

**TOWN OF LAKE PARK, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

**Prepared by the Finance Department**



# TOWN OF LAKE PARK, FLORIDA

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## INTRODUCTORY SECTION

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Finance  
Department

October 30, 2025

The Honorable Mayor,  
Members of the Town Commission and Citizens  
Town of Lake Park, Florida

The Annual Comprehensive Financial Report (ACFR) of the Town of Lake Park, Florida, (the "Town") for the fiscal year ended September 30, 2024, is hereby submitted. Florida law and the Rules of the Auditor General for the State of Florida require every municipality to complete a set of audited financial statements annually within nine (9) months of the close of the fiscal year. This report is published to fulfill the requirement for the year ended September 30, 2024.

This report consists of management's representation concerning the finances of the Town of Lake Park. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Lake Park has established a comprehensive internal control framework that is designed both to protect the Town assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town of Lake Park's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town of Lake Park's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Lake Park's financial statements have been audited by Marcum LLP, certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Lake Park for the fiscal year ended September 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assess the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Lake Park's financial statements for the fiscal year ended September 30, 2024, are fairly presented in conformity with GAAP. The independent auditors' report is located at the front of the Financial Section of this report on page 1.

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

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Lake Park, FL 33403  
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[www.lakeparkflorida.gov](http://www.lakeparkflorida.gov)

## PROFILE OF THE TOWN

Originally incorporated in 1923 as Kelsey City, the city was renamed in 1939 to the Town of Lake Park. The Town of Lake Park is a political subdivision of the State of Florida with a population of 8,980 residents (U.S. Census Bureau, 2022 estimate), ideally located in the southeastern part of the State on the Atlantic Intracoastal Waterway. The Town is primarily residential but has several types of light industry, commercial and retail businesses and shopping centers.

The Town of Lake Park operates under a commission-manager form of government. Policymaking and legislative authority are vested in a governing commission consisting of the Mayor, Vice-Mayor and three Commissioners. The governing body is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring both the Town Manager and Town Attorney. The Town Manager serves as the Chief Administrative Officer for the Town and is responsible for day-to-day operations, including the hiring, discipline, and firing of all Town employees.

In 2008, the Department of Justice of the United States filed a civil action against the Town alleging that the then current at-large method of electing the Commissioners for the Town, enhanced by the use of staggered terms and designated posts, resulted in black citizens of the Town having less opportunity than white citizens to participate in the political process and elect candidates of choice in violation of Section 2 of the Voting Rights Act of 1965. Subsequent to the end of Fiscal Year 2009, as a result of the Department of Justice Consent Decree with the Town, which requires that the Town change the manner in which candidates for Commission seats are elected by imposing a method known as "Limited Voting", an ordinance was adopted to amend the Charter to reflect this change. The seat of Mayor is elected in one election year and the four remaining commissioners are elected in the next election year, with no election occurring in the third year. The Mayor and Commission members are elected on a non-partisan basis. There are no term limits for elected officials.

The Town of Lake Park provides a full range of services, including building inspections, code enforcement, residential and commercial sanitation service, a public library, recreation and cultural events. Police and fire protection are contracted through Palm Beach County. Water and sewer service is provided through the Seacoast Utility Authority. The Town's financial statements also include the Lake Park Community Redevelopment Agency (CRA); a dependent special district established by the Town, under authority granted by Florida Statute 163, Section III.

The Town is financially accountable for the CRA which is included in the Town's financial statements as a blended component unit reported in a governmental (special revenue) fund, the CRA Fund. The Town is required by State law to adopt an annual budget for the general fund. The annual budget serves as the foundation for the Town's financial planning and control. The budget is prepared by fund, function (e.g., public safety) and department (e.g., police). The Town Manager may transfer resources within a department or fund up to \$10,000. Budgetary transfers require the approval of the Town Commission for any of the following: transfers above \$10,000, transfers between funds, transfers from Unassigned Fund Balance, or transfers from the Town's Contingency Account.

## LOCAL ECONOMY

The Town's economic growth, which had been stymied due to the national recession and collapse of the housing and real estate market, has been showing steady growth and is projected to have significant growth in the near future, especially in the CRA area. Property values increased dramatically throughout Palm Beach County and the Town of Lake Park between the years of 2002 through 2008. The taxable value of property within the Town decreased from 2009 through 2012 due to the impact of the housing related crisis. The taxable value began recovering in 2013 and steadily increased since. Recent increases include 7.3% in 2020, 5.79% in 2021, 10.3% in 2022, and 11.26% in 2023. In 2024, taxable values increased from prior year at an eleven year high of 13.18%. The relationship of commercial assessments compared to residential assessment has historically been around 50/50, but with the decline in the housing market, this relationship has shifted to approximately 53/47.

The Town is experiencing the buildout of some of the remaining vacant parcels but does not anticipate any significant changes in the type of development that will occur. It is anticipated that redevelopment and reuse of existing structures will eventually take place and that the Town will continue to diversify its tax base. The historical decline in both commercial and residential assessments appears to have been reversed.

The decrease in taxable values within the Town peaked at more than \$302 million, now stands at an increase and is expected to continue to increase over the next several years. A small increase in the millage was adopted for Fiscal Year 2013-2014 and the millage was held at the same rate for Fiscal Year's 2014-2015, 2015-2016, 2017- 2018, 2018-2019, 2019-2020, 2020-2021, and in 2021-2022. For fiscal year 2016 the Town adopted a MSTU for fire services during the year, thus the millage for the Fire Services was not included in the operating millage accounting for a decrease in revenue and expense of \$1,813,451. The operating millage rate decreased in 2022-2023 to 5.1870 (8.6451 mills less the fire millage of 3.4581). In 2023-2024, the operating millage rate was reduced again to 5.1000, a 1.6% decrease. While public safety is paramount to the citizens of the Town, the cost of police services represent 43% of the General Fund expenditures and essentially consumes 100 % of the ad valorem tax revenue.

The Town continues to look for ways to provide essential services to the public in the most cost efficient, effective way without the health, safety and welfare of the community being compromised. The use of one time sources of revenue for recurring expenditures is not an option given the modest level of reserves and the threat of hurricanes as annual possibility. Alternative sources of revenue and increased fees have been enacted and will continued to be evaluated annually.

The Community Redevelopment Agency (CRA) purchased commercial property in 2008, located at 800 Park Avenue, which was refurbished and was used as an art studio and gallery for a period in 2010 and 2011. In 2012 the building was leased to The Artists of the Palm Beaches who are to provide free classes, have monthly exhibits, and use the building as the group's base of operations. Currently, the building is now operating as the Recreation Center for the Town of Lake Park/ CRA Office. The building hosts various recreation programs including summer camp. Improvements have continued for the downtown area including increased façade improvement grants and limited business development grants. These CRA Master Plan last updated in November 2022 provide the guidelines for future priorities, development and grants. A requested expansion of the CRA area has been approved for the 2025-2026 fiscal year.

## ACCOUNTING AND BUDGETARY CONTROLS

The accounting and financial reporting of the Town's general government operations takes place in four broad categories: the General Fund, Special Revenue Funds, Debt Service Fund, and Insurance Internal Service Fund. The records and reports for these funds are maintained on the modified accrual basis, with revenue being recorded when measurable and available, and expenditures being recorded when the services or goods are received and the liabilities incurred. Accounting records for the Town's enterprise operations and pension trust funds are maintained on the accrual basis.

Management of the government is responsible for establishing and maintaining internal controls designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States (GAAP). The internal control is designed to provide reasonable, rather than absolute, assurance these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state and local awards, the Town is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management.

In addition, the government maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with the legal provisions embodied in the annual budget approved by the government's governing body. Activities of the General Fund, Community Redevelopment Agency, Debt Service Fund and proprietary funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level within the individual fund. The government also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

As demonstrated by the basic financial statements and schedules included in the financial section of the report, the government continues to meet its responsibility for sound financial management.

## MAJOR INITIATIVES

Stormwater mitigation efforts continue with the completion of the 2<sup>nd</sup> Street 5% Roadway Bioswales Program Grant along with the start of State of Florida Department of Economic Opportunity Grant. The latter project began in fiscal year 2023-2024 and is expected to continue through fiscal year 2025-2026. Upgrades to historic Town Hall continue through grant funding, as well. Ongoing park enhancements continue with West Ilex Park completing phase II of its upgrades. Kelsey Park is targeted for future enhancement including a water feature through grant opportunities and the public improvement fund. The P3 (Public Private Partnership) to develop and expand the Town's marina continues to move forward. Additional emphasis is being placed on pavement and sidewalk improvements throughout the Town as we look toward the future.

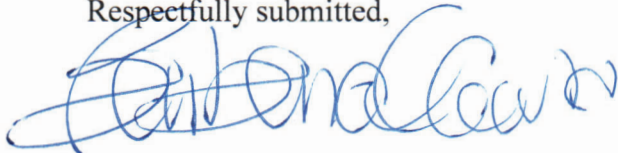
## ACKNOWLEDGEMENTS

An annual comprehensive financial report of this type and depth, illustrating the results of operations of the entire Town and its various diversified funds and activities, could not have been prepared so completely without the dedication and efficiency of the Assistant Finance Director, along with the assistance of the entire Finance Department staff.

Their dedication and hard work is greatly appreciated. My appreciation is also extended to our independent auditors, CBIZ CPAs, P.C., for their cooperation and guidance.

Special appreciation is extended to the Mayor, Town Commission, Town Manager, and Department Heads for their interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,



Barbara A. Gould  
Finance Director

# **TOWN OF LAKE PARK FLORIDA**

## **List of Principal Officials**

**September 30, 2024**

### **Mayor**

Roger Michaud

### **Vice Mayor**

Michael Hensley

### **Town Commission**

John Linden

Michael O'Rourke

Judith Thomas

### **Town Manager**

Richard Reade

### **Town Clerk**

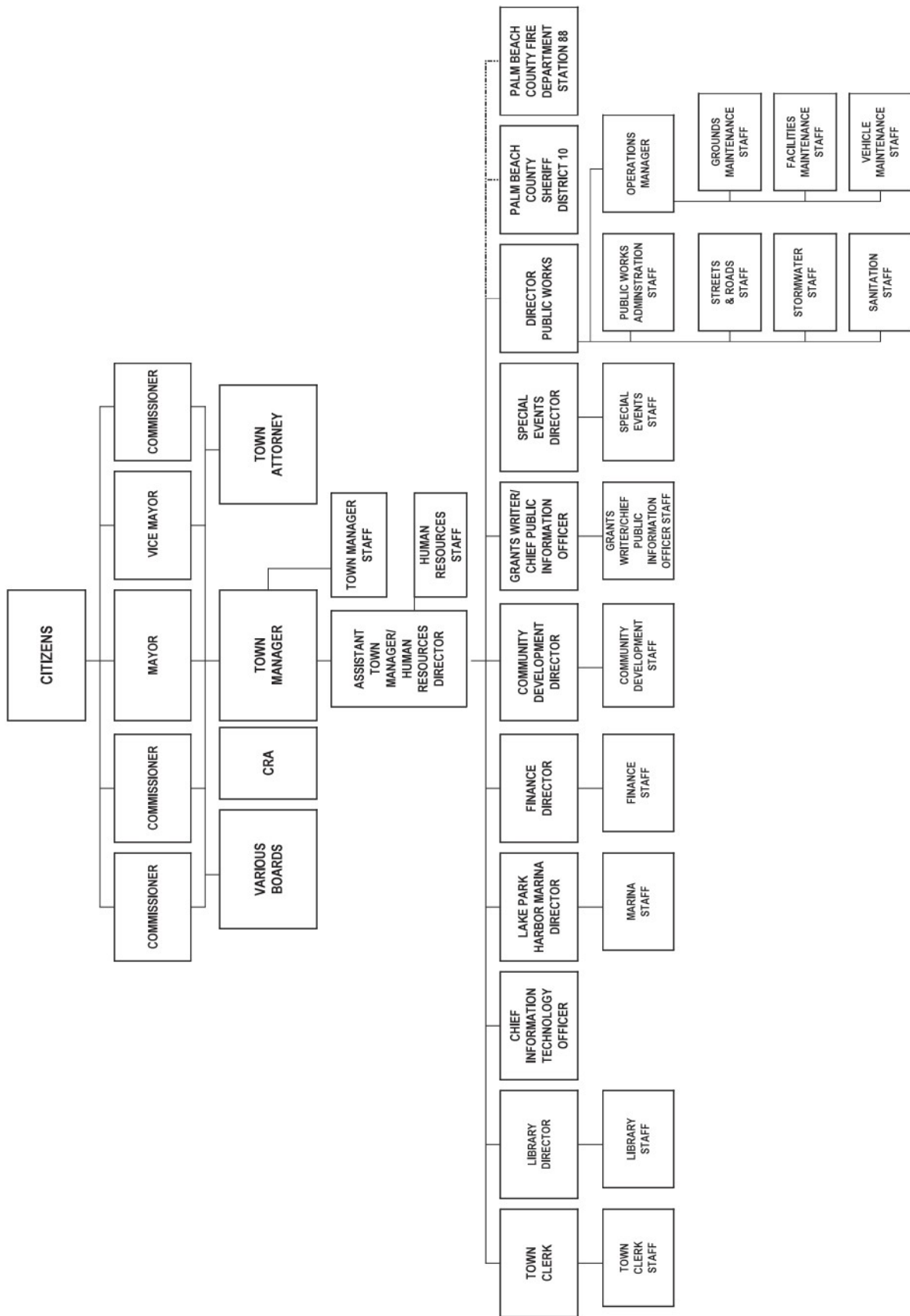
Vivian Mendez

### **Finance Director**

Barbara Gould

Public Works Director  
Community Development Director  
Special Events Director  
Harbor Marina Director  
Human Resources Director  
Information Technology Director

Jaime Morales  
Nadia DiTomasso  
Riunite Franks  
Jason Tenney  
Bambi McKibbon-Turner  
Paul McGuinness



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## FINANCIAL SECTION

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## **INDEPENDENT AUDITORS' REPORT**

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## **Independent Auditors' Report**

To the Honorable Mayor and Town Commission  
**Town of Lake Park, Florida**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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

In our opinion, the accompanying 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 Town, as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town 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 Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town'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 Town'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 on pages 4 through 14, the budgetary comparison schedules and the related note on pages 72 to 74, and the required supplementary information for the pensions and OPEB on pages 68 to 71, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2025 on our consideration of the Town'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 Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

***CBIZ CPAs P.C.***

West Palm Beach, FL  
October 30, 2025

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

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# **TOWN OF LAKE PARK, FLORIDA**

## **MANAGEMENT’S DISCUSSION AND ANALYSIS**

### **FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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The Town of Lake Park, Florida (the “Town”) administration offers readers of the Town’s financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2024. Readers are encouraged to consider the information presented here in conjunction with additional information that has been furnished in the transmittal letter and the accompanying basic financial statements.

The information contained within this Management’s Discussion and Analysis (MD&A) is only a component of the entire financial statement report. Readers should take time to read and evaluate all sections of the report, including the Notes to the Financial Statements and the Required Supplementary Information that is provided in addition to this MD&A.

#### **Financial Highlights**

##### ***Government-Wide Financial Statements***

- The assets and deferred outflows of the Town exceeded its liabilities and deferred inflows at September 30, 2024 by \$28,874,783. Of this amount, unrestricted net position is \$4,341,888.
- The total net position increased by \$3,702,009 of which an increase of \$1,397,431 was attributed to governmental activities and an increase of \$2,304,578 was related to business-type activities. The change in net position of the business-type and governmental activities of the Town was primarily attributable to an increase in charges for services and along with continued commercial and residential development.

##### ***Fund Financial Statements***

- As of the close of the 2024 Fiscal Year, the Town’s General Fund reported ending fund balance of \$7,105,301 an increase of \$581,714 from the prior year. Of the total fund balance, \$3,793,796 is assigned, restricted or non-spendable, while \$3,311,505 is unassigned and available for future uses by the Town Commission, an increase of \$814,364 in unassigned fund balance.
- At the end of the 2024 Fiscal Year, the unassigned fund balance for the General Fund represented just 26.98% of total General Fund expenditures or approximately 90 days of available funding.

**TOWN OF LAKE PARK, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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**Using this Annual Report**

This annual report consists of a series of financial statements. The three components of the financial statements are: (1) Government-wide financial statements that include the Statement of Net Position and the Statement of Activities. These statements provide information about the activities of the Town as a whole. (2) Fund financial statements tell how these services were financed in the short term, as well as what remains for future spending.

Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. (3) Notes to the basic financial statements expand upon information reported in the government-wide and governmental fund statements.

**Reporting the Town as a Whole**

***Statement of Net Position and the Statement of Activities (Government-Wide)***

A frequently asked question regarding the Town's financial health is whether the year's activities contributed positively to the overall financial well-being. The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows, liabilities and deferred inflows using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

These two statements report the Town's net position and changes therein. Net position, assets and deferred outflows less liabilities and deferred inflows, are one way to measure the Town's financial health, or financial position. Over time, increases or decreases in net position are an indicator of whether the financial health is improving or deteriorating.

The Statement of Net Position and the Statement of Activities present information about the following:

- Governmental activities - All of the Town's basic services are considered to be governmental activities, including general government, community development, public safety, public services, library, and recreation. Property taxes, sales taxes, utility taxes, intergovernmental revenue and franchise fees finance most of these activities.
- Proprietary activities/Business-type activities - The Town charges a fee to customers to cover all or most of the cost of the services provided. The Town's Sanitation Fund, Stormwater Fund and Marina Fund are reported in this category.

**TOWN OF LAKE PARK, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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**Reporting the Town's Most Significant Funds**

***Fund Financial Statements***

The fund financial statements provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by State law. However, management establishes other funds, which aid in the management of money for particular purposes or meet legal responsibilities associated with the usage of certain taxes, grants, and other money. The Town's three kinds of funds, governmental, proprietary, and fiduciary, use different accounting approaches as explained below.

- Governmental funds - Most of the Town's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out, with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information shows whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The basic governmental fund financial statements can be found on pages 17-20 of this report.
- Enterprise funds - The Town has three enterprise funds, Sanitation, Stormwater and Marina, which charge customers for the services they provide. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. These funds are reported using the full accrual basis of accounting; revenues are recognized in the period earned and expenses are recognized in the period that liabilities are incurred. The basic proprietary fund financial statements can be found on pages 21-24 of this report.
- Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 25-26 of this report.

***Notes to the Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-67 of this report.

# TOWN OF LAKE PARK, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### ***Other Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information for pension benefits can be found on page 68-71 of this report.

The Town adopts annual appropriated budgets for the General Fund and CRA. Budgetary comparison schedules for the General Fund and CRA are included as Required Supplementary Information on pages 72-74 to demonstrate compliance with the budget.

The combining fund statements and schedules are presented immediately following the required supplementary information on pages 75-76 of this report.

### **Government-Wide Financial Analysis**

#### ***Net Position***

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, governmental activity assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$19,122,836. Business-type activity assets exceeded liabilities and deferred inflows by \$9,751,947. The Town-wide total net position was \$28,874,783 at the close of the fiscal year ended September 30, 2024. The Statement of Net Position is on page 15 of this report.

The Town's net investment in capital assets (e.g., land, buildings, equipment and vehicles, less any related debt used to acquire those assets that is still outstanding) was \$21,551,013 or over 75% of total net position at September 30, 2024. Capital assets total \$26,987,076 at September 30, 2024, or 70% of all assets and deferred outflows, which total \$38,811,654. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net position \$2,981,882 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$4,341,888 may be used to meet the government's ongoing obligations to citizens and creditors. The following table reflects the condensed Summary of Net Position for the current year as compared to the prior year.

**TOWN OF LAKE PARK, FLORIDA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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**Summary of Net Position**

|                                         | Governmental<br>Activities |                      | Business-Type<br>Activities |                     | Total                |                      |
|-----------------------------------------|----------------------------|----------------------|-----------------------------|---------------------|----------------------|----------------------|
|                                         | 2024                       | 2023                 | 2024                        | 2023                | 2024                 | 2023                 |
| <b>Assets</b>                           |                            |                      |                             |                     |                      |                      |
| Current assets                          | \$ 13,016,227              | \$ 13,072,305        | \$ (1,251,509)              | \$ (2,155,373)      | \$ 11,764,718        | \$ 10,916,932        |
| Capital assets, net                     | 11,925,140                 | 10,536,410           | 15,061,936                  | 13,923,110          | 26,987,076           | 24,459,520           |
| <b>Total Assets</b>                     | <u>24,941,367</u>          | <u>23,608,715</u>    | <u>13,810,427</u>           | <u>11,767,737</u>   | <u>38,751,794</u>    | <u>35,376,452</u>    |
| <b>Deferred Outflows</b>                |                            |                      |                             |                     |                      |                      |
| Pension related items                   | 59,860                     | 59,860               | --                          | --                  | 59,860               | 59,860               |
| <b>Liabilities</b>                      |                            |                      |                             |                     |                      |                      |
| Current liabilities                     | 2,289,528                  | 2,280,239            | 876,254                     | 637,901             | 3,165,782            | 2,918,140            |
| Long-term liabilities                   | 2,880,660                  | 3,007,471            | 3,135,137                   | 3,630,145           | 6,015,797            | 6,637,616            |
| <b>Total Liabilities</b>                | <u>5,170,188</u>           | <u>5,287,710</u>     | <u>4,011,391</u>            | <u>4,268,046</u>    | <u>9,181,579</u>     | <u>9,555,756</u>     |
| <b>Deferred Inflows of Resources</b>    |                            |                      |                             |                     |                      |                      |
| Leases                                  | 606,733                    | 655,460              | --                          | --                  | 606,733              | 655,460              |
| Deferred gain on bond<br>refunding, net | --                         | --                   | 47,089                      | 52,322              | 47,089               | 52,322               |
| Pension related items                   | 101,470                    | --                   | --                          | --                  | 101,470              | --                   |
|                                         | <u>708,203</u>             | <u>655,460</u>       | <u>47,089</u>               | <u>52,322</u>       | <u>755,292</u>       | <u>707,782</u>       |
| <b>Net Position</b>                     |                            |                      |                             |                     |                      |                      |
| Net investment in<br>capital assets     | 9,560,998                  | 8,178,523            | 11,990,015                  | 10,313,828          | 21,551,013           | 18,492,351           |
| Restricted                              | 3,057,899                  | 3,543,171            | --                          | --                  | 3,057,899            | 3,543,171            |
| Unrestricted                            | 6,503,939                  | 6,003,711            | (2,238,068)                 | (2,866,459)         | 4,265,871            | 3,137,252            |
| <b>Total Net Position</b>               | <u>\$ 19,122,836</u>       | <u>\$ 17,725,405</u> | <u>\$ 9,751,947</u>         | <u>\$ 7,447,369</u> | <u>\$ 28,874,783</u> | <u>\$ 25,172,774</u> |

***Governmental Activities***

Net position of the governmental activities of the Town have increased \$1,397,431 from 2023 due to increased tax and charges for services revenues offset by increased employee and public safety costs. Total assets and deferred outflows of governmental activities have increased by \$1,332,652 mainly due to road improvement and public safety related equipment additions and total liabilities and deferred inflows of resources have decreased by \$64,779 primarily from expending ARPA funds, thus reducing unearned revenues. Unrestricted net position increased by \$576,245.

***Business-Type Activities***

Net position for business-type activities have increased \$2,304,578 from 2023 primarily due to increased charges for services revenues. Total assets increased by \$2,042,690 while total liabilities and deferred inflows have decreased by \$261,888. Unrestricted net position has increased by \$628,391.

# TOWN OF LAKE PARK, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

The following is a summary of the changes in net position for the years ended September 30, 2024 and 2023:

#### Summary of Changes in Net Position

|                                               | Governmental<br>Activities |                     | Business-Type<br>Activities |                     | Total               |                     |
|-----------------------------------------------|----------------------------|---------------------|-----------------------------|---------------------|---------------------|---------------------|
|                                               | 2024                       | 2023                | 2024                        | 2023                | 2024                | 2023                |
| <b>Revenues</b>                               |                            |                     |                             |                     |                     |                     |
| Program revenues                              |                            |                     |                             |                     |                     |                     |
| Charges for services                          | \$ 3,850,437               | \$ 2,951,913        | \$ 7,244,474                | \$ 4,798,473        | \$11,094,911        | \$ 7,750,386        |
| Operating grants and contributions            | 899,705                    | 1,560,624           | --                          | --                  | 899,705             | 1,560,624           |
| Capital grants and Lease (right-of-use asset) | 237,535                    | 129,449             | 2,157,857                   | 5,123               | 2,395,392           | 134,572             |
| General revenues                              |                            |                     |                             |                     |                     |                     |
| Taxes                                         | 9,516,126                  | 8,906,775           | --                          | --                  | 9,516,126           | 8,906,775           |
| Intergovernmental                             | 1,399,384                  | 1,418,852           | --                          | --                  | 1,399,384           | 1,418,852           |
| Miscellaneous                                 | 178,687                    | 200,907             | 10,484                      | 22,309              | 189,171             | 223,216             |
| Investment earnings                           | 508,680                    | 542,395             | 21,166                      | 16,675              | 529,846             | 559,070             |
| Gain on sale of equipment                     | --                         | --                  | --                          | 56,543              | --                  | 56,543              |
| <b>Total Revenues</b>                         | <u>\$16,590,554</u>        | <u>\$15,710,915</u> | <u>\$ 9,433,981</u>         | <u>\$ 4,899,123</u> | <u>\$26,024,535</u> | <u>\$20,610,038</u> |
|                                               |                            |                     |                             |                     |                     |                     |
|                                               | Governmental<br>Activities |                     | Business-Type<br>Activities |                     | Total               |                     |
|                                               | 2024                       | 2023                | 2024                        | 2023                | 2024                | 2023                |
| <b>Expenses</b>                               |                            |                     |                             |                     |                     |                     |
| General government                            | 4,468,353                  | 3,246,177           | --                          | --                  | 4,468,353           | 3,246,177           |
| Public safety                                 | 5,311,775                  | 4,636,567           | --                          | --                  | 5,311,775           | 4,636,567           |
| Physical environment                          | 756,073                    | 789,540             | --                          | --                  | 756,073             | 789,540             |
| Transportation                                | 1,063,540                  | 1,152,078           | --                          | --                  | 1,063,540           | 1,152,078           |
| Culture and recreation                        | 1,905,263                  | 1,510,035           | --                          | --                  | 1,905,263           | 1,510,035           |
| Lease (right-of-use asset)                    | 1,637,106                  | 1,488,811           | --                          | --                  | 1,637,106           | 1,488,811           |
| Interest on long-term debt                    | 92,447                     | 114,884             | --                          | --                  | 92,447              | 114,884             |
| Marina                                        | --                         | --                  | 2,609,819                   | 2,265,025           | 2,609,819           | 2,265,025           |
| Sanitation                                    | --                         | --                  | 2,609,621                   | 2,746,651           | 2,609,621           | 2,746,651           |
| Stormwater                                    | --                         | --                  | 1,868,529                   | 839,980             | 1,868,529           | 839,980             |
| <b>Total Expenses</b>                         | <u>15,234,557</u>          | <u>12,938,092</u>   | <u>7,087,969</u>            | <u>5,851,656</u>    | <u>22,322,526</u>   | <u>18,789,748</u>   |
| <b>Transfers In/(Out)</b>                     | <u>41,434</u>              | <u>(233,594)</u>    | <u>(41,434)</u>             | <u>233,594</u>      | <u>--</u>           | <u>--</u>           |
| <b>Change in Net Position</b>                 | <u>1,397,431</u>           | <u>2,539,229</u>    | <u>2,304,578</u>            | <u>(718,939)</u>    | <u>3,702,009</u>    | <u>1,820,290</u>    |
| <b>Net Position - Beginning of Year</b>       | <u>17,725,405</u>          | <u>15,186,176</u>   | <u>7,447,369</u>            | <u>8,166,308</u>    | <u>25,172,774</u>   | <u>23,352,484</u>   |
| <b>Net Position - End of Year</b>             | <u>\$19,122,836</u>        | <u>\$17,725,405</u> | <u>\$ 9,751,947</u>         | <u>\$ 7,447,369</u> | <u>\$28,874,783</u> | <u>\$25,172,774</u> |

Overall total revenues increased by \$5,414,497. Program revenues increased by \$4,944,426 and general revenues increased by \$470,071.

