170.8 million or 10.4%. Governmental assets increased overall by \$81.3 million or 16.1% primarily due to an additional \$76.5 million in construction in progress. Business-type activities assets increased \$89.5 million or 7.9% primarily due an increase in construction in progress of \$129.2 million offset by the removal of the old SW Water Reclamation Facility which was replaced with a new facility.

Major capital asset purchases and projects during the current fiscal year included the following:

- Water Reclamation Operations Building
- GOBOND Parks: Yellow Fever Creek, Lake Kennedy Racquet Center, Crystal Lake Park, Festival Park, and Yacht Club restoration.
- North 1 Utility Expansion Project
- Irrigation and Pump Improvements
- Sidewalk and Road Improvements
- Fiber Installation
- Fire Station #13
- Fire Training Facility
- Police Training Facility

Additional information on the City's capital assets can be found in Note 6: Capital Assets.

Long Term Debt

Three major rating institutions (Moody's, Fitch, and Standard & Poor's) have periodically evaluated the City's financial management, economic conditions, and administrative practices. The insured rating is based on the credit worthiness of the company insuring the bonds, whereas an underlying rating is based upon the credit worthiness of the issuer or security which is actually pledged for the repayment of the bonds.

Moody's most recent review confirmed the Water and Sewer credit rating at A1 and the Utility Improvement Assessment credit rating at A2.

At September 30, 2024, the City had \$1,090.4 million of outstanding debt (excluding compensated absences and other post employment benefits). General Obligation Bonds, which are secured solely by ad valorem taxes, had an outstanding balance of \$52.3 million, or 4.8%, of the total outstanding debt. Revenue Bonds, which are secured solely by specified revenue sources, had an outstanding balance of \$534.2, or 49.0%, of the total outstanding debt. Special assessment debt which is collateralized by special assessments levied against the benefited property owners, had an outstanding balance of \$157.8 million, or 14.5%, of the total outstanding debt. Notes from Direct Borrowing, which are collateralized by the net revenues of the water and sewer system, impact fees, special assessment revenue, and other specified revenues sources had an outstanding balance of \$282.3 million, or 25.9%, of the total outstanding debt. Commercial Paper, which is used to manage cash flow in the early stages of significant capital projects which will subsequently be replaced with long-term debt issuances, had an outstanding balance of \$51.0 million, or 4.7%, of the total outstanding debt. In addition, Capital Leases had an outstanding balance of \$1.4 million and Subscription Based IT Arrangements had an outstanding balance of \$11.4 million.

The following is a schedule of outstanding debt as of September 30, 2024 and 2023:

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024 ¹	2023
General Obligation Debt	\$ 52.3	\$ 35.0	\$ -	\$ -	\$ 52.3	\$ 35.0
Revenue Bonds	88.6	94.3	445.6	335.2	534.2	429.5
Special Assessment-Note from Direct Borrowing Debt with Governmental Commitment	-	-	157.8	29.7	157.8	29.7
Notes from direct borrowings with Governmental Commitment	42.0	51.5	240.3	266.1	282.3	317.6
Commercial Paper	41.0	-	10.0	-	51.0	-
Lease Payable	1.3	1.0	0.1	0.2	1.4	1.2
SBITA Payable	11.3	0.6	0.1	0.1	11.4	0.7
Total	<u>\$ 236.5</u>	<u>\$ 182.4</u>	<u>\$ 853.9</u>	<u>\$ 631.3</u>	<u>\$ 1,090.4</u>	<u>\$ 813.7</u>

The City's total debt increased by \$276.7 million, or 34.0%, during the current fiscal year. The governmental activities' increased by \$54.1 million or 29.7% due to a new issuance of \$60.8 million and new leases and subscriptions totaling \$13.6 million, offset by scheduled debt payments totaling \$20.4 million. The business-type activities' overall increased by \$222.6 million or 35.3% due to a new issuance of \$270.9 million and new leases and subscriptions totaling \$0.2 million, offset by scheduled debt payments totaling \$48.4 million.

The ratio of net bonded debt to assessed valuation and the amount of general bonded debt per capita are useful indicators of the City's debt position. This data for the City at September 30, 2024 was as follows:

Debt Ratios	General Obligation Bonded Debt Only
Debt Ratios	
Debt Per Capita (estimated population 219,500 as of September 30, 2024)	\$ 232
Debt to Assessed Value of Taxable Property as of September 30, 2024 (\$26,262,275,412)	0.19%

Additional information on the City's long-term debt and debt coverage can be found in Note 8: Long-term Liabilities and Note 13: Future Pledged Revenue.

Economic Factors and Next Year's Budget

The State of Florida operates primarily using sales taxes. Local governments (cities, counties, and school boards) rely primarily on property and a limited array of permitted other taxes (sales, gasoline, communication services, business licensing, etc.) and fees (franchise, impact, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring (one-time) grants from both the state and federal governments. Other sources of revenue for both the business-type and governmental activities are charges for service whereby the user pays a related fee or charge associated with the service. As the annual budget is developed, the resources available to support the City's operations are closely examined. A primary goal of the City is the continuation of current service levels.

The following factors were considered in preparing the City's budget for the 2025 fiscal year:

- A three-year rolling operating budget plan was used to develop the fiscal year 2025 budget, presenting fiscal years through 2027. Only fiscal year 2025 was formally approved by the City Council.
- The City's 2030 strategic plan, Cape Compass, served as the foundation for developing the 2025 operating budget and the 2025–2030 capital spending plans. The six strategic priorities are:
 - City Services and Amenities – Deliver exceptional City services and high-quality amenities.
 - Communication and Transparency – Cultivate an engaged and informed community and workforce.
 - Economy, education, and workforce – Create a community of prosperous residents, thriving neighborhoods, and successful businesses.
 - Fiscal Sustainability – Maintain a financially sound government and high-performing organization.
 - Infrastructure – Invest in resilient infrastructure.
 - Environmental Sustainability – Preserve Cape Coral's natural resources for current and future generations.
- The fiscal year 2025-2027 budget was adopted with an operating millage rate of 5.2188 and formulated to continue meeting the City's reserve requirements. This year's budget also addresses previously deferred maintenance while meeting the demand for services and infrastructure including amenities. The Water and Sewer budget was prepared to support the continuing operations of the existing utility facilities including the water reclamation plants, reverse osmosis plants, and the existing collection, distribution, and transmission lines. The preparation of the annual budget is made in conjunction with the annual update of the rate sufficiency model that provides for annual rate changes required for the system.
- The stormwater utility fee is charged per equivalent residential unit (ERU). This rate will be \$149 in the current year compared to \$142 in the prior year.
- The City's Fire Service Assessment will remain 70% cost recovery, but is projected to yield an additional \$7.1 million in revenue.
- Impact fees are planned to be used for Cape Coral Sports Complex Facility expansion and the design of a neighborhood park at 2224 NE 15th Street (Park Impact Fee reserves). All other impact fee revenues will be used to satisfy annual debt requirements.

- Gas tax funds have been budgeted in accordance with revenue estimates provided by the State of Florida and will support local road resurfacing, signalization, and small-scale intersection improvements.
- Water, sewer, and irrigation utility capital expansion fees are used to pay for the expansion of the City's utility system including the cost of transmission lines. These fees are also used to pay applicable debt service and/or will be used to offset the borrowing requirements associated with the expansion of the utility plants and related facilities.

Request for Information

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the City of Cape Coral, Office of the City Clerk, 1015 Cultural Park Blvd., Cape Coral, FL 33990.



Basic Financial Statements



STATEMENT OF NET POSITION

September 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Cape Coral Charter School Authority
ASSETS				
Cash and investments	\$ 483,133,740	\$ 81,537,730	\$ 564,671,470	\$ 19,422,387
Interest receivable	856,651	283,029	1,139,680	-
Accounts receivable, net	3,529,839	12,380,114	15,909,953	46,497
Intergovernmental receivable	11,539,143	107,964	11,647,107	991,082
Note receivable	554,825	-	554,825	-
Lease receivable	4,602,044	497,662	5,099,706	-
Due from component unit	511,917	-	511,917	-
Internal balances	487,469	(487,469)	-	-
Inventories	240,748	8,909,568	9,150,316	-
Prepaid items	4,307,106	284,678	4,591,784	125,153
Unamortized bond insurance	2,283	1,702,937	1,705,220	-
Restricted:				
Cash and investments	-	364,719,340	364,719,340	-
Interest receivable	-	680,817	680,817	-
Accounts receivable, net	-	77,926	77,926	-
Intergovernmental receivable	-	14,907,568	14,907,568	-
Assessments receivable, net	-	966,332	966,332	-
Capital assets (net of depreciation and amortization):				
Land and construction in progress	321,933,346	280,588,158	602,521,504	182,013
Other capital assets, net of depreciation and amortization	265,748,131	945,771,654	1,211,519,785	4,864,201
Total assets	1,097,447,242	1,712,928,008	2,810,375,250	25,631,333
DEFERRED OUTFLOWS OF RESOURCES				
Loss on refunding	4,945,274	17,680,375	22,625,649	-
Pension related	38,789,624	4,699,581	43,489,205	4,302,135
OPEB related	79,201,432	18,841,498	98,042,930	-
Total deferred outflows of resources	122,936,330	41,221,454	164,157,784	4,302,135
LIABILITIES				
Accounts payable and other accrued liabilities	22,611,833	19,433,891	42,045,724	959,524
Retainage payable	2,823,601	5,217,319	8,040,920	-
Accrued payroll	6,961,576	1,558,277	8,519,853	277,771
Accrued interest payable	489,436	1,554,360	2,043,796	-
Deposits	2,259,517	3,401,030	5,660,547	-
Intergovernmental payable	5,463,428	-	5,463,428	1,116,131
Unearned revenue	3,983,767	12,041,088	16,024,855	65,483
Due within one year:				
Leases payable	439,137	88,717	527,854	1,525,927
SBITA payable	1,955,233	54,823	2,010,056	27,679
Compensated absences	2,276,522	507,211	2,783,733	128,671
Claims liability	4,849,177	-	4,849,177	-
Bonds and notes payable	16,563,717	41,106,816	57,670,533	-
Commercial paper obligation	41,000,000	10,000,000	51,000,000	-
Due in more than one year:				
Leases payable	900,649	59,496	960,145	1,673,450
SBITA payable	9,203,173	58,994	9,262,167	6,920
Compensated absences	13,228,947	3,032,481	16,261,428	660,719
Claims liability	8,819,338	-	8,819,338	-
Bonds and notes payable	166,292,375	802,557,758	968,850,133	-
Total OPEB liability	279,538,562	66,500,379	346,038,941	-
Net pension liability	132,224,265	28,661,104	160,885,369	14,789,157
Total pension liability	3,017,560	-	3,017,560	-
Total liabilities	724,901,813	995,833,744	1,720,735,557	21,231,432
DEFERRED INFLOWS OF RESOURCES				
Pension related	36,196,314	2,902,817	39,099,131	1,216,778
OPEB related	58,128,424	13,828,369	71,956,793	-
Leases	4,517,368	486,885	5,004,253	-
Total deferred inflows of resources	98,842,106	17,218,071	116,060,177	1,216,778
NET POSITION				
Net investment in capital assets	388,438,371	517,892,142	906,330,513	1,812,242
Restricted for:				
General government	2,795,233	-	2,795,233	-
Public safety	19,143,835	-	19,143,835	-
Public works	57,646,362	-	57,646,362	-
Parks and recreation	5,185,334	-	5,185,334	-
Community development	10,884,645	-	10,884,645	-
Debt service	1,854,733	97,888,721	99,743,454	-
Deposits	-	3,032,577	3,032,577	-
Capital improvements	194,359,006	115,681,963	310,040,969	-
Renewal and replacement	-	6,510,848	6,510,848	-
Unrestricted	(283,667,866)	91,396	(283,576,470)	5,673,016
Total net position	\$ 396,639,653	\$ 741,097,647	\$ 1,137,737,300	\$ 7,485,258

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

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2024

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-type Activities	Total	Cape Coral Charter School Authority
Primary government:								
Governmental activities:								
General government	\$ 75,631,988	\$ 27,029,560	\$ 47,269,703	\$ -	\$ (1,332,725)	\$ -	\$ (1,332,725)	\$ -
Public safety:								
Police	70,698,854	3,874,266	3,875,168	2,186,973	(60,762,447)	-	(60,762,447)	-
Fire	67,904,481	45,715,403	3,896,612	2,244,514	(16,047,952)	-	(16,047,952)	-
Building	22,619,357	11,532,008	-	-	(11,087,349)	-	(11,087,349)	-
Public works	53,969,904	31,169,167	676,059	15,827,063	(6,297,615)	-	(6,297,615)	-
Parks and recreation	27,625,703	7,502,545	408,279	5,097,495	(14,617,384)	-	(14,617,384)	-
Community development	7,026,139	1,757,102	5,880,641	-	611,604	-	611,604	-
Interest on long-term debt	6,299,374	-	-	-	(6,299,374)	-	(6,299,374)	-
Total governmental activities	331,775,800	128,580,051	62,006,462	25,356,045	(115,833,242)	-	(115,833,242)	-
Business-type activities:								
Water and sewer	153,031,603	116,489,474	121,571	69,361,628	-	32,941,070	32,941,070	-
Stormwater	25,887,110	25,387,714	153,042	-	-	(346,354)	(346,354)	-
Yacht basin	284,187	1,001,519	-	-	-	717,332	717,332	-
Total business-type activities	179,202,900	142,878,707	274,613	69,361,628	-	33,312,048	33,312,048	-
Total primary government	510,978,700	271,458,758	62,281,075	94,717,673	(115,833,242)	33,312,048	(82,521,194)	-
Component unit:								
Cape Coral Charter School Authority	36,839,343	2,371,519	5,464,602	2,919,708				(26,083,514)
General revenues:								
Taxes:								
Florida education finance program					-	-	-	26,608,256
Property taxes, levied for general purpose					136,523,486	-	136,523,486	-
Property taxes, levied for debt service					4,218,512	-	4,218,512	-
Property taxes, other (CRA and All Hazards)					4,011,313	-	4,011,313	-
Public service tax					15,049,029	-	15,049,029	-
Sales					30,667,549	-	30,667,549	-
Fuel					13,954,015	-	13,954,015	-
Alcohol and beverage					93,258	-	93,258	-
Communication					5,834,639	-	5,834,639	-
Franchise fees					10,466,168	-	10,466,168	-
Investment earnings					26,003,868	31,473,106	57,476,974	759,304
Gain on sale of capital assets					146,859	212,423	359,282	-
Transfers, net					(582,854)	582,854	-	-
Total general revenues and transfers					246,385,842	32,268,383	278,654,225	27,367,560
Change in net position					130,552,600	65,580,431	196,133,031	1,284,046
Net position - beginning					266,087,053	675,517,216	941,604,269	6,201,212
Net position - ending					\$ 396,639,653	\$ 741,097,647	\$ 1,137,737,300	\$ 7,485,258

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

BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2024

	General	Fire	Solid Waste	General Obligation	Non-Major Other Governmental	Total Governmental Funds
ASSETS						
Cash and investments	\$ 111,537,496	\$ 11,721,837	\$ 12,146,186	\$ 41,308,928	\$ 251,373,605	\$ 428,088,052
Interest receivable	499,921	-	-	-	206,186	706,107
Accounts receivable, net	3,015,020	-	-	-	425,185	3,440,205
Intergovernmental receivable	5,841,683	498,592	96,690	-	5,614,096	12,051,061
Notes receivable	15,292	-	-	-	539,534	554,826
Lease receivable	1,351,218	-	-	-	3,250,826	4,602,044
Due from other funds	1,381,315	-	-	-	-	1,381,315
Advances to other funds	8,401,407	-	-	-	-	8,401,407
Inventories	168,571	-	-	-	72,180	240,751
Prepaid items	1,999,810	164,115	-	-	1,092,588	3,256,513
Total assets	<u>134,211,733</u>	<u>12,384,544</u>	<u>12,242,876</u>	<u>41,308,928</u>	<u>262,574,200</u>	<u>462,722,281</u>
LIABILITIES						
Accounts payable and other accrued liabilities	3,046,546	200,182	1,947,903	4,010,821	9,118,734	18,324,186
Accrued retainage	291,848	-	-	767,418	1,764,336	2,823,602
Accrued payroll	5,515,010	2,653,877	13,653	-	510,666	8,693,206
Due to other funds	-	-	-	-	1,381,315	1,381,315
Deposits	1,186,665	-	-	-	1,072,852	2,259,517
Intergovernmental payables	5,374,232	-	-	-	89,220	5,463,452
Unearned revenue	274,887	32,331	-	-	3,676,549	3,983,767
Advances from other funds	-	-	-	-	8,401,407	8,401,407
Total liabilities	<u>15,689,188</u>	<u>2,886,390</u>	<u>1,961,556</u>	<u>4,778,239</u>	<u>26,015,079</u>	<u>51,330,452</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - grant reimbursement	2,209,078	303,499	-	-	561,204	3,073,781
Unavailable revenue - other	23,493	28,466	-	-	2,685,140	2,737,099
Unavailable revenue - lease	1,334,337	-	-	-	3,183,032	4,517,369
Total deferred inflows of resources	<u>3,566,908</u>	<u>331,965</u>	<u>-</u>	<u>-</u>	<u>6,429,376</u>	<u>10,328,249</u>
FUND BALANCES						
Nonspendable	10,569,788	164,115	-	-	1,164,768	11,898,671
Restricted	-	9,002,074	10,281,320	36,530,689	126,031,223	181,845,306
Committed	65,590,129	-	-	-	110,622,956	176,213,085
Assigned	27,145,091	-	-	-	-	27,145,091
Unassigned	11,650,629	-	-	-	(7,689,202)	3,961,427
Total fund balances	<u>114,955,637</u>	<u>9,166,189</u>	<u>10,281,320</u>	<u>36,530,689</u>	<u>230,129,745</u>	<u>401,063,580</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 134,211,733</u>	<u>\$ 12,384,544</u>	<u>\$ 12,242,876</u>	<u>\$ 41,308,928</u>	<u>\$ 262,574,200</u>	<u>\$ 462,722,281</u>

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

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
September 30, 2024**

Fund balances - total governmental funds		\$ 401,063,580
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital assets	\$ 876,251,681	
Accumulated depreciation	<u>(291,399,694)</u>	584,851,987
Internal service funds are used by management to charge the cost of certain activities to the individual funds.		
Net position of internal service funds	\$ 14,249,931	
Cross-over to enterprise funds	<u>487,469</u>	14,737,400
Unamortized bond insurance is not a current financial resource and therefore is not reported in the funds.		2,283
Debt interest payable that will not be liquidated with current financial resources is not reported in the funds.		(489,436)
Deferred outflows of resources on the loss on refunding of debt are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		4,945,274
Deferred outflows of resources related to pension experience and assumptions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		37,567,458
Deferred inflows of resources related to pension earnings, experience, and assumptions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		(35,441,412)
Deferred outflows related to OPEB earnings, experience, and assumptions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		73,718,479
Deferred inflows related to OPEB earnings, experience, and assumptions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		(54,104,313)
Other assets are not available to pay for current period expenditures and are reported as deferred inflows in the funds.		5,810,878
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities.		
Bonds, notes, leases and subscriptions payables	(235,577,285)	
Total OPEB liability	(260,186,680)	
Net pension liability	(124,770,708)	
Total pension liability	(3,017,560)	
Compensated absences	<u>(12,470,292)</u>	(636,022,525)
Total net position of governmental activities		<u>\$ 396,639,653</u>

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

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024

	General	Fire	Solid Waste	General Obligation	Non-Major Other Governmental	Total Governmental Funds
REVENUES						
Taxes	\$ 186,275,412	\$ 1,315,000	\$ -	\$ -	\$ 22,761,388	\$ 210,351,800
Special assessments	-	44,278,745	26,781,145	-	3,191,427	74,251,317
Licenses and permits	59,327	-	-	-	12,127,818	12,187,145
Franchise fees	10,466,168	-	-	-	-	10,466,168
Intergovernmental	53,691,407	196,879	676,060	-	7,862,114	62,426,460
Charges for services	23,794,192	1,113,325	-	-	3,272,795	28,180,312
Fines and forfeitures	1,372,028	-	-	-	226,846	1,598,874
Impact fees	-	-	-	-	24,266,465	24,266,465
Rent and royalties	577,833	186,037	-	-	2,157,384	2,921,254
Investment earnings	10,493,214	914,060	679,411	670,841	9,882,447	22,639,973
Contributions and donations	109,482	-	-	-	905,899	1,015,381
Other revenue	2,054,468	136,324	125,745	-	640,632	2,957,169
Total revenues	288,893,531	48,140,370	28,262,361	670,841	87,295,215	453,262,318
EXPENDITURES						
Current:						
General government	64,036,251	-	-	-	2,061,364	66,097,615
Public safety:						
Police	65,306,642	-	-	-	1,267,951	66,574,593
Fire	-	60,378,757	-	-	1,315,669	61,694,426
Building	101,724	-	-	-	14,364,849	14,466,573
Public works	15,732,593	-	22,078,124	-	8,813,239	46,623,956
Parks and recreation	19,949,366	-	-	-	4,108,690	24,058,056
Community development	7,013,502	-	-	-	5,394,716	12,408,218
Capital outlay	21,954,301	3,730,100	27,144	20,172,946	57,286,687	103,171,178
Debt service:						
Principal	2,282,986	-	-	-	16,881,627	19,164,613
Interest and fiscal charges	12,693	-	-	-	6,127,133	6,139,826
Bond issuance costs	-	-	-	-	436,418	436,418
Total expenditures	196,390,058	64,108,857	22,105,268	20,172,946	118,058,343	420,835,472
Excess revenues over (under) expenditures	92,503,473	(15,968,487)	6,157,093	(19,502,105)	(30,763,128)	32,426,846
OTHER FINANCING SOURCES (USES)						
Transfers in	5,588,304	22,120,971	-	28,461,575	85,232,927	141,403,777
Transfers out	(70,574,678)	(3,942,789)	-	-	(67,468,664)	(141,986,131)
Issuance of debt	-	-	-	17,380,446	41,184,554	58,565,000
Premium	-	-	-	2,235,894	-	2,235,894
Lease issuances	619,527	-	-	-	-	619,527
SBITA issuances	12,814,726	-	-	-	-	12,814,726
Proceeds on sale of capital assets	362,534	108,900	-	-	70,079	541,513
Total other financing sources (uses)	(51,189,587)	18,287,082	-	48,077,915	59,018,896	74,194,306
Net change in fund balances	41,313,886	2,318,595	6,157,093	28,575,810	28,255,768	106,621,152
Fund balances - beginning, as originally reported	73,537,399	6,847,594	4,124,227	7,954,879	201,978,329	294,442,428
Adjustment - change to reporting entity (Note 18)	104,352	-	-	-	(104,352)	-
Fund balances - beginning	73,641,751	6,847,594	4,124,227	7,954,879	201,873,977	294,442,428
Fund balances - ending	\$ 114,955,637	\$ 9,166,189	\$ 10,281,320	\$ 36,530,689	\$ 230,129,745	\$ 401,063,580

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

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2024**

Net change in fund balances - total governmental funds:		\$ 106,621,152
Amounts reported for governmental activities in the statement of net position are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital outlay	\$ 103,171,178	
Depreciation	<u>(22,773,318)</u>	80,397,860
The net effect on net position for various miscellaneous transactions involving capital assets (disposals, transfers, donations).		
		(181,322)
Certain revenues not considered available are not recognized in the governmental funds but are included in the statement of activities.		
		181,244
The issuance of debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of bond insurance costs, premiums, discounts, leases and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal payments - governmental funds	\$ 19,164,613	
Issuance of debt, leases and SBITAs	(74,235,147)	
Unamortized bond insurance cost	<u>(190)</u>	(55,070,724)
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 governmental funds.		
Change in long-term compensated absences	\$ (269,230)	
OPEB related	(7,409,504)	
Pension related	<u>113,037</u>	(7,565,697)
Internal service funds are used by management to charge the cost of certain activities to the individual funds.		
		6,302,578
Interest on long-term debt in the statement of activities is recognized as the interest accrues, regardless of when it is due. In the governmental funds, interest is recognized as an expenditure when it is due. Premiums, discounts, and other similar items are deferred and amortized in the statement of activities.		
Amortization of bond premiums, discounts, refunding gains and losses		<u>(132,491)</u>
Change in net position - governmental activities		<u>\$ 130,552,600</u>

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

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2024**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	
ASSETS					
Current assets:					
Cash and investments	\$ 33,299,611	\$ 47,455,940	\$ 782,179	\$ 81,537,730	\$ 55,045,689
Interest receivable	157,484	121,977	3,568	283,029	150,544
Accounts receivable, net	12,345,903	34,211	-	12,380,114	89,632
Lease receivable	-	-	497,662	497,662	-
Intergovernmental receivable	-	107,964	-	107,964	-
Inventories	8,909,568	-	-	8,909,568	-
Prepaid items	120,774	163,904	-	284,678	1,050,595
Restricted:					
Cash and investments	356,517,829	8,201,511	-	364,719,340	-
Interest receivable	680,817	-	-	680,817	-
Intergovernmental receivable	14,907,568	-	-	14,907,568	-
Assessments receivable, net	1,678	-	-	1,678	-
Total restricted assets	372,107,892	8,201,511	-	380,309,403	-
Total current assets	426,941,232	56,085,507	1,283,409	484,310,148	56,336,460
Noncurrent assets:					
Unamortized bond insurance	1,702,937	-	-	1,702,937	-
Restricted:					
Accounts receivable, net	77,926	-	-	77,926	-
Assessments receivable	964,654	-	-	964,654	-
Total restricted assets	1,042,580	-	-	1,042,580	-
Capital assets:					
Land	25,849,998	8,062,155	20,555	33,932,708	-
Buildings	380,828,226	1,916,446	76,695	382,821,367	907,624
Right to use - buildings	-	264,467	-	264,467	-
Improvements other than buildings	347,043,344	33,652,230	96,990	380,792,564	63,796
Equipment	34,710,990	12,879,058	106,885	47,696,933	3,687,719
Right to use - equipment	-	-	-	-	822,745
Infrastructure	921,615,958	18,220,819	286,049	940,122,826	-
Intangible computer software	-	-	-	-	705,245
SBITA	-	168,270	-	168,270	179,061
Construction in progress	234,295,862	11,259,199	1,100,389	246,655,450	544,553
Less accumulated depreciation	(768,594,287)	(37,228,855)	(271,631)	(806,094,773)	(4,081,253)
Total capital assets, net	1,175,750,091	49,193,789	1,415,932	1,226,359,812	2,829,490
Total noncurrent assets	1,178,495,608	49,193,789	1,415,932	1,229,105,329	2,829,490
Total assets	1,605,436,840	105,279,296	2,699,341	1,713,415,477	59,165,950
DEFERRED OUTFLOWS OF RESOURCES					
Loss on refunding	17,680,375	-	-	17,680,375	-
Pension related	3,576,066	1,123,515	-	4,699,581	1,222,166
OPEB related	13,976,020	4,865,478	-	18,841,498	5,482,953
Total deferred outflows of resources	35,232,461	5,988,993	-	41,221,454	6,705,119

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

STATEMENT OF NET POSITION
PROPRIETARY FUNDS (continued)
September 30, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	
LIABILITIES					
Current liabilities:					
Accounts payable and other accrued liabilities	\$ 18,157,471	\$ 1,268,940	\$ 7,480	\$ 19,433,891	\$ 4,287,625
Accrued retainage	5,060,842	156,477	-	5,217,319	-
Accrued payroll	1,165,385	392,251	641	1,558,277	431,093
Accrued interest payable	1,509,122	45,238	-	1,554,360	-
Deposits	3,381,030	-	20,000	3,401,030	-
Unearned revenue	12,041,088	-	-	12,041,088	-
Leases payable current	-	88,717	-	88,717	166,539
SBITA payable current	-	54,823	-	54,823	58,339
Compensated absences	362,436	144,775	-	507,211	113,799
Claims liability	-	-	-	-	4,849,177
Debt:					
Revenue bonds	6,815,000	370,000	-	7,185,000	-
Special assessment debt	9,995,000	-	-	9,995,000	-
Notes - direct borrowings	23,926,816	-	-	23,926,816	-
Total debt	40,736,816	370,000	-	41,106,816	-
Total current liabilities	82,414,190	2,521,221	28,121	84,963,532	9,906,572
Noncurrent liabilities:					
Compensated absences	2,318,391	714,090	-	3,032,481	758,655
Lease payable	-	59,496	-	59,496	489,344
SBITA payable	-	58,994	-	58,994	62,777
Claims liability	-	-	-	-	8,819,338
Total OPEB liability	49,327,851	17,172,528	-	66,500,379	19,351,882
Net pension liability	21,809,178	6,851,926	-	28,661,104	7,453,557
Debt:					
Revenue bonds	427,073,682	11,323,825	-	438,397,507	-
Special assessment debt	147,830,648	-	-	147,830,648	-
Notes - direct borrowings	216,329,603	-	-	216,329,603	-
Commercial paper obligation	10,000,000	-	-	10,000,000	-
Total debt	801,233,933	11,323,825	-	812,557,758	-
Total noncurrent liabilities	874,689,353	36,180,859	-	910,870,212	36,935,553
Total liabilities	957,103,543	38,702,080	28,121	995,833,744	46,842,125
DEFERRED INFLOWS OF RESOURCES					
Pension related	2,208,849	693,968	-	2,902,817	754,902
OPEB related	10,257,441	3,570,928	-	13,828,369	4,024,111
Leases	-	-	486,885	486,885	-
Total deferred inflows of resources	12,466,290	4,264,896	486,885	17,218,071	4,779,013
NET POSITION					
Net investment in capital assets	472,259,301	44,216,909	1,415,932	517,892,142	2,052,491
Restricted for:					
Debt service	97,594,617	294,104	-	97,888,721	-
Deposits	3,032,577	-	-	3,032,577	-
Capital improvements	113,210,822	2,471,141	-	115,681,963	-
Renewal and replacement	6,510,848	-	-	6,510,848	-
Unrestricted	(21,508,697)	21,319,159	768,403	578,865	12,197,440
Total net position	\$ 671,099,468	\$ 68,301,313	\$ 2,184,335	\$ 741,585,116	\$ 14,249,931
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds.				(487,469)	
Net position of business-type activities				\$ 741,097,647	

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

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2024**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	
OPERATING REVENUES					
Charges for services	\$ 113,838,581	\$ 25,207,813	\$ 534,163	\$ 139,580,557	\$ 67,478,039
Other revenue	2,650,893	179,901	467,356	3,298,150	5,559,269
Total operating revenues	116,489,474	25,387,714	1,001,519	142,878,707	73,037,308
OPERATING EXPENSES					
Salaries, wages and employee benefits	30,491,928	11,692,398	3,373	42,187,699	12,906,808
Contractual services, materials and supplies	45,487,319	10,576,062	246,179	56,309,560	20,131,239
Claims and claims adjustments	-	-	-	-	37,157,285
Depreciation	43,685,814	2,873,944	30,632	46,590,390	467,224
Total operating expenses	119,665,061	25,142,404	280,184	145,087,649	70,662,556
Operating income (loss)	(3,175,587)	245,310	721,335	(2,208,942)	2,374,752
NONOPERATING REVENUES (EXPENSES)					
Non-capital federal & state grants	121,571	153,042	-	274,613	832
Investment earnings	27,635,202	3,718,234	119,670	31,473,106	3,363,895
Rents & Royalties	-	-	-	-	187,503
Interest expense	(29,250,912)	(442,274)	-	(29,693,186)	(27,057)
Debt service costs	(2,007,609)	(178,820)	-	(2,186,429)	-
Gain (loss) on sale of capital assets	(1,828,483)	212,423	-	(1,616,060)	(4,000)
Total nonoperating revenues (expenses)	(5,330,231)	3,462,605	119,670	(1,747,956)	3,521,173
Income (loss) before contributions and transfers	(8,505,818)	3,707,915	841,005	(3,956,898)	5,895,925
Capital contributions					
Capital grants	28,715,003	-	-	28,715,003	-
Special assessments	32,418,361	-	-	32,418,361	-
Impact fees and contribution in aid of construction	8,228,264	-	-	8,228,264	-
Total capital contributions	69,361,628	-	-	69,361,628	-
Transfers					
Transfers in	1,260,607	29,720	12,443	1,302,770	100,033
Transfers out	(96,462)	(623,454)	-	(719,916)	(100,533)
Total transfers	1,164,145	(593,734)	12,443	582,854	(500)
Change in net position	62,019,955	3,114,181	853,448	65,987,584	5,895,425
Total net position - beginning	609,079,513	65,187,132	1,330,887	675,597,532	8,354,506
Total net position - ending	\$ 671,099,468	\$ 68,301,313	\$ 2,184,335	\$ 741,585,116	\$ 14,249,931
Change in net position of business-type activities				\$ 65,987,584	
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds.				(407,153)	
Change in net position of business-type activities				\$ 65,580,431	

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	\$ 107,915,428	\$ 25,395,511	\$ 586,829	\$ 133,897,768	\$ 73,005,666
Cash payments for claims	-	-	-	-	(32,349,938)
Cash payments to suppliers	(31,946,982)	(8,192,555)	(123,397)	(40,262,934)	(23,865,779)
Cash payments to employees	(30,112,823)	(10,179,249)	(2,733)	(40,294,805)	(10,951,965)
Cash payments for interfund services	(9,862,226)	(2,097,915)	(122,660)	(12,082,801)	-
Net cash provided by operating activities	35,993,397	4,925,792	338,039	41,257,228	5,837,984
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Non-Capital Federal & State Grants	121,571	153,042	-	274,613	832
Transfers in	1,227,919	29,720	-	1,257,639	-
Transfers out	(94,562)	(561,323)	-	(655,885)	-
Net cash provided (used) by noncapital financing activities	1,254,928	(378,561)	-	876,367	832
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition and construction of capital assets	(127,716,636)	(9,186,048)	(1,165,565)	(138,068,249)	(1,497,117)
Proceeds on sale of capital assets	155,808	236,230	12,443	404,481	13,000
Capital grants	33,559,566	-	-	33,559,566	-
Issuance of long-term debt	258,884,890	11,984,981	-	270,869,871	-
Principal payments on long-term debt	(46,342,907)	(265,000)	-	(46,607,907)	(160,788)
Collection of special assessments	22,072,734	-	-	22,072,734	-
Transfer out for the acquisition of capital assets	(1,900)	(62,131)	-	(64,031)	(100,533)
Impact fees	5,695,299	-	-	5,695,299	-
Contribution in aid of construction	2,536,997	-	-	2,536,997	-
Interest paid	(30,412,094)	(449,028)	-	(30,861,122)	(26,716)
Rents & Royalties	-	-	-	-	187,504
Debt service costs	(1,909,948)	(178,820)	-	(2,088,768)	-
Transfer in for sale of capital assets	32,688	-	-	32,688	100,033
Net cash provided (used) by capital and related financing activities	116,554,497	2,080,184	(1,153,122)	117,481,559	(1,484,617)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment Earnings	24,481,020	3,705,598	122,741	28,309,359	3,400,606
Net cash provided by investing activities	24,481,020	3,705,598	122,741	28,309,359	3,400,606
Net increase (decrease) in cash and investments	178,283,842	10,333,013	(692,342)	187,924,513	7,754,805
Cash and investments - beginning	211,533,598	45,324,438	1,474,521	258,332,557	47,290,884
Cash and investments - ending	\$ 389,817,440	\$ 55,657,451	\$ 782,179	\$ 446,257,070	\$ 55,045,689
CLASSIFIED AS:					
Cash and investments	\$ 33,299,611	\$ 47,455,940	\$ 782,179	\$ 81,537,730	\$ 55,045,689
Restricted cash and investments	356,517,829	8,201,511	-	364,719,340	-
Total cash and investments	\$ 389,817,440	\$ 55,657,451	\$ 782,179	\$ 446,257,070	\$ 55,045,689

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

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (continued)
For the Year Ended September 30, 2024

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ (3,175,587)	\$ 245,310	\$ 721,335	\$ (2,208,942)	\$ 2,374,752
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation expense	43,685,814	2,873,944	30,632	46,590,390	467,224
(Increase) decrease in assets:					
Accounts receivable, net	(290,493)	17,821	23,990	(248,682)	(31,640)
Accounts receivable, leases	-	-	(497,662)	(497,662)	-
Intergovernmental receivable	-	(10,025)	-	(10,025)	-
Inventories	(2,345,134)	-	-	(2,345,134)	-
Prepaid items	30,409	7,469	-	37,878	(534,733)
(Increase) decrease in deferred outflows:					
Pension related	4,591,039	1,197,848	52,559	5,841,446	1,204,315
OPEB related	(7,511,570)	(2,715,192)	42,160	(10,184,602)	(3,067,730)
Increase (decrease) in liabilities:					
Accounts payable and other accrued liabilities	5,992,835	278,124	121	6,271,080	863,663
Accrued payroll	233,780	102,755	641	337,176	69,302
Compensated absences	(15,682)	7,051	-	(8,631)	11,082
Total OPEB liability	12,733,565	5,000,079	(238,661)	17,494,983	5,679,642
Net pension liability	(7,093,311)	(1,363,118)	(186,001)	(8,642,430)	(1,133,490)
Claims liability	-	-	-	-	743,877
Deposits	304,745	-	-	304,745	-
Unearned revenue	(8,588,296)	-	-	(8,588,296)	-
Increase (decrease) in deferred inflows:					
Pension earnings	2,049,490	643,901	-	2,693,391	-
Leases	-	-	486,885	486,885	-
Pension related	(184,372)	(47,633)	(2,212)	(234,217)	652,780
OPEB related	(4,423,835)	(1,312,542)	(95,748)	(5,832,125)	(1,461,060)
Total adjustments	39,168,984	4,680,482	(383,296)	43,466,170	3,463,232
Net cash provided by operating activities	\$ 35,993,397	\$ 4,925,792	\$ 338,039	\$ 41,257,228	\$ 5,837,984
Supplemental disclosure of noncash investing, capital, and financing activities:					
Increase in fair value of investments	\$ 4,945,523	\$ 955,357	\$ 47,880	\$ 5,948,760	\$ 1,482,128
Capital Related accounts payable and retainage payable	20,129,030	883,199	-	21,012,229	-
Subscription based IT arrangements	-	168,271	-	168,271	-
Right to use lease arrangement	-	7,056	-	7,056	179,061

**STATEMENT OF NET POSITION
FIDUCIARY FUNDS
September 30, 2024**

	Pension Trust Funds
ASSETS	
Cash and cash equivalents	\$ 26,122,204
Receivables:	
Member contributions	2,889
Employer contributions	613
Due from brokers	208,883
Interest receivable	557,435
Total receivables	<u>769,820</u>
Investments, at fair value:	
US Government Obligations and Federal Agency Guaranteed Securities	17,884,510
Corporate Bonds	7,798,964
Certificates of deposit	1,159,264
Stocks	214,520,485
Mutual and ETF funds:	
Equity	278,240,155
Fixed income	37,842,075
Pooled/common/commingled funds/partnerships:	
Fixed income	141,201,217
Equity	110,085,019
Real Estate	207,357,461
Total investments	<u>1,016,089,150</u>
Total assets	<u>1,042,981,174</u>
LIABILITIES	
Accounts payable	684,793
Due to broker for securities purchased	310,582
Member contributions payable	74,245
Prepaid contributions	24,175
Total liabilities	<u>1,093,795</u>
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 1,041,887,379</u>

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

**STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2024**

	Pension Trust Funds
ADDITIONS	
Contributions:	
Employer	\$ 40,588,863
Plan members	11,895,665
Member buybacks	169,243
State of Florida	5,760,966
Total contributions	<u>58,414,737</u>
Investment income	
Investment income	27,523,480
Net appreciation in fair value of investments	124,074,280
Less: investment expenses	<u>(2,837,455)</u>
Net Investment Income	<u>148,760,305</u>
Total additions	<u>207,175,042</u>
DEDUCTIONS	
Benefits and refunds	53,430,334
Administrative expenses	<u>733,984</u>
Total deductions	<u>54,164,318</u>
Net increase in net position	153,010,724
Net position - beginning	<u>888,876,655</u>
Net position - ending	<u>\$ 1,041,887,379</u>

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



Notes to Financial Statements



NOTES TO THE FINANCIAL STATEMENTS

September 30, 2024

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NOTES TO THE FINANCIAL STATEMENTS

NOTE I. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization

The City of Cape Coral, Florida (the City) was incorporated in 1970 pursuant to the laws of Florida, Chapter 70-623. The City operates under the Council-Manager form of government, which is comprised of an elected City Council (eight members) including an elected Mayor, and a City Manager appointed by the City Council. The City provides the following services: public safety (police, fire, building and code enforcement), recreation, cultural, community development, transportation, planning and zoning, water, wastewater, reclaimed water services, stormwater utility services, and general administrative services.

For financial reporting purposes, the accompanying financial statements include all the operations of the City for which the City is financially accountable. The City is financially accountable for organizations that make up its legal entity, as well as legally separate organizations that meet certain criteria. The criteria for inclusion in the reporting entity entails those cases where the City or its officials appoint a voting majority of an organization's governing body and is able to impose its will on the organization, or there is a potential for the organization to provide specific financial benefits or burdens to the City.

The blended component unit, although a legally separate entity, in substance, is part of the government's operations. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended component unit. The Cape Coral Community Redevelopment Agency (CRA) was created in 1986 by Ordinance 51-87 of the City of Cape Coral, Florida, pursuant to Section 163.356 of the Florida Statutes. The City Council appoints the CRA's Board of Directors. The CRA provides services for the benefit of the City. The CRA's projects result in capital assets (mainly infrastructure) being owned by the City. The CRA's transactions are recorded and reported by the City. Beginning with fiscal year 2020, the CRA began issuing a separate annual financial report for the CRA's operations. The financial statements for the CRA may be obtained through the Financial Services Department of the City of Cape Coral, 1015 Cultural Park Blvd., Cape Coral, FL 33990.

Discretely presented component unit. The Cape Coral Charter School Authority (Authority) was created for the purpose of operating and managing, on behalf of the City, all charter schools for which a charter is held by the City. The powers of the Authority are exercised through a governing board, known as the Cape Coral Charter School Authority Board, which provides governance of the charter schools. There are ten (10) members of the governing board. The members of the Board are as follows: A City Councilmember, a member from the business community, a member from the education community, and three (3) members from the community at large that shall be appointed by the City Council. Parent members from each school shall be chosen by and from parent organizations. The positions on the board for parents from each charter school are considered to be "ex officio" and one non-voting member. According to Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus*, the Authority is reported as a discretely presented component unit because it is legally separate, the City Council appoints a majority of the Authority's board members, and the City can modify and approve the Authority's budget. In addition, all debt issuances must be approved by the City Council.

The Cape Coral Charter School Authority was audited by independent auditors for the fiscal year ended June 30, 2024, and their report dated September 19, 2024, was previously issued under separate cover. The financial statements for the Authority may be obtained through the Financial Services Department of the City of Cape Coral, 1015 Cultural Park Blvd., Cape Coral, FL 33990.

2. Related Organization

The City's officials are responsible for appointing the members of the Board of the City of Cape Coral Health Facilities Authority. The City's accountability for this organization does not extend beyond making these appointments; therefore, there is no blended or discrete financial presentation for this entity.

3. Summary of Significant Accounting Policies

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

Basic Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements along with the notes to the financial statements. The focus of the financial statements is on either the City as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. In the Statement of Net Position, both the governmental and business-type activities columns are reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. Government-wide financial statements report information on all of the non-fiduciary activities of the City.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function (Public Safety, Parks and Recreation, etc.). Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The Statement of Activities reflects both the gross and net costs per function (Public Safety, Parks and Recreation, etc.) which are otherwise being supported by general government revenues (property taxes, franchise fees, gas taxes, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer, stormwater, and various other functions of the government.

This government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The emphasis of the fund financial statements is on the major funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns and the nonmajor funds are summarized into a single column.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Since the fiduciary funds' assets are being held for the benefit of a third-party (other local governments and other entities) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities of the government-wide presentation.

The focus of the GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, is on the City as a whole and the fund financial statements. The focus of

the fund financial statements is on the major funds of the governmental and business-type activities. Each presentation provides valuable information that can be analyzed to enhance the usefulness of the information.

Basis of accounting refers to when revenue and expenditures/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 government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis of accounting.

A. Accrual:

Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund that include charges for services and user fees. Operating expenses represent the cost of operations, which includes depreciation. Non-operating revenues and expenses are not related to the operations of the proprietary fund and include interest earnings and gain and loss on sale of capital assets.

B. Modified Accrual:

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e. both measurable and available). "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days after year-end. Primary revenue sources that have been treated as susceptible to accrual include intergovernmental revenue, franchise fees, communication taxes and charges for services, when material. Property taxes are accounted for when measurable and available as described in Note II. Grant revenue is considered earned and is accrued when all eligibility requirements are met.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions (the City may act as either provider or recipient), the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met should, under most circumstances, be reported as advances by the provider and unearned revenue by the recipient.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, as under accrual accounting. Exceptions to this general rule include principal and interest on general obligation long-term debt, as well as expenditures related to compensated absences and claims and judgments which are recognized when due.

