



Annual Comprehensive
FINANCIAL REPORT
Fiscal year ending September 30, 2024



Lake Minneola

Located west of U.S. Highway 27 and north of State Road 50 in Clermont, Lake Minneola covers more than 1,900 acres and is up to 30 feet deep. It is the third largest and the deepest of the Clermont Chain of Lakes.

Clermont residents and visitors from near and far have long enjoyed refreshing dips on hot summer days, navigating boats of all types and speeds across her surface and pulling prize fish from her cool waters.

Known for her natural attributes and worthy of special protection, Lake Minneola has been designated as one of more than 300 "Outstanding Florida Waterways."



City of Clermont, Florida
Table of Contents

INTRODUCTORY SECTION

Table of Contents	1
Transmittal Letter.	6
City Officials	7
Organization Chart.	

FINANCIAL SECTION

Independent Auditor's Report	8
Management's Discussion and Analysis	12

Basic Financial Statements

Government-wide Financial Statements	
Statement of Net Position.....	25
Statement of Activities.....	27

Fund Financial Statements	
Balance Sheet – Governmental Funds.....	28
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	29
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	30
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	32
Statement of Net Position – Proprietary Funds.....	33
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	35
Statement of Cash Flows – Proprietary Funds.....	36
Statement of Fiduciary Net Position – Fiduciary Funds	38
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	39
Notes to Financial Statements	40

Required Supplementary Information

Budgetary Comparison Schedule – General Fund	86
Budgetary Comparison Schedule – Infrastructure Special Revenue Fund	88
Budgetary Comparison Schedule – ARPA Special Revenue Fund	89
Budgetary Comparison Schedule – Building Services Special Revenue Fund	90
Budgetary Notes to Required Supplementary Information	9
Schedule of Changes in Net Pension Liability and Related Ratios – General Employees.. ..	91
Schedule of Contributions and Investment Returns – General Employees.....	92
Schedule of Changes in Net Pension Liability and Related Ratios – Police.. ..	95
Schedule of Contributions and Investment Returns – Police.....	97
Schedule of Changes in Net Pension Liability and Related Ratios – Fire.....	98
Schedule of Contributions and Investment Returns – Fire.....	100
Schedules of Methods and Assumptions-Pension Funds.....	101
Schedule of Changes in Total OPEB Liability and Related Ratios	102

City of Clermont, Florida
Table of Contents (Continued)

	Page
Other Supplementary Information	
Combining Financial Statements	
Balance Sheet – Nonmajor Governmental Funds.....	103
Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	104
Budgetary Comparison Schedule – Capital Projects Fund	105
Budgetary Comparison Schedule – Debt Service Fund.....	106
Budgetary Comparison Schedule – Recreation Impact Fee Special Revenue Fund	107
Budgetary Comparison Schedule – Police Impact Fee Special Revenue Fund	108
Budgetary Comparison Schedule – Fire Impact Fee Special Revenue Fund.....	109
Budgetary Comparison Schedule – Community Redevelopment Special Revenue Fund	110
Budgetary Comparison Schedule – Cemetery Special Revenue Fund.....	111
Budgetary Comparison Schedule – Tree Replacement Special Revenue Fund	112
Budgetary Comparison Schedule – Police Asset Forfeiture Special Revenue Fund	113
STATISTICAL SECTION.	114
Financial Trends	
Net Position by Component	116
Changes in Net Position	117
Fund Balance – Governmental Funds.....	119
Changes in Fund Balances – Governmental Funds	120
Revenue Capacity	
Governmental Activities Tax Revenues by Source.....	121
Assessed Value and Estimated Actual Value of Taxable Property	122
Property Tax Rates – Direct and Overlapping Governments	123
Principal Property Taxpayers	124
Property Tax Levies and Collections	125
Debt Capacity	
Ratios of Outstanding Debt by Type.....	126
Direct and Overlapping Governmental Activities by Debt.....	127
Pledged-Revenue Coverage	128
Demographic Information	
Demographic and Economic Statistics	133
Principal Employers.....	134
Principal Water Customers	134
Principal Sewer Customers	136
Operating Information	
Full-time Equivalent City Government Employees by Function.....	137
Operating Indicators by Function/Program.....	138
Capital Asset Statistics by Function/Program.....	139
Impact Fees Collected	140

City of Clermont, Florida
Table of Contents (Continued)

REPORTS ON INTERNAL CONTROL AND COMPLIANCE MATTERS

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 <i>Government Auditing Standards</i>	141
Independent Auditor's Report on Compliance for Each Major Federal Program Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures Federal Awards Required by the Uniform Guidance	143
Schedule of Expenditures of Federal Awards	146
Notes to the Schedule of Expenditures of Federal Awards	147
Schedule of Findings and Questioned Costs	148
Corrective Action Plan	150
Independent Auditor's Management Letter	151
Independent Auditor's Report on Compliance with Local Government Investment Policies	155

Letter of Transmittal



RICK VAN WAGNER
INTERIM CITY MANAGER

352-241-7358
RVanWagner@Clermontfl.org

June 19, 2025

Honorable Mayor Tim Murry,
Council Members and Citizens of the City of Clermont, Florida

Dear Mayor Murry, Council Members and the Citizens of the City of Clermont, Florida:

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

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

The City of Clermont's financial statements have been audited by Carr, Riggs, & Ingram, LLC a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Clermont for the fiscal year ended September 30, 2024 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Clermont's financial statements for the fiscal year ended September 30, 2024 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Management Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides narrative introduction, overview and analysis of the basic financial statements. The MD&A provides "financial highlights" and interprets the financial reports by analyzing trends and by explaining changes, fluctuations and variances in the financial data. In addition, the MD&A is intended to disclose

any known significant events or decisions that affect the financial condition of the City. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of the City of Clermont

The City was founded in 1884 and incorporated in 1916. The City currently has a land area of 19.2 square miles and a population of approximately 45,812. The City is located in south Lake County, approximately 22 miles west of the City of Orlando and about 25 miles northwest of Walt Disney World. Clermont, known as “Choice of Champions[®]”, is truly the crossroads of Florida, at the intersection of State Road 50, which runs east and west across the state, and U.S. Highway 27, which runs north and south through the center of the state.

Clermont is on a chain of 15 lakes connected by the winding Palatka River in the Ocklawaha Basin of tributaries of the St. Johns River, the only river system in the United States that flows north. The lakes offer residents the opportunity for excellent fishing, boating, swimming and other water sports, including competitive rowing, skiing and wakeboarding offered by world-class instructional schools. The City of Clermont is known for its scenic beauty, relaxed lifestyle, recreational facilities and temperate climate. Residents have a wide variety of housing and property-ownership opportunities, including lakefront and lake-access property, golf-course communities, homes in existing neighborhoods, residential retirement communities and new subdivisions.

The City of Clermont provides a full range of services as directed by its charter. These include police and fire protection, street and sidewalk maintenance, planning and development, code enforcement, recreational facilities and programs, cemetery and general administrative functions. The City also provides potable water, wastewater collection and treatment, reclaimed water production and distribution, stormwater treatment, solid waste collection and recycling services.

The City operates according to a Council/Manager form of government, with an appointed City Manager, four elected City Council members and an elected Mayor. The governing body has legislative responsibilities, including setting policy, passing ordinances, adopting the budget, appointing committees and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the governing body, overseeing the day-to-day operations of the government and hiring the directors of the various departments.

The annual budget serves as the foundation for the City of Clermont’s financial planning and control. All departments of the City of Clermont are required to submit requests for appropriations to the City Manager. The City Manager then uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the Council for review. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City of Clermont’s fiscal year. The appropriated budget is prepared by fund (e.g. general fund), and department (e.g. police department). The City Manager may make transfers of appropriations within departments; however, any revisions that alter the total appropriations of a department must be approved by City Council. Original and final amended budget-to-actual comparisons are provided in this report for each individual governmental fund.

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

Local Economy

The City of Clermont is essentially residential in character and its economy is centered in retail, real estate, personal services and healthcare. During the last 5 years, Clermont's population has increased by 4,791 residents or 10.8%. Clermont's economic factors for FY 2024 indicated continued recovery of impacts from the pandemic in both unemployment and per capita personal income levels, both of these areas have moved in a favorable direction. The per capita personal income levels have increased \$13,791 or 45.8% over the last 5 years. The City's unemployment rate decreased from 6.7% to 2.8% over the last 5 years, this rate continues to be below the county, state and national averages.

Educational institutions in Clermont, such as Lake-Sumter State College, St. Leo University and the University of Central Florida, assist in supplying a skilled labor force. One of the highlighted areas of change has been the increase in property values; this year had a 16.2% increase in taxable property values. Primarily due to this increase in property values, Clermont's property tax-millage rate of 4.8800 continues to be among the lowest of other comparable cities in the Central Florida region.

The cost of living for the region is below the national average. There is no personal income tax, either locally or statewide. Sales tax, currently at 7%, is not charged on food or medicine. One cent of the sales tax charged within the county is limited to \$50 per transaction (1% of \$5,000). As discussed in the MD&A, this additional penny sales tax must be used for infrastructure including roads, buildings, land, land improvements and certain equipment.

Long-term Financial Planning

The City uses an extensive water and sewer master plan to manage growth in the water and sewer utility systems. The plan outlines water and sewer line size requirements for planned development with rough cost estimates. The plan also has benchmarks for plant expansions and additional well requirements.

The Clermont City Council and management, through careful short- and long-range planning and sound management practices, are committed to budgeting and managing all resources in the most cost-effective manner. The City adopts a Five-Year Capital Plan as part of the annual budget process. The Capital Plan is a multi-year prioritized schedule that identifies future capital outlay by the year it is intended to be purchased or commenced, the amount to be spent per year, and the funding source.

Relevant Financial Policies

The City regularly reviews revenues and expenditures throughout the fiscal year. Quarterly budget reports are prepared and presented to the City Council. The reports show budget-to-actual for the city's top 10 revenues, total fund revenues, total fund expenditures, departmental expenditures and various department performance indicators. Through this process, if actual revenues are expected to fall short of the budgeted amount, expenditures are reduced to ensure that a shortage of funds or a significant use of fund balance does not occur.

Major Initiatives

The completion of several capital projects included in the award-winning Downtown Waterfront Master Plan continues to be the major emphasis of the City. The Master Plan offers an exciting view of the future of Clermont and how to protect the very charms that have drawn hundreds of thousands to this internationally recognized city that is one of the nation's top places to live, as well as a training ground for the world's elite athletes. The following capital projects are included in the Master Plan and are expected to be completed within the next two years. The listed projects below are being funded primarily from several grants and a loan. It is important to note that no General Fund reserves are being used to fund the construction of these projects.

- The Downtown Waterfront District area includes Montrose Street, Minneola Street and Osceola Street between 7th and 8th streets. The proposed improvements consist of streetscapes, landscaping, bathrooms, lighting, upgrades for event lighting and music, banners and beautification. A focal point will be created at City Hall Park to anchor downtown visitors, creating a destination and meeting point in the heart of downtown Clermont. In addition, the city plans to demarcate the halfway point of the Coast-to-Coast Trail. Phase one of the project was completed in 2021. Phases two and three of the project was delayed until 2025-2026. The total project is anticipated to cost approximately \$17 million.
- The Public Services Facility Relocation construction project involves the expansion and relocation of the existing antiquated facility. The new facility is located on Hancock Road. The \$17 million facility features a 5,240 square-foot administrative building and a 23,340 square-foot compound for city fleet maintenance activities. Construction was completed in late Fiscal Year 2024.

In addition to the Master Plan projects there is a major Utility Projects underway.

- The **Wastewater Treatment Facility Expansion** project is required in order to meet the increased demand generated within the service area. The project is designed to take the facility from the existing permitted capacity of 4 MGD to 6.5 MGD with the construction started during 2023. This project will not only allow the facility to maintain regulatory compliance, it will also allow the City to continue the history of responsibly utilizing water resources by expanding the volume of effluent that can be produced for public access reuse. This project has an estimated cost of \$50 million.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Clermont for its comprehensive annual financial report for the fiscal year ended September 30, 2020. That was the 33rd consecutive year the City received the prestigious award. A Certificate of Achievement is valid for a period of one year only. The City has not submitted a report since that period. We believe that our current annual comprehensive financial report will meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Credit must be given to the Mayor and the City Council for their support in maintaining the highest standards of professionalism in the management of the City of Clermont's finances. The preparation of

this report would not have been possible without the efficient and dedicated services of the staff in the City Manager's Office and Finance Department. We would like to express our appreciation to all members of these departments who assisted and contributed to the preparation of this report.

Respectfully submitted,

A handwritten signature in blue ink, reading "Rick Van Wagner", written over a horizontal line.

Rick Van Wagner
Interim City Manager

A handwritten signature in blue ink, reading "Scott E. Borrer", written over a horizontal line.

Scott E. Borrer
Finance Director

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Elected Officials

Tim Murry
Mayor

Michele Pines
Mayor Pro-Tem

Michael Gonzalez
Council Member

Tod Howard
Council Member

Chandra Myers
Council Member

Appointed Officials

Brian Bulthuis
City Manager

Scott Davidoff
Deputy City Manager

David Ezell
Fire Chief

Dan Mantzaris
City Attorney

Nadine Ohlinger
Human Resources Director

Tracy Ackroyd Howe
City Clerk

Wayne Fountain
Information Technology Director

Laurie Windham
Communications Director

Brian Forman
Parks and Recreation Director

Lisa Widican
Building Services Director

Charles Broadway
Police Chief

Curt Henschel
Planning & Development Services Director

Stoney Brunson
Public Works Director

Scott Borrer
Finance Director

Freddy Suarez
Purchasing Director

City of Clermont, Florida
Organizational Chart
As of September 30, 2024



INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Clermont, Florida (hereafter the City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Supplementary Information

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

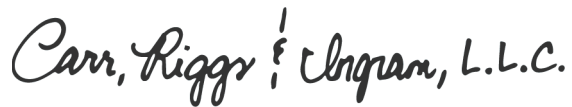
Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025, on our consideration of the City of Clermont, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." in a cursive, flowing script.

CARR, RIGGS & INGRAM, L.L.C.

Orlando, Florida
June 30, 2025

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**MANAGEMENT'S DISCUSSION
&
ANALYSIS (MD&A)**

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City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

As management of the City of Clermont, Florida we offer readers of the City of Clermont's (the City) financial statements this narrative overview and analysis of the financial activities of the City of Clermont for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 through 5 of this report.

Financial Highlights

- The City of Clermont's assets and deferred outflows of resources exceeded its liabilities and deferred inflows at September 30, 2024 by \$324,209,333 (net position). Of this amount, \$62,217,688 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$53,446,936 (or 19.7%) during fiscal year 2024. The most significant factor was related to business-type activities which saw significant increases in program revenues due to an increase in grants and contributions, financing for a waste-water treatment plant expansion, and increases in charges for services partly due to continued increases in customers served.
- At September 30, 2024, the City of Clermont's governmental funds reported combined ending net position of \$120,333,210 an increase of \$4,679,696 from the previous fiscal year. Business-type activities reported an ending net position of \$203,876,123 an increase of \$48,767,240 from the previous year.
- The General Fund, the City's primary operating fund, reported an unassigned fund balance of \$27,855,506 which represents 60% of total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Clermont's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information, other supplementary information, and an unaudited statistical section in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Clermont's financial position, in a manner similar to a private-sector business. They include a *Statement of Net Position* and a *Statement of Activities*. These statements appear on pages 25 to 27 of the report.

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

City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

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

Both government-wide financial statements distinguish functions of the City of Clermont that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Clermont include general government, public safety, physical environment, transportation, economic environment, and culture and recreation. The business-type activities of the City of Clermont include water, sewer, sanitation, and stormwater utilities.

The government-wide financial statements include only the City of Clermont itself (known as the *primary government*) and one blended component unit (The City of Clermont Community Redevelopment Agency).

Fund financial statements

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

The City of Clermont adopts an annual appropriated budget for all of its governmental funds. Budgetary comparison statements have been provided for the General Fund (page 86), the Infrastructure Special Revenue Fund (page 88), the ARPA Special Revenue Fund (page 89), and the Building Service Special Revenue Fund (page 90) to demonstrate compliance with budgets. Other major and nonmajor funds comparisons can be found beginning on page 105.

The basic governmental fund financial statements can be found on pages 28-32 of this report.

Proprietary Funds

The City of Clermont maintains two types of proprietary funds: *enterprise* and *internal service*, which can be found on pages 33-36 of this report.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Clermont uses enterprise funds to account for water, sewer, sanitation and stormwater utilities. *Internal service funds* are an accounting tool used to accumulate and allocate costs internally among various functions. The City utilizes an internal service fund for its health insurance. Because services accounted for in the internal service fund predominately benefit governmental rather than business-type functions, it has been included within the *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water, sewer, sanitation, and stormwater which are all considered to be major funds.

Fiduciary Funds

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

The basic fiduciary fund financial statements can be found on pages 38-39 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 40-85 of this report.

Other Information

The combining statements referred to earlier in connection with other governmental and proprietary funds are presented in Other Supplementary Information. Combining and individual fund statements and schedules can be found on pages 103-113 of this report.

City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

Government-Wide Financial Analysis

The following is a summary of the City's net position for governmental and business-type activities for the current year as compared to the prior year. For more detail see the Statement of Net Position.

Statement of Net Position						
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	\$ 106,319,857	\$ 67,944,177	\$ 70,258,845	\$ 70,464,789	\$ 176,578,702	\$ 138,408,966
Capital assets	98,118,792	93,316,285	154,821,517	106,136,270	252,940,309	199,452,555
Total assets	204,438,649	161,260,462	225,080,362	176,601,059	429,519,011	337,861,521
Deferred outflows of resources	8,233,905	9,166,283	750,382	910,959	8,984,287	10,077,242
Liabilities						
Other liabilities	13,935,591	11,479,463	7,918,278	5,384,776	21,853,869	16,864,239
Long-term liabilities	63,176,335	42,328,345	13,603,730	16,990,747	76,780,065	59,319,092
Total liabilities	77,111,926	53,807,808	21,522,008	22,375,523	98,633,934	76,183,331
Deferred inflows of resources	15,227,418	965,423	711,110	27,612	15,938,528	993,035
Net Position						
Net investment in capital assets	60,015,650	70,283,583	142,093,556	96,286,430	202,109,206	166,570,013
Restricted	32,015,263	22,152,813	27,867,176	30,500,439	59,882,439	52,653,252
Unrestricted (deficit)	28,302,297	23,217,118	33,915,391	28,322,014	62,217,688	51,539,132
Total net position	\$ 120,333,210	\$ 115,653,514	\$ 203,876,123	\$ 155,108,883	\$ 324,209,333	\$ 270,762,397

The City's total net position at September 30, 2024 was \$324,209,333. Of the City's total net position \$202,109,206 (62.3%) reflects its investment in capital assets (e.g., land, buildings, improvements, infrastructure and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Clermont's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's total net position, \$59,882,439 (18.5%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of the City's total net position, \$62,217,688 (19.2%) is unrestricted. These assets may be used at the City's discretion in meeting its ongoing obligations to citizens and creditors.

The City's net position increased by \$53,446,936 during the current fiscal year. Major components of this increase are discussed in the Governmental and Business-Type Activities sections to follow. Restricted reserves represent the accumulation of impact fee funds for upcoming and ongoing capital projects.

City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

The following is a summary of the City's governmental and business-type activities for fiscal year 2023-24, including revenues and expenses, with a comparison to the prior year. For more detail see the Statement of Activities.

	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues:						
Charges for Services	\$ 11,486,777	\$ 10,793,910	\$ 40,591,991	\$ 25,605,783	\$ 52,078,768	\$ 36,399,693
Operating grants and contributions	1,763,258	5,088,676	-	-	1,763,258	5,088,676
Capital grants and contributions	-	1,534,504	21,996,089	7,282,211	21,996,089	8,816,715
General revenues:						
Property taxes	24,868,557	20,882,299	-	-	24,868,557	20,882,299
Business taxes	2,048,547	156,163	-	-	2,048,547	156,163
Franchise fees	4,329,889	4,535,983	-	-	4,329,889	4,535,983
Utility taxes	5,532,765	5,353,571	-	-	5,532,765	5,353,571
Intergovernmental revenues	13,960,972	12,711,481	-	-	13,960,972	12,711,481
Contributions of nonfinancial assets	1,332,253	-	-	-	1,332,253	-
Investment income and miscellaneous	5,395,167	1,828,423	2,895,887	1,751,850	8,291,054	3,580,273
Proceeds from insurance	-	-	263,061	-	263,061	-
Gain on sale of capital assets	105,013	93,710	1,530	10	106,543	93,720
Total revenues	70,823,198	62,978,720	65,748,558	34,639,854	136,571,756	97,618,574
Expenses						
General government	5,802,628	6,475,508	-	-	5,802,628	6,475,508
Public safety	34,477,736	32,141,074	-	-	34,477,736	32,141,074
Physical environment	4,003,890	3,603,315	-	-	4,003,890	3,603,315
Transportation	2,380,983	2,335,156	-	-	2,380,983	2,335,156
Economic environment	132,436	1,279,364	-	-	132,436	1,279,364
Culture and recreation	4,412,068	3,987,873	-	-	4,412,068	3,987,873
Interest on long-term debt	1,016,289	588,228	-	-	1,016,289	588,228
Water	-	-	11,826,344	9,783,665	11,826,344	9,783,665
Sewer	-	-	11,531,345	10,491,389	11,531,345	10,491,389
Sanitation	-	-	4,703,790	3,925,453	4,703,790	3,925,453
Stormwater	-	-	2,837,311	2,551,755	2,837,311	2,551,755
Total expenses	52,226,030	50,410,518	30,898,790	26,752,262	83,124,820	77,162,780
Increase (decrease) in net position before transfers	18,597,168	12,568,202	34,849,768	7,887,592	53,446,936	20,455,794
Transfers	(13,917,472)	(593,952)	13,917,472	593,952	-	-
Change in net position	4,679,696	11,974,250	48,767,240	8,481,544	53,446,936	20,455,794
Net position - beginning	115,653,514	103,679,264	155,108,883	146,627,339	270,762,397	250,306,603
Net position - ending	\$ 120,333,210	\$ 115,653,514	\$ 203,876,123	\$ 155,108,883	\$ 324,209,333	\$ 270,762,397

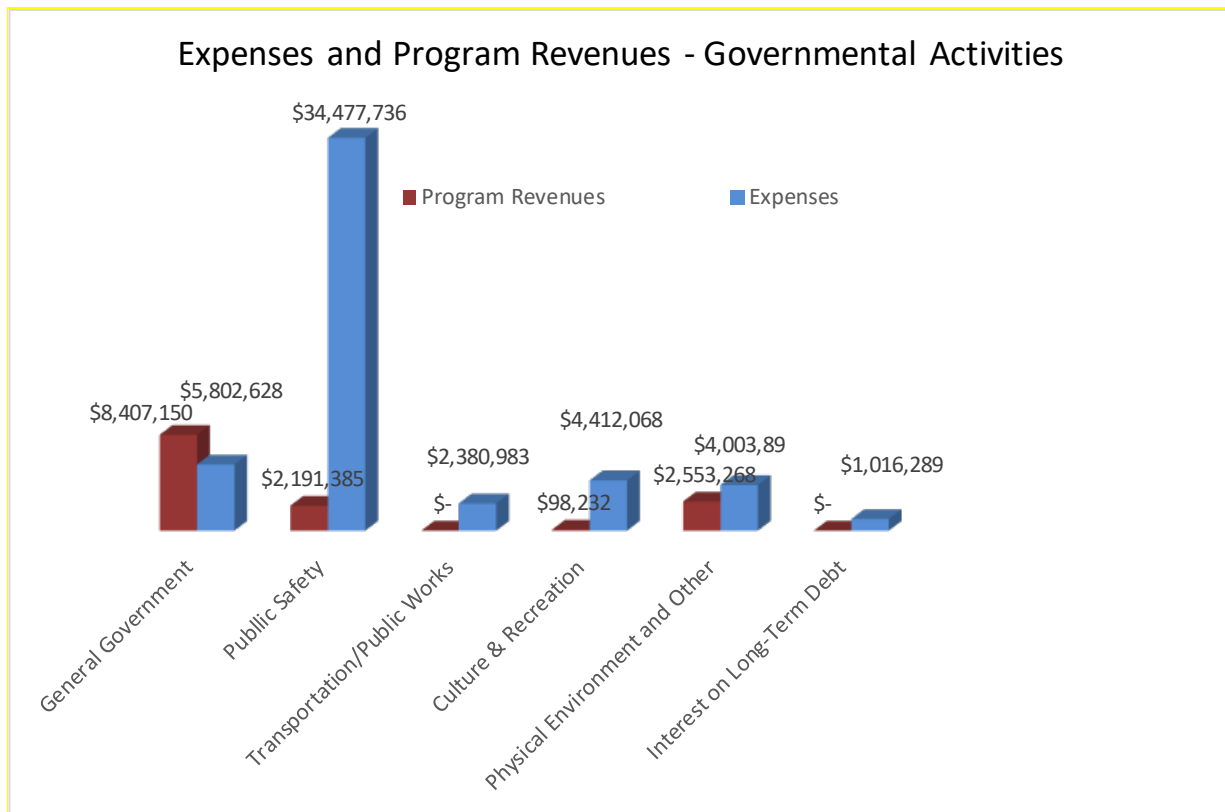
Governmental Activities

Governmental activities increased the City of Clermont's net position by \$4,679,696. The increase in governmental activity net position is due to revenues increasing at a rate faster than expenses. While revenues increased 12.5% to \$70.8 million, expenses increased at a 3.6% rate to \$52.2 million.

City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

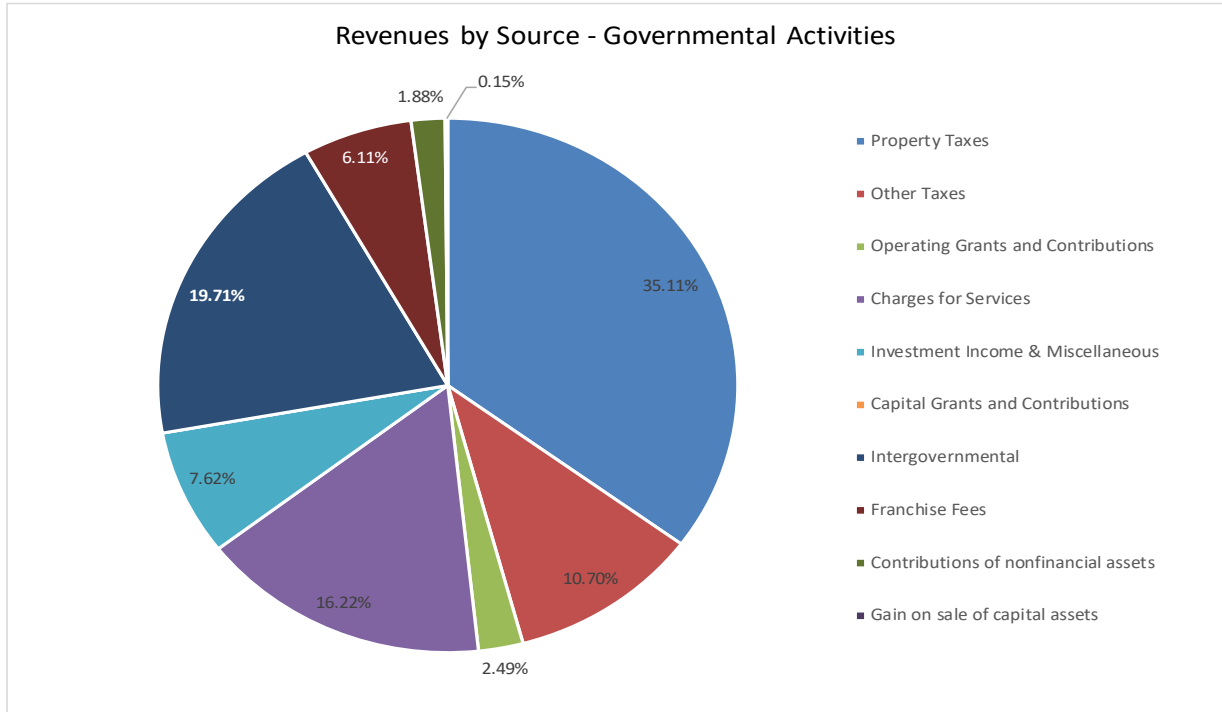
Revenue growth is primarily due to additional residents, increasing property valuations, and higher retail activity. For instance, the Total Taxable Assessed Value of property increased 16.2% or \$682 million in FY24. While maintaining the same millage rate as the previous year, this led to an increase in receipts of approximately \$3.9 million.

