

# **City of Dade City, Florida**

## **Financial Statements and Independent Auditor's Reports**

**For the Year Ended September 30, 2024**

**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR’S REPORT**

**CITY OF DADE CITY  
DADE CITY, FLORIDA**

**SEPTEMBER 30, 2024**

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**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT**

**CITY OF DADE CITY  
DADE CITY, FLORIDA**

**SEPTEMBER 30, 2024**

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## INDEPENDENT AUDITOR'S REPORT

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

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dade City, Florida, 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 of Dade City, Florida and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules, and the 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 and individual nonmajor fund financial statements, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

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

CARR, RIGGS & INGRAM, LLC

Tampa, Florida

May 22, 2026

**CITY OF DADE CITY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

This section provides a discussion and analysis of the financial activities for the City of Dade City, Florida (the City) for October 1, 2023 through September 30, 2024. Please read this information in conjunction with the audited financial statements, which follow this discussion.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of the City exceeded their liabilities and deferred inflows, resulting in a net position of \$90.25 million. Of this amount, \$11.81 million is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- Governmental activities had program revenues of \$12,007,192, general revenues of \$10,902,468, and net transfers of \$615,230. Total expenses were \$10,220,708.
- Business-type activities had program revenues of \$7,533,039, general revenues of 598,264, and net transfers of (615,230). Total expenses were \$6,642,785.
- The County-wide one-cent infrastructure surtax (discretionary tax) generated revenues of \$1,753,754, an increase of \$47,125 from the previous year.

**USING THIS REPORT**

Statement No. 34 of the Governmental Accounting Standards Board (GASB 34) establishes financial reporting requirements for state and local governments throughout the United States. The intent of GASB 34 is to make financial statements more comprehensive and easier to understand and use.

The financial statements consist of four parts:

- Government-wide financial statements – These statements report information about the City as a whole and have a longer-term viewpoint. The Statement of Net Position reports the financial and capital resources of the City by showing the difference between assets and liabilities. The Statement of Activities presents information on the various functions and services of the City and how they are financed.
- Fund financial statements – These statements report information about the City by its different accounting units, called funds. The Balance Sheet for governmental funds provides information about the current financial resources of each fund. The Statement of Revenues, Expenditures, and Changes in Fund Balance shows how the activities of the year impacted the balance of financial resources available in each fund.
- Notes to the financial statements – These notes include additional information needed to provide a fair presentation and more complete understanding of the financial statements. These notes are an integral part of the basic financial statements.
- Required supplementary information (other than management's discussion and analysis) – This information gives additional details about the City's financial condition that is not included in the other statements.

**CITY OF DADE CITY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

**STATEMENT OF NET POSITION**

The primary government has two parts, governmental activities and business-type activities, which are described in more detail under the fund analysis section.

Net position may serve over time as a useful indicator of a government's financial position and condition. Assets and deferred outflows exceeded liabilities and deferred inflows by \$90,247,638 at September 30, 2024, compared to \$76,070,896 on September 30, 2023, an increase of \$14,177,470.

Net investment in capital assets, such as buildings, equipment, and infrastructure, make up 53.5%, or \$48.32 million, of total net position. An additional \$30.12 million, or 33.4%, of net position is legally restricted for certain purposes and uses. The balance of \$11.81 million, or 13.1%, in net position is unrestricted and available to meet the City's ongoing obligations.

	Governmental Activities		Business-Type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
<b>Assets:</b>						
Current and Other Assets	\$ 35,763,187	\$ 28,215,962	\$ 11,581,957	\$ 11,163,922	\$ 47,345,144	\$ 39,379,884
Capital Assets	28,898,002	25,826,548	32,365,486	29,565,784	61,263,488	55,392,332
<b>Total Assets</b>	<b>64,661,189</b>	<b>54,042,510</b>	<b>43,947,443</b>	<b>40,729,706</b>	<b>108,608,632</b>	<b>94,772,216</b>
<b>Deferred Outflow of Resources</b>	<b>233,709</b>	<b>1,933,106</b>	<b>3,070</b>	<b>2,491</b>	<b>236,779</b>	<b>1,935,597</b>
<b>Liabilities:</b>						
Current and Other Liabilities	1,442,898	3,933,470	1,429,582	1,319,287	2,872,480	5,252,757
Net Pension Liability and OPEB	815,865	3,392,155	73,904	63,220	889,769	3,455,375
Long-Term Liabilities	1,391,995	1,717,273	12,154,764	9,930,715	13,546,759	11,647,988
<b>Total Liabilities</b>	<b>3,650,758</b>	<b>9,042,898</b>	<b>13,658,250</b>	<b>11,313,222</b>	<b>17,309,008</b>	<b>20,356,120</b>
<b>Deferred Inflow of Resources</b>	<b>1,288,765</b>	<b>281,525</b>	<b>-</b>	<b>-</b>	<b>1,288,765</b>	<b>281,525</b>
<b>Net Position:</b>						
Net Investment in Capital Assets	28,032,976	23,886,385	20,287,920	19,624,653	48,320,896	43,511,038
Restricted	28,257,017	19,332,069	1,864,593	1,312,117	30,121,610	20,644,186
Unrestricted	3,665,382	3,432,739	8,139,750	8,482,205	11,805,132	11,914,944
<b>Total Net Position</b>	<b>\$ 59,955,375</b>	<b>\$ 46,651,193</b>	<b>\$ 30,292,263</b>	<b>\$ 29,418,975</b>	<b>\$ 90,247,638</b>	<b>\$ 76,070,168</b>

**STATEMENT OF ACTIVITIES**

The total primary government had an increase of \$14,177,470 in net position as a result of activities during the fiscal year. Governmental activities had an operating surplus of \$12,688,952, while net transfers increased net position by an additional \$615,230. Compared to the previous year, governmental activities charges for services decreased by \$8,014,428 and capital grants and contributions increased by \$4,503,537 from the prior year due to reclassification of some governmental activities revenues. Operating grant revenues increased from \$0 to \$1,953,764 for governmental activities due to the recognition of American Rescue Plan grant funds. Program expenses for the total primary government increased by \$1,271,716. Business-type activities had an increase in net position of \$873,288, which is net of a \$615,230 transfer out to cover overhead and other governmental activities.

**CITY OF DADE CITY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Excluding grants, charges for services are the majority of revenues of the business-type activities, while taxes and intergovernmental revenues primarily fund the governmental activities.

	Governmental Activities		Business-Type Activities		Total Government	
	2024	2023	2024	2023	2024	2023
<b>REVENUE</b>						
Program Revenue:						
Charges for Services	\$ 473,661	\$ 8,488,089	\$ 7,336,002	\$ 6,232,059	\$ 7,809,663	\$ 14,720,148
Operating Grants	1,953,764	-	-	-	1,953,764	-
Capital Grants	9,579,767	5,076,230	197,037	15,400	9,776,804	5,091,630
General Revenue:						
Property Taxes	3,899,311	3,329,871	-	-	3,899,311	3,329,871
Other Taxes and Fees	5,286,609	4,968,823	-	-	5,286,609	4,968,823
Intergovernmental Revenues	416,837	440,238	-	-	416,837	440,238
Other Revenues	1,299,711	426,931	598,264	148,897	1,897,975	575,828
<b>Total Revenues</b>	<b>22,909,660</b>	<b>22,730,182</b>	<b>8,131,303</b>	<b>6,396,356</b>	<b>31,040,963</b>	<b>29,126,538</b>
<b>EXPENSES</b>						
Program Expenses:						
General Government	3,405,694	3,145,697	-	-	3,405,694	3,145,697
Public Safety	4,278,951	4,502,653	-	-	4,278,951	4,502,653
Physical Environment	464,012	156,074	6,642,785	5,599,092	7,106,797	5,755,166
Transportation	1,201,393	1,436,320	-	-	1,201,393	1,436,320
Culture and Recreation	828,105	751,941	-	-	828,105	751,941
Interest on Long Term Debt	42,553	-	-	-	42,553	-
<b>Total Expenses</b>	<b>10,220,708</b>	<b>9,992,685</b>	<b>6,642,785</b>	<b>5,599,092</b>	<b>16,863,493</b>	<b>15,591,777</b>
Excess Deficiency Before Transfers	12,688,952	12,737,497	1,488,518	797,264	14,177,470	13,534,761
Net Transfers	615,230	319,748	(615,230)	(319,748)	-	-
<b>Change in Net Position</b>	<b>13,304,182</b>	<b>13,057,245</b>	<b>873,288</b>	<b>477,516</b>	<b>14,177,470</b>	<b>13,534,761</b>
<b>Net Position - September 30, 2023</b>	<b>46,651,193</b>	<b>33,593,948</b>	<b>29,418,975</b>	<b>28,941,459</b>	<b>76,070,168</b>	<b>62,535,407</b>
<b>Net Position - September 30, 2024</b>	<b>\$ 59,955,375</b>	<b>\$ 46,651,193</b>	<b>\$ 30,292,263</b>	<b>\$ 29,418,975</b>	<b>\$ 90,247,638</b>	<b>\$ 76,070,168</b>

**FUND ACTIVITY**

Governmental activities include the general fund and the special revenue funds. The general fund is where most of the City's basic services are reported, including public safety, public works, and City administration. Special revenue funds are used to record receipts that are legally restricted in their uses, such as impact fees and certain taxes. The City reports the General Fund, Water and Sewer Impact Fee Fund, and Transportation Impact Fee Fund and major governmental funds.

Business-type activities are City services that charge fees to pay the costs of those services. In the City, that includes the Public Utility Fund, and the sanitation fund. Also, the City reports the Building Fund, which issues building permits and enforces the Florida Building Code, as a major enterprise fund. The Public Utility Fund charges rates and fees that pay the costs of providing the water and sewer service. The City has been awarded a combination of grant and loan funding for some utility improvement projects. The enterprise funds transfer monies to the general fund for overhead allocation charges and other administrative services in support of the enterprise funds. The sanitation fund is responsible for garbage collection through a service agreement with an outside contractor.

**CITY OF DADE CITY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

**MAJOR FUNDS – GOVERNMENTAL**

*General Fund*

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,106,477. In addition, \$3,515,748 was committed to provide the Reserve Funds which are maintained for future expenditures and to provide for unanticipated needs. The total General Fund Balance of 6,060,164 is \$323,069 or 5.6% higher than the FY2023 General Fund Balance of \$5,737,095. Total General Fund Revenues increased from \$9,987,676 in FY2023 to \$11,773,154 in FY2024 for a 17.9% increase. This was primarily from Property tax revenues as new higher value homes were built along with general appreciation of existing homes.

*Water and Sewer Impact Fee Fund*

Water and Sewer Impact Fees are collected from new commercial and residential developments to increase the capacity of the systems to accommodate new growth without impact on existing customers. The Water and Sewer Impact Fee Fund Balance are \$19,525,429 on September 30, 2024, and is a Special Revenue Restricted Fund. Total revenue depends on the number of permits issued which resulted in a decrease in revenues from \$6,716,482 to \$6,350,725 for a decrease of 5%.

*Transportation Impact Fee Fund*

Transportation Impact Fees are collected from new commercial and residential developments to increase the capacity of the transportation system to accommodate new growth without impact on existing residents. The Transportation Impact Fee Fund Balance is \$4,804,785 on September 30, 2024, and is a Special Revenue Restricted Fund. Total revenue depends on the number of permits issued which resulted in an increase in revenues from \$1,114,446 to \$1,358,794 for an increase of 21.9%.

**MAJOR FUNDS – PROPRIETARY**

*Public Utility Fund*

The Public Utility Fund provides Water and Sanitary Sewer services. Charges for services increased \$700,088 which was offset by corresponding increase in general operating expenses of \$618,709. This increase in charges for services is in line with the increase in customers. Equipment and supplies as well as equipment maintenance increased approximately \$500,000 over the prior year due to aging infrastructure, increased customer repairs and service needs.

*Sanitation Fund*

The Sanitation Fund had a minimal decrease in net position of \$129,776 from the prior year. Operating expenses were greater than operating revenues by \$93,976 in the current year. The City's rates were not sufficient to cover operational costs of the sanitation system. The Commission occasionally reviews the rate to adjust for increase costs from the service provider.

**CITY OF DADE CITY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

*Building Fund*

The net position of the Building Fund increased by \$541,017 due to increased activity resulting in increased permit and inspection fees. Expenses were in line with the prior year.

**GENERAL FUND BUDGET VARIATIONS**

	Original 2024	Final 2024	Actual 2024	Actual 2023
	Budget	Budget	Results	Results
<b>REVENUE</b>				
Taxes and Special Assessments	\$ 5,775,575	\$ 6,025,575	\$ 6,545,567	\$ 5,453,568
License and Permits	50,000	50,000	38,602	40,956
Intergovernmental Revenues	6,231,720	6,071,720	3,680,527	3,431,431
Charges for Services	127,500	197,500	208,016	138,465
Fines and Forfeitures	33,500	25,200	28,856	37,081
Contributions and Donations	-	-	602,976	400,000
Investment Earnings (Losses)	315,000	315,000	341,850	322,370
Miscellaneous Revenue	179,000	179,000	173,084	115,303
Pension Contributions - State	100,000	100,000	153,676	48,502
SBITA Issued	-	-	-	971,019
Proceeds from Issuance of Debt	-	-	-	315,338
Transfers in	1,367,880	1,316,780	1,167,290	966,062
<b>Total Revenues and Transfers In</b>	<b>14,180,175</b>	<b>14,280,775</b>	<b>12,940,444</b>	<b>12,240,095</b>
<b>EXPENDITURES</b>				
Current:				
General Government	2,904,365	3,096,965	2,775,881	2,572,871
Public Safety	4,682,825	4,682,825	4,548,667	4,131,427
Transportation	811,970	811,970	775,236	787,849
Culture and Recreation	653,880	653,880	664,816	567,949
Debt Service	-	-	409,961	55,911
Capital Outlay	5,009,950	5,009,950	3,287,021	2,299,102
Transfers Out	-	159,235	155,793	131,050
<b>Total Expenditures</b>	<b>14,062,990</b>	<b>14,414,825</b>	<b>12,617,375</b>	<b>10,546,159</b>
<b>Increase (Decrease) in Fund Balance</b>	<b>\$ 117,185</b>	<b>\$ (134,050)</b>	<b>\$ 323,069</b>	<b>\$ 1,693,936</b>

Significant variations between the final budget and the actual results in the general fund are due to:

- Actual taxes and special assessment revenues exceeded the budgeted amount by \$595,992, as population growth brought higher valued residential houses onto the property tax roll during fiscal year 2024. Charges for Services and investment earnings outperformed expectations.
- The Capital Improvement Plans (CIP) provided for projects that spanned several years. The implementation of a major new road construction project was affected due to lengthy right of way acquisition negotiations. Other projects were also delayed due to internal and external conditions.

**CITY OF DADE CITY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

**CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY**

**CAPITAL ASSETS**

The City lists capital assets totaling \$61.26 million. Most of those assets (\$32.37 million) are in the utility system improvements and infrastructure. Amounts in the following table are shown net of accumulated depreciation, where applicable.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land and Easements	\$ 2,027,797	\$ 2,027,797	\$ 217,862	\$ 117,862	\$ 2,245,659	\$ 2,145,659
Buildings	5,440,655	5,040,167	4,929,141	5,145,706	10,369,796	10,185,873
Improvements	11,436,303	7,823,282	14,099,105	14,368,693	25,535,408	22,191,975
Construction in Progress	2,823,930	4,818,752	8,815,400	5,394,523	11,639,330	10,213,275
Equipment	3,757,182	2,588,009	4,268,361	4,485,574	8,025,543	7,073,583
Infrastructure	2,636,781	2,636,781	-	-	2,636,781	2,636,781
SBITA	775,354	891,760	35,617	53,426	810,971	945,186
<b>Totals</b>	<b>\$ 28,898,002</b>	<b>\$ 25,826,548</b>	<b>\$ 32,365,486</b>	<b>\$ 29,565,784</b>	<b>\$ 61,263,488</b>	<b>\$ 55,392,332</b>

Major capital asset additions were for the Dade Oaks retention pond stormwater improvement; new City park improvements at Watson Park, Community Park and Naomi Jones Park; and a new splash pad and bathroom building.

**LONG-TERM DEBT ACTIVITY**

General government debt consists of a financed clam truck, IT server, and street sweeper. There are seven outstanding long-term debt obligations in the Public Utility Fund. Two of the debt obligations are loans from the United States Department of Agriculture, Rural Development, made under a grant/loan program for water and wastewater system improvements. The City has five open-loan agreements with the State Revolving Fund for water system and wastewater system improvements. The City anticipates acquiring additional funding from Rural Development and the State Revolving Fund in future years.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Notes payable	\$ 154,047	\$ 315,338	\$ 5,785,268	\$ 5,902,821	\$ 5,939,315	\$ 6,218,159
Revenue bonds	-	-	3,685,917	3,770,549	3,685,917	3,770,549
SBITA payable	710,979	917,096	44,574	64,848	755,553	981,944
FDOT payable	-	-	2,504,700	-	2,504,700	-
Vehicle Financing	-	-	57,107	112,449	57,107	112,449
<b>Totals</b>	<b>\$ 865,026</b>	<b>\$ 1,232,434</b>	<b>\$ 12,077,566</b>	<b>\$ 9,850,667</b>	<b>\$ 12,942,592</b>	<b>\$ 11,083,101</b>

**POTENTIAL IMPACTS ON FUTURE FINANCIAL CONDITION**

Beginning with fiscal year 2004-2005, Pasco County has been charging a millage amount for fire services inside the City limits. This millage rate is counted against the City's overall millage cap of ten mills, which restricts the millage rate that Dade City will be able to charge for other municipal services. However, the City's millage rate of 7.00 is well below the legal limit.

**CITY OF DADE CITY, FLORIDA  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

In 2004, the voters of Pasco County approved a local government infrastructure surtax, which added an additional penny to the County sales tax rate through December 2014. These funds are shared by the County, the School Board, and the municipalities within the County, and may only be used for infrastructure improvements and capital. Voters renewed the tax for another ten years in November 2012. In November of 2022, 65% of the County voters approved an additional extension of the sales tax also known as “Penny For Pasco” until the year 2039. Funds from Penny For Pasco are being used to pay for transportation and parks, environmental lands, economic development projects and capital upgrades.

The American Rescue Plan Act of 2022 (ARPA) was a \$1.9 trillion economic stimulus package passed by United States Congress (H.R. 1319) and signed into law on March 11, 2022. It was the intention of the federal government to hasten the United States’ recovery from the economic and health effects of the COVID-19 pandemic and the ongoing recession. ARPA established two fiscal recovery funds to distribute money to states, local governments, tribal governments and U.S. territories: 1) \$219.8 billion to the Coronavirus State Fiscal Recovery Fund and 2) \$130.2 billion to the Coronavirus Local Fiscal Recovery Fund, which was split among counties, metropolitan cities and non-entitlement units of local government. Of the total \$130.2 billion appropriation under the Coronavirus Local Fiscal Recovery Fund, cities received \$65.1 billion in population-adjusted payments, with additional adjustments for Community Development Block Grant (CDBG) recipients. Dade City received a total of \$3,675,264 as of fiscal year 2023. Funds were required to be fully obligated for expenditure by December 31, 2024. All Funds were expended on Personnel Costs under the project expenditure category - Revenue Replacement, and the project expenditure subcategory - Provision of Government Services, over the 12-month period ending March 31, 2024. The \$3,675,264 (the entire ARPA stimulus package) received was expended as of September 30, 2024.

New residential development within the City has been on an upward trend. Community Development Districts (CDDs), which are independent special districts and are established in accordance with Chapter 190 of Florida Statutes account for much of the rapid expansion of residential housing in the City. These new developments will initially generate more permit and impact fees to be used to expand the City’s and County’s essential services capacities. After completion, new housing will provide increases in tax revenues and revenues through charges for services and other assessments. There will also be increases in expenses to provide City services for those developments.