Basis of Presentation

The financial transactions of the City are recorded in individual funds. The operations for 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 equity/net position, revenues, and expenditures/expenses. 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.

GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City's major funds are presented in separate columns on the governmental fund financial statement and the proprietary fund financial statement. The funds that do not meet the criteria of a major fund are considered nonmajor funds and are combined into a single column in the fund financial statements and detailed in the combining section.

The following major funds are used by the City:

A. Governmental Funds:

The focus of Governmental Fund measurement (in the Fund Financial Statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The following is a description of the major Governmental Funds of the City:

- a. **General Fund** is the general operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.
- b. **Fire Fund** is a special revenue fund used to account for the City's collection of the Fire Service Assessment, operations of the City Fire Department and Fire Grants.
- c. **Solid Waste** is a special revenue fund used to account for the City's collection and payment of solid waste fees.
- d. **General Obligation Fund** is a capital projects fund used to account for parks capital projects paid for by general obligation debt.

B. Proprietary Funds:

The City of Cape Coral maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to account for activity for which a fee is charged to external users for goods or services. In the government-wide financial statements the enterprise funds are presented as business-type activities. Internal service funds are used to account for activity that provide goods or services to other funds, departments or agencies of the primary government and its component units on a cost-reimbursement basis. Five internal service funds are utilized: 1) The Risk Management Fund is used to account for the City's risk management activity for workers compensation, auto liability, property and contents losses, and general liability. 2) The Facilities Management Fund is used to account for the costs of operation for the repair and maintenance of city owned/leased buildings. 3) The Fleet Management Fund is used to account for the costs of operation for the repair and maintenance of city owned/leased vehicles and equipment. 4) The Self-Funded Health Insurance Fund is used to account for the self-funded medical insurance plan. 5) The Project Management Fund is used to account for the costs of managing capital projects citywide. The internal service funds have been included within governmental-type activities in the government-wide financial statements because they primarily benefit governmental funds.

The focus of proprietary fund measurement is based upon determination of operating income, changes in net position, financial position, and cash flows, which is similar to businesses.

The following is a description of the major proprietary funds of the City:

- a. **Water and Sewer Fund** is used to account for the activities of the City's water and sewer utility programs. This includes special assessments, impact fees, contribution in aid of construction (CIAC), capital facility expansion charge (CFEC), etc. Activity for only water and sewer operations can be found in Note 12: Segment Information.
- b. **Stormwater Fund** is used to account for the activities of the City's stormwater drainage program in compliance with the Environmental Protection Agency, and local and state regulations.

C. Other Funds:

Additionally, the City reports the following funds:

- a. **Pension Trust Funds** are used to account for three defined benefit plans which accumulate resources for pension benefit payments to its employees/retirees.

Assets, Liabilities and Net Position or Equity, Revenues, and Expenditures/Expenses

A. Cash and Investments

The City maintains a cash and investment pool for use by all City funds, excluding pension funds. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and equity in pooled cash and investments. Investment earnings (which include realized and unrealized gains and losses as well as interest income) are distributed monthly to the respective funds based on the fund's cash balance. The investment earnings on the City's equity in pooled cash and investments are reported as part of the investing activities in the Statement of Cash Flows.

The City participates in three local government investment pools (LGIP), FL Prime administered by the Florida State Board of Administration (SBA), FL Class administered by Public Trust Advisors, and FL Asset Fund Trust (FLSAFE) administered by PMA Financial Network, LLC. The SBA was created by Section 218.405, Florida Statutes and FL Safe and FL Class were created pursuant to Florida Statutes 163.01.

Detailed information on allowable investments and actual holdings can be found in the detailed notes section under cash and investments.

B. Receivables

During fiscal year 2024, numerous transactions occurred between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds." Any balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Accounts Receivable - The General Fund accounts receivable includes gas, electric and solid waste franchise fees, public service tax, and other miscellaneous receivables. The other governmental funds accounts receivable includes Lake Kennedy Racquet Center operations, Golf Course operations, lot mowing assessments, and miscellaneous receivables.

Assessments Receivable - The City levies a special assessment against benefited property owners for construction of water, wastewater, and irrigation utility extension in certain areas of the City. In addition, the City levies a fire services assessment to fund fire-rescue services. The City utilizes the uniform collection method for collecting the assessments. The receivable reported is the assessment amount that has a lien and is unpaid. There are no unbilled receivables for governmental activities and \$259,192,703 for business-type activities.

Lease Receivable - The General Fund lease receivable includes annual leases for land, building and infrastructure.

Intergovernmental Receivable - The General Fund intergovernmental receivable includes communication service and half cent taxes, police task force reimbursements, alcoholic beverage license fees, state fuel tax rebates, and county-collected revenues. Intergovernmental receivables also include grant reimbursements from various agencies of the state of Florida and Lee County. A receivable from the component unit Cape Coral Charter School Authority of \$511,917 is also included.

The other governmental funds intergovernmental receivables consist of Opioid Settlement funds and fuel tax collections from the state, and collections due from the Lee County Tax Collector and the Lee County Clerk of Courts. Intergovernmental receivables also include grant reimbursements from the Federal government, various state agencies, and Lee County.

All trade receivables are reported net of an allowance for uncollectible amounts. Uncollectible amounts are defined as any account that is greater than or equal to 120 days delinquent from the general ledger date. Additionally, 1% of receivables less than 120 days are considered uncollectible.

Noncurrent portions of interfund receivables classified as advances between funds, as reported in the fund financial statements, are classified as non-spendable fund balance in the applicable governmental

funds, indicating that they do not constitute expendable available financial resources, and therefore are not available for appropriation.

C. Inventories and Prepaid Items

Inventories, consisting primarily of expendable supplies held for consumption, are stated at either weighted average or cost (first-in, first-out method). The City utilizes the consumption method of accounting, which provides that expenditures are recognized when inventory is used. The General Fund maintains inventories for fuel, restaurant and food supplies, and items for resale. The water and sewer fund maintains inventories of materials and parts.

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

D. Capital Assets

Capital assets include property, buildings, improvements other than buildings, equipment, infrastructure, and certain intangible assets. Infrastructure assets are defined as public domain capital assets such as roads, bridges, sidewalks, traffic signals, and similar items that are immovable and of value only to the governmental unit. Capital assets are reported in the government-wide financial statements in the applicable governmental or business-type activities columns, as well as the proprietary fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and a useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized but are expensed as incurred.

Capital assets are depreciated using the straight-line method over the estimated useful lives of the related assets. The ranges of the useful lives are as follows:

Asset	Years
Buildings	20-40
Improvements other than buildings	10-20
Equipment	3-10
Intangibles	3
Infrastructure	
Traffic signals	15
Parking Lots	20
Roads	30
Sidewalks	30
Bridges	40
Utility extension lines	40

E. Leases and Subscription-based Information Technology Arrangements (SBITA)

Leases: The City is a lessee for noncancellable leases of buildings and equipment. The City recognizes a lease liability and an intangible right-to-use leased asset in the government-wide financial statements. Leased assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain



initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the term of the lease.

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

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are comprised of fixed payments and any purchase option price that the City is reasonably certain to exercise. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used. The incremental borrowing rate is the rate that the City would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Variable payments that depend on an index or a rate (such as the Consumer Price Index or a market interest rate) are initially measured using the index or rate as of the commencement of the lease term.

Subscription-based Information Technology Arrangements (SBITA): The City has entered into Subscription-Based Information Technology Arrangements with various software providers. In May 2020, GASB introduced a new standard, Statement No 96 *Subscription-based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which a government has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will *not* exercise that option).

Under this Statement, the City recognizes a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability at the commencement of the subscription term, when the subscription asset is placed into service. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate the SBITA vendor charges the City, which may be implicit, or the City's incremental borrowing rate if the interest rate is not readily determinable. The City recognizes amortization of the discount on the subscription liability as an outflow of resources (interest expense) in subsequent financial reporting periods.

F. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then.

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

The City has the following deferred outflows/inflows:

- ◆ Deferred charge (gain/loss) on refunding - reported in the government-wide statements of net position. A deferred charge on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price, and amortized over the shorter of the life of the refunded or refunding debt.
- ◆ Unavailable revenue - the sources of unavailable revenue are related to grant reimbursements. These amounts are deferred and recognized as inflow of resources in the period that the amounts become available.
- ◆ Leases – deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date, recognizing the deferred revenue over the term of the lease.
- ◆ Pension Investment earnings - difference between projected and actual earnings on investments. These amounts will be recognized as reductions in pension expense in future years.
- ◆ Pension and OPEB Experience - differences between expected and actual experience with regard to economic or demographic factors. These amounts are amortized to pension and OPEB expense over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions.
- ◆ Pension and OPEB Assumptions - changes in actuarial assumptions about future economic or demographic factors.
- ◆ Pension and OPEB benefit payments subsequent to measurement date.

G. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused paid time off benefits, which will be paid to employees upon separation from City service if they meet certain criteria. Compensated absences are accrued and reported in the proprietary funds and governmental-wide financial statements; and is a reconciling item between the governmental funds and the government- wide presentation.

H. Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. At fiscal year-end, \$19,351,882 of internal service funds total OPEB liability is included in the governmental activities total. The remainder of the total OPEB liability in the governmental activities is generally liquidated by the general fund. At fiscal year-end, \$7,453,557 of internal service funds net pension liability is included in the governmental activities total. The remainder of the net pension liability in the governmental activities is generally liquidated by the general fund.

I. Bond Discounts/Premiums, Issuance Costs, and Insurance Costs

In governmental funds the face amount of debt issued is reported as other financing sources. Issuance costs, bond premiums and discounts, whether withheld from the actual debt proceeds received, are reported as other financing sources (uses).

In the government-wide financial statements and proprietary funds, bond premiums and discounts, and bond insurance costs, are amortized over the life of the bonds using the straight-line method, which does not result in a material difference from the effective interest method. The deferred gain and loss are amortized over the shorter of the original life or the life of the new debt. The face amount of the debt issued is reported net of bond premiums and discounts whereas insurance costs are recorded as other assets.

J. Utility Capital Expansion Fee

The City utilizes utility capital expansion fees as a means for funding capital expansion required to meet system demands resulting from growth. These fees are recorded as capital contributions revenue in the proprietary funds when charged.

K. Special Assessments

The City levies the following special assessments against benefited property owners: governmental activities include fire rescue, lot mowing and solid waste services; and business-type activities include construction of water, wastewater, irrigation utility extension and stormwater fees.

L. Unearned Revenue

Unearned revenue recorded in the General Fund relates to planned development project fees and planning and zoning fees collected at time of application that are not earned until next fiscal year, school resource officer contracts, and tower lease payments.

Unearned revenue recorded in the other governmental funds relate to fees collected at permit issue date for residential and commercial construction that are not earned until next fiscal year, lot mowing fees, golf memberships and prepaid fees, prepayment of parks and recreation class registration fees, special events and memberships, and business taxes.

Unearned revenue recorded in the water and sewer enterprise fund is related to funds received from the American Rescue Plan Act (ARPA) that will be used in fiscal year 2025 to fund utility infrastructure improvements.

M. Intergovernmental Allocation of Administrative Expenses

The General Fund incurs certain administrative expenses for other funds, including accounting, legal, data processing, personnel administration, and other services. The governmental funds that received these services were charged \$6,957,817 for fiscal year 2024. These amounts are eliminated in the Statement of Activities. The enterprise funds that received these services were charged \$7,178,414 for fiscal year 2024. These amounts are recorded as revenue in the General Fund and operating expenses in the enterprise funds.

N. State Pension Contributions

The State of Florida makes contributions from taxes on casualty insurance premiums. The State of Florida's contribution to the Municipal Police Officers' Plan for the year ended September 30, 2024 was \$2,830,113. The State of Florida's contribution to the Municipal Firefighters' Plan for the year ended September 30, 2024 was \$3,375,001. The City recognized these on-behalf payments from the state as revenues and expenditures in the governmental fund financial statements.

O. Fund Balance

Beginning with fiscal year 2011, the City implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints.

Non-Spendable Fund Balance - Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as the long-term amount of loans, notes receivable and advances, as well as property acquired for resale.

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

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 be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally, which is by resolution.

Assigned Fund Balance - Portion that reflects a government's intended use of resources. Such intent must be established by the Finance Director pursuant to the Financial Management Policies (Resolution 334-24) approved by City Council. Assigned fund balance also includes spendable fund balance amounts established by management of the City that are intended to be used for specific purposes that are neither considered restricted nor committed.

Unassigned Fund Balance - Unassigned fund balance is the residual classification for the General Fund. This classification represents a fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

Unrestricted Fund Balance - The total of committed fund balance, assigned fund balance, and unassigned fund balance.

The City spends restricted amounts first when both restricted and unrestricted fund balance are available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

In the General Fund, the City strives to maintain a committed balance of two months, with a goal of three months operating expenditures of the General Fund. This is the target that the committed fund balance should not fall below without establishing a replenishment plan. Detailed information on fund balances can be found in Note IV - 11: Fund Balances.

P. Net Position

Net position of the government-wide and proprietary funds is categorized as net investment in capital assets, restricted or unrestricted. The first category represents net position related to capital assets which includes capital assets net of depreciation, debt payable, retainage payable, construction related accounts payable, unspent debt proceeds and deferred outflows of resources related to debt refunding. The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by legislation in excess of the related liabilities payable from restricted assets. The unrestricted net position category represents all other net position that does not meet the definition of "restricted" or "net investment in capital assets." When both restricted and unrestricted resources are available for use, it is the City's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

Q. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenue and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

R. Restatement of Prior Year's Net Position and Fund Balance

Effective October 1, 2023, the City reclassified the Alarm Fee and the Residential Construction Mitigation Program Special Revenue Funds to the General Fund. The funds no longer meet the criteria established in GASB statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for

State and Local Governments and Governmental Accounting, Auditing and Financial Reporting (GAAFR) that required the funds to be recorded as special revenue funds.

	09/30/2023 As Previously Reported	Change within Financial Reporting Entity	09/30/2023 As Restated
Governmental Funds			
Major Funds:			
General Fund	\$ 73,537,399	\$ 104,352	73,641,751
Nonmajor Funds	201,978,329	(104,352)	201,873,977
Total Governmental Funds	\$ 275,515,728	\$ -	\$ 275,515,728

S. Revenue Recognition – Grants

The principal types of grants and financial assistance received by the City are described below, along with the associated revenue recognition criteria.

- ◆ Expenditure-driven grants (reimbursement grants) – Based on grant availability, revenue should be recorded when qualifying expenditures have been incurred and any additional grant requirements have been met (e.g., matching, maintenance of effort, etc.).
- ◆ Entitlement and shared revenues (formula grants) – Revenue should be recorded as soon as it is measurable and available, and all eligibility criteria have been met. Revenues should only be recognized for the period they are intended to finance. Entitlements and shared revenues that are collected in a fiscal year before the fiscal year they are intended to finance should not be reported as revenue but should rather be reported as deferred revenue.
- ◆ Pass-through grants – The City may receive grants or other financial assistance to transfer or spend on behalf of other, secondary recipients. Revenue should be recognized when all eligibility requirements have been met and the resources become available which typically is considered to occur when the resources are, in fact, transmitted to their intended final recipient.

NOTE II. PROPERTY TAXES

Property taxes are levied on November 1st of each year and are due and payable upon receipt of the notice of levy. The Lee County, Florida Tax Collector’s office bills and collects property taxes on behalf of the City. The total tax rate of 5.5369 mills per \$1,000 of assessed taxable property value consists of 5.3694 mills to finance general governmental services and 0.1675 mills to finance the debt service for the General Obligation Bond approved for acquisition, construction and equipping various parks for the fiscal year ended September 30, 2024. Property tax revenue is recognized in the fiscal year for which the taxes are levied. On May 1st of each year, unpaid taxes become a lien on the property. The past due tax certificates are sold at public auction prior to June 1st, and the proceeds collected are remitted to the City.

No accruals for the property tax levy becoming due in November 2024 are included in the accompanying financial statements since such taxes are levied for the subsequent fiscal year and are not considered earned or available on September 30, 2024.

NOTE III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

1. Compliance with Finance-Related Legal and Contractual Provisions

City management believes that the City is in compliance with finance-related legal and contractual provisions.

2. Deficit Fund Balance/Net Position

The following individual funds had deficit fund balances as of September 30, 2024:

Fund	Type	Amount
Facilities Management ⁴	Internal Service	11,274,113
Project Management ⁴	Internal Service	5,618,647

1 In advance of future year tax revenues to fund capital projects.
2 The deficit is due to timing of reimbursement based grants.
3 The deficit is due to startup costs of opening a new facility. The facility was only open for the last two months of the fiscal year.
4 The deficit is a result of unfunded Pension and OPEB expenses.

NOTE IV. DETAILED NOTES

1. Cash and Investments

As of September 30, 2024, the City had the following cash and investment amounts:

Category	Fair Value
Checking and savings accounts	\$ 76,877,397
Cash on hand	9,539
Cash with fiscal agent	2,964
LGIP- FL Prime (SBA)	259,417,496
Intergovernmental Investment Pools	327,108,200
Money Market Funds	2,464,584
Investments	263,510,630
Total	<u>\$ 929,390,810</u>

A. Cash and Cash Equivalents

The City maintains a cash and investment pool that is available for use by all funds except for monies legally restricted. Investment earnings (which include realized and unrealized gains and losses as well as



interest income) are distributed monthly to the individual funds based on the fund's average cash balance as a percentage of the entire portfolio. The City's cash deposits are held by a bank that qualifies as a public depository under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes.

B. Investment Portfolio

Section 218.415, Florida Statutes, limits the types of investments that a government can invest in unless specifically authorized in an investment policy. The City adopts a comprehensive investment policy by ordinance that establishes permitted investments, asset allocation limits, issuer limits, credit rating requirements, and maturity limits to protect the City's cash and investment assets. The investment policy applies to all cash and investments held or controlled by the City with the exception of pension funds and funds related to the issuance of debt. Ordinance 23-22 amending the City's investment policy was adopted on March 16, 2022.

The fair values of the City's fixed-maturity investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in the fair values of those instruments.

As of September 30, 2024, interest receivable on the City's investment portfolio amounted to \$1,820,497.

As of September 30, 2024, the City had the following investment types and effective duration presented in terms of years:

Security Type	Fair Value	Weighted Average Duration (Years)
Corporate Notes	\$ 27,745,318	1.30
Federal Agencies - Bond/Note	879,996	1.38
US Treasury - Bond/Note	225,972,620	2.61
Municipal - Bond/Note	8,912,696	1.67
LGIP- Florida Prime (SBA)	259,417,496	0.11
Intergovernmental Investment Pool-FL Class	76,686,525	0.08
Intergovernmental Investment Pool-FL Safe	250,421,675	0.08
Money Market Funds	2,464,584	0.00
Total Fair Value	<u>\$ 852,500,910</u>	
Portfolio Weighted Average Duration		2.41

C. Fair Value of Investments

The City categorizes its investments in accordance with the requirements of the Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application by categorizing its investments according to the fair value hierarchy established by this Statement. The hierarchy is based on the valuation input used to measure the fair value of the asset with Level 1 assets being those where quoted prices in an active market for identical assets can be readily obtained, Level 2 assets valued using a matrix pricing technique of quoted prices for similar assets or liabilities in active markets, and Level 3 assets valued using significant unobservable inputs. Investments with Local Government Investment Pools (LIGP) are recorded at net asset value (NAV) per share. This method of determining fair value uses member units to which a proportionate share of net assets is attributed.

As of September 30, 2024, the City had the following investment measurements by security type:

Investment Type	Amount	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Corporate Notes	\$ 27,745,318	\$ -	\$ 27,745,318	\$ -
Federal Agencies - Bond/Note	879,996	-	879,996	-
US Treasuries - Bond/Note	225,972,620	-	225,972,620	-
Municipal Bond/Note	8,912,696	-	8,912,696	-
Total	\$ 263,510,630	\$ -	\$ 263,510,630	\$ -
Cash Equivalents Measured at Amortized Cost				
Money Market Funds	2,464,584			
Total Cash Equivalents Measured at Amortized Cost	\$ 2,464,584			
Investments Measured at Net Asset Value (NAV)				
Florida Prime	259,417,496			
Florida Safe	250,421,675			
Florida Class	76,686,525			
Total Cash Equivalents and Investments	\$ 852,500,910			

D. Interest Rate Risk

In accordance with its investment policy, the City mitigates its interest rate risk by structuring the City's portfolio so that the securities mature to meet the City's cash requirements, thereby avoiding the need to sell securities on the open market prior to their maturity; and investing primarily in shorter-term securities, unless it can be anticipated that long-term securities can be held to maturity without jeopardizing liquidity requirements.

E. Credit Risk

The City's investment policy permits the following investments, which are limited to credit quality ratings from nationally recognized rating agencies as follows:

FL Prime, FL Safe, and FL Class are all rated AAAM.

Florida Prime shall be rated AAAM by Standard & Poor's or the equivalent by another rating agency, commercial paper shall be rated, at the time of purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper). If the commercial paper is backed by a letter of credit ("LOC"), the long-term debt of the LOC provider must be rated "A" or better by at least two nationally recognized rating agencies, Bankers' Acceptances at the time of purchase, the short-term paper is rated, at a minimum, "P-1" by Moody's Investors Services and "A-1" by Standard & Poor's, and issued by a domestic bank or a federally chartered domestic office of a foreign bank, which are eligible for purchase by the Federal Reserve System.

State and/or Local Government Taxable and/or Tax-Exempt Debt must be rated at least a minimum "Aa" by Moody's and "AA" by Standard & Poor's for long-term debt or rated at least "VMIG2" by Moody's or "A-2" by Standard & Poor's for short-term debt, Registered Investment companies (Mutual Funds) must be rated AAAM by Standard & Poor's or the equivalent by another rating agency and are in open-end, no-load provided such funds are registered under the Federal Investment Company Act of 1940 and operated in accordance with 17 C.F.R. § 270.2a-7. In addition, the Financial Services Director may invest in other types of mutual funds provided such funds are registered under the Federal Investment Company Act of 1940, invest exclusively in the securities specifically permitted under this investment policy, and are similarly diversified.

Intergovernmental Investment Pools are rated AAAm by Standard & Poor's or the equivalent by another rating agency and are authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes and provided that said funds contain no derivatives, Corporate Notes shall have a minimum long-term debt rating of "A" by Moody's and "A" by Standard & Poor's, Asset-backed securities (ABS) shall be Double-A rated or better by Standard & Poor's, or the equivalent by another rating agency, and bond funds shall be Double-A rated or better by Standard & Poor's, or the equivalent by another rating agency.

As of September 30, 2024, the City had the following credit exposure as a percentage of total investments:

Security Type	Credit Risk Note	% of Portfolio	Amounts
	S&P Credit Rating		
Corporate Notes	AA+	0.48%	4,095,949
Corporate Notes	AA-	0.17%	1,449,444
Corporate Notes	AA	0.34%	2,914,292
Corporate Notes	A+	1.50%	12,814,745
Corporate Notes	A	0.76%	6,470,888
Federal Agencies - Bond/Note	AA+	0.10%	879,996
US Treasuries - Bond/Note	AA+	26.51%	225,972,620
Municipal Bond/Note	AA+	0.18%	1,549,521
Municipal Bond/Note	AA	0.54%	4,573,607
Municipal Bond/Note	AAA	0.33%	2,789,568
LGIP	AAAm	68.80%	586,525,696
Money Market Funds	AAAm	0.29%	2,464,584
Total		100.00%	\$ 852,500,910

As of September 30, 2024, the City's investment deposit in FL Prime, FL Class, and FL Asset Fund Trust (FL Safe) investment pool was \$259,417,496, \$76,686,525, \$250,421,675 respectively. These qualify as 2a7-like external investment pools. As of September 30, 2024, all pools were rated AAAm by Standard & Poor's.

F. Custodial Credit Risk

The City's investment policy, pursuant to Section 218.415(18), Florida Statutes, requires securities, except for certificates of deposits, shall be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The securities must be held in an account separate and apart from the assets of the financial institution. A third-party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts, and which is doing business in the State of Florida. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

As of September 30, 2024, the City's investment portfolio was held with a third-party custodian as required by the City's investment policy.

G. Concentration of Credit Risk

The City's investment policy has established asset allocation and issuer limits on the following investments, which are designed to reduce concentration of credit risk of the City's investment portfolio. A maximum of 60% of available funds may be invested in FL Prime, a maximum of 100% of available funds may be invested in United States Government Securities, a maximum of 50% of available funds may be invested in United States Government Agencies with no more than 25% of available funds invested in an individual United States Government agency, a maximum of 80% of available funds invested in Federal Instrumentalities with no more than 25% of available funds invested in any one issuer. A maximum of 10% of available funds may be invested in non-negotiable interest-bearing time certificates of deposit with no more than 5% of

available funds deposited with any one issuer, a maximum of 25% of available funds invested in repurchase agreements excluding one (1) business day agreements and overnight sweep agreements with no more than 10% of available funds invested with any one institution.

A maximum of 35% of available funds may be invested in prime commercial paper with no more than 10% of available funds invested with any one issuer, a maximum of 30% of available funds directly invested in Bankers' acceptances with no more than 10% of available funds invested with any one issuer. A maximum of 20% of available funds may be invested in taxable and tax-exempt debts with no more than 5% of available funds invested with any one issuer, a maximum of 25% of available funds invested in mutual funds with no more than 10% of available funds invested with any one non-SEC Rule 2a-7 investment mutual fund, a maximum of 60% of available funds invested in intergovernmental investment pools.

A maximum of 35% of available funds may be directly invested in corporate notes with no more than 5% of available funds invested with any one issuer, a maximum of 50% of available funds directly invested in corporate obligations with no more than 25% of available funds invested with any one issuer, a maximum of 20% of available funds invested in mortgage-backed securities with no more than 5% of available funds invested with any one MBS, a maximum of 20% of available funds invested in asset-backed securities with no more than 5% of available funds invested with any one ABS, a maximum of 25% of available funds invested in bond funds with no more than 10% of available funds may be invested with any one bond fund.

FL Prime has a maximum allocation limit of 60%, FL Safe and FL Class are intergovernmental investment pools with a maximum allocation limit of 60%.

As of September 30, 2024, the City's pension funds had the following investment types and effective duration presented in terms of years:

General Employees' Pension Investments

Security Type	Fair Value	Percentage of Portfolio	Weighted Average Maturity (years)
Cash and Cash Equivalents	\$ 9,002,126	1.97%	N/A
Investments:			
Stock	109,799,496	23.97%	N/A
Mutual Funds:			
Equity	29,305,471	6.40%	N/A
Fixed income	112,705	0.02%	N/A
Pooled/Common/Commingled Funds			
Fixed income	99,561,397	21.74%	N/A
Equity	72,693,597	15.87%	N/A
Real estate	137,526,740	30.03%	N/A
Total	<u>\$ 458,001,532</u>	<u>100.00%</u>	

Police Officers' Pension Investments

Security Type	Fair Value	Percentage of Portfolio	Weighted Average Maturity (years)
Cash and Cash Equivalents	\$ 9,344,225	3.24%	N/A
Investments:			
Federal agency securities	8,513,834	2.95%	3.86
Corporate Bonds	3,702,287	1.28%	12.97
Subtotal MBS, CMO, Corporate Bonds and Foreign Bonds			
Certificate of Deposit	474,479	0.16%	N/A
Mutual Funds:			
Equity	168,168,744	58.29%	N/A
Fixed income	26,542,838	9.20%	N/A
Pooled/Common/Commingled Funds:			
Equity	23,674,557	8.20%	N/A
Real Estate	29,712,077	10.30%	N/A
Fixed Income	18,423,833	6.38%	N/A
Total	<u>\$ 288,556,874</u>	<u>100.00%</u>	

Firefighters' Pension Investments

Security Type	Fair Value	Percentage of Portfolio	Weighted Average Maturity (years)
Cash and Cash Equivalents	\$ 7,775,853	2.63%	N/A
Investments:			
Federal agency securities	9,370,676	3.17%	5.07
Corporate Bonds	4,096,677	1.39%	12.72
Subtotal MBS,CMO, Corporate Bonds and Foreign Bonds			
Certificates of Deposit	684,785	0.23%	N/A
Stock	104,720,989	35.42%	N/A
Mutual Funds:			
Equity	80,765,940	27.32%	N/A
Fixed income	11,186,532	3.78%	N/A
Pooled/Common/Commingled Funds:			
Equity	13,716,865	4.64%	N/A
Fixed Income	23,215,987	7.85%	N/A
Real Estate	40,118,644	13.57%	N/A
Total	<u>\$ 295,652,948</u>	<u>100.00%</u>	

H. Interest Rate Risk

The investment policies for the pension funds do not address interest rate risk. The pension funds utilize "effective duration" as a measurement of interest rate risk.

I. Credit Risk

As of September 30, 2024, the Pension Funds had the following credit exposure as a percentage of total fixed income investments:

Standard & Poor's Credit Rating	General Employees'	Police Officers'	Firefighters'
AAA	N/A	0.92%	2.05%
AA+	N/A	9.00%	14.47%
AA-	N/A	0.81%	1.23%
A+	N/A	0.62%	1.13%
A	N/A	1.59%	2.79%
A-	N/A	2.01%	3.45%
BBB+	N/A	1.94%	3.47%
BBB	N/A	1.24%	2.21%
BBB-	N/A	0.33%	0.57%
not rated	100.00%	81.54%	68.63%
Total	100.00%	100.00%	100.00%



The following lists investments that represent 5% or more of the Plan's fiduciary net position as of September 30, 2024:

General Employees' Pension Investments

Investment	Amount
Fidelity Core Plus Commingled Pool	\$ 47,136,413
Arrowstreet international Equity	39,852,427
Wells Fargo Capital Management	29,835,512
FIAM Tactical Bond	26,346,061
Infrastructure Investments Fund	23,930,895
Total	<u>\$ 167,101,308</u>

Police Officers' Pension Investments

Investment	Amount
American Core Reality Fund	\$ 19,245,457
Rhumblin Russell 1000 Pooled Index Fund	35,188,980
Total	<u>\$ 54,434,437</u>

Firefighters' Pension Investments

Investment	Amount
ARA Core Property Fund	\$ 19,086,916
Vanguard Small Cap Index Fund	27,838,573
Total	<u>\$ 46,925,489</u>

J. Fair Value Measurement

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan had the following recurring fair value measurements comprised of investments as of September 30, 2024:

General Employees' Pension Investments

	Fair Value	Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investment by Fair Value Level			
Investments:			
Stocks	\$ 109,799,496	\$ 109,799,496	\$ -
Mutual Funds:			
Equity	29,305,471	29,305,471	-
Fixed income	112,705	112,705	-
Total	<u>\$ 139,217,672</u>	<u>\$ 139,217,672</u>	<u>\$ -</u>
Investment Measured at Net Asset Value (NAV)			
Pooled/common/commingled funds	\$ 309,781,734		
Total Investments Measured at NAV			
Total Investments Measured at Fair Value	<u>448,999,406</u>		
Investments Measured at Amortized Cost			
Money Market Funds and Short-Term Cash	9,002,126		
Total cash, cash equivalents, and investments	<u>\$ 458,001,532</u>		

Police Officers' Pension Investments

	Fair Value	Fair Value Measurements Using	
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investment by Fair Value Level			
U.S. Government Obligations and Federal Agency Securities	\$ 8,513,834	\$ -	\$ 8,513,834
Corporate Bonds	3,702,287	-	3,702,287
Mutual Funds:			
Fixed Income	26,542,838	26,542,838	-
Equity	168,168,744	168,168,744	-
	<u>\$ 206,927,703</u>	<u>\$ 194,711,582</u>	<u>\$ 12,216,121</u>
Investment Measured at Net Asset Value (NAV)			
Pooled/common/commingled funds			
Equity Index Funds	\$ 23,674,557		
Real Estate Commingled Funds	29,712,077		
Fixed Income	18,423,833		
Total Investments Measured at NAV	<u>71,810,467</u>		
Total Investments Measured at Fair Value	<u>278,738,170</u>		
Investments Measured at Amortized Cost			
Money Market Funds and Other Short-Term Cash	9,344,225		
Certificates of Deposit	474,479		
Total cash, cash equivalents, and investments	<u>\$ 288,556,874</u>		

Firefighters' Pension Investments

		Fair Value Measurements Using	
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investment by Fair Value Level			
U.S. Government Obligations and Federal Agency Securities	\$ 9,370,676	-	\$ 9,370,676
Corporate Bonds	4,096,677	-	4,096,677
Stocks	104,720,989	104,720,989	-
Mutual Funds:			
Fixed Income	11,186,532	11,186,532	-
Equity	80,765,940	80,765,940	-
	<u>\$ 210,140,814</u>	<u>\$ 196,673,461</u>	<u>\$ 13,467,353</u>
Investment Measured at Net Asset Value (NAV)			
Pooled/common/commingled funds			
Equity Index Funds	\$ 13,716,865		
Fixed Income	23,215,987		
Real Estate	40,118,644		
Total Investments Measured at NAV	<u>77,051,496</u>		
Total Investments Measured at Fair Value	<u>287,192,310</u>		
Investments Measured at Amortized Cost			
Money Market Funds and Other Short-Term Cash	7,775,853		
Certificates of Deposit	684,785		
Total cash, cash equivalents, and investments	<u>\$ 295,652,948</u>		

Debt and equity securities classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt Securities classified as Level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets. The pricing methodology involves the use of evaluation models such as matrix pricing, which is based on the securities relationship to benchmark quoted prices.

Other information for investment measured at the NAV or its equivalent follows:**General Employees' Pension Investments**

	Fair Value
Pooled/Common/Commingled Funds	
Equity	\$ 72,693,597
Fixed Income	99,561,397
Real Estate	137,526,740
Total Pooled/Common/Commingled Funds	309,781,734
Partnerships	
Total Investments Measured at the NAV	\$ 309,781,734

Unfunded commitments total \$15,723,254. Most investments have daily redemptions with a 0 to 90 day notice.

Police Officers' Pension Investments

	FairValue
Pooled/Common/Commingled Funds	
Equity Index Funds	\$ 23,674,557
Real Estate Commingled Funds	29,712,077
Fixed income	18,423,833
Total Investments Measured at the NAV	\$ 71,810,467

Unfunded commitments total \$7,000,000. Most investments have daily redemptions with a 0 to 90 day notice.

Firefighters' Pension Investments

	FairValue
Pooled/Common/Commingled Funds	
Equity Index Funds	\$ 13,716,865
Fixed Income	23,215,987
Real Estate	40,118,644
Total Investments Measured at the NAV	\$ 77,051,496

Unfunded commitments total \$11,381,384. Most investments have daily redemptions with a 0 to 90 day notice.

K. Custodial Credit Risk

The pension funds' investment policy, pursuant to Section 112.661(10), Florida Statutes, states that securities should be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the Pension Funds should be properly designated as an asset of the Pension Fund.

As of September 30, 2024, the pension funds' investment portfolio was held with a third-party custodian as required by Florida Statute.

L. Concentration of Credit Risk

The pension funds' investment policy has established asset allocation and issuer limits which are designed to reduce concentration of credit risk of the pension funds' investment portfolio.

2. Restricted Cash and Investments

Restricted cash and investments of the proprietary funds represent resources restricted for capital improvements, debt service, renewal and replacement, and deposits.

	Water and Sewer	Stormwater
Debt service	\$ 74,922,521	\$ -
Capital improvements	272,051,882	8,201,511
Renewal and replacement	6,510,849	-
Deposits	3,032,577	-
Total restricted cash and investments	<u>\$ 356,517,829</u>	<u>\$ 8,201,511</u>

3. Accounts and Assessments Receivable

The composition of accounts and assessments receivable as of September 30, 2024 is as follows:

Governmental activities:

	General Fund	Fire	Solid Waste	Other Governmental Funds	Total
Unrestricted:					
Interest	\$ 499,921	\$ -	\$ -	\$ 206,186	\$ 706,107
Gross assessments receivable ¹	-	3,127	353	891	4,371
Less: allowance for uncollectibles	-	(3,127)	(353)	(891)	(4,371)
Intergovernmental ²	5,841,683	498,592	96,690	5,614,096	12,051,061
Gross accounts receivable	3,015,020	-	-	428,127	3,443,147
Less: allowance for uncollectibles	-	-	-	(2,942)	(2,942)
Notes Receivable	15,292	-	-	539,534	554,826
Lease receivable	1,351,218	-	-	3,250,826	4,602,044
Total net unrestricted	<u>\$ 10,723,134</u>	<u>\$ 498,592</u>	<u>\$ 96,690</u>	<u>\$ 10,035,827</u>	<u>\$ 21,354,243</u>

¹ The amortized assessment is collected pursuant to the Uniform Assessment Collection Act under Florida Statutes 197.3632 and 197.3635. The Uniform collection method offers the City the greatest assurance of collecting all of its billed special assessment revenue. For financial statement reporting, the receivable is recorded at the time of the levy which is each year when the assessment is billed on the tax roll and the enforceable legal claim arises. The total original tax billed assessment for all projects is \$76,434,322. As of September 30, 2024, there are no unbilled amounts.

² Intergovernmental receivables in Other Governmental Funds includes a receivable for a \$2,685,140 allocation of Opioid Settlement funds. The City has decided not to estimate an allowance for uncollectible accounts as there is no historical information to serve as a basis for calculation. Further, as there are currently no apparent going concern issues for the entities involved, the City believes it reasonable to expect full collection. The City will monitor the situation and review this expectation each year.

Business-type activities:

	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	Governmental Activities - Internal Service Funds
Unrestricted:					
Interest	\$ 157,484	\$ 121,977	\$ 3,568	\$ 283,029	\$ 150,544
Intergovernmental	-	107,964	-	107,964	-
Gross accounts receivable	14,064,636 ¹	90,284	-	14,154,920	89,649
Less: allowance for uncollectibles	(1,718,733) ²	(56,073)	-	(1,774,806)	(17)
Lease receivable ⁴	-	-	497,662	497,662	-
Total net unrestricted	12,503,387	264,152	501,230	13,268,769	240,176
Restricted:					
Interest	680,817	-	-	680,817	-
Intergovernmental	14,907,568	-	-	14,907,568	-
Gross accounts receivable	80,502 ³	-	-	80,502	-
Less: allowance for uncollectibles	(2,576) ²	-	-	(2,576)	-
Gross assessments receivable	973,376 ³	-	-	973,376	-
Less: allowance for uncollectibles	(7,044) ²	-	-	(7,044)	-
Total net restricted	16,632,643	-	-	16,632,643	-
Total net receivables	\$ 29,136,030	\$ 264,152	\$ 501,230	\$ 29,901,412	\$ 240,176

¹ Includes unbilled receivables of \$5,901,216.

² The City bills users for water and sewer services monthly; before the end of each fiscal year the allowance for uncollectibles is adjusted to include all unpaid balances over 120 days past due. City policy states all finaled accounts 60 days past due are sent to a collection agency.

³ The City monitors the accounts on a monthly basis. As of September 30, 2024, the delinquent amounts were \$8,172 for assessments and \$1,895 for CIAC loans.

Unbilled Assessments:

The City levies a special assessment against benefited property owners for construction of water, wastewater and irrigation utility extensions in certain areas of the City. The City utilizes the Uniform Collection Act under Florida Statutes 197.3632 and 197.3635 for collecting assessments. The Uniform Assessment Collection Act authorizes the collection of non-ad valorem assessments on the same tax bill as ad valorem taxes, therefore offering the City the greatest assurance of collecting all of its billed special assessment revenue. The receivable is recorded at the time of the levy, which is when the annual assessment installment is billed on the tax roll and the enforceable legal claim arises. Property owners may pay off their assessment at any time during the repayment period. As of September 30, 2024, the estimated annual assessments and interest that remain unbilled and do not have a lien recorded are as follows:

Year Ending September 30,	Special Assessments	
	Principal	Interest
2025	\$ 20,697,768	\$ 9,271,645
2026	19,248,454	8,877,466
2027	17,674,721	8,439,205
2028	14,603,920	8,126,370
2029	12,486,641	7,895,739
2030-2034	62,433,376	36,259,090
2035-2039	44,539,408	30,612,583
2040-2044	22,545,220	23,641,158
2045-2049	22,545,220	16,120,559
2050-2054	22,417,975	6,050,161
Total	\$ 259,192,703	\$ 155,293,976

4. Lease Receivables

The City leases land, building, and infrastructure to third parties. As of September 30, 2024, the City's lease receivables were valued at \$5,099,706 and the deferred inflow of resources associated with these leases that will be recognized as revenue over the term of the leases was \$5,004,253. The lease receivables for Governmental and Business-type activities at September 30, 2024 were as follows:

Governmental Activities

Land leases - annual lease payments totaling \$116,061 plus interest at a rate ranging from 0.316% to 4.118%, due dates ranging from October 01, 2024 to September 30, 2051.	\$ 1,407,811
Building leases - annual lease payments totaling \$1,727,543 plus interest at a rate of 1.059% to 2.580% due dates ranging from October 1, 2024 to June 1, 2026.	3,042,108
Infrastructure leases - annual lease payments totaling \$41,932 plus interest at a rate ranging from 0.387% to 2.230%, due dates ranging from October 1, 2024 to April 30, 2039.	152,125
Total Governmental Activities Lease Receivables	<u>\$ 4,602,044</u>

Business-type Activities

Land lease - annual lease payments totaling \$43,008 plus interest at a rate of 2.76%, due dates ranging from October 1, 2024 to September 23, 2033.	<u>\$ 497,662</u>
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The payments for the lease receivables are expected to be received in the subsequent years as follows:

Fiscal Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 1,929,646	\$ 63,131	\$ 43,008	\$ 13,198
2026	1,483,780	37,484	45,917	11,975
2027	145,134	26,624	48,960	10,669
2028	122,802	22,792	52,140	9,278
2029	65,831	19,381	55,463	7,798
2030 - 2034	311,052	69,987	252,174	14,447
2035 - 2039	259,824	19,258	-	-
2040 - 2044	111,166	3,834	-	-
2045 - 2049	123,045	1,955	-	-
2050 - 2052	49,764	236	-	-
	<u>\$ 4,602,044</u>	<u>\$ 264,682</u>	<u>\$ 497,662</u>	<u>\$ 67,365</u>

5. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of September 30, 2024 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Purpose for Balance	Amount
General	Other governmental (CDBG)	Awaiting grant reimbursement	\$ 511,106
	Other governmental (Development Svcs Grants)	Awaiting grant reimbursement	100,000
	Other governmental (HUD NSP)	Awaiting grant reimbursement	94,460
	Other governmental (Police Grants)	Awaiting grant reimbursement	319,515
	Other governmental (Lake Kennedy Racquet Center)	Start up costs	356,234
Total			<u>\$ 1,381,315</u>

Advances to/from other funds:

Receivable Fund	Payable Fund	Purpose for Balance	Amount
General	Other governmental (CRA) ¹	The Cove at 47th	<u>\$ 8,401,407</u>

¹ Annual payments will be made at 1.5% interest for a 10 year period.

Interfund Transfers:

Transfers Out	Transfers In								Total
	General Fund	Fire	General Obligation Fund	Other Governmental Funds	Water and Sewer Funds	Stormwater	Other Enterprise	Internal Service Funds	
General Fund	\$ -	\$ 22,120,971	\$ 22,461,575	\$ 25,958,912	\$ -	\$ 29,720	\$ -	\$ 3,500	\$ 70,574,678
Fire	472,393	-	-	3,470,396	-	-	-	-	3,942,789
Other Governmental	5,093,011	-	6,000,000	55,709,057	666,596	-	-	-	67,468,664
Water & Sewer	-	-	-	94,562	-	-	-	1,900	96,462
Stormwater	17,000	-	-	-	594,011	-	12,443	-	623,454
Internal Service Fund	5,900	-	-	-	-	-	-	94,633	100,533
Total	<u>\$ 5,588,304</u>	<u>\$ 22,120,971</u>	<u>\$ 28,461,575</u>	<u>\$ 85,232,927</u>	<u>\$ 1,260,607</u>	<u>\$ 29,720</u>	<u>\$ 12,443</u>	<u>\$ 100,033</u>	<u>\$ 142,806,580</u>

All transfers are used to either transfer revenue from the fund that the statute or budget requires to collect them, to the fund that the statute or budget requires to expend them; transfer receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; or use unrestricted revenue collected in the general fund to finance various programs, capital projects and improvements, accounted for in other funds in accordance with budgetary authorization.