The following graph is a comparison of program revenues and program expenses for all governmental activities. This chart is intended to give the reader an idea of the degree to which governmental activities are self-supporting.



City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

The following pie chart illustrates the composition of governmental activities revenue and its percent in relation to total governmental activities revenues.

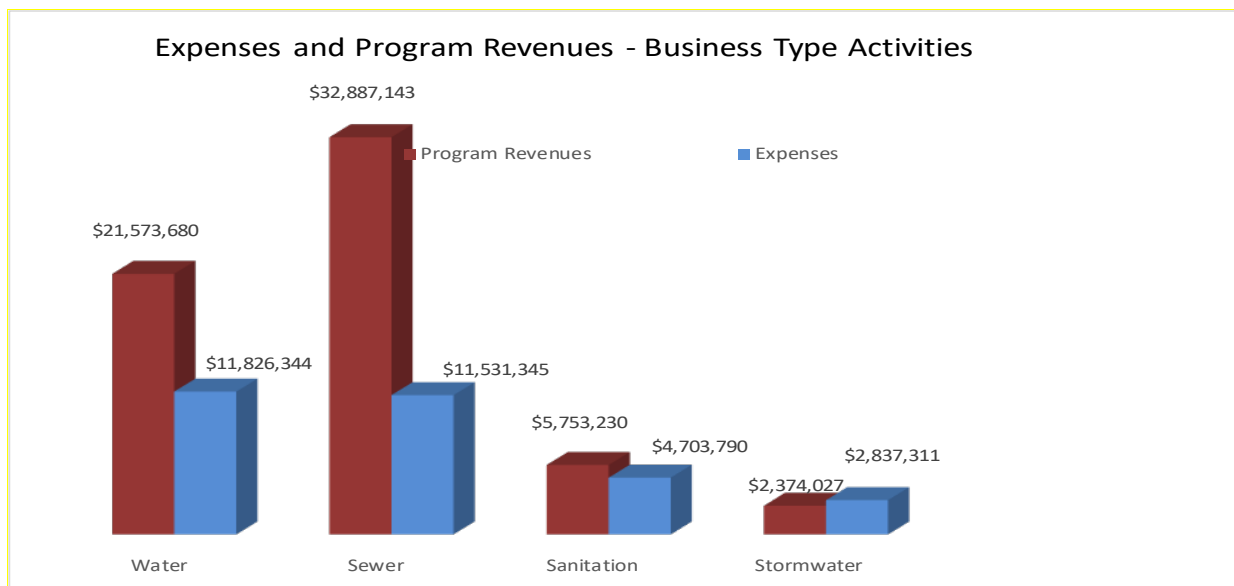


City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

Business-Type Activities

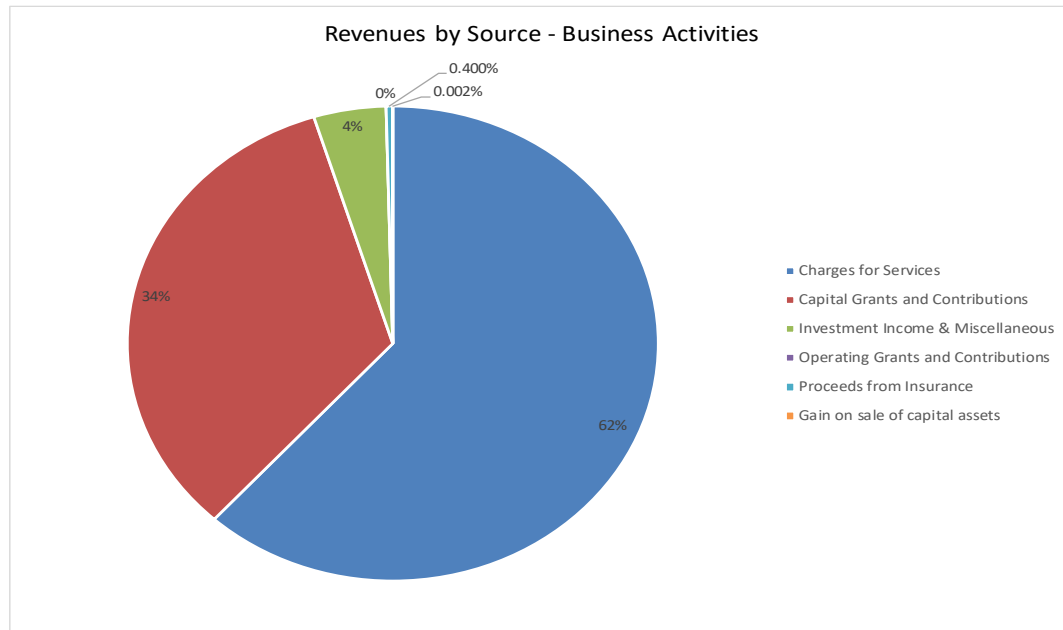
Business-type activities increased the City of Clermont's net position by \$48.7 million. The primary factor in capital projects. Major projects such as the waste-water treatment plant expansion, completion of a new public services facility, and the continuation of a streetscape project contribution towards the increase. In addition, there was a significant increase in capital grants and contributions, reflecting the projects and growth underway. The increase in charges for services is a continuation of the trend of increased customers and modified rates for service to support capital projects.

The following graph is a comparison of program revenues and program expenses for all business-type activities. This chart is intended to give the reader an idea of the degree to which business-type activities are self-supporting.



City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

The following pie chart illustrates the composition of business-type activities revenue and its percent in relation to total business-type activities revenues.



Financial Analysis of the City's Funds

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

Governmental Funds

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

As of September 30, 2024, the City of Clermont's governmental funds reported combined ending fund balances of \$80,836,171 an increase of \$26,749,630 in comparison with the prior year. This increase is primarily due to additional cash balances resulting from a \$28.1 million debt issuance in support of a public works project. Of the governmental funds combined ending fund balances, \$27,855,506 represents *unassigned fund balance*, which is available for spending at the City's discretion. An additional \$3,664,603 (*assigned fund balance*) has been set aside for planned project expenditures. *Restricted fund balances* totaling over \$45.3 million include funds required for debt service, as well as funds collected for specific purposes such as impact fees and community redevelopment. The remaining fund balance of \$3,969,400 is *nonspendable* to indicate that it is not available for spending because it has already been committed to prepaids and inventories.

City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

The General Fund is the chief operating fund of the City of Clermont. As of September 30, 2024, the fund balance in the General Fund was \$35,385,537 an increase of \$9,843,976 primarily from an increase in revenues; taxes, licenses and permits, and investment income all surpassed the 2023 amounts. The net change in fund balance was more than the anticipated amount of the original budget by \$9,589,916. The City did not adopt a year-end budget amendment. Revenues were more than budgeted by \$5,516,413 due to an increase in all revenue categories, such as intergovernmental which was due to better than anticipated state projections on sales and gas taxes. Departmental expenditures came in less than anticipated resulting in no use of reserves in 2024. Of the total fund balance in the General Fund, \$27,855,506 (78.7%) is unassigned fund balance. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 60.2% of total General Fund expenditures, while total fund balance represents 76.5% of that same amount.

The City has a Capital Projects Fund that is considered a major fund and is used to account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds. Funds have been accumulated so projects can be completed on a pay-as-you-go basis. The fund balance in this fund decreased by \$1,806,940 in fiscal year 2024, primarily due to spending of proceeds from the Master Plan Capital Projects Revenue Note. The most significant projects were the completion of a streetscape project and construction of a new public services facility.

The City has an Infrastructure Fund that is considered a major fund and was established to account for the proceeds of the Local Government Infrastructure Surtax. The proceeds and interest accrued thereto, by law are only to be used to finance, plan and construct infrastructure. The fund balance in this fund increased by \$1,455,475 in fiscal year 2024 primarily due to an increase of over \$418,424 in sales tax collections.

The American Rescue Plan Act (ARPA) Fund is considered a major fund and the final distribution was received in a previous fiscal year. Reclassification of deferred revenue and inter-fund activity related to city-council authorized use of the restricted funds are reflected in the financial statements. During the year \$1,371,871 was utilized towards water and sewer expenses related to a streetscape project. The city anticipates completion of all ARPA related activity during the next fiscal year.

Two funds were reclassified from non-major to major during 2024. The purpose of the Debt Service fund is to accumulate resources and account for activity related to debt service payments. During 2024 the fund balance increased \$13.6 million following a new debt issuance for a public works project. The Building Services fund accounts for activity related to permits and development. The proceeds and interest accrued are restricted by law towards activity related to building services. The fund balance in this fund increased by \$733,190.

City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

The \$2.9 million remainder of the change to the governmental fund balance was from the non-major governmental funds. Recreation, Police and Fire Impact Fee fund balances combined for an increase of \$2,270,533 in fiscal year 2024 primarily due to the collection of impact fees on new development within the City. Other nonmajor governmental funds that realized an increase in fund balance include the Tree Replacement Fund and the Cemetery Fund.

Proprietary Funds

Proprietary funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City's major proprietary funds are water, sewer, sanitation and stormwater.

The Water Fund accounts for the provision of potable water and reclaimed irrigation services to City and non-City residents. All activities necessary to the provision of these services are accounted for in this fund, including, but not limited to administration, plant and line maintenance. As of September 30, 2024, the City of Clermont's Water Fund reported total net position of \$65,308,183 an increase of \$10,249,187 in comparison with the prior year. This increase in net position was due to revenues exceeding expenses as well as the capital contributions of water impact fees on new development in the City.

The Sewer Fund accounts for the provision of sewer services to City and non-City residents. All activities necessary to the provision of these services are accounted for in this fund, including, but not limited to administration, plant and line maintenance. As of September 30, 2024, the City of Clermont's Sewer Fund reported total net position of \$117,011,665 an increase of \$36,870,881 in comparison with the prior year. This increase in net position was primarily due to ongoing capital improvement projects, and capital contributions of sewer impact fees on new development in the City.

The Sanitation Fund accounts for the provision of garbage and trash collection, recycling, and composting services to City residents. All activities necessary to the provision of these services are accounted for in this fund. As of September 30, 2024, the City of Clermont's Sanitation Fund reported total net position of \$8,679,233, an increase of \$1,545,844 in comparison with the prior year. This increase in net position is due to net operating income.

The Stormwater Fund accounts for the management of the City's stormwater drainage system. All activities necessary to the provision of these services are accounted for in this fund. As of September 30, 2024, the City of Clermont's Stormwater Fund reported total net position of \$12,598,545, an increase of \$101,328 in comparison with the prior year. This increase was due to internal transfers to offset capital expenditures, which offset an operating loss of \$379,740.

City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

General Fund Budgetary Highlights

During the year there was a \$2,023,512 net increase in appropriations between the original and final amended budget, representing a 4.4% change.

General Fund budgeted revenues increased by \$1,637,550 between the original and final budget. Significant components of the increase were related to higher than originally anticipated intergovernmental revenues, investment income, and licenses/permits.

Considering the above noted increases in General Fund budgeted appropriations, actual expenditures were less than budgeted by \$2,256,941.

Capital Assets

The following is a summary of the City of Clermont's capital assets, net of depreciation for governmental and business-type activities for the current year with a comparison to the prior year. Additional information on the City of Clermont's capital assets can be found in Note 4 of this report.

	Capital Assets (net of depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Land	\$ 28,494,923	\$ 26,601,001	\$ 1,511,807	\$ 1,511,807	\$ 30,006,730	\$ 28,112,808
Buildings	27,137,843	16,735,437	4,308,060	796,624	31,445,903	17,532,061
Infrastructure	30,356,863	22,353,930	93,800,564	73,855,477	124,157,427	96,209,407
Machinery and Equipment	9,012,921	7,060,388	5,548,736	4,942,130	14,561,657	12,002,518
Intangibles	69,350	83,549	708,786	869,181	778,136	952,730
Construction in Progress	3,046,892	20,481,980	48,848,031	24,161,051	51,894,923	44,643,031
Total	\$ 98,118,792	\$ 93,316,285	\$ 154,725,984	\$ 106,136,270	\$ 252,844,776	\$ 199,452,555

The City of Clermont's investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounts to \$252,844,776 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements/infrastructure, machinery and equipment and intangibles. The total change in the City's investment in capital assets for the current fiscal year was \$53,392,221. As displayed in the Capital Assets table the primary categories of buildings, infrastructure, and machinery and equipment all realized an increase in net depreciation totals. This results from additions exceeding accumulated depreciation and/or disposals during the year. However, the construction in progress category of capital assets increased 16.2% due to a number of ongoing projects within the City. These include an expansion of the city's wastewater treatment facility.

City of Clermont, Florida
Management's Discussion and Analysis
As of September 30, 2024

Debt Administration

The following is a summary of the City's long-term debt for governmental and business-type activity for the current year with a comparison to the prior year. Additional information on long-term debt can be found in Note 4 of this report.

	Outstanding Debt					
	Governmental Activities		Business-type Activities		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Revenue bonds payable	\$ 28,152,000	\$ -	\$ 7,080,000	\$ 8,000,000	\$ 35,232,000	\$ 8,000,000
Notes payable	20,774,745	22,547,685	4,088,541	4,486,698	24,863,286	27,034,383
Financed purchases	2,018,110	485,017	-	-	2,018,110	485,017
Total	\$ 50,944,855	\$ 23,032,702	\$ 11,168,541	\$ 12,486,698	\$ 62,113,396	\$ 35,519,400

As of September 30, 2024, total outstanding debt was \$62,113,396. In May 2024 the City Council authorized a revenue bond issuance for a public works project. As a result, the net increase for the outstanding debt balances amount was \$24.8 million over the previous year.

Next Year's Budgets and Rates

The fiscal year 2025 budget was approved with the use of \$912,221 in reserves to balance the General Fund budget. Following a period of two years maintaining the same property tax millage rate, the City Council authorized a reduction by adopting a millage rate of 4.8800. This rate remains one of the lowest of comparable cities in the region. Property values continued to increase in fiscal year 2025 in the amount of 16.2%.

Pursuant to a utility rate study performed by a private consulting firm, the Clermont City Council adopted a resolution in March 2023 that provided for an increase to water and wastewater rates at the beginning of the fiscal year. This resolution also provided for inflation-based increases to the sanitation rates at the start of each fiscal year beginning in October 1, 2018. The increase is based on the Florida Public Service Commission Annual Price Index and are necessary, primarily to provide funding for the future planned capital projects. The 2025 budget includes these rate increases in the Proprietary Funds.

Requests for Information

This financial report is designed to provide a general overview of the City of Clermont's finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed to the office of the Finance Director, City of Clermont, P.O. Box 120219, Clermont, Florida 34712.

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BASIC FINANCIAL STATEMENTS

The basic financial statements include the government-wide financial statements, fund financial statements and notes to the financial statements. The government-wide financial statements present financial information about the reporting government as a whole. The fund financial statements present financial information about major funds individually and non-major funds in the aggregate, if applicable. The notes to the financial statements present information essential for a fair presentation of the financial statements not displayed on the face of the financial statements.

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City of Clermont, Florida
Statement of Net Position

<i>September 30, 2024</i>	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 56,513,488	\$ 27,005,218	\$ 83,518,706
Investments	35,998,176	20,784,166	56,782,342
Accounts receivable, net	1,190,325	3,292,621	4,482,946
Due from other governments	1,240,191	-	1,240,191
Other receivables	54,349	-	54,349
Prepaid items and other assets	3,933,915	279,299	4,213,214
Inventory	35,485	27,527	63,012
Lease receivables	3,133,072	-	3,133,072
Interest receivable	-	95,533	95,533
Net pension asset	4,220,856	-	4,220,856
Restricted assets			
Cash and cash equivalents	-	1,629,201	1,629,201
Investments	-	17,240,813	17,240,813
Capital assets, net			
Nondepreciable	31,541,815	50,359,838	81,901,653
Depreciable	66,576,977	104,366,146	170,943,123
Total assets	204,438,649	225,080,362	429,519,011
Deferred Outflows of Resources			
Deferred outflows on refunding	-	484,109	484,109
Deferred outflows related to pensions	7,485,385	-	7,485,385
Deferred outflows on OPEB	748,520	266,273	1,014,793
Total deferred outflows of resources	8,233,905	750,382	8,984,287

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

City of Clermont, Florida
Statement of Net Position (Continued)

<i>September 30, 2024</i>	Primary Government		Total
	Governmental Activities	Business-type Activities	
Liabilities			
Accounts payable	4,339,115	3,391,368	7,730,483
Accrued liabilities	810,240	185,964	996,204
Retainage payable	489,686	1,947,996	2,437,682
Interest payable	345,644	92,014	437,658
Unearned revenues	3,345,045	52,961	3,398,006
Other liabilities	5,528	-	5,528
Customer deposits	4,600,333	572,179	5,172,512
Non-current liabilities			
Due within one year			
Compensated absences	197,913	45,592	243,505
Notes payable	2,327,813	408,707	2,736,520
Bonds payable	500,000	943,000	1,443,000
Financed purchases	262,202	-	262,202
Due in more than one year			
OPEB liability	10,252,346	3,376,569	13,628,915
Compensated absences	1,781,221	410,327	2,191,548
Notes payable	18,446,932	3,679,834	22,126,766
Bonds payable	27,652,000	6,137,000	33,789,000
Financed purchases	1,755,908	-	1,755,908
Total liabilities	77,111,926	21,243,511	98,355,437
Deferred Inflows of Resources			
Deferred inflows related to leases	3,133,072	-	3,133,072
Deferred inflows related to pensions	8,479,681	-	8,479,681
Deferred inflows related to OPEB	3,614,665	711,110	4,325,775
Total deferred inflows of resources	15,227,418	711,110	15,938,528
Net Position			
Net investment in capital assets	60,015,650	142,093,556	202,109,206
Restricted for:			
Capital improvements	13,734,155	27,867,176	41,601,331
Public safety	5,112,842	-	5,112,842
Housing and urban improvement	3,325,487	-	3,325,487
Economic development	1,851,029	-	1,851,029
Recreation improvement	7,991,750	-	7,991,750
Unrestricted	28,302,297	33,915,391	62,217,688
Total net position	\$ 120,333,210	\$ 203,876,123	\$ 324,209,333

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

City of Clermont, Florida

Statement of Activities

For the year ended September 30, 2024					Net (Expense) Revenue and Changes in Net Position		
					Primary Government		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 5,802,628	\$ 7,029,279	\$ 1,377,871	\$ -	\$ 2,604,522	\$ -	\$ 2,604,522
Public safety	34,477,736	1,904,230	287,155	-	(32,286,351)	-	(32,286,351)
Physical environment	4,003,890	2,553,268	-	-	(1,450,622)	-	(1,450,622)
Transportation	2,380,983	-	-	-	(2,380,983)	-	(2,380,983)
Economic environment	132,436	-	-	-	(132,436)	-	(132,436)
Culture and recreation	4,412,068	-	98,232	-	(4,313,836)	-	(4,313,836)
Interest on long-term debt	1,016,289	-	-	-	(1,016,289)	-	(1,016,289)
Total governmental activities	52,226,030	11,486,777	1,763,258	-	(38,975,995)	-	(38,975,995)
Business-type activities:							
Water	11,826,344	15,756,112	-	5,817,568	-	9,747,336	9,747,336
Sewer	11,531,345	16,708,622	-	16,178,521	-	21,355,798	21,355,798
Sanitation	4,703,790	5,753,230	-	-	-	1,049,440	1,049,440
Stormwater	2,837,311	2,374,027	-	-	-	(463,284)	(463,284)
Total business-type activities	30,898,790	40,591,991	-	21,996,089	-	31,689,290	31,689,290
Total primary government	\$ 83,124,820	\$ 52,078,768	\$ 1,763,258	\$ 21,996,089	(38,975,995)	31,689,290	(7,286,705)
General revenues:							
Property taxes					24,868,557	-	24,868,557
Franchise fees based on gross receipts					4,329,889	-	4,329,889
Business taxes					2,048,547	-	2,048,547
Intergovernmental revenues					13,960,972	-	13,960,972
Utility service taxes					5,532,765	-	5,532,765
Miscellaneous and other taxes					2,152,469	-	2,152,469
Interest and investment income					3,242,698	2,895,887	6,138,585
Contribution of nonfinancial asset					1,332,253	-	1,332,253
Gain on sale of capital assets					105,013	1,530	106,543
Proceeds from insurance					-	263,061	263,061
Transfers, net					(13,917,472)	13,917,472	-
Total general revenues					43,655,691	17,077,950	60,733,641
Change in net position					4,679,696	48,767,240	53,446,936
Net position, beginning of year					115,653,514	155,108,883	270,762,397
Net position, end of year					\$ 120,333,210	\$ 203,876,123	\$ 324,209,333

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

City of Clermont, Florida
Balance Sheet – Governmental Funds

<i>September 30, 2024</i>	General	Capital Projects	Infrastructure Special Revenue	ARPA Special Revenue	Debt Service	Building Services Special Revenue	Nonmajor Funds	Total Governmental Funds
Assets								
Cash and cash equivalents	\$ 22,411,687	\$ 1,760,176	\$ 4,637,404	\$ 3,092,329	\$ 1,866,633	\$ 6,498,545	\$ 11,531,629	\$ 51,798,403
Investments	11,638,533	3,351,649	753,914	-	13,653,974	1,473,167	4,709,170	35,580,407
Accounts receivable, net	1,190,325	-	-	-	-	-	-	1,190,325
Other receivables	33,146	-	1,914	-	-	2,265	8,902	46,227
Lease receivable	3,133,072	-	-	-	-	-	-	3,133,072
Due from other governments	578,825	-	661,366	-	-	-	-	1,240,191
Prepaid items	3,829,943	-	82,940	-	-	9,077	11,955	3,933,915
Inventory	35,485	-	-	-	-	-	-	35,485
Total assets	\$ 42,851,016	\$ 5,111,825	\$ 6,137,538	\$ 3,092,329	\$ 15,520,607	\$ 7,983,054	\$ 16,261,656	\$ 96,958,025
Liabilities and Fund Balances								
Liabilities								
Accounts payable	\$ 3,298,725	\$ 12,169	\$ 204,442	\$ -	\$ -	\$ 25,396	\$ 205,918	\$ 3,746,650
Retainage payable	-	489,686	-	-	-	-	-	489,686
Accrued liabilities	782,825	-	-	-	-	22,761	3,341	808,927
Unearned revenue	245,329	-	-	3,092,329	-	-	-	3,337,658
Other liabilities	5,528	-	-	-	-	-	-	5,528
Deposits	-	-	-	-	-	4,600,333	-	4,600,333
Total liabilities	4,332,407	501,855	204,442	3,092,329	-	4,648,490	209,259	12,988,782
Deferred inflows:								
Deferred inflows related to leases	3,133,072	-	-	-	-	-	-	3,133,072
Total deferred inflows	3,133,072	-	-	-	-	-	-	3,133,072
Fund balances								
Nonspendable								
Inventory	35,485	-	-	-	-	-	-	35,485
Prepaid items	3,829,943	-	82,940	-	-	9,077	11,955	3,933,915
Restricted for								
Capital improvements	-	4,609,970	5,850,156	-	15,520,607	-	1,084,821	27,065,554
Public safety	-	-	-	-	-	-	5,112,842	5,112,842
Housing and urban improvement	-	-	-	-	-	3,325,487	-	3,325,487
Economic development	-	-	-	-	-	-	1,851,029	1,851,029
Recreation improvement	-	-	-	-	-	-	7,991,750	7,991,750
Assigned	3,664,603	-	-	-	-	-	-	3,664,603
Unassigned	27,855,506	-	-	-	-	-	-	27,855,506
Total fund balances	35,385,537	4,609,970	5,933,096	-	15,520,607	3,334,564	16,052,397	80,836,171
Total liabilities and fund balances	\$ 42,851,016	\$ 5,111,825	\$ 6,137,538	\$ 3,092,329	\$ 15,520,607	\$ 7,983,054	\$ 16,261,656	\$ 96,958,025

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

City of Clermont, Florida

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

September 30, 2024

Total fund balances - governmental funds		\$ 80,836,171
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.		
	Governmental capital assets	152,739,904
	Less accumulated depreciation	<u>54,621,112</u>
		98,118,792
Assets and liabilities of certain internal service funds are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position		4,539,811
Accrued interest payable is not due in the current period, and therefore, is not reported in the funds.		(345,644)
Net pension asset is not a financial resource, and is not reported in the funds.		4,220,856
OPEB liability are not recognized in the governmental funds, however, they are recorded in the statement of net position under full accrual accounting.		(10,252,346)
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		
	Notes payable	(48,926,745)
	Financed purchases	(2,018,110)
	Compensated absences	<u>(1,979,134)</u>
		(52,923,989)
Deferred outflow of resources related to pension earnings and other post employment benefits are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		8,233,905
Deferred inflow of resources related to pension earnings and other post employment benefits are not recognized in governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		(12,094,346)
Net position of governmental activities		<u>\$ 120,333,210</u>

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

City of Clermont, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds

<i>For the year ended September 30, 2024</i>	General	Capital Projects	Infrastructure Special Revenue	ARPA Special Revenue	(Formerly nonmajor) Debt Service	Formerly nonmajor) Building Services Special Revenue	Nonmajor Funds	Total Governmental Funds
Revenue								
Taxes	\$ 31,694,909	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 754,960	\$ 32,449,869
Franchise fees	4,329,889	-	-	-	-	-	-	4,329,889
Intergovernmental	8,359,651	-	5,957,226	1,371,871	-	-	35,482	15,724,230
Licenses and permits	1,050,774	-	-	-	-	-	-	1,050,774
Charges for services	3,433,664	-	-	-	-	2,161,987	225,345	5,820,996
Fines and forfeitures	157,186	-	-	-	-	-	11,896	169,082
Impact fees	-	-	-	-	-	-	4,445,925	4,445,925
Interest and investment income	1,538,071	242,054	172,465	-	442,525	294,391	553,192	3,242,698
Miscellaneous and other taxes	1,618,821	-	-	-	-	-	533,648	2,152,469
Total revenues	52,182,965	242,054	6,129,691	1,371,871	442,525	2,456,378	6,560,448	69,385,932
Expenditures								
General government	6,615,841	-	397	-	-	-	327,347	6,943,585
Public safety	28,146,941	-	11,112	-	-	1,723,188	43,645	29,924,886
Physical environment	3,105,749	36,011	-	-	-	-	141,390	3,283,150
Transportation	1,731,059	-	649,924	-	-	-	-	2,380,983
Economic environment	117,486	-	-	-	-	-	-	117,486
Culture and recreation	3,913,370	-	-	-	-	-	653	3,914,023
Debt service:								
Principal	149,086	-	93,282	-	2,272,140	-	124,800	2,639,308
Interest and other related charges	80,535	-	9,488	-	684,605	-	-	774,628
Capital outlay	2,416,476	2,012,983	1,899,637	-	-	-	3,072,245	9,401,341
Total expenditures	46,276,543	2,048,994	2,663,840	-	2,956,745	1,723,188	3,710,080	59,379,390
Excess (deficiency) of revenues over (under) expenditures	5,906,422	(1,806,940)	3,465,851	1,371,871	(2,514,220)	733,190	2,850,368	10,006,542

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

City of Clermont, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds (Continued)