**TOWN OF LAKE PARK, FLORIDA**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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***Governmental Activities***

Revenue collections of taxes including property taxes, franchise fees, utility services taxes, fuel taxes and communication services taxes have increased \$609,351. This is due in large part to an increase in property taxes caused by new development and an increase in the property values in 2024.

***Business-Type Activities***

Total revenues for business-type activities of the Town have increased by \$4,534,858. This is primarily the result of an increase in charges for services in the Marina, Sanitation and Stormwater funds. Additionally, the Stormwater fund continues to recognize revenues from multi-year grants related to significant infrastructure projects.

Overall, net position increased \$3,702,009. The increase in net position is primarily related to the increase in charges for services by Marina, Sanitation and Stormwater funds.

***Governmental Activities***

Changes in the expenses for 2024 in Public Safety is attributable to an increase to staffing adjustment in the Sheriff’s contract. The change in the General government is attributable filling vacancies, annual increases and entering FRS (Florida Retirement System for all employees effective July 1<sup>st</sup>.

***Business-Type Activities***

The increase in expenses for the Stormwater Fund are directly related to an effort toward repairs and maintenance of infrastructure to better serve the community. The increase in the Sanitation Fund expenses is the result of increased contract expenses due to nonfunctioning vehicles and ongoing staffing issues.

**Financial Analysis of the Governments’ Funds**

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

***Governmental Funds***

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

**TOWN OF LAKE PARK, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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At September 30, 2024, the Town's primary operating fund, the General Fund, reported ending fund balance of \$7,105,301 an increase of \$581,714 from the prior year. Of this amount, \$3,311,505 is considered unassigned fund balance and is available for spending at the Town's discretion. However, it is recommended that these funds be maintained at this level in the event of an emergency such as a hurricane. However, \$130,671 is restricted for specific purposes such as the Community Improvement Beautification (CIB) Fund. The remainder of fund balance, totaling \$3,363,800, is classified as non-spendable, indicating that it is not available for new spending. This amount consists of (1) \$85,083 for inventories and prepaid expenses, and (2) as advances to other funds, in particular to cover the cash deficit in the pooled cash of the Marina Fund and Streets & Roads Fund in the amounts of \$3,309,248 and \$169,469, respectively.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 26.98 percent of total General Fund expenditures, while total fund balance represents 57.89 percent of that same amount. A sound financial management policy would dictate that the unrestricted, unassigned fund balance be maintained between 10-25% of total expenditures. To that end, the budget for Fiscal Year 2025 has been constructed to maintain fund balance at the end of the year, absent significant revenue shortfalls. The General Fund will see increased revenues over the next several budget cycles and is expected to receive repayments from the Marina Fund.

***Enterprise Funds***

The Town's enterprise funds are accounted for on an accrual basis and may be measured year-over-year by the Change in Net Position, a measure of the difference that the year made in the Total Assets less the Total Liabilities.

The Marina Fund had a decrease in Net Position of \$236,448 resulting from operating expenses, including depreciation and personal services, exceeding operating revenues, bringing the fund's Total Net Position to \$(1,492,952).

The Marina's change in net position is primarily due to personnel costs including filling vacancies. The Marina is currently being considered for redevelopment which will increase the Marina's revenue. The Marina Fund's deficit is being covered by the General Fund through a do-to/dueto accounting function.

The Sanitation Fund has a increase in Net Position of \$317,281, bringing the fund's Total Net Position for the fund to \$672,418. The increase in net position is a result of a plan that limited outsourcing garbage disposal services due to various issues.

The Stormwater Fund had an increase in Net Position of \$2,223,745, bringing the fund's Total Net Position for the fund to \$10,454,419. This increase is largely due to increase in the charge for services combined ongoing capital improvements which will continue for the next several years.

# TOWN OF LAKE PARK, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

### General Fund Budgetary Highlights

The annual General Fund budget is adopted after two public hearings and approval of the Town Commission. Any amendments that would exceed the original budget at the fund level or would require funds to be transferred from contingency would require a formal budget amendment requiring the adoption of a resolution by the Town Commission. The General Fund appropriation was increased from \$10,480,281 to \$11,552,824.

### Capital Asset and Debt Administration

The Town's total investment in capital assets at September 30, 2024 was \$26,987,076 (net of accumulated depreciation). Capital assets include land, construction in progress, buildings, equipment and vehicles and infrastructure. The Town's net capital assets at September 30, 2024 and 2023 are summarized as follows:

#### Capital Assets (Net of Depreciation)

|                                  | Governmental<br>Activities |                     | Business-Type<br>Activities |                     | Total               |                     |
|----------------------------------|----------------------------|---------------------|-----------------------------|---------------------|---------------------|---------------------|
|                                  | 2024                       | 2023                | 2024                        | 2023                | 2024                | 2023                |
| Land                             | \$ 2,767,746               | \$ 2,767,746        | \$ 2,492,332                | \$ 2,492,332        | \$ 5,260,078        | \$ 5,260,078        |
| Construction in progress         | 1,270,027                  | 685,062             | 2,081,913                   | 415,575             | 3,351,940           | 6,488,119           |
| Buildings                        | 1,374,925                  | 1,535,865           | --                          | --                  | 1,374,925           | 1,713,355           |
| Equipment and vehicles           | 2,206,352                  | 1,858,363           | 1,798,029                   | 1,967,854           | 4,004,381           | 3,155,892           |
| Leases (Right-of-use asset)      | 476,023                    | 328,247             | --                          | --                  | 476,023             | 3,155,892           |
| Improvements                     | <u>3,830,067</u>           | <u>3,361,127</u>    | <u>8,689,662</u>            | <u>9,047,349</u>    | <u>12,519,729</u>   | <u>6,460,311</u>    |
| <b>Total Capital Assets, net</b> | <u>\$ 11,925,140</u>       | <u>\$10,536,410</u> | <u>\$15,061,936</u>         | <u>\$13,923,110</u> | <u>\$26,987,076</u> | <u>\$26,233,647</u> |

Capital projects during Fiscal Year 2024 included the following:

- Roadway Improvements
- Town Hall Improvements
- Replacement and upgrades of a stormwater systems

Additional information on the Town's capital assets can be found in Note 6 of the Notes to Financial Statements.

# TOWN OF LAKE PARK, FLORIDA

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

#### ***Long-Term Debt***

The Town did not incur any new debt during fiscal year 2024. The debt position of the Town is summarized as follows:

|                            | Governmental<br>Activities |                    | Business-Type<br>Activities |                    | Total              |                    |
|----------------------------|----------------------------|--------------------|-----------------------------|--------------------|--------------------|--------------------|
|                            | 2024                       | 2023               | 2024                        | 2023               | 2024               | 2023               |
| Loans payable              | \$ 626,375                 | \$ 769,721         | \$2,964,676                 | \$3,436,439        | \$3,591,051        | \$4,206,160        |
| Lease obligations          | 1,196,588                  | 1,259,919          | --                          | 53,681             | 1,196,588          | 1,313,600          |
| Other Post-Emp. Benefits   | 65,363                     | 83,096             | 19,247                      | 32,493             | 84,610             | 115,589            |
| Net pension liability      | 76,458                     | 245,780            | --                          | --                 | 76,458             | 245,780            |
| Compensated absences       | 374,697                    | 270,530            | 91,058                      | 40,692             | 465,755            | 311,222            |
| Lease (right-of-use asset) | 541,179                    | 378,425            | --                          | --                 | 541,179            | 378,425            |
| Unamortized premium        | --                         | --                 | 60,156                      | 66,840             | 60,156             | 66,840             |
| <b>Total</b>               | <u>\$2,880,660</u>         | <u>\$3,007,471</u> | <u>\$3,135,137</u>          | <u>\$3,630,145</u> | <u>\$6,015,797</u> | <u>\$6,637,616</u> |

Additional information on the Town's debt can be found in Note 7 of the Notes to Financial Statements.

#### **Economic Factors and Next Year's Budgets and Rates**

For the fiscal year 2024-2025, the Town Commission adopted a General Fund budget of \$15,030,538, compared with the budget for the fiscal year 2023-2024 for \$13,736,384. The Town adopted a MSTU for fire services in 2015, thus the millage for the Fires Services is not included in the operating millage. The operating millage rate was reduced from 5.1870 to 5.1000 (8.5581 mills less fire millage of 3.4581).

The greatest impact on the General Fund expenditures is the contract with the Palm Beach County Sheriff for policing services, which represents 43% of the total and uses 100.3% of the Ad Valorem property tax revenue. In an effort to off-set some of the impact on the General Fund revenue constraints the Town continues to operate with many cuts implemented in prior years across all departments and must continue to limit capital and other projects.

Current general economic conditions are inflating the cost of goods and services as well as the Town's ability to attract and hire new employees. The recent inflationary pressure will require the Town to maintain fiscal controls on spending and project management. However, the Town will be able to engage in several large infrastructure expenditures due to the acquisition of several State and federal grants for various infrastructure improvements and the use of American Rescue Plan Act funds approved by the Federal Government.

**TOWN OF LAKE PARK, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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**Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability. Questions concerning information provided in this report or requests for additional financial information should be directed to:

Finance Department  
Town of Lake Park  
535 Park Avenue  
Lake Park, FL 33403  
(561)881-3350

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## **FINANCIAL STATEMENTS**

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# TOWN OF LAKE PARK, FLORIDA

## STATEMENT OF NET POSITION

SEPTEMBER 30, 2024

|                                                 | Governmental<br>Activities | Business-Type<br>Activities | Total                |
|-------------------------------------------------|----------------------------|-----------------------------|----------------------|
| <b>Assets</b>                                   |                            |                             |                      |
| Cash and cash equivalents                       | \$ 8,258,715               | \$ 63,231                   | \$ 8,321,946         |
| Accounts receivable, net                        | 332,537                    | 202,424                     | 534,961              |
| Due from other governments                      | 298,784                    | 1,830,534                   | 2,129,318            |
| Internal balances                               | 3,393,483                  | (3,393,483)                 | --                   |
| Inventory                                       | 19,095                     | 24,994                      | 44,089               |
| Prepaid items                                   | 69,075                     | 20,791                      | 89,866               |
| Lease receivable                                | 644,538                    | --                          | 644,538              |
| Capital assets:                                 |                            |                             |                      |
| Capital assets not being depreciated            | 4,037,773                  | 4,574,245                   | 8,612,018            |
| Capital assets being depreciated/amortized, net | <u>7,887,367</u>           | <u>10,487,691</u>           | <u>18,375,058</u>    |
| <b>Total Assets</b>                             | <u>24,941,367</u>          | <u>13,810,427</u>           | <u>38,751,794</u>    |
| <b>Deferred Outflows of Resources</b>           |                            |                             |                      |
| Pension related items                           | <u>59,860</u>              | <u>--</u>                   | <u>59,860</u>        |
| <b>Liabilities</b>                              |                            |                             |                      |
| Accounts payable                                | 959,455                    | 802,938                     | 1,762,393            |
| Accrued liabilities                             | 128,550                    | 39,111                      | 167,661              |
| Accrued interest payable                        | 44,161                     | 20,075                      | 64,236               |
| Unearned revenue                                | 1,152,640                  | --                          | 1,152,640            |
| Deposits                                        | 4,722                      | 14,130                      | 18,852               |
| Noncurrent liabilities:                         |                            |                             |                      |
| Due within one year                             | 381,545                    | 442,668                     | 824,213              |
| Due in more than one year                       | <u>2,499,115</u>           | <u>2,692,469</u>            | <u>5,191,584</u>     |
| <b>Total liabilities</b>                        | <u>5,170,188</u>           | <u>4,011,391</u>            | <u>9,181,579</u>     |
| <b>Deferred Inflows of Resources</b>            |                            |                             |                      |
| Leases                                          | 606,733                    | --                          | 606,733              |
| Deferred gain on bond refunding, net            | --                         | 47,089                      | 47,089               |
| Pension related items                           | <u>101,470</u>             | <u>--</u>                   | <u>101,470</u>       |
| <b>Total Deferred Inflows of Resources</b>      | <u>708,203</u>             | <u>47,089</u>               | <u>755,292</u>       |
| <b>Net Position</b>                             |                            |                             |                      |
| Net investment in capital assets                | 9,560,998                  | 11,990,015                  | 21,551,013           |
| Restricted for:                                 |                            |                             |                      |
| Debt service                                    | 170,125                    | --                          | 170,125              |
| Infrastructure                                  | 726,122                    | --                          | 726,122              |
| Capital projects                                | 16,593                     | --                          | 16,593               |
| Enforcement of Florida Building Code            | 76,017                     | --                          | 76,017               |
| Public improvements                             | 231,507                    | --                          | 231,507              |
| Economic environment                            | 1,782,881                  | --                          | 1,782,881            |
| Other restrictions                              | 54,654                     | --                          | 54,654               |
| Unrestricted                                    | <u>6,503,939</u>           | <u>(2,238,068)</u>          | <u>4,265,871</u>     |
| <b>Total Net Position</b>                       | <u>\$ 19,122,836</u>       | <u>\$ 9,751,947</u>         | <u>\$ 28,874,783</u> |

*The accompanying notes are an integral part of these statements.*

# TOWN OF LAKE PARK, FLORIDA

## STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

| Functions/Programs                             | Expenses             | Program Revenues        |                                          |                                        | Net (Expense) Revenue and<br>Changes in Net Position |                             |                      |
|------------------------------------------------|----------------------|-------------------------|------------------------------------------|----------------------------------------|------------------------------------------------------|-----------------------------|----------------------|
|                                                |                      | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Governmental<br>Activities                           | Business-type<br>Activities | Total                |
| <b>Governmental Activities</b>                 |                      |                         |                                          |                                        |                                                      |                             |                      |
| General government                             | \$ 4,468,353         | \$ 1,835,356            | \$ 570,112                               | \$ --                                  | \$ (2,062,885)                                       | \$ --                       | \$ (2,062,885)       |
| Public safety                                  | 5,311,775            | 135,353                 | 318,288                                  | --                                     | (4,858,134)                                          | --                          | (4,858,134)          |
| Physical environment                           | 756,073              | 1,845,933               | 5,057                                    | --                                     | 1,094,917                                            | --                          | 1,094,917            |
| Transportation                                 | 1,063,540            | --                      | --                                       | --                                     | (1,063,540)                                          | --                          | (1,063,540)          |
| Culture and recreation                         | 1,905,263            | 33,795                  | 6,248                                    | 237,535                                | (1,627,685)                                          | --                          | (1,627,685)          |
| Economic environment                           | 1,637,106            | --                      | --                                       | --                                     | (1,637,106)                                          | --                          | (1,637,106)          |
| Interest on long-term debt                     | 92,447               | --                      | --                                       | --                                     | (92,447)                                             | --                          | (92,447)             |
| <b>Total Governmental Activities</b>           | <u>15,234,557</u>    | <u>3,850,437</u>        | <u>899,705</u>                           | <u>237,535</u>                         | <u>(10,246,880)</u>                                  | <u>--</u>                   | <u>(10,246,880)</u>  |
| <b>Business-Type Activities</b>                |                      |                         |                                          |                                        |                                                      |                             |                      |
| Marina                                         | 2,609,819            | 2,376,677               | --                                       | --                                     | --                                                   | (233,142)                   | (233,142)            |
| Sanitation                                     | 2,609,621            | 2,935,362               | --                                       | --                                     | --                                                   | 325,741                     | 325,741              |
| Stormwater                                     | 1,868,529            | 1,932,435               | --                                       | 2,157,857                              | --                                                   | 2,221,763                   | 2,221,763            |
| <b>Total Business-Type Activities</b>          | <u>7,087,969</u>     | <u>7,244,474</u>        | <u>--</u>                                | <u>2,157,857</u>                       | <u>--</u>                                            | <u>2,314,362</u>            | <u>2,314,362</u>     |
| <b>Total</b>                                   | <u>\$ 22,322,526</u> | <u>\$ 11,094,911</u>    | <u>\$ 899,705</u>                        | <u>\$ 2,395,392</u>                    | <u>(10,246,880)</u>                                  | <u>2,314,362</u>            | <u>(7,932,518)</u>   |
| <b>General Revenues</b>                        |                      |                         |                                          |                                        |                                                      |                             |                      |
| Taxes                                          |                      |                         |                                          |                                        |                                                      |                             |                      |
| Property taxes                                 |                      |                         |                                          |                                        | 5,854,479                                            | --                          | 5,854,479            |
| Infrastructure surtax                          |                      |                         |                                          |                                        | 902,857                                              | --                          | 902,857              |
| Franchise fees                                 |                      |                         |                                          |                                        | 888,829                                              | --                          | 888,829              |
| Utility service taxes                          |                      |                         |                                          |                                        | 1,325,934                                            | --                          | 1,325,934            |
| Local option gas taxes                         |                      |                         |                                          |                                        | 258,814                                              | --                          | 258,814              |
| Communication services taxes                   |                      |                         |                                          |                                        | 285,213                                              | --                          | 285,213              |
| Unrestricted intergovernmental shared revenues |                      |                         |                                          |                                        | 1,399,384                                            | --                          | 1,399,384            |
| Miscellaneous                                  |                      |                         |                                          |                                        | 178,687                                              | 10,484                      | 189,171              |
| Investment earnings - unrestricted             |                      |                         |                                          |                                        | 508,680                                              | 21,166                      | 529,846              |
| <b>Transfers</b>                               |                      |                         |                                          |                                        | 41,434                                               | (41,434)                    | --                   |
| <b>Total General Revenues and Transfers</b>    |                      |                         |                                          |                                        | <u>11,644,311</u>                                    | <u>(9,784)</u>              | <u>11,634,527</u>    |
| <b>Change in Net Position</b>                  |                      |                         |                                          |                                        | 1,397,431                                            | 2,304,578                   | 3,702,009            |
| <b>Net Position, Beginning</b>                 |                      |                         |                                          |                                        | <u>17,725,405</u>                                    | <u>7,447,369</u>            | <u>25,172,774</u>    |
| <b>Net Position, Ending</b>                    |                      |                         |                                          |                                        | <u>\$ 19,122,836</u>                                 | <u>\$ 9,751,947</u>         | <u>\$ 28,874,783</u> |

*The accompanying notes are an integral part of these statements.*

**TOWN OF LAKE PARK, FLORIDA**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**

**SEPTEMBER 30, 2024**

|                                                                                | General             | CRA<br>Fund         | ARPA<br>Grant<br>Fund | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--------------------------------------------------------------------------------|---------------------|---------------------|-----------------------|-----------------------------------|--------------------------------|
| <b>Assets</b>                                                                  |                     |                     |                       |                                   |                                |
| Cash and cash equivalents                                                      | \$ 4,511,504        | \$ 1,530,614        | \$ 993,237            | \$ 1,031,191                      | \$ 8,066,546                   |
| Accounts receivable, net                                                       | 332,537             | --                  | --                    | --                                | 332,537                        |
| Leases receivable                                                              | 644,538             | --                  | --                    | --                                | 644,538                        |
| Due from other governments                                                     | 127,103             | --                  | --                    | 171,681                           | 298,784                        |
| Due from other funds                                                           | 371,766             | 317,379             | --                    | --                                | 689,145                        |
| Advances to other funds                                                        | 3,309,248           | --                  | --                    | --                                | 3,309,248                      |
| Inventory                                                                      | 19,095              | --                  | --                    | --                                | 19,095                         |
| Prepays                                                                        | 65,988              | 394                 | --                    | --                                | 66,382                         |
| <b>Total Assets</b>                                                            | <u>\$ 9,381,779</u> | <u>\$ 1,848,387</u> | <u>\$ 993,237</u>     | <u>\$ 1,202,872</u>               | <u>\$ 13,426,275</u>           |
| <b>Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</b>       |                     |                     |                       |                                   |                                |
| <b>Liabilities</b>                                                             |                     |                     |                       |                                   |                                |
| Accounts payable                                                               | \$ 859,752          | \$ 61,038           | \$ --                 | \$ 35,972                         | \$ 956,762                     |
| Accrued liabilities                                                            | 124,315             | 4,074               | --                    | 161                               | 128,550                        |
| Unearned revenue                                                               | 305,723             | --                  | 830,148               | 16,769                            | 1,152,640                      |
| Due to other funds                                                             | 317,379             | --                  | --                    | 169,469                           | 486,848                        |
| Deposits                                                                       | 4,722               | --                  | --                    | --                                | 4,722                          |
| <b>Total Liabilities</b>                                                       | <u>1,611,891</u>    | <u>65,112</u>       | <u>830,148</u>        | <u>222,371</u>                    | <u>2,729,522</u>               |
| <b>Deferred Inflows of Resources</b>                                           |                     |                     |                       |                                   |                                |
| Leases                                                                         | 606,733             | --                  | --                    | --                                | 606,733                        |
| Unavailable revenue                                                            | 57,854              | --                  | --                    | --                                | 57,854                         |
|                                                                                | <u>664,587</u>      | <u>--</u>           | <u>--</u>             | <u>--</u>                         | <u>664,587</u>                 |
| <b>Fund Balances</b>                                                           |                     |                     |                       |                                   |                                |
| Nonspendable:                                                                  |                     |                     |                       |                                   |                                |
| Inventory                                                                      | 19,095              | --                  | --                    | --                                | 19,095                         |
| Prepays                                                                        | 65,988              | 394                 | --                    | --                                | 66,382                         |
| Advances to other funds                                                        | 3,309,248           | --                  | --                    | --                                | 3,309,248                      |
| Restricted for:                                                                |                     |                     |                       |                                   |                                |
| Debt service                                                                   | --                  | --                  | --                    | 170,125                           | 170,125                        |
| Infrastructure                                                                 | --                  | --                  | --                    | 726,122                           | 726,122                        |
| Capital projects                                                               | --                  | --                  | --                    | 16,593                            | 16,593                         |
| Other restrictions                                                             | 54,654              | --                  | --                    | --                                | 54,654                         |
| Enforcement of Florida Building Code                                           | 76,017              | --                  | --                    | --                                | 76,017                         |
| Public improvements                                                            | --                  | --                  | --                    | 231,507                           | 231,507                        |
| Economic environment                                                           | --                  | 1,782,881           | --                    | --                                | 1,782,881                      |
| Assigned to:                                                                   |                     |                     |                       |                                   |                                |
| Subsequent years expenditures                                                  | 99,325              | --                  | --                    | --                                | 99,325                         |
| Special revenue funds                                                          | --                  | --                  | --                    | --                                | --                             |
| Unassigned                                                                     | 3,480,974           | --                  | 163,089               | (163,846)                         | 3,480,217                      |
| <b>Total Fund Balances</b>                                                     | <u>7,105,301</u>    | <u>1,783,275</u>    | <u>163,089</u>        | <u>980,501</u>                    | <u>10,032,166</u>              |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources, and Fund Balances</b> | <u>\$ 9,381,779</u> | <u>\$ 1,848,387</u> | <u>\$ 993,237</u>     | <u>\$ 1,202,872</u>               | <u>\$ 13,426,275</u>           |

*The accompanying notes are an integral part of these statements.*

# TOWN OF LAKE PARK, FLORIDA

## RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

### GOVERNMENTAL ACTIVITIES

SEPTEMBER 30, 2024

|                                                                                                                                                                                                                                         |                     |                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------|
| <b>Fund Balances - Total Governmental Funds</b>                                                                                                                                                                                         |                     | <b>\$ 10,032,166</b> |
| 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 governmental funds:                                                                                                    |                     |                      |
| Governmental capital assets                                                                                                                                                                                                             | \$ 26,987,696       |                      |
| Less accumulated depreciation/amortization                                                                                                                                                                                              | <u>(15,062,556)</u> | 11,925,140           |
| Revenue is recognized when earned in the government-wide statements, regardless of when it is collected. Governmental funds report based on modified accrual, i.e., both measurable and available.                                      |                     |                      |
| Current year revenues                                                                                                                                                                                                                   |                     | 57,854               |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds:                                                                                 |                     |                      |
| Accrued interest payable on long-term debt                                                                                                                                                                                              | (44,161)            |                      |
| Compensated absences                                                                                                                                                                                                                    | (374,697)           |                      |
| Total other post employment benefits liability                                                                                                                                                                                          | (65,363)            |                      |
| Net pension liability                                                                                                                                                                                                                   | (76,458)            |                      |
| Lease (right-of-use asset) acquired                                                                                                                                                                                                     | (541,179)           |                      |
| Lease obligations                                                                                                                                                                                                                       | (1,196,588)         |                      |
| Loans payable                                                                                                                                                                                                                           | <u>(626,375)</u>    | (2,924,821)          |
| Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:                                                                             |                     |                      |
| Pension related deferred outflows                                                                                                                                                                                                       |                     | 59,860               |
| Pension related deferred inflows                                                                                                                                                                                                        |                     | (101,470)            |
| Internal service funds are used by management to charge costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position. |                     |                      |
|                                                                                                                                                                                                                                         |                     | <u>74,107</u>        |
| <b>Net Position of Governmental Activities</b>                                                                                                                                                                                          |                     | <b>\$ 19,122,836</b> |