Commercial development and downtown redevelopment projects are expected to increase because of the growing population, and several new roadways and bypass improvements will create new opportunities for private investment. The anticipated increased tax base sets the stage for continued reduction in the City’s tax millage rate.

**REQUESTS FOR ADDITIONAL INFORMATION**

This financial report is designed to provide a general overview of the City of Dade City’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Department at 38020 Meridian Avenue, Dade City, Florida 33525.

## **BASIC FINANCIAL STATEMENTS**

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

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and Cash Equivalents	\$ 29,539,851	\$ 3,201,945	\$ 32,741,796
Cash with Fiscal Agent	-	128,534	128,534
Restricted Cash	-	2,602,179	2,602,179
Investments	4,334,560	4,068,124	8,402,684
Receivables, Net	486,481	780,628	1,267,109
Internal Balances	(303,598)	303,598	-
Due from Other Governments	842,103	380,615	1,222,718
Prepays	76,200	-	76,200
Inventories	51,612	116,334	167,946
Net Pension Asset	735,978	-	735,978
Capital Assets Not Being Depreciated:			
Land and Easements	2,027,797	217,862	2,245,659
Infrastructure	2,636,781	-	2,636,781
Construction in Progress	2,823,930	8,815,400	11,639,330
Capital Assets, Net of Accumulated Depreciation	21,409,494	23,332,224	44,741,718
Total Capital Assets	28,898,002	32,365,486	61,263,488
<b>Total Assets</b>	<b>64,661,189</b>	<b>43,947,443</b>	<b>108,608,632</b>
<b>Deferred Outflows of Resources</b>			
OPEB Related Items	9,668	3,070	12,738
Pension Related Items	224,041	-	224,041
<b>Total Deferred Outflows of Resources</b>	<b>233,709</b>	<b>3,070</b>	<b>236,779</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>64,894,898</b>	<b>43,950,513</b>	<b>108,845,411</b>
<b>Liabilities</b>			
Accounts Payable and Accrued Expenses	1,309,304	539,826	1,849,130
Due to Other Governments	15,633	-	15,633
Deposits	29,010	889,756	918,766
Unearned Revenues	88,951	-	88,951
Long-Term Liabilities:			
Due Within One Year	380,178	480,083	860,261
Due in More Than One Year	1,011,817	11,674,681	12,686,498
Net Pension Liabilities	583,107	-	583,107
Net OPEB Liability	232,758	73,904	306,662
<b>Total Liabilities</b>	<b>3,650,758</b>	<b>13,658,250</b>	<b>17,309,008</b>
<b>Deferred Inflows of Resources</b>			
Pension Related Items	1,288,765	-	1,288,765
<b>Total Deferred Inflows</b>	<b>1,288,765</b>	<b>-</b>	<b>1,288,765</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>4,939,523</b>	<b>13,658,250</b>	<b>18,597,773</b>
<b>Net Position</b>			
Net Investment in Capital Assets	28,032,976	20,287,920	48,320,896
Restricted for:			
Other Purposes	28,257,017	1,864,593	30,121,610
Unrestricted	3,665,382	8,139,750	11,805,132
<b>Total Net Position</b>	<b>\$ 59,955,375</b>	<b>\$ 30,292,263</b>	<b>\$ 90,247,638</b>

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

**CITY OF DADE CITY, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
<b>Primary Government</b>								
Governmental Activities:								
General Government	\$ 3,405,694	\$ 136,699	\$ 1,903,500	\$ 51,360	\$ (1,314,135)	\$ -	\$ (1,314,135)	
Public Safety	4,278,951	204,845	-	171,311	(3,902,795)	-	(3,902,795)	
Physical Environment	464,012	675	50,264	6,399,880	5,986,807	-	5,986,807	
Transportation	1,201,393	70,127	-	1,710,485	579,219	-	579,219	
Culture and Recreation	828,105	61,315	-	1,246,731	479,941	-	479,941	
Interest on Long Term Debt	42,553	-	-	-	(42,553)	-	(42,553)	
<b>Total Governmental Activities</b>	<b>10,220,708</b>	<b>473,661</b>	<b>1,953,764</b>	<b>9,579,767</b>	<b>1,786,484</b>	<b>-</b>	<b>1,786,484</b>	
Business-Type Activities:								
Sanitation	631,872	537,896	-	-	-	(93,976)	(93,976)	
Building	466,208	1,072,032	-	-	-	605,824	605,824	
Public Utility	5,544,705	5,726,074	-	197,037	-	378,406	378,406	
<b>Total Business-Type Activities</b>	<b>6,642,785</b>	<b>7,336,002</b>	<b>-</b>	<b>197,037</b>	<b>-</b>	<b>890,254</b>	<b>890,254</b>	
<b>Total Primary Government</b>	<b>\$ 16,863,493</b>	<b>\$ 7,809,663</b>	<b>\$ 1,953,764</b>	<b>\$ 9,776,804</b>	<b>1,786,484</b>	<b>890,254</b>	<b>2,676,738</b>	
			General Revenues					
			Taxes:					
					3,899,311	-	3,899,311	
					425,504	-	425,504	
					980,454	-	980,454	
					328,616	-	328,616	
					343,886	-	343,886	
					413,447	-	413,447	
					1,753,754	-	1,753,754	
					1,040,948	-	1,040,948	
					416,837	-	416,837	
					1,117,722	598,264	1,715,986	
					181,989	-	181,989	
					615,230	(615,230)	-	
			Total General Revenues and Transfers					
					11,517,698	(16,966)	11,500,732	
					13,304,182	873,288	14,177,470	
					46,651,193	29,418,975	76,070,168	
					<b>\$ 59,955,375</b>	<b>\$ 30,292,263</b>	<b>\$ 90,247,638</b>	

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

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

	General Fund	Water and Sewer Impact Fee Fund	Transportation Impact Fee Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and Cash Equivalents	\$ 6,174,971	\$ 16,235,666	\$ 4,071,031	\$ 3,058,183	\$ 29,539,851
Investments	378,330	3,119,138	695,672	141,420	4,334,560
Accounts Receivable	251,767	170,625	38,082	26,007	486,481
Due from Other Funds	300,116	-	-	171,470	471,586
Due from Other Governments	739,267	-	-	102,836	842,103
Prepays	76,200	-	-	-	76,200
Inventory	51,612	-	-	-	51,612
<b>Total Assets</b>	<b>7,972,263</b>	<b>19,525,429</b>	<b>4,804,785</b>	<b>3,499,916</b>	<b>35,802,393</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts Payable and Accrued Expenses	1,186,815	-	-	122,489	1,309,304
Due to Other Funds	-	-	-	775,184	775,184
Due to Other Governments	15,633	-	-	-	15,633
Deposits	29,010	-	-	-	29,010
Unearned Revenues	88,951	-	-	-	88,951
<b>Total Liabilities</b>	<b>1,320,409</b>	<b>-</b>	<b>-</b>	<b>897,673</b>	<b>2,218,082</b>
<b>Deferred Inflows of Resources</b>					
Grants	591,690	-	-	-	591,690
<b>Total Deferred Inflows of Resources</b>	<b>591,690</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>591,690</b>
<b>Fund Balances (Deficit)</b>					
Non-Spendable	127,812	-	-	-	127,812
Restricted for:					
Police Education	18,513	-	-	-	18,513
Forfeiture Fund	22,596	-	-	-	22,596
Special Revenue	-	19,525,429	4,804,785	3,149,716	27,479,930
Committed to:					
Reserve Policy	3,515,748	-	-	-	3,515,748
Tree Fund	11,360	-	-	-	11,360
Park and Recreation	151,359	-	-	-	151,359
Mausoleum Care	14,140	-	-	-	14,140
Market Place	2,002	-	-	-	2,002
Assigned to:					
Dog Park	4,417	-	-	-	4,417
Retirement Reserve	85,000	-	-	-	85,000
Wellness Reserve	740	-	-	-	740
Unassigned (Deficit)	2,106,477	-	-	(547,473)	1,559,004
<b>Total Fund Balances</b>	<b>6,060,164</b>	<b>19,525,429</b>	<b>4,804,785</b>	<b>2,602,243</b>	<b>32,992,621</b>
<b>Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 7,972,263</b>	<b>\$ 19,525,429</b>	<b>\$ 4,804,785</b>	<b>\$ 3,499,916</b>	<b>\$ 35,802,393</b>

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

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

**Total Fund Balance for Governmental Funds** \$ 32,992,621

**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. The costs of the assets are \$41,079,087, and the accumulated depreciation is \$12,181,085. 28,898,002

Deferred inflows and outflows of resources related to pensions and OPEB are not recognized in the governmental funds; however, they are recorded in the statement of net position as follows:

Deferred Inflow of Resources:	
Pension Related	(1,288,765)
Deferred Outflow of Resources:	
OPEB Related	9,668
Pension Related	224,041

Amount for earned but unavailable revenues recognized as revenue of the current period. 591,690

A pension asset is a financial resource that represents excess plan assets. 735,978

Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:

Notes Payable	(154,047)
OPEB Liability	(232,758)
Net Pension Liability	(583,107)
SBITA Payable	(710,979)
Landfill Post-Closure Costs	(27,960)
Compensated Absences	(499,009)
	(499,009)

**Net Position of Governmental Activities** \$ 59,955,375

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

**CITY OF DADE CITY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	General Fund	Water and Sewer Impact Fee Fund	Transportation Impact Fee Fund	<i>Formerly</i> Major Community Redevelopment Agency	<i>Formerly</i> Major Stormwater Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Taxes, Impact Fees, and							
Special Assessments	\$ 6,545,567	\$ 5,800,686	\$ 1,232,529	\$ -	\$ -	\$ 2,334,486	\$ 15,913,268
Licenses and Permits	38,602	-	-	-	-	-	38,602
Intergovernmental Revenue	3,680,527	-	-	-	-	406,743	4,087,270
Charges for Services	208,016	-	-	-	-	-	208,016
Fine and Forfeitures	28,856	-	-	-	-	-	28,856
Pension Contributions - State	153,676	-	-	-	-	-	153,676
Donations and Contributions	602,976	-	-	-	-	-	602,976
Investments Earnings	341,850	550,039	126,265	-	-	99,568	1,117,722
Miscellaneous Revenue	173,084	-	-	-	-	-	173,084
<b>Total Revenues</b>	<b>11,773,154</b>	<b>6,350,725</b>	<b>1,358,794</b>	<b>-</b>	<b>-</b>	<b>2,840,797</b>	<b>22,323,470</b>
<b>Expenditures</b>							
Current:							
General Government	2,775,881	-	-	-	-	-	2,775,881
Public Safety	4,548,667	-	-	-	-	-	4,548,667
Physical Environment	-	-	-	-	-	427,054	427,054
Transportation	775,236	-	-	-	-	27,500	802,736
Culture and Recreation	664,816	-	-	-	-	-	664,816
Capital Outlay	3,287,021	-	-	-	-	1,201,424	4,488,445
Debt Service:							
Principal Payments	367,408	-	-	-	-	-	367,408
Interest	42,553	-	-	-	-	-	42,553
<b>(Total Expenditures)</b>	<b>(12,461,582)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,655,978)</b>	<b>(14,117,560)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(688,428)</b>	<b>6,350,725</b>	<b>1,358,794</b>	<b>-</b>	<b>-</b>	<b>1,184,819</b>	<b>8,205,910</b>
<b>Other Financing Sources (Uses)</b>							
Transfers in	1,167,290	-	-	-	-	155,793	1,323,083
Transfers (out)	(155,793)	-	-	-	-	(552,060)	(707,853)
<b>Total Other Financing Sources (Uses)</b>	<b>1,011,497</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(396,267)</b>	<b>615,230</b>
<b>Net Change in Fund Balances</b>	<b>323,069</b>	<b>6,350,725</b>	<b>1,358,794</b>	<b>-</b>	<b>-</b>	<b>788,552</b>	<b>8,821,140</b>
<b>Fund Balances (Deficit),</b>							
Beginning - Original	5,737,095	13,174,704	-	297,845	(855,859)	5,817,696	24,171,481
Adjustment - Nonmajor to Major	-	-	3,445,991	-	-	(3,445,991)	-
Adjustment - Major to Nonmajor	-	-	-	(297,845)	855,859	(558,014)	-
<b>Fund Balances, Beginning - Adjusted</b>	<b>5,737,095</b>	<b>13,174,704</b>	<b>3,445,991</b>	<b>-</b>	<b>-</b>	<b>1,813,691</b>	<b>24,171,481</b>
<b>Fund Balances, End of Year</b>	<b>\$ 6,060,164</b>	<b>\$ 19,525,429</b>	<b>\$ 4,804,785</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,602,243</b>	<b>\$ 32,992,621</b>

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

**CITY OF DADE CITY, 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**

**Amounts Reported for Governmental Activities in the Statement of Activities  
are Different Because:**

Net Change in Fund Balances - Total Governmental Funds	\$	8,821,140
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 of capital asset additions recorded in the current year.		4,545,268
Under the modified accrual basis of accounting, governmental revenues are recognized when both the measureable and available criteria have been met. Those revenues earned in the current year were not recognized since the availability criteria was not met. Under full accrual accounting, all revenues would be recognized.		586,190
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but it does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in the governmental funds.		(1,473,814)
Cash Pension and OPEB contributions and related deferred inflows and outflows changed as follows:		
Change in Deferred Inflows of Resources:		
Pension Related		(1,007,240)
Change in Outflows of Resources:		
OPEB Related		2,394
Pension Related		(1,701,791)
SBITA liability unpaid as of fiscal year-end is recorded in long-term debt activity.		(105,511)
The issuance of long-term debt (e.g., bonds, leases, SBITAs) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.		
The following principal repayments of long-term debt occurred during the year:		
Principal Repayments:		
Note Payable & SBITA Liability		367,408
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The amounts comprising the difference in the treatment of expenses are:		
Change in Compensated Absences		(42,130)
Change in Net Pension Liabilities		2,624,719
Change in Net Pension (Asset)		735,978
Change in OPEB Liabilities		(48,429)
<b>Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b>13,304,182</b>

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

**CITY OF DADE CITY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - GENERAL FUND**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes and Special Assessments	\$ 5,775,575	\$ 6,025,575	\$ 6,545,567	\$ 519,992
Licenses and Permits	50,000	50,000	38,602	(11,398)
Intergovernmental Revenue	6,231,720	6,071,720	3,680,527	(2,391,193)
Charges for Services	127,500	197,500	208,016	10,516
Fine and Forfeitures	33,500	25,200	28,856	3,656
Pension Contributions - State	100,000	100,000	153,676	53,676
Contributions and Donations	-	-	602,976	602,976
Investment Earnings (Losses)	315,000	315,000	341,850	26,850
Miscellaneous Revenue	179,000	179,000	173,084	(5,916)
<b>Total Revenues</b>	<u>12,812,295</u>	<u>12,963,995</u>	<u>11,773,154</u>	<u>(1,190,841)</u>
<b>Expenditures</b>				
Current:				
General Government	2,904,365	3,096,965	2,775,881	321,084
Public Safety	4,682,825	4,682,825	4,548,667	134,158
Transportation	811,970	811,970	775,236	36,734
Culture and Recreation	653,880	653,880	664,816	(10,936)
Capital Outlay	5,009,950	5,009,950	3,287,021	1,722,929
Debt Service	-	-	409,961	(409,961)
<b>(Total Expenditures)</b>	<u>(14,062,990)</u>	<u>(14,255,590)</u>	<u>(12,461,582)</u>	<u>1,794,008</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<u>(1,250,695)</u>	<u>(1,291,595)</u>	<u>(688,428)</u>	<u>603,167</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,367,880	1,316,780	1,167,290	(149,490)
Transfers (out)	-	(159,235)	(155,793)	3,442
<b>Total Other Financing Sources (Uses)</b>	<u>1,367,880</u>	<u>1,157,545</u>	<u>1,011,497</u>	<u>(146,048)</u>
<b>Net Change in Fund Balances</b>	117,185	(134,050)	323,069	457,119
<b>Fund Balances, Beginning of Year</b>	<u>(117,185)</u>	<u>134,050</u>	<u>5,737,095</u>	<u>5,603,045</u>
<b>Fund Balances, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,060,164</u>	<u>\$ 6,060,164</u>

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

**CITY OF DADE CITY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - WATER AND SEWER IMPACT FEE FUND**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes and Special Assessment	\$ 5,300,000	\$ 5,300,000	\$ 5,800,686	\$ 500,686
Investments Earnings	-	-	550,039	550,039
<b>Total Revenues</b>	<u>5,300,000</u>	<u>5,300,000</u>	<u>6,350,725</u>	<u>1,050,725</u>
<b>Expenditures</b>				
Current:				
Capital Outlay	2,928,215	2,928,215	-	2,928,215
<b>(Total Expenditures)</b>	<u>(2,928,215)</u>	<u>(2,928,215)</u>	<u>-</u>	<u>2,928,215</u>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<u>2,371,785</u>	<u>2,371,785</u>	<u>6,350,725</u>	<u>3,978,940</u>
<b>Fund Balances, Beginning of Year</b>	<u>(2,371,785)</u>	<u>(2,371,785)</u>	<u>13,174,704</u>	<u>15,546,489</u>
<b>Fund Balances, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,525,429</u>	<u>\$ 19,525,429</u>

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

**CITY OF DADE CITY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - TRANSPORTATION IMPACT FEE FUND**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes and Special Assessment	\$ 1,000,000	\$ 1,000,000	\$ 1,232,529	\$ 232,529
Investments Earnings	-	-	126,265	126,265
<b>Total Revenues</b>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,358,794</u>	<u>358,794</u>
<b>Expenditures</b>				
Current:				
Transportation	-	-	-	-
<b>(Total Expenditures)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,358,794</u>	<u>358,794</u>
<b>Fund Balances, Beginning of Year</b>	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>3,445,991</u>	<u>4,445,991</u>
<b>Fund Balances, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,804,785</u>	<u>\$ 4,804,785</u>

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

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

	<b>Business-Type Activities</b>			
	<b>Public Utility Fund</b>	<b>Sanitation Fund</b>	<b>Building Fund</b>	<b>Totals</b>
<b>Assets</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 1,510,773	\$ 339,461	\$ 1,351,711	\$ 3,201,945
Cash with Fiscal Agent	128,534	-	-	128,534
Investments	3,750,464	91,875	225,785	4,068,124
Accounts and Interest Receivable, Net	754,798	13,365	12,465	780,628
Due from Other Governments	380,615	-	-	380,615
Due from Other Funds	303,598	-	-	303,598
Inventory	116,334	-	-	116,334
Total Current Assets	<u>6,945,116</u>	<u>444,701</u>	<u>1,589,961</u>	<u>8,979,778</u>
Restricted Assets:				
Cash and Cash Equivalents	2,602,179	-	-	2,602,179
Total Restricted Assets	<u>2,602,179</u>	<u>-</u>	<u>-</u>	<u>2,602,179</u>
Non-Current Assets:				
Capital Assets:				
Land and Easements	217,862	-	-	217,862
Buildings	9,131,773	-	-	9,131,773
Improvements Other Than Buildings	23,255,744	-	-	23,255,744
Machinery Equipment and Vehicles	10,593,559	-	74,266	10,667,825
Right to Use Asset - SBITA	66,783	-	-	66,783
Construction in Process	8,815,400	-	-	8,815,400
Less Accumulated Depreciation	(19,755,424)	-	(34,477)	(19,789,901)
Total Non-Current Assets	<u>32,325,697</u>	<u>-</u>	<u>39,789</u>	<u>32,365,486</u>
<b>Total Assets</b>	<u>41,872,992</u>	<u>444,701</u>	<u>1,629,750</u>	<u>43,947,443</u>
<b>Deferred Outflows of Resources</b>				
Other Postemployment Benefit Related Items	2,386	-	684	3,070
<b>Total Deferred Outflows of Resources</b>	<u>2,386</u>	<u>-</u>	<u>684</u>	<u>3,070</u>
<b>Total Assets and Deferred Outflows</b>	<u>\$ 41,875,378</u>	<u>\$ 444,701</u>	<u>\$ 1,630,434</u>	<u>\$ 43,950,513</u>