6. Capital Assets

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

	Beginning Balance	Increases and Transfers In	Decreases and Transfers Out	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land				
Governmental	\$ 163,535,978	\$ 2,814,416	\$ -	\$ 166,350,394
Construction in progress				
Governmental	79,006,003	78,298,028	(2,265,632)	155,038,399
Internal Service	100,587	503,044	(59,078)	544,553
Total construction in progress	79,106,590	78,801,072	(2,324,710)	155,582,952
Total capital assets, not being depreciated	242,642,568	81,615,488	(2,324,710)	321,933,346
Capital assets, being depreciated:				
Buildings				
Governmental	146,478,035	47,692	(908,852)	145,616,875
Internal Service	907,624	-	-	907,624
Total buildings	147,385,659	47,692	(908,852)	146,524,499
Right to use - buildings				
Governmental	190,536	619,527	(4,044)	806,019
Total right to use -buildings	190,536	619,527	(4,044)	806,019
Improvements other than buildings				
Governmental	85,487,879	301,804	(1,910,952)	83,878,731
Internal Service	63,796	-	-	63,796
Total improvements other than buildings	85,551,675	301,804	(1,910,952)	83,942,527
Equipment				
Governmental	63,268,358	8,737,911	(5,436,353)	66,569,916
Internal Service	2,793,998	977,872	(84,151)	3,687,719
Total equipment	66,062,356	9,715,783	(5,520,504)	70,257,635
Right to use - equipment				
Governmental	75,668	-	(10,844)	64,824
Internal Service	822,745	-	-	822,745
Total right to use - equipment	898,413	-	(10,844)	887,569
Intangible computer software				
Governmental	3,277,107	-	-	3,277,107
Internal Service	705,245	-	-	705,245
Total intangible computer software	3,982,352	-	-	3,982,352
SBITA				
Governmental	1,688,764	12,814,726	(748,558)	13,754,932
Internal Service	-	179,061	-	179,061
Total SBITA	1,688,764	12,993,787	(748,558)	13,933,993
Infrastructure				
Governmental	238,882,450	2,012,034	-	240,894,484
Total capital assets, being depreciated	544,642,205	25,690,627	(9,103,754)	561,229,078

	Beginning Balance	Increases and Transfers In	Decreases and Transfers Out	Ending Balance
Less accumulated depreciation for:				
Buildings				
Governmental	(68,688,768)	(3,578,374)	878,133	(71,389,009)
Internal Service	(708,252)	(12,141)	-	(720,393)
Total buildings	(69,397,020)	(3,590,515)	878,133	(72,109,402)
Right to use - Buildings				
Governmental	(29,815)	(97,363)	-	(127,178)
Total right to use - buildings	(29,815)	(97,363)	-	(127,178)
Improvements other than buildings				
Governmental	(53,820,613)	(3,413,549)	1,784,035	(55,450,127)
Internal Service	(63,795)	-	-	(63,795)
Total improvements other than buildings	(53,884,408)	(3,413,549)	1,784,035	(55,513,922)
Equipment				
Governmental	(42,902,159)	(5,694,006)	5,190,062	(43,406,103)
Internal Service	(2,150,951)	(230,847)	84,147	(2,297,651)
Total equipment	(45,053,110)	(5,924,853)	5,274,209	(45,703,754)
Right to use - equipment				
Governmental	(30,897)	(26,250)	10,844	(46,303)
Internal Service	(69,933)	(164,549)	-	(234,482)
Total right to use - equipment	(100,830)	(190,799)	10,844	(280,785)
Intangible computer software				
Governmental	(3,286,532)	(8,202)	17,627	(3,277,107)
Internal Service	(705,245)	-	-	(705,245)
Total intangible computer software	(3,991,777)	(8,202)	17,627	(3,982,352)
SBITA				
Governmental	(719,309)	(2,070,285)	674,570	(2,115,024)
Internal Service	-	(59,687)	-	(59,687)
Total SBITA	(719,309)	(2,129,972)	674,570	(2,174,711)
Infrastructure				
Governmental	(107,703,554)	(7,885,289)	-	(115,588,843)
Total accumulated depreciation	(280,879,823)	(23,240,542)	8,639,418	(295,480,947)
Total capital assets, being depreciated, net	263,762,382	2,450,085	(464,336)	265,748,131
Governmental activities capital assets, net	\$ 506,404,950	\$ 84,065,573	\$ (2,789,046)	\$ 587,681,477

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land				
Water and Sewer	\$ 25,525,821	\$ 324,177	\$ -	\$ 25,849,998
Stormwater	6,688,234	1,373,921	-	8,062,155
Yacht Basin	20,555	-	-	20,555
Total land	32,234,610	1,698,098	-	33,932,708
Construction in progress				
Water and Sewer	111,370,218	123,134,211	(208,567)	234,295,862
Stormwater	6,612,588	4,646,611	-	11,259,199
Yacht Basin	-	1,100,389	-	1,100,389
Total construction in progress	117,982,806	128,881,211	(208,567)	246,655,450
Total capital assets, not being depreciated	150,217,416	130,579,309	(208,567)	280,588,158
Capital assets, being depreciated:				
Buildings				
Water and Sewer	387,672,856	-	(6,844,630)	380,828,226
Stormwater	1,916,446	-	-	1,916,446
Yacht Basin	76,695	-	-	76,695
Total buildings	389,665,997	-	(6,844,630)	382,821,367
Right to use - Buildings				
Stormwater	257,410	7,057	-	264,467
Total right to use - buildings	257,410	7,057	-	264,467
Improvements other than buildings				
Water and Sewer	346,446,678	782,542	(185,876)	347,043,344
Stormwater	33,586,920	65,310	-	33,652,230
Yacht Basin	96,990	-	-	96,990
Total improvements other than buildings	380,130,588	847,852	(185,876)	380,792,564
Equipment				
Water and Sewer	32,985,726	2,969,147	(1,243,883)	34,710,990
Stormwater	10,542,648	3,075,922	(739,512)	12,879,058
Yacht Basin	41,710	65,175	-	106,885
Total equipment	43,570,084	6,110,244	(1,983,395)	47,696,933
SBITA				
Stormwater	86,743	168,270	(86,743)	168,270
Total SBITA	86,743	168,270	(86,743)	168,270
Infrastructure				
Water and Sewer	920,787,924	828,034	-	921,615,958
Stormwater	18,220,819	-	-	18,220,819
Yacht Basin	286,049	-	-	286,049
Total Infrastructure	939,294,792	828,034	-	940,122,826
Total capital assets, being depreciated	1,753,005,614	7,961,457	(9,100,644)	1,751,866,427

	Beginning Balance	Increases	Decreases	Ending Balance
Less accumulated depreciation for:				
Buildings				
Water and Sewer	(141,635,837)	(9,479,313)	4,976,528	(146,138,622)
Stormwater	(1,854,417)	(12,986)	-	(1,867,403)
Yacht Basin	(26,954)	(3,851)	-	(30,805)
Total buildings	(143,517,208)	(9,496,150)	4,976,528	(148,036,830)
Right to use - Buildings				
Stormwater	(32,418)	(87,049)	-	(119,467)
Total right to use - buildings	(32,418)	(87,049)	-	(119,467)
Improvements other than buildings				
Water and Sewer	(230,902,102)	(10,009,527)	143,034	(240,768,595)
Stormwater	(15,157,743)	(1,263,205)	-	(16,420,948)
Yacht Basin	(75,336)	(4,068)	-	(79,404)
Total improvements other than buildings	(246,135,181)	(11,276,800)	143,034	(257,268,947)
Equipment				
Water and Sewer	(24,362,434)	(2,513,309)	1,153,029	(25,722,714)
Stormwater	(6,813,786)	(1,060,685)	572,774	(7,301,697)
Yacht Basin	(38,200)	(8,348)	-	(46,548)
Total equipment	(31,214,420)	(3,582,342)	1,725,803	(33,070,959)
SBITA				
Stormwater	(43,372)	(56,091)	43,371	(56,092)
Total SBITA	(43,372)	(56,091)	43,371	(56,092)
Infrastructure				
Water and Sewer	(334,280,693)	(21,683,665)	-	(355,964,358)
Stormwater	(11,069,317)	(393,928)	-	(11,463,245)
Yacht Basin	(100,510)	(14,365)	-	(114,875)
Total Infrastructure	(345,450,520)	(22,091,958)	-	(367,542,478)
Total accumulated depreciation	(766,393,119)	(46,590,390)	6,888,736	(806,094,773)
Total capital assets, being depreciated, net	986,612,495	(38,628,933)	(2,211,908)	945,771,654
Business-type activities capital assets, net	\$1,136,829,911	\$ 91,950,376	\$ (2,420,475)	\$1,226,359,812

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

Governmental activities:

General Government	\$ 5,762,548
Public Safety:	
Police	3,221,095
Fire	2,770,923
Building	138,514
Public Works	6,699,188
Community Development	2,544,161
Parks and Recreation	1,636,889
Internal Service	467,224
Total depreciation expense - governmental activities	<u>\$ 23,240,542</u>

Business-type activities:

Water and Sewer	\$ 43,685,814
Stormwater	2,873,944
Yacht Basin	30,632
Total depreciation expense - business-type activities	<u>\$ 46,590,390</u>

7. Accounts Payable and Other Accrued Liabilities

Accounts payable and other accrued liabilities on September 30, 2024 are as follows:

Governmental activities:

	General Fund	Fire Fund	Solid Waste	General Obligation Fund	Other Governmental Funds	Total
Accounts payable and other accrued liabilities	\$ 3,046,546	\$ 200,182	\$ 1,947,903	\$ 4,010,821	\$ 9,118,734	\$18,324,186
Retainage payable	291,848	-	-	767,418	1,764,336	2,823,602
Intergovernmental payable	5,374,232	-	-	-	89,220	5,463,452
Total	<u>\$ 8,712,626</u>	<u>\$ 200,182</u>	<u>\$ 1,947,903</u>	<u>\$ 4,778,239</u>	<u>\$ 10,972,290</u>	<u>\$26,611,240</u>

Business-type activities:

	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	Governmental Activities - Internal Service Funds
Accounts payable and other accrued liabilities	\$18,157,471	\$ 1,268,940	\$ 7,480	\$19,433,891	\$ 4,287,625
Retainage payable	5,060,842	156,477	-	5,217,319	-
Total	<u>\$23,218,313</u>	<u>\$ 1,425,417</u>	<u>\$ 7,480</u>	<u>\$24,651,210</u>	<u>\$ 4,287,625</u>

8. Long-term Debt at September 30, 2024 is comprised of the following:**General Obligation Debt****General Obligation Note-Direct Borrowings**

\$10,200,000 General Obligation (Note), Series 2019 was approved to finance and refinance the cost of acquisition, construction and equipping of various parks, natural areas, recreational and athletic facilities, trails, boating, fishing and swimming facilities, and wildlife habitat and shoreline protection improvements, as generally described in the Referendum Ordinance. Principal is paid annually from March 2020 to March 2034 with interest paid semiannually at 2.74%.

\$ 7,270,000

General Obligation Revenue Bonds

\$24,800,000 General Obligation Bonds, Series 2021 was approved to finance and refinance the cost of acquisition, construction and equipping of various parks, natural areas, recreational and athletic facilities, trails, boating, fishing and swimming facilities, and wildlife habitat and shoreline protection improvements, as generally described in the Referendum Ordinance. Principal is paid annually from March 2022 to March 2035 with interest paid semiannually at 1.46%.

21,220,000

\$17,565,000 General Obligations Bonds, Series 2024 was approved to finance the cost of acquisition, construction and equipping of various parks, natural areas, recreational and athletic facilities, trails, boating, fishing and swimming facilities, and wildlife habitat and shoreline protection improvements, as generally described in the referendum Ordinance. Principal is paid annually from March 2025 to March 2039 with interest paid semiannually at 5.00%

17,565,000

46,055,000

Plus unamortized premium

6,196,451

\$ 52,251,451

General Long-term Debt**Revenue Bonds**

\$51,790,000 Special Obligation Revenue Bonds, Series 2015 was issued to refund a portion of the City's Special Obligation Revenue, Series 2006 and finance the cost of acquisition and equipping various vehicles for Police, Fire, Code Compliance, Public Works, Parks and Recreation, and the acquisition and installation of certain equipment. The City refunded the 2006 Series to reduce its debt service payment over 22 years by \$6,919,935 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$4,976,052. Principal and interest on the obligations is secured by non-ad valorem funds budgeted and appropriated by City Council. Principal is paid annually through 2036 with interest paid semiannually at rates ranging from 3.625% to 5.0%.

\$ 33,300,000

\$62,595,000 Special Obligation Revenue Bonds, Series 2017 was issued to refund \$26,360,000 of the outstanding Special Obligation Revenue Bonds, Series 2007; \$20,400,000 of the outstanding Special Obligation Revenue Bonds, Series 2008; and \$15,835,000 of the outstanding Special Obligation Revenue Bonds, Series 2011. The City refunded these Bond Series to reduce its debt service payment over 23 years by \$8,389,554 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$6,745,135. Principal and interest on the obligations is secured by non-ad valorem funds budgeted and appropriated by City Council. Principal is paid annually through 2040 with interest paid semiannually at rates ranging from 3.00% to 5.00%.

47,440,000

80,740,000

Plus unamortized premium

7,823,646

\$ 88,563,646

Notes from Direct Borrowings

\$30,760,000 Special Obligation Refunding Revenue Note, Series 2020 was issued to refund the City's outstanding Gas Tax Revenue Bonds, Series 2010B. The City refunded these Bond Series to reduce its debt service payment over 11 years by \$9,189,373 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$7,990,874. Principal and interest on the obligations is secured by non-ad valorem funds budgeted and appropriated by City Council. Principal is paid quarterly through 2030 with interest paid quarterly at 1.99%.

24,240,000

\$15,128,990 Special Obligation Refunding Revenue Note, Series 2020A was issued to finance the acquisition and construction of fire station #2 & #12 and to refinance the Special Obligation Revenue Note, Series 2018. The City refunded the note to reduce its debt service payment over 8 years by \$401,475 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$377,248. Principal and interest on the obligation is secured by non-ad valorem funds budgeted and appropriated by City Council. Principal is paid quarterly through 2028 with interest paid quarterly at 1.51%.

8,040,995

\$3,520,000 Special Obligation Refunding Revenue Note, Series 2022 was issued to finance the acquisition of various vehicles and equipment for the City's Fire and Police Departments. Principal and interest on the obligation is secured by non-ad valorem funds budgeted and appropriated by City Council. Principal is paid quarterly through 2027 with interest paid quarterly at 2.63%.

1,990,000

\$8,000,000 Special Obligation Refunding Revenue Note, Series 2023 was issued to finance the acquisition and construction of fire station #13. Principal is paid annually from February 2024 to February 2043 and interest is paid semiannually at 3.990%.

7,770,000

\$ 42,040,995**Commercial Paper**

\$41,000,000 Commercial Paper (Taxable), Series 2024, was issued to finance the acquisition and construction of certain parcels of real property for redevelopment. Principal and interest on the obligation is secured by non-ad valorem funds budgeted and appropriated by City Council. Under the terms of the Commercial Paper Program, the maturity of an obligation may not be greater than 270 days. Interest rates vary due to market conditions.

\$ 41,000,000**Lease Payable**

On April 28, 2023, the City entered into a 60 month lease for the use of seven buses. An initial lease liability was recorded in the amount of \$858,245. As of September 30, 2024, the value of the lease liability is \$655,883. The value of the short-term liability is \$166,539. The lease has an interest rate of 3.53%. The estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of September 30, 2024 was \$822,745 with accumulated amortization of \$234,482.

\$ 655,883

On August 1, 2024, the City entered into a 36 month lease for the use of Faith Presbyterian Church. An initial lease liability was recorded in the amount of \$619,527. As of September 30, 2024, the value of the lease liability is \$585,086, and the value of the short-term lease liability is \$200,647. The lease has an interest rate of 3.11%. The estimated useful life was 36 months as of the contract commencement. The value of the right to use asset as of September 30, 2024 is \$619,527 with accumulated amortization of \$34,418.

585,086

On October 01, 2022, the City entered into a 33 month lease for the use of a Harley-Davidson motorcycle. An initial lease liability was recorded in the amount of \$32,412. As of September 30, 2024, the value of the lease liability is \$9,579. The value of the short-term liability is \$9,579. The lease has an interest rate of 0.53%. The vehicle's estimated useful life was 33 months as of the contract commencement. The value of the right to use asset as of September 30, 2024 is \$32,412 with accumulated amortization of \$23,152. The lease has a guaranteed residual value payment of \$8,200.

9,579

On October 01, 2022, the City entered into a 33 month lease for the use of a Harley-Davidson motorcycle. An initial lease liability was recorded in the amount of \$32,412. As of September 30, 2024, the value of the lease liability is \$9,579. The value of the short-term liability is \$9,579. The lease has an interest rate of 0.53%. The vehicle's estimated useful life was 33 months as of the contract commencement. The value of the right to use asset as of September 30, 2024 is \$32,412 with accumulated amortization of \$23,152. The lease has a guaranteed residual value payment of \$8,200.

9,579

On April 12, 2023, the City entered into a 36 month lease for the use of a modular building. An initial lease liability was recorded in the amount of \$163,915. As of September 30, 2024 the value of the lease liability is \$79,659. The value of the short-term liability is \$26,867. The lease has an interest rate of 2.36%. The estimated useful life was 36 months as of the contract commencement. The value of the right to use asset as of September 30, 2024 is \$190,536 with accumulated amortization of \$92,760.

79,659

\$ 1,339,786

SBITA Payable

On October 1, 2022, the City entered into a 54-month subscription for the use of IWT Software. An initial subscription liability was recorded in the amount of \$73,270. As of September 30, 2024, the value of the subscription liability is \$54,698. The subscription has an interest rate of 3.305%. The value of the right to use asset as of September 30, 2024 is \$99,998 with accumulated amortization of \$61,445.

\$ 54,698

On October 01, 2023, the City entered into a 120 month subscription for the use of Axon Enterprise Software. An initial subscription liability was recorded in the amount of \$10,383,651. As of September 30, 2024, the value of the subscription liability is \$9,202,788, and the value of the short-term subscription liability is \$870,383. The subscription has an interest rate of 3.61%. The value of the right to use asset as of September 30, 2024 is \$10,383,651 with accumulated amortization of \$1,038,365.

9,202,788

On September 28, 2024 the City entered into a 36 month subscription for the use of BOX.com. An initial subscription liability was recorded in the amount of \$137,510. As of September 30, 2024 the value of the subscription liability is \$45,934, and the value of the short-term subscription liability is \$90,589. The City is required to make annual fixed payments of \$90,589. The subscription has an interest rate of 2.865%. The value of the right to use asset as of September 30, 2024 is \$137,510 with accumulated amortization of \$11,841.

90,589

On December 01, 2023, the City entered into a 36 month subscription for the use of Microsoft Office software. An initial subscription liability was recorded in the amount of \$2,069,214. As of September 30, 2024, the value of the subscription liability is \$1,354,734, and the value of the short-term subscription liability is \$665,289. The subscription has an interest rate of 3.63%. The value of the right to use asset as of September 30, 2024 is \$2,069,214 with accumulated amortization of \$574,782.

1,354,734



On May 05, 2023, the City entered into a 36 month subscription for the use of ECIVIS software. An initial subscription liability was recorded in the amount of \$47,069. As of September 30, 2024, the value of the subscription liability is \$16,777 and the value of the short-term subscription liability is \$16,777. The subscription has an interest rate of 2.36%. The value of the right to use asset as of September 30, 2024 is \$52,019 with accumulated amortization of \$24,472.

16,777

On October 1, 2023, the City entered into a 36 month subscription for the use of OPEN GOV (Cartegraph). An initial subscription liability was recorded in the amount of \$305,932. As of September 30, 2024, the value of the subscription liability is \$206,932 and the value of the short-term subscription liability is \$99,674. The subscription has an interest rate of 2.36%. The value of the right to use asset as of September 30, 2024 is \$305,932 with accumulated amortization of \$101,977.

206,932

On July 01, 2023, the City entered into a 36 month subscription for the use of ESRI Software. An initial subscription liability was recorded in the amount of \$495,757. As of September 30, 2024, the value of the subscription liability is \$165,207 and the value of the short-term subscription liability is \$165,207. The subscription has an interest rate of 2.90%. The value of the right to use asset as of September 30, 2024 is \$495,757 with accumulated amortization of \$206,565.

165,207

On June 01, 2023, the City entered into a 36 month subscription for the use of Performance Measures Software. An initial subscription liability was recorded in the amount of \$95,266. As of September 30, 2024, the value of the subscription liability is \$31,750. The City is required to make annual fixed payments of \$32,500. The subscription has an interest rate of 2.36%. The value of the right to use asset as of September 30, 2024 is \$95,266 with accumulated amortization of \$42,340.

31,750

On June 14, 2024, the City entered into a 24 month subscription for the use of Placer Labs Inc. Software. An initial subscription liability was recorded in the amount of \$70,751. As of September 30, 2024 the value of the subscription liability is \$34,931, and the value of the short-term subscription liability is \$34,931. The subscription has an interest rate of 3.06%. The value of the right to use asset as of September 30, 2024 is \$70,751 with accumulated amortization of \$10,514.

34,931

\$ 11,158,406

Enterprise Long-term Debt

Revenue Bonds

\$72,415,000 Water and Sewer Refunding Revenue Bond, Series 2015, issued to refund a portion of the Series 2006 Water and Sewer Refunding Revenue Bonds. The bonds are secured by a pledge of and lien upon the water and sewer system's net revenues as defined by the Bond Resolution. The City refunded the 2006 Series to reduce its debt service payment over 21 years by \$5,429,134 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$3,716,201. Principal is paid annually from 2030 to 2036 with interest paid semiannually rates ranging from 4.0% to 5.0%. The Series 2015 Bonds are issued in parity with the City's Water and Sewer Refunding Revenue Bonds, Series 2011, and Water and Sewer Refunding Revenue Bonds, Series 2011A, Water and Sewer Refunding Revenue Bonds, Series 2015, and Water and Sewer Refunding Revenue Bonds, Series 2015A, and Water and Sewer Refunding Revenue Bonds, Series 2017.

\$ 72,415,000

\$248,355,000 Water and Sewer Refunding Revenue Bond, Series 2017, issued to refund a portion of the Series 2011 and Series 2011A Water and Sewer Refunding Revenue Bonds. The bonds are secured by a pledge of and lien upon the water and sewer system's net revenues as defined by the Bond Resolution. The City refunded the 2011 Series to reduce its debt service payment over 24 years by \$16,014,455 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$11,220,371. Principal and interest is paid semiannually through 2041. Interest rates range from 4.00% to 5.00%. The City refunded the 2011A Series to reduce its debt service payment over 25 years by \$10,842,239 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$7,519,161. Principal is paid annually and interest is paid semiannually through 2042. Interest rates range from 4.00% to 5.00%. The Series 2017 Bonds are issued in parity with the City's Water and Sewer Refunding Revenue Bonds, Series 2011, and Water and Sewer Refunding Revenue Bonds, Series 2011A, and Water and Sewer Refunding Revenue Bonds, Series 2015 and Water and Sewer Refunding Revenue Bonds, Series 2015A.

\$ 234,065,000

\$100,000,000 Water and Sewer Revenue Bonds, Series 2023, issued to refund a portion of the Series 2020 Water and Sewer Revenue Bonds, \$1,719,293. The Bonds are secured by a pledge of and lien upon the water and sewer system's net revenues as defined by the Bond Resolution. Principal is paid annually and interest is paid semiannually through 2053. Interest rates range from 5.00% to 5.25%.

98,735,000

\$11,365,000 Stormwater Utility Bonds, Series 2023, issued for the purpose of financing cost of the acquisition, construction and equipping of various capital improvements to the City's stormwater utility system and refunding a portion of the City's outstanding Water and Sewer Revenue Bonds, series 2020, \$293,600. The Bonds are secured by a pledge of and lien upon the water and sewer system's net revenues as defined by the Bond Resolution. Principal is paid annually and interest is paid semiannually through 2043. Interest rate is at 5.00%

11,100,000

416,315,000

Plus unamortized premium

29,267,507

\$ 445,582,507

Notes from Direct Borrowings

\$94,740,000 Water and Sewer Refunding Revenue Bonds (Notes-Direct Borrowing), Series 2015A, issued to refund a portion of the Series 2006 Water and Sewer Refunding Revenue Bonds. The bonds are secured by a pledge of and lien upon the water and sewer system's net revenues as defined by the Bond Resolution. The City refunded the 2006 Series to reduce its debt service payment over 21 years by \$15,191,723 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$10,103,869. Principal and interest is paid quarterly through 2029. Interest rates range from 2.21% to 3.0%. The Series 2015A Bonds are issued in parity with the City's Water and Sewer Refunding Revenue Bonds, Series 2011, and Water and Sewer Refunding Revenue Bonds, Series 2011A, and Water and Sewer Refunding Revenue Bonds, Series 2015, and Water and Sewer Refunding Revenue Bonds, Series 2017.

\$ 41,490,000

\$35,848,122 State Revolving Fund Loan Agreement #7516L 02 (Southwest 1 Water) payable to the State with principal and interest payable semiannually at 2.93% through June 2024. The security is a lien on the net revenues of the water and sewer system and impact fees and is junior and subordinate to the water and sewer revenue bonds.

96,687

\$12,878,096 State Revolving Fund Loan Agreement DW#360103 (Southwest 6 & 7 Drinking Water) payable to the State with principal and interest payable semiannually at 2.12% through 2036. The current principal amount includes actual draws and a 2% loan service fee. The security is a lien on the special assessment proceeds, sewer expansions fees, irrigation expansion fees, capital facility expansion charges and net revenues of the water and sewer system. The lien is junior and subordinate to the water and sewer revenue bonds.

8,225,274

\$54,662,273 State Revolving Fund Loan Agreement WW#360100 (Southwest 6 & 7 Clean Water) payable to the State with principal and interest payable semiannually at rates ranging from 1.93% to 2.42% through 2036. The current principal amount includes actual draws and capitalized interest. The security is a lien on the special assessment proceeds, sewer expansions fees, irrigation expansion fees, capital facility expansion charges and net revenues of the water and sewer system. The lien is junior and subordinate to the water and sewer revenue bonds.

35,730,595

\$97,720,276 State Revolving Fund Loan Agreement WW#360120 (North 2 Clean Water) was awarded. A payable to the State with principal and interest payable semiannually at rates ranging from 0.00% to 0.72% through 2041. The current principal amount includes actual draws and capitalized interest. The security is a lien on the special assessment proceeds, sewer expansions fees, irrigation expansion fees, capital facility expansion charges and net revenues of the water and sewer system. The lien is junior and subordinate to the water and sewer revenue bonds.

85,207,754

\$124,436,105 State Revolving Fund Loan Agreement DW#360130 (North 2 Drinking Water) was awarded. A payable to the State with principal and interest payable semiannually at rates ranging from 0.30% to 1.48% through 2041. The current principal amount includes actual draws and capitalized interest. The security is a lien on the special assessment proceeds, sewer expansions fees, irrigation expansion fees, capital facility expansion charges and net revenues of the water and sewer system. The lien is junior and subordinate to the water and sewer revenue bonds.

65,176,109

\$4,330,000 Water and Sewer Refunding Revenue Bonds. Series 2023B. The Bond was Issued for the sole purpose of refunding the outstanding portion Water and Sewer Note, Series 2020, \$4,285,169. Principal is paid annually and interest is paid semiannually through 2025. Interest rates are at 4.851%

4,330,000

\$ 240,256,419

Commercial Paper

\$10,000,000 Commercial Paper (Non-Taxable), Series 2024, was issued to finance the design costs for the utility expansion program within various areas. Principal and interest on the obligation is secured by non-ad valorem funds budgeted and appropriated by City Council. Under the terms of the Commercial Paper Program, the maturity of an obligation may not be greater than 270 days. Interest rates vary due to market conditions.

\$ 10,000,000

Special Assessment Debt with Government Commitment

In order to fund construction of the City’s water and wastewater utility expansion in certain areas of the City, the City has issued Special Assessment Improvement Debt. The City is acting as agent in the collection of the special assessments levied and in the payment of the Special Assessment Bonds outstanding. Such bonds are collateralized by special assessments levied against the benefited property owners. The City will assume responsibility in the event of default on the outstanding Special Assessment Bonds. Current year special assessment collections were sufficient to meet fiscal year 2024 debt service requirements.

\$101,155,000 Utility Improvement Refunding Assessment Bonds, Series 2017 was issued to refund all of the City’s outstanding utility improvement special assessment debt. The City refunded the bonds to reduce its debt service payment over 20 years by \$10,850,993 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$9,939,840. Principal and interest on these bonds are secured by special assessment proceeds and used to pay any deficiencies from the net revenue of its water and sewer system. Principal is paid annually through September 2028 with interest paid semiannually at rates ranging from 1.40% to 3.00%. 19,990,000

\$138,040,000 Utility Improvement Assessment Bonds, Series 2023 was issued for the purpose of financing the development, construction and installation of certain potable water, wastewater and irrigation water utility capital improvements within the North 1 West area and refund a portion of the City’s outstanding Water and Sewer Bonds, Series 2020, \$3,794,527. Principal and interest on these bonds are secured by special assessment proceeds and used to pay any deficiencies from the net revenue of its water and sewer system. Principal is paid annually through September 2054 with interest paid semiannually at rates ranging from 4.62% to 5.65%. 138,040,000

158,030,000

Less unamortized discount (204,352)

Total Special Assessment Debt \$ 157,825,648

Lease Payable

On May 15, 2023, the City entered into a 36-month lease for the use of office space located at 1031 SE 9th Place. An initial lease liability was recorded in the amount of \$257,410. As of September 30, 2024, the value of the lease liability is \$148,213. The City is required to make monthly fixed payments of \$5,700. Additionally, there are other reasonably certain monthly payments of \$1,362. The lease has an interest rate of 2.3630%. The estimated useful life was 36 months as of the contract commencement. The value of the right to use asset as of September 30, 2024 is \$7,056 with accumulated amortization of \$119,464. 148,213

\$ 148,213

SBITA Payable

On October 01, 2022, the City entered into a 24-month subscription for the use of Cartegraph Solution software. An initial subscription liability was recorded in the amount of \$86,743. As of September 30, 2024, the value of the subscription liability is \$113,817. The City is required to make annual fixed payments of \$43,405. The subscription has an interest rate of 3.207%. The value of the right to use asset as of September 30, 2024 is \$168,271 with accumulated amortization of \$56,090. 113,817

\$ 113,817

Governmental Activities												
Year Ending September 30,	General Obligation Debt		Revenue Bonds		Notes from Direct Borrowings		Commercial Paper		Lease Payable		SBITA Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 2,875,000	\$ 2,210,415	\$ 7,155,000	\$ 3,469,481	\$ 6,533,717	\$ 915,483	\$ 41,000,000	\$ 1,920,000	\$ 439,138	\$ 37,676	\$ 1,955,234	\$ 397,528
2026	3,135,000	1,800,370	7,515,000	3,111,731	6,659,363	782,187	-	-	406,341	24,215	1,763,644	330,447
2027	3,265,000	1,671,987	7,890,000	2,735,981	6,600,822	646,139	-	-	356,127	11,376	925,092	268,418
2028	3,390,000	1,529,550	8,290,000	2,341,481	5,706,650	520,951	-	-	138,180	2,446	958,470	235,041
2029	3,545,000	1,384,108	4,785,000	1,926,981	5,381,584	410,480	-	-	-	-	1,033,850	200,459
2030-2034	20,100,000	4,460,936	26,675,000	6,849,169	6,763,859	1,125,100	-	-	-	-	4,522,116	415,121
2035-2039	9,745,000	1,006,325	17,285,000	1,705,851	2,250,000	659,548	-	-	-	-	-	-
2040-2044	-	-	1,145,000	45,800	2,145,000	175,461	-	-	-	-	-	-
	46,055,000	14,063,691	80,740,000	22,186,475	42,040,995	5,235,349	41,000,000	1,920,000	1,339,786	75,713	11,158,406	1,847,014
Unamortized premium	6,196,451	-	7,823,646	-	-	-	-	-	-	-	-	-
Total	\$ 52,251,451	\$ 14,063,691	\$ 88,563,646	\$ 22,186,475	\$ 42,040,995	\$ 5,235,349	\$ 41,000,000	\$ 1,920,000	\$ 1,339,786	\$ 75,713	\$ 11,158,406	\$ 1,847,014

Business-type Activities												
Year Ending September 30,	Revenue Bonds		Notes from Direct Borrowings		Special Assessment Debt		Commercial Paper		Lease Payable		SBITA Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 7,185,000	\$ 19,357,401	\$ 23,926,816	\$ 3,313,218	\$ 9,995,000	\$ 7,955,801	\$ 10,000,000	\$ 312,000	\$ 88,717	\$ 2,487	\$ 54,823	\$ 2,690
2026	7,550,000	18,998,151	19,867,943	2,836,693	8,755,000	7,651,305	-	-	59,496	473	58,994	1,394
2027	7,925,000	18,620,651	20,247,903	2,457,683	6,395,000	7,376,484	-	-	-	-	-	-
2028	8,320,000	18,224,401	20,640,047	2,068,802	3,445,000	7,151,790	-	-	-	-	-	-
2029	8,735,000	17,808,401	21,034,416	1,670,269	2,400,000	7,011,588	-	-	-	-	-	-
2030-2034	99,965,000	77,348,755	63,343,372	5,355,061	13,865,000	33,192,521	-	-	-	-	-	-
2035-2039	127,820,000	52,479,915	54,369,265	1,844,460	17,845,000	29,208,757	-	-	-	-	-	-
2040-2044	102,150,000	22,091,415	16,826,657	134,433	23,405,000	23,641,158	-	-	-	-	-	-
2045-2049	23,265,000	9,931,427	-	-	30,940,000	16,120,559	-	-	-	-	-	-
2050-2054	23,400,000	3,149,476	-	-	40,985,000	6,050,162	-	-	-	-	-	-
	416,315,000	258,009,993	240,256,419	19,680,619	158,030,000	145,360,125	10,000,000	312,000	148,213	2,960	113,817	4,084
Unamortized discount	-	-	-	-	(204,352)	-	-	-	-	-	-	-
Unamortized premium	29,267,507	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 445,582,507	\$ 258,009,993	\$ 240,256,419	\$ 19,680,619	\$ 157,825,648	\$ 145,360,125	\$ 10,000,000	\$ 312,000	\$ 148,213	\$ 2,960	\$ 113,817	\$ 4,084

Changes in Long-Term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Revenue bonds payable	\$ 85,915,000	\$ -	\$ (5,175,000)	\$ 80,740,000	\$ 7,155,000
Bond discount and premium	8,362,355	-	(538,709)	7,823,646	-
Total revenue bonds payable	94,277,355	-	(5,713,709)	88,563,646	7,155,000
Notes from direct borrowings	51,543,182	-	(9,502,187)	42,040,995	6,533,717
General Obligation-note from direct borrowing	35,005,850	19,800,894	(2,555,293)	52,251,451	2,875,000
Commercial paper	-	41,000,000	-	41,000,000	41,000,000
Leases payable	998,813	619,529	(278,556)	1,339,786	439,137
SBITA payable	545,896	12,814,726	(2,202,216)	11,158,406	1,955,233
Claims liability	12,924,638	4,807,347	(4,063,470)	13,668,515	4,849,177
Compensated absences	15,128,588	2,558,621	(2,181,740)	15,505,469	2,276,522
Total Governmental Activities	<u>\$ 210,424,322</u>	<u>\$ 81,601,117</u>	<u>\$ (26,497,171)</u>	<u>\$ 265,528,268</u>	<u>\$ 67,083,786</u>
Business-type activities:					
Water and Sewer					
Revenue bonds payable	\$ 311,475,000	100,000,000	(6,260,000)	\$ 405,215,000	6,815,000
Bond discount and premium	23,771,200	6,514,890	(1,612,408)	28,673,682	-
Total revenue bonds payable	335,246,200	106,514,890	(7,872,408)	433,888,682	6,815,000
Notes from direct borrowings	266,061,501	4,330,000	(30,135,082)	240,256,419	23,926,816
Commercial paper	-	10,000,000	-	10,000,000	10,000,000
Special Assessment Bonds	29,733,473	138,040,000	(9,947,825)	157,825,648	9,995,000
Compensated absences	2,696,509	364,192	(379,874)	2,680,827	362,436
Total Water and Sewer	<u>633,737,683</u>	<u>259,249,082</u>	<u>(48,335,189)</u>	<u>844,651,576</u>	<u>51,099,252</u>
Stormwater					
Revenue bonds payable	-	11,365,000	(265,000)	11,100,000	370,000
Bond discount and premium	-	619,981	(26,156)	593,825	-
Total revenue bonds payable	-	11,984,981	(291,156)	11,693,825	370,000
Leases payable	223,974	7,056	(82,817)	148,213	88,717
SBITA payable	43,338	168,271	(97,792)	113,817	54,823
Compensated absences	851,814	148,905	(141,854)	858,865	144,775
Total Stormwater	<u>1,119,126</u>	<u>12,309,213</u>	<u>(613,619)</u>	<u>12,814,720</u>	<u>658,315</u>
Total Business-type					
Long-term debt	607,269,974	253,735,000	(46,607,907)	814,397,067	41,106,816
Bond discount, premium and deferred amount on refunds	23,771,200	7,134,871	(1,638,564)	29,267,507	-
Total bonds and notes payable	631,041,174	260,869,871	(48,246,471)	843,664,574	41,106,816
Commercial paper	-	10,000,000	-	10,000,000	10,000,000
Leases Payable	223,974	7,056	(82,817)	148,213	88,717
SBITA Payable	43,338	168,271	(97,792)	113,817	54,823
Compensated absences	3,548,323	513,097	(521,728)	3,539,692	507,211
Total Business-type	<u>\$ 634,856,809</u>	<u>\$ 271,558,295</u>	<u>\$ (48,948,808)</u>	<u>\$ 857,466,296</u>	<u>\$ 51,757,567</u>

Compensated absences will be liquidated as follows: General Fund 88%, Special Revenue Funds 8%, and Internal Service Funds 4%.

Governmental Notes-Direct Borrowings:

The City's total outstanding notes from direct borrowings related to governmental activities of \$42,040,995 contain the following provisions in an event of default:

Special Obligation Refunding Revenue (Note), Series 2020

The holder of the Note, except to the extent the rights herein given may be restricted by the Resolution, may, whether at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce and compel the performance of all duties required hereby, or by such Resolution, to be performed by the City.

Special Obligation Refunding Revenue (Note), Series 2020A

The holder of the Note, except to the extent the rights herein given may be restricted by the Resolution, may, whether at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce and compel the performance of all duties required hereby, or by such Resolution, to be performed by the City.

Special Obligation Refunding Revenue (Note), Series 2022

If any additional indebtedness of the City that is secured by a covenant to budget and appropriate Non-Ad Valorem Revenues is accelerated upon an event of default, the Noteholder shall have the same right to accelerate the payments. If any payment required to be made by the City hereunder or under the Series 2022 Note is more than fifteen (15) days past due, the City will pay to the Noteholder a late charge equal to six percent (6%) of the payment amount which is past due.

Special Obligation Refunding Revenue (Note), Series 2023

If any additional indebtedness of the City that is secured by a covenant to budget and appropriate Non-Ad Valorem Revenues is accelerated upon an event of default, the Noteholder shall have the same right to accelerate the payments. If any payment required to be made by the City hereunder or under the Series 2023 Note is more than fifteen (15) days past due, the City will pay to the Noteholder a late charge equal to six percent (6%) of the payment amount which is past due.

Business-Type Notes-Direct Borrowings:

The City's total outstanding notes from direct borrowings related to business-type activities of \$240,256,419 contains event of default provisions:

Water & Sewer Refunding Revenue Bonds (Note), Series 2015A

The provision for an event of default shall bear interest at a rate equal to the sum of the then applicable interest rate plus six percent (6%). If any payment of principal or interest with respect to the Water & Sewer Refunding Revenue Bonds (Notes), Series 2015A Notes-Direct Borrowing is not paid with 15 days of the respective due date, the purchaser may impose a late fee equal to four percent (4%) of the delinquent amount.

Water & Sewer Refunding Revenue Note, Series 2023B

Any Holder of Bonds issued under the provisions of this Resolution or any trustee or receiver acting for such Bondholders may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the Laws of the State of Florida, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution or by any applicable statutes to be performed by the Issuer or by any officer thereof; provided, however, that no Holder, trustee or receiver shall have the right to declare the Bonds immediately due and payable without the consent of any affected Insurers except to the extent the acceleration of any Variable Rate Bonds secured by a Credit Facility is provided for in a Supplemental Resolution or other documentation relating to such Credit Facility, the provisions of which are approved by the Insurers.

The Holder or Holders of Bonds in an aggregate principal amount of not less than twenty-five per centum (25%) of the Bonds then Outstanding may by a duly executed certificate in writing appoint a trustee for Holders of Bonds issued pursuant to this Resolution with authority to represent such Bondholders in any legal proceedings

for the enforcement and protection of the rights of such Bondholders and such certificate shall be executed by such Bondholders or their duly authorized attorneys or representatives, and shall be filed in the office of the Clerk. Notice of such appointment, together with evidence of the requisite signatures of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding and the trust instrument under which the trustee shall have agreed to serve shall be filed with the Issuer and the trustee and notice of such appointment shall be given to all Holders of Bonds in the same manner as notices of redemption are given hereunder. After the appointment of the first trustee hereunder, no further trustees may be appointed; however, the Holders of a majority in aggregate principal amount of all the Bonds then Outstanding may remove the trustee initially appointed and appoint a successor and subsequent successors at any time.

The following State Revolving Funds (SRF) contain provisions for events for Default:

1. State Revolving Fund Loan Agreement #7516L 02
2. State Revolving Fund Loan Agreement DW#360103
3. State Revolving Fund Loan Agreement WW#360100
4. State Revolving Fund Loan Agreement WW#360120
5. State Revolving Fund Loan Agreement DW#360130

The provisions that the SRF has at its disposal in the event of default: (1) By mandamus or other proceeding at law or in equity, cause to establish rates and collect fees and charges for use of the Water and Sewer Systems, and to require the Local Government to fulfill this Agreement. (2) By action or suit in equity, require the Local Government to account for all moneys received from the Department or from the ownership of the Water and Sewer Systems and to account for the receipt, use, application, or disposition of the Pledged Revenues. (3) By action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Department. (4) By applying to a court of competent jurisdiction, cause to appoint a receiver to manage the Water and Sewer Systems, establish and collect fees and charges, and apply the revenues to the reduction of the obligations under this Agreement. (5) By certifying to the Auditor General and the Chief Financial Officer delinquency on loan repayments, the Department may intercept the delinquent amount plus a penalty from any unobligated funds due to the Local Government under any revenue or tax sharing fund established by the State, except as otherwise provided by the State Constitution. The Department may impose a penalty in an amount not to exceed an interest rate of 18 percent per annum on the amount due in addition to charging the cost to handle and process the debt. Penalty interest shall accrue on any amount due and payable beginning on the 30th day following the date upon which payment is due. (6) By notifying financial market credit rating agencies and potential creditors. (7) By suing for payment of amounts due, or becoming due, with interest on overdue payments together with all costs of collection, including attorneys' fees. (8) By accelerating the repayment schedule or increasing the Financing Rate on the unpaid principal of the Loan to as much as 1.667 times the Financing Rate.

9. Conduit Debt Obligation

In May 2019, the GASB issued Statement No. 91, Conduit Debt Obligations. The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The Health Facility Authority is an agency established by the City in 1979 under the authority of Chapter 154, Florida Statutes and City Resolution No.65-15 to serve as a conduit to issue revenue bonds. Within section E-20 of the Bond Agreement states so long as the bonds are outstanding the bonds under law are required to be exempt from federal income taxation under Section 103(A) of the Code.

To provide financing of the construction of a new building that will house 80 residential-style assisted living suites and 48 memory support assisted living suites, as well as converting existing space to provide an additional skilled nursing dining space, 24 rental independent living units and 20 skilled nursing beds within the City, the City of Cape Coral Health Facilities Authority has issued a series of Senior Housing Revenue Bonds, Series 2015. These bonds do not constitute a debt or pledge of the full faith and credit of the City, and accordingly, they have not been reported in the accompanying financial statements. On September 30, 2024, Health Facility Revenue Bonds outstanding aggregated \$72,740,000.