*The accompanying notes are an integral part of these statements.*

# TOWN OF LAKE PARK, FLORIDA

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

|                                                              | General<br>Fund     | CRA<br>Fund         | ARPA<br>Grant<br>Fund | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--------------------------------------------------------------|---------------------|---------------------|-----------------------|-----------------------------------|--------------------------------|
| <b>Revenues</b>                                              |                     |                     |                       |                                   |                                |
| Taxes                                                        | \$ 7,369,799        | \$ --               | \$ --                 | \$ 902,896                        | \$ 8,272,695                   |
| Licenses and permits                                         | 1,778,322           | --                  | --                    | --                                | 1,778,322                      |
| Intergovernmental                                            | 1,602,447           | 699,404             | 318,288               | 636,269                           | 3,256,408                      |
| Charges for services                                         | 1,936,762           | --                  | --                    | --                                | 1,936,762                      |
| Fines and forfeitures                                        | 135,353             | --                  | --                    | --                                | 135,353                        |
| Miscellaneous                                                | 588,077             | --                  | 64,895                | 75,575                            | 728,547                        |
| <b>Total Revenues</b>                                        | <u>13,410,760</u>   | <u>699,404</u>      | <u>383,183</u>        | <u>1,614,740</u>                  | <u>16,108,087</u>              |
| <b>Expenditures</b>                                          |                     |                     |                       |                                   |                                |
| Current:                                                     |                     |                     |                       |                                   |                                |
| General government                                           | 3,224,041           | --                  | --                    | 3,415                             | 3,227,456                      |
| Public safety                                                | 5,311,775           | --                  | --                    | --                                | 5,311,775                      |
| Physical environment                                         | 755,388             | --                  | --                    | --                                | 755,388                        |
| Transportation                                               | 319,334             | --                  | --                    | 440,666                           | 760,000                        |
| Culture and recreation                                       | 1,770,732           | --                  | --                    | --                                | 1,770,732                      |
| Economic environment                                         | --                  | 1,055,541           | --                    | 185,200                           | 1,240,741                      |
| Capital outlay                                               | 496,704             | 706,889             | --                    | 1,376,583                         | 2,580,176                      |
| Debt service:                                                |                     |                     |                       |                                   |                                |
| Principal                                                    | 300,034             | --                  | --                    | --                                | 300,034                        |
| Interest charges                                             | 96,674              | --                  | --                    | --                                | 96,674                         |
| Grants and aid                                               | --                  | 396,365             | --                    | --                                | 396,365                        |
| <b>Total Expenditures</b>                                    | <u>12,274,682</u>   | <u>2,158,795</u>    | <u>--</u>             | <u>2,005,864</u>                  | <u>16,439,341</u>              |
| <b>Excess (Deficiency) of Revenues<br/>Over Expenditures</b> | <u>1,136,078</u>    | <u>(1,459,391)</u>  | <u>383,183</u>        | <u>(391,124)</u>                  | <u>(331,254)</u>               |
| <b>Other Financing Sources (Uses)</b>                        |                     |                     |                       |                                   |                                |
| Lease (right-of-use asset) acquired                          | 256,111             | --                  | --                    | --                                | 256,111                        |
| Transfers in                                                 | 528,319             | 1,338,794           | --                    | --                                | 1,867,113                      |
| Transfers out                                                | (1,338,794)         | (168,597)           | (318,288)             | --                                | (1,825,679)                    |
| <b>Total Other Financing<br/>Sources (Uses)</b>              | <u>(554,364)</u>    | <u>1,170,197</u>    | <u>(318,288)</u>      | <u>--</u>                         | <u>297,545</u>                 |
| <b>Net Change in Fund Balances</b>                           | 581,714             | (289,194)           | 64,895                | (391,124)                         | (33,709)                       |
| <b>Fund balances - Beginning</b>                             | <u>6,523,587</u>    | <u>2,072,469</u>    | <u>98,194</u>         | <u>1,371,625</u>                  | <u>10,065,875</u>              |
| <b>Fund balances - Ending</b>                                | <u>\$ 7,105,301</u> | <u>\$ 1,783,275</u> | <u>\$ 163,089</u>     | <u>\$ 980,501</u>                 | <u>\$ 10,032,166</u>           |

*The accompanying notes are an integral part of these statements.*

# TOWN OF LAKE PARK, FLORIDA

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

|                                                               |                    |
|---------------------------------------------------------------|--------------------|
| <b>Net Change in Fund Balances - Total Governmental Funds</b> | <b>\$ (33,709)</b> |
|---------------------------------------------------------------|--------------------|

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives

|                                                  |                    |           |
|--------------------------------------------------|--------------------|-----------|
| Expenditures for capital assets                  | \$ 2,580,176       |           |
| Less: current year depreciation and amortization | <u>(1,002,048)</u> | 1,578,128 |

Gains and losses on disposal of capital assets are reported in the statement of activities, whereas in the governmental funds the proceeds from the sale increases financial resources. The difference is the net book value of the assets retired.

(189,398)

Governmental funds report revenues when earned and available. However, in the Statement of Activities, revenues are recognized when earned, regardless of availability.

|                     |                 |        |
|---------------------|-----------------|--------|
| Current year grants | 57,854          |        |
| Prior year grants   | <u>(28,462)</u> | 29,392 |

The repayment (issuance) of long-term debt consumes (provides) the current financial resources of governmental funds. However, these transactions do not have any effect on net position of the governmental activities.

Long term debt repayments and issuances:

|                                       |               |        |
|---------------------------------------|---------------|--------|
| Lease obligations                     | 143,346       |        |
| Leases (Right-of-use assets) acquired | (256,111)     |        |
| Leases (Right-of-use assets) payments | 93,357        |        |
| Loans payable                         | <u>63,331</u> | 43,923 |

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

|                                                              |              |          |
|--------------------------------------------------------------|--------------|----------|
| Change in compensated absences                               | (104,167)    |          |
| Change in total other postemployment benefits liability      | 17,733       |          |
| Change in net pension liability and related deferred amounts | 67,852       |          |
| Change in accrued interest                                   | <u>4,227</u> | (14,355) |

Internal service funds are used by management to charge costs of certain activities to individual funds. The net revenues of certain activities of the internal services funds are reported within governmental activities.

(16,550)

|                                                          |                            |
|----------------------------------------------------------|----------------------------|
| <b>Change in Net Position of Governmental Activities</b> | <b>\$ <u>1,397,431</u></b> |
|----------------------------------------------------------|----------------------------|

*The accompanying notes are an integral part of these statements.*

# TOWN OF LAKE PARK, FLORIDA

## STATEMENT OF NET POSITION PROPRIETARY FUNDS

SEPTEMBER 30, 2024

|                                                                            | Marina<br>Fund        | Sanitation<br>Fund | Stormwater<br>Fund  | Total<br>Enterprise<br>Funds | Governmental<br>Activities<br>Internal<br>Service Fund |
|----------------------------------------------------------------------------|-----------------------|--------------------|---------------------|------------------------------|--------------------------------------------------------|
| <b>Assets</b>                                                              |                       |                    |                     |                              |                                                        |
| <b>Current Assets</b>                                                      |                       |                    |                     |                              |                                                        |
| Cash and cash equivalents                                                  | \$ 38,779             | \$ --              | \$ 24,452           | \$ 63,231                    | \$ 192,169                                             |
| Accounts receivable, net                                                   | 2,365                 | 200,059            | --                  | 202,424                      | --                                                     |
| Due from other governments                                                 | --                    | 4,070              | 1,826,464           | 1,830,534                    | --                                                     |
| Prepaid items                                                              | 15,401                | 5,390              | --                  | 20,791                       | 2,693                                                  |
| Inventory                                                                  | 24,994                | --                 | --                  | 24,994                       | --                                                     |
| <b>Total Current Assets</b>                                                | <u>81,539</u>         | <u>209,519</u>     | <u>1,850,916</u>    | <u>2,141,974</u>             | <u>194,862</u>                                         |
| <b>Noncurrent Assets</b>                                                   |                       |                    |                     |                              |                                                        |
| Capital assets not being depreciated                                       | 2,428,175             | 64,157             | 2,081,913           | 4,574,245                    | --                                                     |
| Capital assets being depreciated/amortized, net                            | 1,880,864             | 1,313,569          | 7,293,258           | 10,487,691                   | --                                                     |
| <b>Total Noncurrent Assets</b>                                             | <u>4,309,039</u>      | <u>1,377,726</u>   | <u>9,375,171</u>    | <u>15,061,936</u>            | <u>--</u>                                              |
| <b>Total Assets</b>                                                        | <u>4,390,578</u>      | <u>1,587,245</u>   | <u>11,226,087</u>   | <u>17,203,910</u>            | <u>194,862</u>                                         |
| <b>Liabilities</b>                                                         |                       |                    |                     |                              |                                                        |
| <b>Current Liabilities</b>                                                 |                       |                    |                     |                              |                                                        |
| Accounts payable                                                           | 24,430                | 40,375             | 738,133             | 802,938                      | 2,693                                                  |
| Accrued liabilities                                                        | 22,541                | 10,608             | 5,962               | 39,111                       | --                                                     |
| Due to other funds                                                         | --                    | 202,297            | --                  | 202,297                      | --                                                     |
| Deposits payable - slip rentals                                            | 14,130                | --                 | --                  | 14,130                       | --                                                     |
| Accrued interest payable                                                   | --                    | 20,075             | --                  | 20,075                       | --                                                     |
| Compensated absences payable, current                                      | 1,989                 | 4,895              | 2,222               | 9,106                        | --                                                     |
| Bonds payable, current                                                     | 267,030               | 166,532            | --                  | 433,562                      | --                                                     |
| <b>Total Current Liabilities</b>                                           | <u>330,120</u>        | <u>444,782</u>     | <u>746,317</u>      | <u>1,521,219</u>             | <u>2,693</u>                                           |
| <b>Long-Term Liabilities</b>                                               |                       |                    |                     |                              |                                                        |
| Compensated absences payable                                               | 17,900                | 44,053             | 19,999              | 81,952                       | --                                                     |
| Total OPEB liability                                                       | 7,579                 | 6,316              | 5,352               | 19,247                       | --                                                     |
| Advance from other funds                                                   | 3,309,248             | --                 | --                  | 3,309,248                    | --                                                     |
| Bonds payable, net                                                         | 2,171,594             | 419,676            | --                  | 2,591,270                    | --                                                     |
| <b>Total Long-Term Liabilities</b>                                         | <u>5,506,321</u>      | <u>470,045</u>     | <u>25,351</u>       | <u>6,001,717</u>             | <u>--</u>                                              |
| <b>Total Liabilities</b>                                                   | <u>5,836,441</u>      | <u>914,827</u>     | <u>771,668</u>      | <u>7,522,936</u>             | <u>2,693</u>                                           |
| <b>Deferred Inflows of Resources</b>                                       |                       |                    |                     |                              |                                                        |
| Deferred gain on bond refunding, net                                       | 47,089                | --                 | --                  | 47,089                       | --                                                     |
| <b>Net Position</b>                                                        |                       |                    |                     |                              |                                                        |
| Net investment in capital assets                                           | 1,823,326             | 791,518            | 9,375,171           | 11,990,015                   | --                                                     |
| Unrestricted                                                               | (3,316,278)           | (119,100)          | 1,079,248           | (2,356,130)                  | 192,169                                                |
| <b>Total Net Position</b>                                                  | <u>\$ (1,492,952)</u> | <u>\$ 672,418</u>  | <u>\$10,454,419</u> | <u>9,633,885</u>             | <u>\$ 192,169</u>                                      |
| Adjustment to reflect consolidation of<br>internal service fund activities |                       |                    |                     | 118,062                      |                                                        |
| <b>Net Position of Business-Type Activities</b>                            |                       |                    |                     | <u>\$ 9,751,947</u>          |                                                        |

*The accompanying notes are an integral part of these statements.*

# TOWN OF LAKE PARK, FLORIDA

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

|                                                         | Marina<br>Fund        | Sanitation<br>Fund | Stormwater<br>Fund  | Total<br>Enterprise<br>Funds | Governmental<br>Activities<br>Internal<br>Service Fund |
|---------------------------------------------------------|-----------------------|--------------------|---------------------|------------------------------|--------------------------------------------------------|
| <b>Operating Revenue</b>                                |                       |                    |                     |                              |                                                        |
| Charges for services                                    | \$ 2,376,677          | \$ 2,935,362       | \$ 1,932,435        | \$ 7,244,474                 | \$ 453,075                                             |
| Miscellaneous                                           | 6,694                 | 3,790              | --                  | 10,484                       | --                                                     |
| <b>Total Operating Revenues</b>                         | <u>2,383,371</u>      | <u>2,939,152</u>   | <u>1,932,435</u>    | <u>7,254,958</u>             | <u>453,075</u>                                         |
| <b>Operating Expenses</b>                               |                       |                    |                     |                              |                                                        |
| Personal services                                       | 476,279               | 424,409            | 217,893             | 1,118,581                    | 66,967                                                 |
| Operating expenses                                      | 1,513,886             | 1,878,982          | 1,155,332           | 4,548,200                    | 402,658                                                |
| Depreciation                                            | 540,922               | 251,837            | 495,304             | 1,288,063                    | --                                                     |
| <b>Total Operating Expenses</b>                         | <u>2,531,087</u>      | <u>2,555,228</u>   | <u>1,868,529</u>    | <u>6,954,844</u>             | <u>469,625</u>                                         |
| <b>Operating Income (Loss)</b>                          | <u>(147,716)</u>      | <u>383,924</u>     | <u>63,906</u>       | <u>300,114</u>               | <u>(16,550)</u>                                        |
| <b>Nonoperating Revenues (Expenses)</b>                 |                       |                    |                     |                              |                                                        |
| Interest revenue                                        | --                    | 19,184             | 1,982               | 21,166                       | --                                                     |
| Interest expense                                        | (78,732)              | (54,393)           | --                  | (133,125)                    | --                                                     |
| <b>Total Nonoperating Revenues (Expenses)</b>           | <u>(78,732)</u>       | <u>(35,209)</u>    | <u>1,982</u>        | <u>(111,959)</u>             | <u>--</u>                                              |
| <b>Income (Loss) Before transfers and Contributions</b> | <u>(226,448)</u>      | <u>348,715</u>     | <u>65,888</u>       | <u>188,155</u>               | <u>(16,550)</u>                                        |
| <b>Capital Contributions</b>                            | <u>--</u>             | <u>--</u>          | <u>2,157,857</u>    | <u>2,157,857</u>             | <u>--</u>                                              |
| <b>Transfers</b>                                        |                       |                    |                     |                              |                                                        |
| Transfers out                                           | (10,000)              | (31,434)           | --                  | (41,434)                     | --                                                     |
| <b>Total Transfers</b>                                  | <u>(10,000)</u>       | <u>(31,434)</u>    | <u>--</u>           | <u>(41,434)</u>              | <u>--</u>                                              |
| <b>Change in Net Position</b>                           | <u>(236,448)</u>      | <u>317,281</u>     | <u>2,223,745</u>    | <u>2,304,578</u>             | <u>(16,550)</u>                                        |
| <b>Net Position - Beginning</b>                         | <u>(1,256,504)</u>    | <u>355,137</u>     | <u>8,230,674</u>    | <u>7,329,307</u>             | <u>208,719</u>                                         |
| <b>Net Position - Ending</b>                            | <u>\$ (1,492,952)</u> | <u>\$ 672,418</u>  | <u>\$10,454,419</u> | <u>\$ 9,633,885</u>          | <u>\$ 192,169</u>                                      |

*The accompanying notes are an integral part of these statements.*

# TOWN OF LAKE PARK, FLORIDA

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

|                                                                                 | Marina<br>Fund   | Sanitation<br>Fund | Stormwater<br>Fund | Total<br>Enterprise<br>Funds | Governmental<br>Activities<br>Internal<br>Service Fund |
|---------------------------------------------------------------------------------|------------------|--------------------|--------------------|------------------------------|--------------------------------------------------------|
| <b>Cash Flows From Operating Activities</b>                                     |                  |                    |                    |                              |                                                        |
| Cash received from customers                                                    | \$ 2,392,365     | \$ 2,839,837       | \$ 111,438         | \$ 5,343,640                 | \$ --                                                  |
| Cash paid to suppliers                                                          | (1,524,893)      | (2,307,665)        | (448,245)          | (4,280,803)                  | (288,269)                                              |
| Cash paid to employees                                                          | (468,363)        | (403,328)          | (212,685)          | (1,084,376)                  | (66,967)                                               |
| Payments from other funds                                                       | --               | 116,691            | --                 | 116,691                      | 453,075                                                |
| <b>Net Cash Provided by (Used in) Operating Activities</b>                      | <u>399,109</u>   | <u>245,535</u>     | <u>(549,492)</u>   | <u>95,152</u>                | <u>97,839</u>                                          |
| <b>Cash Flows From Noncapital Financing Activities</b>                          |                  |                    |                    |                              |                                                        |
| Transfers (out)                                                                 | <u>(10,000)</u>  | <u>(31,434)</u>    | <u>--</u>          | <u>(41,434)</u>              | <u>--</u>                                              |
| <b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>           | <u>(10,000)</u>  | <u>(31,434)</u>    | <u>--</u>          | <u>(41,434)</u>              | <u>--</u>                                              |
| <b>Cash Flows From Capital and Related Financing Activities</b>                 |                  |                    |                    |                              |                                                        |
| Capital contributions                                                           | --               | --                 | 2,157,857          | 2,157,857                    | --                                                     |
| Acquisition and construction of capital assets                                  | --               | (6,500)            | (2,420,389)        | (2,426,889)                  | --                                                     |
| Interest paid on debt                                                           | (83,965)         | (54,393)           | (608)              | (138,966)                    | --                                                     |
| Principal payments on debt                                                      | <u>(266,365)</u> | <u>(212,082)</u>   | <u>(53,681)</u>    | <u>(532,128)</u>             | <u>--</u>                                              |
| <b>Net Cash Provided by (Used in ) Capital and Related Financing Activities</b> | <u>(350,330)</u> | <u>(272,975)</u>   | <u>(316,821)</u>   | <u>(940,126)</u>             | <u>--</u>                                              |
| <b>Cash Flows From Investing Activities</b>                                     |                  |                    |                    |                              |                                                        |
| Interest on investments                                                         | <u>--</u>        | <u>19,184</u>      | <u>1,982</u>       | <u>21,166</u>                | <u>--</u>                                              |
| <b>Net Cash Provided by Investing Activities</b>                                | <u>--</u>        | <u>19,184</u>      | <u>1,982</u>       | <u>21,166</u>                | <u>--</u>                                              |
| <b>Net Increase (Decrease) in Cash and Cash Equivalents</b>                     | 38,779           | (39,690)           | (864,331)          | (865,242)                    | 97,839                                                 |
| <b>Cash and Cash Equivalents at Beginning of Year</b>                           | <u>--</u>        | <u>39,690</u>      | <u>888,783</u>     | <u>928,473</u>               | <u>94,330</u>                                          |
| <b>Cash and Cash Equivalents at End of Year</b>                                 | <u>\$ 38,779</u> | <u>\$ --</u>       | <u>\$ 24,452</u>   | <u>\$ 63,231</u>             | <u>\$ 192,169</u>                                      |

*The accompanying notes are an integral part of these statements.*

**TOWN OF LAKE PARK, FLORIDA**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

|                                                                                            | Marina<br>Fund    | Sanitation<br>Fund | Stormwater<br>Fund  | Total<br>Enterprise<br>Funds | Governmental<br>Activities<br>Internal<br>Service Fund |
|--------------------------------------------------------------------------------------------|-------------------|--------------------|---------------------|------------------------------|--------------------------------------------------------|
| <b>Cash Flows From Operating Activities</b>                                                |                   |                    |                     |                              |                                                        |
| Operating income (loss)                                                                    | \$ (147,716)      | \$ 383,924         | \$ 63,906           | \$ 300,114                   | \$ (16,550)                                            |
| Adjustments to reconcile operating income to<br>net cash provided by operating activities: |                   |                    |                     |                              |                                                        |
| Depreciation                                                                               | 540,922           | 251,837            | 495,304             | 1,288,063                    | --                                                     |
| Change in assets and liabilities:                                                          |                   |                    |                     |                              |                                                        |
| (Increase) decrease in accounts receivable                                                 | 8,994             | (99,315)           | --                  | (90,321)                     | --                                                     |
| (Increase) decrease in due from other governments                                          | --                | --                 | (1,820,997)         | (1,820,997)                  | --                                                     |
| (Increase) decrease in inventory                                                           | 24,219            | --                 | --                  | 24,219                       | --                                                     |
| (Increase) decrease in prepaid expenses                                                    | 3,692             | (3,390)            | 1,000               | 1,302                        | 111,696                                                |
| Payments from(to) other funds                                                              | --                | 116,691            | --                  | 116,691                      | --                                                     |
| Increase (decrease) in accounts payable                                                    | (38,918)          | (425,293)          | 706,087             | 241,876                      | 2,693                                                  |
| Increase (decrease) in accrued liabilities                                                 | (1,020)           | (280)              | (1,615)             | (2,915)                      | --                                                     |
| Increase (decrease) in compensated absences                                                | 12,135            | 28,286             | 9,945               | 50,366                       | --                                                     |
| Increase (decrease) in OPEB                                                                | (3,199)           | (6,925)            | (3,122)             | (13,246)                     | --                                                     |
| <b>Total Adjustments</b>                                                                   | <u>546,825</u>    | <u>(138,389)</u>   | <u>(613,398)</u>    | <u>(204,962)</u>             | <u>114,389</u>                                         |
| <b>Net Cash Provided by (Used in) Operating Activities</b>                                 | <u>\$ 399,109</u> | <u>\$ 245,535</u>  | <u>\$ (549,492)</u> | <u>\$ 95,152</u>             | <u>\$ 97,839</u>                                       |
| <b>Noncash Activities</b>                                                                  |                   |                    |                     |                              |                                                        |
| <b>Amortization of Premium on Bonds</b>                                                    | \$ (6,684)        | \$ --              | \$ --               | \$ (6,684)                   | \$ --                                                  |
| <b>Amortization of Refunding Gain on Bonds</b>                                             | \$ (5,233)        | \$ --              | \$ --               | \$ (5,233)                   | \$ --                                                  |

*The accompanying notes are an integral part of these statements.*

# TOWN OF LAKE PARK, FLORIDA

## STATEMENT OF FIDUCIARY NET POSITION RETIRED POLICE OFFICERS' PENSION TRUST FUND

SEPTEMBER 30, 2024

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### Assets

|                                    |                |
|------------------------------------|----------------|
| Cash and cash equivalents          | \$ 58,586      |
| Investments                        |                |
| Equity exchange traded funds       | 803,328        |
| Fixed income exchange traded funds | 144,274        |
| Real estate exchange traded funds  | 62,141         |
| Global fixed income mutual funds   | <u>209,432</u> |
| Total Investments                  | 1,277,761      |

|                             |               |
|-----------------------------|---------------|
| Prepaid retirement benefits | <u>11,032</u> |
|-----------------------------|---------------|

|                     |                  |
|---------------------|------------------|
| <b>Total Assets</b> | <u>1,288,793</u> |
|---------------------|------------------|

### Net Position

|                                    |                            |
|------------------------------------|----------------------------|
| Held in trust for pension benefits | <u><u>\$ 1,288,793</u></u> |
|------------------------------------|----------------------------|

*The accompanying notes are an integral part of these statements.*

# TOWN OF LAKE PARK, FLORIDA

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION RETIRED POLICE OFFICERS PENSION TRUST FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### Additions

#### Contributions

|          |    |    |
|----------|----|----|
| Employer | \$ | __ |
|----------|----|----|

#### Investment Income

|                                               |         |
|-----------------------------------------------|---------|
| Net appreciation in fair value of investments | 240,176 |
|-----------------------------------------------|---------|

|                        |               |
|------------------------|---------------|
| Interest and dividends | <u>27,584</u> |
|------------------------|---------------|

|                                |         |
|--------------------------------|---------|
| <b>Total Investment Income</b> | 267,760 |
|--------------------------------|---------|

|                          |              |
|--------------------------|--------------|
| Less investment expenses | <u>(823)</u> |
|--------------------------|--------------|

|                              |                |
|------------------------------|----------------|
| <b>Net Investment Income</b> | <u>266,937</u> |
|------------------------------|----------------|

|                        |                |
|------------------------|----------------|
| <b>Total Additions</b> | <u>266,937</u> |
|------------------------|----------------|

#### Deductions

|                     |         |
|---------------------|---------|
| Retirement benefits | 131,023 |
|---------------------|---------|

|                         |               |
|-------------------------|---------------|
| Administrative expenses | <u>36,306</u> |
|-------------------------|---------------|

|                         |                |
|-------------------------|----------------|
| <b>Total Deductions</b> | <u>167,329</u> |
|-------------------------|----------------|

|                               |        |
|-------------------------------|--------|
| <b>Change in Net Position</b> | 99,608 |
|-------------------------------|--------|

#### Net Position Held in Trust for Pension Benefits

|                                 |                  |
|---------------------------------|------------------|
| <b>Net Position - Beginning</b> | <u>1,189,185</u> |
|---------------------------------|------------------|

|                              |                            |
|------------------------------|----------------------------|
| <b>Net Position - Ending</b> | <u><u>\$ 1,288,793</u></u> |
|------------------------------|----------------------------|

*The accompanying notes are an integral part of these statements.*

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## **NOTES TO BASIC FINANCIAL STATEMENTS**

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# **TOWN OF LAKE PARK, FLORIDA**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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### **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Town of Lake Park, Florida (the “Town”) was incorporated in 1923. The Town’s Charter was approved by the Laws of Florida, Chapter 61-2375. The Town is governed by an elected Mayor and Town Commission which appoints a Town Manager. The Town provides the following services: public safety, recreation, sanitation, streets and roads, planning and zoning, and general administrative services.

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the Town are described below:

#### ***FINANCIAL REPORTING ENTITY***

Under governmental accounting and financial reporting standards, the Town’s reporting entity consists of the Town, organizations for which the Town is financially accountable, and other organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the Town’s financial statements to be misleading or incomplete. The Town is considered financially accountable if it appoints a voting majority of an organization’s governing body and is either able to impose its will on that organization, or has a financial benefit/burden relationship with the organization. The Town may also be financially accountable if an organization is fiscally dependent on the primary government and the two also have a financial benefit or burden relationship.

Component units are included in the reporting entity either as blended or as discretely presented. Blended component units, although legally separate entities, are, in substance, part of the Town’s operations. Accordingly, data from these component units are combined with data of the primary government. The Town has met the criteria as having the operational and financial responsibilities as noted above for the blended component unit listed below and this entity has been included in the Town’s financial reporting entity.

The Lake Park Community Redevelopment Agency (the “CRA”) is a dependent special district established by the Town of Lake Park, Florida, under authority granted by Florida Statute 163, Section III. The CRA is included in the Town’s financial reporting entity as a blended component unit reported as a governmental (special revenue) fund, the Community Redevelopment Fund. The CRA is a legally separate entity and the governing body of the CRA consists of the Town Commission plus two other members appointed by the Town Commission and the Town handles the management and administration of the CRA’s financial matters. Separate financial statements for the CRA are prepared.

# **TOWN OF LAKE PARK, FLORIDA**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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### **NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### ***GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS***

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements with the exception of interfund services provided and used which are not eliminated.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and the major enterprise fund are reported as separate columns in the fund financial statements. All remaining nonmajor governmental funds are aggregated and reported as nonmajor governmental funds.

#### ***MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION***

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. 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.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)*

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures 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.