<i>For the year ended September 30, 2024</i>	General	Capital Projects	Infrastructure Special Revenue	ARPA Special Revenue	(Formerly nonmajor) Debt Service	Formerly nonmajor) Building Services Special Revenue	Nonmajor Funds	Total Governmental Funds
Other Financing Sources (Uses)								
Transfers in	2,275,000	-	-	-	2,805,606	-	-	5,080,606
Transfers out	(216,502)	-	(2,010,376)	(1,371,871)	(14,820,601)	-	(578,728)	(18,998,078)
Proceeds from sale of capital assets	109,098	-	-	-	-	-	-	109,098
Proceeds from financed purchases	1,769,958	-	-	-	-	-	-	1,769,958
Proceeds from issuance of debt	-	-	-	-	28,152,000	-	629,504	28,781,504
Total other financing sources (uses)	3,937,554	-	(2,010,376)	(1,371,871)	16,137,005	-	50,776	16,743,088
Net change in fund balances	9,843,976	(1,806,940)	1,455,475	-	13,622,785	733,190	2,901,144	26,749,630
Fund balance, beginning of year	25,541,561	6,416,910	4,477,621	-	-	-	17,650,449	54,086,541
Adjustments	-	-	-	-	1,897,822	2,601,374	(4,499,196)	-
Fund balance, beginning of year after adjustments	25,541,561	6,416,910	4,477,621	-	1,897,822	2,601,374	13,151,253	54,086,541
Fund balance, end of year	\$ 35,385,537	\$ 4,609,970	\$ 5,933,096	\$ -	\$ 15,520,607	\$ 3,334,564	\$ 16,052,397	\$ 80,836,171

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

City of Clermont, Florida

**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		\$ 26,749,630
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$9,401,341) exceeded depreciation (\$5,927,002) capitalized and loss on disposals (\$4,085) in the current period.		3,470,254
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.		(241,660)
Contributions of capital assets are not reported as revenues in the governmental funds.		1,332,253
Some expenses reported in the statement of activities do not provide (or do not require) the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Increase in compensated absences payable		(31,263)
Issuance of long-term debt provides current financial resources to governmental funds, while repayment of principal on long-term debt consumes resources of the governmental funds. Neither transaction, however, has any effect on the change in net position.		
Newly issued debt	(30,551,462)	
Principal paid	<u>2,639,308</u>	(27,912,154)
Internal service funds are used by management to charge the costs of certain activities, such as health insurance, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.		2,057,655
Pension expense is reported in the Statement of Activities, which differs from pension expenditures as reported in governmental funds.		
Change in net pension asset	8,271,025	
Decrease in deferred outflows related to pensions	(520,691)	
Increase in deferred inflows related to pensions	<u>(7,606,805)</u>	143,529
Other post employment benefit (OPEB) expense is reported in the Statement of Activities, which differs from OPEB expenditures as reported in governmental funds.		
Change in OPEB liability	3,045,257	
Decrease in deferred outflows related to pensions	(411,687)	
Increase in deferred inflows related to pensions	<u>(3,522,118)</u>	(888,548)
Change in net position of governmental activities		\$ 4,679,696

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

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

	Business-type Activities - Enterprise Funds					Governmental
	Water	Sewer	Sanitation	Stormwater	Total	Internal Service Fund
<i>September 30, 2024</i>						
Assets						
Current assets						
Cash and cash equivalents	\$ 11,500,119	\$ 13,564,131	\$ 844,464	\$ 1,096,504	\$ 27,005,218	\$ 4,715,085
Investments	11,098,620	7,204,665	2,480,881	-	20,784,166	417,769
Accounts receivable, net	1,207,454	1,253,897	572,200	259,070	3,292,621	-
Prepaid items	136,085	82,653	37,959	22,602	279,299	-
Other receivables	-	-	-	-	-	8,122
Inventory	27,527	-	-	-	27,527	-
Lease receivables, current portion	-	-	-	-	-	-
Restricted assets						
Cash and cash equivalents	571,825	742,225	74,054	241,097	1,629,201	-
Investments	2,663,958	13,468,929	1,107,926	-	17,240,813	-
Total current assets	27,205,588	36,316,500	5,117,484	1,619,273	70,258,845	5,140,976
Noncurrent assets						
Interest receivable	35,717	53,424	6,392	-	95,533	-
Capital assets						
Non-depreciable	7,996,398	41,753,876	423,750	185,814	50,359,838	-
Depreciable, net	36,214,842	48,136,628	5,485,283	14,529,393	104,366,146	-
Total capital assets, net	44,211,240	89,890,504	5,909,033	14,715,207	154,725,984	-
Total noncurrent assets	44,246,957	89,943,928	5,915,425	14,715,207	154,821,517	-
Total assets	\$ 71,452,545	\$ 126,260,428	\$ 11,032,909	\$ 16,334,480	\$ 225,080,362	\$ 5,140,976
Deferred outflows of resources						
Deferred outflows on refunding	\$ 172,786	\$ 311,323	\$ -	\$ -	\$ 484,109	\$ -
Deferred outflows related to OPEB	73,697	106,879	47,664	38,033	266,273	-
Total deferred outflows of resources	\$ 246,483	\$ 418,202	\$ 47,664	\$ 38,033	\$ 750,382	\$ -

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

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

	Business-type Activities - Enterprise Funds					Governmental
	Water	Sewer	Sanitation	Stormwater	Total	Internal Service Fund
<i>September 30, 2024</i>						
Liabilities						
Current liabilities						
Accounts payable	\$ 1,587,177	\$ 1,879,820	\$ 164,805	\$ 38,063	\$ 3,669,865	\$ 313,968
Accrued payroll and related liabilities	58,764	58,579	45,563	23,058	185,964	1,313
Retainage payable	290,521	1,494,246	163,229	-	1,947,996	-
Interest payable	20,220	35,948	8,443	27,403	92,014	-
Accrued liabilities	-	-	-	-	-	-
Current portion of compensated absences	13,553	17,359	3,348	11,332	45,592	-
Current portion of note payable	-	-	96,269	312,438	408,707	-
Current portion of bond payable	339,480	603,520	-	-	943,000	-
Unearned revenue	52,078	883	-	-	52,961	7,387
Customer deposits	572,179	-	-	-	572,179	-
Total current liabilities	2,933,972	4,090,355	481,657	412,294	7,918,278	322,668
Noncurrent liabilities						
OPEB liability	932,695	1,307,931	672,162	463,781	3,376,569	-
Compensated absences	121,980	156,232	109,969	22,146	410,327	-
Note payable	-	-	866,331	2,813,503	3,679,834	-
Bond payable	2,209,320	3,927,680	-	-	6,137,000	-
Total noncurrent liabilities	3,263,995	5,391,843	1,648,462	3,299,430	13,603,730	-
Total liabilities	\$ 6,197,967	\$ 9,482,198	\$ 2,130,119	\$ 3,711,724	\$ 21,522,008	\$ 322,668
Deferred inflows of resources						
Deferred inflows related to OPEB	\$ 192,878	\$ 184,767	\$ 271,221	\$ 62,244	\$ 711,110	\$ -
Total deferred outflows of resources	\$ 192,878	\$ 184,767	\$ 271,221	\$ 62,244	\$ 711,110	\$ -
Net Position						
Net investment in capital assets	\$ 41,544,705	\$ 84,176,381	\$ 4,783,204	\$ 11,589,266	\$ 142,093,556	\$ -
Restricted for capital projects	7,704,681	20,162,495	-	-	27,867,176	-
Unrestricted	16,058,797	12,672,789	3,896,029	1,009,279	33,636,894	4,818,308
Total net position	\$ 65,308,183	\$ 117,011,665	\$ 8,679,233	\$ 12,598,545	203,597,626	\$ 4,818,308
Adjustment to reflect the consolidation of internal service fund activities						
Related to enterprise funds for prior years					278,497	
					\$ 203,876,123	

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

City of Clermont, Florida
Statement of Revenues, Expenses and
Changes in Fund Net Position-Proprietary Funds

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Fund
<i>For the year ended September 30, 2024</i>	Water	Sewer	Sanitation	Stormwater	Total	
Operating Revenues						
Charges for services	\$ 13,882,995	\$ 12,066,750	\$ 5,752,571	\$ 2,374,027	\$ 34,076,343	\$ 7,773,256
Other charges and fees	421,011	83,387	659	-	505,057	342,654
Impact fees	1,452,106	4,558,485	-	-	6,010,591	-
Total operating revenues	15,756,112	16,708,622	5,753,230	2,374,027	40,591,991	8,115,910
Operating Expenses						
Personnel services	2,808,567	2,778,093	1,982,563	957,279	8,526,502	71,833
Utilities	859,359	1,152,127	217,547	900	2,229,933	-
Dump fees	-	460,358	789,819	21,955	1,272,132	-
Administrative services	-	536,369	270,229	171,094	977,692	-
Repairs and maintenance	3,333,369	312,956	247,603	52,908	3,946,836	-
Professional services	535,837	244,444	76,838	72,799	929,918	57,957
Insurance claims and expenses	192,925	266,296	74,118	60,412	593,751	6,067,197
Other supplies and expenses	1,269,458	959,887	455,097	116,970	2,801,412	-
Depreciation and amortization	2,736,056	4,658,750	564,235	1,299,450	9,258,491	-
Total operating expenses	11,735,571	11,369,280	4,678,049	2,753,767	30,536,667	6,196,987
Operating income	4,020,541	5,339,342	1,075,181	(379,740)	10,055,324	1,918,923
Nonoperating revenues						
Investment income	1,136,277	1,511,519	233,343	14,748	2,895,887	138,732
Interest expense	(90,773)	(162,065)	(25,741)	(83,544)	(362,123)	-
Capital grants	-	3,000,000	-	-	3,000,000	-
Proceeds from insurance	-	-	263,061	-	263,061	-
Proceeds from sale of capital asset	1,530	-	-	-	1,530	-
Total nonoperating revenues	1,047,034	4,349,454	470,663	(68,796)	5,798,355	138,732
Income before contributions and transfers	5,067,575	9,688,796	1,545,844	(448,536)	15,853,679	2,057,655
Capital contributions	5,817,568	13,178,521	-	-	18,996,089	-
Transfers in	464,044	15,178,564	-	549,864	16,192,472	-
Transfers out	(1,100,000)	(1,175,000)	-	-	(2,275,000)	-
Change in net position	10,249,187	36,870,881	1,545,844	101,328	48,767,240	2,057,655
Net position- beginning of year	55,058,996	80,140,784	7,133,389	12,497,217	154,830,386	2,760,653
Net position - end of year	\$ 65,308,183	\$ 117,011,665	\$ 8,679,233	\$ 12,598,545	\$ 203,597,626	\$ 4,818,308

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

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

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Fund
<i>For the year ended September 30, 2024</i>	Water	Sewer	Sanitation	Stormwater	Total	
Operating Activities						
Cash received from customers	\$ 14,776,429	\$ 15,820,968	\$ 5,360,681	\$ 2,198,886	\$ 38,156,964	\$ 8,114,187
Cash payments to suppliers for goods and services	(5,256,382)	(3,478,089)	(2,268,243)	(762,811)	(11,765,525)	(6,417,479)
Cash payments to employees for services	(2,792,460)	(2,764,538)	(1,909,020)	(927,984)	(8,394,002)	(71,986)
Net cash provided by operating activities	6,727,587	9,578,341	1,183,418	508,091	17,997,437	1,624,722
Noncapital Financing Activities						
Proceeds from insurance	-	-	263,061	-	263,061	-
Loans and reimbursements to other funds	-	275,000	67,127	(275,000)	67,127	-
Transfers in from other funds	464,044	15,178,564	-	549,864	16,192,472	-
Transfers out to other funds	(1,100,000)	(1,175,000)	-	-	(2,275,000)	-
Net cash used in noncapital financing activities	(635,956)	14,278,564	330,188	274,864	14,247,660	-
Capital and Related Financing Activities						
Acquisition and construction of capital assets	(12,148,161)	(43,701,884)	(1,366,082)	(549,863)	(57,765,990)	-
Payments on long-term debt	(331,200)	(588,800)	(93,784)	(304,373)	(1,318,157)	-
Proceeds from capital grant	-	3,000,000	-	-	3,000,000	-
Interest paid on long-term debt	(93,401)	(166,736)	(26,564)	(86,212)	(372,913)	-
Proceeds from capital contributions	5,817,568	13,178,521	-	-	18,996,089	-
Net cash used in capital and related financing activities	(6,755,194)	(28,278,899)	(1,486,430)	(940,448)	(37,460,971)	-
Investing Activities						
Purchase of investments	(52,332)	(82,944)	(68,928)	-	(204,204)	(2,308)
Interest income	1,135,038	1,509,666	233,122	14,748	2,892,574	138,732
Net cash provided by investment activities	1,082,706	1,426,722	164,194	14,748	2,688,370	136,424
Net decrease in cash and cash equivalents	419,143	(2,995,272)	191,370	(142,745)	(2,527,504)	1,761,146
Cash and cash equivalents, beginning of year	11,652,801	17,301,628	727,148	1,480,346	31,161,923	2,953,939
Cash and cash equivalents, end of year	\$ 12,071,944	\$ 14,306,356	\$ 918,518	\$ 1,337,601	\$ 28,634,419	\$ 4,715,085

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

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

	Business-type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Sanitation	Stormwater	Total	Internal Service Fund
Reconciliation of operating income to net cash provided by operating activities						
Operating income	\$ 4,020,541	\$ 5,339,342	\$ 1,075,181	\$ (379,740)	\$ 10,055,324	\$ 1,918,923
Adjustment to reconcile operating income to net cash provided by operating activities:						
Depreciation	2,736,056	4,658,750	564,235	1,299,450	9,258,491	-
Change in assets, deferred outflows, liabilities and deferred inflows					-	
Accounts receivable	(1,040,338)	(887,654)	(392,549)	(175,141)	(2,495,682)	(1,723)
Inventory	(3,826)	-	-	-	(3,826)	-
Prepaid expenses	(36,562)	(2,871)	(12,495)	(3,764)	(55,692)	16
Deferred outflows related to OPEB	21,656	20,410	30,969	6,857	79,892	-
Accounts payable	638,079	(1,035,131)	(287,647)	(261,990)	(946,689)	(293,069)
Accrued payroll and related liabilities	1,384	14,672	15,271	9,344	40,671	(153)
Retainage payable	290,521	1,494,246	163,229	-	1,947,996	-
Compensated absences	(32,017)	(45,168)	(8,568)	5,151	(80,602)	-
Unearned revenue	46,354	(1,896)	(79)	(19)	44,360	728
Customer deposits	60,655	-	-	-	60,655	-
OPEB liability	(160,188)	(150,973)	(229,078)	(50,720)	(590,959)	-
Deferred inflows related to OPEB	185,272	174,614	264,949	58,663	683,498	-
Total adjustments	2,707,046	4,238,999	108,237	887,831	7,942,113	(294,201)
Net cash provided by operating activities	\$ 6,727,587	\$ 9,578,341	\$ 1,183,418	\$ 508,091	\$ 17,997,437	\$ 1,624,722

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

City of Clermont, Florida
Statement of Fiduciary Net Position -
Fiduciary Fund

<i>September 30, 2024</i>	Total Pension Trust Funds
Assets	
Investments, at fair value	\$ 73,882,328
Receivables	91,443
Total assets	73,973,771
Liabilities	
Accounts payable	14,930
Pending trades payable	83,187
Total liabilities	98,117
Net Position	
Restricted for pension benefits	\$ 73,875,654

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

City of Clermont, Florida
Statement of Changes in Fiduciary Net Position -
Fiduciary Fund

<i>For the year ended September 30, 2024</i>	Total Pension Trust Funds
Additions	
Contributions	
State of Florida	\$ 965,914
City	2,457,654
Plan members	766,397
Total contributions	4,189,965
Investment earnings	
Interest and dividends, net of investment expense	1,482,939
Other income	196,339
Net appreciation in fair value of investments	9,930,406
Total investment earnings	11,609,684
Total additions	15,799,649
Deductions	
Benefit payments including refunds of contributions	1,223,449
Administrative expenses	167,009
Total deductions	1,390,458
Change in net position	14,409,191
Net position restricted for pension benefits, beginning of year	59,466,463
Net position restricted for pension benefits, end of year	\$ 73,875,654

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

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NOTES TO THE FINANCIAL STATEMENTS

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City of Clermont, Florida

Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Clermont (City) is a political subdivision of the State of Florida founded under the Laws of Florida 7664 in 1916, which act was superseded by Chapter 29224, Special Acts 1953, and incorporated under the authority of Chapter 165, Florida Statutes. The legislative branch of the City is composed of a five-member elected Council. The City Council is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of a Council-appointed City Manager.

Reporting Entity

The City provides a variety of governmental services to residents including public works (streets and roads), law enforcement, fire protection, parks, transportation, community development and culture and recreation. Additionally, the City has a business-type operation that offers services associated with water and sewer utilities, garbage and stormwater management. The financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) for governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The blended component unit, although a legally separate entity is, in substance, part of the government's operations described below.

The City of Clermont Community Redevelopment Fund:

The City of Clermont created the Community Redevelopment Agency in May of 1997. This is a dependent taxing district established in accordance with Chapter 163, Part III, Florida Statutes. Notification to affected taxing City was done in compliance with Chapter 163.346, Part III, Florida Statutes. The incremental annual increase in tax over the base years will be used to fund projects designed to enhance and improve the described area. The City Council, being the duly elected governmental body for the designated area, passed Resolution 97-950, which established the City of Clermont as the Redevelopment City for the purpose of carrying out the community redevelopment programs and plans within the area. Through Ordinance 359-M, the City established the Community Redevelopment Trust Fund to account for all transactions generated by this special revenue fund. The *City of Clermont Community Redevelopment Fund (CRA)* is presented as a blended component unit. The CRA is governed by a board of seven with five members of the Clermont City Council and two individuals appointed by the City Council. On December 8, 2015, Ordinance No. 2015-77 passed and modification of the Community Redevelopment Plan was approved. Because the governing body of the CRA is substantially the same as the City and the City has operational responsibility for the CRA, the CRA is presented as a blended component unit of the City.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements

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

Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

City of Clermont, Florida
Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

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

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

Government-Wide Financial Statements

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The *General* fund is the City's primary operating fund. It accounts for all financial resources except those accounted for in another fund.

The *Capital Projects* fund accounts for financial resources segregated for the acquisition or construction of major capital facilities.

The *Infrastructure Special Revenue* fund accounts for the proceeds of the Local Government Infrastructure Surtax. The proceeds and interest accrued thereto, by law, are only to be used to finance, plan and construct infrastructure.

The *ARPA Special Revenue* fund accounts for the proceeds of the City's American Rescue Plan Act (ARPA) funding.

The *Debt Service* fund was established to account for the accumulation of resources and payment of bond principal and interest from governmental resources.

The *Building Services Special Revenue* fund was established to account for the operations of the City's building services department which are restricted for use in providing building permitting and inspection services.

Nonmajor Governmental Fund Types

Special Revenue funds account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes other than debt service or capital projects.

The City reports the following major proprietary funds:

Water fund is used to account for the operations of the City's water system, which is financed in a manner similar to private business enterprises, where the costs, including depreciation, of providing services to the general public on an ongoing basis are financed primarily through user charges.

Sewer fund is used to account for the operations of the City's sewer system, which is financed in a manner similar to private business enterprises, where the costs, including depreciation, of providing services to the general public on an ongoing basis are financed primarily through user charges.

City of Clermont, Florida
Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

Sanitation fund is used to account for the fiscal activities of the City's refuse collection and disposal operation.

Stormwater fund is used to account for the fiscal activities of the City's stormwater drainage operation, as well as the funding and payment of related debt.

Nonmajor Proprietary Funds

Internal Service fund is used to account for the costs of group insurance which are charged to other departments on a cost reimbursement basis.

The City reports the following fiduciary fund:

The *Pension Trust* Fund accounts for funds in the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The trust fund accounts for the accumulation of resources for pension benefit payments to qualified City police officers, firefighters and general employees.

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

Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information

Prior to the end of the fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. Budget workshops are scheduled as needed. The general summary of the budget and notice of public hearing is published in the local newspaper. Public hearings are conducted to obtain taxpayer comments.

Prior to October 1, the budgets are legally enacted through passage of a resolution. A separate City board meeting is also held to approve the budget. The City Manager is authorized to transfer budgeted amounts within departments; however, any revisions that alter the total appropriations of any department must be approved by the City Council.

The level of classification detail at which expenditures may not legally exceed appropriations is the department level. Appropriations lapse at the close of the fiscal year to the extent they have not been expended. Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders and contracts) outstanding at year end are reported as assigned fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

Budgets are adopted for the general fund, capital projects fund, debt service fund and special revenue funds on a basis consistent with generally accepted accounting principles, except as described below under Budgetary Basis of Accounting. The City Council, by Ordinance or Resolution, may make supplemental appropriations in excess of those originally estimated for the year up to the amount of available revenues. Budgeted amounts presented in the accompanying financial statements have been adjusted for legally authorized revisions.

Budgetary Basis of Accounting

The City includes a portion of the prior year's fund balances represented by unappropriated liquid assets remaining in the fund as budgeted revenue in the succeeding year. The results of operations on a GAAP basis do not recognize the fund balance allocation as revenue as it represents prior periods' excess of revenues over expenditures.

Expenditures in Excess of Appropriations

Expenditures exceeded appropriations in various departments of the fund. These excess expenditures were funded by greater than anticipated revenues and available fund balance.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity

Cash and Cash Equivalents

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

Investments

Investments for the City are reported at fair value (generally based on quoted market prices) except for the position in the State Treasurer's Investment Pool (Pool). The State Treasurer's Investment Pool meets all of the specified criteria in Section 150: *Investments* to qualify to elect to measure their investments at amortized cost. Accordingly, the fair value of the City's position in the pool is equal to the value of the pooled shares.

Receivables and Payables

Unbilled receivables – An amount for unbilled revenue is recorded in the proprietary funds for services rendered, but not yet billed as of the end of the fiscal year. The receivable is derived from the cycle billings generated subsequent to fiscal year end and prorated for usage in September.

Allowance for doubtful accounts – Accounts receivable have been reported net of the allowance for doubtful accounts. Accounts receivable in excess of 120 days are subject to being considered as uncollectible.

Lease receivables - The City's lease receivables are measured at the present value of lease payments expected to be received during the least term.

Unearned revenue – Unearned revenue recorded on the governmental fund and proprietary fund balance sheet represents amounts received before eligibility requirements are met.

Interfund Activities and Transactions

During the course of operations, numerous transactions occur 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" within the fund financial statements. Long-term borrowings between funds are classified as "advances to other funds" or "advances from other funds" in the fund financial statements. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any residual balance outstanding.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (Continued)

Interfund Activities and Transactions (Continued)

Interfund transactions are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefitting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or business-type funds are netted as part of the reconciliation to the government-wide presentation.

Inventories and Prepaid Items

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

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

Restricted Assets

Certain assets of the City are classified as restricted assets on the statement of net position because their use is limited by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors or laws or regulations of other governments. Special restricted asset accounts have been established to account for the sources and uses of these limited use assets as follows:

Customer and developer deposit accounts – Deposited in non-interest bearing accounts and refunded upon termination of service with the City and satisfaction of all obligations due.

Capital Assets

Capital assets, which include property, plant, and equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of one year. For infrastructure assets, the same estimated minimum useful life is used.

City of Clermont, Florida
Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (Continued)

Capital Assets (Continued)

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Land and construction in progress are not depreciated. The other property, plant, equipment, and infrastructure of the primary government are depreciated using the straight line method over the following estimated useful lives:

Capital asset classes	Lives
Buildings	10-50
Equipment and machinery	3-15
Improvements	15-50
Infrastructure	30-50
Intangible assets	3-15

Deferred outflows/inflows of resources

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

The City has three items that qualify for reporting as deferred outflows of resources, the *deferred outflows related to pensions*, *deferred outflows related to OPEB* and *deferred charge on refunding*, reported in the government-wide statement of net position and the statement of net position-proprietary funds. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity (Continued)

Deferred outflows/inflows of resources (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting as deferred inflows of resources. The *deferred inflows related to pensions* are an aggregate of items related to pensions, reported in the government-wide statement of net position and statement of net position-proprietary funds. The City also has deferred inflows related to OPEB reported in the government-wide statement of net position. The deferred inflows related to leases are associated with amounts owed to the City, as lessor, by entities leasing the City's capital assets.

Compensated Absences

The City's policy permits employees to accumulate earned but unused paid time off benefits, which are eligible for payment upon separation from government service. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Long-term Obligations

In the government-wide financial statements, and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or business-type activities statement of net position.

Pensions

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Categories and Classification of Net Position and Fund Balance (Continued)

Other Post-Employment Benefits (OPEB) Liability

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The City's proportionate share of OPEB amounts were further allocated to each participating employer based on the contributions paid by each employer. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account.

Categories and Classification of Net Position and Fund Balance

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

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

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

The provisions of GASB Section 1800, *Classification and Terminology*, specifies the following classifications:

Nonspendable fund balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Categories and Classification of Fund Equity (Continued)

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. City Council (Council) is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

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

Unassigned fund balance – Unassigned fund balance is the residual classification for the General Fund.

Revenues and Expenditures/Expenses

Program revenues - Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property taxes - The City levied a millage rate of \$4.8800 per \$1,000 of assessed value for the fiscal year ended September 30, 2024. Lake County, Florida bills and receives payment for all ad valorem taxes levied by the City. Payments are then remitted to the City. All property is assessed according to its fair market value on January 1 of each year, and at that time a lien is placed on the property for the taxes. The tax levy of the City is established by the City Council prior to October 1 of each year.

City of Clermont, Florida
Notes to the Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues and Expenditures/Expenses

Property Taxes (Continued)

All taxes are billed on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are not discounted.

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

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditure of monies are recorded as reservations of budget, is employed as an extension of the statutory required budgetary process. At year-end, outstanding encumbrances represent material purchase commitments for goods and services which were ordered, budgeted, and appropriated, but had not been received or completed at date. Although encumbrances lapse at year-end, it is the intention to substantially honor these encumbrances under authority provided in the subsequent year's budget. Encumbrances as of September 30, 2024 were as follows:

General Fund	\$ 308,289
Infrastructure	441,688
Nonmajor Governmental Funds	1,706,411
Water	376,886
Sewer	16,929,585
Sanitation	437,421
Total	<u>\$ 20,200,280</u>

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to allowance for doubtful accounts, depreciable lives and estimated residual value of capital assets, fair value of investments, actuarial valuations, compensated absences, and pension liability.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 30, 2025. See Note 8 for relevant disclosures. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). See Note 2 for the impact of implementing this Statement.

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

GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102, *Certain Risk Disclosures*. This Statement was issued in December 2023 to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (Continued)

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

GASB Statement 103, *Financial Reporting Model Improvements*. This Statement was issued April 2024 to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

This establishes new accounting and financial reporting requirements—or modifies existing requirements—related to Management's discussion and analysis (MD&A); unusual or infrequent items; presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. This Statement will supersede and amend portions of GASB Statements 34 and 37. This Statement further amends portions of GASB Statements 14, 41, 42, 44, 49, 56, 58, 61, 62 and 69. Related guidance will also be superseded or amended upon implementation. Statement 103 will be effective for the fiscal year ending September 30, 2026.

GASB Statement 104, *Disclosure of Certain Capital Assets*. This Statement was issued September 2024 to provide users of government financial statements with essential information about certain types of capital assets.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (Continued)

This requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. Statement 104 will be effective for the fiscal year ending September 30, 2026.

The City is currently evaluating the requirements of the above statements and the impact on reporting.

Note 2: CHANGE IN ACCOUNTING PRINCIPLE AND ERROR CORRECTION

The City's fiscal year 2024 financial statements incorporate a change in accounting principle and a change within the financial reporting entity, and reflect the correction of an error in previously issued financial statements. GASB Statement No. 100, *Accounting Changes and Error Corrections*, requires disclosure of their nature and effect on amounts reported in the financial statements.