10. Construction and Other Significant Commitments

Construction Commitments - As of September 30, 2024, major outstanding construction commitments (in excess of \$1 million) were as follows:

	Spent To Date	Remaining Commitment
Governmental activities:		
Other Governmental Funds:		
City Fiber & Wireless ¹	\$ 1,786,679	\$ 1,500,301
Fire Training Facility ⁸	7,702,605	3,453,895
Police Training Facility ¹	13,291,029	2,283,775
Transportation Fund:		
Road Improvements ²	6,398,689	4,641,845
Debt Service Fund:		
Park Improvements ³	20,669,768	29,002,701
Total governmental activities	<u>49,848,770</u>	<u>40,882,517</u>
Business-type activities:		
Fleet Capital Project Fund:		
Fleet Building ¹	\$ 9,359,526	\$ 3,359,540
Water & Sewer Fund:		
Utility Extension Program - North 1 West ⁶	117,514,187	109,849,860
Utility Extension Program - North 1 East ⁶	40,000	9,876,221
Utility Extension Program - North 3 ⁶	2,833,064	11,281,558
Reuse River Crossing ⁷	1,838,758	2,810,797
US 41 Conveyance ⁷	297,944	2,194,378
North Deep Injection Well ⁵	778,281	1,278,281
Raw Water Well ⁵	838,106	3,282,325
Palm Tree Blvd Phase 1 ⁴	1,139,881	1,308,802
MPS 100 ⁷	8,209,601	7,777,546
Phase 3 - Neighborhood Water Line Replace ⁵	13,827,925	2,021,875
Pine Island Corridor ⁵	148,025	2,251,975
Stormwater Utility Fund:		
Water Quality ⁹	8,550	3,735,139
Weir 16 & 17 ⁴	57,219	1,850,960
Total business-type activities	<u>156,891,067</u>	<u>162,879,257</u>
Total	<u>\$ 206,739,837</u>	<u>\$ 203,761,774</u>

¹ Projects are being funded by General Fund.

² Projects are being funded by the appropriation of General Fund reserves and gas taxes.

³ Projects are being funded by General Obligation debt proceeds.

⁴ Projects are being funded by water and sewer user and impact fees.

⁵ Projects are being funded by water and sewer user fees.

⁶ Projects are being funded by Debt Proceeds with debt service being paid by special assessments and stormwater user fees.

⁷ Projects are being funded by water and sewer user fees and federal grants.

⁸ Projects are being funded by Fire Impact Fees.

⁹ Projects are being Stormwater user fees.

Encumbrances - Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Obligation Fund	\$ 29,002,701
Transportation Capital Improvement Fund	4,641,845
Fire Capital Project Fund	3,453,895
Other Governmental Funds	3,784,076
Total Encumbrances	<u>\$ 40,882,517</u>

11. Fund Balances

Fund balances for governmental funds at September 30, 2024 are as follows:

	General	Fire	Solid Waste	General Obligation Bond	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Inventory	\$ 168,571	\$ -	\$ -	\$ -	\$ 72,180	\$ 240,751
Prepaid Items	1,999,810	164,115	-	-	1,092,588	3,256,513
Advances to other funds	8,401,407	-	-	-	-	8,401,407
Restricted:						
General government	-	-	-	-	1,737,771	1,737,771
Public safety	-	9,002,074	-	-	10,175,638	19,177,712
Public works	-	-	10,281,320	-	43,079,131	53,360,451
Parks and recreation	-	-	-	-	5,185,334	5,185,334
Community development	-	-	-	-	10,884,645	10,884,645
Capital outlay	-	-	-	36,530,689	53,113,971	89,644,660
Debt service	-	-	-	-	1,854,733	1,854,733
Committed:						
General government	-	-	-	-	109,723	109,723
Public works	-	-	-	-	4,285,910	4,285,910
Parks and recreation	-	-	-	-	565,238	565,238
Capital outlay	-	-	-	-	105,662,085	105,662,085
Land acquisition	1,167,894	-	-	-	-	1,167,894
Disaster reserve	8,000,000	-	-	-	-	8,000,000
Budget stabilization reserve	56,422,235	-	-	-	-	56,422,235
Assigned:						
General government	9,512,734	-	-	-	-	9,512,734
Subsequent year's budget appropriations of fund balance	17,632,357	-	-	-	-	17,632,357
Unassigned	<u>11,650,629</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,689,202)</u>	<u>3,961,427</u>
Total fund balances	<u>\$ 114,955,637</u>	<u>\$ 9,166,189</u>	<u>\$ 10,281,320</u>	<u>\$ 36,530,689</u>	<u>\$ 230,129,745</u>	<u>\$ 401,063,580</u>

12. Segment Information

The City issued revenue bonds to finance its water and sewer fund. The water and sewer fund and the special assessment funds are accounted for in a single fund in the financial statements. However, investors in the revenue bonds rely solely on the revenue generated by the water and sewer activity for repayment. Financial information for the water and sewer fund is presented below:

STATEMENT OF NET POSITION

ASSETS	
Current assets:	
Cash and investments	\$ 33,231,192
Interest receivable	157,484
Accounts receivable, net	12,345,903
Inventories	8,909,568
Prepaid items	120,774
Restricted:	
Cash and investments	121,021,825
Interest receivable	41,298
Intergovernmental Receivable	929,482
Total restricted assets	121,992,605
Total current assets	176,757,526
Non-current assets:	
Unamortized bond insurance costs	407,315
Advances to other funds	1,554,473
Total restricted assets	1,961,788
Capital assets:	
Land and construction in progress	133,697,360
Other capital assets, net of depreciation	404,177,343
Capital assets, net	537,874,703
Total noncurrent assets	539,836,491
Total assets	716,594,017
Deferred Outflows of Resources	
Loss on refunding	17,390,480
Pension related	3,576,066
OPEB related	13,976,020
Total deferred outflows of resources	\$ 34,942,566
LIABILITIES	
Current liabilities:	
Accounts payable and other accrued liabilities	5,245,235
Accrued retainage	1,044,281
Accrued payroll	1,165,385
Accrued interest payable	70,016
Deposits	3,336,845
Unearned revenue	11,659,450
Compensated absences	362,436
Total OPEB Liability	1,810,385
Debt:	
Revenue bonds	6,815,000
Notes	12,140,000
Total debt	18,955,000
Total current liabilities	43,649,033
Non-current liabilities:	
Compensated absences	2,318,391
Total OPEB Liability	47,517,466
Net pension liability	21,809,178
Debt:	
Revenue bonds	427,073,682
Notes	33,680,000
Commercial paper	10,000,000
Total debt	470,753,682
Total non-current liabilities	542,398,717
Total liabilities	586,047,750
Deferred Inflows of Resources	
OPEB related	10,257,441
Deferred inflows of pension assumptions	2,208,849
Total deferred inflows of resources	12,466,290
NET POSITION	
Net investment in capital assets	62,782,052
Restricted for:	
Capital improvement	89,072,992
Debt service	11,646,721
Deposits	3,032,577
Renewal and replacement	6,510,848
Unrestricted	(20,022,647)
Total net position	\$ 153,022,543

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET POSITION

OPERATING REVENUES	
Charges for services	\$ 113,838,581
Other revenue	2,538,230
Total operating revenues	<u>116,376,811</u>
OPERATING EXPENSES	
Salaries, wages and employee benefits	30,491,928
Contractual services, materials and supplies	45,312,979
Depreciation	24,175,182
Total operating expenses	<u>99,980,089</u>
Operating income	<u>16,396,722</u>
NON-OPERATING REVENUES (EXPENSES)	
Non-capital federal & state grants	109,413
Investment earnings	7,513,957
Interest expense	(19,339,186)
Debt service costs	(942,628)
Gain (Loss) on sale of capital assets	(1,828,483)
Total nonoperating revenues (expenses)	<u>(14,486,927)</u>
Income (loss) before contributions and transfers	<u>1,909,795</u>
Capital Contributions	
Capital Grants	14,844,960
Total capital contributions	<u>14,844,960</u>
Transfers	
Transfers in	4,567,327
Transfers out	(67,148,116)
Total transfers	<u>(62,580,789)</u>
Change in net assets	(45,826,034)
Total net position - beginning	<u>198,848,577</u>
Total net position - ending	<u>\$ 153,022,543</u>
Condensed Statement of Cash Flows	
New cash provided (used) by:	
Operating activities	\$ 30,446,515
Non capital financing activities	(62,490,007)
Capital and related financing activities	68,797,224
Investing activities	7,482,063
Net increase (decrease)	44,235,795
Beginning cash and investments	<u>110,017,222</u>
Ending cash and investments	<u>\$ 154,253,017</u>
Classified As:	
Cash and investments	\$ 33,231,192
Restricted cash and investments	121,021,825
	<u>\$ 154,253,017</u>

13. Future Pledged Revenue

The City has pledged various future revenue sources for various debt issues. For the water and sewer system, the City has pledged future water and sewer customer revenues, net of certain operating expenses. The following table provides a summary of the pledged revenues and their related outstanding debt issues:

Pledged Revenue	Total Related Debt Service Outstanding	Current Year Related Debt Service Paid	Current Year Pledged Revenue	Coverage
Special Assessment ¹	\$ 514,060,177	\$ 19,933,176	\$ 28,083,209	141%

¹ Includes collections for the (6) SRF loans that are funded by special assessment proceeds but have a pledge of water and sewer net revenues and CFEC fees.

Historical Non Ad-Valorem Revenue Debt (000)	\$ 203,579	
Legally Available Non-Ad Valorem Revenues (000)	\$ 297,461	
Average of current and prior year	\$ 169,664	(A)
Maximum Annual Debt Service (MADS)	\$ 20,842	(B)
MADS coverage (A ÷ B)	8.14	
MADS required coverage	1.5	
Governmental Revenues	\$ 453,248	(C)
Governmental Revenues percentage (B ÷ C)	4.60%	
Required Coverage	not to exceed 20%	
Water & Sewer Debt (000)	\$ 706,307	
Operating Revenue (000)	\$ 124,812	
Operating Expenses (net of depreciation) (000)	(77,693)	
Net Operating Revenues (000)	\$ 47,119	
Interest Income (000) ¹	5,754	
Net Revenues Available for Debt Service (000)	\$ 52,873	
Capital Expansion Fees (000)	5,691	
Net Revenues and Expansion Fees Available for Debt Service (000)	\$ 58,564	
<u>Test 1</u>		
Net Revenues Available for Debt Service (000)	\$ 52,873	
Annual Debt Service (Senior Lien) (000)	\$ 33,636	
Calculated Coverage Factor	1.57	
Required Coverage	1.00	
<u>Test 2</u>		
Net Revenues & Expansion Fees (000)	\$ 58,564	
Annual Debt Service (Senior Lien) (000)	\$ 33,636	
Calculated Coverage Factor	1.74	
Required Coverage	1.00	
<u>Test 3</u>		
Net Revenues after Senior Lien Debt Service (000)	\$ 24,928	
Annual Debt Service (Subordinate) (000)	\$ 13,936	
Calculated Coverage Factor	1.79	

¹ Due to the Refunding of the Water & Sewer Bonds, Series 2006 in FY2015 there are adjustments to the operating revenues and operating expenses allowable to pledge. In the amendment, the definitions of gross revenues and operating expenses are modified to not include transactions that don't result in a receipt or usage of cash. The adjustment for changes in fair value of investments are not included in revenues. The operating expenses have adjustments for changes in OPEB liability, net pension liability changes, and changes to deferred inflows and outflows.

14. Tax Revenue - as of September 30, 2024 is as follows:

	General Fund	Fire Operations	Other Governmental Funds	Total
Taxes:				
Property	\$135,208,486	\$ 1,315,000	\$ 8,229,825	\$144,753,311
Public service	\$ 12,409,029	\$ -	\$ 2,640,000	15,049,029
Sales	\$ 30,667,549	\$ -	\$ -	30,667,549
Fuel	\$ 2,062,451	\$ -	\$ 11,891,563	13,954,014
Alcohol and beverage	\$ 93,258	\$ -	\$ -	93,258
Communication	\$ 5,834,639	\$ -	\$ -	5,834,639
Total	\$186,275,412	\$ 1,315,000	\$ 22,761,388	\$210,351,800

15. Intergovernmental Revenue - as of September 30, 2024 is as follows:

	General Fund	Fire	Solid Waste	Other Governmental Funds	Total
Governmental activities:					
Operating Grants and State Shared Revenues					
Parks and Recreation	\$ 821,653	\$ -	\$ -	\$ -	\$ 821,653
Public Safety: Police	103,836	-	-	743,257	847,093
Public Safety: Fire	-	83,706	-	-	83,706
Federal disaster relief	42,849,878	-	608,454	4,350	43,462,682
State disaster relief	3,466,624	-	67,606	483	3,534,713
On-Behalf Police Pension	2,830,113	-	-	-	2,830,113
On-Behalf Fire Pension	3,375,001	-	-	-	3,375,001
Capital Grants					
Parks and Recreation	-	-	-	406,690	406,690
Community Development	-	-	-	6,128,317	6,128,317
Public Safety: Police	44,302	-	-	139,042	183,344
Public Safety: Fire	200,000	113,173	-	-	313,173
Public Works	-	-	-	439,975	439,975
Total	\$ 53,691,407	\$ 196,879	\$ 676,060	\$ 7,862,114	\$ 62,426,460

16. Investment Earnings - as of September 30, 2024 is as follows:

	Governmental Funds	Enterprise Funds	Internal Service Funds	Total
Investment income	\$ 21,874,939	\$ 28,538,073	\$ 3,363,895	\$ 53,776,907
Interest on Advances/Loans Receivable	211,572	-	-	211,572
Interest billed on assessment, contribution in aid of construction, impact fee, CFEC and UCEF loans	-	2,801,991	-	2,801,991
Interest received from tax collector	553,462	133,042	-	686,504
Total	\$ 22,639,973	\$ 31,473,106	\$ 3,363,895	\$ 57,476,974

17. Other Revenue - as of September 30, 2024 is as follows:

	General Fund	Fire	Solid Waste	Other Governmental Funds	Total
State Housing Program Income (SHIP)	\$ -	\$ -	\$ -	\$ 107,196	\$ 107,196
CDBG Program Income	-	-	-	65,241	65,241
Lee County Tax Collector Refund of Estimated Fee	3,489	47,472	29,745	11,521	92,227
Sales of surplus material	13,586	-	-	-	13,586
Purchase card rebate	23,713	5,016	96,000	-	124,729
Police confiscation	-	-	-	22,333	22,333
Insurance recovery	169,756	7,485	-	22,496	199,737
Reimbursements - General Government	356,107	-	-	-	356,107
Reimbursements - Public Works	408,372	-	-	-	408,372
Reimbursements - Parks and Recreation	489	-	-	-	489
Reimbursements - Public Safety	32,893	76,351	-	972	110,216
Hurricane Ian Related	511,355	-	-	6,051	517,406
Other Miscellaneous Revenue	534,708	-	-	404,822	939,530
	<u>\$ 2,054,468</u>	<u>\$ 136,324</u>	<u>\$ 125,745</u>	<u>\$ 640,632</u>	<u>\$ 2,957,169</u>

NOTE V. OTHER INFORMATION**1. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City operates a Risk Management fund to account for and finance its uninsured risks of loss related to workers compensation and property and liability claims. The fund provides coverage to a maximum of \$350,000 for each worker's compensation claim, \$100,000 for each general liability claim, and \$25,000 for each property damage claim. The City purchases commercial insurance for claims in excess of coverage provided by the Risk Management fund and for all other risks of loss. Settled claims have not exceeded this commercial coverage in this fiscal year, nor has the City had any settlements in excess of insurance coverage in the past three years.

The workers compensation division allocates the cost of providing claims service and claims payment by charging a premium to each applicable fund based on the state mandated rate per \$100 rate of salary by employee classification. The property and liability division charges a premium to the applicable funds based on the value of capital assets in each fund.

The self-funded health insurance plan was implemented on January 1, 2016 and is administered by Blue Cross and Blue Shield of Florida. Coverage under the plan is available to employees and retirees of the City of Cape Coral and provides comprehensive medical benefits to employees and their dependents. The plan is funded through contributions from the City, employees, and retirees with specific and aggregate reinsurance coverages underwritten by Blue Cross and Blue Shield of Florida.

The claims liabilities reported in the risk management and self-funded health insurance funds on September 30, 2024, are based on requirements of Governmental Accounting Standards Board (GASB) Statement No. 30, which requires that a liability for claims be reported if it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be estimated. This includes claims that have been incurred but not reported (IBNR) and allocated loss adjustment expenses.

Changes in the funds' claims liability amounts in fiscal years 2023 and 2024 were:

	Beginning-of-Fiscal-Year Claims Liability	Current-Year Claims and Changes in Estimates	Claims Payments	End-of-Fiscal Year Claims Liability
Workers Compensation				
2023 - 2024	\$ 5,533,124	\$ 1,899,164	\$ (2,100,293)	\$ 5,331,995
2022 - 2023	6,465,920	1,454,604	(2,387,400)	5,533,124
Property and Casualty				
2023 - 2024	\$ 5,844,514	\$ 2,164,306	\$ (1,580,300)	\$ 6,428,520
2022 - 2023	5,895,845	1,032,982	(1,084,313)	5,844,514
Self-funded Health Insurance				
2023 - 2024	\$ 1,547,000	\$ 33,093,815	\$ (32,732,815)	\$ 1,908,000
2022 - 2023	2,063,535	28,325,756	(28,842,291)	1,547,000

2. Pension Plans

The City has four defined benefit single-employer pension plans:

- Municipal General Employees' Pension Plan
- Municipal Police Officers' Pension Plan
- Municipal Firefighters' Pension Plan
- General Employees' Pension Restoration Plan

Assets are held separately and may be used only for the payment of benefits to the members of the respective plans. The General Employees' Pension Restoration Plan does not hold assets. Each plan's financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee contributions are due and a formal commitment has been made by the employer. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. All plans except for the General Employees' Pension Restoration Plan issue financial reports that include financial statements and required supplementary information. The reports may be obtained from the City of Cape Coral.

The aggregate amount of net pension liability, related deferred outflows of resources and deferred inflows of resources and pension expense for the City's defined benefit pension plans are summarized below:

	Municipal General Employees'	Municipal Police Officers'	Municipal Firefighters'	Restoration General Employees'	Total
Net pension liability	\$ 83,560,069	\$ 34,602,626	\$ 42,722,674	\$ -	\$ 160,885,369
Total pension liability	-	-	-	3,017,560	3,017,560
Deferred outflows of resources related to pensions	13,701,406	9,846,487	16,923,330	3,017,982	43,489,205
Deferred inflows of resources related to pensions	8,463,022	10,655,102	16,358,844	3,622,163	39,099,131
Pension expense	19,596,243	12,997,072	14,091,138	(42,538)	46,641,915

A. Defined Benefit Plans

a. Municipal General Employees’ Pension Plan

At September 30, 2024 the Plan’s membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	825
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	288
Active Plan Members	953
Total	2,066

Plan Description – General Employees’ Pension Plan

The City’s Municipal General Employees’ Pension Plan (Plan) is a single employer defined benefit pension plan covering all full-time general employees of the City. Participation in the Plan is required as a condition of employment. The Plan provides for pension and death benefits and is subject to the provisions of the Florida Statutes and ordinance of the City of Cape Coral. Certain employees may opt-out and participate in the City’s defined contribution plan instead.

The Plan, in accordance with the above statute, is governed by a five-member pension board. The board is comprised as follows: two members must be legal residents of the City and are appointed by City Council; two members must be participants in the Plan and are elected by a majority of Plan members; the final is elected by a majority of the other four board members. Each board member serves a four-year period. The board has engaged the services of a third-party administrator, Pension Resource Center, to administer the Plan.

The Plan’s financial statements and related notes to the financial statements were audited in accordance with auditing standards generally accepted in the United States of America by Mauldin & Jenkins, LLC. It was their opinion that the financial statements were presented fairly in all material respects as of September 30, 2024. As the plan administrator, Christine Stoker at Foster and Foster can provide a copy of the financial statements upon request. She can be contacted at Christine.Stoker@foster-foster.com.

Benefits Provided - General Employees’ Pension Plan

Monthly accrued benefit – The monthly accrued benefit is calculated as follows:

- 1. For members with less than 20 years credited service – 2.50% of average final compensation, for each year of credited services.
- 2. For members with 20 or more years of credited service – 2.60% of average final compensation on the first 20 years of credited service, and 2.75% of average final compensation on each year of credited over beyond 20 years.

Credited service is defined as the period of service, as measured in years and partial years.

Average final compensation is defined as one-twelfth of the average salary (as defined by the Plan) of the best 5 years out of the prior 10 years of credited service prior to termination, retirement, or death.

The Plan allows for a cost-of-living increase (COLA) of 3.00% per year. The increase is effective on the first October 1 after having received one full year of benefits. For members who did not elect the buy-up (an additional 1.60% contribution) and those hired after September 30, 2013, the increase is 2.50% and is effective on the October 1 after having received three full years of benefits. A COLA does not apply to a deferred vested retirement.

Payment options - the Plan offers a variety of payment options, including normal form, life annuities, 10-year certain and life annuities, joint and survivor annuities, and social security options. The initial maximum benefit per year is the lesser of 80% of average compensation, or \$95,000 (or the accrued benefit as October 1, 2013). For members who have reached the normal retirement date as of October 1, 2013 or are within five years of the normal retirement date and have at least 15 years of credited service



as of October 1, 2013, the maximum benefit is 80% of average compensation. In these instances, the maximum benefit is exclusive of the COLA increase.

Normal retirement age – normal retirement age is defined as:

1. If hired prior to October 1, 2013 – The earlier of attaining age 60, regardless of the number of years of credited service, or the completion of 25 years of credited service, regardless of age.
2. If hired on or after October 1, 2013 – The earlier of attaining age 62 and the completion of years of 10 credited service, or the completion of 27 years of credited service, regardless of age.

Early retirement age - Members become eligible for early retirement upon reaching age 50 and having 10 years of credited service. With early retirement, the beneficiary can elect to receive a lump-sum payment of the actuarially determined benefit or receive the member's monthly accrued benefit for 10 years certain and life, thereafter, beginning at the members normal retirement date. Upon the death of a non-vested member prior to retirement, the beneficiary will receive the member's accumulated contributions (including interest at 3.50%, compounded annually) in lieu of any other benefits payable under the Plan.

Forfeiture of benefits - If convicted of certain crimes, as identified in the Plan document, members forfeit all of their vested benefits, and their personal contributions are refunded to them.

Vesting – General Employees' Pension Plan

Members are fully vested in their contributions.

Members hired prior to October 1, 2013 become vested in all other contributions on a graduated scale as follows:

Years of Service	Vested %
Less than 5	0
5	50
6	60
7	70
8	80
9	90
10 or more	100

For members hired after October 1, 2013, there is no vesting until the member has accrued 10 years of credited service. Additionally, for members who have more than 5 years of credited service, but less than 10 as of October 1, 2013, those members' vesting is frozen at the percentage above, until such time the member has 10 years of credited service.

Deferred Retirement Option Plan (Drop)

Members who qualify for normal retirement may enroll in DROP. Members who enroll in DROP may remain active employees for up to five years. Upon enrollment, members' monthly benefits accrue until such time that they leave the DROP program. At the time of the termination of employment at the end of the DROP period, the member will begin receiving the monthly retirement benefit, and within 120 months of termination of employment the member will receive the account balance in a lump sum or in another optional form. Additionally, upon enrollment, members are no longer eligible for disability or pre-retirement death benefits, nor can they receive any additional years of credited service. As of September 30, 2024, the Plan had 67 active members enrolled in DROP, and the total amount of accrued benefits was \$30,019,471.

Investments – General Employees’ Pension Plan

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 14.47%.

Investment Policy and Concentrations: Detailed information can be found in Note IV Detailed Notes 1. Cash and Investments.

Contributions and Funding

Covered general employees are required to contribute 9.90% of their salary to the Plan. The City makes contributions based on actuarially determined minimum funding requirements.

Additionally, members hired prior to October 1, 2013 may make an irrevocable election to contribute an additional 1.60% in exchange for keeping the cost-of-living increase at 3.00%, and reversion of the monthly benefit to the normal form of benefit in the event the retiree is predeceased by the joint pensioner. The election must have been made by September 30, 2013.

Net Pension Liability of the City - General Employees’ Pension Plan

The City’s net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension was determined by an actuarial valuation as of that date.

	<u>9/30/2024</u>
Total pension liability	\$541,160,687
Plan fiduciary net position	(457,600,618)
Net pension liability	<u>\$ 83,560,069</u>
Net position as a percentage of the total pension liability	84.56%

Actuarial Assumptions - General Employees’ Pension Plan

The total pension liability was determined by an actuarial valuation as of October 1, 2023 updated to September 30, 2024 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.50%
Salary Increases	Service based
Discount Rate	6.85%
Investment Rate of Return	6.85%

Mortality rates were based on the following:

Mortality Rate Healthy Active Lives:

- ◆ Female: PubG.H-2010 (Above Median) for Employees.
- ◆ Male: PubG.H-2010 for Employees, set back one year.

Mortality Rate Healthy Retiree Lives:

- ◆ Female: PubG.H-2010 for Healthy Retirees.
- ◆ Male: PubG.H-2010 for Healthy Retirees, set back one year.

Mortality Rate Beneficiary Lives:

- ◆ Female: PubG.H-2010 (Below Median) for Healthy Retirees.
- ◆ Male: PubG.H-2010 for Healthy Retirees, set back one year.

Mortality Rate Disabled Lives:

- ◆ PubG.H-2010 for Disabled Retirees, set forward three years.



All rates are projected generationally with Mortality Improvement Scale MP-2018.

The actuarial assumptions used in the October 1, 2023 valuation were based on Milliman's July 1, 2021 FRS valuation report for non-special-risk employees, with appropriate adjustments based on plan demographics.

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

Asset Class	Long-term Expected Real Rate of Return
U.S. Equities	6.29%
Developed Non-US Equities	6.39%
Emerging Market Equities	7.63%
US Core Fixed Income	1.90%
Real Estate	3.24%
Private Equity	9.43%
Private Credit	5.91%
Infrastructure	5.72%
Farmland	6.01%

Discount Rate - General Employees' Pension Plan

The discount rate used to measure the total pension liability remained unchanged at 6.85%. 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 the sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - General Employees' Pension Plan

The following presents the net pension liability of the City, calculated using the discount rate of 6.85%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 5.85%	Current Discount Rate 6.85%	1% Increase 7.85%
Net pension liability	<u>\$150,569,748</u>	<u>\$ 83,560,069</u>	<u>\$ 28,568,371</u>

Changes in the Net Pension Liability - General Employees' Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2023	\$ 504,845,871	\$ 401,511,980	\$ 103,333,891
Changes for the year:			
Service cost	12,586,687	-	12,586,687
Interest	34,589,674	-	34,589,674
Differences between expected and actual experience	13,943,227	-	13,943,227
Contributions - Employer	-	16,637,854	(16,637,854)
Contributions - Employee	-	6,685,226	(6,685,226)
Contributions - Buy Back	142,838	142,838	-
Net Investment Income	-	57,936,942	(57,936,942)
Benefit payments, including refunds of employee contributions	(24,947,610)	(24,947,610)	-
Administrative Expenses	-	(366,612)	366,612
Net changes	36,314,816	56,088,638	(19,773,822)
Balances at September 30, 2024	\$ 541,160,687	\$ 457,600,618	\$ 83,560,069

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - General Employees' Pension Plan

For the year ended September 30, 2024, the City recognized pension expense of \$19,596,243. 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	\$ 11,392,707	\$ 610,569
Changes in assumptions	2,308,699	-
Net Difference between projected and actual earnings on investments	-	7,852,453
Total	\$ 13,701,406	\$ 8,463,022

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

Year ended September 30,

2025	\$ 4,204,670
2026	11,439,623
2027	(4,306,574)
2028	(6,099,335)
2029	-

b. Municipal Police Officers' Pension Plan

At October 1, 2024 the Plan's membership consisted of the following:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	182
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	56
Active Plan Members	251
Total	489

Plan Description – Police Officers' Pension Plan

The Plan is a defined benefit pension plan covering all full-time police officers of the City. Participation in the Plan is required as a condition of employment. The Plan provides for pension and death benefits and is subject to the provisions of the Florida Statutes and ordinances of the City of Cape Coral.

The Plan, in accordance with the above statute, is governed by a five-member pension board (the Board). The Board is comprised as follows: two members must be legal residents of the City and are appointed by City Council; two members must be members in the Plan and are elected by a majority of Plan members; the final is elected by a majority of the other four board members. Each board member serves a four-year period. The Board has engaged the services of a third-party administrator to administer the Plan.

The Plan's financial statements and related notes to the financial statements were audited in accordance with auditing standards generally accepted in the United States of America by Mauldin & Jenkins, LLC. It was their opinion that the financial statements were presented fairly in all material respects as of September 30, 2024. As the plan administrator, Christine Stoker at Foster and Foster can provide a copy of the financial statements upon request. She can be contacted Christine.Stoker@foster-foster.com.

Benefits Provided - Police Officers' Pension Plan

Monthly Accrued Benefit - The monthly accrued benefit equals 3.25% of average final compensation, times the years of credited service.

Credited service is defined as the period of service, as measured in years and partial years.

Average final compensation is defined as one-sixtieth of the average salary (as defined by the Plan) for the five 12-month periods that produce the greatest average.

The Plan allows for a cost-of-living increase of 3.00% per year. The increase is effective on the first October 1 after having received one full year of benefits. For police officers hired after June 16, 2014, the increase is effective on October 1 after having received three full years of benefits.

Payment Options - the Plan offers a variety of payment options including, partial lump-sum payouts, 10-year certain and life annuity, joint and survivor annuities, and social security options. For members who have not reached normal retirement age by October 1, 2013, the maximum benefit per year shall not exceed \$105,000, exclusive of any cost-of-living increases. Ordinance 98-22 adopted December 7, 2022 provides for an increase in the annual maximum benefit from \$95,000 to \$105,000, incrementally phased in by automatic 1% increases effective October 1, 2022.

Normal Retirement Age - normal retirement age is defined as:

- 1. If hired prior to October 1, 2013 – The earlier of attaining age 50, regardless of the number of years of credited service, or the completion of 25 years of credited service, regardless of age.
- 2. If hired on or after October 1, 2013 – The earlier of attaining age 52 and the completion of years of 10 credited service, or the completion of 27 years of credited service, regardless of age.

Early Retirement Age – members become eligible for early retirement upon reaching age 40 and having 10 years of credited service. The early retirement benefit is calculated and reduced actuarially, based upon the normal retirement benefit.

Death and Disability - Upon the death of a vested member prior to normal retirement, the beneficiary will receive the member’s monthly accrued benefit for 10 years certain and life, thereafter, beginning at the member’s normal retirement date. Upon the death of a non-vested member prior to retirement, the beneficiary will receive the member’s accumulated contributions in lieu of any other benefits payable under the Plan.

Active members who become totally and permanently disabled in the line of duty shall receive a normal retirement benefit with the maximum benefit equal to 66.67% of average final compensation. Any member who becomes totally and permanently disabled while not in the line of duty shall receive a normal retirement benefit, based upon years of credited service as follows:

- 1. Greater than 10 years – 66.67% of average final compensation.
- 2. Between 5 and 10 years – 50% of average final compensation.
- 3. Less than 5 years – 25% of average final compensation.

Forfeiture of Benefits - if convicted of certain crimes, as identified in the Plan Document, members forfeit all of their vested benefits, and their personal contributions are refunded to them. Additionally, the Plan identifies certain instances in which members would not qualify for disability benefits, due to the nature of the disability (for example, illegal drug use).

Vesting

Members hired prior to October 1, 2013 become vested in all other contributions on a graduated scale as follows:

Years of Service	Vested %
Less than 5	0
5	50
6	60
7	70
8	80
9	90
10 or more	100

Members hired on or after October 1, 2013, become vested in all other contributions after 10 years of credited service. Additionally, for members who have 5 or more years of credited service, but less than 10 as of October 1, 2013, those members’ vesting is frozen at the percentage above until such time the member has 10 years of credited service.

Deferred Retirement Option Plan (DROP)

Members who qualify for normal retirement may enroll in DROP. Members who enroll in DROP may remain active employees for up to five years. Upon enrollment, members’ monthly benefits accrue until such time that they leave the DROP program. At the time of the termination of employment at the end of the DROP period, the member will be receiving the monthly benefit, and within 120 months of termination,



will receive the account balance in a lump sum or in another option form. Additionally, upon enrollment, members are no longer eligible for disability or pre-retirement death benefits, nor can they receive any additional years of credited service. As of September 30, 2024, the Plan had 30 active members enrolled in DROP, and the total amount of accrued benefits was \$31,660,685.

Investments – Police Officers’ Pension Plan

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 17.86%.

Investment Policy and Concentrations: Detailed information can be found in Note IV Detailed Notes 1. Cash and Investments.

Contributions - Police Officers’ Pension Plan

Covered employees are required to contribute 10% of their salary to the Plan. The City makes contributions based on actuarially determined minimum funding requirements. Additionally, the state of Florida contributes insurance premium taxes, which are used to help reduce the City’s portion of its minimum funding requirement.

Net Pension Liability of the City - Police Officers’ Pension Plan

The City’s net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension was determined by an actuarial valuation as of that date.

	<u>9/30/2024</u>
Total pension liability	\$ 323,205,633
Plan fiduciary net position	<u>(288,603,007)</u>
Net pension liability	<u>\$ 34,602,626</u>
Net position as a percentage of the total pension liability	89.29%

Actuarial Assumptions – Police Officers’ Pension Plan

The total pension liability was determined by an actuarial valuation as of October 1, 2023 updated to September 30, 2024 using the following actuarial assumptions applied to all measurement periods.

◆ Inflation	2.25%
◆ Salary Increases	Service Based
◆ Discount Rate	7.00%
◆ Investment Rate of Return	7.00%

Mortality rates were based on the following:

Mortality Rate Healthy Active Lives:

- ◆ Female: PubS.H-2010 for Employees, set forward one year.
- ◆ Male: PubS.H-2010 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 for Healthy Retirees, set forward one year.

Mortality Rate Beneficiary Lives:

- ◆ Female: PubG.H-2010 for Healthy Retirees.
- ◆ Male: PubG.H-2010 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 the Mortality Improvement Scale MP-2018.

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 Long-Term Rate of Return on Pension Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class. For 2024 the inflation rate assumption of the investment advisor was 2.25%. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of September 30, 2024 are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
US Large Cap Equity	4.52%
US Small/Mid Cap Equity	5.06%
International Equity	5.08%
U.S. Direct Real Estate	3.73%
Absolute Return	3.73%
Private Equity	7.27%
US Fixed Income	2.44%
Private Debt	6.00%

The discount rate used to measure the total pension liability was 7.00% and did not change from the previous period. 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 the sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - Police Officers’ Pension Plan

The following presents the net pension liability of the City, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Net pension liability	\$ 74,525,382	\$ 34,602,626	\$ 2,221,400



Changes in the Net Pension Liability - Police Officers' Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2023	\$ 300,505,337	\$ 241,499,271	\$ 59,006,066
Changes for the year:			
Service cost	7,616,344	-	7,616,344
Interest	21,112,687	-	21,112,687
Share Plan Allocation	1,579,782	-	1,579,782
Experience Gains/Losses	5,356,381	-	5,356,381
Contributions - Employer	-	11,576,571	(11,576,571)
Contributions - State	-	2,830,113	(2,830,113)
Contributions - Employee	-	2,622,847	(2,622,847)
Contributions - Buy Back	58,830	58,830	-
Net Investment Income	-	43,227,879	(43,227,879)
Benefit payments, including refunds of employee contributions	(13,023,728)	(13,023,728)	-
Administrative Expenses	-	(188,776)	188,776
Net changes	22,700,296	47,103,736	(24,403,440)
Balances at September 30, 2024	\$ 323,205,633	\$ 288,603,007	\$ 34,602,626

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Police Officers' Pension Plan

For the year ended September 30, 2024, the City recognized pension expense of \$12,997,072. 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	\$ 7,385,025	\$ -
Changes in Assumptions	2,461,462	-
Net Difference between projected and actual earnings on investments	-	10,655,102
Total	\$ 9,846,487	\$ 10,655,102

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

Year ended September 30,

2025	933,611
2026	6,936,346
2027	(4,512,393)
2028	(4,166,179)
2029	-
thereafter	-

c. **Municipal Firefighters’ Pension Plan**

At October 1, 2023 the Plan’s membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	157
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	17
Active Plan Members	243
Total	417

Plan Description – Firefighters’ Pension Plan

The Plan is a defined benefit pension plan covering all sworn firefighters of the City. Participation in the Plan is required as a condition of employment. The Plan provides for pension, death and disability benefits, and is subject to the provisions of Chapter 175, Florida Statutes, and ordinances of the City of Cape Coral.

The Plan, in accordance with the above statute, is governed by a five-member pension board (the Board). The Board is comprised as follows: two members must be legal residents of the City and are appointed by City Council; two members must be members in the Plan and are elected by a majority of Plan members; the final is elected by a majority of the other four board members. Each board member serves a four-year period. The Board has engaged the services of a third-party administrator to administer the Plan.

The Plan’s financial statements and related notes to the financial statements were audited in accordance with auditing standards generally accepted in the United States of America by Mauldin & Jenkins, LLC. It was their opinion that the financial statements were presented fairly in all material respects as of September 30, 2024. As the plan administrator, Chrissy Stoker at Foster and Foster can provide a copy of the financial statements are upon request. She can be contacted at Christine.Stoker@foster-foster.com.

Benefits Provided - Firefighters’ Pension Plan

Monthly accrued benefit - The monthly accrued benefit equals 3.25% of average final compensation, times the years of credited service.

Credited service is defined as the period of service, as measured in years and partial years.

Average final compensation is defined as one-sixtieth of the average (as defined by the Plan) for the five twelve-month periods which produce the greatest average.

The Plan allows for a cost-of-living increase of 3.00% per year. The increase is effective on the first October 1 after having received one full year of benefits. For firefighters hired after June 16, 2014, the increase is effective on the October 1 after having received three full years of benefits.

Payment options - the Plan offers a variety of payment options including the following: partial lump sum payouts, 10 certain and year life annuities, joint and survivor annuities, and social security options. For members who have not reached normal retire age as of June 16, 2014, the maximum benefit is capped at \$98,857 per year, exclusive of any cost-of-living increases.

Normal retirement age - normal retirement ages is defined as:

- 1. Age 50, regardless of the number of years of credited service (age 52 and 10 years of credited service for firefighters hired after June 15, 2014), or
- 2. Completion of 25 years of credited service, regardless of age.

Early retirement age - members become eligible for early retirement upon reaching age forty and having ten years of credited service. The early retirement benefit is calculated and reduced actuarially, based upon the normal retirement benefit.



Death and disability - upon the death of a vested member prior to retirement, the beneficiary will receive the member's monthly accrued benefit for life with 10 years certain beginning on the member's early or normal retirement date. Upon the death of a non-vested member prior to retirement, the beneficiary will receive the member's accumulated contributions in lieu of any other benefits payable under the Plan.

Active members who become totally and permanently disabled in the line of duty shall receive a normal retirement benefit with the minimum benefit equal to 66.67% of average final compensation. Any member who becomes totally and permanently disabled while not in the line of duty, shall receive a normal retirement benefit, based upon years of credited service as follows:

1. Greater than 10 years – 66.67% of average final compensation.
2. Between 5 and 10 years – 50% of average final compensation.
3. Less than 5 years – 25% of average final compensation.

Forfeiture of benefits - if convicted of certain crimes, as identified in the Plan document, members forfeit all of their vested benefits, and their personal contributions are refunded to them. Additionally, the Plan identifies certain instances in which members would not qualify for disability benefits due to the nature of the disability (for example, illegal drug use).

Vesting

Members are fully vested in their contributions, and become vested in all other contributions on a graduated scale as follows:

Years of Service	Vested %
Less than 5	0%
5	50
6	60
7	70
8	80
9	90
10 or more	100

For members hired after June 15, 2014, there is no vesting until members have accrued 10 years of credited service. Additionally, for members who have more than 5 years of credited service, but less than 10 years as of June 15, 2014, those members' vesting is frozen at the percentage above until such time that the member has 10 years of credited service.

Deferred Retirement Option Plan (DROP)

Members who qualify for normal retirement may enroll in DROP. Members who enroll in DROP may remain active employees for up to five years. Upon enrollment, members' monthly benefits accrue until such time that they leave the DROP program. Payment shall be made from the DROP account within 120 months after termination of employment. Additionally, upon enrollment, members are no longer eligible for disability or pre-retirement death benefits, nor can they receive any additional years of credited service. As of September 30, 2024, the Plan had 4 active members enrolled in DROP, and the total amount of accrued benefits was \$22,116,187.

Investments – Firefighters' Pension Plan

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 investments expense, was 19.35%.

Investment Policy and Concentrations: Detailed information can be found in Note IV Detailed Notes 1. Cash and Investments.

Contributions – Firefighters’ Pension Plan

Employees contribute 10% of salary. The effective Member Contribution rate will vary each year as new members enter and members electing the buy up leave the plan. The City contributes the remaining amounts at actuarially determined rates that are designated to accumulate sufficient assets to pay benefits when due.

Net Pension Liability of the City - Firefighters’ Pension Plan

The City’s net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension was determined by an actuarial valuation as of that date.

	9/30/2024
Total pension liability	\$338,406,428
Plan fiduciary net position	(295,683,754)
Net pension liability	<u>\$ 42,722,674</u>
Net position as a percentage of the total pension liability	87.38%

The total pension liability was determined by an actuarial valuation as of October 1, 2023 updated to September 30, 2024 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.44%
Salary Increases	Service Based
Investment Rate of Return	6.75%

Mortality rates were based on the use of PubS.H-2010 set forward one year for active and retiree lives, PubG.H-2010 for beneficiary lives except males set back one year. Disabled lives are 80%PubG.H-2010 and 20% PubS.H-2010.

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

Asset Class	Long-term Expected Real Rate of Return
US Large Cap Equity	4.52%
US Small/Mid Cap Equity	5.06%
International Equity	5.08%
U.S. Direct Real Estate	3.73%
Absolute Return	3.73%
Private Equity	7.27%
US Fixed Income	2.44%
Private Debt	6.00%



The discount rate used to measure the total pension liability remained unchanged at 6.75%. 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 the sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – Firefighters' Pension Plan

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net pension liability	\$ 90,285,256	\$ 42,722,674	\$ 4,421,595

Changes in the Net Pension Liability – Firefighters' Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2023	\$ 320,142,756	\$ 245,865,404	\$ 74,277,352
Changes for the year:			
Service cost	8,564,330	-	8,564,330
Interest	21,574,634	-	21,574,634
Change in Excess State Money	807,956	-	807,956
Differences between expected and actual experience	2,749,343	-	2,749,343
Contributions - Employer	-	12,374,438	(12,374,438)
Contributions - State	-	2,930,853	(2,930,853)
Contributions - Employee	-	2,528,762	(2,528,762)
Contributions - Buy Back	26,405	26,405	-
Net Investment Income	-	47,595,484	(47,595,484)
Benefit payments, including refunds of employees contributions	(15,458,996)	(15,458,996)	-
Administrative Expenses	-	(178,596)	178,596
Net changes	18,263,672	49,818,350	(31,554,678)
Balances at September 30, 2024	\$ 338,406,428	\$ 295,683,754	\$ 42,722,674

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Firefighters’ Pension Plan

For the year ended September 30, 2024, the City recognized pension expense of \$14,091,138. At 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	\$ 4,214,598	\$ 1,774,772
Changes in Assumptions	12,708,732	-
Net Difference between projected and actual earnings on investments	-	14,584,072
Total	<u>\$16,923,330</u>	<u>\$16,358,844</u>

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

Year ended September 30,

2025	\$ 2,125,977
2026	5,995,043
2027	(4,278,183)
2028	(4,380,982)
2029	709,868
thereafter	392,763

d. Restoration General Employees’ Pension Plan

At October 1, 2024, the Plan’s membership consisted of the following:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	825
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	288
Active Plan Members	<u>953</u>
Total	<u>2,066</u>

Plan Description – Restoration General Employees’ Pension Plan

This plan was implemented in fiscal year 2020. It is a single employer defined benefit pension plan administered by the Plan’s Board of Trustees. The Board is designated as the plan administrator. The Board shall consist of five Trustees. The trustees of the system shall serve ex officio as the Trustees of the Board. The Board shall meet at least quarterly each year. The Board shall be a legal entity with, in addition to other powers and responsibilities contained herein, the power to bring and defend lawsuits of every kind, nature and description.

Benefits Provided – Restoration General Employees’ Pension Plan

Members receiving benefits from the city of Cape Coral Municipal General Employees’ Retirement Plan (“Qualified Plan”) are entitled to benefits from this plan if their benefits are restricted by Section 415 of the Internal Revenue code. Their benefits under this plan are determined as lesser of the following:

1. The unrestricted benefit under the Qualified Plan, less the maximum benefit allowed under Section 415 of the Code; or
2. The amount which the member's monthly benefit from the Qualified Plan has been reduced due to limitations imposed by the Code.

Contributions may not be accumulated under this plan to pay future retirement benefits. The plan is funded by the City on a pay-as-you-go basis.

The plan is not prefunded, so no assets available to offset the Total Pension Liability.

Total Pension Liability of the City – Restoration General Employees' Pension Plan

The City's total pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the total pension was determined by an actuarial valuation as of October 1, 2023.

Actuarial Assumptions - Restoration General Employees' Pension Plan

The total pension liability was determined by an actuarial valuation as of October 1, 2023 updated to October 1, 2024 using the following actuarial assumptions.