Property taxes, franchise fees and other taxes, licenses, rent, 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. Revenues for expenditure driven grants are recognized when the qualifying expenditures are incurred. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

The General Fund is the primary operating fund and is used to account for all financial resources applicable to the general operations of the Town except those required to be accounted for in another fund.

The CRA fund is a special revenue fund and is used to account for all financial resources applicable to the promotion of the physical and economic development of certain areas in the Town of Lake Park and is funded from incremental tax revenues within the designated CRA area.

The ARPA Grant Fund is a special revenue fund used to account for the grant revenues received.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)*

The Town reports the following major proprietary funds:

The *Marina Fund* accounts for the operations of the Town's municipal marina, which are financed primarily by user charges.

The *Sanitation Fund* accounts for the operations of the Town's garbage and trash collection services, which are financed primarily by user charges.

The *Stormwater Utility Fund* is used to account for the charges and related expenses for the Town's stormwater drainage system.

The Town reports the following non-major funds:

The *Special Revenue* fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Town has three non-major special revenue funds: the Streets and Roads Fund, Public Improvement Fund and Special Projects Fund.

This *Debt Service Fund* is used to account for resources accumulated and payments made for principal and interest of the Town's general obligation bonds which are payable from ad valorem taxes.

The *Public Improvement Fund* is a special revenue fund used to account for revenues received restricted for public improvements.

The *Special Projects Fund* is a special revenue fund used to account for construction and renovation projects.

The *Capital Projects Bond Fund* is used to account for construction and renovation projects funded with debt proceeds.

Internal service funds account for operations that provide services to other departments on a cost reimbursement basis. The Insurance Fund accounts for the Town's general liability and workers' compensation insurance plans.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (CONTINUED)*

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government; pension trust funds are held under the terms of a formal trust agreement. The fiduciary fund of the Town includes:

##### *Retired Police Officers' Pension Fund*

This fund was established in 2004 to receive and invest Town contributions in a defined benefit pension plan and to disburse these monies to Police retirees in accordance with the Pension Plan Ordinance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's enterprise funds and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

# **TOWN OF LAKE PARK, FLORIDA**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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### **NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### ***ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, FUND BALANCE/NET POSITION***

##### ***Deposits and Investments***

The Town's cash represents cash deposits. The Town's investment in Florida PRIME (external investment pool) is recorded at amortized cost. All other investments are reported at fair value.

The nature of investments of the Town are governed by the provisions of Florida Statutes Section 218.415 Under this statute, authorized investments are limited, unless otherwise authorized by law or resolution/ordinance.

Investments in the Retired Police Officers' Pension Fund is governed by its respective investment policy and Florida Statutes Section 112.661.

##### ***Accounts Receivable***

Accounts receivable represent amounts due from local businesses for franchise taxes, utility taxes, delinquent property taxes and other charges in the General Fund, and solid waste disposal fees and marina slip rentals in the Enterprise Funds. The Town does not require collateral for accounts receivable. Accounts receivable are net of allowances for uncollectible accounts determined based on the age of the individual receivable, with age categories ranging from 30 days past due to several years past due. Generally, the allowance includes accounts over 90 days past due. Accounts receivables are written off on an individual basis in the year the Town deems them uncollectible.

##### ***Lease Receivables***

The Town's lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

##### ***Interfund Transactions***

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans). All other outstanding balances between funds are reported as "advance to/advance from other funds".

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, FUND BALANCE/NET POSITION (CONTINUED)*

##### *Interfund Transactions (continued)*

Any residual balance outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Transfers and interfund balances totally within governmental activities and those that are totally within business-type activities are eliminated and not presented in the government wide financial statements. Transfers and balances between governmental and business-type activities are presented in the government-wide financial statements.

##### *Inventories*

Inventories are valued at cost determined on a first-in, first-out basis. Inventories in the General Fund consist of expendable supplies held for consumption. Inventories in the Marina Fund consist of goods for sale to the public. The initial cost is recorded as an asset at the time the individual inventory items are purchased and are charged against operations in the period when used.

##### *Prepaid Items/Expenses*

Prepays represent goods and services which are paid for in one period, but benefit a future period. Prepays are recorded as an expenditure/expense in the fund level and government-wide financial statements in the period benefited. Prepays for governmental fund types are reported as an asset of the fund with a corresponding amount recorded as non-spendable fund balance.

##### *Capital Assets*

Capital assets, which include property, plant, infrastructure, and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. The Town defines capital assets as assets with an initial individual cost of \$5,000 or more and an estimated life in excess of one year. In accordance with GASB Statement No. 34, the Town has elected not to record infrastructure assets purchased prior to October 1, 2003 in the accompanying financial statements.

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are assets of the Town as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized as assets in the government-wide statement of net position. General capital assets are carried at historical cost. Where cost cannot be determined from the available records, estimated historical cost has been used to record the estimated value of the assets.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, FUND BALANCE/NET POSITION (CONTINUED)*

##### *Capital Assets (continued)*

Assets acquired by gifts or bequests are recorded at their fair value at the date of acquisition.

Capital assets of the enterprise funds are capitalized in the fund. The valuation basis for enterprise fund capital assets is the same as those used for general capital assets. Additions, improvements, and other capital outlay that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

|                              |                        |
|------------------------------|------------------------|
| Buildings and infrastructure | 20-50 years            |
| Building improvements        | 7-50 years             |
| Equipment and vehicles       | 5-15 years             |
| Docks and channels           | 20 years               |
| Leases (right-to-use assets) | Through lease maturity |

##### *Deferred Outflows and Inflows of Resources*

The statement of net position includes a separate section for deferred outflows of resources. This represents the consumption of net assets applicable to future periods and will not be recognized as expenditures until the future period to which it applies. Currently, the Town has deferred outflows related to pensions.

The statement of net position also includes a separate section, listed below total liabilities, for deferred inflows of resources. This represents the acquisition of net assets applicable to future periods and will not be recognized as revenue until the future period to which it applies. The Town also has lease related deferred inflows, which are discussed in Note 7 and deferred gain on bond refunding.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, FUND BALANCE/NET POSITION (CONTINUED)*

##### *Leases (Right-to-use Assets)*

The leases (right-to-use assets) are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The leases (right-to-use assets) are amortized on a straight-line basis over the life of the related lease.

##### *Compensated Absences*

Unused compensated absences are payable upon separation from service. Vacation is accrued as a liability when the employee earns benefits. This means that the employee has rendered services that give rise to a vacation liability and it is probable that the Town will compensate the employee in some manner, e.g., in cash or paid time-off, now or upon termination or retirement. The Town uses the vesting method in accruing sick leave liability. Under the vesting method, the liability for vacation leave is accrued for employees who are eligible to receive termination payments upon separation. The Town's policy is to allow employees to accumulate vacation leave to a maximum of 480 hours. At the time of retirement or termination all vacation leave up to a maximum of 240 hours is payable at 100% to the employee. Except for liabilities incurred by employment terminations, such benefits are paid only when taken.

Compensated absences are accrued when incurred in the government-wide and proprietary financial statements. Benefits that were earned but not used during the current year were accrued at employees' pay rates in effect at September 30, 2024. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements. For the governmental funds, compensated absences are liquidated by the General Fund.

The amount attributable to the business-type activities is charged to expense with a corresponding liability established in the government-wide financial statements as well as the Enterprise Fund.

##### *Unearned Revenue*

The Town reports unearned revenue on its statements of net position and governmental funds balance sheet. Unearned revenue arises when resources are obtained prior to revenue recognition. In subsequent periods, when revenue recognition criteria are met the unearned revenue is removed and revenue is recognized.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### *ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, FUND BALANCE/NET POSITION (CONTINUED)*

##### ***Long-Term Obligations***

In the government-wide financial statements, and proprietary fund types fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to bonds payable.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

##### ***Net Position***

Net position of the government-wide and proprietary funds is categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets is that portion of net position that relates to the Town's capital assets reduced by accumulated depreciation, deferred outflows or inflows related to debt, retainage payable and by any outstanding debt incurred to acquire, construct or improve those assets, excluding unspent proceeds.

Restricted net position is that portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of either of the other two components.

##### ***Net Position Flow Assumption***

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

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### ***ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, FUND BALANCE/NET POSITION (CONTINUED)***

##### ***Fund Balance Flow Assumptions***

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

##### ***Fund Balance Policies***

The Town's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned, or unassigned.

The Town reports the following classifications:

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

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

*Committed fund balance.* These amounts can only be used for the specific purposes pursuant to constraints imposed by a formal action of the government's highest level of decision-making authority. The Town Commission is the highest level of decision-making authority for the government that can, by adoption of a resolution or an ordinance (equally binding), commit fund balance. Once adopted, the limitation remains in place until the Town Commission removes or revises the limitation by taking the same type of action (the adoption of another resolution or ordinance). This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### ***ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, FUND BALANCE/NET POSITION (CONTINUED)***

##### ***Fund Balance Policies (continued)***

*Assigned fund balance.* This classification reflects the amounts constrained by the Town's "intent" to be used for specific purposes, but are neither restricted nor committed. The Town's policy is that the Town Commission and the Mayor have the authority to assign amounts to be used 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. It is also used to report negative fund balances in other governmental funds.

##### ***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts of assets and deferred outflows of resources, liabilities and deferred inflows of resources, disclosures of contingent liabilities, revenues and expenditures/expenses reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

##### ***New Accounting Pronouncements Adopted***

GASB Statement No. 99, *Omnibus 2022, Paragraph 4-10, Financial Guarantees and Derivative Instruments, Termination of Hedge Accounting*. The primary objective of this Statement is to enhance the guidance for recognizing, measuring, and disclosing derivative instruments and financial guarantees. This Statement was implemented by the Town for the fiscal year ended September 30, 2024; however, there was no impact to the Town.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, the primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement was implemented by the Town for the fiscal year ended September 30, 2024; however, there was no impact to the Town.

# **TOWN OF LAKE PARK, FLORIDA**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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### **NOTE 2 – PROPERTY TAXES**

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and the County Tax Collector. All property is reassessed according to its fair market value on January 1 of each year and each assessment roll is submitted to the State Department of Revenue for review to determine if the assessment rolls meet all of the appropriate requirements of State law. The laws of the State regulating tax assessment are also designed to ensure a consistent property valuation method statewide. State Statutes permit municipalities to levy property taxes at a rate of up to 10 mills for operating purposes. The tax rate for the Palm Beach County Fire/Rescue Municipal Service Taxing Unit (MSTU) is included in the 10 mills and was 3.4581.

The tax levy of the Town is established by the Town Commission prior to October 1 of each year during the budget process. The Palm Beach County Property Appraiser incorporates the Town's millage into the total tax levy, which includes the County, County School Board, and special district tax requirements. The millage rate assessed by the Town for the year ended September 30, 2024, was 5.3474 (\$5.3474 for each \$1,000 of assessed valuation).

Taxes may be paid, less a 4% discount, in November or at declining discounts each month through the month of February. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Delinquent taxes on real property bear interest at 18% per year. On or prior to June 1 following the tax year, certificates are offered for sale for all delinquent taxes on real property.

After sale, tax certificates bear interest at 18% per year or at any lower rate bid by the buyer. The certificate holder may make application for a tax deed on any unredeemed tax certificate after a period of two years. The County holds unsold certificates. Delinquent taxes on personal property bear interest at 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations. At September 30, 2024, unpaid delinquent taxes are not material and have not been recorded by the Town.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 3 – DEPOSITS AND INVESTMENTS

#### *DEPOSITS*

In addition to insurance provided by the Federal Depository Insurance Corporation (“FDIC”), all deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or another banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. Accordingly, all amounts reported as cash deposits including certificate of deposits, are insured or collateralized.

The Town maintains a pooled account for cash and cash equivalents that is available for use by all funds. Each fund’s portion of the pooled account is displayed on the financial statements as “Pooled cash and cash equivalents”. Interest income from pooled checking accounts is allocated back to the General Fund. Investment income from the pooled SBA accounts is allocated to the funds based on each fund’s relative equity in the pool.

#### *INVESTMENTS*

The Florida State Board of Administration (“SBA”) Pool, hereinafter referred to as “Florida PRIME”, is not a registrant with the Securities and Exchange Commission (“SEC”); however, its board has adopted operating procedures consistent with the requirements for a 2a-7 fund. In accordance with these requirements, the method used to determine the participants’ shares sold and redeemed is the amortized cost method. Amortized cost includes accrued income and is a method of calculating an investment’s value by adjusting its acquisition cost for the amortization of discount or premium over the period from purchase to maturity.

The SBA is governed by Chapter 19-7 of the Florida Administrative Code and Chapters 218 and 215 of the Florida Statutes. These rules provide guidance and establish the general operating procedures for the administration of the SBA. Additionally, the Office of the Auditor General of the State of Florida performs the operational audit of the activities and investment of the SBA. The SBA accounts are not subject to custodial credit risk as these investments are not evidenced by securities that exist in physical or bank entry form.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

#### *INVESTMENTS (CONTINUED)*

In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, the Town's investment in the Florida PRIME meets the definition of a qualifying investment pool that measures, for financial reporting purposes, all of its investments at amortized cost and should disclose the presence of any limitations or restrictions on withdrawals. As of September 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value. The Town, therefore, has no investments reported at fair value. The investment in the Florida PRIME is not insured by FDIC or any other governmental agency. At September 30, 2024, the Town's investment in the Florida PRIME was \$7,130,015. Florida PRIME is presented as a cash equivalent.

#### *Interest Rate Risk*

The Town has an investment policy that limits investment maturities as a means of managing its exposure to market value losses arising from increasing interest rates. To mitigate risk, the Town primarily invests in investments with maturities of twelve months or less.

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

#### *Credit Risk*

The Town has an investment policy that limits investments to the highest ratings by a nationally recognized statistical rating organization ("NRSRO") (Standard and Poor's and Moody's investment services). In order to mitigate credit risk, the Town does limit investments to the highest ratings by a NRSRO. Florida PRIME is rated AAAm by Standard and Poor's.

#### *Concentration of Credit Risk*

The Town diversifies its portfolio in such a way to control the risk of loss resulting from concentration of assets to a specific maturity, instrument, issue, dealer, or bank through which these securities are bought and sold. The Town only invests in Florida PRIME at September 30, 2024.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 4 – NOTES RECEIVABLES AND GRANT COMMITMENTS

The CRA has a program to give grants and low interest loans for business development and facade improvements. The loans bear interest at 2% and are payable monthly for terms of five to ten years. The grants are to be repaid if the business is sold within five years and one fifth of the grant is forgiven each year. Both the loans and grants are secured by a lien on the improvements and/or the property of the business. There are no loans outstanding at September 30, 2024.

In fiscal year 2023, the CRA awarded a grant for \$1,000,000 payable over five years. As of September 30, 2024, the CRA made payments that total \$400,000 and a outstanding balance of \$600,000 remains for the fiscal year-ended.

### NOTE 5 –RECEIVABLES

Accounts receivables as of September 30, 2024, were as follows:

|                                               | General<br>Fund          | Marina<br>Fund         | Sanitation<br>Fund       | Total                    |
|-----------------------------------------------|--------------------------|------------------------|--------------------------|--------------------------|
| Accounts receivable                           | \$ 333,336               | \$ 4,722               | \$ 221,297               | \$ 559,355               |
| Less: Allowance for<br>uncollectible accounts | <u>(799)</u>             | <u>(2,357)</u>         | <u>(21,238)</u>          | <u>(24,394)</u>          |
| <b>Total Accounts Receivable, Net</b>         | <u><b>\$ 332,537</b></u> | <u><b>\$ 2,365</b></u> | <u><b>\$ 200,059</b></u> | <u><b>\$ 534,961</b></u> |

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 5 – RECEIVABLES (CONTINUED)

#### *LEASES RECEIVABLE*

Effective October 1, 2021, the Town implemented GASB No. 87, *Leases*, which required the Town to recognize a lease receivable and a deferred inflow of resources. The Town, as lessor, has ground leases for a communication tower (cell phone tower) and a parking lot. As of September 30, 2024, the remaining lease terms under these agreements, including options to extend, ranged from five to fourteen years. As of September 30, 2024, the value of the lease receivable is \$644,538. The value of the deferred inflow of resources as of September 30, 2024, was \$606,733, and the Town recognized lease revenue of \$28,831 and interest income of \$26,935 during the fiscal year. The following schedule represents the future principal and interest revenue to be received:

| Fiscal Year Ending<br>September 30 | Principal         | Interest          | Total             |
|------------------------------------|-------------------|-------------------|-------------------|
| 2025                               | \$ 31,372         | \$ 25,781         | \$ 57,153         |
| 2026                               | 34,053            | 24,527            | 58,580            |
| 2027                               | 36,884            | 23,165            | 60,049            |
| 2028                               | 39,874            | 21,690            | 61,564            |
| 2029                               | 43,028            | 20,095            | 63,123            |
| 2030-2034                          | 216,942           | 75,868            | 292,810           |
| 2035-2038                          | <u>242,385</u>    | <u>25,100</u>     | <u>267,485</u>    |
| <b>Total</b>                       | <u>\$ 644,538</u> | <u>\$ 216,226</u> | <u>\$ 860,764</u> |

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

### NOTE 6 – CAPITAL ASSETS

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

| <b>Governmental Activities</b>                               | Beginning<br>Balance | Additions           | Deletions           | Ending<br>Balance    |
|--------------------------------------------------------------|----------------------|---------------------|---------------------|----------------------|
| Capital assets not being depreciated/amortized               |                      |                     |                     |                      |
| Land                                                         | \$ 2,767,746         | \$ --               | \$ --               | \$ 2,767,746         |
| Construction in progress                                     | 685,062              | 676,952             | (91,987)            | 1,270,027            |
| <b>Total Capital Assets Not Being Depreciated/Amortized</b>  | <b>3,452,808</b>     | <b>676,952</b>      | <b>(91,987)</b>     | <b>4,037,773</b>     |
| Capital assets being depreciated/amortized                   |                      |                     |                     |                      |
| Buildings                                                    | 7,972,225            | 17,220              | --                  | 7,989,445            |
| Improvements                                                 | 8,585,592            | 909,201             | --                  | 9,494,793            |
| Leases (Right-of-use asset)                                  | 393,897              | 256,111             | --                  | 650,008              |
| Machinery and equipment                                      | 4,347,358            | 812,679             | (344,360)           | 4,815,677            |
| <b>Total Capital Assets Being Depreciated/Amortized</b>      | <b>21,299,072</b>    | <b>1,995,211</b>    | <b>(344,360)</b>    | <b>22,949,923</b>    |
| Less accumulated depreciation/amortization for               |                      |                     |                     |                      |
| Buildings                                                    | (6,436,360)          | (178,160)           | --                  | (6,614,520)          |
| Improvements                                                 | (5,224,465)          | (440,261)           | --                  | (5,664,726)          |
| Leases (Right-of-use asset)                                  | (65,650)             | (108,335)           | --                  | (173,985)            |
| Machinery and equipment                                      | (2,488,995)          | (275,292)           | 154,962             | (2,609,325)          |
| <b>Total Accumulated Depreciation/Amortization</b>           | <b>(14,215,470)</b>  | <b>(1,002,048)</b>  | <b>154,962</b>      | <b>(15,062,556)</b>  |
| <b>Total Capital Assets Being Depreciated/Amortized, net</b> | <b>7,083,602</b>     | <b>993,163</b>      | <b>(189,398)</b>    | <b>7,887,367</b>     |
| <b>Governmental Activities</b>                               |                      |                     |                     |                      |
| <b>Capital Assets, Net</b>                                   | <b>\$ 10,536,410</b> | <b>\$ 1,670,115</b> | <b>\$ (281,385)</b> | <b>\$ 11,925,140</b> |

The capital asset activity of business-type activities for the fiscal year ended September 30, 2024, was as follows:

| <b>Business-Type Activities</b>                              | Beginning<br>Balance | Additions           | Deletions          | Ending<br>Balance    |
|--------------------------------------------------------------|----------------------|---------------------|--------------------|----------------------|
| Capital assets not being depreciated/amortized               |                      |                     |                    |                      |
| Land                                                         | \$ 2,492,332         | \$ --               | \$ --              | \$ 2,492,332         |
| Construction in progress                                     | 415,575              | 1,755,418           | (89,080)           | 2,081,913            |
| <b>Total Capital Assets Not Being Depreciated</b>            | <b>2,907,907</b>     | <b>1,755,418</b>    | <b>(89,080)</b>    | <b>4,574,245</b>     |
| Capital assets being depreciated                             |                      |                     |                    |                      |
| Improvements                                                 | 18,507,919           | 664,465             | --                 | 19,172,384           |
| Machinery and equipment                                      | 4,898,721            | 96,086              | --                 | 4,994,807            |
| <b>Total Capital Assets Being Depreciated</b>                | <b>23,406,640</b>    | <b>760,551</b>      | <b>--</b>          | <b>24,167,191</b>    |
| Less accumulated depreciation for                            |                      |                     |                    |                      |
| Improvements                                                 | (9,460,570)          | (1,022,152)         | --                 | (10,482,722)         |
| Machinery and equipment                                      | (2,930,867)          | (265,911)           | --                 | (3,196,778)          |
| <b>Total Accumulated Depreciation</b>                        | <b>(12,391,437)</b>  | <b>(1,288,063)</b>  | <b>--</b>          | <b>(13,679,500)</b>  |
| <b>Total Capital Assets Being Depreciated/Amortized, net</b> | <b>11,015,203</b>    | <b>(527,512)</b>    | <b>--</b>          | <b>10,487,691</b>    |
| <b>Business-Type Activities</b>                              |                      |                     |                    |                      |
| <b>Capital Assets, Net</b>                                   | <b>\$ 13,923,110</b> | <b>\$ 1,227,906</b> | <b>\$ (89,080)</b> | <b>\$ 15,061,936</b> |

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 6 – CAPITAL ASSETS (CONTINUED)

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

**Governmental activities**

|                        |                |
|------------------------|----------------|
| General government     | \$ 563,292     |
| Physical environment   | 685            |
| Public safety          | --             |
| Transportation         | 303,540        |
| Culture and recreation | <u>134,531</u> |

**Total Depreciation/Amortization Expense Governmental Activities** \$ 1,002,048

**Business-Type activities**

|                 |                |
|-----------------|----------------|
| Marina fund     | \$ 540,922     |
| Sanitation fund | 251,837        |
| Stormwater fund | <u>495,304</u> |

**Total Depreciation Expense Business-Type Activities** \$ 1,288,063

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

#### NOTE 7 – LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities of the Town for governmental activities for the fiscal year ended September 30, 2024:

|                                     | Beginning<br>Balance | Additions         | Reductions          | Ending<br>Balance   | Due Within<br>One Year |
|-------------------------------------|----------------------|-------------------|---------------------|---------------------|------------------------|
| <b>Governmental activities</b>      |                      |                   |                     |                     |                        |
| Notes payable                       | \$ 769,721           | \$ --             | \$ (143,346)        | \$ 626,375          | \$ 148,233             |
| Lease obligations                   | 1,259,919            | --                | (63,331)            | 1,196,588           | 66,715                 |
| Net pension liability (see note 11) | 245,780              | --                | (169,322)           | 76,458              | --                     |
| Total OPEB liability (see note 12)  | 83,096               | --                | (17,733)            | 65,363              | --                     |
| Leases (Right-of-use asset)         | 378,425              | 256,111           | (93,357)            | 541,179             | 129,127                |
| Compensated absences payable        | <u>270,530</u>       | <u>361,518</u>    | <u>(257,351)</u>    | <u>374,697</u>      | <u>37,470</u>          |
| <b>Total</b>                        | <u>\$ 3,007,471</u>  | <u>\$ 617,629</u> | <u>\$ (744,440)</u> | <u>\$ 2,880,660</u> | <u>\$ 381,545</u>      |

Compensated absences, Net pension liability and Total OPEB liability for governmental activities are generally liquidated by the General Fund. The government portion of these liabilities are reflected in the Statement of Net Position.

The following is a summary of changes in long-term liabilities of the Town for business-type activities for the fiscal year ended September 30, 2024:

|                                    | Beginning<br>Balance | Additions        | Reductions          | Ending<br>Balance   | Due Within<br>One Year |
|------------------------------------|----------------------|------------------|---------------------|---------------------|------------------------|
| <b>Business-type activities</b>    |                      |                  |                     |                     |                        |
| Notes payable                      | \$ 1,071,439         | \$ --            | \$ (261,763)        | \$ 809,676          | \$ 218,562             |
| Lease obligations                  | 53,681               | --               | (53,681)            | --                  | --                     |
| Revenue bonds                      | 2,365,000            | --               | (210,000)           | 2,155,000           | 215,000                |
| Unamortized premium                | 66,840               | --               | (6,684)             | 60,156              | --                     |
| Total OPEB liability (see note 12) | 32,493               | --               | (13,246)            | 19,247              | --                     |
| Compensated absences payable       | <u>40,692</u>        | <u>71,362</u>    | <u>(20,996)</u>     | <u>91,058</u>       | <u>9,106</u>           |
| <b>Total</b>                       | <u>\$ 3,630,145</u>  | <u>\$ 71,362</u> | <u>\$ (566,370)</u> | <u>\$ 3,135,137</u> | <u>\$ 442,668</u>      |

#### ***PLEDGED REVENUES***

The Revenues Bonds Series 2016 and the Promissory Notes Series 2008A, 2008B and 2009 are all secured by the non-ad valorem revenues of the Town. The pledged revenues for the fiscal year ended September 30, 2024 were \$6,404,937 and the related debt service was \$514,100. Total principal and interest to maturity to be paid from pledged revenues is \$3,454,619.

# **TOWN OF LAKE PARK, FLORIDA**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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### **NOTE 7 – LONG-TERM LIABILITIES (*CONTINUED*)**

#### ***PROMISSORY NOTE, SERIES 2008A (NOTES PAYABLE)***

On August 28, 2008, the Town executed a tax-exempt note in the principal amount of \$4,928,350 with the Bank of America. Loan proceeds are restricted to finance the settlement of the pension obligation to the Town of Lake Park Firefighters' Pension and for the construction of improvements in the marina. In addition, \$2,420,000 of the governmental loan proceeds were transferred to the CRA as a grant for the acquisition of property and for the construction of improvements within the Town's community redevelopment area in accordance with an interlocal agreement between the Town and the CRA executed on August 20, 2008. The agreement does not require the CRA to repay the grant from the Town; however, if the CRA makes a voluntary payment to the Town, the Town will use the payment to pay debt service on the note.

The Town is required to meet certain minimum financial amounts, debt limitations and reporting requirements. The continued exclusion of interest on the Tax-Exempt Note from gross income for federal income tax purposes depends, in part, upon compliance with the arbitrage limitations imposed by Sections 103(b)(2) and 148 of the Internal Revenue Code. Interest on the note is payable by the Town semi-annually on April 1 and October 1 and principal payments are due on April 1 with a final maturity date of April 1, 2028. The note bears an annual interest rate of 3.67%, which is subject to adjustment upon the occurrence of a Determination of Taxability.