The Building Service Fund, a special revenue fund, and Debt Service Fund were presented as a nonmajor fund in the City's fiscal year 2023 combining nonmajor governmental fund financial statements. However, in fiscal year 2024 the funds met the quantitative thresholds that require major fund presentation. The City consequently reclassified the funds as major and presented it in the governmental fund financial statements.

City of Clermont, Florida Notes to the Financial Statements

Note 2: CHANGE IN ACCOUNTING PRINCIPLE AND ERROR CORRECTION (Continued)

The following table summarizes the restatements and adjustments to the City's beginning net position and fund balance as a result of the change within the financial reporting entity:

	Fund Financial Statements		
	Governmental		
	Debt Service	Building Service	Nonmajor
9/30/23 fund balance as previously reported	\$ -	\$ -	\$ 4,499,196
Change from nonmajor to major presentation	1,897,822	2,601,374	(4,499,196)
9/30/24 fund balance as adjusted	\$ 1,897,822	\$ 2,601,374	\$ -

Note 3: DETAILED NOTES ON ALL FUNDS

Deposits and Investments

The cash deposits are held by a bank that qualifies as a public depository under the Florida Security and Public Deposits Act, as required by Chapter 280, Florida Statutes, and are considered fully insured. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the City pursuant to Section 280.08, Florida Statutes.

The investment program is established in accordance with the City's investment policy, pertinent bond resolutions and Section 218.415, Florida Statutes, which allows the City to invest in the Florida State Board of Administration intergovernmental investment pool or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, direct obligations of the United States Government, obligations of the different agencies of the Federal Government, registered money market funds and accounts of state qualified public depositories.

The Florida Public Assets for Liquidity Management (FL Palm) is a common law trust organized under the laws of the State of Florida as an intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01 of the Florida Statutes. The fair value of the City's position in the pool is equal to the value of the pooled shares or net asset value.

Under GASB Codification I50: *Investments*, if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost, it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements. As of September 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the City's access to 100 percent of their account value in the external investment pool.

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

Custodial credit risk – Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution, a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The financial institutions in which the City places its deposits are certified as “qualified public depositories,” as required under the Florida Security for Public Deposits Act. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Interest rate risk – Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The City’s investment policy does not specifically address interest rate risk, however, the general investment policy is to apply the prudent-person rule, which states investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments. The City manages its exposure to declines in fair values by investing primarily in pooled investments that have a weighted average maturity of less than three months.

Credit risk – Section 150: *Investments* of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations.

The City’s investment policy limits investments to securities with specific ranking criteria.

Foreign currency risk – The City’s investments are not exposed to foreign currency risk and the City’s investment policy does not address foreign currency risk.

Concentration risk – Section 150: *Investments* of the GASB Codification requires disclosures of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments. The City’s investment policy does not address concentration risk.

Fair Value – GASB Codification Section 3100: *Fair Value Measurements* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

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

- Level 1 (L1): Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.
- Level 2 (L2): Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 (L3): Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

City of Clermont, Florida
Notes to the Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

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

Investment Type	Credit Quality Rating	NAV	Weighted Average Maturity
Primary government			
FL Palm	AAAm	\$ 56,926,508	51 days
Federal Agency Mortgage-Backed Securities	AA++	216,656	2.51
Federal Agency Commercial Mortgage-Backed Securities	AA++	589,994	4.36
Federal Agency Collateralized Mortgage Obligation	AA++	32,928	1.57
US Treasury Notes	AA+	8,987,278	4.28
Bank Note	AA-	243,614	4.71
Corporate Note	BBB+/A-/A/A+	3,579,959	4.74
Asset Backed Security	AAA/NR	3,343,420	4.35
Municipal Bonds	AA/AA+	102,798	1.10
Total primary government		74,023,155	
Fiduciary Funds			
Real Estate Investment Funds	NR	1,749,658	N/A
Pension Fixed Income Securities	various	25,963,635	2-8 years
Pension Equity Securities	various	46,169,035	
Total fiduciary funds		73,882,328	
Total investments		\$ 147,905,483	

City of Clermont, Florida
Notes to the Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

The following table sets forth by level, within the fair value hierarchy, the City's assets at fair value as of September 30, 2024:

	Fair Value	Level 1	Level 2
Primary government			
Federal Agency Mortgage-Backed Securities	\$ 216,656	\$ -	\$ 216,656
Federal Agency Commercial Mortgage-Backed Securities	589,994	-	589,994
Federal Agency Collateralized Mortgage Obligation	32,928	-	32,928
US Treasury Notes	8,987,278	8,987,278	-
Bank Note	243,614	-	243,614
Corporate Note	3,579,959	-	3,579,959
Asset Backed Security	3,343,420	-	3,343,420
Municipal Bonds	102,798	-	102,798
Total primary government	17,096,647	8,987,278	8,109,369
Fiduciary Funds			
Real Estate Investment Funds	1,749,658	-	1,749,658
Pension Fixed Income Securities	25,963,635	25,963,635	-
Pension Equity Securities	46,169,035	46,169,035	-
Total fiduciary funds	73,882,328	72,132,670	1,749,658
Total investments measured by fair value level	90,978,975	\$ 90,107,225	\$ 17,968,396

Investments measured at the net asset value

Primary government

FL PALM	56,926,508
Total investments	\$ 147,905,483

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2024.

Treasury note – Treasury notes are classified in Level 1 of the fair value hierarchy and are valued using quoted market prices for those investments.

Federal securities, bank and corporate notes, asset backed security, municipal bonds and fixed income securities – All are classified in Level 2 of the fair value hierarchy and are valued using quoted market prices for those securities.

City of Clermont, Florida
Notes to the Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (Continued)

Mutual funds and equity securities – Mutual funds and equity securities are classified in Level 1 of the fair value hierarchy and are valued using quoted market prices for those investments.

Real estate – Real estate classified in Level 2 of the fair value hierarchy are valued using pricing models maximizing the use of observable inputs for similar assets. This includes basing value on yields currently available on comparable on comparable real estate assets.

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

Fair Value of Investments in Entities that Use Net Asset Value (NAV) – The following table summarizes investments measured at fair value based on NAV per share as of September 30, 2024:

Primary Government	Fair Value	Unfunded Commitments	Redemption Notice Period
FL PALM	\$ 56,926,508	N/A	1 day

Accounts Receivable

For the Water, Sewer, Sanitation and Stormwater funds, operating revenues are generally recognized on the basis of cycle billings rendered monthly. The amount of services delivered for the period from the last billing date to September 30, 2024 (unbilled receivable), is estimated and accrued at year end. The City deems all amounts over 120 days uncollectable therefore an allowance for doubtful accounts has been established equivalent to the last four months of billing. If payments are not received from customers, services are shut off and deposits are applied against negative balances.

City of Clermont, Florida
Notes to the Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Accounts Receivable (Continued)

All account receivables are shown net of allowances for uncollectible accounts for governmental funds. The accounts receivable and allowance for uncollectible accounts at September 30, 2024, were as follows:

	Accounts Receivable	Unbilled Receivables	Allowance for Uncollectible	Total
General Fund	\$ 4,406,085	\$ 20,429	\$ (3,236,189)	\$ 1,190,325
Enterprise Funds				
Water	774,185	501,850	(68,581)	1,207,454
Sewer	920,874	568,501	(235,478)	1,253,897
Sanitation	396,045	258,934	(82,779)	572,200
Stormwater	150,409	108,661	(35,229)	259,070
Total receivables, net	\$ 6,647,598	\$ 1,458,375	\$ (3,658,256)	\$ 4,482,946

Property taxes are considered fully collected during and prior to the end of the fiscal year. Therefore, no material amounts of property taxes are receivable as of September 30, 2024. There are no other reserves for receivables recorded by the City as of September 30, 2024.

Leases- Lessor

The City accounts for leases in accordance with GASBC Section L20, *Leases*. The City's operations consist of agreements for use of equipment and space. The agreements are made up of various non-cancelable agreements, which expire between the years 2031 and 2039. The City recognized \$148,093 of lease revenue principal and \$65,220 of lease interest for the year ended September 30, 2024.

City of Clermont, Florida
Notes to the Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets

The following is a summary of changes in capital assets during the year ended September 30, 2024:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 26,601,001	\$ 1,893,922	\$ -	\$ 28,494,923
Construction in progress	20,481,980	705,205	(18,140,293)	3,046,892
Total capital assets not being depreciated	47,082,981	2,599,127	(18,140,293)	31,541,815
Capital assets, being depreciated				
Buildings	32,099,059	12,140,275	-	44,239,334
Equipment and machinery	21,767,029	3,797,494	(399,300)	25,165,223
Improvements/infrastructure	40,887,054	10,328,967	-	51,216,021
Intangibles	569,487	8,024	-	577,511
Total capital assets, being depreciated	95,322,629	26,274,760	(399,300)	121,198,089
Less accumulated depreciation for				
Buildings	15,363,622	1,737,869	-	17,101,491
Equipment and machinery	14,706,641	1,840,876	(395,215)	16,152,302
Improvements/infrastructure	18,533,124	2,326,034	-	20,859,158
Intangibles	485,938	22,223	-	508,161
Total accumulated depreciation	49,089,325	5,927,002	(395,215)	54,621,112
Total capital assets being depreciated, net	46,233,304	20,347,758	(4,085)	66,576,977
Governmental activities capital assets, net	\$ 93,316,285	\$ 22,946,885	\$ (18,144,378)	\$ 98,118,792

City of Clermont, Florida
Notes to the Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets (Continued)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	\$ 1,511,807	\$ -	\$ -	\$ 1,511,807
Construction in progress	24,161,051	34,705,295	(10,018,315)	48,848,031
Total capital assets not being depreciated	25,672,858	34,705,295	(10,018,315)	50,359,838
Capital assets being depreciated				
Buildings	1,024,918	3,773,979	-	4,798,897
Equipment and machinery	13,850,521	2,002,068	(314,107)	15,538,482
Improvements/infrastructure	145,653,071	27,385,178	-	173,038,249
Intangibles	1,301,509	-	-	1,301,509
Total capital assets being depreciated	161,830,019	33,161,225	(314,107)	194,677,137
Less accumulated depreciation for				
Buildings	228,294	262,543	-	490,837
Equipment and machinery	8,908,391	1,395,462	(314,107)	9,989,746
Improvements/infrastructure	71,797,594	7,440,091	-	79,237,685
Intangibles	432,328	160,395	-	592,723
Total accumulated depreciation	81,366,607	9,258,491	(314,107)	90,310,991
Total capital assets being depreciated, net	80,463,412	23,902,734	-	104,366,146
Business-type activities capital assets, net	\$ 106,136,270	\$ 58,608,029	\$ (10,018,315)	\$ 154,725,984

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

Governmental activities:	
General government	\$ 885,436
Public safety	3,807,831
Physical environment/transportation	720,740
Economic environment	14,950
Culture and recreation	498,045
Total	\$ 5,927,002
Business-type activities:	
Water	\$ 2,736,056
Sewer	4,658,750
Stormwater	1,299,450
Sanitation	564,235
Total	\$ 9,258,491

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Liabilities

The City issues bonds to provide funds for the acquisition and construction of major capital assets. In the event of default, bondholders may take any remedies legally appropriate, and declare all principal and accrued interest is due and payable immediately. Bonds have been issued for business-type activities.

Bonds Payable-Public Offering

In a prior year, the City issued Water and Sewer Revenue and Refunding Bonds, Series 2017 in the amount of \$10,817,000 with interest of 2.38% to partially refund the Water and Sewer Revenue and Refunding Bond Series 2009. The bond is secured by the net revenue of the water and sewer system.

The City issued Water and Sewer Revenue Bond, Series 2024 in the amount of \$28,152,000 with interest 3.40% to finance costs of the water and sewer improvement projects. The bond is secured by the net revenue of the water and sewer system.

Notes Payable -Direct Borrowing

The City issued Public Improvement Refunding Revenue Note, Series 2016 in the amount of \$5,331,196 with interest of 2.03% to refund the Public Improvement Revenue Note, Series 2013. This note is secured by public services taxes and communications service tax. In the event of default, the lender may seek enforcement of all remedies available under the law. Any amounts due on the note that remain unpaid shall bear interest at the default rate until all amounts then due are paid in full.

The City issued Infrastructure Sales Surtax Revenue Note, Series 2016, in the amount of \$5,300,000 with interest of 2.12% to finance costs of the acquisition and construction of a new municipal police station. This note is secured by the infrastructure sales surtax. In the event of default, the lender may seek enforcement of all remedies available under the law. Any amounts due on the note that remain unpaid shall bear interest at the default rate until all amounts then due are paid in full.

The City issued Master Plan Capital Projects Revenue Note, Series 2017 in the amount of \$30,000,000 with interest of 2.63% to fund master plan projects, Victory Pointe, Boat Ramp Relocation, Downtown Waterfront District Revitalization, Legacy Loop Trail Spur, Public Wi-Fi Network, Public Works Complex, and City Limits Entryway Signs. This note is secured by a covenant to budget and appropriate. In the event of default, the lender may seek enforcement of all remedies available under the law. Any amounts in the project fund shall be applied to repayment of principal and interest.

The City entered into a promissory note for purchase of real property in the amount of \$499,200 with zero interest rate. In the event of default, past due payment charges not yet received remain due and payable.

City of Clermont, Florida
Notes to the Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Liabilities (Continued)

Financed Purchases

The City has entered into an agreement for financing the acquisition of communications equipment. Payments are due annually. The loan period is for 10 years with an interest rate of 3.3%.

Compensated absences will be liquidated in future periods primarily by the General Fund for governmental activities. Business-type activities compensated absences will be liquidated by the respective proprietary fund.

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					
Notes payable					
Infrastructure revenue note	\$ 3,077,448	\$ -	\$ (357,035)	\$ 2,720,413	\$ 364,605
Public Improvement revenue note	2,690,935	-	(426,262)	2,264,673	434,915
Capital Improvement Note	16,779,302	-	(1,488,843)	15,290,459	1,528,293
Promissory note	-	629,504	(130,304)	499,200	-
Bonds payable-revenue bonds	-	28,152,000	-	28,152,000	500,000
Financed purchases	485,017	1,769,957	(236,864)	2,018,110	262,202
Total notes from direct borrowings	23,032,702	30,551,461	(2,639,308)	50,944,855	3,090,015
OPEB Liability	13,297,603	-	(3,045,257)	10,252,346	-
Compensated absences	1,947,871	2,347,211	(2,315,948)	1,979,134	197,913
Governmental activity long-term liabilities	\$ 38,278,176	\$ 32,898,672	\$ (8,000,513)	\$ 63,176,335	\$ 3,287,928
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities					
Notes payable-capital projects	\$ 4,486,698	\$ -	\$ (398,157)	\$ 4,088,541	\$ 408,707
Bonds payable-revenue bonds	8,000,000	-	(920,000)	7,080,000	943,000
Total notes from direct borrowings	12,486,698	-	(1,318,157)	11,168,541	1,351,707
OPEB Liability	3,967,528	-	(590,959)	3,376,569	-
Compensated absences	536,521	940,423	(1,021,025)	455,919	45,592
Business-type activity long-term liabilities	\$ 16,990,747	\$ 940,423	\$ (2,930,141)	\$ 15,001,029	\$ 1,397,299

City of Clermont, Florida
Notes to the Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Liabilities (Continued)

Annual debt service requirements to maturity are as follows:

Governmental Activities	Notes Payable		Bonds Payable		Financed Purchases		Total	
<i>For the years ending December 31,</i>	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 2,327,813	\$ 602,203	\$ 500,000	\$ 518,466	\$ 262,202	\$ 74,920	\$ 3,090,015	\$ 677,123
2026	2,383,821	544,766	500,000	940,168	271,771	67,299	2,655,592	612,065
2027	2,442,539	485,908	500,000	923,168	279,999	59,332	2,722,538	545,240
2028	2,501,609	425,596	500,000	906,168	281,752	51,259	2,783,361	476,855
2029	2,562,612	239,002	500,000	889,168	166,205	42,009	2,728,817	281,011
2030-2033	8,556,351	817,910	25,652,000	3,351,346	756,181	87,799	9,312,532	905,709
Total	20,774,745	3,115,385	28,152,000	7,528,484	2,018,110	382,618	23,292,855	3,498,003
Current portion	(2,327,813)	(602,203)	(500,000)	(518,466)	(262,202)	(74,920)	(3,090,015)	(677,123)
Payable after one year	\$ 18,446,932	\$ 2,513,182	\$ 27,652,000	\$ 7,010,018	\$ 1,755,908	\$ 307,698	\$ 20,202,840	\$ 2,820,880

Business-type Activities	Notes Payable		Bonds Payable		Total	
<i>For the years ending</i>						
2025	\$ 408,707	\$ 102,160	\$ 943,000	\$ 157,282	\$ 1,351,707	\$ 259,442
2026	419,257	91,266	965,000	134,577	1,384,257	225,843
2027	430,440	80,093	986,000	111,360	1,416,440	191,453
2028	441,623	68,625	1,009,000	87,620	1,450,623	156,245
2029	453,228	56,858	1,036,000	63,284	1,489,228	120,142
2030-2031	1,935,286	103,476	2,141,000	1,132,206	4,076,286	1,235,682
Total	4,088,541	502,478	7,080,000	1,686,329	11,168,541	2,188,807
Current portion	(408,707)	(102,160)	(943,000)	(157,282)	(1,351,707)	(259,442)
Payable after one year	\$ 3,679,834	\$ 400,318	\$ 6,137,000	\$ 1,529,047	\$ 9,816,834	\$ 1,929,365

The City has notes outstanding at September 30, 2024, for which revenues of the City have been pledged for repayment. Revenues pledged to repay these obligations are as follows:

	Amount Issued	Future Principal and Interest	Current Pledged Revenue	Current Year Principal and Interest	Current Percentage of Revenue
Governmental activities					
Infrastructure revenue note	\$ 5,300,000	\$ 3,659,156	\$ 5,957,226	\$ 418,492	7.02%
Public Improvement revenue note	5,331,196	2,947,178	7,393,204	476,561	6.45%
Capital Improvement Note	30,000,000	17,008,046	16,269,674	2,421,462	14.88%
Bonds payable-revenue bonds	28,152,000	35,680,484	9,634,470	1,018,466	10.57%
Business-type activities					
Revenue bonds	10,817,000	8,766,329	9,634,470	1,100,282	11.42%

City of Clermont, Florida
Notes to the Financial Statements

Note 3: DETAILED NOTES ON ALL FUNDS (Continued)

Interfund Receivables, Payables And Transfers

The City had no interfund receivables or payables as of September 30, 2024. The transfers between funds is as follows:

Transfers out:	Transfers in:					Total
	General fund	Debt Service Fund	Water	Sewer	Stormwater	
General fund	\$ -	\$ 216,502	\$ -	\$ -	\$ -	\$ 216,502
Infrastructure Fund	-	2,010,376	-	-	-	2,010,376
ARPA Fund	-	-	464,044	357,963	549,864	1,371,871
Debt Service	-	-	-	14,820,601	-	14,820,601
Recreation Impact Fees	-	564,097	-	-	-	564,097
Police Impact Fees	-	14,631	-	-	-	14,631
Water	1,100,000	-	-	-	-	1,100,000
Sewer	1,175,000	-	-	-	-	1,175,000
Total	\$ 2,275,000	\$ 2,805,606	\$ 464,044	\$ 15,178,564	\$ 549,864	\$ 21,273,078

The majority of the transfers were to fund other capital projects and debt service payments. Transfers from the Water and Sewer fund to the General fund were based on a percentage of water and sewer sales.

Net Investment In Capital Assets

The elements of this calculation are as follows:

	Governmental Activities	Business-Type Activities	Total
Capital assets (net)	\$ 98,118,792	\$ 154,725,984	\$ 252,844,776
Deferred outflows on refunding	-	484,109	484,109
Less retainage payable	(489,686)	(1,947,996)	(2,437,682)
Less construction and bond payable related to capital assets	(50,944,855)	(11,168,541)	(62,113,396)
Unspent debt proceeds	13,331,399	-	13,331,399
Net investment in capital assets	\$ 60,015,650	\$ 142,093,556	\$ 202,109,206

Note 4: RETIREMENT PLANS

Employee Retirement Plans and Pension Plans

The City maintains three separate single-employer, defined benefit plans (Plans) for general employees, sworn police officers and firefighters, as well as a defined contribution plan for general employees. The investment and administrative agent for the general employees defined benefit plan is the Florida Municipal Pension Trust Fund, an agent of the multiple-employer Public Employee Retirement System. The assets and benefits of the general employees defined contribution plan are administered by the Florida League of Cities. The plan administration for the police and firefighters pension plans is the Pension Resource Center.

Note 4: RETIREMENT PLANS (Continued)

Defined Contribution Plans

The defined contribution pension plan for general employees of the City was established October 1, 1985, as defined in Chapter 46, Article I, of the Clermont Code and is available to all permanent general employees of the City, once they have completed one year of employment. Employees are fully vested in the plan after five years of service.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Contributions for, and interest forfeited by, employees who terminate employment before five years of service are used to reduce the City's current period contributions.

The City contributes annually to the pension account of each active participant an amount equal to 10% of the employee's annual compensation. No contribution is required by employees. The City Council adopted and may amend plan provision by resolution.

Since these plans qualify as defined contribution plans, the assets, liabilities, net position and operations are not recorded within the City's financial statements.

The employer's contributions for both plans was \$1,160,047 for the year ended September 30, 2024.

Description of Pension Plans

Each plan is independently governed by separate boards of trustees. Assets may not be transferred between plans or used for any purpose other than to benefit each plan's participants as defined in their authorizing ordinances. Each plan is administered by a separate board of trustees comprised of five members, two of whom are appointed by the City Council, two of whom are full-time participants of the respective employee group (General, Police, or Fire) and one is chosen by a majority of the previous four members. Each board of trustees is empowered to hire its own attorneys and consultants at the pension fund's expense, and to bring and defend lawsuits. Stand-alone audited financial statements are available upon request to the Pension Services Division.

Summary of Significant Accounting Policies (All Plans)

Basis of Accounting

The Plans' financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits, refunds, and administrative costs are recognized when due and payable in accordance with the terms of each plan. On-behalf payments, made by the state totaling \$412,759 and \$553,155 for the Fire Employees and Police Employees plans, respectively, were recognized as revenues and expenditures in the General Fund during the year ended September 30, 2024.

Note 4: RETIREMENT PLANS (Continued)

Summary of Significant Accounting Policies (All Plans)

Method Used to Value Investments

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

Funding Requirements

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

City contributions are actuarially determined sufficient to pay current costs and amortize unfunded past service costs, if any, as provided in Chapter 112, Florida Statutes.

Florida Statutes, Chapters 175 and 185, require members to contribute not less than .5% of their annual salary. The Police Employees and Fire Employees plans, as approved by the City Council, require members to contribute 5% and 5.5%, respectively of their basic compensation. The City is required to contribute at an actuarially determined rate, which includes the state's premium tax proceeds. Employer contributions for police officers and firefighters include on-behalf payments from the state of Florida related to state excise taxes collected on homeowners' insurance policies.

The current required employer contribution rate is 11.26% of annual covered payroll for police officers and 14.45% of covered payroll for firefighters. The City contributed \$555,560 and \$1,902,004 for Police Employees and Fire Employees plans, respectively, for the year ended September 30, 2024. Municipalities that have established pension plans complying with the provisions of Chapters 175 and 185, Florida Statutes, and that have enacted appropriate taxing legislation are eligible to receive revenues generated from excise taxes on gross receipts of certain insurance premiums from policyholders covering property within the City limits.

These state premium tax proceeds are the Firefighters' Pension Fund Excise Tax, which is imposed on the gross receipts of property insurance policy premiums, and the Police Officers' Pension Fund Excise Tax, which is imposed on the gross receipts of casualty insurance policy premiums.

City of Clermont, Florida
Notes to the Financial Statements

Note 4: RETIREMENT PLANS (Continued)

Plans Membership and Benefits

The makeup of plan participants as of the September 30, 2024, valuation was as follows:

Plan Membership	General Employees	Police Employees	Fire Employees
Inactive plan members or beneficiaries currently receiving benefits	3	32	9
Inactive plan members entitled to, but not yet receiving benefits	-	46	73
Active plan members	-	81	76
Total plan membership	3	159	158

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

	General Employees	Police Employees	Fire Employees
Normal Retirement	Not applicable	Age 55 and 10 years of service or 20 years of service, regardless of age. Benefit equals 2.25% x Avg Monthly Comp x credited service (if hired prior to 10/1/02, after is 3%).	Age 55 and 10 years of service or 20 years of service, regardless of age. Benefit equals 2.25% x Avg Monthly Comp x credited service (if hired prior to 10/1/02, after is 3%).
Early Retirement	Not applicable	Age 50 and 10 years of service, reduced at 3% per year.	Age 50 and 10 years of service, reduced at 3% per year.
Termination of Employment	Not applicable	Vested employees receive full benefits upon retirement age. Nonvested are entitled to return of employee contributions.	Vested employees receive full benefits upon retirement age. Nonvested are entitled to return of employee contributions.
Disability Benefits	Not applicable	Line of duty benefit is larger of basic pension formula or 42% of average earnings; Non line of duty is 25% of average earnings.	Line of duty benefit is larger of basic pension formula or 42% of average earnings; Non line of duty is 25% of average earnings.
Pre-Retirement Death Benefit	Not applicable	Survivor benefit is 10 years certain amount adjusted for vesting status at time of death of plan member.	Survivor benefit is 10 years certain amount adjusted for vesting status at time of death of plan member.
Disability Benefits	Not applicable	Employees eligible at normal retirement age. Accrued benefit frozen but earns interest until DROP exit (no more than 5 years later).	Employees eligible at normal retirement age. Accrued benefit frozen but earns interest until DROP exit (no more than 5 years later).
Deferred Retirement Option (DROP)	Not applicable		

Note 4: RETIREMENT PLANS (Continued)

Pension Plan Investments

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

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

Annual Money-Weighted Rate of Return

For the fiscal year ended September 30, 2024, the annual money-weighted rate of return, net of investment expense on the Plans was as follows:

	General Employees	Police Employees	Fire Employees
Annual money-weighted rate of return net of investment expenses	4.30%	19.30%	19.30%

Net Pension Liability, Significant Assumptions, And Discount Rate

The plans' fiduciary net position as a percentage of the total pension liability as of September 30, 2024, were as follows:

General employees

Plan fiduciary net position as a percentage of the total pension liability at September 30, 2024	131.76%
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Police employees

Plan fiduciary net position as a percentage of the total pension liability at September 30, 2024	107.05%
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Fire employees

Plan fiduciary net position as a percentage of the total pension liability at September 30, 2024	105.55%
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City of Clermont, Florida
Notes to the Financial Statements

Note 4: RETIREMENT PLANS (Continued)

Net Pension Liability, Significant Assumptions, And Discount Rate (Continued)

The total pension liability was determined by an actuarial valuation using the following actuarial assumptions applied to all measurement periods for each plan:

Valuation date	10/1/2023	10/1/2023	10/1/2023
	General Employees	Police Employees	Fire Employees
Actuarial method and assumptions:			
Inflation	2.50%	2.50%	2.50%
Salary Increases	Not applicable	5.5% per annum	5.5% per annum
Discount Rate	7.00%	7.00%	7.00%
Investment Rate of Return	7.00%	7.00%	7.00%

Mortality rates were based on the July 1, 2018 FRS special risk actuarial valuation for all plans. Disabled tables were used for disabled lives.