◆ Inflation	2.50%
◆ Salary Increases	Service based
◆ Discount Rate	4.06%

Discount Rate – 4.06% per year, determined annually based on the rate published in the S&P Municipal Bond 20 Year High Grade Index based on the weekly rate closest to but no later than the measurement date.

Asset Valuation Method – Fair Value of Assets. The plan is not prefunded, so no assets are available to offset the Total pension Liability.

Section 415 Limit - Members receiving benefits from the City of Cape Coral Municipal General Employees' Retirement Plan ("Qualified Plan") are entitled to benefits from this plan if their benefits are restricted by Section 415 of the Internal Revenue Code. Their benefits under this plan are determined as lesser of the following:

1. The unrestricted benefit under the Qualified Plan, less the maximum benefit allowed under Section 415 of the Code; or
2. The amount which the member's monthly benefit from the Qualified Plan has been reduced due to limitations imposed by the Code.

Sensitivity of the Total Pension Liability to Changes in the Discount Rate – Restoration General Employees' Pension Plan

The following presents the total pension liability of the City, calculated using the discount rate of 4.06%, as well as what the total pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 3.06%	Current Discount Rate 4.06%	1% Increase 5.06%
Total pension liability	\$ 3,763,548	\$ 3,017,560	\$ 2,464,034

Contributions may not be accumulated under this plan to pay future retirement benefits. The plan is funded by the City on a pay-as-you-go-basis. The plan is not prefunded, so no assets are available to offset the Total Pension Liability. Therefore, there is no net pension liability.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Restoration General Employees' Pension Plan

For the year ended September 30, 2024, the City recognized pension benefits of negative \$42,538. At 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	\$ 2,608,070	\$ 2,372,062
Changes in Assumptions	409,912	1,250,101
Total	\$ 3,017,982	\$ 3,622,163

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

Year ended September 30,

2025	(104,896)
2026	(104,896)
2027	(104,896)
2028	(104,896)
2029	(104,896)
thereafter	(79,701)

B. Defined Contribution Plan

a. General Employees Defined Contribution Pension Plan

The City established a single employer defined contribution pension plan for department heads and administrative management general employees on April 23, 1997. Eligible members who were current members of the Municipal General Employees' Pension Plan were given the irrevocable election to opt out of the old plan, and their accumulated contributions or future benefits, if vested, were rolled over into the new defined contribution pension plan. The employee chooses to directly manage his/her funds or to delegate the management via a preferred fund selection.

The City contracted with ICMA-RC to provide a 401(a) plan to all positions Grade 22 or higher as an alternative "opt-out" to the defined benefit retirement plan per City Code of Ordinances 2-123.2(a)(2). Terms of the plan are identified in the ICMA Retirement Corporation Governmental Money Purchase Plan & Trust Adoption Agreement approved by council and requires council approval for all changes.

Normal retirement is age 55 (not to exceed age 65). The adoption agreement has the following provisions: immediate 100% vesting, requires contributions equal to 8% of earnings from the employee and contributions of 12% of earnings from the employer. During FY2024, the City contributed \$203,611 and the employees contributed \$135,605.

3. Other Postemployment Benefits (OPEB)

Plan Description – City of Cape Coral OPEB Plan

Certain OPEB benefits are available to employees with at least 10 years of service and qualify for disability or retirement benefits under the applicable pension plan. The OPEB benefits include lifetime coverage for the retiree and dependents (for the life of the retiree) in the medical and prescription plans as well as participation in the dental and vision group plans sponsored by the City for employees. Retiring employees are eligible to continue the City-paid life insurance plan.



The City does not issue a separate financial report for the single-employer OPEB plan. The City's OPEB plan is currently being funded on a pay as you go basis, therefore, no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan is administered by the City of Cape Coral. None of the benefits, rates of pay, or compensation provided to employees or retirees herein may be changed except by ordinance of the City Council.

Health-Related Benefits

All retiring employees of the City may continue their participation in the group health insurance plan sponsored by the City and may choose among the same medical plan options available for active employees of the City, as required by State law, but may be subject to a premium payment depending on their date of employment with the City.

Tier 1 - Employees hired October 1, 2003 and prior:

- Retirees receive single coverage for life at no premium contribution.
- The City reimburses retirees for the Part B Premium, spouses/dependents pay a percentage of the group plan premium that varies by coverage.
- Spouses pay the full plan premium when a City Medicare plan is elected.
- An opt-out benefit is available for those not electing a City plan for up to \$160 per month when proof of coverage is supplied.
- Life insurance is available at no premium contribution for retirees.

Tier 2 - Employees hired after October 1, 2003 but before February 1, 2022:

- Retirees are charged the full plan premium for retiree and spouse/dependent coverage.
- Retirees are eligible to receive a health insurance subsidy to assist in offsetting the cost of health insurance for the retiree (whether through the City's group policy or another group health policy).
- The subsidy is based on the retiree's years of service multiplied by the current multiplier (\$14.39) which is updated annually based on any percentage increase of the City's group health benefit cost.
- The subsidy is available for the life of the retiree.

Tier 3 - Employees hired after February 1, 2022:

- Retirees are charged the full plan premium for retiree and spouse/dependent coverage.
- Retirees are eligible to receive a health insurance subsidy to assist in offsetting the cost of health insurance for the retiree (whether through the City's group policy or another group health policy).
- The subsidy is based on the retiree's years of service multiplied by a percentage of the City's base medical plan employee-only rate (Blue Care HMO plan). The percentage varies from 16% to a maximum of 30%.
- The subsidy is available until the retiree becomes Medicare eligible.

Dependents of retirees may be covered at the retirees' option at the same rate as dependents of active employees, subject to premium payment. Prescription drug coverage is automatically included in all the medical plan options. Covered retirees and their dependents are subject to all the same medical and prescription benefits and rules for coverage as are active employees.

Medical and prescription coverage is self-funded for three group plans with stop-loss coverage for claims above \$300,000. The group plans are Blue Care HMO, High PPO and Low PPO. Retirees eligible for Medicare may elect City sponsored Medicare plans or remain on one of the three group plans. When the retiree is eligible for Medicare, the City group plan is secondary to Medicare for medical coverage. All plans renew on a calendar year basis.

Survivorship Benefits

Benefits for spouses / dependents end upon retiree death, only COBRA coverage is then available.

Life Insurance Benefits

Tier 1 employees may continue their participation in the group term life insurance policy into retirement with the face value equal to twice the amount of the annual base salary at retirement.

Tier 2 and 3 employees have an option of converting their coverage to individual policies. A converted policy is not considered other post-employment benefits for the purposes of GASB 75.

Retiree Contribution Premium – Tier 1 Employees: None

Duration of Retiree Coverage – Tier 1 Employees: Lifetime

Group Premium Rate: 53 cents per \$1,000 per month

Participant Data

For the October 1, 2023 valuation the following employees were covered by the benefit terms:

Retirees (Medical and/or Life Insurance)	759
Active plan members	1,547
Total	2,306

Total OPEB Liability

	Total OPEB Liability
Balance as of September 30, 2022 for FYE 2023	\$ 253,086,521
Changes:	
Service cost	6,879,290
Interest cost	11,155,525
Experience Losses/(Gains)	17,480,027
Changes in assumptions	70,299,893
Benefit payments	(12,862,315)
Net Changes	92,952,420
Balance as of September 30, 2023 for FYE 2024	\$ 346,038,941

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following table presents the City's total OPEB liability, as well as what the City's total OPEB 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.

	1% Decrease 3.75%	Current Discount Rate 4.75%	1% Increase 5.75%
Total OPEB Liability	\$ 402,739,362	\$ 346,038,941	\$ 300,938,427

Sensitivity of the total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following table presents the City's total OPEB liability, as well as what the City's total OPEB liability would be if it were calculated using a healthcare cost trend rate one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	<u>\$ 306,281,888</u>	<u>\$ 346,038,941</u>	<u>\$ 395,993,254</u>

Deferred Inflows/Outflows of Resources Related to OPEB

For the year ended September 30, 2024, the City recognized OPEB expense was \$22,738,616. In addition, the City has deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,688,414	\$ -
Changes of assumptions	69,654,516	71,956,793
Benefit payments subsequent to measurement date	12,700,000	-
Total	<u>\$ 98,042,930</u>	<u>\$ 71,956,793</u>

Employer contribution subsequent to measurement date will be reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to measurement date and will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2025.

As of September 30, 2024, amounts reported as deferred inflows and outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30,	
2025	\$2,901,995
2026	(393,315)
2027	(393,317)
2028	(3,359,211)
2029	14,629,985
2030 & thereafter	-

**The total OPEB liability at September 30, 2024 was based on
October 1, 2023 valuation data using the following actuarial
assumptions:**

Cost Method	Entry Age
Discount Rate (prior year rate 4.40%) *	Normal
Medical / Rx Claim Cost Trend & Retiree Premium Trend	4.75%
Medicare Part B Trend Rate	7.50%
	4.50%

Admin Fees	2.50%
Stop-Loss Premiums	10.50%
Rate of inflation	2.5%

** Discount rate is an average of the S&P Municipal Bond 20 Year High Grade & Fidelity GO AA-20 Year published yields*

Healthy Life Mortality:
Society of Actuaries Pub-2010 Public Retirement Plans
Headcount-weighted General and Public Safety Mortality Tables
Scale MP-2021 Full Generational Improvement

Disabled Life Mortality:
Society of Actuaries Pub-2010 Public Retirement Plans
Headcount-weighted General & Public Safety Disability Mortality Tables
Scale MP-2021 Full Generational Improvement

Spouse Age Difference:
Males are assumed to be 3 years older than females for future retirees.
Actual spouse age, if known, was valued for current retirees.

Future Retiree Participation in Coverage:
Category & Assumed Enrollment Upon Retirement
Tier 1 - 100%
Tier 2 & 3 Plan Pre 66 - 50%
Teir 2 & 3 Plan Post 65 - immaterial or nil
Tier 2 & 3 Subsidy - 100%

Age-Adjusted Costs:
The age-adjusted cost for retiree insurance coverage during the next 12 months from the valuation date was estimated based on analysis of the City’s plan experience, industry experiance, and industry surveys.

Covered Spouses:
Twenty percent (20%) of future eligible retirees are assumed to have a covered spouse. Actual Spouse elections were valued for current retirees.

Benefit Elections & Coverage Duration:
Actives Waiving – Assumed to receive subsidy under Tier 2 for life and under Tier 3 until Medicare eligible.
Actives Not Waiving – Assumed to remain in the same plan during retirement as currently electing.
Upon turning age 65, assume 75% will remain in same group plan and 25% will elect a Medicare plan.
Retirees in a group plan – If over age 65, will remain in the same plan for life. If younger than age 65, assume 75% will remain in the same group plan and 25% will elect a Medicare plan upon turning age 65.



Medicare Eligibility:
Age 65

Timing of Claim Payments:
Mid-Year

Salary Scale:
Assumed salary rates are based on years of service and area (General, Fire, Police).

Disability:
Assumed rates are based on those utilized for the City Fire and Police pension valuations.

Turnover Incidence:
Assumed rates are based on those used for the City General, Fire and Police pension valuations.

Retirement Age:
Assumed rates are based on those used for the City General, Fire and Police pension valuations.

Valuation Date:
October 1, 2023

Measurement Date:
September 30, 2023

Roll Forward Method:
Liabilities were rolled forward from the actuarial valuation date to measurement date through use of a roll forward method. Liabilities are adjusted for passage of time by adding normal cost minus benefit payments all adjusted with interest.

Changes in assumptions and items of impact that affected the measurement of the total OPEB liability since the prior valuation are as follows:

- The census was updated from October 1, 2021 to October 1, 2023. The active employees from Charter Schools (236 employees) were not included in the current valuation.
- The projected per capita costs, retiree contribution premiums, and trend assumptions were updated and revised and the January 1, 2024 renewal was taken into account.
- The salary scale, turnover, retirement and disability assumptions were updated using the latest pension reports.
- The mortality assumption was updated to reflect the latest mortality improvement scale published by the Society of Actuary. Changed from MP-2019 to MP-2021.
- The prior valuation assumed 90% of those hired after October 1, 2003 would drop coverage at age 65, 50% would elect coverage prior to age 65, and no liability was attributed to actives currently waiving. The current valuation assumes 100% subsidy participation of Tier 2 (for life) and Tier 3 (until Medicare eligible) retirees including those waiving. The 50% pre-65 enrollment assumption in the group plans remains.

- For future retiring employees it was assumed 75% will remain in the same group plan (or elect a group plan option if retiring after age 65) upon turning age 65 and 25% will elect a Medicare plan when Medicare eligible. For valuation purposes this assumption impacts Tier 1 retirees and spouses.

4. Contingencies

The City is currently receiving, and has received in the past, grants which are subject to special compliance audits by the grantor agency, and which may result in disallowed expense amounts. These amounts, if any, constitute a contingent liability of the City. The City does not believe any contingent liabilities are material. Accordingly, such liabilities are not reflected within the financial statements.

The City currently prepares rebate calculations on all debt subject to arbitrage per the United States Department of the Treasury Regulations, Section 1.148, and the Internal Revenue Service Code of 1986. Rebates, if any, are paid to the Internal Revenue Service every fifth year after the year of issuance. Within the five-year period, any positive arbitrage (liability) can be offset by any negative arbitrage (non-liability). The City does not believe there are any arbitrage contingent liabilities that are material.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel, the resolution of these matters will not have a material effect on the financial condition of the City.



Required Supplementary Information



**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 179,326,414	\$ 182,116,978	\$ 186,275,412	\$ 4,158,434
Licenses and permits	47,187	47,187	59,327	12,140
Franchise fees	7,848,678	7,848,678	10,466,168	2,617,490
Intergovernmental	4,541,466	4,307,828	53,691,407	49,383,579
Charges for services	25,310,113	22,240,320	23,794,192	1,553,872
Fines and forfeitures	697,838	697,838	1,372,028	674,190
Rent and royalties	410,931	410,931	577,833	166,902
Investment earnings	1,286,890	1,286,890	10,493,214	9,206,324
Contributions and donations	153,199	131,840	109,482	(22,358)
Other revenue	265,603	265,348	2,054,468	1,789,120
Total revenues	219,888,319	219,353,838	288,893,531	69,539,693
EXPENDITURES				
Current:				
General government:				
City Council	994,698	1,267,176	1,214,300	52,876
City Manager	3,136,968	3,136,968	2,831,846	305,122
City Auditor	1,138,874	1,138,874	986,720	152,154
Finance	4,551,159	4,577,203	4,289,668	287,535
City Clerk	1,750,036	1,754,627	1,691,919	62,708
Human Resources	2,181,803	2,211,803	1,943,694	268,109
City Attorney	2,587,918	2,704,168	2,170,311	533,857
ITS	10,724,600	10,859,936	8,503,281	2,356,655
Government Services	32,552,361	45,943,495	40,404,512	5,538,983
Total General Government	59,618,417	73,594,250	64,036,251	9,557,999
Public Safety:				
Police	66,726,353	66,982,739	65,306,642	1,676,097
Building	-	145,299	101,724	43,575
Total Public Safety	66,726,353	67,128,038	65,408,366	1,719,672
Public works	18,156,225	18,948,870	15,732,593	3,216,277
Parks and recreation	26,868,080	22,240,817	19,949,366	2,291,451
Community development	7,672,856	7,722,329	7,013,502	708,827
Capital outlay	6,488,277	11,246,632	21,954,301	(10,707,669)
Debt service:				
Principal	-	-	2,282,986	(2,282,986)
Interest and fiscal charges	-	-	12,693	(12,693)
Total expenditures	252,256,561	268,008,974	196,390,058	6,210,550
Excess (deficiency) of revenues over (under) expenditures	(32,368,242)	(48,655,136)	92,503,473	141,158,609
OTHER FINANCING SOURCES (USES)				
Transfers in	6,130,987	6,251,981	5,588,304	(663,677)
Transfers out	(38,215,506)	(70,686,330)	(70,574,678)	111,652
Lease issuances	-	-	619,527	619,527
SBITA issuances	-	-	12,814,726	12,814,726
Proceeds on sale of capital assets	-	-	362,534	362,534
Reserves	(2,273,592)	45,961,447	-	(45,961,447)
Total other financing sources (uses)	(34,358,111)	(18,472,902)	(51,189,587)	(32,716,685)
Net change in fund balance	(66,726,353)	(67,128,038)	41,313,886	108,441,924
Budgetary fund balance - beginning as originally reported	(98,479,954)	(158,112,897)	73,537,399	231,650,296
Adjustment - change to reporting entity (Note 18)	-	-	104,352	104,352
Budgetary fund balance - beginning as originally reported	(98,479,954)	(158,112,897)	73,641,751	231,754,648
Budgetary fund balance - ending	\$ (165,206,307)	\$ (225,240,935)	\$ 114,955,637	\$ 340,196,572

The accompanying notes to the required supplementary information - budget comparisons are an integral part of this schedule

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FIRE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,479,609	\$ 1,479,609	\$ 1,315,000	\$ (164,609)
Special assessments	43,157,314	43,157,314	44,278,745	1,121,431
Intergovernmental	595,734	595,734	196,879	(398,855)
Charges for services	550,886	550,886	1,113,325	562,439
Rent and royalties	175,265	175,265	186,037	10,772
Investment earnings (loss)	(242)	(242)	914,060	914,302
Other revenue	-	-	136,324	136,324
Total revenues	<u>45,958,566</u>	<u>45,958,566</u>	<u>48,140,370</u>	<u>2,181,804</u>
EXPENDITURES				
Public safety:				
Fire	61,648,507	62,879,545	60,378,757	2,500,788
Capital outlay	3,459,630	7,767,802	3,730,100	4,037,702
Total expenditures	<u>65,108,137</u>	<u>70,647,347</u>	<u>64,108,857</u>	<u>6,538,490</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,149,571)</u>	<u>(24,688,781)</u>	<u>(15,968,487)</u>	<u>8,720,294</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	22,118,515	22,118,515	22,120,971	2,456
Transfers out	(2,711,679)	(3,419,257)	(3,942,789)	(523,532)
Proceeds on sale of capital assets	-	-	108,900	108,900
Reserves	-	6,246,788	-	(6,246,788)
Total other financing sources (uses)	<u>19,406,836</u>	<u>24,946,046</u>	<u>18,287,082</u>	<u>(6,658,964)</u>
Net change in fund balances	<u>\$ 257,265</u>	<u>\$ 257,265</u>	<u>2,318,595</u>	<u>\$ 2,061,330</u>
Fund balances - beginning			<u>6,847,594</u>	
Fund balances - ending			<u>\$ 9,166,189</u>	

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
SOLID WASTE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special assessments	\$ 21,628,146	\$ 22,158,298	\$ 26,781,145	\$ 4,622,847
Intergovernmental	-	-	676,060	676,060
Investment earnings (loss)	-	-	679,411	679,411
Other revenue	-	-	125,745	125,745
Total revenues	21,628,146	22,158,298	28,262,361	6,104,063
EXPENDITURES				
Public works	21,102,298	21,660,812	22,078,124	(417,312)
Capital outlay	31,000	31,000	27,144	3,856
Total expenditures	21,133,298	21,691,812	22,105,268	(413,456)
Excess (deficiency) of revenues over (under) expenditures	494,848	466,486	6,157,093	5,690,607
OTHER FINANCING SOURCES (USES)				
Reserves	(494,848)	(466,486)	-	466,486
Total other financing sources (uses)	(494,848)	(466,486)	-	466,486
Net change in fund balances	\$ -	\$ -	6,157,093	\$ 6,157,093
Fund balances - beginning			4,124,227	
Fund balances - ending			\$ 10,281,320	

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULES
OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
September 30, 2024**

Budgetary Basis

The City adopts an annual appropriated budget for the General Fund, Special Revenue Funds and Debt Service Fund. Capital projects are budgeted over the length of the project. The budget to actual comparison for the general fund, fire operations fund, and solid waste fund is presented on page 114-116 of the required supplementary information. The budget to actual comparison for other governmental funds are presented on pages 142-169 of the combining statements.

Budgetary Information

The following procedures are used in establishing the legally adopted budgetary data reflected in the financial statements.

1. In the month of July, the City Manager submits to the City Council, a Proposed Operating Budget for the fiscal year commencing the following October. The Proposed Operating Budget includes the fiscal year expenditures and the means of financing them.
2. Public hearings and Budget workshops are conducted to obtain taxpayer comments.
3. On or before September 30th, the budget is legally enacted by the City Council through passage of an ordinance as required by City Charter and an ordinance for setting the millage rate is passed as required by the State of Florida.
4. The City Manager can authorize changes within a fund; however, any other revisions require approval of the City Council.
5. Budgets for all funds are prepared on the modified accrual basis, which means it conforms to Generally Accepted Accounting Principles (GAAP) except for a few notable differences listed below. These variances are necessitated to comply with state regulations requiring an appropriation for all activity.
 - a. Lease and financing proceeds are included as revenue.
 - b. Principal payments on debt are included as expenditures.
 - c. Cash outlay for both equipment and capital projects are included as expenditures.
 - d. Depreciation expense and other non-cash expenses such as Other Post-Employment Benefits (OPEB), amortization of bond premiums, and bond discounts are not included.

Consistent with the State of Florida, the use of reserves is reported as expenditures in the budget. Annual appropriated budgets are adopted for the General, Special Revenue, and the Debt Service Funds. Project-length financial plans and budgets are adopted for the Capital Project Funds except for the Disaster Improvement Fund.

6. Expenditures are legally restricted from exceeding appropriations at the fund level for all funds, with the exception of the general fund, which is governed at the department level.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
MUNICIPAL GENERAL EMPLOYEES
Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	\$ 12,586,687	\$ 11,471,969	\$ 11,267,191	\$ 10,641,085	\$ 9,702,591	\$ 8,754,130	\$ 8,645,641	\$ 7,581,291	\$ 6,787,332	\$ 6,345,174
Interest	34,589,674	32,995,487	31,774,326	30,358,419	28,657,931	27,287,081	25,456,382	23,613,678	21,003,661	19,926,291
Differences Between Expected and Actual Experience	13,943,327	1,870,570	(2,442,275)	(31,155)	5,174,809	95,516	6,086,590	4,417,837	3,893,760	(867,289)
Changes of Assumptions ²	-	-	9,234,795	7,514,792	10,824,849	10,496,250	-	5,853,087	14,374,009	-
Contributions - Buy Back	142,838	169,939	235,906	393,905	649,586	672,804	52,107	116,662	73,024	248,187
Benefit Payments, Including Refunds of Employee Contributions	(24,947,610)	(23,752,121)	(21,263,326)	(19,091,659)	(18,156,986)	(17,200,561)	(15,636,445)	(13,516,268)	(12,979,936)	(11,406,026)
Net Change in Total Pension Liability	36,314,816	22,735,844	28,806,617	29,785,387	36,852,780	30,105,220	24,604,275	28,066,287	33,151,850	14,246,337
Total Pension Liability - Beginning	504,845,871	482,090,027	453,283,410	423,498,023	386,645,243	356,540,023	331,935,748	303,869,461	270,717,611	256,471,274
Total Pension Liability - Ending (a)	\$ 541,160,687	\$ 504,845,871	\$ 482,090,027	\$ 453,283,410	\$ 423,498,023	\$ 386,645,243	\$ 356,540,023	\$ 331,935,748	\$ 303,869,461	\$ 270,717,611
Plan Fiduciary Net Position										
Contributions - Employer	\$ 16,637,854	\$ 16,935,472	\$ 17,419,260	\$ 17,357,852	\$ 18,959,393	\$ 22,477,239	\$ 20,688,397	\$ 18,745,018	\$ 16,703,284	\$ 15,896,933
Contributions - Employee	6,685,226	6,534,848	5,669,300	5,393,563	5,288,866	5,049,654	4,819,442	4,575,819	4,110,347	3,900,545
Contributions - Buy Back	142,838	169,939	235,906	393,905	649,586	672,804	52,107	116,662	73,024	248,187
Net Investment Income	57,936,942	33,677,071	(47,359,021)	69,178,549	22,790,668	11,709,295	17,805,569	27,633,022	17,442,740	(2,670,840)
Benefit Payments, Including Refunds of Employee Contributions	(24,947,610)	(23,752,121)	(21,263,326)	(19,091,659)	(18,156,986)	(17,200,561)	(15,636,445)	(13,516,268)	(12,979,936)	(11,406,026)
Administrative Expenses	(366,612)	(330,514)	(324,151)	(293,393)	(308,498)	(288,372)	(279,364)	(211,781)	(178,584)	(219,890)
Net Change in Plan Fiduciary Net Position	56,088,638	33,234,695	(45,622,032)	72,938,817	29,223,029	22,420,059	27,449,706	37,342,472	25,170,875	5,748,909
Plan Fiduciary Net Position - Beginning	401,511,980	368,277,285	413,899,317	340,960,500	311,737,471	289,317,412	261,867,706	224,525,234	199,354,359	193,605,450
Plan Fiduciary Net Position - Ending (b)	457,600,618	401,511,980	368,277,285	413,899,317	340,960,500	311,737,471	289,317,412	261,867,706	224,525,234	199,354,359
Net Pension Liability - Ending (a) - (b)	\$ 83,560,069	\$ 103,333,891	\$ 113,812,742	\$ 39,384,093	\$ 82,537,523	\$ 74,907,772	\$ 67,222,611	\$ 70,068,042	\$ 79,344,227	\$ 71,363,252
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.56%	79.53%	76.39%	91.31%	80.51%	80.63%	81.15%	78.89%	73.89%	73.64%
Covered Payroll ¹	\$ 65,610,407	\$ 63,833,134	\$ 55,123,814	\$ 52,100,221	\$ 50,759,722	\$ 48,175,089	\$ 45,670,445	\$ 43,023,377	\$ 38,839,907	\$ 43,059,029
Net Pension Liability as a Percentage of Covered Payroll	127.36%	161.88%	206.47%	75.59%	162.60%	155.49%	147.19%	162.86%	204.29%	165.73%

Notes to Schedule:

¹ The covered payroll numbers shown are in compliance with GASB 82.

² *Changes of Assumptions:*

For measurement date 9/30/2024:

- The assumed rate of investment return remained unchanged at 6.85% per year, net of investment-related expenses.

For measurement date 9/30/2016, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.

**SCHEDULE OF CONTRIBUTIONS
MUNICIPAL GENERAL EMPLOYEES
Last 10 Fiscal Years**

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll ¹	Contributions as a Percentage of Covered Payroll
2024	\$ 17,081,401	\$ 16,637,854	\$ 443,547	\$ 65,610,407	25.36%
2023	15,441,775	16,935,472	(1,493,697)	63,833,134	26.53%
2022	17,419,260	17,419,260	-	55,123,814	31.60%
2021	17,357,852	17,357,852	-	52,100,221	33.32%
2020	18,959,393	18,959,393	-	50,759,722	37.35%
2019	22,477,239	22,465,625	11,614	48,175,089	46.63%
2018	20,676,783	20,688,397	(11,614)	45,670,445	45.30%
2017	18,745,018	18,745,018	-	43,023,377	43.57%
2016	16,709,229	16,703,284	5,945	38,839,907	43.01%
2015	15,890,988	15,896,933	(5,945)	43,059,029	36.92%

¹ 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

Valuation Date: 10/01/22

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

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method.

The following loads are applied for determination of the Sponsor funding requirement:

Interest - 6.85% per year compounded annually, net of investment expense

Salary - 0% per year based on the September 12, 2022 experience study.

Mortality Rates: The following 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 following rates are those outlined in Milliman's July 1, 2019 FRS valuation report for non-special risk lives.

We feel this assumption sufficiently accommodates future mortality improvements.

Healthy Active Lives:

Female: PubG.H-2010 (Above Median) for Employees.

Male: PubG.H-2010 for Employees set back one year.

Healthy Retiree Lives

Female: PubG.H-2010 for Healthy Retirees.

Male: PubG.H-2010 for Healthy Retirees, set back one year.

Beneficiary Lives

Female: PubG.H-2010 (Below Median) for Healthy Retirees.

Male: PubG.H-2010 for Healthy Retirees, set back one year.

Disabled Lives:

PubG.H-2010 for Disabled Retirees, set forward three years.

Disability Rates: None. Since this Plan has no explicit disability benefit, the incidence of disability is included in the withdrawal rates disclosed on the following page. This change was adopted by the Board as a result of the September 27, 2017 experience study.

Withdrawal:

% Terminating During the year		
Service	Age	Probability of Retirement
0-1	Less than 45	13.50%
0-1	45+	9.00%
2-9	Less than 35	9.00%
2-9	35+	5.00%
10+	Any	3.00%

Retirement:

% Retiring During the Year (10-24 Years of Service)	
Age	Probability of Retirement
50-59	4.00%
60+	40.00%
% Retiring During the Year (10-24 Years of Service)	
Service	Probability of Retirement
25-26	75.00%
27+	100.00%

The above rates were adopted as the result of the September 27, 2017 experience study.

Salary Increases:

Credited Service	Assumption
less than 5	8.00%
5-9	5.50%
10-19	5.00%
20 or more	4.50%

This assumption was adopted based on the September 27, 2017 experience study.

Asset Valuation Method:

Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Fair Value return. It is possible that over time this technique will produce an insignificant bias above or below fair value.

SCHEDULE OF INVESTMENT RETURNS MUNICIPAL GENERAL EMPLOYEES Last 10 Fiscal Years

Year Ended September 30,	Rate of Return
2024	14.47%
2023	9.13%
2022	(11.45%)
2021	20.23%
2020	7.27%
2019	3.99%
2018	6.72%
2017	12.13%
2016	8.66%
2015	(1.36%)

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MUNICIPAL POLICE OFFICERS

Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	\$ 7,616,344	\$ 7,284,702	\$ 7,172,552	\$ 6,182,570	\$ 5,375,282	\$ 4,746,107	\$ 4,936,597	\$ 4,788,378	\$ 4,597,357	\$ 4,181,795
Interest	21,112,687	19,881,883	18,633,030	17,157,941	16,239,285	15,544,850	14,366,974	13,168,259	11,714,484	11,186,338
Change in Excess State Money	-	-	-	-	-	-	-	(1,653,314)	379,832	256,415
Share Plan Allocation	1,579,782	1,036,544	654,121	441,462	394,476	351,146	187,505	1,735,860	-	-
Changes of Benefit Terms ²	-	-	3,241,056	-	-	-	680,569	-	-	-
Differences Between Expected and Actual Experience										
Contributions - Buy Back	5,356,381	1,123,951	2,194,299	3,985,200	2,196,396	(2,672,118)	3,478,195	2,007,169	2,017,708	(2,507,874)
Changes of Assumptions ³	58,830	196,722	194,703	208,750	28,058	25,462	99,776	190,028	105,656	-
Benefit Payments, Including Refunds of Employee Contributions	-	-	-	7,384,383	4,072,864	5,410,152	-	-	6,709,188	-
Net Change in Total Pension Liability	(13,023,728)	(11,521,328)	(10,718,875)	(9,414,023)	(8,538,361)	(7,641,017)	(7,719,306)	(6,783,071)	(6,370,968)	(6,551,123)
Total Pension Liability - Beginning	22,700,296	18,002,474	21,370,886	25,946,283	19,768,000	15,764,582	16,030,310	13,453,309	19,153,257	6,565,551
Total Pension Liability - Ending (a)	300,505,337	282,502,863	261,131,977	235,185,694	215,417,694	199,653,112	183,622,802	170,169,493	151,016,236	144,450,685
Plan Fiduciary Net Position	\$323,205,633	\$300,505,337	\$282,502,863	\$261,131,977	\$235,185,694	\$215,417,694	\$199,653,112	\$183,622,802	\$170,169,493	\$151,016,236
Contributions - Employer	\$ 11,576,571	\$ 9,880,446	\$ 8,856,305	\$ 7,998,998	\$ 7,349,653	\$ 6,393,072	\$ 7,917,299	\$ 7,111,509	\$ 6,875,656	\$ 6,995,863
Contributions - State	2,830,113	2,285,409	1,901,563	1,687,523	1,639,195	1,594,562	1,429,657	1,323,470	1,256,354	1,132,937
Contributions - Employee	2,622,847	2,674,874	2,233,678	2,111,724	1,994,280	1,691,707	1,622,967	1,701,463	1,553,768	1,454,685
Contributions - Buy Back	58,830	196,722	194,703	208,751	28,058	25,462	99,776	190,028	105,656	-
Net Investment Income	43,227,879	20,066,612	(30,453,611)	44,544,230	13,927,953	4,770,054	11,534,774	17,760,238	10,749,925	128,262
Benefit Payments, Including Refunds of Employee Contributions										
Administrative Expenses	(13,023,728)	(11,521,328)	(10,718,875)	(9,419,561)	(8,532,822)	(7,651,072)	(7,719,306)	(6,783,071)	(6,370,968)	(6,551,123)
Net Change in Plan Fiduciary Net Position	(188,776)	(165,315)	(122,974)	(107,188)	(114,403)	(127,399)	(116,691)	(105,797)	(112,350)	(132,861)
Plan Fiduciary Net Position - Beginning	47,103,736	23,417,420	(28,109,211)	47,024,477	16,291,914	6,696,386	14,768,476	21,197,840	14,058,041	3,027,763
Plan Fiduciary Net Position - Ending (b)	241,499,271	218,081,851	246,191,062	199,166,585	182,874,671	176,178,285	161,409,809	140,211,969	126,153,928	123,126,165
Net Pension Liability - Ending (a) - (b)	\$ 288,603,007	\$ 241,499,271	\$ 218,081,851	\$ 246,191,062	\$ 199,166,585	\$ 182,874,671	\$ 176,178,285	\$ 161,409,809	\$ 140,211,969	\$ 126,153,928
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	\$ 34,602,626	\$ 59,006,066	\$ 64,421,012	\$ 14,940,915	\$ 36,019,109	\$ 32,543,023	\$ 23,474,827	\$ 22,212,993	\$ 29,957,524	\$ 24,862,308
Covered Payroll ¹	89.29%	80.36%	77.20%	94.28%	84.68%	84.89%	88.24%	87.90%	82.40%	83.54%
Net Pension Liability as a Percentage of Covered Payroll	\$ 26,228,429	\$ 26,748,696	\$ 22,319,733	\$ 21,135,358	\$ 19,936,330	\$ 16,920,926	\$ 16,230,230	\$ 17,014,603	\$ 15,813,229	\$ 18,006,886
	131.93%	220.59%	288.63%	70.69%	180.67%	192.32%	144.64%	130.55%	189.45%	138.07%

Notes to Schedule:

¹ The covered payroll numbers shown are in compliance with GASB 82.

² Changes of benefit terms:

For measurement date 09/30/2024, amounts reported as changes of benefit terms resulted from Ordinance 98-22

³ Changes of assumptions:

Total Pension Liability as of September 30, 2024 measurement date reflects no assumption changes.

**SCHEDULE OF CONTRIBUTIONS
MUNICIPAL POLICE OFFICERS
Last 10 Fiscal Years**

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll ¹	Contributions as a Percentage of Covered Payroll
2024	\$ 12,048,482	\$ 12,826,902	\$ (778,420)	\$ 26,228,429	48.90%
2023	11,129,311	11,129,311	-	26,748,696	41.61%
2022	10,187,698	10,103,747	83,951	22,319,733	45.27%
2021	9,161,107	9,245,058	(83,951)	21,135,358	43.74%
2020	8,773,241	8,594,372	178,869	19,936,330	43.11%
2019	9,307,391	7,636,488	1,670,903	16,920,926	45.13%
2018	8,656,859	9,159,451	(502,592)	16,230,230	56.43%
2017	7,582,575	8,352,433	(769,858)	17,014,603	49.09%
2016	7,433,901	7,752,178	(318,277)	15,813,229	49.02%
2015	7,613,340	7,872,385	(259,045)	18,006,896	43.72%

¹ 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

Valuation Date: 10/1/2022

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

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method.

The following loads are applied for determination of the Sponsor funding requirement:

Interest - 7.00% Per Year, Compounded Annually, Net of Investment Related Expenses.

Salary Increases - <5 years of service 10%, 5-15 years of service, 7%, > 15 years of service 6%

Mortality Rate: Rates for healthy active and retiree lives were based on the PubS.H-210 Public Retirement Plans Mortality Table set forward one year. Beneficiary lives were based on the PubG.H-2010 Public Retirement Public Retirement Plans Mortality Table set back one year for males. Disabled lives are 80% PubG.H-2010 and 20% PubS.H-2010.

Early Retirement: % Retiring During the Year
10-24 Years of Service

Age	Rate
40-44	2.00%
45-49	5.00%
50	50.00%
51-54	25.00%
55+	100.00%

Normal Retirement: % Retiring During the Year
>= 25 Years of Service

Age	Rate
25	50.00%
26	100.00%
27+	100.00%

Termination Rates:

Credited Service	Termination Probability
0	15.00%
1-4	5.00%
5-14	3.00%

Disability Rates:	Age	% Becoming Disabled During the Year
	20	0.31%
	25	0.31%
	30	0.35%
	35	0.39%
	40	0.73%
	45	1.30%
	50	2.57%
	55	5.35%
	60	9.67%
	65	16.79%

It is assumed that 75% of Disability Retirements are service-related.

Interest Rate: 7.00% per year compounded annually, net of investment related expenses. This assumption is supported by the Plan's investment policy and long-term expected returns by asset class.

Asset Smoothing Methodology: The actuarial value of assets is brought forward using the historical four-year geometric average of Fair Value Returns (net-of-fees). Over time, this may result in an insignificant bias that is above or below the fair value of assets.

Termination Rates:	Credited Service	Termination Probability
	0	15.00%
	1 - 4	5.00%
	5 - 14	3.00%

The above rates are supported by an Experience Study dated November 25, 2019.

Salary Increases:	Credited Service	Assumption
	less than 5 years	10.00%
	5-15 years	7.00%
	more than 15 years	6.00%

The above rates are supported by an Experience Study dated November 25, 2019.

Final Year Salary Load:	Years of Credited Service as of February 7, 2012	Assumption
	Less than 10 years	5.00%
	10 or more years	10.00%

The above rates are supported by data provided by the City.

Payroll Growth Assumption: 0.00% per year for amortization of the Unfunded Actuarial Accrued Liability. This assumption is limited by statute to the actual ten-year payroll growth average as of the valuation date.

SCHEDULE OF INVESTMENT RETURNS MUNCIPAL POLICE OFFICERS Last 10 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution
9/30/2024	17.86%
9/30/2023	9.16%
9/30/2022	(12.37%)
9/30/2021	22.35%
9/30/2020	7.62%
9/30/2019	2.69%
9/30/2018	7.10%
9/30/2017	12.59%
9/30/2016	8.47%
9/30/2015	0.10%

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MUNICIPAL FIREFIGHTERS' Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	\$ 8,564,330	\$ 7,764,764	\$ 7,458,923	\$ 6,390,591	\$ 5,758,437	\$ 4,820,664	\$ 4,578,362	\$ 4,266,311	\$ 4,009,132	\$ 4,102,490
Interest	21,574,634	20,436,609	19,626,774	18,670,799	17,469,387	16,655,584	15,851,720	15,178,381	13,798,633	12,898,695
Change in Excess State Money ²	807,956	484,270	286,716	213,807	166,023	131,691	70,874	-	-	-
Changes of Benefit Terms	-	-	-	-	-	(52,873)	-	-	-	-
Differences Between Expected and Actual Experience	2,749,343	2,219,734	(2,550,003)	391,112	(1,111,697)	734,135	201,394	1,557,771	(260,997)	1,438,736
Changes of Assumptions ³	-	-	10,208,423	8,344,442	5,369,128	12,355,862	-	(3,502,874)	8,638,016	-
Contributions - Buy Back	26,405	20,470	107,038	36,121	29,976	163,001	83,609	-	179,583	33,685
Benefit Payments, Including Refunds of Employee Contributions	(15,458,996)	(13,304,028)	(12,245,769)	(11,848,601)	(11,303,750)	(10,728,745)	(10,200,707)	(7,933,230)	(7,159,967)	(6,376,309)
Net Change in Total Pension Liability	18,263,672	17,621,819	22,892,102	22,198,271	16,377,504	24,079,319	10,585,252	9,566,359	19,204,400	12,097,297
Total Pension Liability - Beginning	\$ 320,142,756	\$ 302,520,937	\$ 279,628,835	\$ 257,430,564	\$ 241,053,060	\$ 216,973,741	\$ 206,388,489	\$ 196,822,130	\$ 177,617,730	\$ 165,520,433
Total Pension Liability - Ending (a)	\$ 338,406,428	\$ 320,142,756	\$ 302,520,937	\$ 279,628,835	\$ 257,430,564	\$ 241,053,060	\$ 216,973,741	\$ 206,388,489	\$ 196,822,130	\$ 177,617,730
Plan Fiduciary Net Position										
Contributions - Employer	\$ 12,374,438	\$ 9,798,159	\$ 9,585,536	\$ 8,850,286	\$ 9,833,400	\$ 10,249,919	\$ 10,095,728	\$ 8,759,719	\$ 8,424,472	\$ 7,706,894
Contributions - State	2,930,853	2,283,482	1,888,374	1,742,556	1,646,987	1,578,326	1,456,689	1,445,431	1,449,699	1,306,968
Contributions - Member Repayments	-	228	-	-	-	-	-	-	-	-
Contributions - Employee	2,528,762	2,485,907	2,137,414	1,952,919	1,781,178	1,655,650	1,523,514	1,450,606	1,292,651	1,338,752
Contributions - Buy Back	26,405	20,470	107,038	36,121	29,976	163,001	83,609	-	179,583	33,685
Net Investment Income	47,595,484	20,875,015	(30,558,751)	43,850,239	13,999,209	5,963,226	12,332,387	17,336,661	13,139,913	(460,924)
Benefit Payments, Including Refunds of Employee Contributions	(15,458,996)	(13,304,028)	(12,245,769)	(11,848,601)	(11,303,750)	(10,728,745)	(10,200,707)	(7,933,230)	(7,159,967)	(6,376,309)
Administrative Expenses	(178,596)	(172,422)	(208,161)	(154,589)	(140,915)	(130,419)	(145,017)	(161,973)	(152,949)	(164,111)
Net Change in Plan Fiduciary Net Position	49,818,350	21,986,811	(29,294,319)	44,428,931	15,846,085	8,750,958	15,146,203	20,897,214	17,173,402	3,384,955
Plan Fiduciary Net Position - Beginning	245,865,404	223,878,593	253,172,912	208,743,981	192,897,896	184,146,938	169,000,735	148,103,521	130,930,119	127,545,164
Plan Fiduciary Net Position - Ending (b)	\$ 295,683,754	\$ 245,865,404	\$ 223,878,593	\$ 253,172,912	\$ 208,743,981	\$ 192,897,896	\$ 184,146,938	\$ 169,000,735	\$ 148,103,521	\$ 130,930,119
Net Pension Liability - Ending (a) - (b)	\$ 42,722,674	\$ 74,277,352	\$ 78,642,344	\$ 26,455,923	\$ 48,686,583	\$ 48,155,164	\$ 32,826,803	\$ 37,387,754	\$ 48,718,609	\$ 46,687,611
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.38%	76.80%	74.00%	90.54%	81.09%	80.02%	84.87%	81.88%	75.25%	73.71%
Covered Payroll ¹	\$ 25,287,614	\$ 24,859,064	\$ 21,374,150	\$ 19,529,190	\$ 17,816,392	\$ 16,556,504	\$ 15,235,145	\$ 14,509,395	\$ 13,056,409	\$ 14,588,691
Net Pension Liability as a Percentage of Covered Payroll	168.95%	298.79%	367.93%	135.47%	273.27%	290.85%	215.47%	257.68%	373.14%	320.03%

Notes to Schedule:

- The covered payroll numbers shown are in compliance with GASB 82, except for the 9/30/2015 measurement period which includes DROP payroll.
- Changes in Excess State Money:

The Excess State Monies Reserve as of September 30, 2013 will be available to the City to offset the Fiscal 2014 contributions.

- For valuation dates on and after October 1, 2013 and until such time that the Retirement Plan reaches 80% funded (based on the ratio of the Actuarial Value of Assets to Actuarial Accrued Liability) all future State Monies in excess of the current \$1,314,942 frozen amount will be split as follows:
 - 50% will be available to defray the City's contribution requirement
 - 50% will go towards accelerating the pay down of the Unfunded Actuarial Accrued Liability (UAAL)

Changes of Assumptions:

For measurement date 9/30/2024, there were no changes of assumptions.

For measurement date September 30, 2022, amounts reported as changes of assumptions resulted from an actuarial experience study:

- A reduction in the investment return assumption from 7.00% to 6.75%.
- A reduction in the assumed rates of disability at all ages by 25%.
- A change in the assumed rates for salary increases from a flat 7.50% to a service based schedule.
- A reduction in the assumed rates of retirement for members younger than age 56, in addition to members retiring with less than 27 years of Credited Service.