#### ***PROMISSORY NOTE, SERIES 2008B (NOTES PAYABLE)***

On August 28, 2008, the Town executed a note in the principal amount of \$309,550 with the Bank of America to finance the construction of improvements in the marina and the purchase of recreation vehicles. The Town is required to meet certain minimum financial amounts, debt limitations and reporting requirements. Interest on the note is payable by the Town semi-annually on April 1 and October 1 and principal payments are due on April 1 with a final maturity date of April 1, 2028. The note bears an annual interest rate of 6.78%.

#### ***PROMISSORY NOTE, SERIES 2009 (NOTES PAYABLE)***

On August 7, 2009, the Town executed a note in the principal amount of \$1,475,000 with the Bank of America to finance land acquisition and improvements, the purchase of a sanitation truck, fuel tanks, parking meters, and make roof repairs. The Town is required to meet certain minimum financial amounts, debt limitations and reporting requirements. Interest on the note is payable by the Town semi-annually on April 1 and October 1 and principal payments are due on April 1 with a final maturity date of April 1, 2024. The note bears an annual interest rate of 5.11%.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 7 – LONG-TERM LIABILITIES (CONTINUED)

#### *PROMISSORY NOTE, SERIES 2009 (NOTES PAYABLE) (CONTINUED)*

The Promissory Notes Series 2008A, 2008B and 2009 all contain a provision that upon the occurrence of any event of default, the bank may declare all obligations of the Town under the notes to be immediately due and payable without further action of any kind and upon such declaration the Note and the interest accrued thereon shall become immediately due and payable.

#### *DOERING PROMISSORY NOTE (NOTES PAYABLE)*

The Town entered into a promissory note for financing the purchase of a sanitation truck with a price of \$165,575 on September 7, 2022. There are thirty-six monthly payments due of \$5,390 starting on September 7, 2022, and the note bears an annual interest rate of 11.25%.

#### *GOVERNMENT OBLIGATION NOTES, SERIES 2023 (NOTES PAYABLE)*

On April 5, 2023, the Town executed a note for the purchase of two sanitation trucks. The note was for total amount of \$687,243. The Town is required to appropriate funds annually to pay the current amount due. The note is payable in four annual payments of \$198,287. Principal and interest on the note is payable by the Town annually a final maturity date of April 5, 2027. The note bears an annual interest rate of 5.990%.

#### *GOVERNMENT OBLIGATION NOTES, SERIES 2023 (NOTES PAYABLE)*

The agreements include a provision that upon the occurrence of any event of default, the lessor may retake possession of the sanitation trucks.

The debt service requirements to maturity for the notes payable are as follows:

| Year Ending<br>September 30, | Governmental Activities |                  |                   | Business-Type Activities |                  |                   |
|------------------------------|-------------------------|------------------|-------------------|--------------------------|------------------|-------------------|
|                              | Principal               | Interest         | Total<br>Amount   | Principal                | Interest         | Total<br>Amount   |
| 2025                         | \$ 148,233              | \$ 20,268        | \$ 168,501        | \$ 274,647               | \$ 44,409        | \$ 319,056        |
| 2026                         | 153,673                 | 14,728           | 168,401           | 231,009                  | 28,694           | 259,703           |
| 2027                         | 159,312                 | 8,985            | 168,297           | 244,183                  | 15,452           | 259,635           |
| 2028                         | 165,157                 | 3,031            | 168,188           | 59,836                   | 1,440            | 61,276            |
| <b>Total</b>                 | <b>\$ 626,375</b>       | <b>\$ 47,012</b> | <b>\$ 673,387</b> | <b>\$ 809,675</b>        | <b>\$ 89,995</b> | <b>\$ 899,670</b> |

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 7 – LONG-TERM LIABILITIES (*CONTINUED*)

#### ***LEASE OBLIGATIONS***

The Town entered into a lease agreement for financing the installation and renewal of facility infrastructure with a purchase price of \$1,494,679 on March 28, 2019. The accumulated amortization was approximately \$354,825. Amortization expense related to the equipment is included in depreciation expense in the accompanying financial statements. The agreement includes a provision that upon the occurrence of any event of default, the lessor may retake possession of the equipment under lease.

The future minimum lease obligations as of September 30, 2024, are as follows:

| Year Ending<br>September 30, | Governmental Activities |                   | Total<br>Amount     |
|------------------------------|-------------------------|-------------------|---------------------|
|                              | Principal               | Interest          |                     |
| 2025                         | \$ 66,715               | \$ 43,675         | \$ 110,390          |
| 2026                         | 70,258                  | 41,240            | 111,498             |
| 2027                         | 73,963                  | 38,676            | 112,639             |
| 2028                         | 77,837                  | 35,976            | 113,813             |
| 2029                         | 81,885                  | 33,135            | 115,020             |
| 2030-2034                    | 476,912                 | 117,646           | 594,558             |
| 2035-2037                    | <u>349,018</u>          | <u>26,011</u>     | <u>375,029</u>      |
| <b>Total</b>                 | <u>\$ 1,196,588</u>     | <u>\$ 336,359</u> | <u>\$ 1,532,947</u> |

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 7 – LONG-TERM LIABILITIES (*CONTINUED*)

#### ***REVENUE BONDS, SERIES 2016***

These bonds were issued September 29, 2016 in the amount of \$3,660,000 to advance refund the Series 2003A Florida Municipal Loan Council Revenue Bonds. The refunded note had an outstanding principal of \$3,575,000 at the refunding date and was called on November 1, 2016. The refunded note was issued in 2003 in the amount of \$4,810,000 for the construction of improvements at the Town's marina. The 2016 Bonds mature serially on October 1 of each year through October 1, 2033 with interest payable semiannually at rates ranging from 2% to 5%. The loan is secured by a covenant to appropriate in the annual budget the amount of non-ad valorem revenues to satisfy repayment. and is not an obligation of the Florida Municipal Loan Council, the State of Florida, or any political subdivision.

Default in the payment of principal or interest when due, in the performance of any part of the agreement, and/or any petition to declare bankruptcy are events of default. Remedies for an event of default include, but are not limited to, the Bond Insurer directing the Trustee to pursue any available remedy allowed by law to enforce the payment of principal and interest.

The debt service requirements to maturity are as follows:

| Year Ending<br>September 30, | Business-Type Activities |                   |                     |
|------------------------------|--------------------------|-------------------|---------------------|
|                              | Principal                | Interest          | Total               |
| 2025                         | \$ 215,000               | \$ 69,762         | \$ 284,762          |
| 2026                         | 220,000                  | 64,925            | 284,925             |
| 2027                         | 225,000                  | 59,975            | 284,975             |
| 2028                         | 225,000                  | 54,350            | 279,350             |
| 2029                         | 230,000                  | 47,600            | 277,600             |
| 2029-2033                    | <u>1,040,000</u>         | <u>84,100</u>     | <u>1,124,100</u>    |
|                              | <u>\$ 2,155,000</u>      | <u>\$ 380,712</u> | <u>\$ 2,535,712</u> |

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 7 – LONG-TERM LIABILITIES (*CONTINUED*)

#### *LEASES (RIGHT-OF-USE ASSETS)*

The Town entered into 15 lease agreements as a Lessee with a duration of 48 to 60 months. The lease agreements qualify as other than a short-term lease under GASB 87 and; therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. Principal and interest payments made during the fiscal year totaled \$118,414. Required monthly fixed payments range from approximately \$2,964 to \$18,249. The value of the leases (right-to-use assets) as of September 30, 2024 is \$650,008 with accumulated amortization of \$173,984.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2024, are as follows:

| Year Ending<br>September 30, | Principal         | Interest          | Total<br>Amount   |
|------------------------------|-------------------|-------------------|-------------------|
| 2025                         | \$ 129,127        | \$ 34,065         | \$ 163,192        |
| 2026                         | 129,127           | 34,065            | 163,192           |
| 2027                         | 129,127           | 34,065            | 163,192           |
| 2028                         | 115,117           | 30,391            | 145,508           |
| 2029                         | <u>38,681</u>     | <u>10,123</u>     | <u>48,804</u>     |
| <b>Total</b>                 | <u>\$ 541,179</u> | <u>\$ 142,709</u> | <u>\$ 683,889</u> |

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 8 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

In governmental accounting, interfund loans are reported as interfund receivables in lender funds and interfund payables in borrower funds. There is no net effect in the governmental-wide financial statements. The current portion of the interfund loan is reported in the governmental funds as Due to and Due from other funds and the non-current portion is reported as Advance to and Advance from other funds.

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

| Receivable Fund                 | Payable Fund           | Due to/from       | Advance             |
|---------------------------------|------------------------|-------------------|---------------------|
| General Fund                    | Marina Fund            | \$ --             | \$ 3,309,248        |
| CRA Fund                        | General Fund           | 317,379           | --                  |
| General Fund                    | Sanitation Fund        | 202,297           | --                  |
| General Fund                    | Streets and Roads Fund | 169,469           | --                  |
| <b>Total Interfund Balances</b> |                        | <u>\$ 689,145</u> | <u>\$ 3,309,248</u> |

All payables and receivables were for cash flow purposes.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

### FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

#### NOTE 8 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Interfund transfers during the fiscal year ended September 30, 2024, are as follows:

| Transfer Out       | Transfer In       |                     |              |                 | Total               |
|--------------------|-------------------|---------------------|--------------|-----------------|---------------------|
|                    | General Fund      | CRA Fund            | Marina Fund  | Stormwater Fund |                     |
| General Fund       | \$ --             | \$ 1,338,794        | \$ --        | \$ --           | \$ 1,338,794        |
| ARPA Fund          | 318,288           | --                  | --           | --              | 318,288             |
| CRA Fund           | 168,597           | --                  | --           | --              | 168,597             |
| Marina Fund        | 10,000            | --                  | --           | --              | 10,000              |
| Sanitation Fund    | 31,434            | --                  | --           | --              | 31,434              |
| <b>Total Funds</b> | <u>\$ 528,319</u> | <u>\$ 1,338,794</u> | <u>\$ --</u> | <u>\$ --</u>    | <u>\$ 1,867,113</u> |

The transfer from the CRA Fund to the General Fund was for principal and interest payments that the CRA Fund agreed to reimburse the General Fund if the CRA Fund has sufficient available resources.

The transfer from the General Fund to the CRA Fund was for the 2024 incremental tax obligation.

The transfer from the Marina Fund to the General Fund was for the Marina's share of the Johnson Controls upgrade.

The transfer from the Sanitation Fund to the General Fund was for principal and interest payments.

#### NOTE 9 – DEFERRED COMPENSATION PLAN ASSETS

Employees of the Town may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the Town. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. A third party administers the deferred compensation plan.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 9 – DEFERRED COMPENSATION PLAN ASSETS (CONTINUED)

In 1999, the Town adopted GASB-32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The Town modified its Deferred Compensation Plan to conform with the changes in the Internal Revenue Code brought about by the Small Business Job Protection Act of 1996 (the “Act”). The Act requires that eligible deferred compensation plans established and maintained by governmental employers be amended to provide that all assets of the plan be held in trust, or under one or more appropriate annuity contracts or custodial accounts, for the exclusive benefit of plan participants and their beneficiaries. As a result of this change, these plan assets are no longer property of the Town and will no longer be subject to the claims of the Town’s general creditors.

Because the Town has little administrative involvement and does not perform the investing function for funds in the Plan, the Town’s activities do not meet the criteria for inclusion in the fiduciary funds of a government.

### NOTE 10 – DEFINED CONTRIBUTION PENSION PLAN

The General Employees Retirement Plan is a defined contribution pension plan established by the Town to provide benefits at retirement for all current employees. Defined contribution plans have terms that specify how contributions to an individual’s account are to be determined rather than the amount of pension benefits the individual is to receive. In a defined contribution plan, the pension benefits a participant will receive depend only on the amount contributed to the participant’s account, earnings on investments of these contributions, and forfeitures of other participants’ benefits that will be allocated to the participant’s account. The Town does not hold or administer resources of the Plan. Consequently, the Plan does not meet the requirements for inclusion in the Town’s financial statements as a fiduciary fund. The Plan does not issue a stand-alone financial report. Plan provisions are established and may be amended only by the Town Commission.

Employees are eligible to participate in the plan after completing six (6) months of continuous full-time employment and having reached age 18. The Town is required to contribute 7.5% of the plan members’ annual compensation and match 50% of the employees’ voluntary contributions under the deferred compensation plan, up to a maximum of 2.5% of participants’ annual compensation. For the fiscal year ended September 30, 2024, the Town had pension expense of \$347,639, and there were forfeitures of \$55,806. The Town had no contributions payable at September 30, 2024.

Vesting of the Town’s contributions in the 401(a) plan commences after two years of service, with 25% vesting in year two and 25% each year thereafter until fully vested after five years. If an employee terminates before becoming fully vested, forfeited amounts will be reallocated to accounts of remaining participants as an additional employer contribution.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 11 – DEFINED BENEFIT PENSION PLAN

The Town administers one single employer defined benefit pension plan that covers no current Town employees. The Retired Police Officers' Pension Fund ("RPOPF" or "Plan") covers certain police retirees. The plan was established by the Town and administered by a separate board of trustees. The Board of Trustees consist of five members, the Town Manager, the Town Finance Director, two plan participants and a Town Citizen appointed by the other four members. The plan does not issue stand-alone financial reports.

At October 1, 2023, the date of the latest actuarial valuation, the membership in RPOPF consisted of the following:

|                                                                     |          |
|---------------------------------------------------------------------|----------|
| Inactive plan members or beneficiaries currently receiving benefits | 6        |
| Active plan members                                                 | --       |
|                                                                     | <u>6</u> |

Effective October 1, 2001, the Palm Beach County Sheriff's Office (PBSO) was contracted to provide police services for the Town. In connection with the transfer of Town police services to the PBSO, the active plan members of the plan were eligible for a lump sum payout. Effective November 20, 2002, the Town terminated the Municipal Police Officers' Retirement Trust Fund and distributed lump sum payouts to the vested participants. On October 15, 2003, the Town established the Retired Police Officers' Pension Fund for the retirees covered by the original plan and transferred substantially all remaining assets of the original plan to the new plan in April 2004.

The Plan is a substituted trust established on October 1, 2003 by Town Ordinance No. 13-2003 to provide the retired members of the previous defined benefit pension plan with the monthly retirement benefits that were accrued under the prior plan. Accordingly, the Retired Police Officers' Pension Fund covers only retirees and has no active plan members or employees of the Town that are eligible to participate and the provisions of the Retired Police Officers' Pension Fund as established by Town ordinance, do not address any provisions related to vesting, eligibility for retirement, future retirement benefits, other benefits, or employee contributions. Administrative expenses are financed as part of the unfunded actuarial accrued liability.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 11 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

#### *INVESTMENTS*

##### *Target Asset Mix*

The plan's adopted asset allocation policy as of September 30, 2024, is as follows:

| <u>Asset Class</u> | <u>Target<br/>Allocation</u> |
|--------------------|------------------------------|
| Fixed Income       | 29 %                         |
| Large cap growth   | 25                           |
| Large cap value    | 26                           |
| Mid cap growth     | 4                            |
| Mid cap value      | 1                            |
| Small cap growth   | 1                            |
| Real estate        | 5                            |
| Internatioanl      | 9                            |
| <b>Total</b>       | <u><u>100 %</u></u>          |

##### *Interest Rate Risk*

Interest rate risk refers to the portfolio's exposure to fair value losses arising from increasing interest rates. The Plan does not have a formal investment policy that limits investment maturities as a means of managing its exposure to market value losses arising from increasing interest rates.

##### *Credit Risk*

The Plan's investment policy limits investments in 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.

##### *Concentration of Credit Risk*

The Plan's investment policy prohibits equity securities concentrations greater than 5% in the securities of any one company at cost and fixed income securities concentrations greater than 5% in any one issuer with the exception of U.S. government or agency issues. As of September 30, 2024, the value of each position held in the Plan's portfolio comprised less than 5% of fiduciary net position.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 11 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

#### *INVESTMENTS (CONTINUED)*

##### ***Rate of Return***

For the fiscal year ended September 30, 2024, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 24.26 percent adjusted for the changing amounts actually invested.

##### ***Fair Value Hierarchy***

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Town's pension plan categorizes their fair value measurements within the fair value hierarchy established by GAAP. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

**Level 1** - Investments' fair values based on prices quoted in active markets for identical assets.

**Level 2** - Investments' fair values based on observable inputs for the assets either directly or indirectly, other than those considered Level 1 inputs, which may include quoted prices for identical assets in markets that are not considered to be active, and quoted prices of similar assets in active or inactive markets.

**Level 3** - Investments' fair values based upon unobservable inputs.

Exchange traded funds and mutual funds classified in Level 1 of the fair value hierarchy are valued based on prices quoted in active markets for those securities. Exchange traded funds are commonly referred to as “ETF”. ETFs are funds that trade like other publicly-traded securities and are designed to track an index. Similar to shares of an index mutual fund, each share of the fund represents a partial ownership in an underlying portfolio of securities intended to track a market index.

The Plan does not hold any level 2 or 3 investments.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

### NOTE 11 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

#### *INVESTMENTS (CONTINUED)*

##### *Fair Value Hierarchy (continued)*

The following is a summary of the fair value hierarchy of the fair value of investments as of September 30, 2024:

| <b>Year Ended<br/>September 30,</b>      | <b>Fair Value Measurements Using</b> |                                                                                       |
|------------------------------------------|--------------------------------------|---------------------------------------------------------------------------------------|
|                                          | <b>9/30/2024</b>                     | <b>Quoted Prices<br/>in Active<br/>Markets for<br/>Identical Assets<br/>(Level 1)</b> |
| Fiduciary Fund                           |                                      |                                                                                       |
| Global fixed income mutual funds         | \$ 209,432                           | \$ 209,432                                                                            |
| Equity ETF                               | 803,328                              | 803,328                                                                               |
| Fixed income ETF                         | 144,274                              | 144,274                                                                               |
| Real estate ETF                          | <u>62,141</u>                        | <u>62,141</u>                                                                         |
| Total investments measured at fair value | <u>\$ 1,219,175</u>                  | <u>\$ 1,219,175</u>                                                                   |

#### *Risks and Uncertainties*

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those such changes could materially affect the amounts reported in the statement of fiduciary net position. The Plan, through its investment advisor, monitors the Plan's investments and the risks associated therewith on a regular basis which the Plan believes minimizes these risks.

#### *ACCOUNTING POLICIES*

The Plan follows the accrual basis of accounting. Contributions are recorded when paid or when the Town has made the commitment to contribute to the Plan. Purchases and sales are recorded on the trade-date basis. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Administrative costs of the Plan are funded through investment earnings.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

### NOTE 11 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

#### *CONTRIBUTIONS AND FUNDING POLICY*

The Town is required to make contributions at actuarially determined amounts; there was \$0 minimum contribution requirement for the fiscal year ended September 30, 2024. The minimum contribution consists of the unfunded actuarial accrued liability, which should provide sufficient resources to pay employee pension benefits when due.

The actuarially determined contribution for the Plan for the current year was determined as part of the October 1, 2023 actuarial valuation using the aggregate actuarial cost method. The aggregate actuarial cost method does not identify and separately amortize unfunded actuarial liabilities and therefore, information about funding status and funding progress is presented using the entry age normal cost method for the Plan.

#### *NET PENSION LIABILITY*

The components of the net pension liability of the Town at September 30, 2024, were as follows:

| Description                                           | Total<br>Pension<br>Liability (a) | Fiduciary<br>Net<br>Position (b) | Net Pension<br>Liability<br>(a)-(b) |
|-------------------------------------------------------|-----------------------------------|----------------------------------|-------------------------------------|
| <b>Balances at September 30, 2023</b>                 | <u>\$ 1,436,343</u>               | <u>\$ 1,190,563</u>              | <u>\$ 245,780</u>                   |
| Changes due to                                        |                                   |                                  |                                     |
| Interest                                              | 102,761                           | --                               | 102,761                             |
| Differences between expected<br>and actual experience | (41,452)                          | --                               | (41,452)                            |
| Employer contributions                                | --                                | --                               | --                                  |
| Benefit payments and refunds                          | (132,401)                         | (132,401)                        | --                                  |
| Net investment income                                 | --                                | 266,937                          | (266,937)                           |
| Administrative expenses                               | <u>--</u>                         | <u>(36,306)</u>                  | <u>36,306</u>                       |
| <b>Total Changes</b>                                  | <u>(71,092)</u>                   | <u>98,230</u>                    | <u>(169,322)</u>                    |
| <b>Balances at September 30, 2024</b>                 | <u><u>\$ 1,365,251</u></u>        | <u><u>\$ 1,288,793</u></u>       | <u><u>\$ 76,458</u></u>             |

The Plan fiduciary net position was 94.40% of the total pension liability as of September 30, 2024.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 11 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

#### *NET PENSION LIABILITY (CONTINUED)*

##### ***Significant Actuarial Assumptions***

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

|                           |                                                                                                                                                       |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| Inflation                 | 2.50%                                                                                                                                                 |
| Salary increases          | N/A                                                                                                                                                   |
| Investment rate of return | 7.50%                                                                                                                                                 |
| Mortality                 | Female: PubS.H-2010 for<br>Healthy Retirees, set forward one year.<br>Male: PubS.H-2010 (Below Median) for<br>Healthy Retirees, set forward one year. |

##### ***Long-Term Expected 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 the pension plan's target asset allocation as of September 30, 2024, are summarized in the following table:

| <u>Asset Class</u> | <u>Long-Term<br/>Expected Real<br/>Rate of Return</u> |
|--------------------|-------------------------------------------------------|
| Equity             | 5.33%                                                 |
| Fixed income       | 1.45%                                                 |

##### ***Discount Rate***

The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rates assumed 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 position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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### NOTE 11 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

#### *NET PENSION LIABILITY (CONTINUED)*

##### *Sensitivity of the Net Pension Liability to Changes in the Discount Rate*

The following presents the net pension liabilities of the Town, calculated using the discount rates above, as well as what the Town's net pension liabilities would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate.

|                              | 1% Decrease | Current<br>Discount Rate | 1% Increase |
|------------------------------|-------------|--------------------------|-------------|
|                              | 6.50%       | 7.50%                    | 8.50%       |
| Town's net pension liability | \$ 141,545  | \$ 76,458                | \$ 18,885   |

#### *PENSION EXPENSE (INCOME) AND DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES*

For the fiscal year ended September 30, 2024, the Town recognized pension expense (income) of \$(7,992). In addition, the Town reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

| Description                                                              | Deferred<br>Inflows<br>of Resources |
|--------------------------------------------------------------------------|-------------------------------------|
| Net difference between projected and actual earnings on plan investments | \$ (101,470)                        |

The amounts reported as deferred inflows of resources related to the plan will be recognized in pension expense as follows:

| Year Ended<br>September 30, | Amount              |
|-----------------------------|---------------------|
| 2025                        | \$ (27,201)         |
| 2026                        | 10,980              |
| 2027                        | (48,455)            |
| 2028                        | (36,794)            |
|                             | <u>\$ (101,470)</u> |

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS

#### *PLAN DESCRIPTION*

The Town provides a single employer defined benefit postemployment health care benefit plan to all of its employees. The plan allows its employees and their beneficiaries to continue to obtain health benefits upon retirement. The benefits of the plan are in accordance with Florida Statutes, which is the legal authority for the plan. The plan has no assets and does not issue a separate financial report.

#### *CONTRIBUTIONS*

Currently, the Town follows a pay-as-you-go funding policy, contributing only those amounts necessary to provide for its portion of current year benefit costs and expenses. The Town does not directly make a contribution to the plan on behalf of retirees. Retirees and their beneficiaries pay the same group rates as are charged to the Town for active employees by its healthcare provider. For the fiscal year ended September 30, 2024 there were no retirees receiving other postemployment benefits. Current and future retirees are required to pay 100% of the blended premium to continue coverage under the Town's group health insurance program..

#### *PLAN MEMBERSHIP*

The following table provides a summary of the participants in the plan as of October 1, 2023, the latest valuation date:

|                                                                                   |           |
|-----------------------------------------------------------------------------------|-----------|
| Active plan members                                                               | 51        |
| Inactive plan members or beneficiaries currently receiving benefits               | --        |
| Inactive plan members or beneficiaries entitled to but not yet receiving benefits | ____--    |
|                                                                                   | <u>51</u> |

#### *OPEB LIABILITY, OPEB EXPENSE (INCOME), AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB*

At September 30, 2024, the Town reported a total OPEB liability of \$84,610. For the fiscal year ended September 30, 2024, the Town recognized OPEB expense (income) of \$(30,979). As of September 30, 2024, the Town did not report any deferred outflows of resources or deferred inflows of resources related to OPEB.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

#### *ACTUARIAL METHODS AND ASSUMPTIONS*

The total OPEB liability was calculated using the Alternative Measurement Method in accordance with the GASB No. 75 methodology.

Significant methods and assumptions were as follows:

|                             |                                                                         |
|-----------------------------|-------------------------------------------------------------------------|
| Valuation date              | October 1, 2023                                                         |
| Measurement date            | September 30, 2024                                                      |
| Funding method              | Entry Age Cost Method                                                   |
| Inflation                   | 2.50%                                                                   |
| Discount rate               | 4.06%                                                                   |
| Retirement rates            | 100% at age 60                                                          |
| Mortality tables            | PubG-2010 Mortality Table projected to the valuation date using MP-2019 |
| Healthcare cost trend rates | Initially 7.00% trending to 4.00% in 55 years                           |
| Marital status              | 100% married with male spouses 3 years older than female spouses        |
| Healthcare participation    | 20% participation with 40% electing spouse coverage                     |

#### *CHANGES IN ASSUMPTIONS*

The discount rate was changed from 4.87% as of the beginning of the measurement period to 4.06% as of September 30, 2024. This change is reflected in the schedule of changes in total OPEB liability. There were no benefit changes during the year.