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

Asset Class	General Employees		Police Employees		Fire Employees	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Core Bonds	15.00%	1.60%	N/A	N/A	N/A	N/A
Core Plus	15.00%	2.10%	N/A	N/A	N/A	N/A
US Large Cap Equity	25.00%	4.60%	N/A	N/A	N/A	N/A
US Small Cap Equity	14.00%	5.50%	N/A	N/A	N/A	N/A
Foreign Equity	21.00%	6.70%	10.00%	5.83%	10.00%	5.83%
Private Real Estate	10.00%	5.00%	10.00%	8.01%	10.00%	8.01%
Domestic Equity	N/A	N/A	40.00%	10.70%	40.00%	10.70%
Convertibles	N/A	N/A	10.00%	8.95%	10.00%	8.95%
Global Infrastructure	N/A	N/A	5.00%	8.97%	5.00%	8.97%
Fixed Income	N/A	N/A	25.00%	2.34%	25.00%	2.34%

City of Clermont, Florida
Notes to the Financial Statements

Note 4: RETIREMENT PLANS (Continued)

Net Pension Liability, Significant Assumptions, And Discount Rate (Continued)

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

Pension Expense and Deferred Inflows/Outflows of Resources Related to Pensions

On September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	General Employees		Police Employees		Fire Employees	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ -	\$ 436,055	\$ (1,095,444)	\$ 794,826	\$ (163,006)
Changes of assumptions	-	-	128,783	-	444,502	-
Net difference between Projected and Actual Earnings on Pension Plan investments	21,254	(27,905)	2,806,983	(3,425,277)	2,852,982	(3,768,049)
Employer and State contributions subsequent to the measurement date	-	-	-	-	-	-
Total	\$ 21,254	\$ (27,905)	\$ 3,371,821	\$ (4,520,721)	\$ 4,092,310	\$ (3,931,055)

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:	General	Police	Fire
2025	\$ (1,521)	\$ (98,318)	\$ 434,699
2027	(5,509)	(753,981)	(594,575)
2028	(4,739)	(801,624)	(603,457)
2029	-	(138,443)	38,050
Thereafter	-	-	-
Total	\$ (6,651)	\$ (1,148,900)	\$ 161,255

City of Clermont, Florida
Notes to the Financial Statements

Note 4: RETIREMENT PLANS (Continued)

Changes in Net Pension Liability and Sensitivity to Changes in Discount Rate

General Employees

The following schedule displays the components of the net pension asset as of the City's measurement date of September 30, 2024.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2023	\$ 199,645	\$ 218,158	\$ (18,513)
Changes for the year			
Service cost	-	-	-
Interest	4,935	23,691	(18,756)
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Changes of benefit terms	-	-	-
Contributions - employer	-	7,413	(7,413)
Contributions - employee	-	-	-
Net investment income	-	14,719	(14,719)
Benefit payments, including refunds of employee contributions	(22,026)	(22,026)	-
Administrative expense	-	(1,424)	1,424
Net changes	(17,091)	22,373	(39,464)
Balances at September 30, 2024	\$ 182,554	\$ 240,531	\$ (57,977)

City of Clermont, Florida
Notes to the Financial Statements

Note 4: RETIREMENT PLANS (Continued)

Changes in Net Pension Liability and Sensitivity to Changes in Discount Rate (Continued)

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

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
City's net pension liability - General Employees	\$ (50,052)	\$ (57,977)	\$ (65,270)

Police Employees

The following schedule displays the components of the net pension asset as of the City's measurement date of September 30, 2024.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2023	\$ 28,869,538	\$ 27,304,461	\$ 1,565,077
Changes for the year			
Service cost	1,601,699	-	1,601,699
Interest	2,094,104	1,928,194	165,910
Differences between expected and actual experience	(778,346)	-	(778,346)
Changes of assumptions	-	-	-
Changes of benefit terms	-	-	-
Contributions - employer	-	937,728	(937,728)
Contributions - employee	-	515,620	(515,620)
Net investment income	-	3,366,019	(3,366,019)
Benefit payments, including refunds of employee contributions	(877,712)	(877,712)	-
Administrative expense	-	(84,991)	84,991
Net changes	2,039,745	5,784,858	(3,745,113)
Balances at September 30, 2024	\$ 30,909,283	\$ 33,089,319	\$ (2,180,036)

The plan fiduciary net position does not include Share Plan balances of \$1,613,320.

City of Clermont, Florida
Notes to the Financial Statements

Note 4: RETIREMENT PLANS (Continued)

Changes in Net Pension Liability and Sensitivity to Changes in Discount Rate (Continued)

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

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
City's net pension liability - Police Employees	\$ 2,186,694	\$ (2,180,036)	\$ (5,728,861)

Fire Employees

The following schedule displays the components of the net pension asset as of the City's measurement date of September 30, 2024.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2023	\$ 31,831,275	\$ 29,352,398	\$ 2,478,877
Changes for the year			
Service cost	1,729,559	-	1,729,559
Interest	2,309,401	2,135,787	173,614
Differences between expected and actual experience	184,072	-	184,072
Changes of assumptions	-	-	-
Changes of benefit terms	-	-	-
Contributions - employer	-	2,314,763	(2,314,763)
Contributions - employee	-	447,118	(447,118)
Net investment income	-	3,867,678	(3,867,678)
Benefit payments, including refunds of employee contributions	(323,711)	(323,711)	-
Administrative expense	-	(80,594)	80,594
Net changes	3,899,321	8,361,041	(4,461,720)
Balances at September 30, 2024	\$ 35,730,596	\$ 37,713,439	\$ (1,982,843)

The plan fiduciary net position does not include Share Plan and DROP balances of \$1,252,896.

City of Clermont, Florida
Notes to the Financial Statements

Note 4: RETIREMENT PLANS (Continued)

Changes in Net Pension Liability and Sensitivity to Changes in Discount Rate (Continued)

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

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
City's net pension liability - Fire Employees	\$ 2,839,292	\$ (1,982,843)	\$ (5,903,249)

Pension Plan Financial Statements

The City does not issue separate financial statements for the General Employees, Police Employees or the Fire Employees pension plans. The basic financial statements of the City include a statement of net position and a statement of changes in fiduciary net position that presents a single column for each fund type for all pension trust funds.

Combining Fund Information

The following tables present the combined pension trust funds fiduciary net position activity as of September 30, 2024:

<i>September 30, 2024</i>	General Employees Defined Benefit	Police Pension Trust Fund	Fire Pension Trust Fund	Total Employee Pension Trust Funds
Assets				
Investments, at fair value	\$ 220,124	\$ 34,649,936	\$ 39,012,268	\$ 73,882,328
Receivables	5,582	85,861	-	91,443
Total assets	225,706	34,735,797	39,012,268	73,973,771
Liabilities				
Accounts payable	-	7,511	7,419	14,930
Pending trades payable	-	25,647	57,540	83,187
Total liabilities	-	33,158	64,959	98,117
Net Position				
Restricted for pension benefits	\$ 225,706	\$ 34,702,639	\$ 38,947,309	\$ 73,875,654

City of Clermont, Florida
Notes to the Financial Statements

Note 4: RETIREMENT PLANS (Continued)

Pension Plan Financial Statements (Continued)

Combining Fund Information (Continued)

The pension trust funds change in fiduciary net position activity for the year ended September 30, 2024 was as follows:

<i>For the year ended September 30, 2024</i>	General Employees Defined Benefit	Police Pension Trust Funds	Fire Pension Trust Fund	Total Employee Pension Trust Funds
Additions				
Contributions				
State of Florida	\$ -	\$ 553,155	\$ 412,759	\$ 965,914
City	-	555,650	1,902,004	2,457,654
Plan members	-	319,279	447,118	766,397
Total contributions	-	1,428,084	2,761,881	4,189,965
Investment earnings				
Interest and dividends, net of investment expense	-	553,976	928,963	1,482,939
Other income	-	196,339	-	196,339
Net appreciation in fair value of investments	38,411	4,647,756	5,244,239	9,930,406
Total investment earnings	38,411	5,398,071	6,173,202	11,609,684
Total additions	38,411	6,826,155	8,935,083	15,799,649
Deductions				
Benefit payments including refunds of contributions	22,026	877,712	323,711	1,223,449
Administrative expenses	1,424	84,991	80,594	167,009
Total deductions	23,450	962,703	404,305	1,390,458
Change in net position	14,961	5,863,452	8,530,778	14,409,191
Net position restricted for pension benefits, beginning of year	210,745	28,839,187	30,416,531	59,466,463
Net position restricted for pension benefits, end of year	\$ 225,706	\$ 34,702,639	\$ 38,947,309	\$ 73,875,654

Note 5: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description

The City of Clermont, Florida administers a single-employer defined benefit healthcare plan (the Plan) that provides medical insurance to its employees and their eligible dependents. Pursuant to Section 112.0801 Florida Statutes, the City is required to provide eligible retirees (as defined in the City's pension plans) the opportunity to participate in this Plan at the same cost that is applicable to active employees. The City does not issue stand-alone financial statements for this Plan. All financial information related to the Plan is accounted for in the City's basic financial statements.

Note 5: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Funding Policy

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

Plan Membership

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

Inactive members	5
Active members	385
Total	390

Actuarial Assumptions and Other Inputs

At the September 30, 2024 measurement date, the actuarial assumptions and other inputs, applied include the following:

Salary Increases	3.50 % including inflation
Discount rate	3.81% investment rate of return
Health care cost trend rates	7.50 %
Retirees' share of benefit-related costs	100.00 % of projected health insurance premiums

The discount rate was selected based on a 20-year tax-exempt high-quality general obligation municipal bond yield of index. The Bond Buyer 20-Bond General Obligation Index is the average rating of 20 bonds that are grade 'Aa2' (Moody's) or grade 'AA' (S&P 500). The Bond Buyer 20-Bond General Obligation Index at September 30, 2024 was 3.81%.

Mortality rates were based on the RP-00 Annuitant Mortality Tables for Males and Females as appropriate with both rates, fully generational with adjustments for mortality improvements based on Scale BB. RP-00 Disabled Retiree Mortality Tables set back 4 years for males and forward 2 years for females, with no projected improvement used for disabled employees.

City of Clermont, Florida
Notes to the Financial Statements

Note 5: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Actuarial Assumptions and Other Inputs (Continued)

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

At September 30, 2024, the City of Clermont, Florida reported a total OPEB liability of \$13,628,915. The information has been provided as of the September 30, 2024 measurement date.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Total OPEB Liability (Asset) (a) - (b)
Balances at September 30, 2023	\$ 17,265,131	\$ -	\$ 17,265,131
Changes for the year			
Service cost	992,853	-	992,853
Interest	504,534	-	504,534
Changes of assumptions	(3,099,300)	-	(3,099,300)
Difference between expected and actual experience	(1,798,333)	-	(1,798,333)
Changes in benefit terms	-	-	-
Contributions - employer	(235,970)	235,970	(471,940)
Net investment income	-	-	-
Benefit payments	-	(235,970)	235,970
Administrative expenses	-	-	-
Net changes	(3,636,216)	-	(3,636,216)
Balance as of September 30, 2024	\$ 13,628,915	\$ -	\$ 13,628,915

There were no changes in assumptions and other inputs from the October 1, 2022 valuation. The methods, assumptions, and participant data used are detailed in the actuarial valuation report dated October 1, 2023, except that these calculations are based in the Entry Age Normal cost method required by GASB P52: *Postemployment Benefits Other Than Pensions*.

City of Clermont, Florida
Notes to the Financial Statements

Note 5: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Sensitivity of the Net OPEB Liability

The following table represents the City's total and net OPEB liability calculated using the discount rate of 3.81%, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.81%) or one percentage point higher (4.81%) than the current rate:

	1% Decrease 2.81%	Current Discount Rate 3.81%	1% Increase 4.81%
Net OPEB Liability	\$ 15,824,409	\$ 13,628,915	\$ 11,828,499

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

	1% Decrease	Ultimate Trend Baseline	1% Increase
Net OPEB Liability	\$ 11,557,813	\$ 13,628,915	\$ 16,193,379

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

For the fiscal year ended September 30, 2024, the City of Clermont, Florida reported 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	\$ 163,481	\$ (1,577,408)
Change of assumptions	851,312	(2,748,367)
Net difference between projected and actual earnings on OPEB plan investments	-	-
Contributions subsequent to the measurement date	-	-
Total	\$ 1,014,793	\$ (4,325,775)

City of Clermont, Florida
Notes to the Financial Statements

Note 5: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

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

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

For the years ending December 31,

2025	\$ (234,556)
2026	(251,353)
2027	(502,483)
2028	(533,519)
2029	(533,519)
Thereafter	(1,255,552)
Total	\$ (3,310,982)

Note 6: RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of property and other assets; errors and omissions by employees; and natural disasters, particularly during the hurricane season of June through November. The City has purchased various types of insurance to protect itself. There have been no changes in insurance coverage during the current or previous fiscal year. The City does not participate in a risk pool and does not retain any of the risks of loss.

Note 7: COMMITMENTS AND CONTINGENCIES

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

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund(s). The amount, if any, of expenditures from current or prior years which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts not recorded, if any, to be immaterial.

City of Clermont, Florida
Notes to the Financial Statements

Note 7: COMMITMENTS AND CONTINGENCIES (Continued)

The City has active construction projects as of September 30, 2024. At year-end, the City's commitments by project are as follows:

Fire Station #2	\$	580,270
Fire Inspection Office Bldg		6,000
Lower Floridian Aquifer Exploratory		1,112,914
Wastewater Treatment Facility Expansion		18,509,810
Hartwood Marsh Relocation		44,994
Lake Winona Drainage Basin 12A		10,259
Cemetery expansion-591 East Ave		2,100
Waterfront park pavilion		163,155
Meet us in the Middle/8th St Docks		748,363
Pickleball Courts		280,818
Total commitments	\$	21,458,683

The commitments are being financed by governmental and enterprise revenues and from awarded grants.

Note 8: SUBSEQUENT EVENTS

The City Council authorized a separation agreement with the City Manager on December 10th, 2024, at which time an interim City Manager was appointed.

The City Council authorized a collective bargaining agreement with the Police Officers and Police Sergeants on February 14, 2025. In both instances, the duration of the contract is through September 30, 2027.

Note 9: RISK MANAGEMENT – SELF-INSURANCE

During fiscal year 1990, the City established an internal service fund to account for its uninsured risk of loss for employee medical and dental coverage. Under this program, the fund provides coverage for the first \$181,500 per year in medical, dental or prescription claims for each covered employee. The City purchases commercial insurance for claims in excess of coverage provided by the fund with a total aggregate stop-loss of \$4,895,468.

There has been no reduction in insurance coverage from that carried in the prior year. Claims provided have not exceeded insurance coverage in any of the past three fiscal years.

The general, water, sewer, sanitation and stormwater funds participate in the program and make payments to the internal service fund based on the number of employees budgeted in each fund.

City of Clermont, Florida
Notes to the Financial Statements

Note 9: RISK MANAGEMENT – SELF-INSURANCE (Continued)

The claims liability of \$313,968 represents claims processed through October 2024 which were applicable to the current fiscal year and any additional claims are deemed immaterial. Changes to the current claims liability are as follows:

<i>For the years ended December 31,</i>	2024	2023
Balance, beginning of year	\$ 607,037	\$ 205,245
Current year claims and changes in estimate	6,067,197	6,263,584
Claims payments	(6,360,266)	(5,861,792)
Balance, end of year	\$ 313,968	\$ 607,037

REQUIRED SUPPLEMENTARY INFORMATION

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City of Clermont, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - General Fund

				Variances
	Budgeted Amounts			Final Budget
For the year ended September 30, 2024	Original	Final	Actual Amounts	Positive/ (Negative)
Revenue				
Ad valorem taxes	\$ 30,420,240	\$ 30,420,240	\$ 31,694,909	\$ 1,274,669
Franchise fees	3,850,000	3,850,000	4,329,889	479,889
Intergovernmental revenues	6,095,200	6,583,600	8,359,651	1,776,051
Licenses and permits	511,000	527,575	1,050,774	523,199
Charges for services	3,109,437	3,280,537	3,433,664	153,127
Fines and forfeitures	65,000	130,600	157,186	26,586
Interest and investment income	15,000	295,000	1,538,071	1,243,071
Contributions and other income	963,125	1,579,000	1,618,821	39,821
Total revenues	45,029,002	46,666,552	52,182,965	5,516,413
Expenditures				
General government				
City council	80,949	70,149	60,366	9,783
City clerk	594,594	583,939	536,575	47,364
City manager	921,565	922,665	842,777	79,888
Finance	1,450,189	1,512,114	1,498,024	14,090
Legal services	200,000	175,000	131,042	43,958
Planning and zoning	1,054,801	1,071,451	1,019,213	52,238
Information technology	1,236,951	1,228,201	1,146,942	81,259
Human resources	753,599	681,894	639,879	42,015
Purchasing	465,863	488,838	469,684	19,154
Other general government	270,635	271,509	271,339	170
Total general government	7,029,146	7,005,760	6,615,841	389,919
Public safety				
Law enforcement	13,959,380	13,593,925	13,414,250	179,675
Fire control	14,932,205	15,251,069	14,732,691	518,378
Total public safety	28,891,585	28,844,994	28,146,941	698,053
Physical environment	3,208,228	3,408,026	3,105,749	302,277
Transportation	2,163,593	1,937,438	1,731,059	206,379
Economic environment	120,000	120,000	117,486	2,514
Culture and recreation	4,389,219	4,268,383	3,913,370	355,013
Debt service:				
Principal payments	-	-	149,086	(149,086)
Interest and fiscal charges	-	-	80,535	(80,535)
Capital outlay	708,201	2,948,883	2,416,476	532,407
Total expenditures	46,509,972	48,533,484	46,276,543	2,256,941
Excess of revenues over expenditures	(1,480,970)	(1,866,932)	5,906,422	3,259,472

City of Clermont, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - General Fund (Continued)

<i>For the year ended September 30, 2024</i>	Budgeted Amounts		Actual Amounts	Variances
	Original	Final		Final Budget Positive/ (Negative)
Other Financing Sources				
Transfers in	2,275,000	2,275,000	2,275,000	-
Transfers out	(549,970)	(567,970)	(216,502)	(351,468)
Proceeds from sale of capital assets	10,000	37,000	109,098	(72,098)
Proceeds from financed purchases	-	-	1,769,958	(1,769,958)
Total other financing sources	1,735,030	1,744,030	3,937,554	(2,193,524)
Net change in fund balances	254,060	(122,902)	9,843,976	1,065,948
Fund balance, beginning of year	25,541,561	25,541,561	25,541,561	-
Fund balance, end of year	\$ 25,795,621	\$ 25,418,659	\$ 35,385,537	\$ 1,065,948

City of Clermont, Florida

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual – Infrastructure

<i>For the year ended September 30, 2024</i>	Budgeted Amounts		Actual Amounts	Variances
	Original	Final		Final Budget Positive/ (Negative)
Revenue				
Sales taxes	\$ 5,200,000	\$ 5,500,000	\$ 5,957,226	\$ 457,226
Interest income	2,000	27,000	172,465	145,465
Total revenues	5,202,000	5,527,000	6,129,691	602,691
Expenditures				
General government	-	-	397	(397)
Public safety	-	-	11,112	(11,112)
Transportation	750,000	687,821	649,924	37,897
Debt service:				
Principal	91,505	93,405	93,282	123
Interest and other related charges	11,285	11,285	9,488	1,797
Capital outlay	2,594,177	2,904,504	1,899,637	1,004,867
Total expenditures	3,446,967	3,697,015	2,663,840	1,033,175
Excess of revenues over expenditures	1,755,033	1,829,985	3,465,851	1,635,866
Other Financing Sources				
Transfers out	(2,010,376)	(2,010,376)	(2,010,376)	-
Total other financing sources	(2,010,376)	(2,010,376)	(2,010,376)	-
Net change in fund balances	(255,343)	(180,391)	1,455,475	1,635,866
Fund balance, beginning of year	4,477,621	4,477,621	4,477,621	-
Fund balance, end of year	\$ 4,222,278	\$ 4,297,230	\$ 5,933,096	\$ 1,635,866

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

City of Clermont, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual – ARPA

<i>For the year ended September 30, 2024</i>	Budgeted Amounts		Actual Amounts	Variances
	Original	Final		Final Budget Positive/ (Negative)
Revenue				
Intergovernmental revenues	\$ -	\$ -	\$ 1,371,871	\$ 1,371,871
Total revenues	-	-	1,371,871	1,371,871
Expenditures				
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	1,371,871	1,371,871
Other Financing Sources				
Transfers out	-	(1,088,000)	(1,371,871)	(283,871)
Total other financing sources	-	(1,088,000)	(1,371,871)	(283,871)
Net change in fund balances	-	(1,088,000)	-	1,088,000
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ (1,088,000)	\$ -	\$ 1,088,000

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

City of Clermont, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual – Building Services

<i>For the year ended September 30, 2024</i>	Budgeted Amounts		Actual Amounts	Variances
	Original	Final		Final Budget Positive/ (Negative)
Revenue				
Charges for services	\$ 1,814,200	\$ 2,164,200	\$ 2,161,987	\$ (2,213)
Interest income	2,000	48,000	294,391	246,391
Total revenues	1,816,200	2,212,200	2,456,378	244,178
Expenditures				
Public safety	2,185,011	1,994,136	1,723,188	270,948
Total expenditures	2,185,011	1,994,136	1,723,188	270,948
Excess of revenues over expenditures	(368,811)	218,064	733,190	515,126
Net change in fund balances	(368,811)	218,064	733,190	515,126
Fund balance, beginning of year	2,601,374	2,601,374	2,601,374	-
Fund balance, end of year	\$ 2,232,563	\$ 2,819,438	\$ 3,334,564	\$ 515,126

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

City of Clermont, Florida

Budgetary Notes to Required Supplementary Information

Note 1: BUDGETARY INFORMATION

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

- Prior to the end of the fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- Budget workshops are scheduled as needed.
- The general summary of the budget and notice of public hearing is published in the local newspaper.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to October 1, the budgets are legally enacted through passage of a resolution.
- A separate City board meeting is also held to approve the budget.
- The City Manager is authorized to transfer budgeted amounts within departments; however, any revisions that alter the total appropriations of any department must be approved by the City Council.
- The level of classification detail at which expenditures may not legally exceed appropriations is the department level.
- Appropriations lapse at the close of the fiscal year to the extent they have not been expended. Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders and contracts) outstanding at year end are reported as assigned fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.
- Budgets are adopted for the general fund, special revenue funds, debt service funds on a basis consistent with generally accepted accounting principles, except as described below under Budget Basis of Accounting. Budgets are also adopted for the enterprise funds, however, budgetary comparisons are not presented since they are not required under generally accepted accounting principles.
- The City Council, by Ordinance or Resolution, may make supplemental appropriations in excess of those originally estimated for the year up to the amount of available revenues. Budgeted amounts presented in the accompanying financial statements have been adjusted for legally authorized revisions.

City of Clermont, Florida
Schedules of Changes in Net Pension Liability and Related Ratios
General Employees' Pension Fund

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Last 10 Fiscal Years

	2024	2023	2022
Total Pension Liability			
Service cost	\$ -	\$ -	\$ -
Interest	4,935	14,823	15,382
Differences between expected and actual experience	-	(14,983)	(29,410)
Changes of assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(22,026)	(27,416)	(35,443)
Net change in total pension liability	(17,091)	(27,576)	(49,471)
Total pension liability, beginning	199,645	227,221	276,692
Total pension liability, ending (a)	\$ 182,554	\$ 199,645	\$ 227,221
Plan Fiduciary Net Position			
Contributions - Employer	\$ 7,413	\$ 7,413	\$ 5,582
Contributions - Employee	-	-	-
Net investment income	38,410	18,592	(34,153)
Benefit payments, including refunds of employee contributions	(22,026)	(27,416)	(35,443)
Other			(89)
Administrative expense	(1,424)	(1,437)	(1,536)
Net change in plan fiduciary net position	22,373	(2,848)	(65,639)
Plan fiduciary net position, beginning	218,158	221,006	286,645
Plan fiduciary net position, ending (b)	240,531	218,158	221,006
Net pension liability (asset) - ending (a) - (b)	\$ (57,977)	\$ (18,513)	\$ 6,215
Plan fiduciary net position as a percentage of the total pension liability	131.76%	109.27%	97.26%
Covered payroll	\$ -	\$ -	\$ -
Net pension asset as a percentage of covered payroll	N/A	N/A	N/A

City of Clermont, Florida
Schedules of Changes in net Pension Liability and Related Ratios
General Employees' Pension Fund (Continued)

2021	2020	2019	2018	2017	2016	2015
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21,619	21,619	21,414	23,435	22,569	22,224	29,060
-	-	33,131	-	17,118	12,118	40,676
-	-	-	-	28,462	31,161	(10,549)
(49,982)	(49,982)	(53,410)	(51,013)	(57,338)	(61,435)	(63,484)
(28,363)	(28,363)	1,135	(27,578)	10,811	4,068	(4,297)
305,055	333,418	332,283	359,861	349,050	344,982	349,279
\$ 276,692	\$ 305,055	\$ 333,418	\$ 332,283	\$ 359,861	\$ 349,050	\$ 344,982
\$ 5,582	\$ 11,018	\$ 11,018	\$ 8,767	\$ 8,767	\$ -	\$ -
-	-	-	-	-	-	-
51,033	16,320	14,396	24,889	44,469	29,829	2,613
(38,315)	(42,156)	(53,410)	(57,338)	(57,338)	(61,435)	(63,484)
(5,235)	(5,271)	(1,597)	(1,681)	(5,457)	(1,757)	(6,508)
13,065	(20,089)	(29,593)	(25,363)	(9,559)	(33,363)	(67,379)
273,580	293,669	323,262	348,625	358,184	391,547	458,926
286,645	273,580	293,669	323,262	348,625	358,184	391,547
\$ (9,953)	\$ 31,475	\$ 39,749	\$ 9,021	\$ 11,236	\$ (9,134)	\$ (46,565)
103.60%	89.68%	88.08%	97.29%	96.88%	102.62%	113.50%
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
N/A	N/A	N/A	N/A	N/A	N/A	N/A

City of Clermont, Florida
Schedules of Contributions and Investment Returns-
General Employees' Pension Fund

Schedule of Contributions
Last 10 Fiscal Years

Year Ended September 30	Actuarially Determined Contribution (a)	Contribution in Relation to Actuarially Determined Contribution (b)	Contribution (Excess) Deficiency (a-b)	Covered Payroll (c)	Percentage of Covered Payroll Contributed (b/c)
2024	\$ 7,413	\$ 7,413	\$ -	\$ -	N/A
2023	7,413	7,413	-	-	N/A
2022	5,582	5,582	-	-	N/A
2021	5,582	5,582	-	-	N/A
2020	11,018	11,018	-	-	N/A
2019	11,018	11,018	-	-	N/A
2018	8,767	8,767	-	-	N/A
2017	8,767	8,767	-	-	N/A
2016	-	-	-	-	N/A
2015	-	-	-	-	N/A

Notes to Schedule

Valuation Date: 10/1/23

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

Annual money-weighted rate of return net of investment expense
Last 10 Fiscal Years

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
4.3%	-12.6%	-12.6%	5.9%	4.2%	4.2%	7.0%	4.1%	4.1%	5.5%

City of Clermont, Florida
Schedules of Changes in Net Pension Liability and Related Ratios
Police Officers' Pension Fund

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Last 10 Fiscal Years

	2024	2023	2022
Total Pension Liability			
Service cost	\$ 1,601,699	\$ 1,613,394	\$ 1,497,597
Interest	2,094,104	1,867,082	1,743,942
Differences between expected and actual experience	(778,346)	475,621	(610,237)
Changes of assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(877,712)	(614,709)	(866,834)
Net change in total pension liability	2,039,745	3,341,388	1,764,468
Total pension liability, beginning	28,869,538	25,528,150	23,763,682
Total pension liability, ending (a)	\$30,909,283	\$28,869,538	\$ 25,528,150
Plan Fiduciary Net Position			
Contributions - Employer	\$ 937,728	\$ 1,125,138	\$ 1,380,471
Contributions - State	-	-	-
Contributions - Employee	515,620	304,306	293,891
Net investment income	5,294,213	1,872,682	(4,966,541)
Benefit payments, including refunds of employee contributions	(877,712)	(614,709)	(866,834)
Administrative expense	(84,991)	(87,672)	(74,964)
Net change in plan fiduciary net position	5,784,858	2,599,745	(4,233,977)
Plan fiduciary net position, beginning	27,304,461	24,704,716	28,938,693
Plan fiduciary net position, ending (b)	33,089,319	27,304,461	24,704,716
Net pension liability (asset) - ending (a) - (b)	\$ (2,180,036)	\$ 1,565,077	\$ 823,434
Plan fiduciary net position as a percentage of the total pension liability	107.05%	94.58%	96.77%
Covered payroll	\$ 5,594,545	\$ 5,515,877	\$ 5,341,730
Net pension (asset) liability as a percentage of covered payroll	(38.97%)	28.37%	15.42%