*Continued*

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

**CITY OF DADE CITY, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS - Continued**  
**SEPTEMBER 30, 2024**

	<b>Business-Type Activities</b>			
	<b>Public Utility Fund</b>	<b>Sanitation Fund</b>	<b>Building Fund</b>	<b>Totals</b>
<b>Liabilities and Net Position</b>				
Current Liabilities (Payable from Current Assets):				
Accounts Payable	\$ 303,010	\$ 62,625	\$ 7,754	\$ 373,389
Accrued Salary Related Expenses	52,064	-	21,024	73,088
Interest Payable	93,349	-	-	93,349
Compensated Absences, Current Portion	9,236	-	10,064	19,300
SBITA Liability, Current Portion	23,285	-	-	23,285
Financed Purchase, Current Portion	57,107	-	-	57,107
Notes Payable, Current Portion	292,747	-	-	292,747
Revenue Bonds Payable, Current Portion	87,644	-	-	87,644
<b>Total Current Liabilities</b>	<b>918,442</b>	<b>62,625</b>	<b>38,842</b>	<b>1,019,909</b>
Long-Term Liabilities:				
Payable from Restricted Assets -				
Customer Deposits	889,756	-	-	889,756
Compensated Absences	27,707	-	30,191	57,898
OPEB Liability	57,435	-	16,469	73,904
SBITA Liability	21,289	-	-	21,289
Notes Payable	7,997,221	-	-	7,997,221
Revenue Refunding Bonds	3,598,273	-	-	3,598,273
<b>Total Long-Term Liabilities</b>	<b>12,591,681</b>	<b>-</b>	<b>46,660</b>	<b>12,638,341</b>
<b>Total Liabilities</b>	<b>13,510,123</b>	<b>62,625</b>	<b>85,502</b>	<b>13,658,250</b>
<b>Total Liabilities</b>	<b>13,510,123</b>	<b>62,625</b>	<b>85,502</b>	<b>13,658,250</b>
<b>Net Position</b>				
Net Investment in Capital Assets	20,248,131	-	39,789	20,287,920
Restricted for:				
Debt Service	359,450	-	-	359,450
Building Department	-	-	1,505,143	1,505,143
Unrestricted	7,757,674	382,076	-	8,139,750
<b>Total Net Position</b>	<b>\$ 28,365,255</b>	<b>\$ 382,076</b>	<b>\$ 1,544,932</b>	<b>\$ 30,292,263</b>

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

**CITY OF DADE CITY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Business-Type Activities Enterprise Funds			Total
	Public Utility Fund	Sanitation Fund	Building Fund	
<b>Operating Revenues</b>				
Charges for Services	\$ 5,705,896	\$ 537,896	\$ 1,072,032	\$ 7,315,824
Miscellaneous Revenue	20,178	-	-	20,178
<b>Total Operating Revenues</b>	<u>5,726,074</u>	<u>537,896</u>	<u>1,072,032</u>	<u>7,336,002</u>
<b>Operating Expenses</b>				
Personal Services	1,593,183	-	411,183	2,004,366
Contractual Services	361,390	-	5,187	366,577
General Operating	2,254,067	631,872	38,379	2,924,318
Depreciation and Amortization	1,060,623	-	11,459	1,072,082
<b>Total Operating Expenses</b>	<u>(5,269,263)</u>	<u>(631,872)</u>	<u>(466,208)</u>	<u>(6,367,343)</u>
<b>Operating Income (Loss)</b>	<u>456,811</u>	<u>(93,976)</u>	<u>605,824</u>	<u>968,659</u>
<b>Non-Operating Revenues (Expenses)</b>				
Capital Contribution - Grant Proceeds	197,037	-	-	197,037
Investment Earnings	539,971	17,200	41,093	598,264
Interest Expense	(275,442)	-	-	(275,442)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>461,566</u>	<u>17,200</u>	<u>41,093</u>	<u>519,859</u>
<b>Income (Loss) Before Transfers</b>	<u>918,377</u>	<u>(76,776)</u>	<u>646,917</u>	<u>1,488,518</u>
Transfers (out)	(456,330)	(53,000)	(105,900)	(615,230)
<b>Total Transfers</b>	<u>(456,330)</u>	<u>(53,000)</u>	<u>(105,900)</u>	<u>(615,230)</u>
<b>Change in Net Position</b>	462,047	(129,776)	541,017	873,288
<b>Net Position, Beginning of Year</b>	<u>27,903,208</u>	<u>511,852</u>	<u>1,003,915</u>	<u>29,418,975</u>
<b>Net Position, End of Year</b>	<u>\$ 28,365,255</u>	<u>\$ 382,076</u>	<u>\$ 1,544,932</u>	<u>\$ 30,292,263</u>

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

**CITY OF DADE CITY, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Business-Type Activities			
	Enterprise Funds			
	Public Utility Fund	Sanitation Fund	Building Fund	Total
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$ 5,624,498	\$ 533,721	\$ 1,059,567	\$ 7,217,786
Cash Payments to Suppliers and Service Providers	(2,629,746)	(614,172)	(41,039)	(3,284,957)
Cash Payments to Employees for Salaries and Benefits	(1,511,479)	-	(401,481)	(1,912,960)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>1,483,273</u>	<u>(80,451)</u>	<u>617,047</u>	<u>2,019,869</u>
<b>Cash Flows from Non-Capital Financing Activities</b>				
Transfers to Other Funds	(456,330)	(53,000)	(105,900)	(615,230)
<b>Net Cash (Used in) Non-Capital Financing Activities</b>	<u>(456,330)</u>	<u>(53,000)</u>	<u>(105,900)</u>	<u>(615,230)</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Acquisition of Capital Assets	(1,367,084)	-	-	(1,367,084)
Non-Operating Capital Grant Proceeds	35,326	-	-	35,326
Principal Paid on Debt	(439,644)	-	-	(439,644)
Interest Paid on Debt	(275,442)	-	-	(275,442)
<b>Net Cash (Used in) Capital and Related Financing Activities</b>	<u>(2,046,844)</u>	<u>-</u>	<u>-</u>	<u>(2,046,844)</u>
<b>Cash Flows from Investing Activities</b>				
(Purchase) of Investments	(1,756,793)	(91,875)	(225,785)	(2,074,453)
Interest on Investments	539,971	17,200	41,093	598,264
<b>Net Cash (Used in) Investing Activities</b>	<u>(1,216,822)</u>	<u>(74,675)</u>	<u>(184,692)</u>	<u>(1,476,189)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(2,236,723)	(208,126)	326,455	(2,118,394)
<b>Cash and Cash Equivalents, Beginning of Year</b>	6,478,209	547,587	1,025,256	8,051,052
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 4,241,486</u>	<u>\$ 339,461</u>	<u>\$ 1,351,711</u>	<u>\$ 5,932,658</u>
Cash and Cash Equivalents	\$ 1,510,773	\$ 339,461	\$ 1,351,711	\$ 3,201,945
Restricted Cash and Cash Equivalents	2,602,179	-	-	2,602,179
Cash with Fiscal Agent	128,534	-	-	128,534
<b>Total</b>	<u>\$ 4,241,486</u>	<u>\$ 339,461</u>	<u>\$ 1,351,711</u>	<u>\$ 5,932,658</u>

*Continued*

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

**CITY OF DADE CITY, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS - Continued  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Business-Type Activities			
	Enterprise Funds			
	Public Utility Fund	Sanitation Fund	Building Fund	Total
<b>Reconciliation of Operating Income to Net Cash</b>				
<b><u>Provided by (Used in) Operating Activities</u></b>				
Operating Income	\$ 456,811	\$ (93,976)	\$ 605,824	\$ 968,659
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:				
Depreciation Expense	1,060,623	-	11,459	1,072,082
(Increase) Decrease in Accounts Receivable	(167,212)	(4,175)	(12,465)	(183,852)
(Increase) Decrease in Deferred Outflows	(456)	-	(123)	(579)
(Increase) Decrease in Prepays	49,050	-	2,150	51,200
(Increase) Decrease in Inventory	(5,770)	-	-	(5,770)
Increase (Decrease) in Customer Deposits	65,636	-	-	65,636
Increase (Decrease) in Accounts Payable and Accrued Expenses	(51,745)	17,700	6,615	(27,430)
Increase (Decrease) in Interest Payable	72,089	-	-	72,089
Increase (Decrease) in Compensated Absences	(4,201)	-	1,351	(2,850)
Increase (Decrease) in OPEB Liability	8,448	-	2,236	10,684
Total Adjustments	1,026,462	13,525	11,223	1,051,210
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ 1,483,273</b>	<b>\$ (80,451)</b>	<b>\$ 617,047</b>	<b>\$ 2,019,869</b>
Non-Cash Activities				
FDOT Utility relocation project grant	\$ 2,504,700	\$ -	\$ -	\$ 2,504,700

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

**CITY OF DADE CITY, FLORIDA  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS - PENSION TRUST FUNDS  
SEPTEMBER 30, 2024**

	<b>Total</b>
<b>Assets</b>	
Cash and Cash Equivalents	\$ 257,205
Investments	21,567,093
Contributions Receivable	188,561
Interest and Dividends Receivable	5,448
<b>Total Assets</b>	<b>22,018,307</b>
 <b>Net Position - Held in Trust for Pension Benefits</b>	 <b>\$ 22,018,307</b>

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

**CITY OF DADE CITY, FLORIDA  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUNDS - PENSION TRUST FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<b>Total</b>
<b>Additions</b>	
Contributions:	
Employer	\$ 672,619
Insurance Premium Tax - State	172,329
Employee	27,065
Total Contributions	872,013
Net Investment Earnings	4,045,467
<b>Total Additions</b>	4,917,480
 <b>Deductions</b>	
Benefits Paid	828,740
Administrative Expenses	148,315
<b>Total Deductions</b>	977,055
 <b>Change in Net Position</b>	3,940,425
 <b>Net Position - Beginning of Year</b>	18,077,882
 <b>Net Position - End of Year</b>	\$ 22,018,307

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

## **NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

**Note 1 - Description and Summary of Significant Accounting Policies**

**Reporting Entity**

The City of Dade City (the City) was incorporated June 5, 1889, under the laws of the State of Florida, Chapter 3957 (No. 111).

The financial statements of the government have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. 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 City and its blended component unit, an entity for which the City is considered financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations.

The City's financial statements should allow users to distinguish between the primary government and its component unit. However, some component units, because of the closeness of their relationships with the City should be blended as though they were part of the City. Otherwise, component units should be discretely presented.

*Blended Component Unit Governmental Type*—the Dade City Community Redevelopment Agency (the Agency) was created by City Resolution No. 538 as authorized by Part III of Chapter 163 of the Florida State Statutes for the purpose of rehabilitation, conservation, and redevelopment of certain slum and blighted areas in order to serve the interest of public health, safety, morals, and welfare of the community residents. The members of the Agency Board are the City Commission. The Agency is fiscally dependent on the City and the City Commission approves the Agency's annual budget. The Agency is presented as a special revenue fund in the accompanying financial statements.

The City's municipal Firefighters' Pension Trust Fund and the City's municipal Police Officers' Pension Trust Fund were created under Chapters 175 and 185, respectively, of Florida State Statutes. These trust funds are administered by five-member Board who have limited duties. Because these funds are not legally separable from the City, they are reported as part of the primary government.

**Government-Wide 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 non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental Activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange 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 or segment is offset by program revenues.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

Indirect expenses are allocated automatically, and certain indirect costs are included in program expenses reported for individual function and activities. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

**Basis of Presentation**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the government'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.

**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. All remaining governmental special revenue funds are aggregated and reported as non-major funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The following are reported as major governmental funds:

- **General Fund**—This fund is the general operating fund of the City. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- **Transportation Impact Fee Fund**—Accounts for the impact fees collected for transportation improvements and additions needed from increased City growth.
- **Water and Sewer Impact Fee Fund**—Accounts for impact fees collected for extensions of water and sewer lines.

The following are reported as major enterprise funds:

- **Public Utility Fund**—Accounts for the operation of water and wastewater facilities.
- **Sanitation Fund**—Accounts for the collection of fees for solid waste pickup and disposal activities.
- **Building Fund**—Accounts for the collection of building permit revenues and payment of expenditures associated with providing inspection related services.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

The City also reports the following fund type:

- **Fiduciary Funds**—These are trust funds used to account for assets held by the City in a trustee capacity. The City maintains two Fiduciary Funds: 1) the municipal Firefighters’ Pension Trust Fund and 2) the municipal Police Officers’ Pension Trust Fund.

**Measurement Focus and Basis of Accounting**

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 requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resource 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 financed purchases 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 government.

Proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund such as user fees. Non-operating revenues are not related to the operations of the proprietary fund and include interest income and grants.

Operating expenses represent the cost of operations, which includes depreciation. Non-operating expenses are not related to operations, such as interest expense.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Budgetary Information**

The annual budget formally adopted by the City Commission serves as the legal authorization for expenditures. Legal budgetary authority and control is established on a fund basis in accordance with Florida Statutes 129.03. The adopted budget can only be changed by a budget amendment or a budget supplement. Management can transfer appropriations within a department without the City Commission approval unless the transfer affects a budgeted reserve. Pursuant to Florida Statutes 129.06, budget amendments require the approval of the City Commission whenever the effect of the amendment is to increase the total appropriations of the fund, to transfer monies between the lower of the department or fund level, or to transfer budgeted reserve funds.

The City's annual budgetary process is governed by Florida Statutes, Chapters 129 and 200. The total of the estimated receipts, including balances brought forward, must equal the total of the appropriations and reserves, therefore, enabling a balanced budget. During the budgeting process, budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America. All appropriations lapse at year-end.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized executive changes applicable to the fiscal year, whenever legally authorized.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the general and special revenue funds. Encumbrances outstanding at year-end are reported in the fund financial statements as assigned fund balances since they do not constitute expenditures of liabilities.

**Cash and Cash Equivalents**

The City considers cash and cash equivalents to be cash on hand, certificates of deposits, demand deposits, and highly liquid investments, including those held as restricted assets, with original maturities of three months or less when purchased except for non-traded certificates of deposits with a maturity of less than one year.

**Investments**

Investments, including pension funds, are stated at fair value-quoted market price or the best available estimate thereof.

**Inventories and Prepaid Items**

Inventories are determined by physical count and are valued at cost using the first-in, first-out method. The cost is recorded as an expenditure using the consumption method at the time the individual inventory items are used.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**Subscription-Based Information Technology Arrangements (SBITAs)**

The City is a user of subscription-based software throughout its operations. To account for these types of subscription arrangements, a right-to-use intangible asset is recognized along with a corresponding SBITA liability. Right-to-use SBITA intangible assets are reported with capital assets and SBITA liabilities are reported with long-term liabilities on the government-wide and proprietary fund financial statements. At commencement of a subscription, the City initially measures the SBITA liability at present value of total payments over the subscription term. The SBITA asset is measured as the value of the SBITA liability, adjusted for any prepayments, plus certain initial direct development costs.

**Capital Assets**

Capital assets, which include property, plant and equipment, right to use intangible asset, 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 as well as the proprietary fund financial statements.

The City has established the following thresholds for additions to capital assets and estimated useful lives for depreciation purposes:

Assets	Threshold	Years
Land	\$ 5,000	N/A
Buildings	5,000	10-50
Infrastructure	50,000	10-50
Equipment	5,000	5-20

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition cost on the date of donation. Interest incurred during the construction phase of capital assets in business-type activities is expensed.

Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets. Right to use SBITAs are amortized over the length of the agreement term. Depreciation is charged as an expense against the operations of the governmental and business-type activities in the government-wide financial statements. Depreciation of assets in the proprietary funds is also charged as an expense at the fund level. Since the purpose of the governmental fund level statements is to show the sources and uses of current assets, capital assets, and depreciation are not shown.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

GASB Statement No. 34 requires the City to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the City. Neither their historical cost nor related depreciation were reported in the financial statements prior to the implementation of GASB Statement No. 34. The retroactive reporting of infrastructure is not required for the City. The City has elected to implement the general provisions of GASB Statement No. 34 prospectively and has elected not to implement any infrastructure retroactively.

**Net Position Flow Assumption**

Sometimes the government 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 government's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

**Fund Balance Flow Assumptions**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balances). 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.

**Governmental Fund Balances**

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The non-spendable fund balance classification includes amounts that cannot be spent because they are either: (a) not in spendable form - prepaid items or inventories; or (b) legally or contractually required to be maintained intact. The City has the following minimum reserve requirements:

- Minimum balances for restricted reserve funds will be 100% of the unexpended balance of the restricted reserve funds.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

- Minimum balances for limited reserve funds will be 25% of the original budget of a fund for the current fiscal year. If an authorized use causes limited reserve funds to fall below the minimum balance, the amount below the minimum should be repaid, within one calendar year of its use, unless specific funding for that use has not been received within that time.
- Minimum balances for assigned reserve funds will be the amount currently assigned for each specific purpose.
- The cost basis will be used to determine minimum balance requirements for reserve funds that have been invested.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

- *Restricted Fund Balance*—This classification reflects the constraints imposed on resources either: (a) externally by creditors, grantors, contributors, by laws, or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed Fund Balance*—These amounts can be used only for specific purposes determined by a formal action of City Commissioners, the City's highest level of decision-making authority. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by City Commissioners.
- *Assigned Fund Balance*—This classification reflects the amounts constrained by the City's "intent" to be used for specific purposes. Under the City's adopted policy, only City Commissioners may assign amounts for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as non-spendable and are neither restricted nor committed.
- *Unassigned Fund Balance*—This fund balance is the residual classification for the general fund and includes deficit fund balances.

When expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Commissioners have provided otherwise in their commitment or assignment actions.

**Compensated Absences**

The City recognizes a liability for compensated absences for leave time that has been earned for services previously rendered by employees, and accumulates and is allowed to be carried over to subsequent years. Both the current and long-term portion of compensated absences are accrued and reported in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations, retirements or terminations.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

**Long-Term Obligations**

In the government-wide financial statements and proprietary fund financial statements, material discount, and premiums related to long-term debt are deferred and amortized over the life of the bonds using the straight-line method of accounting. Discount, premium, and issuance costs related to debt in the governmental fund financial statements are recorded as expenditures when paid and, therefore, are not accounted for in subsequent periods.

State and federal laws and regulations require the Sanitary Landfill to place a final cover on the landfill cells when they stop accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the landfill reports an estimated portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

**Property Taxes**

Property tax collections, sales, and liens are governed by Chapter 197 of the Florida Statutes. Property taxes attach as an enforceable lien on property as of January 1. Taxes are due and payable on November 1, or as soon as the assessment rolls are available to the county tax collector. Discounts, ranging from 4% to 1%, are given for payments prior to March 1 of the following calendar year. Taxes become delinquent April 1. Taxes are collected by the Pasco County Tax Collector and remitted to the City. The tax collector sells tax certificates on all delinquent property on or before June 1 of each year and such proceeds are remitted to the City. Under this system, there remain no uncollectible delinquent taxes at year-end.

**Receivables**

Receivables consist of utility billings, interest and other miscellaneous receivables. Receivables are reported net of allowance for uncollectable accounts. At September 30, 2024, the allowance for uncollectable accounts in the Utility Fund was \$113,928

**Due from Other Governments**

Receivables from other governments include amounts due for entitlements for state revenue sharing, gas taxes, sales taxes, and other amounts collected by the state on behalf of the City and various grants.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

**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. Deferred outflows of resources represent 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 two items that qualify for reporting in this category. In the statement of net position, the deferred outflow for pensions is an aggregate of items related to pensions and the deferred outflow for OPEB is an aggregate of items related to OPEB. The deferred outflows related to pensions and OPEB will be recognized as either expense or a reduction in the related liability in future reporting years. Details on the composition of the deferred outflows related to pensions and OPEB are further discussed in the notes. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. In the statement of net position, the deferred inflow for pensions is an aggregate of items related to pensions. The composition of the deferred inflows related to pensions are further discussed in the notes. On the Balance Sheet for Governmental Funds, the deferred inflows for grants is related to timing of receipt of grant funds.