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

#### ***TOTAL OPEB LIABILITY***

The components of the total OPEB liability as of September 30, 2024, were as follows:

|                                                    | <u>Total OPEB<br/>Liability</u> |
|----------------------------------------------------|---------------------------------|
| <b>Balance at September 30, 2023</b>               | <u>\$ 115,589</u>               |
| Changes for the year                               |                                 |
| Service cost                                       | 10,072                          |
| Interest cost                                      | 4,961                           |
| Changes of assumptions and other inputs            | (17,701)                        |
| Differences between expected and actual experience | (19,401)                        |
| Benefit payments                                   | <u>(8,910)</u>                  |
| <b>Net Change in Total OPEB Liability</b>          | <u>(30,979)</u>                 |
| <b>Balance at September 30, 2024</b>               | <u><u>\$ 84,610</u></u>         |

#### ***SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE***

The following table presents the total OPEB liability of the Town calculated using the single discount rate of 4.06% as well as what the Town's total OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current rate.

|                      | 1.0% Decrease<br>3.06% | Discount Rate<br>4.06% | 1.0% Increase<br>5.06% |
|----------------------|------------------------|------------------------|------------------------|
| Total OPEB Liability | \$ 91,128              | \$ 84,610              | \$ 78,858              |

# TOWN OF LAKE PARK, FLORIDA

## NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

#### *SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE HEALTHCARE TREND RATES*

The following table presents the total OPEB liability of the Town calculated using the assumed trend rates (7.00% decreasing to 4.00%) as well as what the Town's total OPEB liability would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher than the assumed trend rates.

|                      | 1.0% Decrease<br>(6.00% Decreasing<br>to 3%) | Trend Rates<br>(7.00% Decreasing<br>to 4%) | 1.0% Increase<br>(8.00% Decreasing<br>to 5%) |
|----------------------|----------------------------------------------|--------------------------------------------|----------------------------------------------|
| Total OPEB Liability | \$ 77,828                                    | \$ 84,610                                  | \$ 92,439                                    |

### NOTE 13 – JOINTLY GOVERNED ORGANIZATION

The Town, through an interlocal agreement with certain other municipalities and Palm Beach County, created the Seacoast Utility Authority ("Seacoast") which provides water and sewer service to the citizens of each of the participating municipalities and a portion of Palm Beach County. Seacoast's governing board is comprised of one member from each participating entity. Seacoast is an Independent Authority organized under the laws of the State of Florida, and the Town has no participating equity ownership in Seacoast. The Town paid \$38,736 to Seacoast during the fiscal year for water and sewer service.

### NOTE 14 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance through the Florida League of Cities, Inc., a statewide commercial insurance program. The policy for comprehensive property, casualty and liability insurance provides coverage with a deductible of \$5,000 for property and casualty and \$25,000 for liability claims per occurrence, with a combined annual cap of \$2 million. The Town does not retain any risk of loss under this policy.

# **TOWN OF LAKE PARK, FLORIDA**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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### **NOTE 14 – RISK MANAGEMENT (CONTINUED)**

Florida Statutes limit the Town's maximum loss for most liability claims to \$200,000 per person and \$300,000 per occurrence under the Doctrine of Sovereign Immunity. However, under certain circumstances, a plaintiff can seek to recover damages in excess of statutory limits by introducing a claims bill to the Florida Legislature.

The limits addressed in Florida Statutes do not apply to claims filed in Federal courts. There have been no significant reductions in insurance coverage in the prior year. No settlements exceeded insurance coverage for the past three years.

The Town has established a risk management program for workers' compensation where premiums are paid from each department to the Florida League of Cities who fully insures all claims to a statutory level. The Town does not retain any risk of loss under this policy.

The Town currently reports all of its risk management activities in the Insurance Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

### ***GRANTS***

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies, principally Palm Beach County, FEMA, the U.S. Department of Housing and Urban Development and the State of Florida. Any disallowed claims, including amounts already received, might constitute a liability of the Town for the return of those funds.

# **TOWN OF LAKE PARK, FLORIDA**

## **NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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### **NOTE 15 – ADMINISTRATIVE COSTS**

The General Fund provides the other funds with various management services. Administrative costs totaling \$390,640 for the CRA Fund; \$132,299 for the Streets and Roads Fund; \$463,048 for the Marina Fund; \$595,347 for the Sanitation Fund; and \$264,599 for the Stormwater Utility Fund were charged for 2024.

### **NOTE 16 – DEFICIT NET POSITION**

The Town has a net position financial deficit of \$1,492,952 in the Marina Fund as of September 30, 2024. This was caused by the Town terminating and repaying a grant agreement for \$2,400,000 that placed restrictions on land the grant purchased. The Town is currently negotiating with a developer for the Marina and expects these future payments to offset the deficit. Additionally, the Town has a fund balance deficit of \$163,846 in the Streets and Roads Fund as of September 30, 2024. The cause of the deficit fund balance was caused by decreases in State Revenue Sharing dollars and increasing street lighting costs as the Town works with Florida Power and Light to add additional lighting, increasing insurance premiums and operating costs.

### **NOTE 17 – INTER-LOCAL AGREEMENTS**

#### ***FIRE PROTECTION AND EMERGENCY MEDICAL SERVICES***

The Town opted into the County's Fire-Rescue Municipal Services Taxing Unit ("MSTU") for the provision of fire rescue, fire protection, and related services from the County which commenced on October 1, 2015. The tax for the MSTU is included in the maximum 10 mills the Town is legally allowed to assess. On September 30, 2024, the MSTU millage rate was 3.4581 mills.

#### ***PALM BEACH COUNTY SHERIFF'S OFFICE INTER-LOCAL AGREEMENT***

On April 11, 2006, the Town and the Palm Beach County Sheriff's Office entered into an agreement for law enforcement services which commenced October 1, 2005. The twenty-first addendum to the contract extended the term of service from October 1, 2024, through September 30, 2025, and the Town will pay \$3,943,539 in equal monthly installments. The agreement was renewed through September 30, 2025.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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# TOWN OF LAKE PARK, FLORIDA

## REQUIRED SUPPLEMENTARY INFORMATION RETIRED POLICE OFFICERS' RETIREMENT FUND SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED SEPTEMBER 30

|                                                                                   | Last Ten Fiscal Years |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|-----------------------------------------------------------------------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                                                                   | 2015                  | 2016                | 2017                | 2018                | 2019                | 2020                | 2021                | 2022                | 2023                | 2024                |
| <b>Total Pension Liability</b>                                                    |                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Service cost                                                                      | \$ 124,182            | \$ 116,219          | \$ 132,596          | \$ 131,746          | \$ 125,696          | \$ 110,375          | \$ 107,476          | \$ 108,046          | \$ 106,496          | \$ 102,761          |
| Differences between expected and actual experience                                | (73,829)              | 206,781             | 8,574               | (71,972)            | (197,588)           | 8,549               | 32,509              | 2,980               | (24,589)            | (41,452)            |
| Change of assumptions                                                             | --                    | 51,891              | --                  | --                  | --                  | (25,188)            | --                  | --                  | --                  | --                  |
| Benefit payments, including refunds of employee contributions                     | (156,529)             | (156,529)           | (156,529)           | (148,482)           | (132,388)           | (132,388)           | (132,389)           | (132,388)           | (131,010)           | (132,401)           |
| <b>Net Change in Total Pension Liability</b>                                      | (106,176)             | 218,362             | (15,359)            | (88,708)            | (204,280)           | (38,652)            | 7,596               | (21,362)            | (49,103)            | (71,092)            |
| <b>Total Pension Liability - Beginning</b>                                        | <u>1,734,025</u>      | <u>1,627,849</u>    | <u>1,846,211</u>    | <u>1,830,852</u>    | <u>1,742,144</u>    | <u>1,537,864</u>    | <u>1,499,212</u>    | <u>1,506,808</u>    | <u>1,485,446</u>    | <u>1,436,343</u>    |
| <b>Total Pension Liability - Ending (A)</b>                                       | <u>\$ 1,627,849</u>   | <u>\$ 1,846,211</u> | <u>\$ 1,830,852</u> | <u>\$ 1,742,144</u> | <u>\$ 1,537,864</u> | <u>\$ 1,499,212</u> | <u>\$ 1,506,808</u> | <u>\$ 1,485,446</u> | <u>\$ 1,436,343</u> | <u>\$ 1,365,251</u> |
| <b>Plan Fiduciary Net Position</b>                                                |                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Contributions - employer                                                          | \$ 39,097             | \$ 75,932           | \$ 80,380           | \$ 71,508           | \$ 44,708           | \$ 36,525           | \$ 62,090           | \$ 62,090           | \$ 62,090           | \$ --               |
| Net investment income (loss)                                                      | (3,080)               | 141,510             | 142,541             | 114,653             | 64,072              | 72,360              | 282,473             | (192,317)           | 140,884             | 266,937             |
| Benefit payments, including refunds of employee contributions                     | (156,529)             | (156,529)           | (156,529)           | (148,482)           | (132,388)           | (132,388)           | (132,389)           | (132,388)           | (131,010)           | (132,401)           |
| Administrative expenses                                                           | (35,380)              | (26,578)            | (29,853)            | (34,266)            | (32,329)            | (40,950)            | (33,464)            | (36,500)            | (33,813)            | (36,306)            |
| <b>Net Change in Plan Fiduciary Net Position</b>                                  | (155,892)             | 34,335              | 36,539              | 3,413               | (55,937)            | (64,453)            | 178,710             | (299,115)           | 38,151              | 98,230              |
| <b>Plan Fiduciary Net Position - Beginning</b>                                    | <u>1,474,812</u>      | <u>1,318,920</u>    | <u>1,353,255</u>    | <u>1,389,794</u>    | <u>1,393,207</u>    | <u>1,337,270</u>    | <u>1,272,817</u>    | <u>1,451,527</u>    | <u>1,152,412</u>    | <u>1,190,563</u>    |
| <b>Plan Fiduciary Net Position - Ending (B)</b>                                   | <u>\$ 1,318,920</u>   | <u>\$ 1,353,255</u> | <u>\$ 1,389,794</u> | <u>\$ 1,393,207</u> | <u>\$ 1,337,270</u> | <u>\$ 1,272,817</u> | <u>\$ 1,451,527</u> | <u>\$ 1,152,412</u> | <u>\$ 1,190,563</u> | <u>\$ 1,288,793</u> |
| <b>Net Pension Liability (A) - (B)</b>                                            | <u>\$ 308,929</u>     | <u>\$ 492,956</u>   | <u>\$ 441,058</u>   | <u>\$ 348,937</u>   | <u>\$ 200,594</u>   | <u>\$ 226,395</u>   | <u>\$ 55,281</u>    | <u>\$ 333,034</u>   | <u>\$ 245,780</u>   | <u>\$ 76,458</u>    |
| <b>Plan Fiduciary Net Position as A Percentage of the Total Pension Liability</b> | 81.02%                | 73.30%              | 75.91%              | 79.97%              | 86.96%              | 84.90%              | 96.33%              | 77.58%              | 82.89%              | 94.40%              |

### Change of Assumptions

For September 30, 2024, 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, 2021 FRS valuation report for special risk employees.

# TOWN OF LAKE PARK, FLORIDA

## REQUIRED SUPPLEMENTARY INFORMATION RETIRED POLICE OFFICERS' RETIREMENT FUND SCHEDULES OF CONTRIBUTIONS AND INVESTMENT RETURNS

### FOR THE FISCAL YEAR ENDED SEPTEMBER 30

| Last Ten Fiscal Years                 |                                           |                        |                                        |                      |                                                       |  |
|---------------------------------------|-------------------------------------------|------------------------|----------------------------------------|----------------------|-------------------------------------------------------|--|
| Schedule of Contributions             |                                           |                        |                                        |                      |                                                       |  |
| Fiscal Year<br>Ending<br>September 30 | Actuarially<br>Determined<br>Contribution | Actual<br>Contribution | Contribution<br>Deficiency<br>(Excess) | Covered<br>Payroll * | Contribution<br>as a percentage of<br>covered payroll |  |
| 2015                                  | \$ 39,097                                 | \$ 39,097              | \$ --                                  | \$ --                | N/A                                                   |  |
| 2016                                  | 75,932                                    | 75,932                 | --                                     | --                   | N/A                                                   |  |
| 2017                                  | 80,380                                    | 80,380                 | --                                     | --                   | N/A                                                   |  |
| 2118                                  | 71,508                                    | 71,508                 | --                                     | --                   | N/A                                                   |  |
| 2019                                  | 44,708                                    | 44,708                 | --                                     | --                   | N/A                                                   |  |
| 2020                                  | 36,525                                    | 36,525                 | --                                     | --                   | N/A                                                   |  |
| 2021                                  | 62,090                                    | 62,090                 | --                                     | --                   | N/A                                                   |  |
| 2022                                  | 60,230                                    | 62,090                 | (1,860)                                | --                   | N/A                                                   |  |
| 2023                                  | 34,093                                    | 62,090                 | (27,997)                               | --                   | N/A                                                   |  |
| 2024                                  | 26,616                                    | --                     | 26,616                                 | --                   | N/A                                                   |  |

| Schedule of Investment Returns        |                                                                      |
|---------------------------------------|----------------------------------------------------------------------|
| Fiscal Year<br>Ending<br>September 30 | Annual Money Weighted<br>Rate of Return<br>Net of Investment Expense |
| 2015                                  | -0.22%                                                               |
| 2016                                  | 11.24%                                                               |
| 2017                                  | 11.04%                                                               |
| 2018                                  | 8.72%                                                                |
| 2019                                  | 4.78%                                                                |
| 2020                                  | 5.72%                                                                |
| 2021                                  | 23.31%                                                               |
| 2022                                  | -14.04%                                                              |
| 2023                                  | 13.19%                                                               |
| 2024                                  | 24.26%                                                               |

\* There are no active employees in the Plan

# **TOWN OF LAKE PARK, FLORIDA**

## **REQUIRED SUPPLEMENTARY INFORMATION RETIRED POLICE OFFICERS' RETIREMENT FUND NOTES TO THE SCHEDULE OF CONTRIBUTIONS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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### **Significant Methods and Assumptions Used in Calculations of Determined Contributions.**

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

|                           |                                                                                                                                                               |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation Date            | 10/01/2023                                                                                                                                                    |
| Actuarial Cost Method     | Entry Age Normal                                                                                                                                              |
| Amortization Method       | Level dollar amount                                                                                                                                           |
| Amortization Period       | 13                                                                                                                                                            |
| Asset Valuation Method    | Market                                                                                                                                                        |
| Inflation                 | 2.00%                                                                                                                                                         |
| Salary increases          | N/A                                                                                                                                                           |
| Investment Rate of Return | 7.50%                                                                                                                                                         |
| Mortality                 | Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB. Male: RP2000 Generational, 10% Annuitant White Collar/90% Annuitant Blue Collar, Scale BB |

# TOWN OF LAKE PARK, FLORIDA

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY

**FOR THE YEAR ENDED SEPTEMBER 30**

|                                                                         | 2018                | 2019                | 2020                | 2021                | 2022                | 2023                | 2024                |
|-------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Total OPEB Liability - Beginning</b>                                 | <u>\$ 119,471</u>   | <u>\$ 120,655</u>   | <u>\$ 132,825</u>   | <u>\$ 123,631</u>   | <u>\$ 129,194</u>   | <u>\$ 108,129</u>   | <u>\$ 115,589</u>   |
| <b>Changes for the Year</b>                                             |                     |                     |                     |                     |                     |                     |                     |
| Service cost                                                            | 9,362               | 9,008               | 14,531              | 13,501              | 14,521              | 10,256              | 10,072              |
| Interest                                                                | 4,555               | 5,252               | 5,086               | 2,854               | 3,547               | 5,472               | 4,961               |
| Differences Between Expected and Actual Experience                      |                     |                     | (450)               |                     | 6,063               | --                  | (19,401)            |
| Changes of assumptions                                                  | (5,275)             | 6,021               | (18,599)            | (3,185)             | (37,524)            | (863)               | (17,701)            |
| Benefit payments                                                        | <u>(7,458)</u>      | <u>(8,111)</u>      | <u>(9,762)</u>      | <u>(7,607)</u>      | <u>(7,672)</u>      | <u>(7,405)</u>      | <u>(8,910)</u>      |
| <b>Net Change in Total OPEB Liability</b>                               | <u>1,184</u>        | <u>12,170</u>       | <u>(9,194)</u>      | <u>5,563</u>        | <u>(21,065)</u>     | <u>7,460</u>        | <u>(30,979)</u>     |
| <b>Total OPEB Liability - Ending</b>                                    | <u>\$ 120,655</u>   | <u>\$ 132,825</u>   | <u>\$ 123,631</u>   | <u>\$ 129,194</u>   | <u>\$ 108,129</u>   | <u>\$ 115,589</u>   | <u>\$ 84,610</u>    |
| <b>Covered Employee Payroll</b>                                         | <u>\$ 2,388,729</u> | <u>\$ 2,448,447</u> | <u>\$ 2,999,824</u> | <u>\$ 3,074,819</u> | <u>\$ 3,368,189</u> | <u>\$ 3,286,038</u> | <u>\$ 3,413,766</u> |
| <b>Total OPEB Liability as a Percentage of Covered Employee Payroll</b> | 5.05%               | 5.42%               | 4.12%               | 4.20%               | 3.21%               | 3.52%               | 2.48%               |

The plan is funded on a pay-as-you-go basis and is not administered as a formal qualifying trust. There were no plan assets as of the date of the most recent valuation. Since there are currently no invested plan assets held in trust to finance the Total OPEB liability, the discount rate is the long-term rate of return on tax-exempt, high quality municipal bonds based on the daily rate of Fidelity's "20-Year Municipal GO AA Index".

*This schedule is presented as required by accounting principles generally accepted in the United States of America, however, until a full 10-year trend is compiled, information is presented for those years available.*

**TOWN OF LAKE PARK, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

|                                                          | Original<br>Budget | Final<br>Budget    | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive (Negative) |
|----------------------------------------------------------|--------------------|--------------------|-------------------|------------------------------------------------------|
| <b>Revenues</b>                                          |                    |                    |                   |                                                      |
| Taxes                                                    | \$ 7,123,951       | 7,088,951          | \$ 7,369,799      | \$ 280,848                                           |
| Licenses and permits                                     | 661,675            | 887,375            | 1,778,322         | 890,947                                              |
| Intergovernmental                                        | 2,369,600          | 1,934,600          | 1,602,447         | (332,153)                                            |
| Charges for services                                     | 1,910,833          | 1,928,433          | 1,936,762         | 8,329                                                |
| Fines and forfeitures                                    | 142,500            | 153,500            | 135,353           | (18,147)                                             |
| Miscellaneous                                            | 357,520            | 562,520            | 588,077           | 25,557                                               |
| <b>Total Revenues</b>                                    | <u>12,566,079</u>  | <u>12,555,379</u>  | <u>13,410,760</u> | <u>855,381</u>                                       |
| <b>Expenditures</b>                                      |                    |                    |                   |                                                      |
| Current:                                                 |                    |                    |                   |                                                      |
| General government:                                      |                    |                    |                   |                                                      |
| Legislative                                              | 190,043            | 190,043            | 161,233           | 28,810                                               |
| Town manager                                             | 315,960            | 366,760            | 368,221           | (1,461)                                              |
| Personnel                                                | 325,453            | 352,393            | 353,075           | (682)                                                |
| Town clerk                                               | 323,651            | 327,416            | 328,207           | (791)                                                |
| Finance                                                  | 682,880            | 687,380            | 689,249           | (1,869)                                              |
| Communications and Grants                                | 297,246            | 283,046            | 282,702           | 344                                                  |
| Legal                                                    | 188,000            | 195,800            | 196,250           | (450)                                                |
| Information technology                                   | 483,303            | 441,783            | 436,700           | 5,083                                                |
| Non-departmental                                         | 1,081,087          | 499,260            | 408,404           | 90,856                                               |
| <b>Total General Government</b>                          | <u>3,887,623</u>   | <u>3,343,881</u>   | <u>3,224,041</u>  | <u>119,840</u>                                       |
| Public safety                                            | 4,354,588          | 4,446,598          | 5,311,775         | (865,177)                                            |
| Physical environment                                     | 860,096            | 891,096            | 755,388           | 135,708                                              |
| Transportation                                           | 469,235            | 502,309            | 319,334           | 182,975                                              |
| Culture and recreation                                   | 1,794,451          | 1,904,561          | 1,770,732         | 133,829                                              |
| Capital outlay                                           | 20,500             | 59,354             | 496,704           | (437,350)                                            |
| Debt service:                                            |                    |                    |                   |                                                      |
| Principal                                                | 219,067            | 206,567            | 300,034           | (93,467)                                             |
| Interest charges                                         | 72,252             | 72,252             | 96,674            | (24,422)                                             |
| <b>Total Expenditures</b>                                | <u>11,677,812</u>  | <u>11,426,618</u>  | <u>12,274,682</u> | <u>(848,064)</u>                                     |
| <b>Excess (Deficiency) of Revenues over Expenditures</b> | <u>888,267</u>     | <u>1,128,761</u>   | <u>1,136,078</u>  | <u>7,317</u>                                         |
| <b>Other Financing Sources (Uses)</b>                    |                    |                    |                   |                                                      |
| Lease (right-of-use asset) acquired                      | --                 | --                 | 256,111           | (256,111)                                            |
| Transfers in                                             | 1,170,305          | 210,033            | 528,319           | (318,286)                                            |
| Transfers out                                            | (2,058,572)        | (1,338,794)        | (1,338,794)       | --                                                   |
| <b>Total Other Financing Sources (Uses)</b>              | <u>(888,267)</u>   | <u>(1,128,761)</u> | <u>(554,364)</u>  | <u>(318,286)</u>                                     |
| <b>Net Change in Fund Balance</b>                        | <u>\$ --</u>       | <u>\$ --</u>       | <u>\$ 581,714</u> | <u>\$ 581,714</u>                                    |

*See notes to budgetary comparison schedule.*

**TOWN OF LAKE PARK, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**BUDGETARY COMPARISON SCHEDULE -  
COMMUNITY REDEVELOPMENT FUND**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

|                                   | Budgeted Amounts |                  | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-----------------------------------|------------------|------------------|---------------------|---------------------------------------------------------|
|                                   | Original         | Final            | Amounts             |                                                         |
| <b>Revenues</b>                   |                  |                  |                     |                                                         |
| Intergovernmental                 | \$ 696,877       | \$ 696,877       | \$ 699,404          | \$ 2,527                                                |
| Transfer from General Fund        | 1,338,794        | 1,338,794        | 1,338,794           | --                                                      |
| Balance brought forward           | <u>1,555,578</u> | <u>1,792,055</u> | <u>--</u>           | <u>(1,792,055)</u>                                      |
| <b>Total Revenues</b>             | <u>3,591,249</u> | <u>3,827,726</u> | <u>2,038,198</u>    | <u>(1,789,528)</u>                                      |
| <b>Expenditures</b>               |                  |                  |                     |                                                         |
| Economic environment              | 1,401,384        | 1,454,871        | 1,055,541           | 399,330                                                 |
| Capital outlay                    | 432,000          | 614,990          | 706,889             | (91,899)                                                |
| Grants and aids                   | 1,589,268        | 1,589,268        | 396,365             | 1,192,903                                               |
| Transfers                         | <u>168,597</u>   | <u>168,597</u>   | <u>168,597</u>      | <u>--</u>                                               |
| <b>Total Expenditures</b>         | <u>3,591,249</u> | <u>3,827,726</u> | <u>2,327,392</u>    | <u>1,500,334</u>                                        |
| <b>Net Change in Fund Balance</b> | <u>\$ --</u>     | <u>\$ --</u>     | <u>\$ (289,194)</u> | <u>\$ (289,194)</u>                                     |

*See notes to the budgetary comparison schedule.*

**TOWN OF LAKE PARK, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**NOTE TO BUDGETARY COMPARISON SCHEDULES**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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**NOTE 1 – BUDGETARY ACCOUNTING**

An appropriated budget has been legally adopted for the General Fund and Community Redevelopment Fund on the same modified-accrual basis used to reflect revenue and expenditures.

The Town follows these procedures in establishing the annual budget:

- Prior to September 1, the Town Manager submits to the Town Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted at the Town Hall to obtain taxpayer comments.
- The Town advises the Palm Beach County Tax Collector's office of the proposed millage rate, the rolled back millage rate and the day, time and place of the public hearing for budget acceptance.
- A public hearing is held to obtain taxpayer input and to adopt the final budget and millage rate.
- A final operating budget and related millage rates are legally enacted through the passage of a resolution.
- Changes or amendments to the total budgeted expenditures of funds the must be approved by the Town Commission. Accordingly, the legal level of control is at the fund level.
- All unencumbered balances lapse at the end of each fiscal year.

**NOTE 2 – EXPENDITURES OVER APPROPRIATIONS**

There were no expenditures in excess of appropriations at the fund level.