City of Clermont, Florida
Schedules of Changes in Net Pension Liability and Related Ratios
Police Officers' Pension Fund (Continued)

2021	2020	2019	2018	2017	2016	2015
\$ 1,335,386	\$ 1,048,755	\$ 1,048,755	\$ 941,659	\$ 941,659	\$ 836,661	\$ 560,680
1,535,299	1,300,909	1,290,431	1,170,292	1,049,633	749,652	860,884
260,114	-	(610,614)	(108,041)	(204,387)	(211,987)	(162,697)
295,495	-	1,209	-	576,133	3,155,202	-
(550,996)	(446,562)	(403,441)	(381,207)	(640,378)	(342,697)	(298,559)
2,875,298	1,903,102	1,326,340	1,622,703	1,722,660	4,186,831	960,308
20,888,384	18,985,282	17,658,942	16,036,239	14,313,579	10,126,748	9,166,440
\$ 23,763,682	\$ 20,888,384	\$ 18,985,282	\$ 17,658,942	\$ 16,036,239	\$ 14,313,579	\$ 10,126,748
\$ 1,084,478	\$ 943,063	\$ 891,380	\$ 944,540	\$ 756,302	\$ 632,411	\$ 281,722
-	-	-	-	-	-	240,486
268,568	238,416	175,526	120,269	116,332	108,806	99,188
4,959,439	2,346,071	1,330,033	1,245,288	1,908,188	1,115,432	(14,779)
(550,996)	(446,562)	(403,441)	(381,207)	(640,378)	(342,697)	(298,559)
(59,823)	(61,414)	(102,202)	(51,400)	(49,645)	(30,651)	(54,494)
5,701,666	3,019,574	1,891,296	1,877,490	2,090,799	1,483,301	253,564
23,237,027	20,217,453	18,326,157	16,448,667	14,357,868	12,874,567	12,621,003
28,938,693	23,237,027	20,217,453	18,326,157	16,448,667	14,357,868	12,874,567
\$ (5,175,011)	\$ (2,348,643)	\$ (1,232,171)	\$ (667,215)	\$ (412,428)	\$ (44,289)	\$ (2,747,819)
121.78%	111.24%	106.49%	103.78%	102.57%	100.31%	127.13%
\$ 4,730,329	\$ 3,813,876	\$ 3,813,876	\$ 3,366,613	\$ 3,366,613	\$ 3,366,613	\$ 3,108,552
(109.40%)	(61.58%)	(32.31%)	(19.82%)	(12.25%)	(1.32%)	(88.40%)

City of Clermont, Florida
Schedules of Contributions and Investment Returns
Police Officers' Pension Fund

Schedule of Contributions
Last 10 Fiscal Years

Year Ended September 30	Actuarially Determined Contribution (a)	Contribution in Relation to Actuarially Determined Contribution (b)	Contribution (Excess) Deficiency (a-b)	Covered Payroll (c)	Percentage of Covered Payroll Contributed (b/c)
2024	\$ 1,226,031	\$ 937,728	\$ 288,303	\$ 5,594,545	16.76%
2023	685,294	1,125,138	(439,844)	5,515,877	20.40%
2022	661,843	1,380,471	(718,628)	5,341,730	25.84%
2021	1,084,478	1,084,478	-	4,730,329	22.93%
2020	985,611	943,063	42,548	3,813,876	24.73%
2019	936,834	891,380	45,454	3,813,876	23.37%
2018	905,229	944,540	(39,311)	3,366,613	28.06%
2017	875,593	756,302	119,291	3,366,613	22.46%
2016	640,139	632,411	7,728	Not available	Not available
2015	583,559	522,208	61,351	3,108,552	16.80%

Notes to Schedule

Valuation Date: 10/1/23

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

Annual money-weighted rate of return net of investment expense
Last 10 Fiscal Years

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
19.3%	7.6%	-17.8%	21.4%	4.2%	4.2%	7.0%	4.1%	4.1%	5.5%

City of Clermont, Florida
Schedules of Changes in Net Pension Liability and Related Ratios
Firefighters' Pension Fund

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Last 10 Fiscal Years

	2024	2023	2022
Total Pension Liability			
Service cost	\$ 1,729,559	\$ 1,911,603	\$ 1,700,162
Interest	2,309,401	1,992,088	1,768,108
Change of benefit terms	-	400,717	-
Differences between expected and actual experience	184,072	954,081	(231,493)
Changes of assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(323,711)	(298,246)	(190,826)
Net change in total pension liability	3,899,321	4,960,243	3,045,951
Total pension liability, beginning	31,831,275	26,871,032	23,825,081
Total pension liability, ending (a)	\$35,730,596	\$31,831,275	\$ 26,871,032
Plan Fiduciary Net Position			
Contributions - Employer	\$ 2,314,763	\$ 1,419,744	\$ 1,799,505
Contributions - State	-	-	-
Contributions - Employee	447,118	388,764	324,115
Net investment income	6,003,465	1,920,155	(5,026,058)
Benefit payments, including refunds of employee contributions	(323,711)	(298,246)	(190,826)
Administrative expense	(80,594)	(74,333)	(101,784)
Net change in plan fiduciary net position	8,361,041	3,356,084	(3,195,048)
Plan fiduciary net position, beginning	29,352,398	25,996,314	29,191,362
Plan fiduciary net position, ending (b)	37,713,439	29,352,398	25,996,314
Net pension liability (asset) - ending (a) - (b)	\$ (1,982,843)	\$ 2,478,877	\$ 874,718
Plan fiduciary net position as a percentage of the total pension liability	105.55%	92.21%	96.74%
Covered payroll	\$ 6,239,422	\$ 6,384,519	\$ 5,633,189
Net pension asset as a percentage of covered payroll	(31.78%)	38.83%	15.53%

City of Clermont, Florida
Schedules of Changes in Net Pension Liability and Related Ratios
Firefighters' Pension Fund (Continued)

2021	2020	2019	2018	2017	2016	2015
\$ 1,555,175	\$ 1,313,842	\$ 1,313,842	\$ 1,025,516	\$ 1,025,516	\$ 784,710	\$ 524,325
1,542,677	1,272,336	1,141,847	996,576	782,004	515,458	553,753
-	-	-	-	-	-	-
(18,454)	-	(158,435)	(121,553)	633,143	(208,729)	(67,286)
294,977	-	1,079,623	-	634,356	2,505,255	-
(283,350)	(288,092)	(99,705)	(25,120)	(4,513)	(1,324)	(945)
3,091,025	2,298,086	3,277,172	1,875,419	3,070,506	3,595,370	1,009,847
20,734,056	18,435,970	15,158,798	13,283,379	10,212,873	6,617,503	5,607,656
\$ 23,825,081	\$ 20,734,056	\$ 18,435,970	\$ 15,158,798	\$ 13,283,379	\$ 10,212,873	\$ 6,617,503
\$ 1,606,558	\$ 1,649,080	\$ 1,585,514	\$ 1,278,757	\$ 797,699	\$ 491,818	\$ 646,065
-	-	-	-	-	-	181,292
316,273	220,098	231,935	200,118	238,785	279,064	141,632
4,864,047	2,267,101	1,240,965	1,063,078	1,599,687	858,136	(32,699)
(283,350)	(288,092)	(99,705)	(25,120)	(4,513)	(1,324)	(945)
(83,741)	(65,477)	(98,170)	(35,839)	(49,761)	(28,346)	(40,885)
6,419,787	3,782,710	2,860,539	2,480,994	2,581,897	1,599,348	894,460
22,771,575	18,988,865	16,128,326	13,647,332	11,065,435	9,466,087	8,571,627
29,191,362	22,771,575	18,988,865	16,128,326	13,647,332	11,065,435	9,466,087
\$ (5,366,281)	\$ (2,037,519)	\$ (552,895)	\$ (969,528)	\$ (363,953)	\$ (852,562)	\$ (2,848,584)
122.52%	109.83%	103.00%	106.40%	102.74%	108.35%	143.05%
\$ 5,089,447	\$ 4,438,530	\$ 4,438,530	\$ 3,602,745	\$ 3,602,745	\$ 2,798,049	\$ 2,798,049
(105.44%)	(45.91%)	(12.46%)	(26.91%)	(10.10%)	(30.47%)	(101.81%)

City of Clermont, Florida
Schedules of Contributions and Investment Returns
Firefighters' Pension Fund

Schedule of Contributions
Last 10 Fiscal Years

Year Ended September 30	Actuarially Determined Contribution (a)	Contribution in Relation to Actuarially Determined Contribution (b)	Contribution (Excess) Deficiency (a-b)	Covered Payroll (c)	Percentage of Covered Payroll Contributed (b/c)
2024	\$ 2,820,813	\$ 2,314,763	\$ 506,050	\$ 6,239,422	37.10%
2023	1,025,431	1,419,744	(394,313)	6,384,519	22.24%
2022	1,170,865	1,799,505	(628,640)	5,633,189	31.94%
2021	1,547,766	1,606,558	(58,792)	5,089,447	31.57%
2020	1,648,674	1,649,080	(406)	4,438,530	37.15%
2019	1,585,514	1,585,514	-	4,438,530	35.72%
2018	1,284,255	1,278,757	5,498	3,602,745	35.49%
2017	1,113,095	797,699	315,396	3,602,745	22.14%
2016	647,476	491,819	155,657	2,798,049	17.58%
2015	603,000	827,357	(224,357)	2,798,049	29.57%

Notes to Schedule

Valuation Date: 10/1/23

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

Annual money-weighted rate of return net of investment expense
Last 10 Fiscal Years

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
19.3%	7.5%	-16.9%	20.9%	4.2%	4.2%	7.0%	4.1%	4.1%	5.5%

City of Clermont, Florida
Schedule of Methods and Assumptions -Pension Funds (All)

Methods and assumptions used to determine contribution rates:

	General Employees	Police Employees	Fire Employees
Actuarial cost method	Aggregate	Aggregate	Aggregate
Amortization method	N/A	Level % of pay	Level % of pay
Remaining amortization period	30 years	30 years	30 years
Asset valuation method	Market value	Market value	Market value
Inflation	2.5%	2.5%	2.5%
Payroll increases	N/A	5.5% per year	5.5% per year
Salary increases	N/A	6% per year	6% per year
*Interest rate	7.0%	7.0%	7.0%
Retirement age		Normal retirement age, except those who are eligible for early retirement at ages 52-54 assumed at rate of 20% per year	Normal retirement age, except those who are eligible for early retirement at ages 52-54 assumed at rate of 20% per year
	N/A		
Mortality	Sex-distinct rates set forth in the PUB 2010 Mortality Table, with full generational improvements in mortality using Scale MP-2018	Sex-distinct rates set forth in the PUB 2010 Mortality Table, with full generational improvements in mortality using Scale MP-2018	Sex-distinct rates set forth in the PUB 2010 Mortality Table, with full generational improvements in mortality using Scale MP-2018

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

City of Clermont, Florida
Schedule of Changes in Total OPEB Liability and Related Ratios

<i>As of and for the year ended December 31,</i>	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	\$ 992,853	\$ 1,205,574	\$ 1,137,810	\$ 760,368	\$ 740,666	\$ 721,475	\$ 496,316
Interest	504,534	681,746	594,122	333,917	309,219	288,724	312,754
Changes of benefit term		-	-	-	-	-	-
Difference between expected and actual experience	(1,798,333)	-	107,807	-	-	181,592	-
Changes of assumptions or other inputs	(3,099,300)	255,171	180,141	-	-	2,106,772	(662,223)
Benefit payments	(235,970)	(170,428)	(160,421)	(213,932)	(242,837)	(236,545)	(109,600)
Net change in total OPEB liability	(3,636,216)	1,972,063	1,859,459	880,353	807,048	3,062,018	37,247
Total OPEB liability - beginning	17,265,131	15,293,068	13,433,609	12,553,256	11,746,208	8,684,190	8,646,943
Total OPEB liability - ending	13,628,915	17,265,131	15,293,068	13,433,609	12,553,256	11,746,208	8,684,190
Plan Fiduciary Net Position							
Contributions - employer	60,258	60,258	60,258	60,258	60,258	60,258	60,258
Benefit payments	(60,258)	(60,258)	(60,258)	(60,258)	(60,258)	(60,258)	(60,258)
Net change in plan fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-
Plan fiduciary net position - ending	-	-	-	-	-	-	-
Total OPEB liability	\$ 13,628,915	\$ 17,265,131	\$ 15,293,068	\$ 13,433,609	\$ 12,553,256	\$ 11,746,208	\$ 8,684,190
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ 26,906,165	\$ 23,611,610	\$ 22,813,150	\$ 19,075,627	\$ 19,075,627	\$ 18,701,595	\$ 14,293,247
Total OPEB liability as a percentage of covered payroll	50.65%	73.12%	67.04%	70.42%	65.81%	62.81%	60.76%

* GASB Codification P52 requires an employer to disclose a 10-year history. However, until a full 10-year trend is compiled, information will be presented only for those years which information is available.

* The following discount rate changes:
12/30/2016 - 3.35%

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City of Clermont, Florida
Combining Balance Sheet – Nonmajor Governmental Funds

<i>September 30, 2024</i>	Special Revenue Funds							Total	
	Recreation Impact Fees	Police Impact Fees	Fire Impact Fees	Community Redevelopment	Cemetery	Tree Replacement	Police Asset Forfeiture	Total Special Revenue Funds	Nonmajor Governmental Funds
Assets									
Cash and cash equivalents	\$ 6,258,669	\$ 1,450,607	\$ 2,057,586	\$ 781,206	\$ 3,355	\$ 851,490	\$ 128,716	\$ 11,531,629	\$ 11,531,629
Investments	1,736,177	429,954	1,111,420	319,962	1,111,657	-	-	4,709,170	4,709,170
Other receivables	2,379	1,360	1,581	1,019	2,563	-	-	8,902	8,902
Prepaid items	-	10,882	-	841	232	-	-	11,955	11,955
Total assets	\$ 7,997,225	\$ 1,892,803	\$ 3,170,587	\$ 1,103,028	\$ 1,117,807	\$ 851,490	\$ 128,716	\$ 16,261,656	\$ 16,261,656
Liabilities and Fund Balances									
Liabilities									
Accounts payable	\$ 5,475	\$ 65,507	\$ 2,875	\$ 17,366	\$ 113,653	\$ 1,042	\$ -	\$ 205,918	\$ 205,918
Accrued liabilities	-	-	-	-	3,341	-	-	3,341	3,341
Total liabilities	5,475	65,507	2,875	17,366	116,994	1,042	-	209,259	209,259
Fund balances									
Non-spendable	-	10,882	-	841	232	-	-	11,955	11,955
Restricted									
Capital improvements	-	-	-	1,084,821	-	-	-	1,084,821	1,084,821
Public safety	-	1,816,414	3,167,712	-	-	-	128,716	5,112,842	5,112,842
Economic development	-	-	-	-	1,000,581	850,448	-	1,851,029	1,851,029
Recreation improvement	7,991,750	-	-	-	-	-	-	7,991,750	7,991,750
Total fund balances	7,991,750	1,827,296	3,167,712	1,085,662	1,000,813	850,448	128,716	16,052,397	16,052,397
Total liabilities and fund balances	\$ 7,997,225	\$ 1,892,803	\$ 3,170,587	\$ 1,103,028	\$ 1,117,807	\$ 851,490	\$ 128,716	\$ 16,261,656	\$ 16,261,656

City of Clermont, Florida

Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Nonmajor Governmental Funds

For the year ended September 30, 2024	Special Revenue Funds									(Formerly nonmajor) Debt Service	Total Nonmajor Governmental Funds
	Recreation Impact Fees	Police Impact Fees	Fire Impact Fees	(Formerly nonmajor) Building Services	Community Redevelopment	Cemetery	Tree Replacement	Police Asset Forfeiture	Total Special Revenue Funds		
Revenues											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 754,960	\$ -	\$ -	\$ -	\$ 754,960	\$ -	\$ 754,960
Intergovernmental	-	-	-	-	-	-	-	35,482	35,482	-	35,482
Charges for services	-	-	-	-	-	225,345	-	-	225,345	-	225,345
Fines and forfeitures	-	-	-	-	-	-	-	11,896	11,896	-	11,896
Impact fees	2,553,445	665,577	1,226,903	-	-	-	-	-	4,445,925	-	4,445,925
Interest and other	264,473	63,443	99,069	-	43,438	69,797	9,459	3,513	553,192	-	553,192
Miscellaneous and other taxes	-	-	-	-	-	-	533,648	-	533,648	-	533,648
Total revenues	2,817,918	729,020	1,325,972	-	798,398	295,142	543,107	50,891	6,560,448	-	6,560,448
Expenditures											
Current											
General government	-	-	-	-	327,347	-	-	-	327,347	-	327,347
Public safety	-	28,976	327	-	-	-	-	14,342	43,645	-	43,645
Physical environment	-	-	-	-	-	141,390	-	-	141,390	-	141,390
Culture and recreation	653	-	-	-	-	-	-	-	653	-	653
Debt service											
Principal	124,800	-	-	-	-	-	-	-	124,800	-	124,800
Capital outlay	761,304	123,679	1,613,414	-	-	561,173	12,675	-	3,072,245	-	3,072,245
Total expenditures	886,757	152,655	1,613,741	-	327,347	702,563	12,675	14,342	3,710,080	-	3,710,080
Excess (deficiency) of revenues over (under) expenditures	1,931,161	576,365	(287,769)	-	471,051	(407,421)	530,432	36,549	2,850,368	-	2,850,368
Other Financing Sources (Uses)											
Transfers out	(564,097)	(14,631)	-	-	-	-	-	-	(578,728)	-	(578,728)
Proceeds from issuance of debt	629,504	-	-	-	-	-	-	-	629,504	-	629,504
Total other financing sources (uses)	65,407	(14,631)	-	-	-	-	-	-	50,776	-	50,776
Net change in fund balances	1,996,568	561,734	(287,769)	-	471,051	(407,421)	530,432	36,549	2,901,144	-	2,901,144
Fund balances, beginning of year	5,995,182	1,265,562	3,455,481	2,601,374	614,611	1,408,234	320,016	92,167	15,752,627	1,897,822	17,650,449
Adjustments	-	-	-	(2,601,374)	-	-	-	-	(2,601,374)	(1,897,822)	(4,499,196)
Fund balances, beginning of year after adjustments	5,995,182	1,265,562	3,455,481	-	614,611	1,408,234	320,016	92,167	13,151,253	-	13,151,253
Fund balances, end of year	\$ 7,991,750	\$ 1,827,296	\$ 3,167,712	\$ -	\$ 1,085,662	\$ 1,000,813	\$ 850,448	\$ 128,716	\$ 16,052,397	\$ -	\$ 16,052,397

City of Clermont, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual – Capital Projects

				Variances
	Budgeted Amounts			Final Budget
For the year ended September 30, 2024	Original	Final	Actual Amounts	Positive/ (Negative)
Revenue				
Interest income	\$ 10,000	\$ 60,000	\$ 242,054	\$ 182,054
Total revenues	10,000	60,000	242,054	182,054
Expenditures				
Physical environment	-	66,500	36,011	30,489
Capital outlay	236,000	3,737,957	2,012,983	1,724,974
Total expenditures	236,000	3,804,457	2,048,994	1,755,463
Excess of revenues over expenditures	(226,000)	(3,744,457)	(1,806,940)	1,937,517
Other Financing Sources				
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balances	(226,000)	(3,744,457)	(1,806,940)	1,937,517
Fund balance, beginning of year	6,416,910	6,416,910	6,416,910	-
Fund balance, end of year	\$ 6,190,910	\$ 2,672,453	\$ 4,609,970	\$ 1,937,517

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

City of Clermont, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual – Debt Service

<i>For the year ended September 30, 2024</i>	Budgeted Amounts		Actual Amounts	Variances
	Original	Final		Final Budget Positive/ (Negative)
Revenue				
Interest income	\$ 750	\$ 202,750	\$ 442,525	\$ 239,775
Total revenues	750	202,750	442,525	239,775
Expenditures				
Debt service:				
Principal	2,272,163	2,272,163	2,272,140	23
Interest and other related charges	533,506	685,506	684,605	901
Total expenditures	2,805,669	2,957,669	2,956,745	924
Excess of revenues over expenditures	(2,804,919)	(2,754,919)	(2,514,220)	240,699
Other Financing Sources				
Transfers in	2,805,606	2,805,606	2,805,606	-
Transfers out	-	-	(14,820,601)	(14,820,601)
Proceeds from issuance of debt	-	28,152,000	28,152,000	-
Total other financing sources	2,805,606	30,957,606	16,137,005	(14,820,601)
Net change in fund balances	687	28,202,687	13,622,785	(14,579,902)
Fund balance, beginning of year	1,897,822	1,897,822	1,897,822	-
Fund balance, end of year	\$ 1,898,509	\$ 30,100,509	\$ 15,520,607	\$ (14,579,902)

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

City of Clermont, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Recreation Impact Fee
Special Revenue Fund

<i>For the year ended September 30, 2024</i>	Budgeted Amounts		Actual Amounts	Variances
	Original	Final		Final Budget Positive/ (Negative)
Revenue				
Impact fees	\$ 4,628,816	\$ 2,400,000	\$ 2,553,445	\$ (153,445)
Interest income	2,000	98,000	264,473	166,473
Total revenues	4,630,816	2,498,000	2,817,918	319,918
Expenditures				
Culture and recreation	525	685	653	(32)
Debt service:				
Principal	-	-	124,800	124,800
Capital outlay	2,125,000	2,230,144	761,304	(1,468,840)
Total expenditures	2,125,525	2,230,829	886,757	(1,344,072)
Excess of revenues over expenditures	2,505,291	267,171	1,931,161	1,663,990
Other Financing Sources				
Transfers out	(564,097)	(564,097)	(564,097)	-
Proceeds from issuance of debt	-	-	629,504	(629,504)
Total other financing sources	(564,097)	(564,097)	65,407	(629,504)
Net change in fund balances	1,941,194	(296,926)	1,996,568	1,034,486
Fund balance, beginning of year	6,416,910	6,416,910	5,995,182	-
Fund balance, end of year	\$ 8,358,104	\$ 6,119,984	\$ 7,991,750	\$ 1,034,486

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

City of Clermont, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual -Police Impact Fee
Special Revenue Fund

<i>For the year ended September 30, 2024</i>	Budgeted Amounts		Actual Amounts	Variances
	Original	Final		Final Budget Positive/ (Negative)
Revenue				
Impact fees	\$ 1,237,413	\$ 724,160	\$ 665,577	\$ (58,583)
Interest income	-	32,000	63,443	31,443
Total revenues	1,237,413	756,160	729,020	(27,140)
Expenditures				
Public safety	55,000	52,100	28,976	23,124
Capital outlay	405,600	106,338	123,679	(17,341)
Total expenditures	460,600	158,438	152,655	(5,783)
Excess of revenues over expenditures	776,813	597,722	576,365	(21,357)
Other Financing Sources				
Transfers out	(14,631)	(14,631)	(14,631)	-
Total other financing sources	(14,631)	(14,631)	(14,631)	-
Net change in fund balances	762,182	583,091	561,734	(21,357)
Fund balance, beginning of year	1,265,562	1,265,562	1,265,562	-
Fund balance, end of year	\$ 2,027,744	\$ 1,848,653	\$ 1,827,296	\$ (21,357)

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

City of Clermont, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Fire Impact Fee
Special Revenue Fund

<i>For the year ended September 30, 2024</i>	Budgeted Amounts		Actual Amounts	Variances
	Original	Final		Final Budget Positive/ (Negative)
Revenue				
Impact fees	\$ 2,998,509	\$ 1,228,859	\$ 1,226,903	\$ 1,956
Interest income	2,000	45,000	99,069	54,069
Total revenues	3,000,509	1,273,859	1,325,972	52,113
Expenditures				
Public safety	-	1,300	327	973
Capital outlay	-	2,540,850	1,613,414	927,436
Total expenditures	-	2,542,150	1,613,741	928,409
Net change in fund balances	3,000,509	(1,268,291)	(287,769)	980,522
Fund balance, beginning of year	3,455,481	3,455,481	3,455,481	-
Fund balance, end of year	\$ 6,455,990	\$ 2,187,190	\$ 3,167,712	\$ 980,522

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

City of Clermont, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Community Redevelopment
Special Revenue Fund

	Budgeted Amounts				Variances
	Original	Final	Actual Amounts		Final Budget Positive/ (Negative)
<i>For the year ended September 30, 2024</i>					
Revenue					
Ad valorem taxes	\$ 754,433	\$ 403,493	\$ 754,960	\$	351,467
Interest income	2,000	34,000	43,438		9,438
Total revenues	756,433	437,493	798,398		360,905
Expenditures					
General government	1,314,356	788,959	327,347		461,612
Total expenditures	1,314,356	788,959	327,347		461,612
Excess of revenues over expenditures	(557,923)	(351,466)	471,051		822,517
Other Financing Sources					
Transfers in	-	351,466	-		(351,466)
Total other financing sources	-	351,466	-		(351,466)
Net change in fund balances	(557,923)	-	471,051		471,051
Fund balance, beginning of year	614,611	614,611	614,611		-
Fund balance, end of year	\$ 56,688	\$ 614,611	\$ 1,085,662	\$	471,051

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

City of Clermont, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Cemetery
Special Revenue Fund

<i>For the year ended September 30, 2024</i>	Budgeted Amounts		Actual Amounts	Variances
	Original	Final		Final Budget Positive/ (Negative)
Revenue				
Charges for services	\$ 149,000	\$ 181,000	\$ 225,345	\$ 44,345
Interest income	2,000	23,000	69,797	46,797
Total revenues	151,000	204,000	295,142	91,142
Expenditures				
Physical environment	224,326	190,626	141,390	49,236
Capital outlay	130,000	630,000	561,173	68,827
Total expenditures	354,326	820,626	702,563	118,063
Excess of revenues over expenditures	(203,326)	(616,626)	(407,421)	209,205
Net change in fund balances	(203,326)	(616,626)	(407,421)	209,205
Fund balance, beginning of year	1,408,234	1,408,234	1,408,234	-
Fund balance, end of year	\$ 1,204,908	\$ 791,608	\$ 1,000,813	\$ 209,205

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

City of Clermont, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Tree Replacement
Special Revenue Fund

<i>For the year ended September 30, 2024</i>	Budgeted Amounts		Actual Amounts	Variances
	Original	Final		Final Budget Positive/ (Negative)
Revenue				
Interest income	\$ -	\$ 2,000	\$ 9,459	\$ 7,459
Rental and other income			533,648	
Total revenues	-	2,000	543,107	541,107
Expenditures				
Capital outlay	-	10,000	12,675	(2,675)
Total expenditures	-	10,000	12,675	(2,675)
Excess of revenues over expenditures	-	(8,000)	530,432	538,432
Net change in fund balances	-	(8,000)	530,432	538,432
Fund balance, beginning of year	320,016	320,016	320,016	-
Fund balance, end of year	\$ 320,016	\$ 312,016	\$ 850,448	\$ 538,432

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

City of Clermont, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Police Asset Forfeiture
Special Revenue Fund

<i>For the year ended September 30, 2024</i>	Budgeted Amounts		Actual Amounts	Variances
	Original	Final		Final Budget Positive/ (Negative)
Revenue				
Intergovernmental revenues	\$ -	\$ 36,000	\$ 35,482	\$ (518)
Fines and forfeitures	-	-	11,896	11,896
Interest income	-	500	3,513	3,013
Total revenues	-	36,500	50,891	14,391
Expenditures				
Public safety	-	31,300	14,342	16,958
Total expenditures	-	31,300	14,342	16,958
Excess of revenues over expenditures	-	5,200	36,549	31,349
Net change in fund balances	-	5,200	36,549	31,349
Fund balance, beginning of year	92,167	92,167	92,167	-
Fund balance, end of year	\$ 92,167	\$ 97,367	\$ 128,716	\$ 31,349

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

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STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Clermont, 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.