**Government-Wide and Proprietary Fund Net Position**

As of September 30, 2024, net position is classified as follows:

- *Net Investment in Capital Assets*—Consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- *Restricted Net Position*—Consists of net position that is restricted by the City’s creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- *Unrestricted*—All other net position is reported in this category.

**On-Behalf Payments for Fringe Benefits**

The City receives on-behalf payments from the State of Florida to be used for Police Officers’ and Firefighters’ Retirement Plan Contributions. On-behalf payments to the City totaled \$172,329 for the year ended September 30, 2024.

**New Accounting Pronouncements**

For fiscal year 2024, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62* along with Implementation Guide No. 2023-1, *Implementation Guidance Update 2023*. GASB 100 defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity, and describes the transaction or other events that constitute those changes. The changes were incorporated into the City’s 2024 financial statements; however, there was no effect on beginning net position.

Implementation Guide 2023-1 provides guidance that clarifies, explains or elaborates on GASB statements for leases as well as prior implementation guidance. The changes were incorporated into the City’s 2024 financials statements; however, there was no effect on beginning net position.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

**Future Accounting Pronouncements**

The GASB has issued statements that will become effective in fiscal years 2025 and 2026. The statements include: GASB Statement No. 101, *Compensated Absences*; GASB Statement No. 102, *Certain Risk Disclosures*; GASB Statement No. 103, *Financial Reporting Model Improvements*; and GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The City is currently evaluating the effects that these statements will have in its future financial statements.

**Note 2 - Deposits and Investments**

The City maintains a cash pool that is available for use by all funds, except the pension trust funds. Each fund type's portion of this pool is reported as Cash and Cash Equivalents. As of September 30, 2024, the City's cash and investments balances are detailed in the table below.

<u>Type</u>	<u>Fair Value</u>	<u>Interest Risk WAM (years)</u>	<u>Level</u>	<u>Credit Ratings</u>
<b>Cash and Cash Equivalents - Non-Pension:</b>				
Cash and Cash Equivalents	\$ 24,747,969	N/A	N/A	N/A
Certificates of Deposits	10,723,495	N/A	N/A	N/A
Petty Cash	1,045	N/A	N/A	N/A
<b>Total Cash and Cash Equivalents</b>	<b>\$ 35,472,509</b>			
<b>Investments - Non-Pension:</b>				
Corporate Backed Securities	\$ 9,312	**	2	AAA
Government Backed Securities	5,823,454	**	2	AAA
Government Bonds	2,569,918	**	1	AAA
<b>Total Investments</b>	<b>\$ 8,402,684</b>			
<b>Pension Cash and Investments:</b>				
Cash and Cash Equivalents	\$ 257,205	N/A	N/A	N/A
<b>Investments:</b>				
Equity Mutual Funds	14,411,572	N/A	1	N/A
Fixed Income Mutual Funds	7,155,521	8.15	1	AA
<b>Total Investments</b>	<b>21,567,093</b>			
<b>Total Pension Cash and Investments</b>	<b>21,824,298</b>			
<b>Total</b>	<b>\$ 65,699,491</b>			
Entity-Wide Cash and Cash Equivalents	\$ 32,741,796			
Entity-Wide Non-Pension Investments	8,402,684			
Entity-Wide Restricted Cash	2,602,179			
Cash with Fiscal Agent	128,534			
Pension Cash	257,205			
Pension Investments	21,567,093			
<b>Total</b>	<b>\$ 65,699,491</b>			

\*\* Securities investments held in Wells Fargo liquidated within one year of fiscal yearend.

**Fair Value Hierarchy**

The City holds assets that are defined as short-term investments. The City's investments are recorded at fair value unless the investment qualifies as an external investment pool under the guidance in GASB Statement No. 79. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

**Level 1**—Inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

**NOTES TO FINANCIAL STATEMENTS  
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**Level 2**—Inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

**Level 3**—Inputs are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

**Custodial Credit Risk—Cash Deposits**

At September 30, 2024, the City's deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss. Authorized investments per the City's policy are: local government surplus trust fund, or any intergovernmental investment pool authorized pursuant to the *Florida Inter-Local Cooperation Act*, SEC registered money market funds with highest credit quality ratings from a national recognized rating agency, interest bearing time deposits or savings accounts in qualified public depositories, direction obligations of the United States Treasury, Federal agencies and instrumentalities, securities of, or other interest in, any open-end or closed-end management type investment company or investment trust registered under the *Investment Company Act of 1940*, as amended, and overnight repurchase agreements that are collateralized by approved investments - maintaining liquidity.

**Interest Rate Risk**

As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy is structured so that securities mature to meet anticipated cash requirements for ongoing operations.

**Credit Risk**

Statute 218.415 of the State of Florida allows municipalities to invest in the following:

- The Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the *Florida Inter-Local Cooperation Act*, as provided in the Florida Statute 163.01.
- Securities and Exchange Commission-registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- Savings accounts in state-certified qualified public depositories, as defined in Florida Statute 280.02.
- Certificates of deposit in state-certified qualified public depositories, as defined in Florida Statute 280.02.
- Direct obligations of the U.S. Treasury.
- Federal agencies and instrumentalities.
- Other investments authorized by a written policy adopted under Florida Statute 218.415.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

Statutes 175 and 185 of the State of Florida permit investments by the Police and Firefighter Pension funds as follows:

- Time or savings accounts of a national bank, a state bank insured by the Bank Insurance fund, or a savings, building, and loan association insured by the Savings Association Insurance fund, which is administered by the Federal Deposit Insurance Corporation (FDIC), or state or federal chartered credit union whose share accounts are insured by the National Credit Union Share Insurance fund.
- Obligations of the United States or obligations guaranteed as to principal and interest by the government of the United States.
- Bonds issued by the State of Israel.
- Bonds, stocks, or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia, provided:
  - The Corporation is listed on any one or more of the recognized national stock exchanges or on the National Market System of the NASDAQ Stock Market and, in the case of bonds only, holds a rating in one of the three highest classifications by a major rating service.
  - The Board of Trustees shall not invest more than 5% of its assets in the common stock or capital stock of any one issuing corporation, nor shall the aggregate investment in any one issuing corporation exceed 5% of the outstanding capital stock of that corporation, or the aggregate of its investments under this subparagraph at cost 50% of the assets of the fund.

**Concentrations of Credit Risk**

The City’s policy does not limit the amount the City may invest in any one issuer; however, the City does not hold more than 5% of investments with any single investment.

**Foreign Currency Risk**

The City does not have a formal investment policy that limits its investment in foreign currency. The City has no investments which are exposed to foreign currency risk at September 30, 2024.

**Note 3 - Interfund Transactions and Due to/Due From**

**Interfund Transfers**

Transfers between funds are primarily to finance various budgeted projects and provide payment to the General Fund from the proprietary funds for their share of administrative overhead. Individual interfund transfers were as follows:

	<u>Transfers in</u>	<u>Transfers (out)</u>
General Fund	\$ 1,167,290	\$ 155,793
Non-Major Special Revenue Funds	155,793	552,060
Business-Type Activities:		
Public Utility	-	456,330
Sanitation	-	53,000
Building	-	105,900
<b>Total Transfers in/(out)</b>	<u>\$ 1,323,083</u>	<u>\$ 1,323,083</u>

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

**Due to/Due From**

Individual due to/due from were as follows:

	<b>Due To</b>	<b>Due From</b>
General Fund	\$ -	\$ 300,116
Non-Major Special Revenue Funds	775,184	171,470
Business-Type Activities:		
Public Utility	-	303,598
<b>Total Due To/Due From</b>	<b>\$ 775,184</b>	<b>\$ 775,184</b>

Due to/due from between funds are primarily to provide short-term liquidity for funds in a near cash deficit position.

**Note 4 - Capital Assets**

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

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Transfers/ Adjustments</b>	<b>Ending Balance</b>
<b>Governmental-Type Activities</b>					
Capital Assets Not Being Depreciated:					
Land	\$ 2,027,797	\$ -	\$ -	\$ -	\$ 2,027,797
Construction in Process	4,818,752	3,521,510	-	(5,516,332)	2,823,930
Infrastructure	2,636,781	-	-	-	2,636,781
Total Capital Assets, Not Depreciated	9,483,330	3,521,510	-	(5,516,332)	7,488,508
Capital Assets Being Depreciated/Amortized:					
Buildings	8,224,035	-	-	810,898	9,034,933
Infrastructure	11,541,541	51,349	-	4,379,427	15,972,317
Machinery and Equipment	6,313,894	972,409	-	326,007	7,612,310
Intangible Right-to-Use Software Subscription	971,019	-	-	-	971,019
Total Capital Assets, Depreciated	27,050,489	1,023,758	-	5,516,332	33,590,579
Less Accumulated Depreciation for:					
Buildings	(3,183,868)	(410,410)	-	-	(3,594,278)
Infrastructure	(3,718,259)	(817,755)	-	-	(4,536,014)
Machinery and Equipment	(3,725,885)	(129,243)	-	-	(3,855,128)
Intangible Right-to-Use Software Subscription	(79,259)	(116,406)	-	-	(195,665)
Total Accumulated Depreciation	(10,707,271)	(1,473,814)	-	-	(12,181,085)
Total Capital Assets, Depreciated	16,343,218	(450,056)	-	5,516,332	21,409,494
<b>Total Governmental-Type Activities, Capital Assets, Net</b>	<b>\$ 25,826,548</b>	<b>\$ 3,071,454</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 28,898,002</b>
<b>Business-Type Activities</b>					
Capital Assets Not Being Depreciated:					
Land	\$ 117,862	\$ -	\$ -	\$ -	\$ 117,862
Easements	-	100,000	-	-	100,000
Construction in Process	5,394,523	3,420,877	-	-	8,815,400
Total Capital Assets, Not Depreciated	5,512,385	3,520,877	-	-	9,033,262
Capital Assets Being Depreciated/Amortized:					
Buildings	9,131,773	-	-	-	9,131,773
Infrastructure	23,095,388	160,356	-	-	23,255,744
Machinery and Equipment	10,477,274	190,551	-	-	10,667,825
Intangible Right-to-Use Software Subscription	66,783	-	-	-	66,783
Total Capital Assets, Depreciated/Amortized	42,771,218	350,907	-	-	43,122,125
Less Accumulated Depreciation/Amortization for:					
Buildings	(3,986,067)	(216,565)	-	-	(4,202,632)
Infrastructure	(8,726,695)	(429,944)	-	-	(9,156,639)
Machinery and Equipment	(5,991,700)	(407,764)	-	-	(6,399,464)
Intangible Right-to-Use Software Subscription	(13,357)	(17,809)	-	-	(31,166)
Total Accumulated Depreciation/Amortization	(18,717,819)	(1,072,082)	-	-	(19,789,901)
Total Capital Assets, Depreciated/Amortized	24,053,399	(721,175)	-	-	23,332,224
<b>Total Business-Type Activities, Capital Assets</b>	<b>\$ 29,565,784</b>	<b>\$ 2,799,702</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 32,365,486</b>

**NOTES TO FINANCIAL STATEMENTS  
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Depreciation expense was charged to functions as follows:

<b>Governmental Activities</b>	
General Government	\$ 626,397
Public Safety	225,857
Transportation	415,230
Culture and Recreation	173,456
Community Redevelopment Agency - Physical Environment	32,874
<b>Total Depreciation Expense</b>	
<b>Governmental Activities</b>	<b>\$ 1,473,814</b>
<b>Business-Type Activities</b>	
Public Utility Fund	\$ 1,060,623
Building Fund	11,459
<b>Total Depreciation Expense</b>	
<b>Business-Type Activities</b>	<b>\$ 1,072,082</b>

**Note 5 - Pledged Revenues**

The City has pledged certain revenues to repay certain bonds and notes outstanding as of September 30, 2024. The following table reports the revenues, sometimes net of related operating expenses, pledged for each debt issue, the amounts of such revenues received in current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue, which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2024:

**NOTES TO FINANCIAL STATEMENTS  
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<u>Type</u>	<u>Revenue Pledged</u>	<u>Revenues (Net)</u>	<u>Principal and Interest Paid</u>	<u>Estimated Revenue Percentage Pledged</u>	<u>Outstanding Principal and Interest</u>	<u>Pledged Through</u>
<b>Business-Type Activities</b>						
Revenue Bonds - 2003 - Utility System	Net Utility System Revenues - plus Franchise Fees (1)	\$ 2,808,449	\$ 70,933	2.50%	\$ 1,264,829	2042
State Revolving Funds - DW510400 - Utility System	Net Utility System Revenues (2)	1,711,728	14,359	0.78%	93,335	2031
State Revolving Funds - WW67005P - Utility System	Net Utility System Revenues (2)	1,711,728	40,715	2.38%	203,575	2029
State Revolving Funds - WW67006P - Utility System	Net Utility System Revenues (2)	1,711,728	18,341	1.07%	110,043	2030
Revenue Bonds - 2013 - Utility System	Net Utility System Revenues - plus Franchise Fees (2)	2,738,211	161,750	5.90%	4,688,520	2053
State Revolving Funds - DW510420 - Utility System	Net Utility System Revenues (2)	1,549,977	243,773	15.73%	2,925,285	2036
State Revolving Funds - DW510411 - Utility System	Net Utility System Revenues (2)	1,549,977	12,220	0.71%	54,987	2029
State Revolving Funds - DW510412 - Utility System	Net Utility System Revenues (2)	1,549,977	-	7.25%	2,923,480	2050

(1) Net System Revenues are defined as gross revenues less operating expenses, not including depreciation.

(2) Net System Revenues are defined as gross revenues less operating expenses, not including depreciation minus previous issuances.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

**Note 6 - Long-Term Liabilities**

The following is a summary of changes in long-term liabilities:

Type	Balance Beginning	Additions	Deletions	Ending Balance	Due Within One Year
<b>Governmental-Type Activities</b>					
Landfill Closure/Post-Closure	\$ 27,960	\$ -	\$ -	\$ 27,960	\$ -
Note Payable - IT Server	165,338	-	(82,669)	82,669	82,669
Note Payable - Street Sweeper	150,000	-	(78,622)	71,378	71,378
SBITA Payable	917,096	-	(206,117)	710,979	101,379
Compensated Absences	456,879	42,130	-	499,009	124,752
<b>Total</b>	<b>\$ 1,717,273</b>	<b>\$ 42,130</b>	<b>\$ (367,408)</b>	<b>\$ 1,391,995</b>	<b>\$ 380,178</b>
<b>Business-Type Activities</b>					
Financed Purchase - Vactor Truck					
- Direct Borrowing	\$ 112,449	\$ -	\$ (55,342)	\$ 57,107	\$ 57,107
Notes Payable - Direct Placement	5,902,821	161,843	(279,396)	5,785,268	292,747
Bonds Payable - Direct Placement	3,770,549	-	(84,632)	3,685,917	87,644
FDOT Loan	-	2,504,700	-	2,504,700	-
SBITA Payable	64,848	-	(20,274)	44,574	23,285
Compensated Absences	80,048	-	(2,850)	77,198	19,300
<b>Total</b>	<b>\$ 9,930,715</b>	<b>\$ 2,666,543</b>	<b>\$ (442,494)</b>	<b>\$ 12,154,764</b>	<b>\$ 480,083</b>

**Governmental Activities**

The compensated absences liabilities will be liquidated by the General Fund in future years.

**Business-Type Activities**

The following is a schedule of outstanding debt at September 30, 2024:

	Purpose of Issue	Amount Issued	Amount Outstanding	Interest Rates
				2.275/2.71/ 1.86/2.31/1.40 /1.02%
State Revolving Funds - Direct Placement	Utility System	\$ 9,816,661	\$ 5,785,268	
Series 2003 - Direct Placement	Utility System	1,275,400	856,400	4.50%
Series 2013 - Direct Placement	Utility System	3,248,000	2,829,517	3.75%
<b>Total Business-Type Activities</b>			<b>\$ 9,471,185</b>	

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

Year Ending September 30,	Business-Type Activities			Governmental-Type Activities		
	Direct Borrowing & Direct Placements			Notes Payable		
	Principal	Interest	Total Debt Service	Principal	Interest	Total Debt Service
2025	\$ 437,498	\$ 170,788	\$ 608,286	\$ 154,047	\$ 6,779	\$ 160,826
2026	455,143	190,516	645,659	-	-	-
2027	518,384	183,169	701,553	-	-	-
2028	528,707	175,359	704,066	-	-	-
2029	532,101	167,313	699,414	-	-	-
2030-2034	2,479,487	720,091	3,199,578	-	-	-
2035-2039	1,908,243	522,662	2,430,905	-	-	-
2040-2044	1,462,688	329,928	1,792,616	-	-	-
2045-2049	626,197	182,553	808,750	-	-	-
2050-2054	579,844	56,081	635,925	-	-	-
<b>Totals</b>	<b>\$ 9,528,292</b>	<b>\$ 2,698,460</b>	<b>\$ 12,226,752</b>	<b>\$ 154,047</b>	<b>\$ 6,779</b>	<b>\$ 160,826</b>

The City's business-type activities incurred interest costs of \$275,442, all of which were charged to operations. The schedule above includes estimated portion of current principal payments.

*FDOT Loan -*

During fiscal year 2024, the City entered into an agreement with the Florida Department of Transportation (FDOT) to pay for the City's portion of costs associated with relocation and improvement of existing wastewater pipe as part of FDOT's road widening of Highway 98. The City will pay back FDOT; however, the terms of this agreement are in the finalizing stage between FDOT and the City. The City's cumulative cost associated with the project as of September 30, 2024, is \$2,504,700.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

**Note 7 – Subscription Based Information Technology Arrangement (SBITA) Liability**

The City is the user of SBITAs throughout its operations. The subscriptions range from 35-120 months in length, with fixed monthly and annual payments, and interest rate of 3.75%. At September 30, 2024, the SBITA liability for governmental activities is \$710,979 and for business-type activities is \$44,574. Debt service requirements to maturity for the City’s SBITA payable are as follows:

Year Ending <u>September 30,</u>	Business-Type Activities		Governmental-Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 23,285	\$ 817	\$ 101,379	\$ 25,583
2026	21,289	-	82,977	22,534
2027	-	-	86,143	19,368
2028	-	-	89,429	16,082
2029	-	-	92,841	12,670
2030-2032	-	-	258,210	16,212
<b>Totals</b>	<b>\$ 44,574</b>	<b>\$ 817</b>	<b>\$ 710,979</b>	<b>\$ 112,449</b>

**Note 8 - State of Florida Retirement System**

City employees hired prior to January 1, 1996, except for participants in the separate firefighters’ and police officers’ pension funds (see Note 9), participate in the State of Florida Retirement System (the System), a multiple-employer public employee retirement system. However, as discussed in Note 10, the City has elected to opt out of the System beginning with employees hired after January 1, 1996. The payroll for employees covered by the System for the year ended September 30, 2024, was \$293,158; the City’s total payroll was \$5,840,137.

All City employees, other than those described above, participate in the System. Employees who retire at or after age 62 with 10 years of credited service, or 30 years of credited service regardless of age, are entitled to a retirement benefit equal to 1.60% to 1.68% (dependent upon age and years of service) of their average final compensation. The average final compensation is the average of the five highest fiscal years of earnings. Benefits are adjusted annually for a cost-of-living increase in the Consumer Price Index up to a maximum of 3%.