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**COMBINING FUND FINANCIAL STATEMENTS  
(SUPPLEMENTARY INFORMATION)**

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# TOWN OF LAKE PARK, FLORIDA

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2024

|                                            | Debt<br>Service<br>Fund | Public<br>Improvement<br>Fund | Special<br>Revenue<br>Funds<br>Special<br>Projects<br>Fund | Streets &<br>Roads<br>Fund | Capital<br>Projects<br>Fund<br>Capital<br>Projects<br>Bond Fund | Total<br>Nonmajor<br>Governmental<br>Funds |
|--------------------------------------------|-------------------------|-------------------------------|------------------------------------------------------------|----------------------------|-----------------------------------------------------------------|--------------------------------------------|
| <b>Assets</b>                              |                         |                               |                                                            |                            |                                                                 |                                            |
| Cash and cash equivalents                  | \$ 170,125              | \$ 237,147                    | \$ 607,326                                                 | \$ --                      | \$ 16,593                                                       | \$ 1,031,191                               |
| Accounts receivable, net                   | --                      | --                            | --                                                         | --                         | --                                                              | --                                         |
| Due from other governments                 | --                      | --                            | 144,376                                                    | 27,305                     | --                                                              | 171,681                                    |
| <b>Total Assets</b>                        | <u>\$ 170,125</u>       | <u>\$ 237,147</u>             | <u>\$ 751,702</u>                                          | <u>\$ 27,305</u>           | <u>\$ 16,593</u>                                                | <u>\$ 1,202,872</u>                        |
| <b>Liabilities and Fund Balances</b>       |                         |                               |                                                            |                            |                                                                 |                                            |
| <b>Liabilities</b>                         |                         |                               |                                                            |                            |                                                                 |                                            |
| Accounts payable                           | \$ --                   | \$ 5,640                      | \$ 20,020                                                  | \$ 10,312                  | \$ --                                                           | \$ 35,972                                  |
| Accrued items                              | --                      | --                            | --                                                         | 161                        | --                                                              | 161                                        |
| Unearned revenue                           | --                      | --                            | 5,560                                                      | 11,209                     | --                                                              | 16,769                                     |
| Due to other funds                         | --                      | --                            | --                                                         | 169,469                    | --                                                              | 169,469                                    |
| <b>Total Liabilities</b>                   | <u>--</u>               | <u>5,640</u>                  | <u>25,580</u>                                              | <u>191,151</u>             | <u>--</u>                                                       | <u>222,371</u>                             |
| <b>Fund Balances</b>                       |                         |                               |                                                            |                            |                                                                 |                                            |
| Nonspendable:                              |                         |                               |                                                            |                            |                                                                 |                                            |
| Prepays                                    | --                      | --                            | --                                                         | --                         | --                                                              | --                                         |
| Restricted for:                            |                         |                               |                                                            |                            |                                                                 |                                            |
| Debt service                               | 170,125                 | --                            | --                                                         | --                         | --                                                              | 170,125                                    |
| Public improvements                        | --                      | 231,507                       | --                                                         | --                         | --                                                              | 231,507                                    |
| Infrastructure                             | --                      | --                            | 726,122                                                    | --                         | --                                                              | 726,122                                    |
| Capital projects                           | --                      | --                            | --                                                         | --                         | 16,593                                                          | 16,593                                     |
| Assigned to:                               |                         |                               |                                                            |                            |                                                                 |                                            |
| Subsequent years expenditures              | --                      | --                            | --                                                         | --                         | --                                                              | --                                         |
| Unassigned                                 | --                      | --                            | --                                                         | (163,846)                  | --                                                              | (163,846)                                  |
| <b>Total Fund Balances</b>                 | <u>170,125</u>          | <u>231,507</u>                | <u>726,122</u>                                             | <u>(163,846)</u>           | <u>16,593</u>                                                   | <u>980,501</u>                             |
| <b>Total Liabilities and Fund Balances</b> | <u>\$ 170,125</u>       | <u>\$ 237,147</u>             | <u>\$ 751,702</u>                                          | <u>\$ 27,305</u>           | <u>\$ 16,593</u>                                                | <u>\$ 1,202,872</u>                        |

# TOWN OF LAKE PARK, FLORIDA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

|                                     |                         |                               | Special<br>Revenue<br>Funds |                            |                                  |                                            |
|-------------------------------------|-------------------------|-------------------------------|-----------------------------|----------------------------|----------------------------------|--------------------------------------------|
|                                     | Debt<br>Service<br>Fund | Public<br>Improvement<br>Fund | Special<br>Projects<br>Fund | Streets &<br>Roads<br>Fund | Capital<br>Projects<br>Bond Fund | Total<br>Nonmajor<br>Governmental<br>Funds |
| <b>Revenues</b>                     |                         |                               |                             |                            |                                  |                                            |
| Taxes                               | \$ 39                   | \$ --                         | \$ 902,857                  | \$ --                      | \$ --                            | \$ 902,896                                 |
| Intergovernmental                   | --                      | --                            | 237,535                     | 398,734                    | --                               | 636,269                                    |
| Miscellaneous                       | --                      | 75,575                        | --                          | --                         | --                               | 75,575                                     |
| <b>Total Revenues</b>               | 39                      | 75,575                        | 1,140,392                   | 398,734                    | --                               | 1,614,740                                  |
| <b>Expenditures</b>                 |                         |                               |                             |                            |                                  |                                            |
| Current:                            |                         |                               |                             |                            |                                  |                                            |
| General government                  | --                      | --                            | 3,415                       | --                         | --                               | 3,415                                      |
| Economic Environment                | --                      | 185,200                       | --                          | --                         | --                               | 185,200                                    |
| Transportation                      | --                      | --                            | --                          | 440,666                    | --                               | 440,666                                    |
| Capital outlay                      | --                      | --                            | 1,322,882                   | 53,701                     | --                               | 1,376,583                                  |
| <b>Total Expenditures</b>           | --                      | 185,200                       | 1,326,297                   | 494,367                    | --                               | 2,005,864                                  |
| <b>Net Changes in Fund Balances</b> | 39                      | (109,625)                     | (185,905)                   | (95,633)                   | --                               | (391,124)                                  |
| <b>Fund Balances - Beginning</b>    | 170,086                 | 341,132                       | 912,027                     | (68,213)                   | 16,593                           | 1,371,625                                  |
| <b>Fund Balances - Ending</b>       | \$ 170,125              | \$ 231,507                    | \$ 726,122                  | \$ (163,846)               | \$ 16,593                        | \$ 980,501                                 |

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## STATISTICAL SECTION

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# TOWN OF LAKE PARK, FLORIDA

## NET POSITION BY COMPONENT

### LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING) UNAUDITED

|                                                    | Fiscal Year          |                      |                      |                      |                      |
|----------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                                    | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 |
| <b>Governmental Activities</b>                     |                      |                      |                      |                      |                      |
| Net investment in capital assets                   | \$ 3,142,197         | \$ 3,205,414         | \$ 3,862,515         | \$ 5,431,953         | \$ 5,809,108         |
| Restricted                                         | 404,094              | 506,653              | 1,029,677            | 1,509,135            | 2,028,528            |
| Unrestricted                                       | 419,594              | 1,010,808            | 1,356,118            | 1,178,588            | 1,464,835            |
| <b>Total Governmental Activities Net Position</b>  | <u>\$ 3,965,885</u>  | <u>\$ 4,722,875</u>  | <u>\$ 6,248,310</u>  | <u>\$ 8,119,676</u>  | <u>\$ 9,302,471</u>  |
| <b>Business-Type Activities</b>                    |                      |                      |                      |                      |                      |
| Net investment in capital assets                   | \$ 4,909,675         | \$ 4,690,541         | \$ 4,506,945         | \$ 4,566,524         | \$ 4,813,499         |
| Restricted                                         | --                   | --                   | --                   | --                   | --                   |
| Unrestricted                                       | 350,817              | 535,262              | 347,918              | 662,698              | 706,485              |
| <b>Total Business-Type Activities Net Position</b> | <u>\$ 5,260,492</u>  | <u>\$ 5,225,803</u>  | <u>\$ 4,854,863</u>  | <u>\$ 5,229,222</u>  | <u>\$ 5,519,984</u>  |
| <b>Primary Government</b>                          |                      |                      |                      |                      |                      |
| Net investment in capital assets                   | \$ 8,051,872         | \$ 7,895,955         | \$ 8,369,460         | \$ 9,998,477         | \$ 10,622,607        |
| Restricted                                         | 404,094              | 506,653              | 1,029,677            | 1,509,135            | 2,028,528            |
| Unrestricted                                       | 770,411              | 1,546,070            | 1,704,036            | 1,841,286            | 2,171,320            |
| <b>Total Primary Government Net Position</b>       | <u>\$ 9,226,377</u>  | <u>\$ 9,948,678</u>  | <u>\$ 11,103,173</u> | <u>\$ 13,348,898</u> | <u>\$ 14,822,455</u> |
|                                                    | Fiscal Year          |                      |                      |                      |                      |
|                                                    | 2020                 | 2021                 | 2022                 | 2023                 | 2024                 |
| <b>Governmental Activities</b>                     |                      |                      |                      |                      |                      |
| Net investment in capital assets                   | \$ 5,822,996         | \$ 6,733,248         | \$ 7,040,813         | \$ 8,178,523         | \$ 9,560,998         |
| Restricted                                         | 4,511,884            | 3,743,532            | 3,485,741            | 3,543,171            | 2,981,882            |
| Unrestricted                                       | 1,504,174            | 1,501,051            | 4,659,622            | 6,003,711            | 6,579,956            |
| <b>Total Governmental Activities Net Position</b>  | <u>\$ 11,839,054</u> | <u>\$ 11,977,831</u> | <u>\$ 15,186,176</u> | <u>\$ 17,725,405</u> | <u>\$ 19,122,836</u> |
| <b>Business-Type Activities</b>                    |                      |                      |                      |                      |                      |
| Net investment in capital assets                   | \$ 4,766,405         | \$ 7,119,055         | \$ 10,163,404        | \$ 10,313,828        | \$ 11,990,015        |
| Unrestricted                                       | 788,457              | 936,660              | (1,997,096)          | (2,866,459)          | (2,238,068)          |
| <b>Total Business-Type Activities Net Position</b> | <u>\$ 5,554,862</u>  | <u>\$ 8,055,715</u>  | <u>\$ 8,166,308</u>  | <u>\$ 7,447,369</u>  | <u>\$ 9,751,947</u>  |
| <b>Primary Government</b>                          |                      |                      |                      |                      |                      |
| Net investment in capital assets                   | \$ 10,589,401        | \$ 13,852,303        | \$ 17,204,217        | \$ 18,492,351        | \$ 21,551,013        |
| Restricted                                         | 4,511,884            | 3,743,532            | 3,485,741            | 3,543,171            | 2,981,882            |
| Unrestricted                                       | 2,292,631            | 2,437,711            | 2,662,526            | 3,137,252            | 4,341,888            |
| <b>Total Primary Government Net Position</b>       | <u>\$ 17,393,916</u> | <u>\$ 20,033,546</u> | <u>\$ 23,352,484</u> | <u>\$ 25,172,774</u> | <u>\$ 28,874,783</u> |

# TOWN OF LAKE PARK, FLORIDA

## CHANGES IN NET POSITION

### LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING) UNAUDITED

|                                                | Fiscal Year          |                      |                      |                      |                      |                      |                      |                      |                      |                      |
|------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                                | 2015                 | 2016                 | 2017                 | 2018                 | 2019                 | 2020                 | 2021                 | 2022                 | 2023                 | 2024                 |
| <b>Expenses</b>                                |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| <b>Governmental Activities</b>                 |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| General government                             | \$ 1,622,346         | \$ 2,119,258         | \$ 2,379,266         | \$ 1,897,797         | \$ 1,796,253         | \$ 2,114,917         | \$ 1,929,635         | \$ 2,131,579         | \$ 3,246,177         | \$ 4,468,353         |
| Public safety                                  | 4,927,037            | 3,460,558            | 3,616,758            | 3,769,881            | 3,890,768            | 3,987,837            | 4,211,942            | 5,529,482            | 4,636,567            | 5,311,775            |
| Physical environment                           | 279,885              | 313,900              | 337,601              | 243,451              | 369,636              | 250,097              | 388,350              | 567,812              | 789,540              | 756,073              |
| Transportation                                 | 589,970              | 566,643              | 572,008              | 573,583              | 627,123              | 738,997              | 819,468              | 931,643              | 1,152,078            | 1,063,540            |
| Culture and recreation                         | 842,876              | 859,896              | 937,507              | 1,017,475            | 1,139,623            | 1,150,406            | 843,683              | 995,026              | 1,510,035            | 1,905,263            |
| Economic environment                           | 1,429                | 3,925                | --                   | 459,417              | 563,372              | 786,273              | 831,683              | 1,411,479            | 1,488,811            | 1,637,106            |
| Interest on long-term debt                     | 233,655              | 191,384              | 147,633              | 111,880              | 120,502              | 120,947              | 119,915              | 100,106              | 114,884              | 92,447               |
| <b>Total Governmental Activities Expenses</b>  | <u>8,497,198</u>     | <u>7,515,564</u>     | <u>7,990,773</u>     | <u>8,073,484</u>     | <u>8,507,277</u>     | <u>9,149,474</u>     | <u>9,144,676</u>     | <u>11,667,127</u>    | <u>12,938,092</u>    | <u>15,234,557</u>    |
| <b>Business-Type Activities</b>                |                      |                      |                      |                      |                      |                      |                      |                      |                      |                      |
| Marina                                         | 1,728,929            | 1,664,332            | 1,854,387            | 1,703,023            | 1,885,821            | 1,768,741            | 2,375,706            | 4,975,478            | 2,265,025            | 2,609,819            |
| Sanitation                                     | 1,163,127            | 1,205,728            | 1,365,725            | 1,282,784            | 1,422,337            | 1,746,142            | 2,076,764            | 1,979,857            | 2,746,651            | 2,609,621            |
| Stormwater                                     | 335,711              | 392,237              | 364,367              | 386,464              | 575,569              | 596,912              | 704,635              | 643,893              | 839,980              | 1,868,529            |
| <b>Total Business-Type Activities Expenses</b> | <u>3,227,767</u>     | <u>3,262,297</u>     | <u>3,584,479</u>     | <u>3,372,271</u>     | <u>3,883,727</u>     | <u>4,111,795</u>     | <u>5,157,105</u>     | <u>7,599,228</u>     | <u>5,851,656</u>     | <u>7,087,969</u>     |
| <b>Total Primary Government Expenses</b>       | <u>\$ 11,724,965</u> | <u>\$ 10,777,861</u> | <u>\$ 11,575,252</u> | <u>\$ 11,445,755</u> | <u>\$ 12,391,004</u> | <u>\$ 13,261,269</u> | <u>\$ 14,301,781</u> | <u>\$ 19,266,355</u> | <u>\$ 18,789,748</u> | <u>\$ 22,322,526</u> |

# TOWN OF LAKE PARK, FLORIDA

## CHANGES IN NET POSITION (CONTINUED)

### LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING) UNAUDITED

|                                                  | Fiscal Year  |              |              |              |              |               |               |               |              |               |
|--------------------------------------------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|--------------|---------------|
|                                                  | 2015         | 2016         | 2017         | 2018         | 2019         | 2020          | 2021          | 2022          | 2023         | 2024          |
| <b>Program Revenues</b>                          |              |              |              |              |              |               |               |               |              |               |
| <b>Governmental Activities</b>                   |              |              |              |              |              |               |               |               |              |               |
| Charges for services                             |              |              |              |              |              |               |               |               |              |               |
| General government                               | \$ 89,112    | \$ 111,930   | \$ 109,601   | \$ 123,425   | \$ 112,775   | \$ 113,464    | \$ 108,933    | \$ 551,899    | \$ 1,220,633 | \$ 1,835,356  |
| Public safety                                    | 762,073      | 873,864      | 1,068,425    | 1,048,644    | 1,033,888    | 1,434,668     | 1,299,583     | 3,626,388     | 1,504,556    | 135,353       |
| Physical environment                             | --           | --           | --           | --           | --           | --            | --            | --            | 205,949      | 1,845,933     |
| Transportation                                   | 27,680       | 290          | --           | 35,577       | 37,409       | 15,592        | 14,018        | 14,389        | --           | --            |
| Culture and recreation                           | 52,827       | 16,995       | 26,740       | --           | --           | 146,257       | 64,714        | 505,770       | 20,775       | 33,795        |
| Operating contributions and grants               |              |              |              |              |              |               |               |               |              |               |
| General government                               | --           | --           | --           | --           | --           | --            | --            | 1,600,000     | 564,595      | 570,112       |
| Public safety                                    | --           | --           | --           | 71,845       | 4,919        | 11,725        | 75,014        | 1,113         | 975,642      | 318,288       |
| Physical environment                             | 2,470        | 4,951        | 3,980        | 51,573       | 33,660       | 8,248         | 77,497        | 19,399        | 3,606        | 5,057         |
| Transportation                                   | --           | --           | --           | --           | --           | --            | --            | 180,000       | --           | --            |
| Culture and recreation                           | 9,230        | 7,116        | 24,221       | --           | 33,960       | 1,829,673     | --            | --            | 16,781       | 6,248         |
| Economic Environment                             | --           | --           | --           | 25,007       | 50,056       | 55,223        | 27,009        | 27,819        | --           | --            |
| Capital contributions and grants                 | --           | --           | --           | 323,233      | 60,354       | 39,844        | 3,379         | 84,208        | --           | --            |
| General government                               | --           | --           | --           | 1,679,304    | 1,367,021    | 3,682,669     | 1,670,147     | 6,610,985     | --           | --            |
| Public safety                                    | --           | --           | --           | --           | --           | --            | --            | --            | --           | --            |
| Physical environment                             | --           | --           | --           | 1,475,452    | 1,584,076    | 1,328,429     | 1,624,539     | 1,909,905     | --           | --            |
| Transportation                                   | 19,245       | 19,822       | 23,997       | 1,696,560    | 1,768,552    | 1,739,770     | 1,904,997     | 1,892,574     | --           | --            |
| Culture and recreation                           | 9,065        | 56,726       | 251,920      | 768,853      | 769,833      | 920,992       | 918,803       | 964,669       | 129,449      | 237,535       |
| <b>Total Governmental Activities</b>             |              |              |              |              |              |               |               |               |              |               |
| <b>Program Revenues</b>                          | 971,702      | 1,091,694    | 1,508,884    | 7,299,473    | 6,856,503    | 11,326,554    | 7,788,633     | 17,989,118    | 4,641,986    | 4,987,677     |
| <b>Business-Type Activities</b>                  |              |              |              |              |              |               |               |               |              |               |
| Charges for services                             |              |              |              |              |              |               |               |               |              |               |
| Marina                                           | 1,357,287    | 1,340,328    | 1,403,726    | 79,162       | 43,919       | 38,396        | 100,000       | 139,437       | 1,855,256    | 2,376,677     |
| Sanitation                                       | 1,672,392    | 1,707,491    | 1,691,438    | 11,286       | 9,454        | 61,449        | --            | --            | 1,933,100    | 2,935,362     |
| Stormwater                                       | 487,537      | 487,878      | 505,642      | 31,625       | 288,999      | 15,614        | 2,155,778     | 1,580,413     | 1,010,117    | 1,932,435     |
| Operating contributions and grants               |              |              |              |              |              |               |               |               |              |               |
| Marina                                           | --           | --           | --           | --           | --           | --            | --            | --            | --           | --            |
| Sanitation                                       | --           | --           | --           | --           | --           | --            | --            | --            | --           | --            |
| Stormwater                                       | --           | --           | --           | --           | --           | --            | --            | --            | --           | --            |
| Capital contributions and grants                 |              |              |              |              |              |               |               |               |              |               |
| Marina                                           | --           | --           | --           | --           | --           | --            | --            | --            | --           | --            |
| Stormwater                                       | --           | --           | --           | --           | --           | --            | --            | --            | 5,123        | 2,157,857     |
| <b>Total Business-Type Activities</b>            |              |              |              |              |              |               |               |               |              |               |
| <b>Program Revenues</b>                          | 3,517,216    | 3,535,697    | 3,600,806    | 122,073      | 342,372      | 115,459       | 2,255,778     | 1,719,850     | 4,803,596    | 9,402,331     |
| <b>Total Primary Government Program Revenues</b> | \$ 4,488,918 | \$ 4,627,391 | \$ 5,109,690 | \$ 7,421,546 | \$ 7,198,875 | \$ 11,442,013 | \$ 10,044,411 | \$ 19,708,968 | \$ 9,445,582 | \$ 14,390,008 |

# TOWN OF LAKE PARK, FLORIDA

## CHANGES IN NET POSITION (CONTINUED)

### LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING) UNAUDITED

|                                                           | Fiscal Year           |                       |                       |                       |                       |                       |                       |                       |                       |                       |
|-----------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                           | 2015                  | 2016                  | 2017                  | 2018                  | 2019                  | 2020                  | 2021                  | 2022                  | 2023                  | 2024                  |
| <b>Net (Expense) Revenue</b>                              |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Governmental activities                                   | \$ (7,525,493)        | \$ (6,423,870)        | \$ (6,481,889)        | \$ (6,394,177)        | \$ (7,140,256)        | \$ (5,466,805)        | \$ (7,474,529)        | \$ (5,056,142)        | \$ (8,296,106)        | \$ (10,246,880)       |
| Business-type activities                                  | 289,469               | 273,400               | 16,327                | 712,928               | 604,109               | (5,188)               | 1,558,397             | (1,112,230)           | (1,048,060)           | 2,314,362             |
| <b>Total Primary Government Net Expense</b>               | <u>\$ (7,236,024)</u> | <u>\$ (6,150,470)</u> | <u>\$ (6,465,562)</u> | <u>\$ (5,681,249)</u> | <u>\$ (6,536,147)</u> | <u>\$ (5,471,993)</u> | <u>\$ (5,916,132)</u> | <u>\$ (6,168,372)</u> | <u>\$ (9,344,166)</u> | <u>\$ (7,932,518)</u> |
| <b>General Revenues and Other Changes in Net Position</b> |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Governmental activities                                   |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Taxes                                                     |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Property taxes                                            | \$ 4,839,895          | \$ 3,496,377          | \$ 3,791,642          | \$ 3,644,561          | \$ 3,443,832          | \$ 3,721,481          | \$ 4,012,875          | \$ 4,234,082          | \$ 5,324,494          | \$ 5,854,479          |
| Infrastructure surtax                                     | --                    | --                    | 389,411               | 620,736               | 644,946               | 610,154               | 713,453               | 853,456               | 883,943               | 902,857               |
| Franchise fees                                            | 598,424               | 605,622               | 627,219               | 632,237               | 634,652               | 594,844               | 635,073               | 723,836               | 858,102               | 888,829               |
| Utility service taxes                                     | 952,772               | 975,706               | 1,006,475             | 1,025,980             | 1,037,613             | 1,018,200             | 1,042,374             | 1,135,538             | 1,283,912             | 1,325,934             |
| Local option gas taxes                                    | 251,894               | 257,756               | 269,595               | 266,361               | 269,924               | 240,713               | 249,902               | 262,118               | 268,030               | 258,814               |
| Communication sales tax                                   | 315,322               | 286,682               | 276,237               | 278,915               | 274,449               | 274,183               | 262,334               | 269,188               | 288,294               | 285,213               |
| Intergovernmental, unrestricted                           | 1,196,655             | 1,222,771             | 1,282,459             | 1,357,344             | 1,423,061             | 1,435,228             | 1,624,209             | 1,877,912             | 1,418,852             | 1,399,384             |
| Gain on sale of surplus property                          | 320,000               | --                    | --                    | --                    | 49,749                | --                    | --                    | --                    | --                    | --                    |
| Miscellaneous revenue                                     | --                    | --                    | --                    | --                    | --                    | --                    | --                    | --                    | 200,907               | 178,687               |
| Investment earnings                                       | 20,104                | 25,946                | 54,286                | 47,015                | 219,825               | 108,585               | 14,925                | 121,952               | 542,395               | 508,680               |
| Transfers                                                 | 303,078               | 310,000               | 310,000               | 411,877               | 325,000               | --                    | (941,839)             | (1,213,595)           | (233,594)             | 41,434                |
| <b>Total Governmental Activities</b>                      | <u>8,798,144</u>      | <u>7,180,860</u>      | <u>8,007,324</u>      | <u>8,285,026</u>      | <u>8,323,051</u>      | <u>8,003,388</u>      | <u>7,613,306</u>      | <u>8,264,487</u>      | <u>10,835,335</u>     | <u>11,644,311</u>     |
| <b>Business-Type Activities</b>                           |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Investment earnings                                       | 4,767                 | 1,911                 | 3,609                 | 5,720                 | 11,653                | 4,331                 | 617                   | 2,751                 | 16,675                | 21,166                |
| Gain on sale of equipment                                 | --                    | --                    | --                    | 74,152                | --                    | 35,735                | --                    | --                    | 56,543                | --                    |
| Miscellaneous revenues                                    | --                    | --                    | --                    | --                    | --                    | --                    | --                    | --                    | 22,309                | 10,484                |
| Transfers                                                 | (303,078)             | (310,000)             | (310,000)             | (411,877)             | (325,000)             | --                    | 941,839               | 1,213,595             | 233,594               | (41,434)              |
| <b>Total Business-Type Activities</b>                     | <u>(298,311)</u>      | <u>(308,089)</u>      | <u>(306,391)</u>      | <u>(332,005)</u>      | <u>(313,347)</u>      | <u>40,066</u>         | <u>942,456</u>        | <u>1,222,823</u>      | <u>329,121</u>        | <u>(9,784)</u>        |
| <b>Total Primary Government</b>                           | <u>\$ 8,499,833</u>   | <u>\$ 6,872,771</u>   | <u>\$ 7,700,933</u>   | <u>\$ 7,953,021</u>   | <u>\$ 8,009,704</u>   | <u>\$ 8,043,454</u>   | <u>\$ 8,555,762</u>   | <u>\$ 9,487,310</u>   | <u>\$ 11,164,456</u>  | <u>\$ 11,634,527</u>  |
| <b>Changes in Net Position</b>                            |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Governmental activities                                   | \$ 1,272,651          | \$ 756,990            | \$ 3,208,345          | \$ 1,890,849          | \$ 1,182,795          | \$ 2,536,583          | \$ 138,777            | \$ 3,208,345          | \$ 2,539,229          | \$ 1,397,431          |
| Business-type activities                                  | (8,842)               | (34,689)              | 110,593               | 380,923               | 290,762               | 34,878                | 2,500,853             | 110,593               | (718,939)             | 2,304,578             |
| <b>Total Primary Government</b>                           | <u>\$ 1,263,809</u>   | <u>\$ 722,301</u>     | <u>\$ 3,318,938</u>   | <u>\$ 2,271,772</u>   | <u>\$ 1,473,557</u>   | <u>\$ 2,571,461</u>   | <u>\$ 2,639,630</u>   | <u>\$ 3,318,938</u>   | <u>\$ 1,820,290</u>   | <u>\$ 3,702,009</u>   |

# TOWN OF LAKE PARK, FLORIDA

## FUND BALANCES OF GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING) UNAUDITED

|                                           | Fiscal Year         |                     |                     |                     |                     |
|-------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                           | 2015                | 2016                | 2017                | 2018                | 2019                |
| <b>General Fund</b>                       |                     |                     |                     |                     |                     |
| Nonspendable                              | \$ 755,709          | \$ 700,452          | \$ 647,423          | \$ 580,059          | \$ 513,597          |
| Restricted                                | 10,316              | 10,000              | 10,000              | 10,000              | 10,000              |
| Assigned                                  |                     |                     |                     |                     |                     |
| Subsequent year's expenditures            | 36,458              | 65,355              | 47,786              | 5,900               | 43,458              |
| Unassigned                                | <u>563,362</u>      | <u>881,030</u>      | <u>1,179,607</u>    | <u>1,509,094</u>    | <u>1,723,974</u>    |
| <b>Total General Fund</b>                 | <u>\$ 1,365,845</u> | <u>\$ 1,656,837</u> | <u>\$ 1,884,816</u> | <u>\$ 2,105,053</u> | <u>\$ 2,291,029</u> |
| <b>All Other Governmental Funds</b>       |                     |                     |                     |                     |                     |
| Nonspendable                              | \$ --               | \$ --               | \$ 395              | \$ 1,283            | \$ 1,680            |
| Restricted                                | 414,536             | 509,239             | 1,023,816           | 1,499,135           | 2,018,528           |
| Assigned                                  |                     |                     |                     |                     |                     |
| Subsequent year's expenditures            | --                  | 7,500               | 70,954              | 73,977              | --                  |
| Special revenue funds                     | --                  | 206,196             | 301,084             | 10,004              | --                  |
| Capital projects funds                    | 253,325             | --                  | --                  | --                  | --                  |
| Unassigned                                | <u>(105,427)</u>    | <u>(58,769)</u>     | <u>(247,851)</u>    | <u>(115,053)</u>    | <u>(39,144)</u>     |
| <b>Total All Other Governmental Funds</b> | <u>\$ 562,434</u>   | <u>\$ 664,166</u>   | <u>\$ 1,148,398</u> | <u>\$ 1,469,346</u> | <u>\$ 1,981,064</u> |
|                                           | Fiscal Year         |                     |                     |                     |                     |
|                                           | 2020                | 2021                | 2022                | 2023                | 2024                |
| <b>General Fund</b>                       |                     |                     |                     |                     |                     |
| Nonspendable                              | \$ 900,294          | \$ 991,153          | \$ 3,409,863        | \$ 3,353,381        | \$ 3,394,331        |
| Restricted                                | 10,000              | 10,000              | 875,420             | 478,442             | 130,671             |
| Assigned                                  |                     |                     |                     |                     |                     |
| Subsequent year's expenditures            | 67,436              | 104,129             | 294,429             | 194,623             | 99,325              |
| Unassigned                                | <u>1,287,644</u>    | <u>1,388,478</u>    | <u>959,350</u>      | <u>2,497,141</u>    | <u>3,480,974</u>    |
| <b>Total General Fund</b>                 | <u>\$ 2,265,374</u> | <u>\$ 2,493,760</u> | <u>\$ 5,539,062</u> | <u>\$ 6,523,587</u> | <u>\$ 7,105,301</u> |
| <b>All Other Governmental Funds</b>       |                     |                     |                     |                     |                     |
| Nonspendable                              | \$ --               | \$ 712              | \$ 5,966            | \$ 5,122            | \$ 394              |
| Restricted                                | 4,501,884           | 3,733,532           | 3,445,326           | 3,507,685           | 2,927,228           |
| Assigned                                  |                     |                     |                     |                     |                     |
| Subsequent year's expenditures            | --                  | --                  | --                  | --                  | --                  |
| Special revenue funds                     | --                  | 39                  | 16,009              | 98,194              | --                  |
| Capital projects funds                    | --                  | 16,107              | 26,477              | --                  | --                  |
| Unassigned                                | <u>(163,353)</u>    | <u>(358,920)</u>    | <u>(543,117)</u>    | <u>(68,713)</u>     | <u>(757)</u>        |
| <b>Total All Other Governmental Funds</b> | <u>\$ 4,338,531</u> | <u>\$ 3,391,470</u> | <u>\$ 2,950,661</u> | <u>\$ 3,542,288</u> | <u>\$ 2,926,865</u> |