Table of Contents

A. Financial Trends

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

Schedule A1 Net Position by Component

Schedule A2 Changes in Net Position – Governmental Funds

Schedule A3 Fund Balances – Governmental Funds

Schedule A4 Changes in Fund Balances – Governmental Funds

B. Revenue Capacity

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

Schedule B1 Tax Revenues by Source Governmental Funds

Schedule B2 Assessed Value and Estimated Actual Value of Taxable Property

Schedule B3 Direct and Overlapping Property Tax Rates

Schedule B4 Principal Property Taxpayers

Schedule B5 Property Tax Levies and Collections

Statistical Section (Continued)

C. Debt Capacity

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

Schedule C1 Ratios of Outstanding Debt by Type

Schedule C2 Direct and Overlapping Governmental Activities by Debt

Schedule C3 Pledged Revenue Coverage

D. Demographic and Economic Information Financial Trends

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

Schedule D1 Demographic and Economic Statistics

Schedule D2 Principal Employers

Schedule D3 Principal Water Customers

Schedule D4 Principal Sewer Customers

E. Operating Information

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

Schedule E1 Full-time Equivalent Employees

Schedule E2 Operating Indicators by Function/Program

Schedule E3 Capital Asset Statistics by Function/Program

Schedule E4 Impact Fees Collected

Additional Notes

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

City of Clermont, Florida
Net Position by Component

Schedule A1

Last Ten Fiscal Years		Fiscal Year								
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 47,718	\$ 52,064	\$ 31,918	\$ 35,262	\$ 40,318	\$ 44,045	\$ 51,596	\$ 58,736	\$ 70,284	\$ 60,016
Restricted	9,400	6,402	7,815	8,547	9,589	12,479	14,910	18,691	22,153	32,015
Unrestricted	11,649	11,182	30,117	27,925	24,795	23,874	21,847	26,252	23,217	28,302
Total net position	68,767	69,648	69,850	71,734	74,702	80,398	88,353	103,679	115,654	120,333
Business-type activities										
Net investment in capital assets	\$ 56,586	\$ 60,150	\$ 63,131	\$ 69,322	\$ 66,104	\$ 68,310	\$ 88,520	\$ 86,667	\$ 96,286	\$ 142,094
Restricted	12,135	13,959	17,127	16,904	20,362	24,195	25,420	30,273	30,500	27,867
Unrestricted	26,943	26,050	26,667	23,959	28,286	28,728	28,555	29,688	28,322	33,915
Total net position	95,664	100,159	106,925	110,185	114,752	121,233	142,495	146,628	155,108	203,876
Primary government										
Net investment in capital assets	104,304	112,214	95,049	104,584	106,422	112,355	140,116	145,403	166,570	202,110
Restricted	21,535	20,361	24,942	25,451	29,951	36,674	40,330	48,964	52,653	59,882
Unrestricted	38,592	37,232	56,784	51,884	53,081	52,602	50,402	55,940	51,539	62,217
Total primary government net position	\$ 164,431	\$ 169,807	\$ 176,775	\$ 181,919	\$ 189,454	\$ 201,631	\$ 230,848	\$ 250,307	\$ 270,762	\$ 324,209

(accrual basis of accounting)
(amounts expressed in thousands)

Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted only (a) when an external party, (b) a constitutional provision, (c) or enabling legislation imposes legally enforceable limits on how they may be used.

City of Clermont, Florida
Change in Net Position-Governmental Activities

Schedule A2

Last Ten Fiscal Years				Fiscal Year						
Expenses	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities:										
General government	\$ 3,848	\$ 4,157	\$ 4,240	\$ 2,870	\$ 5,023	\$ 5,678	\$ 5,918	\$ 5,322	\$ 6,476	\$ 5,803
Public safety	14,326	17,381	20,297	20,306	22,104	22,733	23,713	28,925	32,141	34,478
Physical environment	453	788	805	2,104	863	2,470	2,763	3,773	3,603	4,004
Transportation/public works	2,094	2,185	2,009	2,255	2,387	1,843	2,264	1,928	2,335	2,381
Economic environment	567	209	1,197	385	532	847	665	1,337	1,279	132
Culture and recreation	4,018	5,460	4,491	5,752	5,954	3,722	4,044	4,227	3,988	4,412
Interest on long-term debt	193	355	434	839	836	753	687	635	588	1,016
Total governmental activities expenses	25,499	30,535	33,473	34,511	37,699	38,046	40,054	46,147	50,410	52,226
Business-type Activities:										
Water	4,823	4,719	5,199	5,634	6,215	6,425	7,110	9,108	9,784	11,827
Sewer	6,571	6,866	6,909	6,849	7,373	7,742	8,172	9,176	10,491	11,531
Sanitation	3,133	2,925	2,869	3,073	3,027	3,294	3,467	3,994	3,925	4,704
Stormwater	1,080	1,142	1,190	1,360	1,614	1,901	1,991	2,443	2,552	2,837
Total business-type activities expenses	15,607	15,652	16,167	16,916	18,229	19,362	20,740	24,721	26,752	30,899
Total primary government expenses	\$ 41,106	\$ 46,187	\$ 49,640	\$ 51,427	\$ 55,928	\$ 57,408	\$ 60,794	\$ 70,868	\$ 77,162	\$ 83,125
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	\$ 2,356	\$ 2,914	\$ 3,180	\$ 3,874	\$ 3,590	\$ 3,377	\$ 4,250	\$ 4,884	\$ 4,538	\$ 7,029
Public safety	1,684	1,574	1,506	1,344	1,593	1,854	1,778	2,211	2,805	1,904
Culture and recreation	1,317	1,552	2,003	1,697	1,801	2,088	2,319	2,973	3,451	
Physical environment	-	-	-	-	-	-	-	-	-	2,553
Operating grants and contributions	1,598	1,822	1,456	2,233	2,061	3,307	2,026	14,583	5,089	1,763
Capital grants and contributions	498	163	309	428	625	625	2,206	23	1,535	-
Total governmental activities program revenues	7,453	8,025	8,454	9,576	9,670	11,251	12,579	24,674	17,418	13,249
Business-type Activities:										
Charges for services:										
Water	5,726	6,162	6,516	6,461	6,868	7,631	8,466	8,826	10,068	15,756
Sewer	5,809	6,183	6,507	6,625	6,989	7,573	8,074	8,581	9,321	16,709
Sanitation	2,917	2,984	3,089	3,178	3,264	3,562	3,785	4,020	4,268	5,753
Stormwater	905	955	1,004	1,378	1,598	1,695	1,783	1,880	1,949	2,374
Operating grants and contributions	276	24	-	-	2,109	1	-	-	-	-
Capital grants and contributions	3,219	4,026	6,906	4,535	5,316	6,575	22,094	6,313	7,282	21,996
Total business-type activities program revenues	18,852	20,334	24,022	22,177	26,144	27,037	44,202	29,620	32,888	62,588
Total primary government program revenues	\$ 26,305	\$ 28,359	\$ 32,476	\$ 31,753	\$ 35,814	\$ 38,288	\$ 56,781	\$ 54,294	\$ 50,306	\$ 75,837

(accrual basis of accounting)
(amounts expressed in thousands)

City of Clermont, Florida
Change in Net Position-Governmental Activities (Continued)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense)/Revenue										
Governmental activities	\$ (18,045)	\$ (22,510)	\$ (25,019)	\$ (24,935)	\$ (28,029)	\$ (26,795)	\$ (27,477)	\$ (21,472)	\$ (32,993)	\$ (38,976)
Business-type activities	3,245	4,683	7,855	5,260	5,230	7,675	23,462	4,898	6,136	31,689
Total primary government net expense	(14,800)	(17,827)	(17,164)	(19,675)	(22,799)	(19,120)	(4,015)	(16,574)	(26,857)	(7,287)
Net Position										
Governmental Activities:										
Taxes:										
Property taxes	7,193	8,998	9,748	10,747	11,945	13,090	14,354	15,350	20,882	\$ 24,869
Business taxes	130	140	133	160	157	162	144	145	156	2,049
Franchise taxes	2,502	2,712	2,619	2,817	3,142	3,203	3,360	3,813	4,536	4,330
Utility taxes	2,953	3,406	3,328	3,446	3,873	4,202	4,467	4,684	5,354	5,533
Intergovernmental-unrestricted	6,645	6,923	7,257	7,864	8,139	8,403	9,969	12,180	12,711	13,961
Interest and investment income	135	134	197	458	1,089	632	70	(143)	1,199	3,243
Gain (loss) on sale of capital assets	-	122	86	289	193	-	-	42	94	105
Miscellaneous and other taxes	420	387	486	342	352	623	721	433	630	2,152
Contribution of nonfinancial asset	-	-	-	-	-	-	-	-	-	1,332
Transfers in/out	557	568	1,367	2,013	2,106	2,177	2,346	294	(594)	(13,917)
Total governmental activities	20,535	23,390	25,221	28,136	30,996	32,492	35,431	36,798	44,968	43,657
Business-type Activities:										
Unrestricted investment earnings	272	260	255	379	1,295	953	106	(472)	1,752	2,896
Gain (loss) on sale of capital assets	(1,248)	120	24	31	150	29	40	1	-	2
Proceeds from insurance	-	-	-	-	-	-	-	-	-	263
Transfers in/out	(557)	(568)	(1,367)	(2,013)	(2,106)	(2,177)	(2,346)	(294)	594	13,917
Total business-type activities	(1,533)	(188)	(1,088)	(1,603)	(661)	(1,195)	(2,200)	(765)	2,346	17,078
Total primary government	19,002	23,202	24,133	26,533	30,335	31,297	33,231	36,033	47,314	60,735
Change in Net Position										
Governmental activities	2,490	880	202	3,202	2,968	5,697	7,954	15,326	11,974	4,680
Business-type activities	1,712	4,495	6,767	3,657	4,568	6,480	21,262	4,133	8,482	48,767
Total primary government	\$ 4,202	\$ 5,375	\$ 6,969	\$ 6,859	\$ 7,536	\$ 12,177	\$ 29,216	\$ 19,459	\$ 20,456	\$ 53,447

(accrual basis of accounting)
(amounts expressed in thousands)

City of Clermont, Florida
Fund Balances-Governmental Funds

Schedule A3

Last Ten Fiscal Years	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	1,300	548	578	641	283	356	453	462	1,847	3,865
Restricted	247	259	266	228	205	359	448	418	437	-
Assigned	304	-	3	3	18	3,227	1,390	1,368	1,647	3,665
Unassigned	7,014	7,886	7,137	7,104	8,182	7,859	11,617	17,840	22,023	27,856
Total general fund	8,865	8,693	7,984	7,976	8,688	11,801	13,908	20,088	25,954	35,386
All other governmental funds										
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Nonmajor funds	-	-	-	-	-	-	-	-	-	-
Major funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	1,466	1,922	1,683	4	7	9	13	10	13	104
Restricted	7,659	4,310	5,885	8,361	9,376	12,111	14,450	18,263	21,702	45,347
Assigned	-	1,226	22,621	21,720	18,700	15,476	11,215	11,198	6,417	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 9,125	\$ 7,458	\$ 30,189	\$ 30,085	\$ 28,083	\$ 27,596	\$ 25,678	\$ 29,471	\$ 28,132	\$ 45,451

(modified accrual basis of accounting)
(amounts expressed in thousands)

City of Clermont, Florida
Change in Fund Balances-Governmental Funds

Schedule A4

Last Ten Fiscal Years	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 10,275	\$ 12,544	\$ 13,208	\$ 14,353	\$ 15,974	\$ 17,453	\$ 18,964	\$ 20,178	\$ 26,392	\$ 32,450
Franchise fees	2,502	2,712	2,619	2,817	3,142	3,202	3,360	3,813	4,536	4,330
Intergovernmental	8,772	8,790	9,054	10,559	10,860	12,342	12,245	26,786	17,848	15,724
Licenses and permits	788	1,298	1,594	2,249	1,927	1,691	2,259	2,791	2,379	1,051
Charges for services	1,312	1,652	1,746	2,103	2,188	2,483	2,825	3,213	3,554	5,821
Fines and forfeitures	757	703	358	204	230	241	176	186	153	169
Impact fees/special assessments	1,858	1,702	2,341	1,738	1,959	2,530	2,457	3,269	3,994	4,446
Investment Earnings	131	131	192	446	1,065	615	69	(138)	1,171	3,242
Contributions and other income	1,047	1,007	1,122	971	965	978	1,370	1,051	1,341	2,153
Total revenues	27,442	30,539	32,234	35,440	38,310	41,535	43,725	61,149	61,368	69,386
Expenditures										
Current:										
General government	3,600	4,070	3,911	3,948	4,609	4,892	5,750	5,060	5,962	6,944
Public safety	14,844	17,520	18,488	19,750	21,618	21,452	24,291	26,626	28,861	29,925
Physical environment	744	777	869	881	982	2,550	2,748	2,832	3,316	3,283
Transportation	1,635	1,878	1,687	1,927	2,165	1,546	2,072	1,957	2,179	2,381
Economic environment	564	482	324	343	372	786	608	618	688	117
Culture and recreation	3,725	5,038	5,996	5,199	6,302	2,901	3,027	3,838	4,972	3,914
Capital outlay	2,695	8,514	2,112	4,085	3,846	4,070	4,517	8,400	7,444	9,401
Debt service:										
Principal	884	6,280	1,077	979	2,096	2,147	2,202	2,255	2,310	2,639
Interest	198	342	272	805	829	772	711	655	608	775
Total expenditures	28,889	44,901	34,736	37,917	42,819	41,116	45,926	52,241	56,340	59,379
Excess (deficiency) of revenues over expenditures	(1,447)	(14,362)	(2,502)	(2,477)	(4,509)	419	(2,201)	8,908	5,028	10,007
Other financing sources (uses)										
Transfers in	3,857	11,897	26,725	7,697	4,937	5,152	5,179	23,636	7,614	5,080
Transfers out	(3,323)	(11,329)	(25,957)	(6,332)	(2,834)	(2,974)	(2,833)	(22,785)	(8,208)	(18,998)
Refunding and new bonds issued	-	10,631	23,670	-	-	-	-	-	-	-
Proceeds from financed purchases	-	-	-	-	919	-	-	-	-	1,770
Sale of capital assets	-	1,321	86	1,000	198	29	44	214	94	109
Proceeds from issuance of debt	-	-	-	-	-	-	-	-	-	28,782
Total other financing sources (uses)	534	12,520	24,524	2,365	3,220	2,207	2,390	1,065	(500)	16,743
Net change in fund balances	\$ (913)	\$ (1,842)	\$ 22,022	\$ (112)	\$ (1,289)	\$ 2,626	\$ 189	\$ 9,973	\$ 4,528	\$ 26,750
Debt service as a percentage of noncapital expenditures										
	4.5%	20.2%	4.6%	5.7%	8.3%	8.2%	7.2%	6.2%	5.7%	6.3%

*Note: Increase in % due to refunding of 2013 bonds. Without the refunding the % would be 4.9% in 2016

(modified accrual basis of accounting)
(amounts expressed in thousands)

City of Clermont, Florida
Tax Revenues by Source Governmental Funds

Last Ten Fiscal Years

Schedule B1

Fiscal Year	Property Tax	Utility Tax	Business Tax	Franchise Fees	Total
2015	\$ 7,013	\$ 2,953	\$ 130	\$ 2,502	\$ 12,598
2016	8,795	3,406	140	2,712	15,053
2017	9,538	3,328	133	2,619	15,618
2018	10,549	3,446	160	2,817	16,972
2019	11,747	3,872	157	3,142	18,918
2020	12,880	4,202	162	3,203	20,447
2021	14,354	4,467	144	3,360	22,325
2022	15,350	4,684	145	3,813	23,992
2023	20,882	5,354	156	4,536	30,928
2024	24,869	5,533	2,049	4,330	36,781

Taxes Included in Unrestricted Intergovernmental Revenues

Fiscal Year	Sales Tax	State Revenue Sharing	Local Option Gas Tax	Total
2015	\$ 1,820	\$ 749	\$ 378	\$ 2,947
2016	1,848	819	482	3,149
2017	1,945	911	520	3,376
2018	2,172	1,013	548	3,733
2019	2,236	1,116	551	3,903
2020	2,345	1,053	522	3,920
2021	2,806	1,386	537	4,729
2022	3,333	1,930	574	5,837
2023	3,330	2,012	600	5,942
2024	3,084	1,968	618	5,670

(accrual basis of accounting)
(amounts expressed in thousands)

City of Clermont, Florida
Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Schedule B2

Fiscal Year Ended September 30	Residential Property	Commercial Property	Real* Property	Personal Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2015	*	*	\$ 2,336,882	\$ 207,024	\$ 630,762	\$ 1,913,144	3.7290	\$ 2,543,906	75.20%
2016	*	*	2,574,360	215,752	652,769	2,137,343	4.2061	2,790,112	76.60%
2017	*	*	2,791,963	215,772	689,683	2,318,052	4.2061	3,007,735	77.07%
2017			2,791,963	215,772	689,683	2,318,052	4.2061	3,007,735	77.07%
2018			3,057,114	233,448	724,930	2,565,632	4.2061	3,290,562	77.97%
2019			3,406,874	238,430	789,497	2,855,807	4.2061	3,645,304	78.34%
2020			3,723,782	247,430	848,948	3,122,264	4.2061	3,971,212	78.62%
2021			4,070,776	262,371	899,129	3,434,018	4.2061	4,333,147	79.25%
2022			4,396,812	258,785	937,103	3,718,493	4.2061	4,655,597	79.87%
2023			4,923,776	296,466	1,009,657	4,210,585	5.0600	5,220,242	80.66%
2024			5,649,897	333,706	1,090,731	4,892,872	5.0600	5,983,603	81.77%

Source: Lake County Property Appraisers Office

* Information on breakdown of residential and commercial property is not available.

(amounts expressed in thousands)

City of Clermont, Florida
Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years								Schedule B3	
Fiscal Year	Direct Rate	Overlapping Rates							
	City of				Lake	South	Lake	St. Johns	Total
	Clermont	Lake County			County	Lake	County	River Water	Direct &
	Operating	Operating	Voted	Ambulance	School	Hospital	Water	Management	Overlapping
	Millage	Millage	Debt Service	MSTU	District	District ³	Authority	District	Rates
2015	3.7290	5.3856	0.1600	0.4629	7.2460	0.7633	0.2554	0.3164	18.3186
2016	4.2061	5.3051	0.1600	0.4629	7.1970	0.7633	0.2554	0.3023	18.6521
2017	4.2061	5.1180	0.1524	0.4629	6.8750	0.7332	0.2554	0.2885	18.0915
2017	4.2061	5.1180	0.1524	0.4629	6.8750	0.7332	0.2554	0.2885	18.0915
2018	4.2061	5.1180	0.1524	0.4629	6.6030	0.6898	0.2554	0.2724	17.7600
2019	4.2061	5.1180	0.1324	0.4629	6.3550	0.6432	0.4900	0.2562	17.6638
2020	4.2061	5.0734	0.1100	0.4629	6.8830	0.5886	0.3557	0.2414	17.9211
2021	4.2061	5.0327	0.1100	0.4629	6.6990	-	0.3368	0.2287	17.0762
2022	4.2061	5.0529	0.0918	0.4629	6.5920	-	0.3229	0.2189	16.9475
2023	5.0600	5.0364	0.0918	0.4629	6.2480	-	0.3083	0.1974	17.4048
2024	5.0600	5.0364	0.0918	0.0463	6.2060	-	0.2940	0.1793	16.9138

Source: Lake County Property Appraisers Office

¹ Overlapping rates are those of local and county governments that apply to property owners within the City of Clermont.

² Taxes levied for the fiscal year are based on the prior year taxable value.

Operating millage is the only component of the City's direct rate

³ South Lake Hospital Tax District dissolved, effective Fiscal Year 2021.

(per \$1,000 of assessed value)

City of Clermont, Florida
Principal Property Taxpayers

Fiscal Year Ended September 30, 2024

Schedule B4

	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
<u>Taxpayer</u>						
Advenir@Castle Hill LLC	57,318	1	1.17%			
BR Citrus Tower LLC	55,971	2	1.14%			
CC Clermont LLC	45,134	3	0.92%			
VR Clermont Limited Partnership	43,953	4	0.90%			
US 27-Clermont LLC	43,724	5	0.89%			
PRM Heights / Clermont Owner LLC	40,554	6	0.83%			
Vista at Lost Lake TIC I LLC ET AL	39,291	7	0.80%			
Westdale Sundance LTD	37,291	8	0.76%	18,623	5	0.97%
South Lake Hospital Inc	34,340	9	0.70%	19,682	4	1.03%
Advenir@Clermont, LLC	31,319	10	0.64%			0.00%
John P Adams & Ann D Adams Family LP				26,348	1	1.38%
Centennial Citrus Tower LLC				23,942	2	1.25%
Citrus Tower FL Phase I LLC				24,627	3	1.29%
IP9 MF Clermont LLC				17,953	6	0.94%
Citrus Tower FL Phase 11 LLC				15,326	7	0.80%
Weingarten I-4 Clermont Landing LLC				14,400	8	0.75%
Taylor Morrison of Florida Inc				13,456	9	0.70%
Living Well Lodges Clermont LLC				12,658	10	0.66%
						0.00%
TOTAL	<u>\$ 428,895</u>		<u>8.77%</u>	<u>\$ 187,015</u>		<u>9.78%</u>

Source: Lake County Property Appraiser

(amounts expressed in thousands)

City of Clermont, Florida
Property Tax Levies and Collections

Last Ten Fiscal Years

Schedule B5

Fiscal Year Ended September	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 7,133	\$ 6,793	95.2%	9	\$ 6,889	96.6%
2016	8,990	8,570	95.3%	8	8,672	96.5%
2017	9,750	9,299	95.4%	7	9,414	96.6%
2018	10,791	10,278	95.2%	6	10,405	96.4%
2019	12,012	11,430	95.2%	5	11,572	96.3%
2020	13,133	12,471	95.0%	4	12,656	96.4%
2021	14,444	13,677	94.7%	3	13,887	96.1%
2022	15,640	14,827	94.8%	2	15,058	96.3%
2023	21,290	20,201	94.9%	1	20,534	96.4%
2024	24,758	23,796	96.1%		23,796	96.1%

Note: Property taxes become due and payable on November 1st of each year. A four (4) percent discount is allowed if the taxes are paid in November, with the discount declining by one (1) percent each month thereafter. Accordingly, taxes collected will never be 100 percent of the tax levy.

(amounts expressed in thousands)

City of Clermont, Florida
Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Schedule C1

Year Ended Sept	Governmental Activities				Business-Type Activities		Total Outstanding Debt	Percentage of Personal Income ¹	Per Capita ¹
	Revenue Bonds	Financed Purchases	Notes Payable	Line of Credit	Revenue Bonds	Notes Payable			
2015	\$ -	\$ -	\$ 7,157	\$ -	\$ 13,728	\$ -	\$ 20,885	\$ -	\$ 646
2016	-	-	11,509	-	13,075	-	24,584	2.40%	709
2017	-	-	34,102	-	12,403	6,329	52,834	4.87%	1,476
2018	-	-	33,123	-	12,268	6,329	51,720	4.22%	1,329
2019	-	838	31,109	-	11,467	5,980	49,394	3.76%	1,212
2020	-	754	29,045	-	10,634	5,621	46,054	3.45%	1,040
2021	-	666	26,930	-	9,779	5,253	42,628	3.03%	954
2022	-	577	24,766	-	8,900	4,875	39,118	2.30%	852
2023	-	485	22,547	-	8,000	4,487	35,519	1.82%	748
2024	28,152	2,018	20,775	-	7,080	4,089	62,114	1.41%	1,265

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

¹ See the Schedule of Demographic and Economic Statistics on page 132 for personal income and population data.

(amounts expressed in thousands, except per capita amount)

City of Clermont, Florida

Direct and Overlapping Governmental Activities by Debt

	Schedule C2		
<u>Government Unit:</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Amount Applicable to City of Clermont</u>
Lake County	\$ 90,069	0.00%	\$ -
Lake County School District	134,096	0.00%	-
Subtotal, overlapping debt			-
City of Clermont, direct debt	27,596	100.00%	27,596
Total direct and overlapping debt			<u>\$ 27,596</u>

Sources: Lake County 2024 Comprehensive Annual Financial Report, Lake County School Board 2023 Comprehensive Annual Financial Report, and Lake County Property Appraiser's Office

⁽¹⁾ The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of Lake County's taxable assessed value that is within the City of Clermont's boundaries and dividing it by Lake County's total taxable assessed value.

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

The City of Clermont has no legal debt margin.

(amounts expressed in thousands, except population and per capita amount)

City of Clermont, Florida

Pledged – Revenue Coverage

Last Ten Fiscal Years

Schedule C3

Public Improvement Revenue Refunding Note, Series 2012

Fiscal Year	Public Service Taxes	Communications Service Tax	Half-Cent Sales Tax	Total Revenue Available for Debt Service	Debt Service		Coverage
					Principal	Interest	
2015	\$ 2,952,785	\$ 1,161,566	\$ 1,819,909	\$ 5,934,260	\$ 577,959	\$ 19,101	9.94
2016	3,405,642	1,138,032	1,848,294	6,391,968	585,609	12,760	10.68
2017	3,328,087	1,122,258	1,945,237	6,395,582	591,692	6,345	10.69
2018	3,446,407	1,112,440	2,172,025	6,730,872	286,141	1,559	23.40
2019	3,872,099	1,131,382	2,235,693	7,239,174	**	**	**
2020	4,201,714	1,232,777	2,344,875	7,779,366	**	**	**
2021	4,466,642	1,327,089	2,806,160	8,599,891	**	**	**
2022	4,684,059	1,414,867	3,333,085	9,432,011	**	**	**
2023	5,353,571	1,642,894	3,330,323	10,326,788	**	**	**
2024	5,512,337	1,880,867	3,344,435	10,737,639	**	**	**

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

* Public Improvement Revenue Note, Series 2002 was refunded in 2012, this includes the payoff of the original bonds.

** This Note was paid off in fiscal year 2018

City of Clermont, Florida
Pledged – Revenue Coverage (Continued)

Public Improvement Revenue Refunding Note, Series 2016

Fiscal Year	Public Service Taxes		Communications Service Tax		Total Revenue Available for Debt Service	Debt Service		Coverage
						Principal	Interest	
2015	\$	2,952,785	\$	1,161,566	\$ 4,114,351	\$ 305,772	\$ 178,337	8.50
2016		3,405,642		1,138,032	4,543,674	5,694,228 *	195,148	0.77
2017		3,328,087		1,122,258	4,450,345	255,000	105,635	12.34
2018		3,446,407		1,112,440	4,558,847	377,841	99,212	9.56
2019		3,872,099		1,131,382	5,003,481	385,511	91,464	10.49
2020		4,201,714		1,232,777	5,434,491	393,337	83,558	11.40
2021		4,466,642		1,327,089	5,793,731	401,322	75,493	12.15
2022		4,684,059		1,414,867	6,098,926	409,469	67,263	12.79
2023		5,353,571		1,642,894	6,996,465	417,781	58,866	14.68
2024		5,512,337		1,880,867	7,393,204	426,262	50,299	15.51

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

* Public Improvement Revenue Note, Series 2013 was refunded in 2016, this includes the payoff of the original bonds.