Benefits are payable monthly under one of four options elected by the participant upon retirement. The options range from a full benefit during life of the member to reduced benefits paid to survivors upon the death of the member. Benefits fully vested on reaching 6 years of service. Vested employees may retire at any time after vesting and receive a 5% benefit reduction for each year prior to normal retirement age or date. The System also provides death and disability benefits.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

Contribution rates are established statewide for all participating governmental units by acts of the state legislature. These acts provide that if the accumulated funds are insufficient to pay the benefits due, future contributions to the plan will be adjusted upward accordingly. From October 1, 2023 to June 30, 2024, the City contributed 13.57% and from July 1, 2024 to September 30, 2024, the City contributed 13.63% of covered salaries. Employees are required to contribute 3% of their salary. The total contribution for the year ended September 30, 2024, and the preceding three years is as follows:

<b>Years Ending September 30,</b>	<b>Total Contribution</b>
2022	\$ 31,826
2023	37,546
2024	29,030

The System's Annual Comprehensive Financial Report may be obtained from the State of Florida, Department of Management Services, and Division of Retirement.

*Pension Liabilities, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*—At September 30, 2024, the City reported a net pension liability of \$198,322 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The City's proportionate share of the net pension liability was based on projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2024, the City's proportionate share was .000512662%, which was a decrease of .00001729 from the prior year.

*Deferred Outflow of Resources and Deferred Inflow of Resources*—On September 30, 2024, the City reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	<b>Deferred Outflow Funds</b>	<b>Deferred Inflow Funds</b>
Differences Between Expected and Actual Experience	\$ 20,036	\$ -
Change in Assumptions	27,182	-
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	-	13,181
Changes in Proportion and Differences Between		
City Contributions and Proportionate Share of		
Contributions	27,866	45,003
City Contributions Subsequent to Measurement Date	6,004	-
<b>Total</b>	<b>\$ 81,088</b>	<b>\$ 58,184</b>

The Deferred Outflows of Resources related to pensions totaling \$6,004 resulting from City contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

Year	Total Inflows/Outflows
2025	\$ (3,532)
2026	31,809
2027	(1,377)
2028	(8,683)
2029	(1,317)
<b>Total</b>	<b>\$ 16,900</b>

**Actuarial Assumptions**

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

Inflation	2.40%	
Salary Increases	3.50%	Including Inflation
Investment Rate of Return	6.70%	Net Pension Plan Investment Expense, Including Inflation

Mortality rates were based on the PUB2010 base table varies by member category and sex, projected generationally with Scale MP-2021 details in valuation report.

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 expense 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return
Cash	1.00%	3.30%
Fixed Income	29.00%	5.70%
Global Equity	45.00%	8.60%
Real Estate	12.00%	8.10%
Private Equity	11.00%	12.40%
Strategic Investments	2.00%	6.60%
<b>Total</b>	<b>100.00%</b>	

*Discount Rate*—The discount rate used to measure the total pension liability was 6.70%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating members will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

*Sensitivity of the City’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate—* The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.70%) or 1-percentage-point higher (7.70%) than the current rate:

	<b>1% Decrease 5.70%</b>	<b>Current Discount Rate – 6.70%</b>	<b>1% Increase 7.70%</b>
City’s Proportionate Share of the Net Pension Liability	\$ 348,841	\$ 198,322	\$ 72,230

*Florida Retirement System (FRS) Pension Plan Fiduciary Net Position—*Detailed information about pension plan’s fiduciary net position is available in the separately issued FRS Annual Comprehensive Financial Report.

**Health Insurance Subsidy (HIS) Defined Benefit Pension Plan**

*Plan Description—*The HIS Pension Plan (HIS Plan) is a defined benefit pension plan established to provide a monthly subsidy payment to retired members of any state-administered retirement system in order to assist such retired members in paying the costs of health insurance. Persons are eligible for health insurance subsidy payments who are retired under a state-administered retirement system, or a beneficiary who is a spouse or financial dependent entitled to receive benefits under a state-administered retirement system, except those individuals who are pension recipients under Sections 121.40, 237.08(18)(a), and 250.22, Florida Statutes, or recipients of health insurance coverage under Section 110.1232, Florida Statutes or any other special pension or relief act are not eligible for such pension payments. A person is deemed retired from a state-administered retirement system when he or she terminates employment with all employers participating in the FRS and:

- For a member of the FRS investment plan, the participant meets the age or service requirements to qualify for normal retirement per Section 121.021(29), Florida Statutes and meets the definition of retiree in Section 121.4501(2), Florida Statutes.
- For a member of the FRS defined benefit pension plan, or any employee who maintains creditable service under the pension plan and the investment plan, the member begins drawing retirement benefits from the pension plan.

Any person retiring on or after July 1, 2001, as a member of the FRS, including a member of the investment plan, must satisfy the vesting requirements for his or her membership class under the pension plan as administered under Chapter 121, Florida Statutes. Any person retiring due to disability must qualify for a regular or in-line-of-duty disability benefit per provisions under Chapter 112, Florida Statutes. Additionally, participants in the Senior Management Service Optional Annuity Program and the State City System Optional Retirement Program are not eligible to receive benefits from the HIS Plan.

*Benefits Provided—*The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Department of Management Services, Division of Retirement.

For the fiscal year ended June 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$7.50. The payments are at least \$45 but not more than \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

**NOTES TO FINANCIAL STATEMENTS  
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*Contributions*—The HIS Program is funded by required contributions from FRS participating employers as set by the Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2024, the contribution rate was 2.00% of payroll pursuant to Section 112.363, Florida Statutes. The state contributed 100% of its statutorily required contributions for the current and preceding three years. HIS contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The City’s contributions to the HIS defined-benefit pension plan are reported as a total with the pension plan contributions listed above.

*Pension Liabilities, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*—At September 30, 2024, the City reported a net pension liability of \$83,994 for its proportionate share of the net pension liability for HIS. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The City’s proportionate share of the net pension liability was based on projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2024, the City’s proportionate share was .00055992%, which was a decrease of .00000182 from its proportionate share measured as of June 30, 2023.

The City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflow Funds</b>	<b>Deferred Inflow Funds</b>
Differences Between Expected and Actual Experience	\$ 811	\$ 161
Change in Assumptions	1,486	9,944
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	30
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	3,084	26,282
City Contributions Subsequent to Measurement Date	917	-
<b>Total</b>	<b>\$ 6,298</b>	<b>\$ 36,417</b>

The deferred outflows of resources related to pensions totaling \$917, resulting from City contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>June 30,</b>	<b>Inflows/Outflow</b>
2025	\$ (5,765)
2026	(5,617)
2027	(6,270)
2028	(6,039)
2029	(5,663)
Thereafter	(1,682)
<b>Total</b>	<b>\$ (31,036)</b>

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

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

Inflation	2.40%	
Salary Increases	3.50%	Average, Including Inflation
Investment Rate of Return	N/A	Net Pension Plan Investment Expense, Including Inflation

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2021.

The discount rate changed from 3.65% to 3.93%.

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

*Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*—The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 3.93%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower 2.93% or 1-percentage-point higher 4.93% than the current rate:

	<u>1% Decrease</u> <u>2.93%</u>	<u>Current Discount</u> <u>Rate – 3.93%</u>	<u>1% Increase</u> <u>4.93%</u>
City’s Proportionate Share of the Net Pension Liability	\$ 95,616	\$ 83,994	\$ 74,346

*Pension Plan Fiduciary Net Position*—Detailed information about pension plan’s fiduciary net position is available in the separately issued FRS Annual Comprehensive Financial Report.

**Note 9 - Firefighters’ and Police Officers’ Pension Funds**

**Plan Descriptions**

The City contributes to two pension trust funds, which are single-employer, defined benefit pension plans administered by the plans’ Board of Trustees.

The pension plans do not issue stand-alone financial statements.

All of the City’s full-time certified police and fire employees are eligible to participate in the plans. The current membership in the plans as of October 1, 2023, is comprised of the following:

**NOTES TO FINANCIAL STATEMENTS  
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<u>Group</u>	<u>Firefighters</u>	<u>Police Officers</u>
Inactive Plan Members or Beneficiaries		
Currently Receiving Benefits	22	12
Inactive Plan Members Entitled to but		
Not Yet Receiving Benefits	1	15
Active Plan Members	0	25
<b>Total Participants</b>	<u>23</u>	<u>52</u>

**Summary of Plan Provisions - Firefighters and Police Officers**

**Eligibility** Full-time or part-time employees who are classified as Firefighters or full-time sworn Police Officers shall participate in the System as a condition of employment.

**Board of Trustees**

- a. Two Commission Appointees.
- b. Two Members of the Department elected by the membership
- c. Fifth Member elected by other four and appointed by Commission.

**Credited Service** Total years and fractional parts of years of employment with the City as a Firefighter or Police Officer (Credited Service is calculated separately for periods of full-time and part-time service).

**Salary - Firefighters** Fixed compensation reportable on form W-2, plus tax deferred, tax sheltered, and tax exempt items.

**Salary - Police Officers** Total W-2 earnings plus all tax deferred, tax sheltered, or tax exempt items of income. For Service after October 1, 2011, salary shall only include up to 300 hours of overtime per year and include lump sum sick and vacation time.

**Average Final Compensation** Average salary for the highest 5 years during the 10 years immediately preceding retirement or termination (Average is determined separately for full-time and part-time service).

**City and State Contributions** Remaining amount necessary to pay current costs and amortize past service cost, if any, as provided in Part VII of Chapter 112, Florida Statutes.

Normal Retirement

**Date** Earlier of age 55 and 10 years of Credited Service, or age 52 and 25 years of Credited Service.

**Benefit-Firefighters** 3.25% of Average Final Compensation times Credited Service.

**Benefit-Police Officers** 3.50% of Average Final Compensation times Credited Service.

Early Retirement

**Eligibility** Age 50 and 10 Years of Credited Service.

**Benefit** Accrued benefit, reduced 3.0% per year.

**Cost of Living Adjustment - Police Officers** Normal Retirees after June 24, 2003, receive 2% annual benefit increases each October 1, beginning on the October 1st following 1 full year of retirement.

Vesting

**Schedule** 100% after 10 years of Credited Service.

**NOTES TO FINANCIAL STATEMENTS  
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Benefit Amount                      Member will receive the vested portion of his (her) accrued benefit payable at the otherwise normal retirement date.

Death Benefits

Pre-Retirement:  
     Vested                              Monthly accrued benefit payable to designated beneficiary for 10 years.  
     Non-Vested                        Refund of accumulated contributions without interest.  
     Post-Retirement                Benefits payable to beneficiary in accordance with option selected at retirement.

Disability

Eligibility                              Service incurred: Covered from date of employment. Non-service incurred: 10 years of credited service. Benefit accrued to date of disability but not less than 42% of average final compensation (service incurred).

Contributions

Police Officers                        Member Contributions: 1.5% of Salary.  
     Firefighters                        Member Contributions: 1.0% of Salary.

Deferred Retirement Option Plan (Police Officers)

Eligibility                              Satisfaction of normal retirement requirements.  
     Participation                        Not to exceed 60 months.  
     Rate of Returns                    Participants' Election (may change once):  
             a. Interest at 6.5% per year, or  
             b. Actual net rate of investment return (total return net of fees) credited each fiscal quarter.  
             Members may change option once during the DROP period.  
             The DROP balance at September 30, 2024, is \$192,332.  
     Form of Distribution                Cash lump sum (options available) at termination of employment.

Deferred Retirement Option Plan (Firefighters)

Eligibility                              Satisfaction of normal retirement requirements. Earlier of: 1) Age 55 and 10 years of credited service, or 2) Age 52 and 25 years of credited service.  
     Participation                        Not to exceed 60 months.  
     Rate of Returns                    Participants' Election:  
             a. Interest at 6.5% per year, or  
             b. Actual net rate of investment return (total return net of fees) credited each fiscal quarter.  
             Members may change option once during the DROP period.  
             The DROP balance at September 30, 2024, is \$501,358.

**Summary of Significant Accounting Policies**

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

*Method Used to Value Investments*—Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value.

**NOTES TO FINANCIAL STATEMENTS  
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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.

*Investment Policy*—The following was the Board’s adopted asset allocation policy as of September 30, 2024:

Asset Class	FIREFIGHTERS	POLICE OFFICERS
	Target Allocation	Target Allocation
Domestic	50%	50%
International Equity	15%	15%
Fixed Income (Core)	15%	15%
Private Real Estate	10%	10%
Alternative Investments	5%	5%
Global Fixed Income	5%	5%
<b>Totals</b>	<b>100%</b>	<b>100%</b>

*Concentrations*—The Plans did not hold investments in any one organization that represent 5% or more of the Pension Plans’ fiduciary net position.

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

Asset Class	FIREFIGHTERS	POLICE OFFICERS
	Long-Term Expected Real Rate of Return	Long-Term Expected Real Rate of Return
Domestic	7.50%	7.50%
International Equity	8.50%	8.50%
Fixed Income (Core)	2.50%	2.50%
Global Fixed Income	3.50%	3.50%
Private Real Estate	4.50%	4.50%
Alternative	6.34%	6.34%

*Discount Rate*—The discount rate used to measure the total pension liability was 7.00% for the Firefighters Pension and 7.00% for the Police Officers Pension.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Pension Plans’ fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members.

**NOTES TO FINANCIAL STATEMENTS  
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Therefore, the long-term expected rate of return on Pension Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate:

	<b>1% Decrease</b> <b>6.00%</b>	<b>Current Discount</b> <b>Rate – 7.00%</b>	<b>1% Increase</b> <b>8.00%</b>
Sponsor’s Net Pension Liability - Firefighters	\$ 990,214	\$ 300,791	\$ (278,952)

	<b>1% Decrease</b> <b>6.00%</b>	<b>Current Discount</b> <b>Rate – 7.00%</b>	<b>1% Increase</b> <b>8.00%</b>
Sponsor’s Net Pension Liability (Asset) - Police Officers	\$ 1,038,549	\$ (735,978)	\$ (2,200,807)

**Actuarial Assumptions and Methods**

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

Mortality Rate:	<p><i>Mortality Rate Healthy Active Lives:</i> Female: PubS.H-2010 (Below Median) for Employees, set forward one year. Male: PubS.H-2010 (Below Median) for Employees, set forward one year.</p> <p><i>Mortality Rate Healthy Retiree Lives:</i> Female: PubS.H-2010 for Healthy Retirees, set forward one year. Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.</p> <p><i>Mortality Rate Beneficiary Lives:</i> Female: PubG.H-2010 (Below Median) for Healthy Retirees. Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.</p> <p><i>Mortality Rate Disabled Lives:</i> 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.</p>
Inflation Rate:	2.50% per year for Police and Fire.
Retirement Age:	Earlier of age 55 with 10 years of credited service or age 52 and 25 years of credited service. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year.
Early Retirement:	Commencing with the earliest Early Retirement Age (age 50 with 10 years of Credited Service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year. For Firefighters, the accrued benefit is reduced by 3.0% per year.
Discount Rate:	Firefighter’s Pension Plan - 7.00% Police Pension Plan - 7.00%
Investment Rate of Return:	Firefighter’s Pension Plan - 7.00% Police Pension Plan - 7.00%
Termination Rate:	See Table in Required Supplementary Information.
Salary Increases:	
Firefighters	5.75% per year until the assumed retirement age.
Police Officers	Included in the Required Supplementary Information (Service Based)
Payroll Growth:	N/A
Amortization Method:	
Firefighters	Level Dollar
Funding Method:	
Firefighters	Entry Age Normal Actuarial Cost Method.
Police Officers	Aggregate Actuarial Cost Method.
Actuarial Asset Method:	Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric four-year average Market Value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

**Contributions and Reserves**

The Plans are established and operate under Florida State Statutes and City Ordinances. Chapter 175 of the Florida Statutes provides for a system of retirement plans for firefighters. Each incorporated municipality with firefighting equipment with a value exceeding \$5,000 is permitted to establish a firefighters’ pension fund. Chapter 175 sets forth benefits and administrative arrangements. It also provides that a tax of 1.85% of fire and windstorm premiums written in the various cities is to be collected by the state and remitted to the pension funds to partially finance the benefits. Firefighters contribute 1% of their earnings to the fund and the City, authorized by City ordinance. The City and County contributed \$271,518 for the year ended September 30, 2024. The County’s portion is based on the terms of the interlocal agreement.

Chapter 185 of the Florida Statutes provides for a system of retirement plans for police officers. Each incorporated municipality with police equipment with a value exceeding \$500 is permitted to establish a police officers’ retirement fund. Chapter 185 sets forth benefits and administrative arrangements. It also provides that certain casualty premium taxes collected by the state will be remitted to these pension funds to partially finance the benefits. Police officers contribute 1.5% of their earnings to the fund by City Ordinance. The City contributed \$401,101 for the year ended September 30, 2024.

The contribution rates for members and the City are established by the state statutes and City Ordinances through actuarial valuations. The costs of administration are paid by the plans from investment earnings. The plans do not have any contracts for contributions. There are no legal or designated reserves other than the entire net position of the plans are available only for retirement benefits. At September 30, 2024, the plans held no investments of a single issuer greater than 5% or more of the plan net positions.

The payroll covered by the Police pension trust for the year ended September 30, 2024, was \$1,804,353.

**Net Pension Liability**

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

	<b>Police Officers’ Pension</b>	<b>Firefighters’ Pension</b>
Total Pension Liability	\$ 14,135,848	\$ 7,424,523
Plan Fiduciary Net Position*	<u>(14,871,826)</u>	<u>(7,123,732)</u>
Sponsor’s Net Pension Liability (Asset)	<u>\$ (735,978)</u>	<u>\$ 300,791</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.21%	95.95%

\* The differences between the actuarial financial statements and the pension financial statements were due to the recording of investment expense as a direct reduction of investment income and timing differences related to broker sold investments.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

*Deferred Outflow of Resources and Deferred Inflow of Resources*—On September 30, 2024, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to Police Officers pensions from the following sources:

	<b>Deferred Outflow Funds</b>	<b>Deferred Inflow Funds</b>
Differences Between Expected and Actual Experience	\$ 136,655	\$ 139,878
Changes of Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	697,977
<b>Total</b>	<b>\$ 136,655</b>	<b>\$ 837,855</b>

On September 30, 2024, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to Firefighter’s pensions from the following sources:

	<b>Deferred Outflow Funds</b>	<b>Deferred Inflow Funds</b>
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	\$ 356,309
<b>Total</b>	<b>\$ -</b>	<b>\$ 356,309</b>

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

<b>Year</b>	<b>Police Total Inflows/Outflows</b>	<b>Firefighters’ Total Inflows/Outflows</b>
2025	\$ 10,448	\$ (30,398)
2026	175,365	106,195
2027	(524,739)	(247,996)
2028	(362,274)	(184,110)
<b>Total</b>	<b>\$ (701,200)</b>	<b>\$ (365,309)</b>

On September 30, 2024, the Sponsor reported a payable of \$153,676 for the outstanding amount of contributions of the Fire Pension (\$39,030) and Police Pension (\$114,646) Plans required for the year ended September 30, 2024.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

Financial statements for the pension funds at September 30, 2024 are as follows:

	<b>Combining Statement of Net Position</b>		
	<b>Police Officers' Pension</b>	<b>Firefighters' Pension</b>	<b>Total</b>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 196,381	\$ 60,824	\$ 257,205
Investments	14,519,167	7,047,926	21,567,093
Interest and Dividends Receivable	410	5,038	5,448
Due from Other Governments	140,672	47,889	188,561
<b>Total Assets</b>	<b>14,856,630</b>	<b>7,161,677</b>	<b>22,018,307</b>
<b>Net Position - Held in Trust for Pension Benefits</b>	<b>\$ 14,856,630</b>	<b>\$ 7,161,677</b>	<b>\$ 22,018,307</b>