**SCHEDULE OF CONTRIBUTIONS
MUNICIPAL FIRE EMPLOYEES
Last 10 Fiscal Years**

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contributions ²	Contribution Deficiency (Excess)	Covered Payroll ¹	Contributions as a Percentage of Covered Payroll
2024	\$ 12,663,265	\$ 14,497,335	\$ (1,834,070)	\$ 25,287,614	57.33%
2023	10,665,913	11,597,371	(931,458)	24,859,064	46.65%
2022	11,010,833	11,187,194	(176,361)	21,374,150	52.34%
2021	10,310,977	10,379,035	(68,058)	19,529,190	53.15%
2020	11,254,948	11,314,365	(59,417)	17,816,392	63.51%
2019	11,697,566	11,564,864	132,702	16,556,504	69.85%
2018	11,496,375	11,481,544	14,831	15,235,145	75.36%
2017	10,015,294	10,139,905	(124,611)	14,509,395	69.89%
2016	9,655,384	9,806,793	(151,409)	13,056,409	75.11%
2015	9,013,862	9,013,862	-	14,588,691	61.79%

¹ The covered payroll numbers shown are in compliance with GASB 82, except for the 9/30/2015 measurement period which includes DROP payroll.

² Including amounts from Excess State Money Reserve.

Notes to Schedule

Valuation Date: 10/1/2022

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

Methods and assumptions used to determine contribution rates:

Funding Method:	Entry Age Normal Actuarial Cost Method. The following loads are applied for determination of the Sponsor funding requirement: Interest - half a year based on the 7.25% assumption. Salary - a full year, based on the current 7.50% assumption.
Mortality:	Active and retiree lives use PubS.H-210 set forward one year, beneficiary lives use PubG.H-2010 except males set back one year. Disabled lives are 80% PubG.H-210/20% PubS.H-210.
Interest Rate:	6.75% per year, compounded annually, net of investment related expenses. We will continue to monitor this assumption against the expected asset allocation and future returns by asset class.
Normal Retirement:	For Members with less than 25 years of Credited Service: 2% for ages 40-49, 40% for ages 50-51, 15% for ages 52-55, 25% for ages 56-59 and 100% for ages 60 and above. For Members with at least 25 years of Credited Service: 100%.
Early Retirement:	Age 40 and completion of 10 years of credited service.
Disability:	See table below. It is assumed that 75% of Disability Retirements are service-related. This assumption is based on the experience study dated November 30, 2017.
Termination :	4.00% for Members with less than 5 years of Credited Service; 1.00% for Members with at least 5 years of Credited Service. The assumption is based on the experience study dated November 30, 2017.
Benefit Cap Index:	1.00% assumption each year beginning in 2018.
Asset Smoothing Methodology:	The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Fair Value Returns (net-of-fees). Over time, this may result in an insignificant bias that is above or below the fair value of assets.
Salary Increases:	7.50% per year. We will continue to monitor this assumption to ensure it is in line with actual plan experience.

Final Year Salary Load:	Years of Credited Service as of February 7, 2012	Assumption
	0	No load
	Less than 10 years	5.00%
	10 or more years	10.00%
Payroll Growth:	1.41% per year.	
Disability Rate Table:	Age	% Becoming Disabled During the Year
	20	0.08%
	25	0.08%
	30	0.09%
	35	0.10%
	40	0.18%
	45	0.33%
	50	0.64%
	55	1.34%
	60	2.42%
	65	4.20%

**SCHEDULE OF INVESTMENT RETURNS
MUNICIPAL FIRE EMPLOYEES
Last 10 Fiscal Years**

Fiscal Year Ended	Actuarially Determined Contribution
9/30/2024	19.35%
9/30/2023	9.33%
9/30/2022	(12.10%)
9/30/2021	21.11%
9/30/2020	7.26%
9/30/2019	3.23%
9/30/2018	7.28%
9/30/2017	11.64%
9/30/2016	9.99%
9/30/2015	(0.36%)

SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEES PENSION RESTORATION
Last 4 Fiscal Years

	2024	2023	2022	2021	2020
Total Pension Liability					
Service Cost	\$ 1,868	\$ -	\$ -	\$ -	\$ -
Interest	60,485	104,688	144,991	79,957	-
Changes of Benefit Terms	-	-	-	-	3,736,313
Differences Between Expected and Actual Experience	1,277,282	(1,002,651)	(2,388,326)	2,650,881	-
Changes of Assumptions	461,154	(22,500)	(1,493,967)	(425,922)	-
Benefits Paid by Employer	(23,343)	(34,135)	(34,713)	(74,502)	-
Net Change in Total Pension Liability	1,777,446	(954,598)	(3,772,015)	2,230,414	3,736,313
Total Pension Liability - Beginning	1,240,114	2,194,712	5,966,727	3,736,313	-
Total Pension Liability - Ending	3,017,560	1,240,114	2,194,712	5,966,727	3,736,313
Covered Employee Payroll	\$ 66,852,523	\$ 59,395,612	\$ 54,275,577	\$ 52,632,964	\$ 50,097,008
Total Pension Liability as a Percentage of Covered Payroll	4.51%	2.09%	4.04%	11.34%	7.46%

Notes to Schedule:

Plan became effective as of April 20, 2020.

Changes of Assumptions:

For measurement date 9/30/2024, amounts reported as changes of assumptions resulted from:

- The Discount Rate decreased from 4.87% to 4.06%

The plan is not prefunded, so no assets are available to offset the Total Pension Liability.

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
Fiscal Year 2024

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	\$6,879,290	\$11,185,690	\$10,871,523	\$9,623,726	\$7,695,292	\$8,055,888	\$8,600,831
Interest	11,155,525	7,626,859	7,798,633	8,260,798	10,458,834	9,731,792	8,916,244
Changes in assumptions	70,299,893	(107,935,188)	15,551,925	16,476,563	66,958,465	(13,273,023)	(18,105,757)
Experience Losses/(Gains)	17,480,027	-	2,243,449	-	(46,888,614)	-	-
Benefit payments	(12,862,315)	(12,098,514)	(11,505,202)	(10,812,769)	(10,246,178)	(9,489,255)	(8,472,549)
Net Changes	92,952,420	(101,221,153)	24,960,328	23,548,318	27,977,799	(4,974,598)	(9,061,231)
Total OPEB Liability, beginning	253,086,521	354,307,674	329,347,346	305,799,028	277,821,229	282,795,827	291,857,058
Total OPEB Liability, ending	<u>\$346,038,941</u>	<u>\$253,086,521</u>	<u>\$354,307,674</u>	<u>\$329,347,346</u>	<u>\$305,799,028</u>	<u>\$277,821,229</u>	<u>\$282,795,827</u>
Covered employee payroll	\$109,389,224	\$113,353,508	\$113,353,508	\$105,707,947	\$101,978,134	\$94,597,857	\$282,795,827
Total OPEB liability as a percentage of covered employee payroll	316.34%	223.27%	312.57%	311.56%	299.87%	293.69%	316.08%

Other items:

This information is required for 10 years, however, only 7 years of information is available as GASB Statement 75 was implemented beginning in Fiscal Year 2018, limiting the data available.

Notes to Schedule:

Benefit changes: None

Changes of assumptions: The discount rate was changed as follows:

Discount Rate:

9/30/2018 3.50%

9/30/2019 3.83%

9/30/2020 2.75%

9/30/2021 2.41%

9/30/2022 2.19%

9/30/2023 4.40%

9/30/2024 4.75%

There are no assets accumulated or earmarked for a separate trust for retiree benefits.



Combining Statements & Schedules



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

- Gas Tax Fund – used to account for the Local Option (6¢) and New Local Option (5¢) Taxes which are used for construction of new roads, reconstruction or resurfacing of existing paved roads, and related items.
- Road Impact Fee Fund – used to account for the impact fees that are used to provide new roads.
- Public Safety Impact Fee Fund – used to account for Police Protection, Advanced Life Support, and Fire & Rescue impact fees which are used for the purchase of capital improvements consisting of land, buildings, vehicles, and equipment for police protection services, advanced life support program and fire public safety facilities.
- Do The Right Thing Fund – this program is sponsored by the Police Department and rewards the youth population in the community for “doing the right thing”. This fund was established to account for the program donations that are used to offset the operating expenses of the program to include prizes and rewards for the program recipients.
- Opioid Settlement Fund - accounts for revenues and expenses related to the National Opioid Settlement agreements which are restricted to funding future prevention, treatment, and recovery efforts in response to the opioid epidemic.
- Police Confiscation-Federal Fund – used to account for monies received from federal confiscation cases and used to purchase equipment for the Police Department.
- Police Confiscation-State Fund – used to account for monies received from the sale of confiscated items in nonfederal cases and used to purchase equipment for the Police Department. This also includes the Police Evidence Fund.
- Police Grant Fund - used to account for multi-year police department grants.
- Criminal Justice Education Fund – used to account for monies received from the assessment of mandatory court costs and used for criminal justice education and training.
- Park Recreational Facilities Impact Fee Fund – used to account for impact fees which are used to provide recreational park facilities.
- All Hazards Fund – used to account for monies collected by Lee County in the All Hazards Protection District for the funding of shelters, emergency preparedness, and hazardous material response programs.
- Del Prado Mall Parking Lot Fund – used to account for collection of special assessments for the Del Prado Mall parking lot.
- Lot Mowing Fund – used to account for the mowing of vacant unimproved property.
- Tree Fund - used to account for contributions for citywide reforestation.
- Public Works Grants - used to account for multi year Public Works grants.
- Economic Development Fund – used to support the economic development office of the City of Cape Coral.
- Building Fund – used to account for building and permitting services related to construction within the City of Cape Coral.
- Community Redevelopment Agency (CRA) Fund – used to account for the activities of the Community Redevelopment Agency.
- Golf Course Fund - used to account for the operations of the year-round municipal golf facility which includes the clubhouse, greens, and restaurant operations.
- Lake Kennedy Racquet Center - used to account for the operations of a racquet sports facility.

- Community Development Block Grant (CDBG) Fund – used to account for monies received from the U.S. Department of Housing and Urban Development for community development.
- HUD Neighborhood Stabilization Fund – used to account for monies received from the U.S. Department of Housing and Urban Development to provide targeted emergency assistance to the City to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within the community.
- State Housing Initiative Partnership (S.H.I.P.) Fund – used to account for monies received from the State Housing Initiatives Partnership Program to provide assistance to low and moderate income families for the purpose of obtaining affordable housing in the City.
- Development Services Grants Fund - used to account for multi-year development services department grants.
- Charter School Building Maintenance Fund - used to account for a portion of Public Service Tax collections as well as City funding used to maintain and repair City-owned Charter School facilities.

DEBT SERVICE FUND

Used to account for the City's debt service.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

- Charter School Capital Project Fund – used to account for capital projects at City-owned Charter School buildings.
- Transportation Capital Improvements Fund – used to account for transportation related capital projects
- Parks Capital Improvements Fund - used to account for the improvements at various parks.
- Building Capital Improvements Fund – used to account for improvements at various City buildings.
- Government Services Improvements - used to account for projects that will benefit the general government.
- Other Capital Improvements Fund - used to account for the following projects:
 - Fire Station Construction – used to account for the design and construction of fire stations and a training facility.
 - CRA – used to account for capital improvements in the CRA district including replacement of walking paths, landscaping, Lafayette Street lights and Vincennes Boulevard parking lot.
 - Bridge Fund - used to account for the design and construction of bridges into the City of Cape Coral.
 - Academic Village – used to account for the improvement of the Academic Village.
 - Computer System – used to account for enhancements and upgrades to various computer systems.
 - Police Training Facility – used to help train and prepare the police department for real world situations.
 - Disaster Improvements - accounts for the recovery and resiliency measures put in place as a result of and in preparation for future local disasters.



**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2024**

	Special Revenue						
	Gas Tax	Road Impact Fee	Public Safety Impact Fee	Do the Right Thing	Opioid Settlement	Police Confiscation Federal	Police Confiscation State
ASSETS							
Cash and investments	\$ 27,214,081	\$ 15,242,754	\$ 1,676,125	\$ 24,256	\$ 337,470	\$ 390,165	\$ 780,054
Interest receivable	48,808	64,588	8,860	-	-	-	-
Accounts receivable, net	-	-	-	-	-	-	6,892
Intergovernmental receivable	1,831,436	-	-	-	2,685,140	-	3,000
Notes receivable	-	-	-	-	-	-	-
Lease receivable	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	43,799
Total assets	<u>29,094,325</u>	<u>15,307,342</u>	<u>1,684,985</u>	<u>24,256</u>	<u>3,022,610</u>	<u>390,165</u>	<u>833,745</u>
LIABILITIES							
Accounts payable and other accrued liabilities	1,225,369	-	-	158	-	130	3,941
Accrued retainage	87,137	-	-	-	-	-	-
Accrued payroll	16,436	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-
Intergovernmental payables	-	-	-	-	-	-	42,046
Unearned revenue	-	-	-	-	-	-	174,885
Advances from other funds	-	-	-	-	-	-	-
Total liabilities	<u>1,328,942</u>	<u>-</u>	<u>-</u>	<u>158</u>	<u>-</u>	<u>130</u>	<u>220,872</u>
DEFERRED INFLOW OF RESOURCES							
Unavailable revenue - grant reimbursements	-	-	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	2,685,140	-	-
Deferred Inflow - lease	-	-	-	-	-	-	-
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,685,140</u>	<u>-</u>	<u>-</u>
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	43,799
Restricted							
General government	-	-	-	-	-	-	-
Public safety	-	-	1,684,985	24,098	337,470	390,035	569,074
Public works	27,765,383	15,307,342	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Committed							
General government	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances (deficit)	<u>27,765,383</u>	<u>15,307,342</u>	<u>1,684,985</u>	<u>24,098</u>	<u>337,470</u>	<u>390,035</u>	<u>612,873</u>
Total liabilities and fund balances	<u>\$ 29,094,325</u>	<u>\$ 15,307,342</u>	<u>\$ 1,684,985</u>	<u>\$ 24,256</u>	<u>\$ 3,022,610</u>	<u>\$ 390,165</u>	<u>\$ 833,745</u>

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2024**

Special Revenue								
Police Grants	Criminal Justice Education	Park Recreational Facilities Impact Fee	All Hazards	Del Prado Mall Parking Lot	Lot Mowing	Tree Fund	Public Works Grants	Economic Development
\$ -	\$ 121,998	\$ 5,165,407	\$ 2,290,959	\$ 173,655	\$ 4,887,928	\$ 6,381	\$ 54,920	\$ 2,099,357
-	-	19,927	8,948	-	-	25	-	-
-	-	-	-	-	-	-	-	-
308,461	-	-	-	111	25,602	-	-	26,432
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	5,282	-	82,728	-	-	8,000
308,461	121,998	5,185,334	2,305,189	173,766	4,996,258	6,406	54,920	2,133,789
-	-	-	13,884	707	197,830	-	54,920	4,127
-	-	-	-	-	4,013	-	-	-
1,264	-	-	48,753	-	17,893	-	-	14,699
319,515	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	580,943	-	-	369,192
-	-	-	-	-	-	-	-	-
320,779	-	-	62,637	707	800,679	-	54,920	388,018
21,559	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
21,559	-	-	-	-	-	-	-	-
-	-	-	5,282	-	82,728	-	-	8,000
-	-	-	-	-	-	-	-	1,737,771
-	121,998	-	2,237,270	-	-	-	-	-
-	-	-	-	-	-	6,406	-	-
-	-	5,185,334	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	173,059	4,112,851	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
(33,877)	-	-	-	-	-	-	-	-
(33,877)	121,998	5,185,334	2,242,552	173,059	4,195,579	6,406	-	1,745,771
\$ 308,461	\$ 121,998	\$ 5,185,334	\$ 2,305,189	\$ 173,766	\$ 4,996,258	\$ 6,406	\$ 54,920	\$ 2,133,789

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2024

	Special Revenue						
	Building	Community Redevelopment Agency	Golf Course Fund	Lake Kennedy Racquet Center	Community Development Block Grant	HUD Neighborhood Stabilization	State Housing Initiative Partnership
ASSETS							
Cash and investments	\$ 8,891,221	\$ 1,129,711	\$ 783,059	\$ -	\$ -	\$ -	\$ 10,933,319
Interest receivable	36,419	10,595	-	-	-	-	-
Accounts receivable, net	-	-	186,358	231,935	-	-	-
Intergovernmental receivable	-	-	-	-	125,344	-	-
Notes receivable	-	539,534	-	-	-	-	-
Lease receivable	127,284	-	-	-	-	-	-
Inventories	-	-	56,743	15,437	-	-	-
Prepaid items	15,267	-	65,916	7,500	4,000	-	4,000
Total assets	9,070,191	1,679,840	1,092,076	254,872	129,344	-	10,937,319
LIABILITIES							
Accounts payable and other accrued liabilities	315,149	18,229	297,768	16,978	20,592	-	48,674
Accrued retainage	-	-	-	-	-	-	-
Accrued payroll	398,369	5,842	-	-	3,467	-	-
Due to other funds	-	-	-	356,234	511,106	94,460	-
Deposits	1,072,852	-	-	-	-	-	-
Intergovernmental payables	47,174	-	-	-	-	-	-
Unearned revenue	2,285,815	-	106,411	159,303	-	-	-
Advances from other funds	-	8,401,407	-	-	-	-	-
Total liabilities	4,119,359	8,425,478	404,179	532,515	535,165	94,460	48,674
DEFERRED INFLOW OF RESOURCES							
Unavailable revenue - grant reimbursements	-	-	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-	-	-
Deferred Inflow - lease	124,857	-	-	-	-	-	-
Total deferred inflows of resources	124,857	-	-	-	-	-	-
FUND BALANCES							
Nonspendable	15,267	-	122,659	22,937	4,000	-	4,000
Restricted							
General government	-	-	-	-	-	-	-
Public safety	4,810,708	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	10,884,645
Capital outlay	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-
Committed							
General government	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	565,238	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Unassigned	-	(6,745,638)	-	(300,580)	(409,821)	(94,460)	-
Total fund balances (deficit)	4,825,975	(6,745,638)	687,897	(277,643)	(405,821)	(94,460)	10,888,645
Total liabilities and fund balances	\$ 9,070,191	\$ 1,679,840	\$ 1,092,076	\$ 254,872	\$ 129,344	\$ -	\$ 10,937,319

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2024

Development Services Grants	Charter School Building Maintenance	Debt Service	Charter School Capital Project	Transportation Capital Improvements	Parks Capital Improvements	Building Capital Improvements	Government Services Improvements	Other Capital Improvements	Total Nonmajor Governmental Funds
\$ -	\$ 175,676	\$ 1,843,872	\$ 947,740	\$ 72,651,542	\$ 12,162,956	\$ 9,070,454	\$ 39,746,809	\$ 32,571,736	\$251,373,605
-	-	-	-	-	-	-	-	8,016	206,186
-	-	-	-	-	-	-	-	-	425,185
104,826	-	10,861	-	492,883	-	-	-	-	5,614,096
-	-	-	-	-	-	-	-	-	539,534
-	2,599,689	-	-	-	523,853	-	-	-	3,250,826
-	-	-	-	-	-	-	-	-	72,180
-	-	-	-	-	221,208	-	500,000	134,888	1,092,588
104,826	2,775,365	1,854,733	947,740	73,144,425	12,908,017	9,070,454	40,246,809	32,714,640	262,574,200
4,826	104,413	-	-	3,627,395	339,238	-	9,600	2,814,806	9,118,734
-	-	-	-	345,449	-	-	-	1,327,737	1,764,336
-	-	-	-	3,943	-	-	-	-	510,666
100,000	-	-	-	-	-	-	-	-	1,381,315
-	-	-	-	-	-	-	-	-	1,072,852
-	-	-	-	-	-	-	-	-	89,220
-	-	-	-	-	-	-	-	-	3,676,549
-	-	-	-	-	-	-	-	-	8,401,407
104,826	104,413	-	-	3,976,787	339,238	-	9,600	4,142,543	26,015,079
104,826	-	-	-	434,819	-	-	-	-	561,204
-	-	-	-	-	-	-	-	-	2,685,140
-	2,561,229	-	-	-	496,946	-	-	-	3,183,032
104,826	2,561,229	-	-	434,819	496,946	-	-	-	6,429,376
-	-	-	-	-	221,208	-	500,000	134,888	1,164,768
-	-	-	-	-	-	-	-	-	1,737,771
-	-	-	-	-	-	-	-	-	10,175,638
-	-	-	-	-	-	-	-	-	43,079,131
-	-	-	-	-	-	-	-	-	5,185,334
-	-	-	-	-	-	-	-	-	10,884,645
-	-	-	-	51,671,827	-	-	-	1,442,144	53,113,971
-	-	1,854,733	-	-	-	-	-	-	1,854,733
-	109,723	-	-	-	-	-	-	-	109,723
-	-	-	-	-	-	-	-	-	4,285,910
-	-	-	-	-	-	-	-	-	565,238
-	-	-	947,740	17,060,992	11,850,625	9,070,454	39,737,209	26,995,065	105,662,085
(104,826)	-	-	-	-	-	-	-	-	(7,689,202)
(104,826)	109,723	1,854,733	947,740	68,732,819	12,071,833	9,070,454	40,237,209	28,572,097	230,129,745
\$ 104,826	\$ 2,775,365	\$ 1,854,733	\$ 947,740	\$ 73,144,425	\$ 12,908,017	\$ 9,070,454	\$ 40,246,809	\$ 32,714,640	\$262,574,200

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024**

	Special Revenue						
	Gas Tax	Road Impact Fee	Public Safety Impact Fee	Do the Right Thing	Opioid Settlement	Police Confiscation Federal	Police Confiscation State
REVENUES							
Taxes	\$ 11,891,563	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	133,271
Impact fees	-	15,144,174	4,431,486	-	-	-	-
Rent and royalties	-	-	-	-	-	-	-
Investment earnings	1,260,153	2,849,249	237,629	1,072	3,528	18,706	21,142
Contributions and donations	-	-	-	16,350	-	-	-
Other revenue	-	-	-	-	333,942	22,333	-
Total revenues	13,151,716	17,993,423	4,669,115	17,422	337,470	41,039	154,413
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Public safety:							
Police	-	-	40,190	16,328	-	347,146	47,091
Fire	-	-	53,700	-	-	-	-
Building	-	-	-	-	-	-	-
Public works	2,644,332	235,586	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-
Capital outlay	56,253	985,793	467,555	-	-	-	23,350
Debt service:							
Principal	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-
Total expenditures	2,700,585	1,221,379	561,445	16,328	-	347,146	70,441
Excess revenues over (under) expenditures	10,451,131	16,772,044	4,107,670	1,094	337,470	(306,107)	83,972
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	(819,000)	(45,381,669)	(5,463,676)	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-
Proceeds on sale of capital assets	-	-	-	-	-	-	68,779
Total other financing sources (uses)	(819,000)	(45,381,669)	(5,463,676)	-	-	-	68,779
Net change in fund balances	9,632,131	(28,609,625)	(1,356,006)	1,094	337,470	(306,107)	152,751
Fund balances (deficit) - As originally reported	18,133,252	43,916,967	3,040,991	23,004	-	696,142	460,122
Adjustment - change to reporting entity (Note 18)	-	-	-	-	-	-	-
Fund balances (deficit) - beginning	18,133,252	43,916,967	3,040,991	23,004	-	696,142	460,122
Fund balances (deficit) - ending	\$ 27,765,383	\$ 15,307,342	\$ 1,684,985	\$ 24,098	\$ 337,470	\$ 390,035	\$ 612,873

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024**

Special Revenue										
Police Grants	Criminal Justice Education	Park Recreational Facilities Impact Fee	All Hazards	Del Prado Mall Parking Lot	Lot Mowing	Tree Fund	Formerly Alarm Fee Fund	Formerly Residential	Public Works Grants	Economic
\$ -	\$ -	\$ -	\$ 1,624,526	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	41,747	3,149,680	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	688,060
882,299	-	-	-	-	-	-	-	-	63,090	-
-	-	-	-	-	-	-	-	-	-	-
-	48,325	-	-	55	17,353	-	-	-	-	-
-	-	4,690,805	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	4,083	655,825	171,752	7,987	488,793	206	-	-	-	70,911
-	-	-	-	-	-	-	-	-	-	-
-	-	-	972	9	11,484	6,200	-	-	-	-
882,299	52,408	5,346,630	1,797,250	49,798	3,667,310	6,406	-	-	63,090	758,971
-	-	-	-	-	-	-	-	-	-	654,851
779,306	37,890	-	-	-	-	-	-	-	-	-
-	-	-	1,261,969	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	100,098	5,721,846	-	-	-	63,090	-
-	-	77,266	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
136,870	-	175,260	2,740	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
916,176	37,890	252,526	1,264,709	100,098	5,721,846	-	-	-	63,090	654,851
(33,877)	14,518	5,094,104	532,541	(50,300)	(2,054,536)	6,406	-	-	-	104,120
-	-	-	-	-	-	-	-	-	-	-
-	-	(8,683,584)	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	(8,683,584)	-	-	-	-	-	-	-	-
(33,877)	14,518	(3,589,480)	532,541	(50,300)	(2,054,536)	6,406	-	-	-	104,120
-	107,480	8,774,814	1,710,011	223,359	6,250,115	-	104,920	(568)	-	1,641,651
-	-	-	-	-	-	-	(104,920)	568	-	-
-	107,480	8,774,814	1,710,011	223,359	6,250,115	-	-	-	-	1,641,651
\$ (33,877)	\$ 121,998	\$ 5,185,334	\$ 2,242,552	\$ 173,059	\$ 4,195,579	\$ 6,406	\$ -	\$ -	\$ -	\$ 1,745,771

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2024

	Special Revenue						
	Building	Community Redevelopment Agency	Golf Course Fund	Lake Kennedy Racquet Center	Community Development Block Grant	HUD Neighborhood Stabilization	State Housing Initiative Partnership
REVENUES							
Taxes	\$ -	\$ 2,386,787	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Licenses and permits	11,439,758	-	-	-	-	-	-
Intergovernmental	-	4,833	-	-	1,370,770	-	4,757,547
Charges for services	-	-	3,157,120	56,549	-	-	-
Fines and forfeitures	21,447	-	-	-	-	-	-
Impact fees	-	-	-	-	-	-	-
Rent and royalties	53,510	-	-	-	-	-	-
Investment earnings (loss)	1,221,098	564,653	-	-	(24)	-	421,107
Contributions and donations	-	-	-	-	-	-	-
Other revenue	13,005	16,051	25,762	-	65,241	38,410	107,196
Total revenues	12,748,818	2,972,324	3,182,882	56,549	1,435,987	38,410	5,285,850
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Public safety:							
Police	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-
Building	14,364,849	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Parks and recreation	-	-	2,434,048	320,689	-	-	-
Community development	-	989,677	-	-	1,012,589	-	3,125,247
Capital outlay	248,832	18,590	60,937	23,703	126,523	-	-
Debt service:							
Principal	53,423	-	-	-	-	-	-
Interest and fiscal charges	2,508	140,745	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-
Total expenditures	14,669,612	1,149,012	2,494,985	344,392	1,139,112	-	3,125,247
Excess revenues over (under)							
expenditures	(1,920,794)	1,823,312	687,897	(287,843)	296,875	38,410	2,160,603
OTHER FINANCING SOURCES (USES)							
Transfers in	59,892	3,406,325	-	10,200	-	-	-
Transfers out	(21,726)	(3,593,679)	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	-
Proceeds on sale of capital assets	-	-	-	-	-	-	-
Total other financing sources							
(uses)	38,166	(187,354)	-	10,200	-	-	-
Net change in fund balances	(1,882,628)	1,635,958	687,897	(277,643)	296,875	38,410	2,160,603
Fund balances (deficit) - As originally reported	6,708,603	(8,381,596)	-	-	(702,696)	(132,870)	8,728,042
Adjustment - change to reporting entity (Note 18)	-	-	-	-	-	-	-
Fund balances (deficit) - beginning	6,708,603	(8,381,596)	-	-	(702,696)	(132,870)	8,728,042
Fund balances (deficit) - ending	\$ 4,825,975	\$ (6,745,638)	\$ 687,897	\$ (277,643)	\$ (405,821)	\$ (94,460)	\$ 10,888,645

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2024

Special Revenue									
Development Services Grants	Charter School Building Maintenance	Debt Service	Charter School Capital Project	Transportation Capital Improvements	Parks Capital Improvements	Building Capital Improvements	Government Services Improvements	Other Capital Improvements	Total Nonmajor Governmental Funds
\$ -	\$ 2,640,000	\$ 4,218,512	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,761,388
-	-	-	-	-	-	-	-	-	3,191,427
-	-	-	-	-	-	-	-	-	12,127,818
-	-	-	-	376,885	406,690	-	-	-	7,862,114
-	-	-	-	-	-	-	-	59,126	3,272,795
-	-	6,395	-	-	-	-	-	-	226,846
-	-	-	-	-	-	-	-	-	24,266,465
-	1,463,559	-	-	-	640,315	-	-	-	2,157,384
-	35,943	415,333	37,928	-	182,582	210,738	-	1,002,053	9,882,447
-	-	-	535,864	353,685	-	-	-	-	905,899
-	-	27	-	-	-	-	-	-	640,632
-	4,139,502	4,640,267	573,792	730,570	1,229,587	210,738	-	1,061,179	87,295,215
-	1,355,347	1,422	-	-	-	-	8,000	41,744	2,061,364
-	-	-	-	-	-	-	-	-	1,267,951
-	-	-	-	-	-	-	-	-	1,315,669
-	-	-	-	-	-	-	-	-	14,364,849
-	-	-	-	639	-	-	-	47,648	8,813,239
-	-	-	-	-	1,276,687	-	-	-	4,108,690
104,826	-	-	-	-	-	-	-	162,377	5,394,716
-	-	-	1,437,965	18,402,307	728,618	1,018,050	2,725,322	30,648,019	57,286,687
-	-	16,797,187	-	-	-	-	-	31,017	16,881,627
-	-	5,982,397	-	-	-	-	-	1,483	6,127,133
-	-	436,418	-	-	-	-	-	-	436,418
104,826	1,355,347	23,217,424	1,437,965	18,402,946	2,005,305	1,018,050	2,733,322	30,932,288	118,058,343
(104,826)	2,784,155	(18,577,157)	(864,173)	(17,672,376)	(775,718)	(807,312)	(2,733,322)	(29,871,109)	(30,763,128)
-	107,000	19,280,068	-	43,670,986	7,897,082	-	2,697,471	8,103,903	85,232,927
-	(3,130,640)	-	-	(259,596)	-	-	-	(115,094)	(67,468,664)
-	-	911,494	-	-	-	-	40,273,060	-	41,184,554
-	-	-	-	1,300	-	-	-	-	70,079
-	(3,023,640)	20,191,562	-	43,412,690	7,897,082	-	42,970,531	7,988,809	59,018,896
(104,826)	(239,485)	1,614,405	(864,173)	25,740,314	7,121,364	(807,312)	40,237,209	(21,882,300)	28,255,768
-	349,208	240,328	1,811,913	42,992,505	4,950,469	9,877,766	-	50,454,397	201,978,329
-	-	-	-	-	-	-	-	-	(104,352)
-	349,208	240,328	1,811,913	42,992,505	4,950,469	9,877,766	-	50,454,397	201,873,977
\$ (104,826)	\$ 109,723	\$ 1,854,733	\$ 947,740	\$ 68,732,819	\$ 12,071,833	\$ 9,070,454	\$ 40,237,209	\$ 28,572,097	\$ 230,129,745

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
GAS TAX SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Fuel taxes	\$ 12,416,046	\$ 12,416,046	\$ -	\$ (12,416,046)
Total revenues	12,416,046	12,416,046	-	(12,416,046)
EXPENDITURES				
Public works	10,187,032	15,742,383	-	15,742,383
Capital Outlay	744,672	751,372	-	751,372
Total expenditures	10,931,704	16,493,755	-	16,493,755
Excess (deficiency) of revenues over (under) expenditures	1,484,342	(4,077,709)	-	4,077,709
OTHER FINANCING SOURCES (USES)				
Transfers out	(412,000)	(412,000)	-	412,000
Reserves	(1,072,342)	4,489,709	-	(4,489,709)
Total other financing sources (uses)	(1,484,342)	4,077,709	-	(4,077,709)

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
ROAD IMPACT FEE SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Impact fees	\$ 16,170,026	\$ 16,170,026	\$ -	\$ (16,170,026)
Total revenues	16,170,026	16,170,026	-	(16,170,026)
EXPENDITURES				
Public works	242,551	242,551	-	242,551
Capital outlay	-	1,110,547	-	1,110,547
Total expenditures	242,551	1,353,098	-	1,353,098
Excess of revenues over expenditures	15,927,475	14,816,928	-	(14,816,928)
OTHER FINANCING SOURCES (USES)				
Transfers out	(35,746,218)	(45,452,473)	-	45,452,473
Reserves	19,818,743	30,635,545	-	(30,635,545)
Total other financing sources (uses)	(15,927,475)	(14,816,928)	-	14,816,928

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
PUBLIC SAFETY IMPACT FEE SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Impact fees	\$ 5,365,478	\$ 4,699,915	\$ -	\$ (4,699,915)
Total revenues	5,365,478	4,699,915	-	(4,699,915)
EXPENDITURES				
Public safety:				
Police	39,532	39,532	0	39,532
Fire	41,432	53,922	0	53,922
Capital outlay	900,500	1,102,227	0	1,102,227
Total expenditures	981,464	1,195,681	-	1,195,681
Excess of revenues over expenditures	4,384,014	3,504,234	-	(3,504,234)
OTHER FINANCING SOURCES (USES)				
Transfers out	(4,863,458)	(5,470,458)	-	5,470,458
Reserves	479,444	1,966,224	-	(1,966,224)
Total other financing sources	(4,384,014)	(3,504,234)	-	3,504,234

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
DO THE RIGHT THING SPECIAL REVENUE FUND
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Contributions and donations	8,323	16,323	-	(16,323)
Total revenues	8,323	16,323	-	(16,323)
EXPENDITURES				
Public safety: police	8,323	16,323	-	16,323



SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
OPIOID SETTLEMENT SPECIAL REVENUE FUND
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Fund balances - beginning			-	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
POLICE CONFISCATION - FEDERAL SPECIAL REVENUE FUND
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
EXPENDITURES				
Public safety: police	28,215	358,715	-	358,715
Deficiency of revenues under expenditures	(28,215)	(358,715)	-	358,715
OTHER FINANCING SOURCES (USES)				
Reserves	28,215	358,715	-	(358,715)



**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
POLICE CONFISCATION - STATE SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES				
Public safety: police	-	102,025	-	102,025
Capital outlay	-	35,700	-	35,700
Total expenditures	-	137,725	-	137,725
Excess (deficiency) of revenues over (under) expenditures	-	(137,725)	-	137,725
OTHER FINANCING SOURCES				
Proceeds on sale of capital assets	-	-	-	-
Reserves	-	137,725	-	-
Net change in fund balances	\$ -	\$ -	-	\$ 137,725
Fund balances - beginning			-	
Fund balances - ending			\$ -	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
POLICE GRANTS SPECIAL REVENUE FUND
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 984,285	\$ -	\$ (984,285)
Total revenues	-	984,285	-	(984,285)
EXPENDITURES				
Public safety: police	20,869	847,415	-	847,415
Capital outlay	-	136,870	-	136,870
Total expenditures	20,869	984,285	-	984,285
Deficiency of revenues under expenditures	(20,869)	-	-	-
Net change in fund balances	\$ (20,869)	\$ -	-	\$ -
Fund balances - beginning			-	



**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
CRIMINAL JUSTICE EDUCATION SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 21,000	\$ 33,000	\$ -	\$ (33,000)
Total revenues	21,000	33,000	-	(33,000)
EXPENDITURES				
Public safety: police	26,234	38,234	-	38,234
Excess (deficiency) of revenues over (under) expenditures	(5,234)	(5,234)	-	5,234
Reserves	5,234	5,234	-	(5,234)

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
PARK RECREATIONAL FACILITIES IMPACT FEE SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Impact fees	\$ 4,897,080	\$ 4,897,080	\$ -	\$ (4,897,080)
Total revenues	4,897,080	4,897,080	-	(4,897,080)
EXPENDITURES				
Parks and recreation	73,457	73,457	-	73,457
Capital outlay	2,095,061	2,095,061	0	2,095,061
Total expenditures	2,168,518	2,168,518	-	2,168,518
Excess of revenues over expenditures	2,728,562	2,728,562	-	(2,728,562)
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,728,562)	(8,728,562)	-	8,728,562
Reserves	-	6,000,000	-	(6,000,000)
Total other financing sources (uses)	(2,728,562)	(2,728,562)	-	2,728,562

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
ALL HAZARDS SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 1,660,808	\$ 1,660,808	\$ -	\$ (1,660,808)
Total revenues	1,660,808	1,660,808	-	(1,660,808)
EXPENDITURES				
Public safety: fire	1,234,635	1,293,187	-	1,293,187
Capital outlay	25,457	1,445,190	0	1,445,190
Total expenditures	1,260,092	2,738,377	-	2,738,377
Excess (deficiency) of revenues over (under) expenditures	400,716	(1,077,569)	-	1,077,569
OTHER FINANCING SOURCES (USES)				
Reserves	(400,716)	1,077,569	-	(1,077,569)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
DEL PRADO MALL PARKING LOT SPECIAL REVENUE FUND
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Special assessments	\$ 39,965	\$ 39,965	\$ -	\$ (39,965)
Total revenues	39,965	39,965	-	(39,965)
EXPENDITURES				
Public works	87,965	117,965	0	117,965
Deficiency of revenues under expenditures	(48,000)	(78,000)	-	78,000
OTHER FINANCING SOURCES				
Reserves	48,000	78,000	-	(78,000)



**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
LOT MOWING SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Special assessments	4,620,100	4,620,100	-	(4,620,100)
Total revenues	4,620,100	4,620,100	-	(4,620,100)
EXPENDITURES				
Public works	4,290,279	6,132,335	0	6,132,335
Excess (deficiency) of revenues over (under) expenditures	329,821	(1,512,235)	-	1,512,235
OTHER FINANCING SOURCES (USES)				
Reserves	(329,821)	1,512,235	-	(1,512,235)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
TREE FUND SPECIAL REVENUE FUND
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Fund balances - beginning			-	



**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
PUBLIC WORKS GRANT SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,000,000	\$ 1,000,000	\$ -	\$ (1,000,000)
Total revenues	1,000,000	1,000,000	-	(1,000,000)
EXPENDITURES				
Public works	1,000,000	1,000,000	0	1,000,000
OTHER FINANCING SOURCES (USES)				
Net change in fund balances	\$ -	\$ -	-	\$ -
Fund balances - beginning			-	
Fund balances - ending			\$ -	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses and permits	\$ 774,800	\$ 774,800	\$ -	\$ (774,800)
Total revenues	774,800	774,800	-	(774,800)
EXPENDITURES				
General Government	1,306,088	1,413,055	-	1,413,055
Total expenditures	1,306,088	1,413,055	-	1,413,055
Excess (deficiency) of revenues over (under) expenditures	(531,288)	(638,255)	-	638,255
OTHER FINANCING SOURCES (USES)				
Reserves	531,288	638,255	-	(638,255)
Total other financing sources (uses)	531,288	638,255	-	(638,255)



**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
BUILDING SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Licenses and permits	\$ 11,757,500	\$ 11,757,500	\$ 11,439,758	\$ (317,742)
Fines and forfeitures	10,000	10,000	21,447	11,447
Rent and royalties	-	-	53,510	53,510
Investment earnings	-	-	1,221,098	1,221,098
Other revenue	750	750	13,005	12,255
Total revenues	<u>11,768,250</u>	<u>11,768,250</u>	<u>12,748,818</u>	<u>980,568</u>
EXPENDITURES				
Public safety: building	16,684,227	16,900,370	14,364,849	2,535,521
Capital outlay	-	250,792	248,832	1,960
Debt Service:				
Principal	-	-	53,423	(53,423)
Interest and fiscal charges	-	-	2,508	(2,508)
Total expenditures	<u>16,684,227</u>	<u>17,151,162</u>	<u>14,669,612</u>	<u>2,481,550</u>
Deficiency of revenues under expenditures	<u>(4,915,977)</u>	<u>(5,382,912)</u>	<u>(1,920,794)</u>	<u>3,462,118</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	59,892	59,892
Transfers out	(22,103)	(22,103)	(21,726)	377
Reserves	<u>4,938,080</u>	<u>5,405,015</u>	<u>-</u>	<u>(5,405,015)</u>
Total other financing sources (uses)	<u>4,915,977</u>	<u>5,382,912</u>	<u>38,166</u>	<u>(5,344,746)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>(1,882,628)</u>	<u>\$ (1,882,628)</u>
Fund balances - beginning			6,708,603	
Fund balances - ending			<u>\$ 4,825,975</u>	

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT AGENCY SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 2,439,428	\$ 2,439,428	\$ 2,386,787	\$ (52,641)
Intergovernmental	-	-	4,833	4,833
Rent and royalties	15,300	15,300	-	(15,300)
Investment earnings	26,500	26,500	564,653	538,153
Other revenue	-	-	16,051	16,051
Total revenues	<u>2,481,228</u>	<u>2,481,228</u>	<u>2,972,324</u>	<u>491,096</u>
EXPENDITURES				
Community development	2,732,757	1,236,292	989,677	246,615
Capital outlay	-	73,590	18,590	55,000
Debt Service:				
Interest and fiscal charges	-	-	140,745	(140,745)
Total expenditures	<u>2,732,757</u>	<u>1,309,882</u>	<u>1,149,012</u>	<u>160,870</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(251,529)</u>	<u>1,171,346</u>	<u>1,823,312</u>	<u>651,966</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,481,451	3,481,451	3,406,325	(75,126)
Transfers out	(3,229,922)	(4,904,165)	(3,593,679)	1,310,486
Reserves	-	251,368	-	(251,368)
Total other financing sources (uses)	<u>251,529</u>	<u>(1,171,346)</u>	<u>(187,354)</u>	<u>983,992</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>1,635,958</u>	<u>\$ 1,635,958</u>
Fund deficit - beginning			(8,381,596)	
Fund deficit - ending			<u>\$ (6,745,638)</u>	

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
GOLF COURSE SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ 2,882,289	\$ 3,157,120	\$ 274,831
Contributions and donations	-	21,359	-	(21,359)
Other revenue	-	255	25,762	25,507
Total revenues	-	2,903,903	3,182,882	278,979
EXPENDITURES				
Parks and recreation	-	2,571,355	2,434,048	137,307
Capital outlay	-	-	60,937	(60,937)
Total expenditures	-	2,571,355	2,494,985	76,370
Excess of revenues over expenditures	-	332,548	687,897	355,349
Net change in fund balances	\$ -	\$ 332,548	687,897	\$ 355,349
Fund balances - beginning			-	
Fund balances - ending			\$ 687,897	

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
LAKE KENNEDY RACQUET CENTER SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ 118,603	\$ 56,549	\$ (62,054)
Total revenues	-	118,603	56,549	(62,054)
EXPENDITURES				
Parks and recreation	-	128,803	320,689	(191,886)
Capital outlay	-	-	23,703	(23,703)
Total expenditures	-	128,803	344,392	(215,589)
Excess (deficiency) of revenues over (under) expenditures	-	(10,200)	(287,843)	(277,643)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	10,200	10,200	-
Net change in fund balances	\$ -	\$ -	(277,643)	\$ (277,643)
Fund deficit - ending			\$ (277,643)	

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget ¹
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,072,282	\$ 1,048,486	\$ 1,370,770	\$ 322,284
Investment earnings (loss)	-	-	(24)	(24)
Other revenue	-	59,269	65,241	5,972
Total revenues	<u>1,072,282</u>	<u>1,107,755</u>	<u>1,435,987</u>	<u>328,232</u>
EXPENDITURES				
Community development	1,072,282	898,532	1,012,589	(114,057)
Capital outlay	-	209,223	126,523	82,700
Total expenditures	<u>1,072,282</u>	<u>1,107,755</u>	<u>1,139,112</u>	<u>(31,357)</u>
Excess of revenues over expenditures	-	-	296,875	296,875
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	296,875	<u>\$ 296,875</u>
Fund deficit - beginning			(702,696)	
Fund deficit - ending			<u>\$ (405,821)</u>	

¹Expenditures were appropriated in the year the funding was allocated and are not re-appropriated in subsequent years.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
HUD NEIGHBORHOOD STABILIZATION SPECIAL REVENUE FUND
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget¹
	Original	Final		
REVENUES				
Other revenue	\$ -	\$ (35,690)	\$ 38,410	\$ 74,100
Total revenues	-	(35,690)	38,410	74,100
EXPENDITURES				
Community development	-	(35,690)	-	(35,690)
Total expenditures	-	(35,690)	-	(35,690)
Excess of revenues over expenditures	-	-	38,410	38,410
Net change in fund balances	\$ -	\$ -	38,410	\$ 38,410
Fund deficit - beginning			(132,870)	
Fund deficit - ending			\$ (94,460)	

¹ Expenditures were appropriated in the year the funding was allocated and are not re-appropriated in subsequent years.