City of Clermont, Florida
Pledged – Revenue Coverage (Continued)

Infrastructure Sales Surtax Revenue Note, Series 2016

Fiscal Year	Infrastructure Sales Surtax	Debt Service		Coverage
		Principal	Interest	
2015	\$ -	\$ -	\$ -	N/A
2016	2,964,966	-	27,466	107.95
2017	3,115,549	230,716	109,914	9.15
2018	3,397,707	314,809	104,132	8.11
2019	3,474,813	321,483	97,387	8.30
2020	3,603,194	328,298	90,499	8.60
2021	4,182,726	335,258	83,466	9.99
2022	5,337,140	342,365	76,283	12.75
2023	5,538,802	349,623	68,948	13.23
2024	5,957,226	357,035	61,457	14.23

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

City of Clermont, Florida
Pledged – Revenue Coverage (Continued)

Master Plan Capital Projects Revenue Note, Series 2017

Fiscal Year	Infrastructure Sales Surtax	Recreation Impact Fees	Stormwater Fees	Sanitation Fees	Total Revenue Available for Debt Service	Debt Service		Coverage
						Principal	Interest	
2015	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
2016	-	-	-	-	-	-	-	N/A
2017	3,115,549	1,495,242	1,002,859	3,087,701	8,701,352	-	-	N/A
2018	3,397,707	1,047,736	1,375,516	3,176,721	8,997,680	-	749,550	12.00
2019	3,474,813	1,157,840	1,596,720	3,263,253	9,492,626	1,657,000	767,210	3.92
2020	3,603,194	1,529,037	1,695,361	3,550,386	10,377,978	1,701,000	723,053	4.28
2021	4,182,726	1,661,798	1,782,926	3,784,598	11,412,048	1,746,000	677,725	4.71
2022	5,337,140	2,068,218	1,879,538	4,019,607	13,304,503	1,791,000	631,213	5.49
2023	5,538,802	2,299,151	1,948,759	4,267,856	14,054,568	1,839,000	583,479	5.80
2024	5,957,226	2,553,445	2,265,366	5,493,637	16,269,674	1,887,000	534,482	6.72

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

City of Clermont, Florida
Pledged – Revenue Coverage (Continued)

Water and Sewer Revenue and Refunding Bonds

Fiscal Year	Water and Sewer Operating Revenues ¹	Water and Sewer Operating Expenses ²	Net Revenue Available for Debt Service	Debt Service		Coverage
				Principal	Interest	
2015	\$ 11,767,901	\$ 7,419,231	\$ 4,348,670	\$ 630,000	\$ 567,636	3.63
2016	12,578,644	7,272,716	5,305,928	650,000	548,236	4.43
2017	13,226,994	7,661,085	5,565,909	670,000	504,122	4.74
2018	13,379,152	8,104,464	5,274,688	10,920,000 ³	211,101	0.47
2019	15,017,621	8,753,924	6,263,697	800,000	294,524	5.72
2020	16,069,244	9,069,911	6,999,333	828,000	267,058	6.39
2021	16,629,593	9,958,948	6,670,645	855,000	242,915	6.08
2022	17,406,703	11,846,046	5,560,657	879,000	222,280	5.05
2023	19,389,128	13,693,906	5,695,222	900,000	201,110	5.17
2024	28,597,541	15,710,045	12,887,496	920,000	179,452	11.72

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

¹ Operating revenue is computed per bond resolution requirements. Investment earnings are included.

² Operating expense is computed per bond resolution requirements. Depreciation expense is not included.

³ On November 21, 2000, the City defeased its 1972 and 1988 bond issues and paid off a 1996 Bond Anticipation note that was due December 1, 2000. Principal payments were not due until December 1, 2004.

³ Water and Sewer Revenue Refunding Bonds, Series 2009 was partially refunded in 2017, this includes the payoff of the original bonds.

City of Clermont, Florida
Demographic and Economic Statistics

Last Ten Fiscal Years

Schedule D1

Fiscal Year	Population¹	Median Household Income¹	Per Capita Personal Income¹	Median Age¹	Education Level in Years of Formal Schooling¹	School Enrollment²	Unemployment Rate¹
2015	\$ 32,348	\$ 56,937	\$ 26,401	42.1	13.7	8,436	4.8%
2016	34,667	60,498	29,537	42.1	13.4	8,712	4.4%
2017	35,807	61,736	30,329	41.6	13.3	8,761	3.1%
2018	38,906	64,685	31,536	42.3	13.4	8,841	2.7%
2019	40,750	59,994	32,211	42.5	13.9	8,745	2.8%
2020	44,301	63,723	30,135	42.1	14.0	8,625	6.7%
2021	44,687	68,756	31,442	42.2	14.0	9,040	3.7%
2022	45,812	76,111	37,099	42.4	14.1	9,668	2.6%
2023	47,456	88,425	41,082	42.7	14.3	9,588	3.4%
2024	49,092	89,043	43,926	45.7	14.3	10,029	2.8%

Sources: ¹ Metro Orlando Economic Development Commission

² Lake County School Board

City of Clermont, Florida
Principal Employers

Schedule D2

	2024		2023		2022	
Businesses by SIC Codes	Businesses		Businesses		Businesses	
	Number	Percent	Number	Percent	Number	Percent
Services	1,132	46.4%	985	43.8%	1,017	43.6%
Retail Trade Businesses	469	19.2%	441	19.6%	468	20.1%
Finance, Insurance, Real Estate	276	11.3%	273	12.1%	266	11.4%
Construction	125	5.1%	116	5.2%	125	5.4%
Government	25	1.0%	28	1.2%	33	1.4%
Manufacturing	30	1.2%	26	1.2%	28	1.2%
Transportation	51	2.1%	45	2.0%	44	1.9%
Agriculture & Mining	28	1.1%	23	1.0%	27	1.2%
Wholesale Trade	34	1.4%	27	1.2%	31	1.3%
Communication	12	0.5%	9	0.4%	9	0.4%
Utility	4	0.2%	3	0.1%	3	0.1%
Unclassified Establishments	254	10.4%	272	12.1%	279	12.0%
	<u>2,440</u>	<u>100.0%</u>	<u>2,248</u>	<u>100.0%</u>	<u>2,330</u>	<u>100.0%</u>

Employees by SIC Codes	Employees		Employees		Employees	
	Number	Percent	Number	Percent	Number	Percent
Services	9,576	46.1%	8,559	44.2%	8,557	45.0%
Retail Trade Businesses	7,001	33.7%	6,610	34.1%	6,381	33.6%
Finance, Insurance, Real Estate	1,661	8.0%	1,676	8.6%	1,490	7.8%
Construction	753	3.6%	865	4.5%	928	4.9%
Government	612	2.9%	569	2.9%	641	3.4%
Manufacturing	414	2.0%	397	2.0%	392	2.1%
Transportation	248	1.2%	224	1.2%	219	1.2%
Agriculture & Mining	142	0.7%	116	0.6%	128	0.7%
Wholesale Trade	122	0.6%	89	0.5%	102	0.5%
Communication	63	0.3%	44	0.2%	46	0.2%
Utility	85	0.4%	83	0.4%	83	0.4%
Unclassified Establishments	96	0.5%	146	0.8%	42	0.2%
	<u>20,773</u>	<u>100.0%</u>	<u>19,378</u>	<u>100.0%</u>	<u>19,009</u>	<u>100.0%</u>

Source: Orlando Economic Partnership (OEM)

Note: Change in reporting methodology and source beginning in 2022.

City of Clermont, Florida
Principal Water Customers

Schedule D3

Employer	2024			2015		
	Usage (thousands of gallons)	Rank	Percentage of Total City Metered Flow¹	Usage (thousands of gallons)	Rank	Percentage of Total City Metered Flow
Kings Ridge South	60,485	1	1.55%	202,260	1	8.02%
SLMH	39,556	2	1.01%	37,744	2	1.50%
Kings Ridge North	14,990	3	0.38%			
Windy Hill Middle School	13,351	4	0.34%			
Vista at Lost Lake TIC I LLC	13,241	5	0.34%			
Vista at Lost Lake TIC I LLC	10,747	6	0.27%			.
Heritage Hills of Clermont HOA	10,656	7	0.27%	17,392	7	0.69%
Emerald Lakes of Clermont	9,783	8	0.25%			
SLMH	9,680	9	0.25%			
Clermont LL, LLC	9,151	10	0.25%			
Lake County School System				27,349	3	1.08%
Lennar Homes				24,290	4	0.96%
City of Clermont				21,405	5	0.85%
Citrus Tower FL Phase I&II LLC				20,544	6	0.81%
Westminster Comm Care Svcs				17,171	8	0.68%
Meritage Homes				16,687	9	0.66%
Taylor Morrison of Florida				15,952	10	0.63%
TOTAL	191,640		4.90%	400,794		15.90%

¹ The City of Clermont had a total metered water flow of approximately 3,913,166 gallons for the 12-month period ending September 30, 2024.

City of Clermont, Florida
Principal Sewer Customers

Schedule D4						
Employer	2024			2015		
	Usage (thousands of gallons)	Rank	Percentage of Total City Metered Flow ¹	Usage (thousands of gallons)	Rank	Percentage of Total City Metered Flow
Town of Oakland	49,392	1	3.01%			
SLMH	39,556	2	2.41%	34,998	1	3.17%
Vista at Lost Lake TIC I LLC	13,351	3	0.81%			
Windy Hill Middle School	13,241	4	0.81%			
Vista at Lost Lake TIC I LLC	10,747	5	0.66%			
CFCW OPCO LLC	9,680	6	0.59%			
Emerald Lakes of Clermont	8,614	7	0.53%			
Mister Car Wash	8,205	8	0.50%	6,280	10	0.57%
Carwash Headquarters, Inc	7,452	9	0.45%			
Oak Ridge Apartments 7439	7,273	10	0.44%			
Lake County Schools				22,732	2	2.06%
Citrus Tower FL Phase 1&II LLC				20,544	3	1.86%
Westminster Comm Care Service				15,943	4	1.44%
Living Well Lodges Clermont LLC				15,754	5	1.43%
Centennial Citrus Tower LLC				13,156	6	1.19%
Sundance Apartments				11,650	7	1.05%
Village at East Lake				11,535	8	1.04%
Osprey Ridge Apartments				10,283	9	0.93%
TOTAL	<u>167,511</u>		<u>10.22%</u>	<u>162,875</u>		<u>14.74%</u>

1 The City of Clermont had a total metered water flow for wastewater billing purposes of approximately 1,639,082 gallons for the 12-month period ending September 30, 2024.

City of Clermont, Florida
Full-time Equivalent City Government Employees by Function

Last Ten Fiscal Years

Schedule E1

Full-time Equivalent Employees as of September 30										
Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government	36.00	36.00	38.70	41.45	49.50	48.90	49.90	54.06	53.00	51.50
Public Safety:										
Police										
Sworn personnel	61.00	66.00	70.00	79.00	81.00	86.00	88.00	92.00	95.00	86.50
Non sworn personnel	6.00	6.00	6.00	7.00	7.00	7.00	8.00	9.00	10.00	10.00
Fire										
Firefighters	56.80	59.80	66.50	74.20	81.00	81.00	81.00	82.00	80.00	86.00
Other personnel	4.20	4.20	6.50	8.80	8.00	8.00	8.00	7.00	5.00	6.00
Building Services	6.00	7.00	11.30	11.55	12.30	13.55	14.55	13.78	13.50	14.00
Physical Environment	7.45	8.70	10.70	10.70	10.70	9.65	9.65	9.65	10.00	13.00
Transportation	12.85	12.60	14.60	16.60	11.90	11.73	11.73	11.73	14.00	17.00
Culture & Recreation	33.35	35.35	39.35	40.60	37.50	39.22	39.22	39.22	33.00	34.00
Water	29.35	29.65	29.15	30.45	30.55	32.70	36.70	35.63	36.00	38.00
Sewer	24.15	26.45	26.95	31.25	31.40	32.50	34.50	35.13	48.00	49.00
Stormwater	6.65	7.75	10.25	10.10	13.85	13.95	13.95	14.98	16.00	17.00
Sanitation	18.20	18.50	21.00	21.30	21.30	20.80	20.80	20.82	25.00	21.00
Total	<u>302.00</u>	<u>318.00</u>	<u>351.00</u>	<u>383.00</u>	<u>396.00</u>	<u>405.00</u>	<u>416.00</u>	<u>425.00</u>	<u>438.50</u>	<u>443.00</u>

Source: City of Clermont Finance Department.

City of Clermont, Florida
Operating Indicators by Function/Program

Last Ten Fiscal Years

Schedule E2

Function	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Municipal boundary (square miles)	16.65	16.78	16.78	17.12	19.00	19.10	19.20	19.34	19.78	20.29
Business Tax Receipts issued	1,701	1,639	1,633	1,623	1,585	1,572	1,968	1,752	1,375	1,867
A/P Checks issued	2,747	3,276	3,651	3,872	3,859	3,543	3,846	3,905	4,452	5,018
Commercial construction (units)	16	20	14	20	15	10	16	26	32	33
- value in thousands	8,625	42,241	13,302	42,042	30,862	13,695	52,737	61,307	65,156	73,336
Residential construction (units)	323	740	433	387	377	428	591	673	420	530
- value in thousands	55,178	103,423	87,873	104,394	87,927	92,541	110,912	134,829	69,691	80,055
Multi Family construction (units)	-	-	-	-	-	-	-	301	210	283
- value in thousands	-	-	-	-	-	-	-	31,945	30,047	48,388
Public Safety:										
Police										
Auto accidents	1,573	1,909	1,909	1,802	2,082	1,780	1,673	2,209	2,093	2,181
Physical arrests	652	589	593	569	663	632	590	548	816	828
911 calls received	7,618	6,397	6,809	7,943	9,185	8,703	9,880	9,124	10,969	9,488
Evidence processed (pieces)	989	674	1,165	1,040	1,821	1,331	1,787	2,107	2,250	1,891
Parking violations	144	181	385	147	101	319	403	522	696	871
Traffic violations	6,879	7,421	6,713	4,676	4,790	4,340	3,394	3,576	3,448	3,725
Fire										
Volunteer firefighters	-	-	-	-	-	-	-	-	-	-
Fire inspections completed	3,813	4,468	2,586	2,203	2,493	2,445	3,112	2,154	3,338	3,308
Emergency calls answered	4,202	6,001	6,828	5,689	5,367	6,199	6,549	6,977	7,633	8,144
Non-emergency calls answered	523	806	925	989	1,493	814	1,593	1,847	1,222	954
Water										
Residential accounts	13,242 *	13,561	14,339	14,805	15,311	15,882	16,283	16,919	17,474	18,126
Commercial accounts	1,211	1,220	1,235	1,498	1,283	1,283	1,344	1,353	1,379	1,432
Annual water usage (thousands of gallons)	2,521,397	2,572,852	2,743,657	2,687,665	2,816,071	3,090,626	3,568,993	3,789,411	4,210,416	4,528,006
Sewer										
Residential accounts	13,578	13,860	14,619	15,198	15,669	16,330	17,670	19,160	19,721	18,726
Commercial accounts	1,074	1,091	1,106	1,107	1,126	1,135	1,342	1,425	1,455	1,511

Sources: Various government departments.

* Decrease in accounts due to software conversion combining multi-metered services.

City of Clermont, Florida

Capital Assets by Function/Program

Last Ten Fiscal Years

Schedule E3

Function	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Public Safety:										
Police										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units	79	95	98	104	106	107	106	116	116	128
Fire										
Fire department facilities	3	4	5	5	5	5	5	5	5	5
Staffed fire stations	3	4	4	4	4	4	4	4	4	4
Fire hydrants	2,200	2,646	2,646	2,646	2,456	2,456	2,456	2,475	2,503	2,503
Fire apparatus	12	6	7	9	9	9	9	9	9	10
Staffed fire apparatus	3	6	6	7	7	7	7	7	7	7
ALS non-transport units	3	1	6	6	7	7	9	9	9	9
Transportation										
Streets Paved (miles) ⁺	202.38	210.00	210.60	210.60	210.60	210.60	210.60	202.00	202.00	106.00
Streetlights	3,158	3,160	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309
Culture & Recreation										
Number of parks	23	23	24	24	24	24	24	24	24	24
Parks acreage	378.0	443.9	443.9	443.9	443.9	443.9	443.9	443.9	443.9	443.9
Scenic linear trail (miles)	5.7	7.5	7.5	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Tennis courts	9	9	9	9	9	9	9	9	9	9
Pickleball courts	-	-	-	-	-	-	-	6	6	6
Piers	10	11	11	9	9	9	9	9	9	9
Boat ramp	1	1	1	1	1	1	1	1	1	1
Libraries										
Water										
Miles of water mains	230.28	229.44	297.00	297.81	331.86	334.98	354.16	334.98	366.71	372.00
Sewer										
Miles of sanitary sewers	167.60	168.57	220.00	224.00	236.34	238.58	254.61	238.58	250.85	194.20
Miles of Storm Sewers ^c	48.22	47.63	47.56	48.36	50.38	50.38	51.46	50.38	53.57	54.29

* Data not available.

** Asset was not in service.

Changed from Lane miles to center line miles method in FYE 2024.

Does not include private systems.

Reuse

Water Mains (miles)
Storage Capacity (gallons)

Wastewater

Sewers-Force Mains/Gravity (miles)
Permitted Treatment Capacity (gallons/day)
Lift Stations

Source: Various Town departments

City of Clermont, Florida
Impact Fees Collected

Last Ten Fiscal Years

Schedule E4

Fiscal Year	Recreation Impact Fees	Police Impact Fees	Fire Impact Fees	Water Impact Fees	Sewer Impact Fees	Total Impact Fees
2015	\$ 1,977,768	\$ 339,370	\$ 440,443	\$ 747,183	\$ 2,082,252	\$ 5,587,016
2016	1,092,976	266,100	343,111	1,156,797	2,160,897	5,019,881
2017	1,495,242	382,728	463,227	1,245,792	2,767,003	6,353,992
2018	1,047,736	300,132	389,730	1,063,577	2,588,642	5,389,817
2019	1,157,840	350,125	450,801	1,152,077	3,139,024	6,249,867
2020	1,529,037	436,670	564,447	1,620,076	4,954,474	9,104,704
2021	1,661,798	359,313	435,991	1,374,379	2,658,918	6,490,399
2022	2,068,218	515,142	685,604	2,178,315	4,112,658	9,559,937
2023	2,299,151	732,566	961,910	1,513,680	3,847,070	9,354,377
2024	2,553,445	665,576	1,226,903	1,452,106	4,558,485	10,456,515

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Clermont, 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 June 30, 2025.

Report on Internal Control over Financial Reporting

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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-01 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

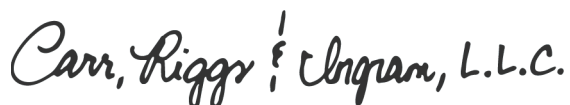
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect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

City of Clermont, Florida's Response to Findings

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." The signature is written in a cursive, flowing style.

CARR, RIGGS & INGRAM, L.L.C.

Orlando, Florida
June 30, 2025

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited City of Clermont, Florida's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City of Clermont, Florida's major federal program for the year ended September 30, 2024. City of Clermont, Florida's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Clermont, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2024.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

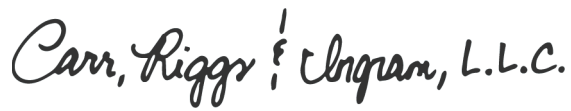
Report on Internal Control over Compliance

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

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

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

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

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." The signature is written in a cursive, flowing style.

CARR, RIGGS, INGRAM, L.L.C.

Orlando, Florida
June 30, 2025

City of Clermont, Florida
Schedule of Expenditures of Federal Awards
September 30, 2024

Federal or State Grantor/ Pass-Through Grantor/Program	Identifying Grant/Loan Number	Assistance Listing Number	Expenditures	Subrecipients
Federal Awards				
U.S. Department of Energy				
Energy Efficiency and Conservation Block Grant (EECBG)	DE-FOA-0002882	81.128	\$ 155,800	\$ -
U.S. Department of Justice				
<i>Passed through FL Office of the Attorney General</i>				
Crime Victim Assistance	VOCA-2021-Clermont Police Departmen-00318	16.575	20,886	-
Bulletproof Vest Partnership Program	2024BUBX24039283	16.607	24,087	-
<i>Passed through FL Dept. of Law Enforcement</i>				
Edward Byrne Memorial Justice Assistance Grant	15PBJA-22-GG-00656-MUMU	16.738	6,655	-
Edward Byrne Memorial Justice Assistance Grant	15PBJA-22-GG-00656-MUMU	16.738	9,270	-
<i>Total passed through FL Dept of Law Enforcement</i>		16.738	15,925	
Equitable Sharing Program	FL0350300	16.922	306	-
Total U.S. Department of Justice			61,204	-
U.S. Department of Treasury				
COVID-Coronavirus State and Local Fiscal Recovery Fund	Y5055	21.027	1,371,870	-
Total of Federal Awards			\$ 1,588,874	\$ -

City of Clermont, Florida

Notes to the Schedule of Expenditures of Federal Awards

A. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Clermont, Florida, under programs of the federal government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles*. Because the Schedule presents only a selected portion of the operations of the City of Clermont, Florida, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Clermont, Florida.

B. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable, or are limited as to reimbursement.

C. Sub-recipients

The City of Clermont, Florida had no sub-recipients of federal awards in the fiscal year ended September 30, 2024.

D. Indirect Cost Rate

The City of Clermont, Florida has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

E. Noncash Awards

The City of Clermont, Florida received no non-cash awards in the fiscal year ended September 30, 2024.

City of Clermont, Florida
Schedule of Findings and Questioned Costs

PART I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? X yes none noted

Noncompliance material to financial statements noted?

 yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? yes X none noted

Type of auditor’s report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200.516(a) of OMB Compliance Supplement?

 yes X none noted

Identification of major federal programs:

Federal ALN

Federal Program or Cluster

21.027

COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and B programs was \$750,000 for major federal programs.

Auditee qualified as a low-risk auditee for federal purposes?

 yes X no

City of Clermont, Florida
Schedule of Findings and Questioned Costs (Continued)

PART II – FINANCIAL STATEMENT FINDINGS

2024-01 Internal Control on Financial Reporting (Significant Deficiency)

Condition: The unbilled revenue for utilities was not properly reflected as revenue in the proper period. GASB 87 for leases was not properly implemented and reflected as a receivable and deferred inflow. Reconciliation of accounts were not completed at year end, to include pension investment activity.

Criteria: All year-end reconciliations and closing journal entries should agree to the underlying support following GASB 87 and GASB 34 and be properly recorded in the general ledger.

Cause: Lease receivable and deferred inflows for leases were not properly recorded as lessor. Unbilled receivables for utility billing were not properly recorded as revenue and receivables. Investments were not properly reconciled at year-end.

Effect: Lease receivables and deferred inflow of leases were understated by approximately \$2,600,000, and unbilled receivables and related revenue were understated by approximately \$1,300,000.

Recommendation: We recommend year-end financial close reconciliations and entries be done and ensure government accounting standards are being followed.

Management Response: See Corrective Action Plan at page 150.

City of Clermont, Florida
Corrective Action Plan



Finance Department

352-241-7365
financesupport@clermontfl.org

Management's Corrective Action Plan – Fiscal Year Ended 2024

Audit Finding Number:	Finding 2024-01
Contact Person:	Scott Borrer, Finance Director
Corrective Action Planned:	Staff has identified the appropriate reporting procedures to ensure accurate accounting for unbilled utility revenue in future periods. The implementation of GASB 87 was deferred as the city prioritized staff transitions and other operational needs; since that time, staff has conducted a comprehensive review of the standard and provided the relevant journal entry during audit fieldwork. Investment and pension activity related to the pension boards is provided quarterly by a third-party administrator. To support timely posting of this activity, city staff will establish a workflow process that aligns with reporting schedules.
Anticipated Completion Date:	September 30, 2025

**MANAGEMENT LETTER REQUIRED BY
 CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

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

Report on the Financial Statements

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

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, 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 September 30, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address one finding from prior year while others have been uncorrected. See tabulation below:

Tabulation of Uncorrected Audit Findings		
Current Year	2022-23 FY	2021-22 FY
Finding #	Finding #	Finding #
2024-01	23-01	22-02
Corrected	23-02	22-02
2024-02	23-03	22-03

Official Title and Legal Authority

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

Financial Condition and Management

Section 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 of more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions 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. 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 the review of financial information provided by same.

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

Specific Information (unaudited)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7-9, Rules of the Auditor General, the City of Clermont, Florida Community Redevelopment Agency reported the information below. This 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.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the City of Clermont, Florida Community Redevelopment Agency reported:

- | | |
|---|------------------|
| a. The total number of Agency employees compensated in the last pay period of the Agency's fiscal year as: | None |
| b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year as: | None |
| c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: | \$2,765 |
| d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: | \$116,579 |
| e. Each construction project with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin on or after October 1 of the following fiscal year being reported, together with the total expenditures for such projects as: | None, \$0 |

- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes:

See Page 110

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the City of Clermont, Florida Community Redevelopment Agency reported:

- a. The millage rate or rates imposed by the Agency: **4.8800**
- b. The total amount of ad valorem taxes collected by or on behalf of the Agency: **\$ 754,960**
- c. The total amount of outstanding bonds issued by the Agency and the terms of such bonds: **None**

Information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)9, Rules of the Auditor General: The City of Clermont, Florida Community Redevelopment Agency has not imposed any special assessments and therefore no reporting is required by Section 218.39(3), Florida Statutes.

Property Assessed Clean Energy (PACE) Programs (Unaudited)

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the City did not operate a PACE program pursuant to Section 163.081 or Section 163.082, Florida Statutes, within the City's geographical boundaries during the fiscal year under audit.

Additional Matters

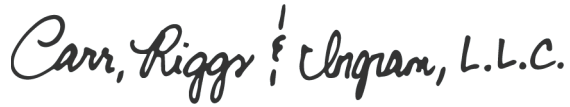
Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we noted the following:

In connection with our audit, the City did not submit its annual City of Clermont, Florida Redevelopment Agency budget or amended budget for fiscal year 2024 to the Lake County Board of County Commissioners within 10 days after the adoption of such budget (Finding 2024-03).

In addition, the City did not take the required continuing education courses by the designated individual as required by the City's investment policy and Florida Statute 218.415 (Finding 2024-02).

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, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." in a cursive script.

CARR, RIGGS & INGRAM, L.L.C.

Orlando, Florida

June 30, 2025

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

The Honorable Mayor and Council
City of Clermont, Florida

We have examined the City of Clermont, Florida (the City) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024. Management of the City is responsible for the City’s compliance with the specified requirements. Our responsibility is to express an opinion on the City’s compliance with the specified requirements based on our examination.

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

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 requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024, except as noted below.

2024-02 The City did not take the required continuing education courses by the designated individual as require by the City’s investment policy and Florida Statute 218.415.

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

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

Orlando, Florida
June 30, 2025



Finance Department

August 27, 2025

Auditor General, State of Florida
Attention: Gina Bailey, CPA – Audit Supervisor Local Government Audits
401 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Re: Management Letter Finding 2024-03

Per the letter dated August 22, 2025 please accept the following response as it related to the FYE 2024 audit findings and recommendations for the City of Clermont.

Finding 2024-03: CRA Budget Report to Lake County Board of County Commissioners

The city transitioned to a new auditor (CRI, LLC) for the FYE 2024 audit. CRI made city staff aware of this requirement during fieldwork in March 2025. The city immediately contacted Lake County to provide a copy of the FYE 2025 budget. During that contact, we were advised there is no record of the City submitting the annual budget to them in prior years. This non-compliance item does not appear in prior year audits. While city staff is now aware of this requirement, the timing of awareness means the FYE 2025 audit will likely repeat the non-compliance in the next audit.

As noted in the attachment, we have received a separate letter regarding Finding 2024-02. A response has likewise been provided separately.

Thanks,

Scott Borrer

Scott Borrer
Finance Director
sborrer@clermontfl.org

cc by email:
rickvoss@aud.state.fl.us