	<b>Combining Statement of Changes in Net Position</b>		
	<b>Police Officers' Pension</b>	<b>Firefighters' Pension</b>	<b>Total</b>
<b>Additions</b>			
Contributions:			
Employer	\$ 401,101	\$ 271,518	\$ 672,619
State	128,864	43,465	172,329
Employee	27,065	-	27,065
Total Contributions	557,030	314,983	872,013
Net Investment Earnings	2,691,221	1,354,246	4,045,467
<b>Total Additions</b>	<b>3,248,251</b>	<b>1,669,229</b>	<b>4,917,480</b>
<b>Deductions</b>			
Benefits Paid	377,866	450,874	828,740
Administrative Expenses	88,995	59,320	148,315
<b>Total Deductions</b>	<b>466,861</b>	<b>510,194</b>	<b>977,055</b>
<b>Change in Net Position</b>	<b>2,781,390</b>	<b>1,159,035</b>	<b>3,940,425</b>
<b>Net Position, Beginning of Year</b>	<b>12,075,240</b>	<b>6,002,642</b>	<b>18,077,882</b>
<b>Net Position, End of Year</b>	<b>\$ 14,856,630</b>	<b>\$ 7,161,677</b>	<b>\$ 22,018,307</b>

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

**Combining Schedule – Florida Retirement System, Health Insurance Subsidy, Police Officers, and Firefighters Pension Plans**

	Pension Expense	Deferred Inflows	Deferred Outflows	Net Pension Liability (Asset)
Florida Retirement System	\$ 27,465	\$ 58,184	\$ 81,088	\$ 198,322
Health Insurance Subsidy	(2,249)	36,417	6,298	83,994
Police Officers' Pension Plan	226,071	837,855	136,655	(735,978)
Firefighters' Pension Plan	6,397	356,309	-	300,791
<b>Total</b>	<b>\$ 257,684</b>	<b>\$ 1,288,765</b>	<b>\$ 224,041</b>	<b>\$ (152,871)</b>

**Schedule of Changes in Employer's Net Pension Liability (Asset)**

	Firefighters' 2024	Police Officers' 2024
<b>Total Pension Liability</b>		
Service Cost	\$ -	\$ 341,470
Interest on the Total Pension Liability	506,065	948,945
Share Plan Allocation	1,344	-
Differences Between Expected and Actual Experience	(86,956)	(186,502)
Benefit Payments, Including Refunds of Employee Contributions	(450,874)	(369,135)
<b>Net Change in Total Pension Liability</b>	<b>(30,421)</b>	<b>734,778</b>
<b>Total Pension Liability, Beginning of Year</b>	<b>7,454,944</b>	<b>13,401,070</b>
<b>Total Pension Liability, End of Year (a)</b>	<b>\$ 7,424,523</b>	<b>\$ 14,135,848</b>
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ 267,094	\$ 426,660
Contributions - State	60,257	114,646
Contributions - Employee	-	27,065
Net Investment Income	1,331,819	2,661,548
Benefit Payments, Including Refunds of Employee Contributions	(450,874)	(369,135)
Administrative Expense	(43,175)	(69,501)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>1,165,121</b>	<b>2,791,283</b>
<b>Plan Fiduciary Net Position, Beginning of Year</b>	<b>5,958,611</b>	<b>12,080,543</b>
<b>Plan Fiduciary Net Position, End of Year (b)</b>	<b>\$ 7,123,732</b>	<b>\$ 14,871,826</b>
<b>Net Pension Liability (Asset) - Ending (a) - (b)</b>	<b>\$ 300,791</b>	<b>\$ (735,978)</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>95.95%</b>	<b>105.21%</b>
<b>Covered Payroll</b>	<b>\$ -</b>	<b>\$ 1,804,353</b>
<b>Net Pension Liability (Asset) as a Percentage of Covered Payroll</b>	<b>0.00%</b>	<b>-40.79%</b>

**Note 10 - Defined Contribution Plan**

During 1995, the Florida Legislature approved a bill allowing local governments the option of withdrawing from the Florida Retirement System. In December 1995, the City passed a resolution to adopt a defined contribution plan under Section 401(a) of the Internal Revenue Code, effective for employees hired after January 1, 1996, except those covered by the Police Officers' or Firefighters' Pension Plans.

The City of Dade City Money Purchase Plan adopted the Nationwide Life Insurance Company Prototype Money Purchase Plan and appointed Public Employees Benefit Services Corporation (PEBSO) as the Plan administrators. Changes to the Plan can be made via City Commission resolution.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

The City adopted Resolution No. 2017-29, which established the City’s contribution rate at 8% of all eligible employee wages. The City’s contribution was \$256,374 for the fiscal year ended September 30, 2024.

**Note 11 - Deferred Compensation Plan**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The plan assets are held in trust for the employees by a third-party administrator and investments are directed by the participating employees. Therefore, the assets, liabilities, fund equity, and operations of this plan are not presented on the City’s financial statements.

**Note 12 - Risk Management**

The City has purchased commercial insurance to cover its risk of loss on the following categories:

<u>Type of Coverage</u>	<u>Limits</u>
General/Professional Liability	\$ 3,000,000
Law Enforcement Liability	3,000,000
Automobile Liability	2,000,000
Property Damage	Blanket/Replacement Cost
Worker’s Compensation	Statutory

There have been no significant reductions in insurance coverage for the past three years and the City does not participate in a risk sharing pool. No settlements exceeded insurance over the past three years.

**Note 13 - Contract for Solid Waste Collection**

The City has an agreement with a private contractor to collect solid waste. The total expense recorded by the City under this contract for the year ended September 30, 2024, was \$570,098.

**Note 14 - Landfill Post-Closure Costs**

Regulations of the U.S. Environmental Protection Agency (EPA) and the Florida Department of Environmental Protection (FDEP) required the City to place a final cover on its internally used debris landfill when it was closed in 1991 and perform certain maintenance and monitoring functions at the landfill site for 20 years after its closure. All amounts recognized are based on what it would cost to perform the post-closure functions in current dollars. Actual costs may be different due to inflation, changes in technology, or changes in laws and regulations.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

The landfill has ceased operations and the required closure work was completed. However, in 2011, the EPA notified the City that continued monitoring and maintenance of the Landfill was required to be fulfilled by the City. The estimated future cost for post-closure maintenance is reported in the Government-wide statement of net position.

**Note 15 - Commitments**

The City has the following commitments outstanding for future projects as of September 30, 2024:

<u>Projects</u>	<u>Contract Amount</u>	<u>Remaining Commitment</u>
WWTP Improvement Phase I	\$ 4,500,000	\$ 4,190,710
Orange Valley Well Improvement	559,200	532,611
Morningside Drive Extension	9,890,000	8,502,343
Central Transmission Force Main	598,800	192,565
Hwy US98 Utility Pipe Relocation/Upgrade	3,066,312	385,551
10 <sup>th</sup> St Well Building	271,606	186,376

**Note 16 - Postemployment Benefits Other Than Pension (OPEB)**

**Plan Description**

The OPEB Plan is a single employer benefit plan administered by the City. Pursuant to the provision of Section 112.0801, Florida Statutes, former employees who retire from the City are eligible to participate in the City administered single-employer defined benefit healthcare plan (the Retiree Health Plan). The Retiree Health Plan provides healthcare insurance for eligible retirees and their spouses through the City's group health insurance plan, which covers both active and retired members. The City subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the Plan on average than those of active employees. The benefits provided under this defined benefit plan are provided until the retiree's attainment of age 65 or until such time at which the retiree discontinues coverage under the City sponsored plans, whichever is earlier. The Retiree Health Plan does not issue a stand-alone report and is not included in the report of another entity.

For the OPEB Plan, contribution requirements of the City are established and may be amended through action from the City's Commissioners. Currently, the City's OPEB benefits are unfunded, no assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement No. 75. The actual contributions are based on a pay-as-you-go financing requirement.

The actuarial valuation, dated September 30, 2023, involves estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend.

Amounts determined regarding the OPEB Plan are subject to constant revision as actual experience is compared with past expectations and new estimates are made about the future.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

**Employee Contribution Information**

Retirees participating in the group insurance plans offered by the City are required to contribute 100% of the active premiums. In future years, contributions are assumed to increase at the same rate as premiums.

**Employees Covered by Benefit Terms**

Note that the projected employee contributions for the Dental and Vision benefits are assumed to cover the entire cost of the program.

The following employees were covered by benefit terms as of September 30, 2023, the latest actuarial measurement date:

Retirees and Beneficiaries	1
Inactive, Non-Retired Members	-
Active Members	<u>87</u>
<b>Total</b>	<u><u>88</u></u>

**Actuarial Assumptions**

Calculations are based upon the types of benefits provided under the terms of the substantive OPEB Plan at the time of the valuation and on the pattern of sharing of costs between the employer and OPEB Plan members to that point. Calculations reflect a long-term prospective, so methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. As authorized by GASB Statement No. 75, the City utilizes the Alternative Measurement Method, which allows the employer to use simplifications of certain assumptions in measuring the costs and liabilities.

Actuarial Assumptions:

Valuation Measurement Date	September 30, 2023
Measurement Date	September 30, 2023
Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Discount Rate	4.63%
Salary Increases	3.00%
Retirement Age	Varies based on several factors, including plan-specific retirement eligibility provisions and experience. If employees had already attained their normal retirement age as of the valuation date, they were assumed to retire one year after the valuation date.
Mortality Rate	Mortality tables used in the July 1, 2023 actuarial valuation of the Florida Retirement System for non-K-12 Instructional Regular Class members. These rates were taken from adjusted PUB-2010 mortality tables published by the Society of Actuaries with generational mortality improvements using Scale MP-2018. Adjustments to referenced tables are based on the results of a statewide experience study covering the period 2013 through 2018.
Health Care Cost Trend Rates	6.50% for FY beginning 2024, 6.25% for FY beginning 2025 and then gradually decreasing to an ultimate trend rate of 4.00%

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

Other Information:

Notes Changes in assumptions and other inputs reflected the change in Total OPEB Liability include:

- Discount rate changed to 4.63% (from 4.40%).

There were no benefit changes during the year.

The following simplifying assumptions were made:

Retirement Age Age 62 for general employees and age 60 for police officers; participants who have attained such age as of the valuation date are assumed to retire one year after the valuation date.

Active Member Marital Status Assumption of marital status for active employees has been incorporated in the acceptance probability for spousal coverage. Using this approach, the percentage of future retired plan members taking spousal coverage was assumed at 25%. For active employees, spouses' genders were assumed to be opposite to the members' genders and females were assumed 3 years younger than their spouses. Covered spouse data were collected for current retired plan members as of the valuation date and were assumed to remain unchanged until the assumed death of the spouses.

Turnover Non-group-specific age-based turnover rates derived from the withdrawal assumption used in the July 1, 2023, actuarial valuation of the Florida Retirement System for Regular Class members were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

Health Insurance Premiums Health insurance premiums for retirees in effect October 1, 2023, were used as the basis for the calculation of the present value of total benefits to be paid. *(Age-adjusted premium for retirees were estimated using the method provided in paragraph 226c GASB Statement No. 75, as appropriate.)*

**Total OPEB Liability**

The measurement date for the City's total/net OPEB liability is September 30, 2023. The measurement period for OPEB cost was October 1, 2022 to September 30, 2023. The components of the City's total OPEB liability at September 30, 2024, are as follows:

Total OPEB Liability	\$ 306,662
OPEB Plan Fiduciary Net Position	-
City's Total OPEB Liability	<u>\$ 306,662</u>
OPEB Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0.00%

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

<b>Changes in the OPEB Liability</b>	<b>Fiscal Year 2024</b>
Total OPEB Liability	
Service Cost	\$ 20,355
Interest on the OPEB Liability	11,573
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	
Of the Total OPEB Liability	(9,709)
Changes in the Assumptions and Other Inputs	46,660
Benefit Payments	<u>(9,766)</u>
Net Change in OPEB Liability	59,113
<b>Total OPEB Liability - Beginning</b>	<u>247,549</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 306,662</u>

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

The following table presents the total OPEB liability, calculated using the discount rate of 4.63%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (3.63%) or one percentage-point higher (5.63%) than the current discount rate:

	<b>1% Decrease 3.63%</b>	<b>Current Trend Rate 4.63%</b>	<b>1% Increase 5.63%</b>
Total OPEB Liability	<u>\$ 329,383</u>	<u>\$ 306,662</u>	<u>\$ 285,760</u>

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

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

	<b>1% Decrease</b>	<b>Current Healthcare Cost Trend Rate Assumption</b>	<b>1% Increase</b>
Total OPEB Liability	<u>\$ 280,379</u>	<u>\$ 306,662</u>	<u>\$ 337,682</u>

**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 recognized OPEB expense of \$59,113. At September 30, 2024, the City has deferred outflows of resources of \$12,738 related to OPEB for contributions subsequent to the measurement date that will be applied to the total OPEB liability in the next fiscal year.

**NOTES TO FINANCIAL STATEMENTS  
CITY OF DADE CITY, FLORIDA**

**Note 17 - American Rescue Plan Act (ARPA)**

During the prior fiscal year, the City was awarded funding through the Coronavirus State and Local Fiscal Recover Funds program of the *American Rescue Plan Act* (ARPA) in the amount of \$3,675,264. In fiscal year 2024, the City recognized the remaining funds of \$1,950,264 for the revenue replacement provision.

**Note 18 – Deficit Fund Balances**

For the year ended September 30, 2024, the Stormwater Fund had a deficit fund balance of \$(514,473) and the Community Redevelopment Block Grant fund had a deficit fund balance of \$(33,000). These deficits will be remedied by future impact fee collections and grant reimbursements.

**Note 19 – Fund Balance Adjustments**

For the year ended September 30, 2024, the City reported the adjustment of beginning fund balances due to the reporting of major and nonmajor funds. The table below details the effect on the Balance Sheet – Governmental Funds for the movement of those fund balances.

	Formerly Major Governmental Fund - Community Redevelopment Agency	Formerly Major Governmental Fund - Stormwater Fund	Formerly NonMajor Governmental Fund - Transportation Impact Fee	Nonmajor Governmental Funds
Beginning Fund Balance, as Previously Reported	\$ 297,845	\$ (855,859)	\$ -	\$ 5,817,696
Nonmajor to Major	-	-	3,445,991	(3,445,991)
Major to Nonmajor	(297,845)	855,859	-	(558,014)
Beginning Fund Balance, as Adjusted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,445,991</u>	<u>\$ 1,813,691</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

The following supplementary schedules present trend information regarding the retirement plans for the City's Firefighters and Police Officers, Florida Retirement System Pension Funds, and Other Postemployment Benefits. This information is necessary for a fair presentation in conformity with generally accepted accounting principles.

**CITY OF DADE CITY, FLORIDA**  
**SCHEDULE OF NET CHANGES IN THE CITY'S TOTAL OPEB**  
**LIABILITY AND RELATED RATIOS**  
**LAST 10 FISCAL YEARS**  
**(UNAUDITED)**

<b>Reporting Period Ending</b>	Sept 30, 2024	Sept 30, 2023	Sept 30, 2022	Sept 30, 2021	Sept 30, 2020	Sept 30, 2019	Sept 30, 2018
<b>Valuation Date</b>	Sept 30, 2023	Sept 30, 2021	Sept 30, 2021	Sept 30, 2019	Sept 30, 2019	Sept 30, 2017	Sept 30, 2017
<b>Measurement Date</b>	Sept 30, 2023	Sept 30, 2022	Sept 30, 2021	Sept 30, 2020	Sept 30, 2019	Sept 30, 2018	Sept 30, 2017
<b>Total OPEB Liability</b>							
Service Costs	\$ 20,355	\$ 27,720	\$ 23,991	\$ 21,933	\$ 20,954	\$ 21,355	\$ 21,801
Interest	11,573	6,318	5,941	6,254	9,887	8,703	7,640
Difference Between Expected and Actual Experience	(9,709)	-	10,696	-	(45,458)	-	-
Changes in Assumptions	46,660	(42,586)	11,190	5,374	1,164	(6,207)	(7,438)
Benefit Payments	(9,766)	(9,373)	(17,712)	(15,372)	(21,106)	(6,831)	(31,860)
<b>Net Change in Total OPEB Liability</b>	<u>59,113</u>	<u>(17,921)</u>	<u>34,106</u>	<u>18,189</u>	<u>(34,559)</u>	<u>17,020</u>	<u>(9,857)</u>
<b>Total OPEB Liability - Beginning</b>	<u>247,549</u>	<u>265,470</u>	<u>231,364</u>	<u>213,175</u>	<u>247,734</u>	<u>230,714</u>	<u>240,571</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 306,662</u>	<u>\$ 247,549</u>	<u>\$ 265,470</u>	<u>\$ 231,364</u>	<u>\$ 213,175</u>	<u>\$ 247,734</u>	<u>\$ 230,714</u>
<b>Covered-Employee Payroll</b>	<u>\$ 3,964,580</u>	<u>\$ 4,527,044</u>	<u>\$ 3,779,671</u>	<u>\$ 3,648,556</u>	<u>\$ 3,661,784</u>	<u>\$ 3,529,100</u>	<u>\$ 3,421,000</u>
<b>Total OPEB Liability as a Percentage</b>							
<b>of Covered-Employee Payroll</b>	7.74%	5.47%	7.02%	6.34%	5.82%	7.02%	6.74%

**Notes to Schedule:**

**Note 1:** GASB Statement No. 75 requires information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for which information is available.

**Note 2:** No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75.

**Note 3:** Changes in assumptions and other inputs reflected in the schedule of changes in the Total OPEB Liability include:

- discount rate changed to 4.63% (from 4.40%)

**CITY OF DADE CITY, FLORIDA**  
**SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION**  
**LIABILITY AND RELATED RATIOS**  
**LAST 10 FISCAL YEARS**  
**(UNAUDITED)**

**FIREFIIGHTERS' PENSION PLAN**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>										
Service Cost	\$ -	\$ 17,035	\$ 33,320	\$ 42,946	\$ 56,814	\$ 53,670	\$ 50,182	\$ 62,305	\$ 57,109	\$ 73,291
Interest on the Total Pension Liability	506,065	498,330	508,352	529,176	547,203	566,394	547,748	521,734	479,195	465,906
Change in Excess State Money	-	-	-	-	-	-	-	-	(236,880)	-
Share Plan Allocation	1,344	-	-	-	-	-	-	-	118,440	-
Changes in Benefit Terms	-	-	-	-	-	(127)	-	-	-	-
Changes of Assumption	-	-	-	192,897	(137,261)	-	69,430	-	253,846	-
Differences Between Expected and Actual Experience	(86,956)	64,748	44,354	(33,933)	(29,754)	(288,677)	(32,479)	45,129	14,274	(96,908)
Benefit Payments, Including Refunds of Employee Contributions	(450,874)	(454,265)	(971,572)	(444,979)	(895,170)	(299,665)	(263,194)	(267,801)	(265,932)	(231,915)
<b>Net Change in Total Pension Liability</b>	<b>(30,421)</b>	<b>125,848</b>	<b>(385,546)</b>	<b>286,107</b>	<b>(458,168)</b>	<b>31,595</b>	<b>371,687</b>	<b>361,367</b>	<b>420,052</b>	<b>210,374</b>
<b>Total Pension Liability, Beginning of Year</b>	<b>7,454,944</b>	<b>7,329,096</b>	<b>7,714,642</b>	<b>7,428,535</b>	<b>7,886,703</b>	<b>7,855,108</b>	<b>7,483,421</b>	<b>7,122,054</b>	<b>6,702,002</b>	<b>6,491,628</b>
<b>Total Pension Liability, End of Year (a)</b>	<b>\$ 7,424,523</b>	<b>\$ 7,454,944</b>	<b>\$ 7,329,096</b>	<b>\$ 7,714,642</b>	<b>\$ 7,428,535</b>	<b>\$ 7,886,703</b>	<b>\$ 7,855,108</b>	<b>\$ 7,483,421</b>	<b>\$ 7,122,054</b>	<b>\$ 6,702,002</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 267,094	\$ 212,489	\$ 216,232	\$ 222,033	\$ 220,041	\$ 241,308	\$ 197,648	\$ 186,045	\$ 165,798	\$ 176,552
Contributions - State	60,257	-	29,848	42,820	40,473	37,681	38,180	39,355	42,598	46,272
Contributions - Employee	-	819	1,307	1,598	2,739	2,868	2,706	2,948	3,215	3,817
Net Investment Income	1,331,819	696,781	(1,266,908)	1,159,299	546,857	194,876	499,603	511,409	457,863	(181,834)
Benefit Payments, Including Refunds of Employee Contributions	(450,874)	(454,265)	(971,572)	(444,979)	(895,170)	(299,665)	(263,194)	(267,801)	(265,932)	(231,915)
Administrative Expense	(43,175)	(39,054)	(38,868)	(46,671)	(36,665)	(33,948)	(35,748)	(33,164)	(31,008)	(37,380)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>1,165,121</b>	<b>416,770</b>	<b>(2,029,961)</b>	<b>934,100</b>	<b>(121,725)</b>	<b>143,120</b>	<b>439,195</b>	<b>438,792</b>	<b>372,534</b>	<b>(224,488)</b>
<b>Plan Fiduciary Net Position, Beginning of Year</b>	<b>5,958,611</b>	<b>5,541,841</b>	<b>7,571,802</b>	<b>6,637,702</b>	<b>6,759,427</b>	<b>6,616,307</b>	<b>6,177,112</b>	<b>5,738,320</b>	<b>5,365,786</b>	<b>5,590,274</b>
<b>Plan Fiduciary Net Position, End of Year (b)</b>	<b>\$ 7,123,732</b>	<b>\$ 5,958,611</b>	<b>\$ 5,541,841</b>	<b>\$ 7,571,802</b>	<b>\$ 6,637,702</b>	<b>\$ 6,759,427</b>	<b>\$ 6,616,307</b>	<b>\$ 6,177,112</b>	<b>\$ 5,738,320</b>	<b>\$ 5,365,786</b>
<b>Net Pension Liability - Ending (a) - (b)</b>	<b>\$ 300,791</b>	<b>\$ 1,496,333</b>	<b>\$ 1,787,255</b>	<b>\$ 142,840</b>	<b>\$ 790,833</b>	<b>\$ 1,127,276</b>	<b>\$ 1,238,801</b>	<b>\$ 1,306,309</b>	<b>\$ 1,383,734</b>	<b>\$ 1,336,216</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	95.95%	79.93%	75.60%	98.15%	89.35%	85.71%	84.23%	82.54%	80.57%	80.06%
<b>Covered Payroll**</b>	\$ -	\$ 59,154	\$ 130,679	\$ 159,817	\$ 273,867	\$ 286,806	\$ 270,632	\$ 294,798	\$ 321,518	\$ 395,515
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	0.00%	2529.56%	1368.23%	89.39%	288.77%	393.04%	457.74%	443.12%	430.38%	337.84%

\*\* The Covered Payroll numbers shown are in compliance with GASB Statement No. 82.