**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
STATE HOUSING INITIATIVE PARTNERSHIP SPECIAL REVENUE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,385,694	\$ 8,540,879	\$ 4,757,547	\$ (3,783,332)
Investment earnings	-	-	421,107	421,107
Other revenue	-	77,790	107,196	29,406
Total revenues	<u>2,385,694</u>	<u>8,618,669</u>	<u>5,285,850</u>	<u>(3,332,819)</u>
EXPENDITURES				
Community development	2,385,694	8,617,669	3,125,247	5,492,422
Total expenditures	<u>2,385,694</u>	<u>8,617,669</u>	<u>3,125,247</u>	<u>5,492,422</u>
Excess of revenues over expenditures	-	1,000	2,160,603	2,159,603
Net change in fund balances	<u>\$ -</u>	<u>\$ 1,000</u>	<u>2,160,603</u>	<u>\$ 2,159,603</u>
Fund balances - beginning			8,728,042	
Fund balances - ending			<u>\$ 10,888,645</u>	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
DEVELOPMENT SERVICES GRANT SPECIAL REVENUE FUND
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
EXPENDITURES				
Community development	\$ -	\$ -	\$ 104,826	\$ (104,826)
Deficiency of revenues under expenditures	-	-	(104,826)	(104,826)
Net change in fund balances	\$ -	\$ -	(104,826)	\$ (104,826)
Fund balances - beginning			-	
Fund deficit - ending			\$ (104,826)	



**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
CHARTER SCHOOL BUILDING MAINTENANCE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 2,640,000	\$ 2,640,000	\$ 2,640,000	\$ -
Rent and royalties	1,500,000	1,500,000	1,463,559	(36,441)
Investment earnings	-	-	35,943	35,943
Total revenues	4,140,000	4,140,000	4,139,502	(498)
EXPENDITURES				
General government	653,875	1,373,875	1,355,347	18,528
Capital outlay	300,000	-	-	-
Total expenditures	953,875	1,373,875	1,355,347	18,528
Excess of revenues over expenditures	3,186,125	2,766,125	2,784,155	18,030
OTHER FINANCING SOURCES (USES)				
Transfers in	-	107,000	107,000	-
Transfers out	(3,186,125)	(3,186,125)	(3,130,640)	55,485
Reserves	-	313,000	-	(313,000)
Total other financing sources (uses)	(3,186,125)	(2,766,125)	(3,023,640)	(257,515)
Net change in fund balances	\$ -	\$ -	(239,485)	\$ (239,485)
Fund balances - beginning			349,208	
Fund balances - ending			\$ 109,723	

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 4,139,861	\$ 4,139,861	\$ 4,218,512	\$ 78,651
Fines and forfeitures	-	-	6,395	6,395
Rent and royalties	179,739	179,739	-	(179,739)
Investment earnings	-	-	415,333	415,333
Other revenue	-	-	27	27
Total revenues	4,319,600	4,319,600	4,640,267	320,667
EXPENDITURES				
General government	756	756	1,422	(666)
Debt service:				
Principal	17,559,133	17,396,926	16,797,187	599,739
Interest and fiscal charges	6,471,762	6,446,465	5,982,397	464,068
Bond issuance costs	-	-	436,418	(436,418)
Total expenditures	24,031,651	23,844,147	23,217,424	626,723
Excess (deficiency) of revenues over (under) expenditures	(19,712,051)	(19,524,547)	(18,577,157)	947,390
OTHER FINANCING SOURCES (USES)				
Transfers in	19,712,051	19,524,547	19,280,068	(244,479)
Issuance of debt	-	-	911,494	911,494
Total other financing sources (uses)	19,712,051	19,524,547	20,191,562	667,015
Net change in fund balances	\$ -	\$ -	1,614,405	\$ 1,614,405
Fund balances - beginning			240,328	
Fund balances - ending			\$ 1,854,733	

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
CHARTER SCHOOL CAPITAL PROJECT FUND
From Inception and For the Year Ended September 30, 2024**

	Prior Years Actual	Current Year Actual	Total Actual to Date	Project Authorization
REVENUES				
Electric utility taxes	\$ 1,320,000	\$ -	\$ 1,320,000	\$ -
Intergovernmental	-	-	-	1,476,800
Charges for services	-	-	-	56,275
Rents and royalties	-	-	-	1,500,000
Investment earnings	145,004	37,928	182,932	-
Contributions and donations	1,697,980	535,864	2,233,844	2,644,235
Total revenues	3,162,984	573,792	3,736,776	5,677,310
EXPENDITURES				
General Government	278,178	-	278,178	1,320,000
Capital outlay	661,452	1,437,965	2,099,417	2,857,310
Total expenditures	939,630	1,437,965	2,377,595	4,177,310
Excess (deficiency) of revenues over (under) expenditures	2,223,354	(864,173)	1,359,181	1,500,000
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,875,000)	-	(1,875,000)	(1,500,000)
Leases	1,463,559	-	1,463,559	-
Total other financing sources (uses)	(411,441)	-	(411,441)	(1,500,000)
Net change in fund balances	\$ 1,811,913	\$ (864,173)	\$ 947,740	\$ -
Fund balances - beginning		1,811,913		
Fund balances - ending		\$ 947,740		

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
TRANSPORTATION CAPITAL IMPROVEMENTS FUND
From Inception and For the Year Ended September 30, 2024**

	Prior Years Actual	Current Year Actual	Total Actual to Date	Project Authorization
REVENUES				
Intergovernmental	\$ 23,642,284	\$ 376,885	\$ 24,019,169	\$ 35,309,589
Rent and royalties	4,367	-	4,367	-
Investment earnings	8,505,757	-	8,505,757	116,231
Contributions and donations	1,593,213	353,685	1,946,898	2,439,004
Other revenue	4,848,500	-	4,848,500	16,633,536
Unassigned balance	-	-	-	1,562,535
Total revenues	<u>38,594,121</u>	<u>730,570</u>	<u>39,324,691</u>	<u>56,060,895</u>
EXPENDITURES				
General Government	583	-	583	-
Public works	5,290,744	639	5,291,383	7,587,271
Capital outlay	269,994,294	18,402,307	288,396,601	496,643,447
Debt Service: interest and fiscal charges	805,049	-	805,049	-
Total expenditures	<u>276,090,670</u>	<u>18,402,946</u>	<u>294,493,616</u>	<u>504,230,718</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(237,496,549)</u>	<u>(17,672,376)</u>	<u>(255,168,925)</u>	<u>(448,169,823)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	219,236,050	43,670,986	262,907,036	273,013,157
Transfers out	(24,018,409)	(259,596)	(24,278,005)	(16,093,078)
Issuance of debt	84,987,594	-	84,987,594	191,167,660
Proceeds on sale of capital assets	283,819	1,300	285,119	82,084
Total other financing sources (uses)	<u>280,489,054</u>	<u>43,412,690</u>	<u>323,901,744</u>	<u>448,169,823</u>
Net change in fund balances	<u>\$ 42,992,505</u>	<u>25,740,314</u>	<u>\$ 68,732,819</u>	<u>\$ -</u>
Fund balances - beginning		42,992,505		
Fund balances - ending		<u>\$ 68,732,819</u>		

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
PARKS CAPITAL IMPROVEMENTS FUND
From Inception and For the Year Ended September 30, 2024**

	Prior Years Actual	Current Year Actual	Total Actual to Date	Project Authorization
REVENUES				
Intergovernmental	\$ 1,957,853	\$ 406,690	\$ 2,364,543	\$ 6,948,955
Rent and royalties	409,373	640,315	1,049,688	135,817
Investment earnings	2,323,140	182,582	2,505,722	90,500
Contributions and donations	45,037	-	45,037	62,949
Other revenue	128,182	-	128,182	-
Unassigned balance	-	-	-	3,253,613
Total revenues	<u>4,863,585</u>	<u>1,229,587</u>	<u>6,093,172</u>	<u>10,491,834</u>
EXPENDITURES				
Parks and recreation	922,628	1,276,687	2,199,315	7,754,601
Capital outlay	52,722,834	728,618	53,451,452	67,053,049
Total expenditures	<u>53,645,462</u>	<u>2,005,305</u>	<u>55,650,767</u>	<u>74,807,650</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(48,781,877)</u>	<u>(775,718)</u>	<u>(49,557,595)</u>	<u>(64,315,816)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	28,980,691	7,897,082	36,877,773	31,520,054
Transfers out	(12,055,693)	-	(12,055,693)	(6,770,650)
Issuance of debt	36,735,161	-	36,735,161	39,566,412
Proceeds on sale of capital assets	72,187	-	72,187	-
Total other financing sources (uses)	<u>53,732,346</u>	<u>7,897,082</u>	<u>61,629,428</u>	<u>64,315,816</u>
Net change in fund balances	<u>\$ 4,950,469</u>	<u>7,121,364</u>	<u>\$ 12,071,833</u>	<u>\$ -</u>
Fund balances - beginning		4,950,469		
Fund balances - ending		<u>\$ 12,071,833</u>		

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
BUILDING CAPITAL IMPROVEMENTS FUND
From Inception and For the Year Ended September 30, 2024**

	<u>Prior Years Actual</u>	<u>Current Year Actual</u>	<u>Total Actual to Date</u>	<u>Project Authorization</u>
REVENUES				
Investment earnings (loss)	\$ (122,234)	\$ 210,738	\$ 88,504	\$ -
EXPENDITURES				
Capital outlay	-	1,018,050	1,018,050	10,000,000
Total Expenditures	-	1,018,050	1,018,050	10,000,000
Excess (deficiency) of revenues over (under) expenditures	(122,234)	(807,312)	(929,546)	(10,000,000)
OTHER FINANCING SOURCES (USES)				
Transfers in	10,000,000	-	10,000,000	10,000,000
Net change in fund balances	\$ 9,877,766	(807,312)	\$ 9,070,454	\$ -
Fund balances - beginning		9,877,766		
Fund balances - ending		\$ 9,070,454		

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
GOVERNMENT SERVICES IMPROVEMENTS FUND
From Inception and For the Year Ended September 30, 2024**

	<u>Prior Years Actual</u>	<u>Current Year Actual</u>	<u>Total Actual to Date</u>	<u>Project Authorization</u>
REVENUES				
EXPENDITURES				
General government	\$ -	\$ 8,000	\$ 8,000	\$ -
Capital outlay	-	2,725,322	2,725,322	42,976,975
Total Expenditures	-	2,733,322	2,733,322	42,976,975
Excess (deficiency) of revenues over (under) expenditures	-	(2,733,322)	(2,733,322)	(42,976,975)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,697,471	2,697,471	2,697,471
Issuance of debt	-	40,273,060	40,273,060	40,279,504
Total other financing sources (uses)	-	42,970,531	42,970,531	42,976,975
Net change in fund balances	\$ -	40,237,209	\$ 40,237,209	\$ -
Fund balances - beginning		-		
Fund balances - ending		\$ 40,237,209		

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
OTHER CAPITAL IMPROVEMENTS FUND
From Inception and For the Year Ended September 30, 2024**

	Prior Years Actual	Current Year Actual	Total Actual to Date	Project Authorization
REVENUES				
Intergovernmental	\$ 8,159,828	\$ -	\$ 8,159,828	\$ 18,351,490
Charges for services	132,735	59,126	191,861	-
Investment earnings	2,282,340	1,002,053	3,284,393	42,680
Contributions and Donations	-	-	-	951,927
Other revenue (loss)	1,748,548	-	1,748,548	1,347,806
Unassigned balance	-	-	-	913,659
Total revenues	12,323,451	1,061,179	13,384,630	21,607,562
EXPENDITURES				
General Government	1,205,826	41,744	1,247,570	3,882,806
Public safety: police	8,021,478	-	8,021,478	5,605,574
Public safety: fire	-	-	-	5,926,858
Public safety: building	-	-	-	750,000
Public works	53,151	47,648	100,799	1,660,454
Parks and recreation	557,541	-	557,541	19,375
Community development	86,487	162,377	248,864	906,055
Transportation	1,826,826	-	1,826,826	6,052,693
Capital outlay	156,554,660	30,648,019	187,202,679	239,876,638
Debt Service: principal	32,500	31,017	63,517	-
Debt Service: interest and fiscal charges	1,585,471	1,483	1,586,954	628,994
Total expenditures	169,923,940	30,932,288	200,856,228	265,309,447
Excess (deficiency) of revenues over (under) expenditures	(157,600,489)	(29,871,109)	(187,471,598)	(243,701,885)
OTHER FINANCING SOURCES (USES)				
Transfers in	112,483,874	8,103,903	120,587,777	145,602,584
Transfers out	(5,280,120)	(115,094)	(5,395,214)	(4,493,317)
Issuance of debt	100,640,772	-	100,640,772	102,592,618
Proceeds from SBITA	95,266	-	95,266	-
Total other financing sources (uses)	207,939,792	7,988,809	215,928,601	243,701,885
Net change in fund balances	\$ 50,339,303	(21,882,300)	\$ 28,457,003	\$ -
Fund balances - beginning		50,454,397		
Fund balances - ending		\$ 28,572,097		

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
GENERAL OBLIGATION FUND
From Inception and For the Year Ended September 30, 2024**

	Prior Years Actual	Current Year Actual	Total Actual to Date	Project Authorization
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ 931,250
Investment earnings	1,049,560	670,841	1,720,401	-
Total revenues	1,049,560	670,841	1,720,401	931,250
EXPENDITURES				
Parks and recreation	124,217	-	124,217	11,257,549
Capital outlay	33,589,895	20,172,946	53,762,841	75,361,496
Total expenditures	33,714,112	20,172,946	53,887,058	86,619,045
Excess (deficiency) of revenues over (under) expenditures	(32,664,552)	(19,502,105)	(52,166,657)	(85,687,795)
OTHER FINANCING SOURCES (USES)				
Transfers in	10,838,140	28,461,575	39,299,715	44,663,474
Issuance of debt	29,781,291	17,380,446	47,161,737	29,781,290
Premium	-	2,235,894	-	-
Debt Proceeds	-	-	-	11,243,031
Total other financing sources (uses)	40,619,431	48,077,915	86,461,452	85,687,795
Net change in fund balances	\$ 7,954,879	28,575,810	\$ 34,294,795	\$ -
Fund balances - beginning		7,954,879		
Fund balances - ending		\$ 36,530,689		

PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

Internal service funds are used to account for activity that provides goods or services to other funds, departments or agencies of the primary government and its component units on a cost-reimbursement basis.

- Risk Management Fund – used to account for self-insurance of workers compensation and risk management activity for auto liability, property and contents loss, and general liability.
- Facilities Management – used to account for the costs of operation for the repair and maintenance of city owned/leased buildings and equipment. Such costs are billed to other departments.
- Fleet Management – used to account for the costs of operation for the repair and maintenance of city owned/leased vehicles and equipment. Such costs are billed to other departments.
- Project Management – used to account for the costs of operation for the Capital Improvement Projects Division that oversees management of all capital projects.
- Self-funded Health Insurance – used to account for the self-funded medical health insurance plan and the on-site employee health clinic.

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
September 30, 2024

	Risk Management	Facilities Management	Fleet Management	Project Management	Self-funded Health Insurance	Total
ASSETS						
Current assets:						
Cash and investments	\$ 31,924,505	\$ 1,762,112	\$ 4,347,846	\$ 570,545	\$ 16,440,681	\$ 55,045,689
Interest receivable	108,105	-	-	-	42,439	150,544
Accounts receivable, net	-	1,089	-	-	88,543	89,632
Prepaid items	976,848	-	63,441	10,306	-	1,050,595
Total current assets	33,009,458	1,763,201	4,411,287	580,851	16,571,663	56,336,460
Noncurrent assets:						
Capital assets (net of accumulated depreciation)						
Buildings	4,115	261,388	642,121	-	-	907,624
Improvements other than buildings	-	-	63,796	-	-	63,796
Equipment	56,469	1,204,253	2,051,283	375,714	-	3,687,719
Right to use - equipment	-	-	822,745	-	-	822,745
SBITA	-	179,061	-	-	-	179,061
Intangible computer software	-	-	705,245	-	-	705,245
Construction in progress	-	90,699	415,012	38,842	-	544,553
Less accumulated depreciation	(58,257)	(1,082,171)	(2,674,686)	(266,139)	-	(4,081,253)
Total capital assets, net	2,327	653,230	2,025,516	148,417	-	2,829,490
Total noncurrent assets	2,327	653,230	2,025,516	148,417	-	2,829,490
Total assets	33,011,785	2,416,431	6,436,803	729,268	16,571,663	59,165,950
DEFERRED OUTFLOWS OF RESOURCES						
Pension related	54,806	648,076	212,372	278,139	28,773	1,222,166
OPEB related	294,227	2,709,220	1,004,548	1,342,404	132,554	5,482,953
Total deferred outflows of resources	349,033	3,357,296	1,216,920	1,620,543	161,327	6,705,119
LIABILITIES						
Current liabilities:						
Accounts payable and other accrued liabilities	16,402	396,192	557,695	2,500	3,314,836	4,287,625
Accrued payroll	21,471	224,532	75,201	100,122	9,767	431,093
Compensated absences	4,561	49,700	10,826	46,840	1,872	113,799
Lease Payable	-	-	166,539	-	-	166,539
SBITA Payable	-	58,339	-	-	-	58,339
Claims liability	2,941,177	-	-	-	1,908,000	4,849,177
Total current liabilities	2,983,611	728,763	810,261	149,462	5,234,475	9,906,572
Noncurrent liabilities:						
Compensated absences	40,609	353,132	118,612	227,730	18,572	758,655
Total OPEB liability	1,038,463	9,562,094	3,545,515	4,737,965	467,845	19,351,882
Claims liability	8,819,338	-	-	-	-	8,819,338
Lease Payable	-	-	489,344	-	-	489,344
SBITA Payable	-	62,777	-	-	-	62,777
Net pension liability	334,240	3,952,391	1,295,181	1,696,269	175,476	7,453,557
Total noncurrent liabilities	10,232,650	13,930,394	5,448,652	6,661,964	661,893	36,935,553
Total liabilities	13,216,261	14,659,157	6,258,913	6,811,426	5,896,368	46,842,125
DEFERRED INFLOWS OF RESOURCES						
Pension related	33,852	400,301	131,177	171,800	17,772	754,902
OPEB related	215,942	1,988,382	737,269	985,232	97,286	4,024,111
Total deferred inflows of resources	249,794	2,388,683	868,446	1,157,032	115,058	4,779,013
NET POSITION						
Net investment in capital assets	2,327	532,114	1,369,633	148,417	-	2,052,491
Unrestricted	19,892,436	(11,806,227)	(843,269)	(5,767,064)	10,721,564	12,197,440
Total net position	\$ 19,894,763	\$ (11,274,113)	\$ 526,364	\$ (5,618,647)	\$ 10,721,564	\$ 14,249,931

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2024

	Risk Management	Facilities Management	Fleet Management	Project Management	Self-funded Health Insurance	Total
OPERATING REVENUES						
Charges for services	\$ 9,426,171	\$ 10,182,955	\$ 6,445,602	\$ 3,031,809	\$ 38,391,502	\$ 67,478,039
Other revenue	545,384	15,451	24,137	-	4,974,297	5,559,269
Total operating revenues	9,971,555	10,198,406	6,469,739	3,031,809	43,365,799	73,037,308
OPERATING EXPENSES						
Salaries, wages and employee benefits	951,263	6,825,024	1,813,401	2,825,352	491,768	12,906,808
Contractual services, materials and supplies	5,796,526	3,689,726	3,524,356	119,795	7,000,836	20,131,239
Claims and claims adjustments	4,063,470	-	-	-	33,093,815	37,157,285
Depreciation	5,584	156,076	280,672	24,892	-	467,224
Total operating expenses	10,816,843	10,670,826	5,618,429	2,970,039	40,586,419	70,662,556
Operating income (loss)	(845,288)	(472,420)	851,310	61,770	2,779,380	2,374,752
NONOPERATING REVENUES (EXPENSES)						
Investment earnings	2,407,187	1,607	122,307	7,331	825,463	3,363,895
Non-capital federal & state grants	-	832	-	-	-	832
Interest expense	-	(341)	(26,716)	-	-	(27,057)
Rents & Royalties	-	-	187,503	-	-	187,503
Gain (loss) on disposal of capital assets	-	33,568	(37,568)	-	-	(4,000)
Total nonoperating revenues (expenses)	2,407,187	35,666	245,526	7,331	825,463	3,521,173
Income (loss) before transfers	1,561,899	(436,754)	1,096,836	69,101	3,604,843	5,895,925
Transfers						
Transfers in	-	42,477	55,656	1,900	-	100,033
Transfers out	-	(58,056)	(42,477)	-	-	(100,533)
Total transfers	-	(15,579)	13,179	1,900	-	(500)
Change in net position	1,561,899	(452,333)	1,110,015	71,001	3,604,843	5,895,425
Total net position - beginning	18,332,864	(10,821,780)	(583,651)	(5,689,648)	7,116,721	8,354,506
Total net position - ending	\$ 19,894,763	\$ (11,274,113)	\$ 526,364	\$ (5,618,647)	\$ 10,721,564	\$ 14,249,931

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2024**

	Risk Management	Facility Management	Fleet Management	Project Management	Self-funded Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash received from customers	\$ 9,971,556	\$ 10,197,313	\$ 6,469,738	\$ 3,031,809	\$ 43,335,250	\$ 73,005,666
Cash payments for claims	382,877	-	-	-	(32,732,815)	(32,349,938)
Cash payments to suppliers	(10,707,848)	(3,590,244)	(3,526,587)	(130,106)	(5,910,994)	(23,865,779)
Cash payments to employees	(549,863)	(5,649,194)	(1,894,142)	(2,622,987)	(235,779)	(10,951,965)
Net cash provided (used) by operating activities	(903,278)	957,875	1,049,009	278,716	4,455,662	5,837,984
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Non-capital Federal & State Grants	-	832	-	-	-	832
Net cash provided by noncapital financing activities	-	832	-	-	-	832
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Acquisition and construction of capital assets	-	(354,072)	(1,065,361)	(77,684)	-	(1,497,117)
Principal payments on debt	-	-	(160,788)	-	-	(160,788)
Interest paid	-	-	(26,716)	-	-	(26,716)
Rents & Royalties	-	-	187,504	-	-	187,504
Transfer out for the acquisition of capital assets	-	(58,056)	(42,477)	-	-	(100,533)
Transfer in from the sale of capital assets	-	42,477	55,656	1,900	-	100,033
Proceeds on sale of capital assets	-	13,000	-	-	-	13,000
Net cash (used) by capital and related financing activities	-	(356,651)	(1,052,182)	(75,784)	-	(1,484,617)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Investment earnings	2,435,793	1,607	122,307	7,331	833,568	3,400,606
Net cash provided by investing activities	2,435,793	1,607	122,307	7,331	833,568	3,400,606
Net increase (decrease) in cash	1,532,515	603,663	119,134	210,263	5,289,230	7,754,805
Cash and investments - beginning	30,391,990	1,158,449	4,228,712	360,282	11,151,451	47,290,884
Cash and investments - ending	\$ 31,924,505	\$ 1,762,112	\$ 4,347,846	\$ 570,545	\$ 16,440,681	\$ 55,045,689
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
Operating income (loss)	\$ (845,288)	\$ (472,420)	\$ 851,310	\$ 61,770	\$ 2,779,380	\$ 2,374,752
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	5,585	156,075	280,672	24,892	-	467,224
(Increase) decrease in assets:						
Accounts receivable, net	-	(1,090)	-	-	(30,550)	(31,640)
Prepaid items	(839,741)	-	(47,358)	(10,306)	362,672	(534,733)
(Increase) decrease in deferred outflows:						
Pension related	18,193	648,383	272,340	253,292	12,107	1,204,315
OPEB related	(193,410)	(1,544,035)	(525,636)	(707,012)	(97,637)	(3,067,730)
Increase (decrease) in liabilities:						
Accounts payable and other accrued liabilities	(8,111)	99,481	45,128	⁽⁵⁾	727,170	863,663
Accrued payroll	6,540	62,971	13,640	(19,071)	5,222	69,302
Compensated absences	8,660	(9,900)	(15,771)	26,826	1,267	11,082
Total OPEB liability	467,753	2,966,153	834,452	1,141,100	270,184	5,679,642
Net pension liability	75,905	(635,634)	(420,162)	(184,408)	30,809	(1,133,490)
Claims liability	382,877	-	-	-	361,000	743,877
Increase (decrease) in deferred inflows:						
Pension related	30,780	345,737	110,777	149,434	16,052	652,780
OPEB related	(13,021)	(657,846)	(350,383)	(457,796)	17,986	(1,461,060)
Total adjustments	(57,990)	1,430,295	197,699	216,946	1,676,282	3,463,232
Net cash provided (used) by operating activities	\$ (903,278)	\$ 957,875	\$ 1,049,009	\$ 278,716	\$ 4,455,662	\$ 5,837,984

Supplemental disclosure of noncash investing, capital and financing activities:

Risk Management increase in fair value of investments of \$1,077,310.

Self Insurance Fund increase in fair value of investments \$404,818.

Facilities Management entered into a subscription based IT arrangement in the amount of \$179,061.

FIDUCIARY FUNDS

Pension Trust Funds

Account for activities of firefighters’, police officers’ and the general employees’ pension funds, which accumulate resources for pension benefits and disability payments to qualified retirees.



**COMBINING STATEMENT OF NET POSITION
FIDUCIARY FUNDS
September 30, 2024**

	Pension Trust Funds			Total Pension Trust Funds
	Municipal General Employees'	Municipal Police Officers'	Municipal Firefighters'	
ASSETS				
Cash and cash equivalents	\$ 9,002,126	\$ 9,344,225	\$ 7,775,853	\$ 26,122,204
Receivables:				
Member contributions	2,889	-	-	2,889
Employer contributions	-	613	-	613
Due from brokers	101,634	7,086	100,163	208,883
Investment receivable	61,893	223,313	272,229	557,435
Total receivables	166,416	231,012	372,392	769,820
Investments, at fair value:				
US Government Obligations and Federal Agency Guaranteed Securities	-	8,513,834	9,370,676	17,884,510
Corporate bonds	-	3,702,287	4,096,677	7,798,964
Certificates of deposit	-	474,479	684,785	1,159,264
Stocks	109,799,496	-	104,720,989	214,520,485
Mutual and ETF funds				
Equity	29,305,471	168,168,744	80,765,940	278,240,155
Fixed income	112,705	26,542,838	11,186,532	37,842,075
Pooled/common/commingled funds/partnerships				
Fixed income	99,561,397	18,423,833	23,215,987	141,201,217
Equity	72,693,597	23,674,557	13,716,865	110,085,019
Real estate	137,526,740	29,712,077	40,118,644	207,357,461
Total investments	448,999,406	279,212,649	287,877,095	1,016,089,150
Total assets	458,167,948	288,787,886	296,025,340	1,042,981,174
LIABILITIES				
Accounts payable	356,216	79,704	248,873	684,793
Due to broker for securities purchased	198,122	33,147	79,313	310,582
Member contributions payable	12,992	59,430	1,823	74,245
Prepaid contributions	-	12,598	11,577	24,175
Total liabilities	567,330	184,879	341,586	1,093,795
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 457,600,618</u>	<u>\$ 288,603,007</u>	<u>\$ 295,683,754</u>	<u>\$ 1,041,887,379</u>

STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2024

	Pension Trust Funds			Total Pension Trust Funds
	Municipal General Employees'	Municipal Police Officers'	Municipal Firefighters'	
ADDITIONS				
Contributions:				
Employer	\$ 16,637,854	\$ 11,576,571	\$ 12,374,438	\$ 40,588,863
Plan members	6,685,226	2,681,677	2,528,762	11,895,665
Member buybacks	142,838	-	26,405	169,243
State of Florida	-	2,830,113	2,930,853	5,760,966
Total contributions	23,465,918	17,088,361	17,860,458	58,414,737
Investment income (expense):				
Investment income	11,259,968	9,302,065	6,961,447	27,523,480
Net increase in fair value of investments	48,091,636	34,454,018	41,528,626	124,074,280
Less: investment expenses	(1,414,662)	(528,204)	(894,589)	(2,837,455)
Net Investment Income	57,936,942	43,227,879	47,595,484	148,760,305
Total additions	81,402,860	60,316,240	65,455,942	207,175,042
DEDUCTIONS				
Benefits and refunds	24,947,610	13,023,728	15,458,996	53,430,334
Administrative expenses	366,612	188,776	178,596	733,984
Total deductions	25,314,222	13,212,504	15,637,592	54,164,318
Net increase in net position	56,088,638	47,103,736	49,818,350	153,010,724
Net position - beginning	401,511,980	241,499,271	245,865,404	888,876,655
Net position - ending	\$ 457,600,618	\$ 288,603,007	\$ 295,683,754	\$ 1,041,887,379



An aerial photograph of a community center facility. In the foreground, there is a blue basketball court with white court lines and a black safety fence. To the right of the court is a black asphalt parking lot with several white-painted parking spaces. A small, light blue building with a grey roof is situated near the parking lot. A white van is parked in one of the spaces. The facility is surrounded by green grass, palm trees, and other landscaping. In the background, a residential neighborhood with houses and a road is visible. A large blue rectangular box with a white border is overlaid on the upper portion of the image, containing the text "III. STATISTICAL SECTION".

III. STATISTICAL SECTION

STATISTICAL SECTION
(Unaudited)

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

Content	Page
Financial Trends These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	185
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City’s most significant local revenue source, the property tax.	190
Debt Capacity These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future. The City has no legal debt margin and therefore it is not reported in these schedules.	195
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	199
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	200

Source: Unless otherwise noted, the information in these schedules was obtained from the Comprehensive Financial Reports for the relevant year. The City implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

Schedule 1
NET POSITION BY COMPONENT
Last Ten Fiscal Years
 (accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 206,045,063	\$ 215,610,383	\$ 226,821,441	\$ 244,770,705	\$ 259,385,054	\$ 276,393,691	\$ 267,501,395	\$ 316,970,393	\$ 330,817,296	\$ 388,438,371
Restricted	39,172,890	49,389,716	53,759,601	71,209,165	82,675,046	87,759,451	128,609,536	117,195,410	147,451,567	291,869,148
Unrestricted	(129,177,798)	(133,595,277)	(129,318,499)	(238,304,065)	(209,199,090)	(207,075,890)	(167,668,618)	(181,240,689)	(212,181,810)	(283,667,866)
Total governmental activities net position	116,040,155	131,404,822	151,262,543	77,675,805	132,861,010	157,077,252	228,442,313	252,925,114	266,087,053	396,639,653
Business-type activities										
Net investment in capital assets	361,707,442	374,994,099	371,601,686	420,502,966	458,982,283	464,780,619	434,630,800	476,407,460	510,260,888	517,892,142
Restricted	92,631,969	89,937,196	101,978,014	77,224,216	64,806,405	97,781,941	144,962,165	126,816,890	175,966,063	223,114,109
Unrestricted	(26,625,585)	(17,705,952)	(8,257,372)	(31,086,868)	(16,607,742)	(5,927,012)	15,219,164	13,488,006	(10,709,735)	91,396
Total business-type activities net position	427,713,826	447,225,343	465,322,328	466,640,314	507,180,946	556,635,548	594,812,129	616,712,356	675,517,216	741,097,647
Primary government										
Net investment in capital assets	567,752,505	590,604,482	598,423,127	665,273,671	718,367,337	741,174,310	702,132,195	793,377,853	841,078,184	906,330,513
Restricted	131,804,859	139,326,912	155,737,615	148,433,381	147,481,451	185,541,392	273,571,701	244,012,300	323,417,630	514,983,257
Unrestricted	(155,803,383)	(151,301,229)	(137,575,871)	(269,390,933)	(225,806,832)	(213,002,902)	(152,449,454)	(167,752,683)	(222,891,545)	(283,576,470)
Total primary government net position	\$ 543,753,981	\$ 578,630,165	\$ 616,584,871	\$ 544,316,119	\$ 640,041,956	\$ 713,712,800	\$ 823,254,442	\$ 869,637,470	\$ 941,604,269	\$ 1,137,737,300

Schedule 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government										
Public safety:										
Police										
Fire										
Building										
Public works										
Parks and recreation										
Community development										
Interest on long-term debt										
Total governmental activities expenses										
Business-type activities:										
Water and sewer										
Stormwater										
Yacht basin										
Golf course¹										
Total business-type activities expenses										
Total primary government expenses										
Program Revenues										
Governmental activities:										
Charges for services:										
General government										
Public safety:										
Police										
Fire										
Building										
Public works										
Parks and recreation										
Community development										
Operating grants and contributions										
Capital grants and contributions										
Total governmental activities program revenues										
Business-type activities:										
Charges for services:										
Water and sewer										
Stormwater										
Yacht basin										
Golf course¹										
Operating grants and contributions										
Capital grants and contributions										
Total business-type activities program revenues										
Total primary government program revenues										
Net (Expense)/Revenue										
Governmental activities										
Business-type activities										
Total primary government net expense										

Source: City of Cape Coral, Financial Services Department

Schedule 2
CHANGES IN NET POSITION (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes, levied for general purpose	\$ 77,445,321	\$ 75,239,444	\$ 79,463,250	\$ 87,094,669	\$ 93,758,005	\$ 97,354,823	\$ 102,829,432	\$ 111,520,612	\$ 117,285,495	\$ 136,523,486
Property taxes, levied for debt service	-	-	-	-	-	890,520	4,789,152	832,824	1,018,179	4,218,512
Property taxes, other (CRA and All Hazards)	900,184	1,094,755	1,344,219	1,632,023	1,823,177	2,116,284	2,352,659	2,693,558	3,097,775	4,011,313
Public service tax	7,168,083	7,250,872	7,103,228	7,135,139	7,874,558	8,283,000	8,657,041	12,291,927	15,235,484	15,049,029
Sales	18,336,760	18,136,627	18,646,222	20,194,344	20,678,121	20,040,384	24,359,362	29,260,198	31,999,585	30,667,549
Fuel	9,716,679	10,222,671	10,496,714	10,738,730	10,786,583	10,597,558	11,914,185	12,778,832	14,608,848	13,954,015
Alcohol and beverage	69,298	67,005	78,660	71,954	74,391	82,980	89,310	84,262	86,972	93,258
Communication	5,489,539	5,168,297	5,319,563	4,626,232	4,884,741	4,892,611	4,808,291	5,165,407	5,509,770	5,834,639
Franchise	6,549,306	6,622,099	6,433,799	6,534,366	7,018,299	7,199,932	7,425,743	9,035,573	10,749,377	10,466,168
Investment earnings	494,208	1,044,202	1,057,749	1,506,682	5,505,156	4,166,330	514,908	(4,912,296)	12,429,557	26,003,868
Gain/Loss on sale of capital assets	-	-	-	-	-	-	-	-	246,285	146,859
Transfers	163,837	(282,857)	6,177,043	(639,421)	2,602,824	716,875	595,293	229,401	3,843	(582,854)
Total governmental activities	126,333,215	124,563,115	136,120,447	138,894,718	155,005,855	156,341,297	168,335,376	178,980,298	212,271,170	246,385,842
Business-type activities:										
Investment earnings	-	9,846,901	8,224,462	5,370,071	18,476,627	15,514,781	10,268,244	(4,223,085)	17,176,830	31,473,106
Gain on sale of capital assets	-	-	-	-	-	197,423	94,900	-	363,101	212,423
Transfers	(163,837)	282,857	(6,177,043)	639,421	(2,602,824)	(716,875)	(595,293)	(229,401)	(3,843)	582,854
Total business-type activities	(163,837)	10,129,758	2,047,419	6,009,492	15,873,803	14,995,329	9,767,851	(4,452,486)	17,536,088	32,268,383
Total primary government	\$ 126,169,378	\$ 134,692,873	\$ 138,167,866	\$ 144,904,210	\$ 170,879,658	\$ 171,336,626	\$ 178,103,227	\$ 174,527,812	\$ 229,807,258	\$ 278,654,225
Change in Net Position										
Governmental activities	\$ 5,566,806	\$ 15,364,667	\$ 19,857,721	\$ 18,590,190	\$ 56,169,370	\$ 24,216,242	\$ 67,799,388	\$ 24,795,207	\$ 13,161,939	\$ 130,552,600
Business-type activities	7,357,634	19,511,517	18,096,985	30,855,430	39,556,467	49,454,602	38,176,581	21,900,227	58,804,860	65,580,431
Total primary government	\$ 12,924,440	\$ 34,876,184	\$ 37,954,706	\$ 49,445,620	\$ 95,725,837	\$ 73,670,844	\$ 105,975,969	\$ 46,695,434	\$ 71,966,799	\$ 196,133,031

¹ Beginning in FY2019 the Golf Course was reclassified from a business-type activity to a governmental activity.

Schedule 3
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	\$ 879,483	\$ 842,608	\$ 1,361,649	\$ 797,831	\$ 678,397	\$ 339,486	\$ 1,640,535	\$ 12,179,757	\$ 11,127,604	\$ 10,569,788
Restricted	-	-	-	-	-	-	-	4,791,524	-	-
Committed	6,169,213	7,946,254	11,446,344	8,615,344	20,153,572	15,034,254	14,128,519	67,123,613	40,012,682	65,590,129
Assigned	1,281,341	469,442	1,134,329	2,237,766	602,548	-	19,434,402	34,629,010	22,397,113	27,145,091
Unassigned	46,494,247	41,286,873	36,568,335	26,505,262	49,868,704	71,819,063	77,819,925	5,187,374	-	11,650,629
Total General Fund	\$ 54,824,284	\$ 50,545,177	\$ 50,510,657	\$ 38,156,203	\$ 71,303,221	\$ 87,192,843	\$ 113,023,381	\$ 123,911,278	\$ 73,537,399	\$ 114,955,637
All Other Governmental Funds										
Nonspendable	\$ 93,869	\$ 88,095	\$ 98,890	\$ 103,595	\$ 135,939	\$ 132,856	\$ 154,066	\$ 157,329	\$ 188,509	\$ 1,328,883
Restricted	37,988,089	46,671,710	53,051,681	69,986,603	80,568,713	85,624,344	126,593,970	130,462,498	153,556,885	181,845,306
Committed	22,320,327	19,074,472	29,299,004	16,625,680	15,329,721	19,027,365	34,389,205	53,912,708	76,385,365	110,622,956
Unassigned	(108,446)	(157,390)	(202,173)	(441,087)	(763,527)	(1,612,608)	(277,725)	(10,227,869)	(9,225,730)	(7,689,202)
Total All Other Governmental Funds	\$ 60,293,839	\$ 65,676,887	\$ 82,247,402	\$ 86,274,791	\$ 95,270,846	\$ 103,171,957	\$ 160,859,516	\$ 174,304,666	\$ 220,905,029	\$ 286,107,943

Schedule 4
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 119,108,217	\$ 117,196,480	\$ 122,451,856	\$ 131,493,091	\$ 139,879,576	\$ 144,258,160	\$ 159,799,432	\$ 174,627,620	\$ 188,842,108	\$ 210,351,800
Special assessments	13,449,945	20,930,885	22,641,361	22,857,608	24,421,883	26,076,554	27,003,070	28,666,337	31,677,953	74,251,317
Licenses and permits	4,876,346	7,251,734	8,452,874	9,890,576	9,834,129	10,161,251	11,372,086	12,609,936	13,666,290	12,187,145
Franchise fees	6,549,306	6,622,099	6,433,799	6,534,366	7,018,299	7,199,932	7,425,743	9,035,573	10,749,377	10,466,168
Intergovernmental	8,455,219	6,967,431	10,083,547	7,124,612	17,711,304	10,258,795	30,460,083	17,147,598	37,575,557	62,426,460
Charges for services	14,773,565	14,020,091	15,173,625	17,660,274	21,240,864	21,542,012	24,659,080	42,557,915	46,473,976	28,180,312
Fines and forfeitures	819,205	841,830	1,067,476	968,608	853,851	823,857	1,039,333	1,514,070	989,214	1,598,874
Impact fees	5,553,426	8,510,926	12,403,864	14,555,217	15,231,581	17,963,254	29,387,753	28,227,963	27,734,498	24,266,465
Rent and royalties	4,079,452	4,110,301	3,512,705	3,875,352	4,008,325	3,859,764	3,360,695	2,036,959	2,393,863	2,921,254
Investment earnings	1,013,354	960,991	962,872	1,398,445	4,674,239	3,638,138	492,908	(4,398,595)	11,724,749	22,639,973
Contributions and donations	277,742	242,727	338,145	280,020	530,398	453,575	78,910	1,979,066	125,776	1,015,381
Other revenue	5,621,385	1,926,213	1,599,434	2,074,324	2,574,980	1,887,918	2,254,048	3,221,154	5,921,074	2,957,169
Total revenues	184,577,162	189,581,708	205,121,558	218,712,493	247,979,429	248,123,210	297,333,141	317,225,596	377,874,435	453,262,318
Expenditures										
General government	40,382,204	45,579,202	53,777,415	66,604,588	53,835,554	55,473,008	52,226,189	57,802,509	129,096,584	66,097,615
Public safety:										
Police	31,974,963	34,745,411	34,921,546	36,893,957	38,175,923	43,486,435	45,562,755	49,204,664	60,311,962	66,574,593
Fire	26,028,314	26,574,399	27,520,189	31,188,734	31,523,736	33,606,194	35,584,248	40,522,011	51,733,773	61,694,426
Building	2,929,952	3,405,018	4,238,583	5,108,187	5,524,032	7,767,384	8,013,736	9,259,453	12,995,500	14,466,573
Public works	12,540,223	12,322,752	13,879,757	16,164,425	13,888,893	15,130,991	32,885,662	36,049,384	41,394,383	46,623,956
Parks and recreation	14,603,776	15,281,586	16,587,509	17,589,379	21,742,395	20,009,334	20,992,431	20,323,773	20,992,932	24,058,056
Community development	5,979,224	6,709,083	6,893,028	7,340,488	7,542,901	8,118,342	8,586,796	17,784,355	9,618,225	12,408,218
Capital outlay	10,676,484	19,389,174	16,267,397	32,333,090	24,860,257	27,816,354	24,894,016	42,609,807	38,618,029	103,171,178
Debt service:										
Principal	9,497,601	11,292,837	11,806,372	11,942,674	12,761,711	17,095,898	14,849,339	13,213,793	19,157,011	19,164,613
Interest and fiscal charges	10,342,261	9,722,762	9,311,497	8,593,724	8,469,641	7,248,344	6,045,360	6,524,838	6,538,242	6,139,826
Bond issuance cost	483,913	-	440,620	39,873	38,423	129,421	208,083	35,286	41,000	436,418
Total expenditures	165,438,915	185,022,224	195,643,913	233,799,119	218,363,466	235,881,705	249,798,615	293,329,873	390,497,641	420,835,472
Excess of revenues under expenditures	19,138,247	4,559,484	9,477,645	(15,086,626)	29,615,963	12,241,505	47,534,526	23,895,723	(12,623,206)	32,426,846
Other Financing Sources (Uses)										
Transfers in	31,887,089	31,052,126	48,438,259	69,718,917	60,069,144	53,364,535	67,977,078	69,394,983	112,396,839	141,403,777
Transfers out	(31,723,252)	(34,657,646)	(43,261,216)	(71,447,191)	(57,466,320)	(52,647,660)	(67,369,785)	(72,678,409)	(112,883,335)	(141,986,131)
Issuance of debt	66,965,000	-	62,595,000	7,912,705	10,200,000	45,888,990	29,998,012	3,520,000	8,000,000	58,565,000
Premium on debt	4,260,306	-	8,041,561	-	-	-	-	-	-	2,235,894
Payment to escrow agent to refund bonds	(59,492,199)	-	(70,193,955)	-	-	(37,252,464)	-	-	-	-
Lease issuances	-	-	-	-	-	-	-	-	-	619,527
Proceeds from SBTA	-	-	-	-	-	-	-	-	834,463	12,814,726
Proceeds on sale of capital assets	443,662	149,977	1,438,701	575,130	394,321	2,195,827	2,124,999	200,750	337,808	541,513
Total other financing sources	12,340,606	(3,455,543)	7,058,350	6,759,561	13,197,145	11,549,228	32,730,304	437,324	8,685,775	74,194,306
Net change in fund balances	\$ 31,478,953	\$ 1,103,941	\$ 16,535,995	\$ (8,327,065)	\$ 42,813,108	\$ 23,790,733	\$ 80,264,830	\$ 24,333,047	\$ (3,937,431)	\$ 106,621,152
Debt service as a percentage of noncapital expenditures	12.82%	12.69%	11.77%	10.19%	10.97%	11.70%	9.29%	7.89%	7.31%	8.10%

Schedule 5
IMPACT FEE REVENUES
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-type activities		
	Fire	Police	Advanced Life Support	Park Recreational Facilities	Road	Water	Wastewater	Irrigation
2015	\$ 584,514	\$ 601,536	\$ 35,446	\$ 1,041,410	\$ 3,290,520	\$ 2,177,497	\$ 611,600	\$ 1,046,984
2016	838,224	868,136	51,154	1,559,473	5,193,939	2,584,665	7,097,253	1,234,697
2017	1,214,515	1,257,401	74,096	2,751,820	7,106,032	4,437,182	8,048,763	2,895,091
2018	1,488,434	1,538,112	90,670	2,737,325	8,700,676	366,760	9,301,674	4,846,618
2019	1,476,290	1,465,584	86,402	2,640,320	9,562,986	3,986,461	9,825,174	5,159,005
2020	1,604,044	1,662,737	97,981	3,445,350	11,153,142	3,756,081	9,470,446	5,148,820
2021	2,772,201	2,871,598	169,897	5,746,710	17,827,347	3,297,426	10,777,845	6,684,900
2022	2,793,781	2,898,169	170,226	5,467,385	16,898,402	3,082,212	7,030,178	5,263,883
2023	2,498,246	2,584,853	152,605	5,746,709	16,752,085	3,365,799	7,700,217	5,049,317
2024	2,115,346	2,186,976	129,164	4,690,805	15,144,176	4,760,210	6,629,901	4,142,887

Schedule 6
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Fiscal Year	Real Property	Personal Property	Less: Tax Exempt Property ¹	Total Taxable Assessed Value	Total Direct Tax Rate	Gross Actual Value	Just Value as a Percentage of Actual Value
2015	\$ 14,859,472,913	\$ 473,544,133	\$ 5,002,060,301	\$ 10,330,956,745	7.71	\$ 15,333,017,046	67.38
2016	16,141,195,874	460,315,173	5,481,003,861	11,120,507,186	6.96	16,601,511,047	66.98
2017	18,033,222,081	458,569,377	6,446,420,411	12,045,371,047	6.75	18,491,791,458	65.14
2018	19,881,805,283	476,068,474	7,163,540,104	13,194,333,653	6.75	20,357,873,757	64.81
2019	20,913,001,536	490,938,025	7,103,505,624	14,300,433,937	6.75	21,403,939,561	66.81
2020	22,133,020,884	520,299,312	7,237,070,286	15,416,249,910	6.55	22,653,320,196	68.05
2021	23,347,653,273	536,453,956	7,305,298,240	16,578,808,989	6.68	23,884,107,229	69.41
2022	26,336,421,236	565,174,730	8,557,842,648	18,343,753,318	6.30	26,901,595,966	68.19
2023	38,843,203,268	605,923,168	16,904,056,813	22,545,069,623	5.42	39,449,126,436	57.15
2024	45,314,038,563	678,248,706	19,730,011,857	26,262,275,412	5.54	45,992,287,269	57.10

Source: Lee County Property Appraiser

¹ Hurricane Ian hit Cape Coral in September 2022, resulting in damage to property. Florida property tax law granted relief to taxpayers if their residential properties were rendered uninhabitable for 30 days or more. The relief applies retroactively to January 1, 2022 and expires on January 1, 2024.