Changes of Assumptions:

For measurement date September 30, 2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees report for special risk employees.

For measurement date September 30, 2018, amounts reported as changes of assumptions were related to lowering the investment rates of return from 7.4% to 7.3% per year, net of investment related expenses. For measurement date September 30, 2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the FRS for special risk employees.

The inflation rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption used by the Plan's investment consultant at September 30, 2016, and remained that amount for September 30, 2017.

For measurement date September 30, 2021, the investment rate of return was lowered from 7.30% to 7.00% per year, net of investment related expenses.

Changes in Benefit Terms:

For measurement date September 30, 2019, amounts reported as changes of benefit terms resulted from the provisions of Chapter 112.1816, Florida Statutes. The Statutes state that, effective July 1, 2019, a death or disability (under the Plan's definition of total and permanent disability) for a Firefighter due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer will be treated as duty-related.

Effective for the City's fiscal year ended September 30, 2020, the GASB 68 measurement date of the Pension Expense has been approved and changed from September 30, 2019 to September 30, 2020.

**CITY OF DADE CITY, FLORIDA**  
**SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION**  
**LIABILITY AND RELATED RATIOS**  
**LAST 10 FISCAL YEARS**  
**(UNAUDITED)**

**POLICE OFFICERS' PENSION PLAN**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>										
Service Cost	\$ 341,470	\$ 352,447	\$ 293,700	\$ 296,403	\$ 305,413	\$ 299,081	\$ 275,150	\$ 274,006	\$ 232,694	\$ 231,742
Interest on the Total Pension Liability	948,945	875,698	803,716	821,468	836,652	786,576	750,739	723,973	642,677	614,062
Change of Benefit Terms	-	-	-	-	-	-	55,986	-	-	-
Differences Between Expected and Actual Experience	(186,502)	175,671	195,275	(1,062,571)	(756,065)	58,762	(27,183)	(238,832)	61,548	(238,374)
Changes of Assumption	-	-	-	-	(316,749)	348,585	136,407	-	461,939	-
Contributions - Buy Back	3,250	-	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(372,385)	(320,547)	(325,689)	(286,723)	(267,562)	(376,821)	(681,481)	(227,666)	(223,887)	(229,801)
<b>Net Change in Total Pension Liability</b>	<b>734,778</b>	<b>1,083,269</b>	<b>967,002</b>	<b>(231,423)</b>	<b>(198,311)</b>	<b>1,116,183</b>	<b>509,618</b>	<b>531,481</b>	<b>1,174,971</b>	<b>377,629</b>
<b>Total Pension Liability, Beginning of Year</b>	<b>13,401,070</b>	<b>12,317,801</b>	<b>11,350,799</b>	<b>11,582,222</b>	<b>11,780,533</b>	<b>10,664,350</b>	<b>10,154,732</b>	<b>9,623,251</b>	<b>8,448,280</b>	<b>8,070,651</b>
<b>Total Pension Liability, End of Year (a)</b>	<b>\$ 14,135,848</b>	<b>\$ 13,401,070</b>	<b>\$ 12,317,801</b>	<b>\$ 11,350,799</b>	<b>\$ 11,582,222</b>	<b>\$ 11,780,533</b>	<b>\$ 10,664,350</b>	<b>\$ 10,154,732</b>	<b>\$ 9,623,251</b>	<b>\$ 8,448,280</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	\$ 426,660	\$ 441,921	\$ 283,747	\$ 456,762	\$ 481,488	\$ 367,785	\$ 268,685	\$ 206,524	\$ 200,903	\$ 202,014
Contributions - State	114,646	-	103,497	107,538	107,783	89,739	86,523	81,333	76,053	71,372
Contributions - Employee	27,065	23,056	20,761	19,291	18,335	17,463	14,538	10,520	10,303	9,893
Contributions - Employee	3,250	-	-	-	-	-	-	-	-	-
Net Investment Income	2,661,548	1,328,513	(2,370,422)	1,840,189	709,669	266,304	690,619	766,558	664,654	(262,685)
Benefit Payments, Including Refunds of Employee Contributions	(372,385)	(320,547)	(325,689)	(286,723)	(267,562)	(376,821)	(681,481)	(227,666)	(223,887)	(229,801)
Administrative Expense	(69,501)	(49,417)	(41,959)	(46,169)	(41,920)	(39,225)	(48,459)	(37,908)	(32,953)	(35,483)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>2,791,283</b>	<b>1,423,526</b>	<b>(2,330,065)</b>	<b>2,090,888</b>	<b>1,007,793</b>	<b>325,245</b>	<b>330,425</b>	<b>799,361</b>	<b>695,073</b>	<b>(244,690)</b>
<b>Plan Fiduciary Net Position, Beginning of Year</b>	<b>12,080,543</b>	<b>10,657,017</b>	<b>12,987,082</b>	<b>10,896,194</b>	<b>9,888,401</b>	<b>9,563,156</b>	<b>9,232,731</b>	<b>8,433,370</b>	<b>7,738,297</b>	<b>7,982,987</b>
<b>Plan Fiduciary Net Position, End of Year (b)</b>	<b>\$ 14,871,826</b>	<b>\$ 12,080,543</b>	<b>\$ 10,657,017</b>	<b>\$ 12,987,082</b>	<b>\$ 10,896,194</b>	<b>\$ 9,888,401</b>	<b>\$ 9,563,156</b>	<b>\$ 9,232,731</b>	<b>\$ 8,433,370</b>	<b>\$ 7,738,297</b>
<b>Net Pension Liability (Asset) - Ending (a) - (b)</b>	<b>\$ (735,978)</b>	<b>\$ 1,320,527</b>	<b>\$ 1,660,784</b>	<b>\$ (1,636,283)</b>	<b>\$ 686,028</b>	<b>\$ 1,892,132</b>	<b>\$ 1,101,194</b>	<b>\$ 922,001</b>	<b>\$ 1,189,881</b>	<b>\$ 709,983</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	105.21%	90.15%	86.52%	114.42%	94.08%	83.94%	89.67%	90.92%	87.64%	91.60%
<b>Covered Payroll**</b>	<b>1,804,353</b>	<b>1,537,043</b>	<b>1,384,039</b>	<b>1,286,087</b>	<b>1,222,327</b>	<b>1,164,183</b>	<b>1,105,629</b>	<b>1,051,978</b>	<b>1,030,263</b>	<b>1,051,778</b>
<b>Net Pension Liability (Asset) as a Percentage of Covered Payroll</b>	-40.79%	85.91%	120.00%	-127.23%	56.12%	162.53%	99.60%	87.64%	115.49%	67.50%

\*\* The Covered Employee Payroll numbers shown are in compliance with GASB Statement No. 82, except for the September 30, 2015, measurement period, which includes DROP payroll.

Changes in Benefit Terms:

For measurement date September 30, 2018, amounts reported as changes of benefit terms resulting from the pre-retirement death were amended and the Member Contribution Rate was increased by 0.50% of payroll.

Changes of Assumptions:

For measurement date September 30, 2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics

For measurement date September 30, 2019, as a result of an Actuarial Experience Study dated September 5, 2019, the Board approved the following changes:

The Investment Return Assumption was reduced from 7.3% to 7.0% per year, net of investment related expenses.

The assumed rate of individual salary increases was changed from a flat 5.5% per year to 10.0% in the first year of employment and 5.0% for all future years of service.

The assumed rates of pre-retirement withdrawal have been changed from an age-based table to an assumption of 15.0% per year during the first 5 years of employment and 2.5% per year after 5 years of employment.

The assumption that a member eligible for normal retirement on the valuation date will work one more year was eliminated.

For measurement date September 30, 2018, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees.

Additionally, the investment return assumption was reduced to 7.30% at September 30, 2017, and remained at that amount for September 30, 2018.

The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's consultant at September 30, 2016, and remained that amount for Sept 30, 2017.

Effective for the City's fiscal year ending September 30, 2020, the GASB 68 measurement date of the Pension Expense has been approved and changed from September 30, 2019 to September 30, 2020.

**CITY OF DADE CITY, FLORIDA  
SCHEDULE OF CONTRIBUTIONS  
FIREFIGHTERS' PENSION PLAN  
LAST 10 FISCAL YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 225,418	\$ 205,845	\$ 246,080	\$ 264,853	\$ 271,870	\$ 285,464	\$ 276,323	\$ 211,370	\$ 173,941	\$ 212,983
Contributions in Relation to the										
Actuarially Determined Contribution	326,007	212,489	246,080	264,853	260,514	278,989	235,828	225,400	208,396	222,824
Contribution Deficiency (Excess)	\$ (100,589)	\$ (6,644)	\$ -	\$ -	\$ 11,356	\$ 6,475	\$ 40,495	\$ (14,030)	\$ (34,455)	\$ (9,841)
Covered Payroll	\$ -	\$ 59,154	\$ 139,679	\$ 159,817	\$ 276,867	\$ 286,806	\$ 270,632	\$ 294,798	\$ 321,518	\$ 395,515
Contributions as a Percentage of										
Covered Payroll	0.00%	359.21%	188.31%	167.72%	94.09%	97.27%	87.14%	76.46%	64.82%	56.34%

**Notes to Schedule**

Valuation Date

October 1, 2022

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

**Methods and Assumptions Used to Determine Contribution Rates**

Funding Method

Entry Age Normal Actuarial Cost Method

Amortization Method

Level Dollar

Asset Valuation Method

Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric four-year average Market Value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.

Inflation

2.5% per year.

Salary Increases

5.75% per year until the assumed retirement age - see table below. This assumption is based on an experience study issued April 25, 2011.

Interest Rate

7.0% per year compounded annually, net of investment related expenses. This assumption is supported by the target asset class allocation of the trust and the expected long-term return by asset class.

Payroll Growth

N/A

Retirement Age

Earlier of age 55 with 10 years of credited service or age 52 and 25 years of credited service. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year. These rates are deemed reasonable based on plan provisions.

Early Retirement

Commencing with the earliest Early Retirement Age (age 50 with 10 years of Credited Service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year. These rates are deemed reasonable based on plan provisions.

Termination Rates

See Table Below. It is assumed that 75% of disablements and active Member deaths are service related. These rates are consistent with rates used in other fire plans.

Disability Rates

See Table Below. It is assumed that 75% of disablements and active Member deaths are service related.

Mortality

Mortality Rate Healthy Active Lives:

Female: PubS.H-2010 (Below Median) for Employees, set forward one year.

Male: PubS.H-2010 (Below Median) for Employees, set forward one year.

Mortality Rate Healthy Retiree Lives:

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

Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.

Mortality Rate Beneficiary Lives:

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

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

Mortality Rate Disabled Lives:

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

**CITY OF DADE CITY, FLORIDA  
SCHEDULE OF CONTRIBUTIONS  
POLICE OFFICERS' PENSION PLAN  
LAST 10 FISCAL YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 541,306	\$ 465,724	\$ 420,748	\$ 514,435	\$ 581,828	\$ 457,524	\$ 379,231	\$ 291,398	\$ 259,626	\$ 263,151
Contributions in Relation to the										
Actuarially Determined Contribution	541,306	441,921	387,244	564,300	589,271	457,524	355,208	287,857	276,956	273,386
Contribution Deficiency (Excess)	\$ -	\$ 23,803	\$ 33,504	\$ (49,865)	\$ (7,443)	\$ -	\$ 24,023	\$ 3,541	\$ (17,330)	\$ (10,235)
Covered Payroll	\$ 1,804,353	\$ 1,537,043	\$ 1,384,039	\$ 1,286,087	\$ 1,222,327	\$ 1,164,183	\$ 1,105,629	\$ 1,051,978	\$ 1,030,263	\$ 1,051,778
Contributions as a Percentage of										
Covered Payroll	30.00%	28.75%	27.98%	43.88%	48.21%	39.30%	32.13%	27.36%	26.88%	25.99%

**Notes to Schedule**

Valuation Date

October 1, 2022

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

**Methods and Assumptions Used to Determine Contribution Rates**

Funding Method

Aggregate Actuarial Cost Method

Asset Valuation Method

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

Inflation

2.50% per year.

Salary Increases

Service Based

Interest Rate

7.0% per year compounded annually, net of investment related expenses.

Payroll Growth

N/A

Retirement Age

Earlier of age 55 with 10 years of credited service or age 52 and 25 years of credited services. Also, any member who has reached Normal Retirement is assumed to continue employment for one additional year.

Actuarial Asset Method

Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric four-year average Market Value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below Market Value of Assets.

Early Retirement

Commencing with the earliest Early Retirement Age (50 with 10 years of credited service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.

Termination Rates

See Table Below.

Disability Rates

See Table Below.

Mortality

*Mortality Rate Healthy Active Lives:*

Female: PubS.H-2010 (Below Median) for Employees, set forward one year.

Male: PubS.H-2010 (Below Median) for Employees, set forward one year.

*Mortality Rate Healthy Retiree Lives:*

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

Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.

*Mortality Rate Beneficiary Lives:*

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

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

*Mortality Rate Disabled Lives:*

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

**CITY OF DADE CITY, FLORIDA  
 SCHEDULE OF INVESTMENT RETURNS  
 FIREFIGHTERS' PENSION PLAN  
 LAST 10 FISCAL YEARS**

	September 2024	September 2023	September 2022	September 2021	September 2020	September 2019	September 2018	September 2017	September 2016	September 2015
Annual Money-Weighted Rate of Return Net of Investment Expense	22.73%	13.06%	-17.81%	17.73%	8.17%	2.95%	8.14%	9.01%	8.62%	-3.28%

**CITY OF DADE CITY, FLORIDA  
SCHEDULE OF INVESTMENT RETURNS  
POLICE OFFICERS' PENSION PLAN  
LAST 10 FISCAL YEARS**

	September 2024	September 2023	September 2022	September 2021	September 2020	September 2019	September 2018	September 2017	September 2016	September 2015
Annual Money-Weighted Rate of Return Net of Investment Expense	22.21%	12.50%	-18.32%	16.75%	7.14%	2.79%	7.66%	9.10%	8.61%	-3.30%

**CITY OF DADE CITY, FLORIDA**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**FLORIDA RETIREMENT SYSTEM PENSION PLAN**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	0.000512662%	0.000685561%	0.000586492%	0.000533799%	0.000494568%	0.000491573%	0.000518104%	0.000661177%	0.000666503%	0.0011699814%
City's Proportionate Share of the Net Pension Liability	\$ 198,322	\$ 273,174	\$ 218,222	\$ 40,322	\$ 214,353	\$ 169,291	\$ 156,056	\$ 195,572	\$ 168,293	\$ 151,119
City's Covered-Payroll	\$ 293,158	\$ 293,842	\$ 269,524	\$ 246,574	\$ 243,407	\$ 234,803	\$ 231,851	\$ 259,595	\$ 261,769	\$ 354,060
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Payroll	67.65%	92.97%	80.97%	16.35%	88.06%	72.10%	67.31%	75.34%	64.29%	42.68%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

**SCHEDULE OF THE CITY'S CONTRIBUTIONS - FLORIDA RETIREMENT SYSTEM PENSION PLAN**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 29,030	\$ 37,546	\$ 31,826	\$ 25,315	\$ 21,212	\$ 19,829	\$ 17,930	\$ 21,602	\$ 21,094	\$ 28,525
Contributions in Relation to the Contractually Required Contribution	29,030	37,546	31,826	25,315	21,212	19,829	17,930	21,602	21,094	28,525
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered-Payroll	\$ 293,158	\$ 280,825	\$ 276,070	\$ 248,634	\$ 244,731	\$ 237,766	\$ 231,851	\$ 259,258	\$ 261,769	\$ 354,060
Contributions as a Percentage of Covered-Payroll	9.90%	13.37%	11.53%	10.18%	8.67%	8.34%	7.73%	8.33%	8.06%	8.06%

**CITY OF DADE CITY, FLORIDA**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**FLORIDA HEALTH INSURANCE SUBSIDY PENSION PLAN**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	0.000559923%	0.000741698%	0.000740128%	0.000693628%	0.000701324%	0.000696765%	0.000709849%	0.000814424%	0.000814007%	0.001155987%
City's Proportionate Share of the Net Pension Liability	\$ 83,994	\$ 117,792	\$ 78,391	\$ 85,084	\$ 85,631	\$ 77,961	\$ 75,131	\$ 87,082	\$ 94,869	\$ 117,892
City's Covered-Payroll	\$ 293,158	\$ 293,842	\$ 269,524	\$ 246,574	\$ 243,407	\$ 234,803	\$ 231,851	\$ 259,595	\$ 261,769	\$ 354,060
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Payroll	28.65%	40.09%	29.08%	34.51%	35.18%	33.20%	32.40%	33.55%	36.24%	33.30%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

**SCHEDULE OF THE CITY'S CONTRIBUTIONS - FLORIDA HEALTH INSURANCE SUBSIDY PENSION PLAN**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 29,030	\$ 37,546	\$ 31,826	\$ 25,315	\$ 21,212	\$ 19,829	\$ 17,930	\$ 21,602	\$ 21,094	\$ 28,525
Contributions in Relation to the Contractually Required Contribution	29,030	37,546	31,826	25,315	21,212	19,829	17,930	21,602	21,094	28,525
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered-Payroll	\$ 293,158	\$ 280,825	\$ 276,070	\$ 248,634	\$ 244,731	\$ 237,766	\$ 231,851	\$ 259,258	\$ 261,769	\$ 354,060
Contributions as a Percentage of Covered-Payroll	9.90%	13.37%	11.53%	10.18%	8.67%	8.34%	7.73%	8.33%	8.06%	8.06%

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

**CITY OF DADE CITY, FLORIDA  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2024**

	Special Revenue					Total Non-Major Governmental Funds
	Local Government Infrastructure Surtax	Public Safety Impact Fee Fund	Community Redevelopment Agency	Stormwater Fund	Community Redevelopment Block Grant	
<b>Assets</b>						
Cash and Cash Equivalents	\$ 2,254,769	\$ 128,339	\$ 432,620	\$ 240,855	\$ 1,600	\$ 3,058,183
Pooled Investments	103,312	38,108	-	-	-	141,420
Accounts Receivable	17,789	2,086	6,132	-	-	26,007
Due from Other Funds	171,470	-	-	-	-	171,470
Due from Other Governments	102,836	-	-	-	-	102,836
<b>Total Assets</b>	<u>2,650,176</u>	<u>168,533</u>	<u>438,752</u>	<u>240,855</u>	<u>1,600</u>	<u>3,499,916</u>
<b>Liabilities and Fund Balances</b>						
Liabilities:						
Accounts Payable and Accrued Expenses	100,808	-	6,937	2,994	11,750	122,489
Due to Other Funds	-	-	-	752,334	22,850	775,184
<b>Total Liabilities</b>	<u>100,808</u>	<u>-</u>	<u>6,937</u>	<u>755,328</u>	<u>34,600</u>	<u>897,673</u>
Fund Balances:						
Restricted	2,549,368	168,533	431,815	-	-	3,149,716
Unassigned	-	-	-	(514,473)	(33,000)	(547,473)
<b>Total Fund Balances (Deficit)</b>	<u>2,549,368</u>	<u>168,533</u>	<u>431,815</u>	<u>(514,473)</u>	<u>(33,000)</u>	<u>2,602,243</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 2,650,176</u>	<u>\$ 168,533</u>	<u>\$ 438,752</u>	<u>\$ 240,855</u>	<u>\$ 1,600</u>	<u>\$ 3,499,916</u>

**CITY OF DADE CITY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Special Revenue						Total Non-Major Governmental Funds
	Local Government Infrastructure Surtax	Public Safety Impact Fee Fund	Community Redevelopment Agency	Stormwater Fund	Community Redevelopment Block Grant	Formerly Nonmajor Transportation Impact Fee Fund	
<b>Revenues</b>							
Taxes and Special Assessments	\$ -	\$ -	\$ 166,705	\$ -	\$ -	\$ -	\$ 166,705
Intergovernmental Revenues	-	-	-	406,743	-	-	406,743
Impact Fees	1,753,754	171,311	-	242,716	-	-	2,167,781
Interest Earnings	75,398	6,668	17,500	2	-	-	99,568
<b>Total Revenues</b>	<b>1,829,152</b>	<b>177,979</b>	<b>184,205</b>	<b>649,461</b>	<b>-</b>	<b>-</b>	<b>2,840,797</b>
<b>Expenditures</b>							
Current:							
Transportation	-	-	-	-	27,500	-	27,500
Physical Environment	45,941	-	123,964	257,149	-	-	427,054
Capital Outlay	1,144,234	-	6,264	50,926	-	-	1,201,424
<b>Total Expenditures</b>	<b>1,190,175</b>	<b>-</b>	<b>130,228</b>	<b>308,075</b>	<b>27,500</b>	<b>-</b>	<b>1,655,978</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>638,977</b>	<b>177,979</b>	<b>53,977</b>	<b>341,386</b>	<b>(27,500)</b>	<b>-</b>	<b>1,184,819</b>
<b>Other Financing (Uses)</b>							
Transfer (in)	-	-	155,793	-	-	-	155,793
Transfer (out)	(332,000)	(144,260)	(75,800)	-	-	-	(552,060)
<b>Total Other Financing (Uses)</b>	<b>(332,000)</b>	<b>(144,260)</b>	<b>79,993</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(396,267)</b>
<b>Net Change in Fund Balances</b>	<b>306,977</b>	<b>33,719</b>	<b>133,970</b>	<b>341,386</b>	<b>(27,500)</b>	<b>-</b>	<b>788,552</b>
<b>Fund Balances (Deficit), Beginning - Original</b>	<b>2,242,391</b>	<b>134,814</b>	<b>-</b>	<b>-</b>	<b>(5,500)</b>	<b>3,445,991</b>	<b>5,817,696</b>
<b>Adjustment - Nonmajor to Major</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,445,991)</b>	<b>(3,445,991)</b>
<b>Adjustment - Major to Nonmajor</b>	<b>-</b>	<b>-</b>	<b>297,845</b>	<b>(855,859)</b>	<b>-</b>	<b>-</b>	<b>(558,014)</b>
<b>Fund Balances (Deficit), Beginning - Adjusted</b>	<b>2,242,391</b>	<b>134,814</b>	<b>297,845</b>	<b>(855,859)</b>	<b>(5,500)</b>	<b>-</b>	<b>1,813,691</b>
<b>Fund Balances (Deficit), Ending</b>	<b>\$ 2,549,368</b>	<b>\$ 168,533</b>	<b>\$ 431,815</b>	<b>\$ (514,473)</b>	<b>\$ (33,000)</b>	<b>\$ -</b>	<b>\$ 2,602,243</b>

## **COMPLIANCE SECTION**



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**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, Members of the City Commission, and City Manager  
City of Dade City, 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 City of Dade City, Florida (the “City”), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise City’s basic financial statements and have issued our report thereon dated May 22, 2026.

**Report on Internal Control over Financial Reporting**

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

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2024-001 to be a material weakness.

*A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a significant deficiency.

## **Report on Compliance and Other Matters**

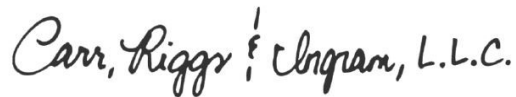
As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 Dade City, Florida's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Dade City, Florida's response to the findings identified in our engagement and described in the accompanying schedule of findings and questioned costs. City of Dade City, Florida's response was not subjected to the other auditing procedures applied in the engagement to audit 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.



CARR, RIGGS & INGRAM, LLC

Tampa, Florida

May 22, 2026



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

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

Honorable Mayor, Members of the City Commission, and City Manager  
City of Dade City, Florida

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Dade City, Florida’s (the “City”) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City’s major federal programs for the year ended September 30, 2024. The City’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

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

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

### ***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'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 the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, 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'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'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 the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control over Compliance**

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a significant deficiency.

*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. We consider the deficiency in internal control over

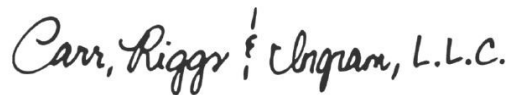
compliance described in the accompanying schedule of findings and questioned costs as item 2024-003 to be a significant deficiency.

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.

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

**Purpose of this Report**

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



CARR, RIGGS & INGRAM, LLC

Tampa, Florida

May 22, 2026

**CITY OF DADE CITY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

<b>Federal Grantor/Pass-Through Grantor/Program</b>	<b>Assistance Listing No.</b>	<b>Agreement No.</b>	<b>Expenditures</b>	<b>Amount Provided to Subrecipients</b>
<b>U.S. Department of Housing and Urban Development</b>				
Passed Through Florida Department of Economic Opportunity:				
Community Development Block Grants / State's Program and Non-Entitlement Grants in Hawaii	14.228	IR020	\$ 44,018	-
Community Development Block Grants / State's Program and Non-Entitlement Grants in Hawaii	14.228	22-DB-OP-08-61-02-N10	671,191	-
Total U.S. Department of Housing and Urban Development			715,209	-
<b>U.S. Department of the Treasury</b>				
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	Y5065	1,950,264	-
Total U.S. Department of the Treasury			1,950,264	-
<b>U.S. Environmental Protection Agency</b>				
Direct Program:				
Congressionally Mandated Projects	66.202	02D70523	182,253	-
Passed Through Florida Department of Environmental Protection:				
Drinking Water State Revolving Funds	66.468	DW510412	130,427	-
Total U.S. Environmental Protection Agency			312,680	-
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 2,978,153</b>	<b>\$ -</b>

**Note 1 - Basis of Presentation**

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Dade City, Florida, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (OMB Uniform Guidance). Therefore, amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

**Note 2 - Indirect Cost Rate**

The City of Dade City has elected not to use the 10% de minimis indirect cost rate allowed under the OMB Uniform Guidance.

**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

*Financial Statements:*

- |  |            |
|--|------------|
| 1. Type of auditor’s report issued   | Unmodified |
| 2. Internal control over financial reporting:                                    |            |
| a. Material weaknesses identified?   | Yes        |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes        |
| c. Noncompliance material to the financial statements noted?                     | None       |

*Federal Awards:*

- |  |            |
|--|------------|
| 1. Type of auditor’s report issued on compliance for major programs:   | Unmodified |
| 2. Internal control over major programs:   |            |
| a. Material weaknesses identified?   | None       |
| b. Significant deficiencies identified not considered to be material weaknesses?                             | Yes        |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)? | None       |
| 4. Identification of major programs:   |            |

<u>ALN</u> 21.027	<u>Program</u> COVID-19 Coronavirus State and Local Fiscal Recovery Funds
----------------------	---

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| 6. Auditee qualified as low-risk auditee under 2 CFR 200.520?               | No        |

## SECTION II – FINANCIAL STATEMENT FINDINGS

### Material Weakness

#### Finding Number 2024-001 (previously reported as 2023-001 and 2022-002)

##### Financial Reporting

**Criteria:** Pursuant to Chapter 10.550, *Rules of the Auditor General*, the City of Dade City, Florida shall ensure timely submission of audited financial information to the City in conformity with generally accepted accounting principles.

**Condition:** For the year ended September 30, 2024, the audit of the City’s financial statements were significantly delayed because the financial records were not timely reconciled and closed out in preparation of the audit.

**Cause:** The delay was primarily attributable to significant operational and personnel changes within the Finance Department. As a result of these events during fiscal year 2024, the City was delayed in completing timely reconciliations of account balances, including the monthly reconciliations of bank and investment accounts.

**Effect:** The City’s annual financial audit was not completed timely.

**Recommendation:** The City should continue to strengthen and monitor its year-end financial reporting and closing procedures to ensure timely reconciliation of account balances.

**Response:** See attached Corrective Action Plan.

### Significant Deficiency

#### Finding Number 2024-002

##### Investment Reporting

**Criteria:** City’s written investment policy requires the unit of local government officials responsible for making investment decisions or chief financial officer to establish a system of internal controls which shall be in writing and made a part of the governmental entity’s operational procedures.

Those internal controls include the City’s written investment policy, which requires the governmental entity’s officials responsible for making investment decisions or chief financial officer to prepare periodic reports for submission to the City Commission, which shall include securities in the portfolio by class or type, book value, income earned, and market value as of the report date. Such reports shall be available to the public.

**Condition:** Periodic reports were not provided to the City Commission during fiscal year ended September 30, 2024.

**Cause:** Investment balances and activities during the fiscal year ended September 30, 2024, were not reconciled in a timely manner due to turnover in key accounting positions as well as multiple changes in financial reporting systems.

**Effect:** Noncompliance with the City’s written investment policy.

**Finding number 2024-002 (Continued)**

**Recommendation:** CRI recommends the City formalize internal controls surrounding monthly reconciliations of account balances and the period end closing process. These policies should include a timeline for reporting to the City Commission the investment activities and balances.

**Response:** See attached Corrective Action Plan.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**Finding Number: 2024-003, Significant Deficiency**

**ALN # 21.027:**

**Federal Program:** Coronavirus State and Local Fiscal Recovery Fund

**Federal Agency:** US Department of Treasury

**Grant # and Year:** Y5065, 2024

**Compliance Requirement:** Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Earmarking, Period of Performance, Reporting.

**Questioned Costs:** N/A

**Criteria:** In accordance with 2 CFR § 200.303, non-federal entities are required to establish and maintain effective internal controls to provide reasonable assurance of compliance with federal statutes, regulations, and the terms and conditions of federal awards.

**Condition:** The City did not maintain formal documentation surrounding the internal controls over compliance for multiple compliance requirements. Specifically, for 1 of 12 employees tested for pay rate approvals, there was no documentation evidencing approval of the pay rate. In addition, there was no documented review of the payroll registers or of the project and expenditure reports submitted.

**Cause:** Lack of documented controls over compliance primarily attributed to significant operational and personnel changes within the Finance Department.

**Effect:** Potential for noncompliance with federal program requirements. Although there was a lack of internal controls documented, there were no instances of noncompliance noted.

**Recommendation:** The City should evaluate their processes and procedures over internal controls are appropriately documented and maintained.

**Finding number 2024-003 (Continued)**

**Response:** See attached Corrective Action Plan.

**SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS**

**Material Weakness**

**Finding Number: 2023-001 (previously reported as 2022-002)**

**Financial Reporting**

**Condition:** For the year ended September 30, 2023, the audit of the City’s basic financial statements was significantly delayed because the financial records were not timely reconciled and closed out in preparation of the audit. The City does not have sufficient key operating staff in their accounting department to accurately keep the accounting records current which caused significant delays in financial reporting and analysis.

**Recommendation:** The City should continue to review year-end financial reporting to ensure proper accounting treatment is completed.

**Current Status:** Finding not corrected. See current year finding 2024-001.



# CITY OF DADE CITY

*"Proud Heritage, Promising Future"*

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Scott Black, Mayor  
Normita L. Woodard, Mayor Pro Tem  
Kristin Church, Commissioner  
James D. Shive, Commissioner  
Michael Stout, City Commissioner

Marieke vanErven, City Manager  
Angelia Guy, City Clerk  
Peter Altman, Finance Officer  
Patrick Brackins, City Attorney

May 22, 2026

City of Dade City Commission

RE: Corrective Action Plan - September 30, 2024

Dade City Mayor and City Commissioners,

**Material Weakness**

**Finding Number 2024-001 (previously reported as 2023-001 and 2022-002)**

**Financial Reporting: Late submission of audited financial statements**

**Corrective Action Plan**

The City Commission authorized the use of additional professional consulting services to assist in the production of audit papers and to provide the Finance officer with additional staff to bring the City into compliance. The City Finance Officer is responsible for strengthening and monitoring the year-end financial reporting and closing procedures as recommended.

**Anticipated Completion Date**

September 30, 2026

**Responsible Party**

The Finance Officer

**Significant Deficiency**

**Finding Number 2024-002**

**Investment Reporting: Periodic Reports were not provided to the City Commission**

**Corrective Action Plan**

Internal Controls will be formalized to require timely monthly reconciliations of account balances and the period end closing process as recommended. The City's Investment portfolio was liquidated in the 2025 fiscal year, and the City Commission has received the required reporting in the current fiscal year.

**Anticipated Completion Date**

September 30, 2026

**Responsible Party**

The Finance Officer

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**Established 1889**

P.O. BOX 1355 • 38020 MERIDIAN AVENUE • DADE CITY, FL 33526-1355 • (352) 523-5050 FAX (352) 521-1422

**Significant Deficiency**  
**Finding Number: 2024-003**  
**Federal Award Finding and Questioned Costs**

**Corrective Action Plan**

The City will evaluate their processes and procedures over internal controls to ensure that all employee rate changes and payroll registers are appropriately documented and maintained. While we maintain that oversight was in place, we concur with the finding and have identified the responsibility of the process to be placed on the finance department's fiscal assistants. The lack of documented review of the reporting process is noted, and procedures are now in place for documentation of the review and approval of the data as it is reported on portals as required. The Finance Officer will direct an accountant on staff or a professional consultant to complete the preparation of the reporting so that he/she can review and authorize the submission of reports. The implementation of upgraded software and strengthened internal control policies and procedures is a priority.

**Anticipated Completion Date**  
September 30, 2026

**Responsible Party**  
The Finance Officer

Sincerely,

A handwritten signature in blue ink, appearing to read 'Peter Altman', written in a cursive style.

Peter Altman, Finance Officer



Carr, Riggs & Ingram, L.L.C.  
4010 West Boy Scout Boulevard  
Suite 475  
Tampa, FL 33607

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

813.855.3036  
CRIadv.com

**MANAGEMENT LETTER**

To the Honorable Mayor, Members of the City Commission and City Manager  
City of Dade City, Florida

**Report on the Financial Statements**

We have audited the financial statements of the City of Dade City, Florida (the “City”), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated May 22, 2026.

**Auditor’s Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**Other Reporting Requirements**

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant’s Report on an examination conducted in accordance with *AICPA Professional Standards*. Disclosures in those reports and schedule, which are dated May 22, 2026, should be considered in conjunction with this management letter.

**Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have not been taken to address findings and recommendations made in the preceding financial audit report.

Tabulation of Uncorrected Audit Findings		
Current Year Finding No.	2022-2023 FY Finding No.	2021-2022 FY Finding No.
2024-001	2023-001	2022-002

**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 City of Dade City, Florida was established by the adoption of the City Charter under the constitution and laws of the State of Florida. The City of Dade City, Florida, included the following component units: City of Dade City Community Redevelopment Agency, established by the City of Dade City, Florida, Resolution No. 526, pursuant to Chapter 163, Part III, Florida Statutes.

**Financial Condition and Management**

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

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. Please see Finding No. 2024-001 and 2024-002 in the Schedule of Findings and Questioned Costs.

**Property Assessed Clean Energy (PACE) Programs**

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

**Special District Component Units**

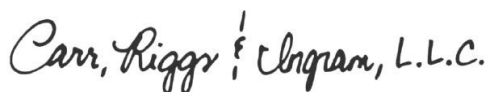
Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within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

**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 fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. Please see Finding No. 2024-003 in the Schedule of Findings and Questioned Costs.

**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.



CARR, RIGGS & INGRAM, LLC  
Tampa, Florida  
May 22, 2026



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

**Carr, Riggs & Ingram, L.L.C.**  
4010 West Boy Scout Boulevard  
Suite 475  
Tampa, FL 33607

813.855.3036  
CRIadv.com

**INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE  
WITH SECTION 218.415 FLORIDA STATUTES**

Honorable Mayor, Members of the City Commission, and City Manager  
City of Dade City, Florida

We have examined City of Dade City, Florida’s, (the “City”), compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024. Management is responsible for the City’s compliance with the 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 we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

Our examination does not provide a legal determination on the City’s compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

This report is intended solely for the information and use of 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.*

CARR, RIGGS & INGRAM, LLC  
Tampa, Florida  
May 22, 2026



# CITY OF DADE CITY

*"Proud Heritage, Promising Future"*

Scott Black, Mayor  
Normita L. Woodard, Mayor Pro Tem  
Kristin Church, Commissioner  
James D. Shive, Commissioner  
Michael Stout, City Commissioner

Marieke vanErven, City Manager  
Angelia Guy, City Clerk  
Peter Altman, Finance Officer  
Patrick Brackins, City Attorney

BEFORE ME, the undersigned authority, personally appeared Peter Altman, who being duly sworn, deposes and says on oath that:

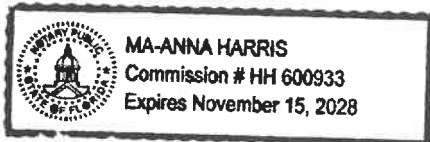
1. I am the Chief Financial Officer of the City of Dade City which is a municipality of the State of Florida.
2. The City of Dade City adopted Ordinance Numbers 2004-0851, 2016-01, 2021-10 and 2021-14 implementing impact fees; and
3. The City of Dade City has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.


FURTHER AFFLIANT SAYETH NAUGHT.

  
\_\_\_\_\_  
Peter Altman

STATE OF FLORIDA  
COUNTY OF PASCO

SWORN TO AND SUBSCRIBED before me this 18 day of May, 2026.



  
\_\_\_\_\_  
NOTARY PUBLIC  
Print Name Ma-Anna Harris

Personally known X or produced identification \_\_\_\_\_

Type of identification produced: \_\_\_\_\_

My Commission Expires:

11/15/2028

**Established 1889**