Schedule 7
PROPERTY TAX MILLAGE RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Fiscal Year	City of Cape Coral			Overlapping Rates			Total Direct and Overlapping Rates
	General Government Services	General Obligation Debt Service	Total	General County	School Board	Other ¹	
2015	7.7070	0.0000	7.7070	4.1506	7.416	1.4144	20.6880
2016	6.9570	0.0000	6.9570	4.1506	7.285	1.4424	19.8350
2017	6.7500	0.0000	6.7500	4.0506	6.989	1.4612	19.2508
2018	6.7500	0.0000	6.7500	4.0506	6.679	1.4872	18.9668
2019	6.7500	0.0000	6.7500	4.0506	6.401	1.3377	18.5393
2020	6.4903	0.0600	6.5503	4.0506	6.147	1.3131	18.0610
2021	6.3750	0.3000	6.6750	4.0506	6.058	1.3131	18.0967
2022	6.2500	0.0471	6.2971	3.8623	5.891	1.2838	17.3342
2023	5.3694	0.0471	5.4165	3.7623	5.557	1.0627	15.7985
2024	5.3694	0.1675	5.5369	3.7623	5.430	1.0619	15.7911

¹ Other consists of Lee County Capital Improvement, Lee County All Hazards, Lee County Library, and Lee County Unincorporated MSTU.

Schedule 8
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

Taxpayer	2024			2015		
	Taxable Assessed Value ¹	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable City Assessed Value
Lee County Electric Co-op	\$ 214,330,285	1	0.82%	-		-%
ZP NO 339 LLC	65,893,317	2	0.25	-		-
Uptown at Liberty Park Apartments	59,741,294	3	0.23	-		-
FKH SFR C1 LP	57,448,322	4	0.22	-		-
Savona Cape Coral Owner LLC	52,111,022	5	0.20	-		-
Continental 466 Fund LLC	50,523,000	6	0.19	-		-
Progress Residential Borrower	44,281,148	7	0.17	-		-
Chiquita Apartment Investors LLC	39,123,760	8	0.15	-		-
Coralina Apartments LLC	35,090,000	9	0.13	-		-
Freeman & Hasselwander Resort	33,626,582	10	0.13	18,963,396	3	0.18
Corona Property Holdings LLC	-		-	31,350,714	1	0.30
International Capital	-		-	21,474,027	2	0.21
Coral Walk FL LLC	-		-	18,731,988	4	0.18
GRE Coralwood LP	-		-	17,962,955	5	0.17
Publix Super Markets	-		-	14,008,845	6	0.14
Coral Pointe Investment LLC	-		-	11,688,818	7	0.11
Wal-Mart Stores Incorporated	-		-	11,081,720	8	0.11
Cape Memorial Hospital	-		-	11,045,400	9	0.11
Agybe LLC	-		-	10,934,958	10	0.11
Total	<u>\$ 652,168,730</u>		<u>2.49%</u>	<u>\$ 167,242,821</u>		<u>1.62%</u>

¹ Source: Lee County Property Appraiser

Total taxable assessed value of Cape Coral for 2024 \$ 26,262,275,412

Total taxable assessed value of Cape Coral for 2015 \$ 10,330,956,745

Schedule 9
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year	Taxes Levied for the Fiscal Year ²	Collected within the Fiscal Year of the Levy ¹		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 79,620,684	\$ 76,697,068	96.33	\$ 20,486	\$ 76,717,554	96.35%
2016	77,436,922	74,492,236	96.20	28,062	74,520,298	96.23
2017	81,306,255	78,383,386	96.41	6,255	78,389,641	96.41
2018	89,061,752	85,842,852	96.39	16,909	85,859,761	96.40
2019	96,527,929	93,018,718	96.36	51,846	93,070,564	96.42
2020	100,054,568	96,330,843	96.28	28,043	96,358,886	96.30
2021	105,689,907	101,761,080	96.28	19,614	101,780,694	96.30
2022	114,641,994	110,352,088	96.26	862,222	111,214,310	96.26
2023	121,067,024	116,089,230	95.89	(12,208)	116,077,022	95.89
2024	141,004,568	135,208,486	95.89	-	135,208,486	95.89

¹ Source: City of Cape Coral, Financial Services Department

² Source: Lee County Property Appraiser

³ Property taxes are levied on November 1st of each year, and are due and payable upon receipt of the notice of the levy. A 4% discount is allowed if the taxes are paid in November, with the discount declining by 1% each month thereafter. Accordingly, taxes collected will not be 100% of tax levy. Taxes become delinquent on April 1st of each year, and tax certificates for the full amount of any unpaid taxes and assessments are sold at public auction prior to June 1st of each year, and the proceeds collected are remitted to the City.

Schedule 10
RATIOS OF OUTSTANDING DEBT BY TYPE¹
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-Type Activities										Percentage of Personal Income ⁵ Per Capita ⁶	
	General Obligation Bonds	Revenue Bonds	Notes Payable	Special Assessment	Capital Lease	Commercial Paper	Lease Payable ⁷	SBITA Payable ⁸	Revenue Bonds ²	Notes Payable	Special Assessment ³	Lease Payable ⁴	Commercial Paper	SBITA Payable	Total Primary Government		
2015	\$ -	\$ 203,703,427	\$ 13,675,000	\$ 1,500,000	\$1,664,283	\$ -	\$ -	\$ -	\$ 457,847,790	\$ 68,925,322	\$ 118,933,390	\$ -	\$ -	\$ -	\$ 866,249,212	20.68	\$ 1,348
2016	-	194,470,804	12,092,000	1,405,000	1,062,786	-	-	-	447,666,810	69,578,289	107,587,751	-	-	-	833,863,440	18.87	1,241
2017	-	191,054,422	10,474,000	1,130,000	452,014	-	-	-	437,229,120	67,859,047	98,580,423	-	-	-	806,779,026	16.45	1,130
2018	-	180,949,932	16,466,205	855,000	273,460	-	-	-	449,733,033	77,847,479	85,175,423	-	-	-	811,300,532	15.70	1,083
2019	10,200,000	170,507,652	14,072,452	575,000	91,912	-	-	-	436,364,140	148,234,456	72,314,773	-	-	-	852,360,385	15.61	1,032
2020	9,625,000	110,522,914	66,678,554	290,000	-	-	-	-	352,911,586	272,155,685	59,841,948	-	-	-	872,025,687	15.40	1,004
2021	39,093,012	104,984,773	57,949,215	-	-	-	-	-	347,219,034	303,548,263	48,229,123	-	-	-	901,023,420	15.34	1,002
2022	37,435,887	99,751,064	52,393,504	-	-	-	180,573	-	341,345,117	281,815,247	37,916,298	-	-	-	850,837,690	11.43	912
2023	35,005,850	94,277,355	51,543,182	-	-	-	998,813	545,896	335,246,200	266,061,501	29,733,473	223,974	-	43,338	813,679,582	10.05	840
2024	52,251,451	88,563,646	42,040,995	-	-	41,000,000	1,339,786	11,158,406	445,582,507	240,256,419	157,825,648	148,213	10,000,000	113,817	1,090,280,888	13.74	1,067

¹ Details regarding the City's outstanding debt can be found in the notes to the financial statements.

² Includes debt paid only from water and sewer net revenues.

³ Includes debt paid only from water and sewer net revenues and impact fees.

⁴ Utility special assessments are paid only by the benefited property owners.

⁵ See Schedule 14 for personal income and population data.

⁶ Includes all governmental activities debt and only the business-type activities general obligation bonds and debt paid from stormwater net revenues.

⁷ The City implemented GASB statement No. 87 Leases in Fiscal Year 2022.

⁸ The City implemented GASB statement No. 96 Subscription-Based Information Technology (SBITA) in Fiscal Year 2023.

Schedule 11
RATIOS OF GENERAL BONDED DEBT OUTSTANDING¹
Last Six Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund ⁴	Total	Percentage of Estimated Actual Taxable Property ²	Per Capita ³
2019	\$ 10,200,000	\$ 10,913,557	\$ (713,557)	0.00%	(3.77)
2020	9,625,000	6,173,366	3,451,634	0.02%	18.53
2021	39,093,012	3,848,325	35,244,687	0.21%	174.89
2022	37,435,887	4,614,123	32,821,764	0.18%	157.76
2023	35,005,850	240,328	34,765,522	0.15%	160.22
2024	52,251,451	1,290,165	50,961,286	0.19%	232.17

¹ Details regarding the City's outstanding debt can be found in the notes to the financial statements.

² See Schedule 6 for property value data.

³ See Schedule 14 for population data.

⁴ Various debt issuances are included in amounts.

Schedule 12
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of September 30, 2024

Governmental Unit	Debt Outstanding	Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Lee County	\$ 235,990,000 ¹	69.039% ²	\$ 162,926,031
City direct debt			236,354,284 ³
Total direct and overlapping debt			<u>\$ 399,280,315</u>

¹ Source: Lee County Clerk of Court, Finance Division.

² Determined by dividing:

Taxable assessed valuation of the City of Cape Coral (see Schedule 6)	\$ 26,262,275,412
by the total taxable valuation of Lee County.	\$ 38,039,559,000

³ Source: City of Cape Coral, Financial Services Department
(see Schedule 10 governmental activities).



Schedule 13
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years

Fiscal Year	Water and Sewer Revenue Debt						Stormwater Revenue Debt ⁶			
	Operating Revenues ¹	Operating Expenses ²	Revenue for Debt Services	Debt Service Requirements ³		Total	Coverage ⁴	Operating Revenues ⁵	Less: Operating Expenses ²	Net Available Revenue for Debt Service
				Principal	Interest					
2015	\$ 77,043,774	\$ 40,442,926	\$ 36,600,848	\$ 8,395,000	\$ 21,018,222	\$ 29,413,222	1.24	\$ 12,404,199	\$ 11,744,731	\$ 659,468
2016	80,312,234	41,931,221	38,381,013	9,580,000	19,264,647	28,844,647	1.33	13,213,160	11,304,048	1,909,112
2017	83,094,497	45,152,483	37,942,014	9,960,000	18,888,604	28,848,604	1.32	14,688,168	12,006,814	2,681,354
2018	84,148,677	50,029,458	34,119,219	10,215,000	10,308,822	20,523,822	1.66	18,689,276	12,403,435	6,285,841
2019	88,528,491	53,550,943	34,977,548	10,760,000	17,162,753	27,922,753	1.25	20,092,980	12,520,639	7,572,341
2020	90,340,056	43,976,164	46,363,892	10,760,000	17,162,753	27,922,753	1.66	20,753,651	10,505,048	10,248,603
2021	96,534,334	32,757,215	63,777,119	11,405,000	16,580,750	27,985,750	2.28	22,017,854	11,913,287	10,104,567
2022	101,559,112	56,091,402	45,467,710	11,825,000	16,225,112	28,050,112	1.62	24,776,786	15,048,722	9,728,064
2023	108,625,572	70,504,603	38,120,969	12,210,000	15,835,786	28,045,786	1.36	25,226,785	14,630,384	10,596,401
2024	114,611,886	75,637,952	38,973,934	13,880,000	19,756,411	33,636,411	1.16	29,105,948	21,837,462	7,268,486

¹ Includes interest income; excludes ad valorem taxes, and proceeds from sale of capital assets.

² Excludes depreciation expense, interest expense, bond discount amortization, and takes in account the bond springing resolution adjustments.

³ Includes senior debt with a pledge of net revenues and expansion fees of the utility system.

⁴ Bond covenant requires net revenues adequate to pay at least 100% of the annual debt service on all outstanding bonds becoming due in such fiscal year.

⁵ Includes interest income.

⁶ Stormwater revenue bonds were issued in the current fiscal year, but there were no current fiscal year debt service requirements.

Schedule 14
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years

Fiscal Year	Population ¹	Personal Income ²	Per Capita Personal Income ¹	Median Age ¹	School Enrollment ³	Unemployment Rate ⁴
2015	163,602	\$ 4,187,883,996	\$ 25,598	44	19,839	5.2
2016	168,425	4,418,461,450	26,234	45	19,414	4.8
2017	179,804	4,904,513,708	27,277	45	19,598	3.6
2018	183,365	5,167,409,065	28,181	45	24,337	3.0
2019	189,343	5,460,273,434	28,838	46	23,733	2.9
2020	186,294	5,662,219,836	30,394	46	21,994	11.3
2021	201,526	5,874,684,426	29,151	45	24,575	3.9
2022	208,053	7,445,800,764	35,788	45	24,671	2.5
2023	216,984	8,096,107,008	37,312	46	24,598	3.2
2024	219,500	7,935,144,500	36,151	48	25,165	3.6

¹ Source: City of Cape Coral Economic Development Office.

² Determined by multiplying population by per capita personal income.

³ Source: School District of Lee County.

⁴ Source: Florida Department of Economic Opportunity.

Schedule 15
PRINCIPAL EMPLOYERS¹
Current Year and Nine Years Ago

	2024			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Lee County School District	2,255	1	2.63%	2,455	1	3.16%
City of Cape Coral	1,923	2	2.24	1,291	3	1.66
Cape Coral Hospital	1,708	3	1.99	2,108	2	2.71
Publix Super Markets	1,245	4	1.45	1,288	4	1.66
Wal-Mart/Sam's Club	700	5	0.82	735	5	0.95
Gulf Coast Village	377	6	0.44	424	8	0.55
Cape Coral Charter Schools	376	7	0.44	387	9	0.50
Home Depot	350	8	0.41	567	6	0.73
Sun Splash Family Water Park	300	9	0.35	-	-	-
Westin Resort	180	10	0.21	-	-	-
Regional VA Clinic	-		-	561	7	0.72
Lowes Home Improvement Center	-		-	315	10	0.41

Source: City of Cape Coral, Economic Development Office.

¹ The data shows only employees working in the City of Cape Coral and does not include other jobs with the same employer located throughout Lee County.

Schedule 16
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government	138	144	145	142	156	144	149	205	235	238
Public Safety:										
Police	334	339	342	334	357	368	371	389	405	416
Fire	210	212	222	217	227	228	246	255	278	292
Building	36	48	48	51	54	58	69	106	116	116
Public Works	140	145	150	152	159	73	73	82	185	197
Community Development	57	56	57	54	58	57	61	121	7	7
Parks and Recreation	209	209	210	146	211	145	208	221	251	222
Water and Sewer	279	289	300	298	302	310	311	312	304	317
Stormwater	96	96	96	96	97	99	100	107	108	118
Yacht Basin ³	3	3	3	3	2	3	3	3	1	-
Golf Course ²	32	32	32	32	32	32	32	32	-	-
Water Park ¹	62	62	62	62	61	61	61	-	-	-
Total	<u>1,596</u>	<u>1,635</u>	<u>1,667</u>	<u>1,587</u>	<u>1,716</u>	<u>1,578</u>	<u>1,684</u>	<u>1,833</u>	<u>1,890</u>	<u>1,923</u>

Source: City of Cape Coral's Budget Department.

¹ Beginning in FY2022 Operations of the Waterpark was leased to ProParks.

² Beginning in FY2024 Golf Course Operations are managed by Troon

³ Beginning in FY2024 Yacht Basin employees have moved to other Parks during the Yacht Club Reconstruction.

Schedule 17
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Number of sworn officers	226	231	234	260	260	274	274	289	272	301
Total calls received ¹	275,478	275,688	285,479	277,286	276,069	271,221	276,927	295,526	241,718	220,038
Number of crime scenes processed by forensics technicians	950	784	1,356	1,524	1,610	1,405	1,179	537	492	492
Traffic citations issued (all units)	8,806	8,845	11,913	11,752	11,445	10,808	10,836	17,755	21,543	30,136
Vice, intelligence and narcotics arrests	835	678	755	956	739	695	263	746	402	420
Fire										
Number of firefighters and officers	198	196	205	206	213	213	231	239	248	266
Calls for service	20,321	18,643	20,471	20,401	21,500	21,942	26,212	28,300	30,670	30,262
Inspections	8,092	9,342	8,138	7,261	6,882	9,814	7,989	5,969	5,632	9,515
Public Works										
Tons of debris collected and disposed of	160	214	417	850	451	375	279	992 ¹	7,015 ¹	5,790
Lane miles of road surface restored	21	399	134	130	101	218	180	90	6	122
Community Development										
Contacts (counter and telephone)	51,023	53,045	47,882	62,120	61,961	58,908	87,658	87,602	105,189	108,830
Certificates of use	585	590	592	574	614	591	693	1,255	1,434	42,352
Sign permits issued	645	296	272	197	332	214	247	275	251	278
Parks and Recreation										
Programs held at art studio	435	438	250	270	370	364	342	474	316	340
Sessions held for aquatics	127	126	103	98	101	88	85	39	- ³	- ³
Senior centers memberships	751	804	787	643	752	501	178	56	27 ³	49 ³
Transportation program-total miles driven	85,173	94,519	105,103	107,832	95,254	61,783	81,781	50,141	42,594	54,736
Transportation										
Signs made	5,695	4,527	4,527	4,527	4,527	4,175	5,367	5,277	4,552	5,027
Centerline miles of roadway striped annually	767	355	355	-	423	119	321	201	67	243
Water and Sewer										
Finished water pumped to system (millions of gallons)	3,644	3,679	4,694	4,505	4,238	4,360	4,613	4,715	5,034	4,969
Dry tons of bio-solids generated	1,763	1,970	1,970	1,970	2,416	2,600	2,691	2,845	3,098	3,278
Stormwater Utility										
Cubic yards dredged from canals	45,605	54,635	16,361	17,726	26,512	18,762	8,470	28,677	1,711	-
Swale requests received	346	356	521	514	720	801	1,387	945	701	1,184
Swale regraded (Square Feet)	1,326,156	1,121,325	900,370	748,099	835,267	661,454	443,601	424,887	519,881	454,229
Building Division										
Total inspections	83,536	63,071	72,307	85,122	86,156	84,758	122,712	131,670	182,894	190,220
Permits issued	22,019	26,973	27,984	38,937	31,111	39,506	43,133	42,742	83,845	42,352
Yacht Basin										
Average annual slip rentals	69	85	92	84	87	86	86	103	14 ³	15 ³
Golf Course										
Rounds played	57,390	55,808	46,678	55,688	53,728	44,268	59,051	62,229	51,901 ³	4,701 ⁴
Waterpark										
Admissions	116,293	86,174	87,969	96,220	91,371	45,564	112,702	- ²	- ²	- ²

Source: City of Cape Coral's Department Directors

¹ Includes Collections at Bulk Site Pilot Program

² Beginning in FY 2022 the Waterpark is leased to ProParks.

³ Increase/Decrease due to Hurricane Ian

⁴ Beginning in FY 2024 Coral Oaks Golf Course is managed by Troon

Schedule 18
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	11	11	11	11	11	11	11	12	12	13
Public Works										
Paved alleys (miles)	12	12	11	11	11	11	11	11	11	11
Sidewalks (miles)	209	215	220	226	236	266	280	295	302	304
Parks and Recreation										
City owned developed parks	34	34	34	34	34	34	34	34	37	39
Number of developed acres	409	409	409	409	409	409	409	409	444	508
City owned undeveloped parks	24	24	24	24	24	24	24	24	21	23
Number of undeveloped acres	1,098	1,100	1,101	1,101	1,131	1,143	1,150	1,163	1,128	1,240
City owned senior centers	2	2	2	2	2	2	2	2	1	1
City owned boat launches, locks, and lifts	22	22	22	22	22	22	22	22	28	28
Transportation										
Paved streets (lane miles)	3,047	3,047	3,047	3,047	3,042	3,042	3,042	3,041	3,041	3,142
Water and Sewer										
Number of water connections	58,899	61,522	62,692	64,225	67,071	69,748	69,748	72,972	75,280	77,257
Number of sewer connections	56,215	59,904	61,208	62,842	65,272	67,418	67,418	71,769	73,622	75,468
Miles of water distribution	907	907	907	908	906	908	908	908	908	908
Stormwater										
Stormwater drainage pipes (miles)	519	516	540	540	543	543	544	545	545	545
Swales (miles)	3,363	3,363	3,363	3,363	3,363	3,363	3,363	3,363	3,040	3,050
Catch basins	22,940	22,931	23,733	23,733	24,072	24,095	24,107	24,153	24,173	24,177
Yacht Basin										
Boat slips ¹	112	107	107	107	107	107	107	103	14	15
Golf Course										
City owned golf courses	1	1	1	1	1	1	1	1	1	1
Waterpark										
City owned waterpark facilities	1	1	1	1	1	1	1	1	1	1
Lake Kennedy Racquet Center										
City owned racquet center	-	-	-	-	-	-	-	-	-	1

Source: City of Cape Coral's Department Directors.

¹ Year 2016 includes only boat slips that are available for rent. It does not include slips used by law enforcement. Year 2023 decrease due to Hurricane Ian.

IV. SINGLE AUDIT



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

**To the Honorable Mayor and Members
of the City Council
City of Cape Coral, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Cape Coral, Florida (the "City"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 26, 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 the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

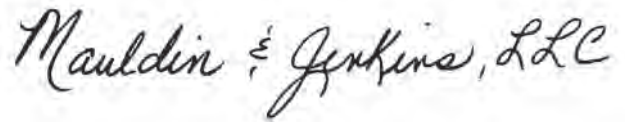
Report on Compliance and Other Matters

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

Purpose of this Report

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

Bradenton, Florida
March 26, 2025

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

**To the Honorable Mayor and Members
of the City Council
City of Cape Coral, Florida**

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited the City of Cape Coral, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the State of Florida Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2024. The City's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The City's basic financial statements include the operations of the Cape Coral Charter School Authority (the "Authority") which expended \$953,041 in federal awards which is not included in the City's schedule of expenditures of federal awards during the year ended September 30, 2024. Our compliance audit, described in the "Opinion on Each Major Federal Program and State Project," did not include the operations of the Authority because the Authority's financial statements were audited separately.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program and State Project

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

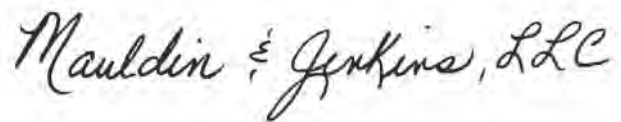
Report on Internal Control Over Compliance

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

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

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

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

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

Bradenton, Florida
March 26, 2025

City of Cape Coral, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2024

Federal Agency/Program or Cluster Title	Assistance Listing Number	Grant Identification	Expenditures	Passed through to Subrecipients
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Community Planning and Development:				
CDBG Entitlement Grant Cluster⁽¹⁾				
Community Development Block Grants/Entitlement Grants	14.218	B23MC120027	\$ 523,130	\$ 493,704
Community Development Block Grants/Entitlement Grants	14.218	B22MC120027	447,734	436,969
Community Development Block Grants/Entitlement Grants	14.218	B21MC120027	149,279	141,214
Community Development Block Grants/Entitlement Grants	14.218	B20MC120027	2,985	-
Community Development Block Grants/Entitlement Grants	14.218	B19MC120027	96	-
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	B20MW120027	15,889	-
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			1,139,113	1,071,887
U.S. DEPARTMENT OF JUSTICE				
Office of Justice Programs				
<i>Passed-Through State of Florida, Department of Law Enforcement:</i>				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-00656-MUMU	116,023	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03248-JAGX	23,019	
			139,042	
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	15PBJA-22-GG-03640-COVE	58,686	
Equitable Sharing Program	16.922	FL0360200	347,146	
<i>Passed-Through State of Florida, Office of the Attorney General:</i>				
Crime Victim Assistance	16.575	VOCA-C-2023-CCPD-00234	132,782	
TOTAL U.S. DEPARTMENT OF JUSTICE			677,656	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Administration for Children and Families				
<i>Passed-Through State of Florida, Agency for Persons with Disabilities:</i>				
Social Services Block Grant	93.667	1,035	261,194	
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			261,194	
U.S. DEPARTMENT OF HOMELAND SECURITY				
Federal Emergency Management Agency				
Assistance to Firefighters Grant	97.044	EMW-2021-FG-04099	149,253	
<i>Passed-Through State of Florida, Division of Emergency Management:</i>				
Hazard Mitigation Grant Program - Watershed Management Plan	97.039	4337-4-Pah	100,000	
<i>Passed-Through State of Florida, Division of Emergency Management:</i>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	4673 Hurricane Ian	45,420,894	
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			45,670,147	
U.S. DEPARTMENT OF TRANSPORTATION				
Federal Highway Administration				
<i>Passed-Through State of Florida, Department of Transportation:</i>				
Highway Planning and Construction Cluster				
Highway Planning and Construction - Sidewalks Santa Barbara Pl	20.205	441899-1-38-01	26,065	
Highway Planning and Construction - Sidewalks SW 10th St	20.205	448704-1-58/68	321,983	
Highway Planning and Construction - Sidewalks SW 29TH Av	20.205	438156-1-58-01	165,740	
Total Highway Planning and Construction Cluster			513,788	

City of Cape Coral, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2024

National Highway Traffic Safety Administration

Passed-Through State of Florida, Department of Transportation:

Highway Safety Cluster

National Priority Safety Programs - FDOT DRE Call Out 2024	20.616	M5X-2024-00246	3,701
National Priority Safety Programs - FDOT Impaired Driving Enforcement 2024	20.616	M5HVE-2024-00167	70,875
State & Community Highway Safety - FDOT Speed & Aggressive Driving 2024	20.600	SC-2024-00069	45,000
State & Community Highway Safety - FDOT Distracted Driving Education 2024	20.600	DD-2024-00068	40,000

Total Highway Safety Cluster 159,576

TOTAL U.S. DEPARTMENT OF TRANSPORTATION 673,364

U.S. DEPARTMENT OF AGRICULTURE

Natural Resources Conservation Service

Emergency Watershed Protection Program	10.923	NR234209XXXXC020	153,042
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Forest Service

Passed-Through National Arbor Day Foundation:

Inflation Reduction Act Urban & Community Forestry Program	10.727	24-CA-11132544-015	63,090
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TOTAL U.S. DEPARTMENT OF AGRICULTURE 216,132

U.S. DEPARTMENT OF THE TREASURY

Departmental Offices

COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	20-1892-0-1-806	8,588,296
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TOTAL U.S. DEPARTMENT OF THE TREASURY 8,588,296

TOTAL EXPENDITURES OF FEDERAL AWARDS \$ 57,225,902 \$ 1,071,887

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

Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)
For the Year Ended September 30, 2024

State Agency/Program Title	CSFA Number	State Contract/Grant Number	State Expenditures	Passed through to Subrecipients
STATE OF FLORIDA, FLORIDA HOUSING FINANCE CORPORATION				
State Housing Initiatives Partnership Program	40.901	N/A	\$ 1,431,775	\$ 879,271
State Housing Initiatives Partnership Program Hurricane Housing Recovery Program	40.902	N/A	1,693,471	445,000
TOTAL FLORIDA HOUSING FINANCE CORPORATION			<u>3,125,246</u>	<u>1,324,271</u>
STATE OF FLORIDA, EXECUTIVE OFFICE OF THE GOVERNOR				
Emergency Management				
State Hurricane Recovery Grant Program - Hurricane Ian	31.081	Z2835	1,831,167	
TOTAL FLORIDA EXECUTIVE OFFICE OF THE GOVERNOR			<u>1,831,167</u>	
STATE OF FLORIDA, AGENCY FOR PERSONS WITH DISABILITIES				
Services To Persons with Disabilities				
Association for the Development of The Exceptional, Inc.	67.062	1035	419,474	
TOTAL FLORIDA AGENCY FOR PERSONS WITH DISABILITIES			<u>419,474</u>	
STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION				
Florida Shared-Use Nonmotorized (SUN) Trail Network Program	55.038	443603-1-34-01	58,064	
TOTAL FLORIDA DEPARTMENT OF TRANSPORTATION			<u>58,064</u>	
STATE OF FLORIDA, DEPARTMENT OF LAW ENFORCEMENT				
State Assistance for Fentanyl Eradication in Florida Program (SAFE)	71.122	2023-SAFE-SF-044	160,906	
TOTAL FLORIDA DEPARTMENT OF LAW ENFORCEMENT			<u>160,906</u>	
STATE OF FLORIDA, DEPARTMENT OF ENVIRONMENTAL PROTECTION				
Water Quality Restoration Assistance				
North 1 Utilities Extension Project - Septic to Sewer	37.039	QG002	12,500,000	
Water Restoration Assistance - Hurricane Stormwater & Wastewater Assistance				
Wastewater Lift Station Bypass Pumps Project	37.114	HA016	2,483,229	
Resilient Florida Program				
Cape Coral Flood Vulnerability Assessment	37.098	22PLN81	4,826	
TOTAL FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION			<u>14,988,055</u>	
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u>20,582,912</u>	<u>1,324,271</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE			<u>\$ 77,808,814</u>	<u>\$ 2,396,158</u>

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

(1) Included in the Passed through to Subrecipients for CDBG are amounts related to HUD approved subrecipients that are departments of the City of Cape Coral.

City of Cape Coral, Florida
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
September 30, 2024

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) is a supplementary schedule to the City's basic financial statements and is presented for purposes of additional analysis. The Schedule is required by Title 2 of the *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Section 215.97, Florida Statutes.

The Schedule includes all federal financial assistance programs and state projects administered by the City of Cape Coral and included in the City's Annual Comprehensive Financial Report. It specifically excludes federal financial assistance programs and state projects received by the discretely presented component unit, the Cape Coral Charter School Authority.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. The City has not elected to use the 10-percent de minimus indirect cost rate as allowed under the Uniform Guidance.

NOTE 3. SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, the City of Cape Coral provided federal financial assistance to subrecipients as follows:

Program Title	Federal ALN Number	Amount Provided to Subrecipients
Community Development Block Grants / Entitlement Grants	14.218	\$ 1,071,887
Total		<u>\$ 1,071,887</u>

Of the state expenditures presented in the Schedule, the City of Cape Coral provided state financial assistance to subrecipients as follows:

Program Title	State CSFA Number	Amount Provided to Subrecipients
State Housing Initiatives Partnership Program	40.901	\$ 1,324,271
Total		<u>\$ 1,324,271</u>

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal financial assistance expenditures are included in the City's basic financial statements as follows:

	Expenditures
General Fund	\$ 45,682,088
Special Revenue Funds:	
Community Development Block Grant (CDBG)	1,139,113
Assistance to Firefighters Grant	149,253
Police - Forensic Improvement & Safety Programs	490,086
Department of Justice Equitable Sharing Program	347,146
Development Services - Watershed Studies & Protection	316,132
Capital Improvement Funds:	
Transportation - Sidewalk Construction	513,788
Water and Sewer - Utility Expansion Projects	8,588,296
	<u>\$ 57,225,902</u>

State financial assistance expenditures are included in the City's basic financial statements as follows:

	Expenditures
General Fund	\$ 2,250,641
Special Revenue Funds:	
Local Housing Assistance Fund - State Housing Initiatives Partnership Program	3,125,246
Police - Safety Programs	160,906
Development Services - Flood Vulnerability Study	4,826
Capital Improvement Funds:	
Transportation - Sidewalk Construction	58,064
North 1 Utilities Extension Project	12,500,000
Water and Sewer - Resiliency Projects	2,483,229
	<u>\$ 20,582,912</u>

CITY OF CAPE CORAL, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

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

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

___ Yes X No

Significant deficiency identified not considered to be material weaknesses?

___ Yes X None reported

Noncompliance material to financial statements noted?

___ Yes X No

Federal Programs and State Financial Assistance Projects
Internal control over major federal programs and state projects:
Material weaknesses identified?

___ Yes X No

Significant deficiencies identified not considered to be material weaknesses?

___ Yes X None reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with the 2 CFR 200.516(a) and Chapter 10.550, Rules of the Auditor General?

___ Yes X No

Identification of major federal programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
97.036	U.S. Department of Homeland Security – Disaster Grant – Public Assistance
21.027	U.S. Department of Treasury – Coronavirus State and Local Fiscal Recovery Funds

Identification of major state financial assistance projects:

<u>CSFA Number</u>	<u>Name of State Program or Cluster</u>
31.081	Florida Department of Emergency Management – State Hurricane Recovery Grant Program
37.114	Florida Department of Environmental Protection – Division of Water Restoration Assistance – Hurricane Stormwater and Wastewater Assistance
37.039	Florida Department of Environmental Protection – Statewide Water Quality Restoration Projects

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

\$1,716,777

CITY OF CAPE CORAL, FLORIDA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Dollar threshold used to distinguish between
Type A and Type B state projects:

\$750,000

Auditee qualified as low-risk auditee?

____ Yes X No

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

**SECTION III
FEDERAL AWARDS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS**

None reported.

CITY OF CAPE CORAL, FLORIDA

SCHEDULE OF PRIOR YEAR FINDINGS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

2023-001 Permitting System Internal Controls

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting.

Criteria or Specific Requirement: The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control Framework states that control activities are a component of internal control. Control activities are policies and procedures established to ensure that management directives are carried out, and consist of two elements, a policy that establishes what should be done and the procedure that implements the policy. COSO Framework states that control activities must be in place for there to be adequate internal control procedures over financial reporting. Internal control procedures affect the City's ability to ensure financial transactions are authorized and accurate. City management is responsible for establishing and maintaining internal controls for the proper recording of all the City's transactions.

Condition: In February 2022, the City implemented a new permitting system module for permitting and licensing fee transaction processing. The prior audit noted the following related to the permitting and licensing internal controls and processes:

- Workflows and controls were not properly set up to require approvals within the system for adjustments or modifications to permit rates and fees.
- Noted instances of end user controls not properly set up that would prevent an employee from processing transactions without proper authorization and approval within the system.
- The Development Services and Public Works utility permitting departments have policies in place requiring documentation within permit files for any changes to rates or fees including documentation of approval received for adjustments to rates and fees when required. Noted instances of transactions and adjustments lacking documentation of changes made or approval received for adjustments within the permit file as required; however, there were no errors or inappropriate transactions noted.
- Noted the Development Services and Public Works Departments allowed for an informal transition period following system implementation where normal procedures for documentation were lessened or, in some cases, waived to help eliminate backlog and allow for expedited processing of transactions.
- Noted absence of regular review procedures in place for review of transaction history reports and system audit logs for user changes or deletions made to permit rates and fees by department supervisors to detect potential errors or unauthorized changes made.
- An absence of formal documented user policies and procedures for the permitting system. Formal department policies and procedures specific to the system were not put in place prior to the implementation date; however, were subsequently put in place after the system was already in use.

Status: Resolved.

CITY OF CAPE CORAL, FLORIDA

**SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

2023-002 Reporting

Federal Agency: U.S Department of Treasury

Federal Program Name: Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Federal Award Identification Number and Year: SLFRP1761 2021

Award Period: March 3, 2021, through December 31, 2024

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matter

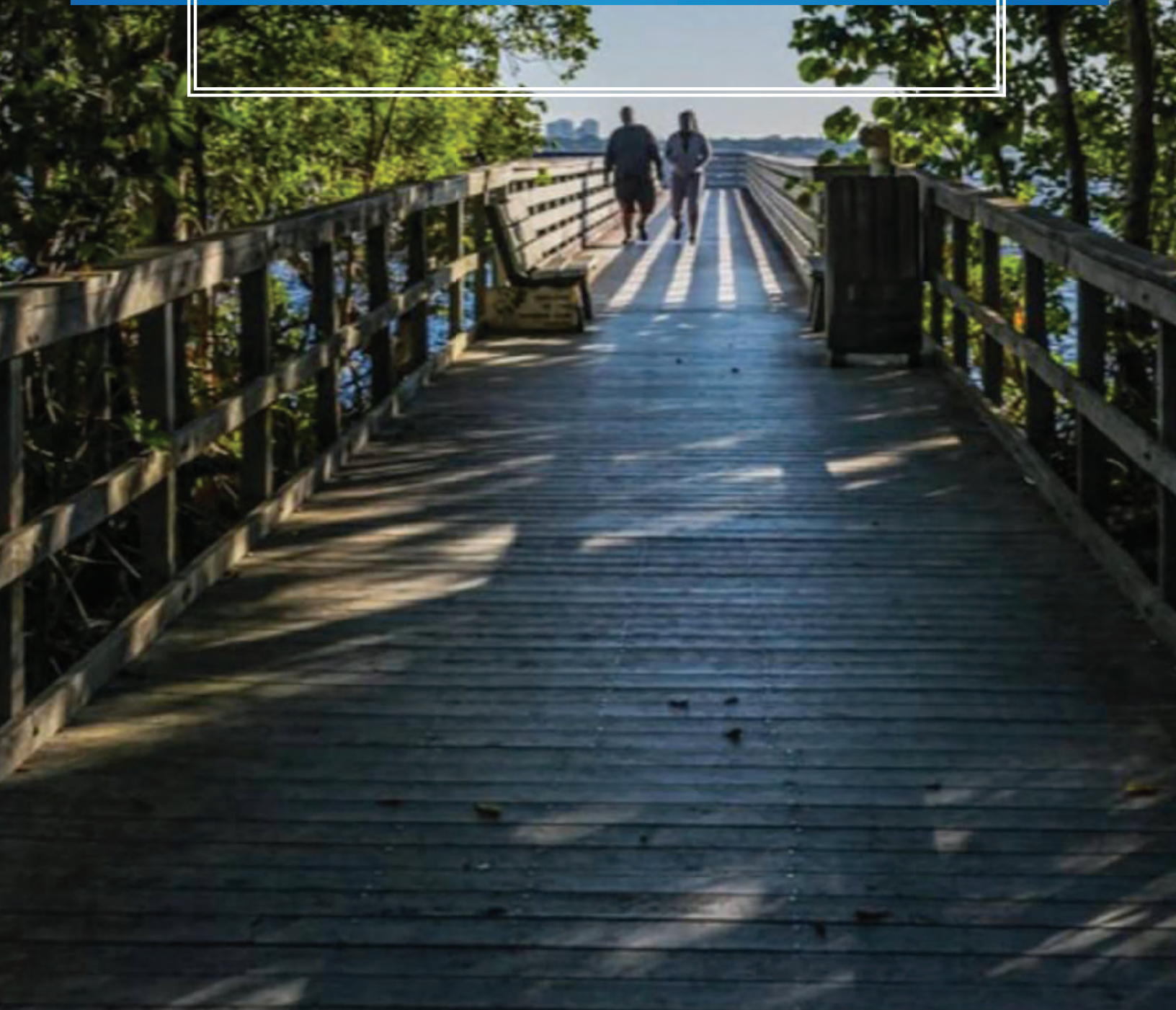
Criteria or Specific Requirement: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award requires compliance with the provisions of monitoring and reporting program performance. Metropolitan cities and counties with a population below 250,000 residents that are allocated more than \$10 million in SLFRF funding are required to submit quarterly Project and Expenditure Reports that cover one calendar quarter and must be submitted to Treasury by the last day of the month following the end of the period covered.

Condition: Quarterly Projects and Expenditure Reports were not submitted timely, within 30 days of period end to the U.S. Department of Treasury, as required.

Status: Resolved.



V. MANAGEMENT LETTER



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

**To the Honorable Mayor and Members
of the City Council
City of Cape Coral, Florida**

Report on the Financial Statements

We have audited the financial statements of the City of Cape Coral, Florida (the "City"), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 26, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent 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*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; 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 and schedule, which are dated March 26, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. All prior year findings have been corrected by the City and are not repeated in the current year report.

Official Title and Legal City

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

Financial Condition and Management

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.

Property Assessed Clean Energy (PACE) Programs

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

As required by Section 10.554(1)(i)6.b., Rules of the Auditor General, a PACE program was operating within the geographical areas of the City and a listing of all program administrators and third-party administrators that administered the program is reflected below:

As required by Section 10.554(1)(i)6.c., Rules of the Auditor General, a PACE program was operating within the geographical areas of the City, and the full names and contact information of each such program administrator and third-party administrator is reflected below:

Florida PACE Funding
Wendi Leach
850-400-7223
info@floridapace.gov

Green Corridor PACE
Willdan Financial Services
866-807-6864
POSR@willdan.com

Florida Green Finance Authority
Renew Financial Group
844-589-7953
info@renewfinancial.com

Florida Resiliency and Energy District
Renovate America
407-712-6352
info@renovateamerica.com

Special District Component Units

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

Specific Information (For a dependent special district or an independent special district, or a local government entity that includes the information of a dependent special district):

The specific information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, related to the Cape Coral Community Redevelopment Agency is included in the Cape Coral Community Redevelopment Agency's management letter that is issued separately.

Additional Matters

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

Purpose of this Letter

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

Mauldin & Jenkins, LLC

Bradenton, Florida
March 26, 2025



VI. INDEPENDENT ACCOUNTANTS' REPORT



INDEPENDENT ACCOUNTANT'S REPORT

**To the Honorable Mayor and Members
of the City Council
City of Cape Coral, Florida**

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

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

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for 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.

Mauldin & Jenkins, LLC

Bradenton, Florida
March 26, 2025



CITY OF CAPE CORAL

AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Crystal S. Feast, MBA, who being duly sworn, deposes and says on oath that:

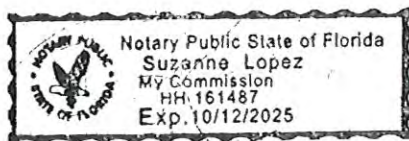
1. I am the Acting Director of Financial Services for the City of Cape Coral which is a municipality in the State of Florida;
2. The City of Cape Coral adopted:
 - a. Ordinance No. 124-02 implementing the Recreational Impact Fee
 - b. Ordinance No. 77-06 implementing the Road Impact Fee
 - c. Ordinance No. 47-06 implementing the Public Safety Impact Fee
 - d. Ordinance No. 35-16 implementing the Water Impact Fee
 - e. Ordinance No. 20-20 implementing the Sewer and Irrigation Impact Fees.
3. The City of Cape Coral has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Crystal S. Feast
Crystal S. Feast, MBA, Acting Director of Financial Services

STATE OF FLORIDA
COUNTY OF Lee

SWORN TO AND SUBSCRIBED before me this 18th day of April, 2025.



Suzanne Lopez
NOTARY PUBLIC
Print Name Suzanne Lopez

Personally known X or produced identification _____

Type of identification produced: _____

My Commission Expires: 10/12/25