# TOWN OF LAKE PARK, FLORIDA

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING) UNAUDITED

|                                                                      | Fiscal Year       |                   |                   |                   |                     |                     |                     |                     |                     |                    |
|----------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|
|                                                                      | 2015              | 2016              | 2017              | 2018              | 2019                | 2020                | 2021                | 2022                | 2023                | 2024               |
| <b>Revenues</b>                                                      |                   |                   |                   |                   |                     |                     |                     |                     |                     |                    |
| Taxes                                                                | \$ 6,391,091      | \$ 5,077,705      | \$ 5,814,747      | \$ 5,923,514      | \$ 5,761,043        | \$ 5,944,679        | \$ 6,403,775        | \$ 6,946,912        | \$ 7,728,499        | \$ 8,272,695       |
| Licenses and permits                                                 | 622,763           | 732,567           | 727,048           | 820,631           | 761,108             | 707,998             | 1,089,750           | 3,420,988           | 1,148,939           | 1,778,322          |
| Intergovernmental                                                    | 1,827,646         | 1,821,757         | 1,971,076         | 2,469,253         | 2,239,661           | 2,137,834           | 2,548,901           | 4,662,682           | 3,764,461           | 3,256,408          |
| Charges for services                                                 | 408,911           | 345,977           | 365,978           | 411,005           | 437,528             | 1,228,671           | 1,622,555           | 1,751,466           | 1,597,025           | 1,936,762          |
| Fines and forfeitures                                                | 80,929            | 100,810           | 290,900           | 159,231           | 220,336             | 685,695             | 193,156             | 152,691             | 205,949             | 135,353            |
| Miscellaneous                                                        | 470,381           | 162,649           | 187,875           | 193,236           | 423,564             | 2,000,208           | 95,647              | 815,979             | 996,367             | 728,547            |
| <b>Total Revenues</b>                                                | <b>9,801,721</b>  | <b>8,241,465</b>  | <b>9,357,624</b>  | <b>9,976,870</b>  | <b>9,843,240</b>    | <b>12,705,085</b>   | <b>11,953,784</b>   | <b>17,750,718</b>   | <b>15,441,240</b>   | <b>16,108,087</b>  |
| <b>Expenditures</b>                                                  |                   |                   |                   |                   |                     |                     |                     |                     |                     |                    |
| General government                                                   | 1,610,692         | 1,812,849         | 2,285,666         | 1,979,986         | 1,987,217           | 2,281,813           | 2,612,970           | 3,067,165           | 2,990,362           | 3,227,456          |
| Public safety                                                        | 4,926,858         | 3,458,641         | 3,612,914         | 3,769,659         | 3,872,115           | 3,987,837           | 4,211,378           | 5,528,944           | 4,636,023           | 5,311,775          |
| Physical environment                                                 | 277,727           | 307,054           | 329,059           | 241,094           | 364,034             | 619,952             | 574,401             | 765,995             | 788,559             | 755,388            |
| Transportation                                                       | 477,058           | 480,458           | 472,046           | 509,351           | 528,708             | 685,850             | 776,439             | 831,092             | 911,355             | 760,000            |
| Culture and recreation                                               | 709,111           | 701,248           | 803,814           | 913,563           | 1,019,952           | 1,061,868           | 991,331             | 1,151,398           | 1,436,915           | 1,770,732          |
| Economic environment                                                 | 1,429             | 3,925             | --                | 459,417           | 563,372             | 602,624             | 750,620             | 1,172,882           | 1,194,812           | 1,240,741          |
| Capital outlay                                                       | 111,467           | 222,166           | 338,565           | 1,113,065         | 2,247,676           | 465,347             | 1,247,277           | 752,054             | 1,271,253           | 2,580,176          |
| Debt service                                                         |                   |                   |                   |                   |                     |                     |                     |                     |                     |                    |
| Principal                                                            | 915,002           | 948,039           | 982,074           | 646,531           | 286,450             | 361,702             | 364,238             | 479,084             | 411,527             | 300,034            |
| Interest                                                             | 241,454           | 199,556           | 156,080           | 116,019           | 92,701              | 122,631             | 120,903             | 101,147             | 90,586              | 96,674             |
| Grants and aid                                                       | --                | --                | --                | --                | --                  | --                  | --                  | --                  | 293,999             | 396,365            |
| <b>Total Expenditures</b>                                            | <b>9,270,798</b>  | <b>8,133,936</b>  | <b>8,980,218</b>  | <b>9,748,685</b>  | <b>10,962,225</b>   | <b>10,189,624</b>   | <b>11,649,557</b>   | <b>13,849,761</b>   | <b>14,025,391</b>   | <b>16,439,341</b>  |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>530,923</b>    | <b>107,529</b>    | <b>377,406</b>    | <b>228,185</b>    | <b>(1,118,985)</b>  | <b>2,515,461</b>    | <b>304,227</b>      | <b>3,900,957</b>    | <b>1,415,849</b>    | <b>(331,254)</b>   |
| <b>Other Financing Sources (Uses)</b>                                |                   |                   |                   |                   |                     |                     |                     |                     |                     |                    |
| Transfers in                                                         | 1,304,254         | 993,767           | 1,084,848         | 1,167,729         | 1,258,334           | 979,739             | 1,073,969           | 1,146,179           | 2,078,677           | 1,867,113          |
| Transfers out                                                        | (950,832)         | (683,767)         | (774,848)         | (857,729)         | (933,334)           | (979,739)           | (2,015,808)         | (2,359,774)         | (2,312,271)         | (1,825,679)        |
| Lease (right-of-use asset) acquired                                  | --                | --                | --                | --                | --                  | --                  | --                  | --                  | 393,897             | 256,111            |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>353,422</b>    | <b>310,000</b>    | <b>310,000</b>    | <b>310,000</b>    | <b>325,000</b>      | <b>--</b>           | <b>(941,839)</b>    | <b>(1,213,595)</b>  | <b>160,303</b>      | <b>297,545</b>     |
| <b>Net Change in Fund Balances</b>                                   | <b>\$ 884,345</b> | <b>\$ 417,529</b> | <b>\$ 687,406</b> | <b>\$ 538,185</b> | <b>\$ (793,985)</b> | <b>\$ 2,515,461</b> | <b>\$ (637,612)</b> | <b>\$ 2,687,362</b> | <b>\$ 1,576,152</b> | <b>\$ (33,709)</b> |
| <b>Debt Service as a Percentage of Non-Capital<br/>Expenditures</b>  | 12.63%            | 14.50%            | 13.17%            | 8.83%             | 4.35%               | 4.98%               | 4.66%               | 4.43%               | 4.03%               | 2.95%              |

# **TOWN OF LAKE PARK, FLORIDA**

## **GOVERNMENTAL FUNDS TAX REVENUES BY SOURCE**

### **LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING) UNAUDITED**

| <b>Fiscal<br/>Year</b> | <b>Property<br/>Taxes</b> | <b>Franchise<br/>Fees</b> | <b>Service<br/>Taxes</b> | <b>Services<br/>Taxes</b> | <b>Sales<br/>Tax</b> | <b>Totals</b> |
|------------------------|---------------------------|---------------------------|--------------------------|---------------------------|----------------------|---------------|
| 2015                   | 4,839,895                 | 598,424                   | 952,772                  | 315,322                   | 650,565              | 7,356,978     |
| 2016                   | 3,496,377                 | 605,622                   | 975,706                  | 286,682                   | 673,639              | 6,038,026     |
| 2017                   | 3,791,642                 | 627,219                   | 1,006,475                | 276,237                   | 1,067,305 (1)        | 6,768,878     |
| 2018                   | 3,644,561                 | 632,237                   | 1,025,980                | 278,915                   | 1,320,225            | 6,901,918     |
| 2019                   | 3,441,936                 | 634,652                   | 1,037,613                | 274,449                   | 1,357,273            | 6,745,923     |
| 2020                   | 4,146,404                 | 594,844                   | 1,018,200                | 274,183                   | 1,273,258            | 7,306,889     |
| 2021                   | 4,012,875                 | 635,073                   | 1,042,374                | 262,334                   | 1,492,059            | 7,444,715     |
| 2022                   | 4,234,082                 | 723,836                   | 1,135,538                | 269,188                   | 1,761,627            | 8,124,271     |
| 2023                   | 5,324,494                 | 858,102                   | 1,283,912                | 288,294                   | 1,816,898            | 9,571,700     |
| 2024                   | 5,854,479                 | 888,829                   | 1,325,934                | 285,213                   | 1,801,536            | 10,155,991    |

(1) In 2017 the Infrastructure Surtax started, which is an additional locally approved sales tax.

# TOWN OF LAKE PARK, FLORIDA

## GENERAL GOVERNMENTAL REVENUE BY SOURCE

### LAST TEN FISCAL YEARS (ACCRUAL BASIS OF ACCOUNTING) UNAUDITED

| Fiscal<br>Year | Taxes     | Licenses<br>and<br>Permits | Inter-<br>governmental | Charges<br>for<br>Services | Fines<br>and<br>Forfeitures | Miscellaneous | Other<br>Financing<br>Sources | Total      | Annual<br>Percentage<br>Increase<br>(Decrease) |
|----------------|-----------|----------------------------|------------------------|----------------------------|-----------------------------|---------------|-------------------------------|------------|------------------------------------------------|
| 2015           | 6,391,091 | 622,763                    | 1,827,646              | 408,911                    | 80,929                      | 470,381       | 353,422                       | 10,155,143 | 8.90%                                          |
| 2016           | 5,077,705 | 732,567                    | 1,821,757              | 345,977                    | 100,810                     | 162,649       | 310,000                       | 8,551,465  | -15.80%                                        |
| 2017           | 5,814,747 | 727,048                    | 1,971,076              | 365,978                    | 290,900                     | 187,875       | 310,000                       | 9,667,624  | 13.10%                                         |
| 2018           | 5,923,514 | 820,631                    | 2,469,253              | 411,005                    | 159,231                     | 193,236       | 310,000                       | 10,286,870 | 6.40%                                          |
| 2019           | 5,761,043 | 761,108                    | 2,239,661              | 437,528                    | 220,336                     | 423,564       | 1,819,679                     | 11,662,919 | 13.40%                                         |
| 2020           | 5,944,679 | 707,998                    | 2,137,834              | 1,228,671                  | 685,695                     | 2,000,208     | --                            | 12,705,085 | 8.90%                                          |
| 2021           | 6,403,775 | 1,089,750                  | 2,548,901              | 1,622,555                  | 193,156                     | 95,647        | --                            | 11,953,784 | -5.90%                                         |
| 2022           | 6,946,912 | 3,420,988                  | 4,662,682              | 1,751,466                  | 152,691                     | 815,979       | --                            | 17,750,718 | 48.50%                                         |
| 2023           | 7,728,499 | 1,148,939                  | 3,764,461              | 1,597,025                  | 205,949                     | 996,367       | --                            | 15,441,240 | 48.50%                                         |
| 2024           | 8,272,695 | 1,778,322                  | 3,256,408              | 1,936,762                  | 135,353                     | 728,547       | --                            | 16,108,087 | 4.30%                                          |

## TOWN OF LAKE PARK, FLORIDA

### ASSESSED VALUE OF TAXABLE PROPERTY

#### LAST TEN FISCAL YEARS UNAUDITED

| Tax<br>Year | Real Property<br>Residential | Commercial  | Personal<br>Property | Centrally<br>Assessed<br>Property | Assessed Value<br>for Operations | Total<br>Direct<br>Tax Rate | Total Taxable<br>Value (1) |
|-------------|------------------------------|-------------|----------------------|-----------------------------------|----------------------------------|-----------------------------|----------------------------|
| 2015        | 225,062,210                  | 262,052,591 | 34,999,307           | 1,271,593                         | 523,385,701                      | 10.3455                     | 523,385,701                |
| 2016        | 247,734,289                  | 290,478,840 | 36,381,709           | 1,404,468                         | 575,999,306                      | 10.2335                     | 575,999,306                |
| 2017        | 271,762,954                  | 318,484,359 | 34,296,329           | 1,494,679                         | 626,038,321                      | 9.4730                      | 626,038,321                |
| 2018        | 290,066,574                  | 339,045,111 | 34,962,598           | 1,568,074                         | 665,642,357                      | 8.8055                      | 665,642,357                |
| 2019        | 316,637,931                  | 365,505,348 | 39,530,880           | 1,556,194                         | 723,230,353                      | 8.8055                      | 723,230,353                |
| 2020        | 340,559,805                  | 391,381,387 | 42,715,405           | 1,549,431                         | 776,206,028                      | 8.8055                      | 776,206,028                |
| 2021        | 390,842,528                  | 459,138,779 | 43,912,976           | 1,580,812                         | 895,475,095                      | 8.8055                      | 895,475,095                |
| 2022        | 403,132,350                  | 457,296,345 | 48,316,946           | 1,723,008                         | 910,468,649                      | 8.8055                      | 910,468,649                |
| 2023        | 456,221,141                  | 510,951,280 | 59,722,159           | 1,826,710                         | 1,028,721,290                    | 8.6451                      | 1,028,721,290              |
| 2024        | 501,202,319                  | 615,538,326 | 66,438,529           | 2,824,398                         | 1,186,003,572                    | 8.5581                      | 1,186,003,572              |

(1) Florida state law requires all property to be assessed at current fair market value. Accordingly, the estimated actual value is equal to the Total Assessed Value.

Source: Palm Beach County Property Appraiser.

# TOWN OF LAKE PARK, FLORIDA

## DIRECT AND OVERLAPPING PROPERTY TAX RATES

### LAST TEN FISCAL YEARS RATE PER \$1,000 OF ASSESSED VALUE UNAUDITED

| Town of Lake Park Property Tax Rates |                             |                                       |                       | Overlapping Property Tax Rates - (1) |                                       |                            |                         | Overlapping Property Tax Rates - (1) |                                       |                            |                                |         |
|--------------------------------------|-----------------------------|---------------------------------------|-----------------------|--------------------------------------|---------------------------------------|----------------------------|-------------------------|--------------------------------------|---------------------------------------|----------------------------|--------------------------------|---------|
|                                      |                             |                                       |                       | Palm Beach County                    |                                       |                            |                         | Palm Beach County School District    |                                       |                            | Palm Beach                     |         |
| Tax Year                             | (2)<br>Operating<br>Millage | General<br>Obligation<br>Debt Service | Total Town<br>Millage | Operating<br>Millage                 | General<br>Obligation<br>Debt Service | (2) Fire<br>Rescue<br>MSTU | Total County<br>Millage | Operating<br>Millage                 | General<br>Obligation<br>Debt Service | Total<br>School<br>Millage | County<br>Special<br>Districts | Total   |
| 2015                                 | 5.3474                      | 1.5400                                | 6.8874                | 4.7815                               | 0.1462                                | 3.4581                     | 4.9277                  | 7.5120                               | --                                    | 7.5120                     | 2.0974                         | 21.4245 |
| 2016                                 | 5.3474                      | 1.4280                                | 6.7754                | 4.7815                               | 0.1327                                | 3.4581                     | 8.3723                  | 7.0700                               | --                                    | 7.0700                     | 1.9453                         | 24.1630 |
| 2017                                 | 5.3474                      | 0.6675                                | 6.0149                | 4.7815                               | 0.1208                                | 3.4581                     | 8.3604                  | 6.7690                               | --                                    | 6.7690                     | 1.7818                         | 22.9261 |
| 2018                                 | 5.3474                      | --                                    | 5.3474                | 4.7815                               | 0.1165                                | 3.4581                     | 8.3561                  | 6.5720                               | --                                    | 6.5720                     | 1.6920                         | 21.9675 |
| 2019                                 | 5.3474                      | --                                    | 5.3474                | 4.7815                               | 0.0765                                | 3.4581                     | 8.3161                  | 7.1640                               | --                                    | 7.1640                     | 1.6873                         | 22.5148 |
| 2020                                 | 5.3474                      | --                                    | 5.3474                | 4.7815                               | 0.0309                                | 3.4581                     | 8.2705                  | 7.0100                               | --                                    | 7.0100                     | 1.6753                         | 22.3032 |
| 2021                                 | 5.3474                      | --                                    | 5.3474                | 4.7815                               | 0.0334                                | 3.4581                     | 8.2730                  | 6.8750                               | --                                    | 6.8750                     | 1.6386                         | 22.1340 |
| 2022                                 | 5.3474                      | --                                    | 5.3474                | 4.7150                               | 0.0289                                | 3.4581                     | 8.2020                  | 6.5190                               | --                                    | 6.5190                     | 1.5390                         | 21.6074 |
| 2023                                 | 5.1870                      | --                                    | 5.1870                | 4.5000                               | 0.0188                                | 3.4581                     | 7.9769                  | 6.4570                               | --                                    | 6.4570                     | 1.4258                         | 21.0467 |
| 2024                                 | 5.1000                      | --                                    | 5.1000                | 4.5000                               | 0.0396                                | 3.4581                     | 7.9977                  | 6.3140                               | --                                    | 6.3140                     | 1.4058                         | 20.8175 |

Note: All millage rates are based on \$1 for every \$1000 of assessed value.

Source: Notice of Ad Valorem Taxes and Non-Ad Valorem Assessments.

(1 Overlapping rates are those of local and county governments that apply to property owners within the Town of Lake Park. Not all overlapping rates apply to all Town property owners (i.e. The rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district.).

(2 Starting with tax year 2015, rather than paying for fire services the Town entered into a Municipal Services Taxing Unit (MTSU) with Palm Beach County Fire/Rescue who will receive the taxes directly.

# TOWN OF LAKE PARK, FLORIDA

## PRINCIPAL PROPERTY TAXPAYERS

### CURRENT YEAR AND NINE YEARS AGO UNAUDITED

|                                 | 2024                             |                     |      |                                        |
|---------------------------------|----------------------------------|---------------------|------|----------------------------------------|
|                                 | Taxable<br>Assessed<br>Valuation | Taxes               | Rank | Percentage of<br>Total Taxes<br>Levied |
| ASVRF Silver Beach Road LLC     | \$ 59,028,866                    | \$ 286,992          | 1    | 1.42%                                  |
| Mariners Key Owner LLC          | 46,419,992                       | 324,346             | 2    | 5.36%                                  |
| DG Lake Park Property Owner LLC | 37,658,012                       | 192,056             | 3    | 3.18%                                  |
| Wal Mart Stores East LP         | 23,200,975                       | 118,325             | 4    | 1.96%                                  |
| Florida Power & Light Co        | 24,669,074                       | 24,688              | 5    | 0.41%                                  |
| SC Lake Park Associates, LLLP   | 19,823,971                       | 146,265             | 6    | 2.42%                                  |
| Mullinax Ford of PBC, LLC       | 20,969,812                       | 135,502             | 7    | 2.24%                                  |
| Kelsey Industrial, LLC          | 16,071,569                       | 115,926             | 8    | 1.92%                                  |
| Lake Park Square Joint Venture  | 16,639,444                       | 136,512             | 9    | 2.26%                                  |
| Earl Stewart LLC                | 16,825,850                       | 92,759              | 10   | 1.53%                                  |
| <b>Totals</b>                   | <b>\$ 281,307,565</b>            | <b>\$ 1,573,371</b> |      | <b><u>22.69%</u></b>                   |

Source: Palm Beach County Property Appraiser.

|                                | 2015                             |                     |      |                                        |
|--------------------------------|----------------------------------|---------------------|------|----------------------------------------|
|                                | Taxable<br>Assessed<br>Valuation | Taxes               | Rank | Percentage of<br>Total Taxes<br>Levied |
| Lake Park Owner LLC            | \$ 23,627,361                    | \$ 234,852          | 1    | 6.01%                                  |
| Wal Mart Stores East LP        | 14,064,427                       | 147,262             | 2    | 3.77%                                  |
| Mullinax Ford of PBC, LLC      | 10,134,771                       | 98,819              | 3    | 2.53%                                  |
| Lake Park Square Joint Venture | 9,559,895                        | 100,097             | 4    | 2.56%                                  |
| Trust Lake Park LTD            | 9,000,000                        | 94,235              | 5    | 2.41%                                  |
| Northlake Square East LLC      | 7,308,226                        | 76,510              | 7    | 1.96%                                  |
| Kelsey Industrial, LLC         | 7,236,884                        | 74,923              | 6    | 1.92%                                  |
| Congress Avenue Properties LTD | 7,120,358                        | 74,554              | 8    | 1.91%                                  |
| Earl Stewart Toyota            | 7,058,280                        | 73,904              | 9    | 1.89%                                  |
| Twin City Investors, Inc       | 7,016,766                        | 73,476              | 10   | 1.88%                                  |
| <b>Totals</b>                  | <b>\$ 102,126,968</b>            | <b>\$ 1,048,632</b> |      | <b><u>26.84%</u></b>                   |

Source: Palm Beach County Property Appraiser.

Note: Assessed values are established by the Palm Beach County Property Appraiser's office as of January 1st of each year.

# TOWN OF LAKE PARK, FLORIDA

## PROPERTY TAX LEVIES AND COLLECTIONS

### LAST TEN FISCAL YEARS UNAUDITED

| Tax Year | Total Tax Levy | Amount of Current Taxes Collected (1) | Percent of Current Taxes Collected (1) | Amount of Delinquent Taxes Collected | Tax Year | Total Collected for the Year | Ratio of Total Taxes Collected to Current Levy | Accumulated Delinquent Taxes | Ratio of Delinquent Taxes to Current Levy |
|----------|----------------|---------------------------------------|----------------------------------------|--------------------------------------|----------|------------------------------|------------------------------------------------|------------------------------|-------------------------------------------|
| 2015     | 3,604,768      | 2,577,893                             | 71.5 %                                 | 411                                  | 2015     | 2,578,304                    | 71.5 %                                         | --                           | -- %                                      |
| 2016     | 3,905,670      | 3,460,856                             | 88.6 %                                 | 48,873                               | 2016     | 3,509,729                    | 89.9 %                                         | --                           | -- %                                      |
| 2017     | 3,767,181      | 3,720,816                             | 98.8 %                                 | 37,598                               | 2017     | 3,758,414                    | 99.8 %                                         | --                           | -- %                                      |
| 2018     | 3,559,456      | 3,633,065                             | 102.1 %                                | 11,806                               | 2018     | 3,644,871                    | 102.4 %                                        | --                           | -- %                                      |
| 2019     | 3,867,402      | 3,436,942                             | 88.9 %                                 | 13,066                               | 2019     | 3,450,008                    | 89.2 %                                         | --                           | -- %                                      |
| 2020     | 4,150,684      | 3,725,509                             | 89.8 %                                 | 3,233                                | 2020     | 3,728,742                    | 89.8 %                                         | --                           | -- %                                      |
| 2021     | 4,398,525      | 4,004,424                             | 91.0 %                                 | 8,690                                | 2021     | 4,013,114                    | 91.2 %                                         | --                           | -- %                                      |
| 2022     | 4,868,640      | 4,236,588                             | 87.0 %                                 | 1,108                                | 2022     | 4,237,696                    | 87.0 %                                         | --                           | -- %                                      |
| 2023     | 5,335,978      | 4,702,805                             | 88.1 %                                 | 3,902                                | 2023     | 4,706,707                    | 88.2 %                                         | --                           | -- %                                      |
| 2024     | 6,048,618      | 5,152,398                             | 85.2 %                                 | 7,970                                | 2024     | 5,160,368                    | 85.3 %                                         | --                           | -- %                                      |

(1) Includes discount taken for early payment of property taxes.

Source: Palm Beach County Property Appraiser.

<https://www.pbctax.com/wp-content/uploads/2023/12/Agency-Distribution-Reports.pdf>

# TOWN OF LAKE PARK, FLORIDA

## RATIOS OF OUTSTANDING DEBT BY TYPE

### LAST TEN FISCAL YEARS

#### UNAUDITED

| Fiscal Year | Governmental Activities  |                   |               |                            |                               | Business-type Activities                |            |                      |               |                   | Primary Government             |                          |            |                                     |            |
|-------------|--------------------------|-------------------|---------------|----------------------------|-------------------------------|-----------------------------------------|------------|----------------------|---------------|-------------------|--------------------------------|--------------------------|------------|-------------------------------------|------------|
|             | General Obligation Bonds | Lease Obligations | Loans Payable | Lease (Right-of-use asset) | Total Governmental Activities | Percentage of Taxable Value of Property | Per Capita | Marina Revenue Bonds | Loans Payable | Lease Obligations | Total Business-type Activities | Total Primary Government | Population | Percent Of Average Household Income | Per Capita |
| 2015        | \$ 1,782,535             | \$ --             | \$ 3,216,600  | \$ --                      | \$ 4,999,135                  | 0.87%                                   | 591.75     | \$ 3,705,000         | \$ 757,064    | --                | \$ 4,462,064                   | \$ 9,461,199             | 8,448      | 2.45%                               | 1,119.93   |
| 2016        | 1,088,763                | --                | 2,962,333     | --                         | 4,051,096                     | 0.65%                                   | 468.88     | 3,575,000            | 1,070,087     | --                | 4,645,087                      | 8,696,183                | 8,640      | 1.97%                               | 1,006.50   |
| 2017        | 371,249                  | --                | 2,697,456     | --                         | 3,068,705                     | 0.46%                                   | 354.97     | 3,490,000            | 885,400       | --                | 4,375,400                      | 7,444,105                | 8,645      | 1.86%                               | 861.09     |
| 2018        | --                       | --                | 2,422,491     | --                         | 2,422,491                     | 0.33%                                   | 281.52     | 3,320,000            | 694,447       | --                | 4,014,447                      | 6,436,938                | 8,605      | 1.46%                               | 748.05     |
| 2019        | --                       | 1,494,679         | 2,136,041     | --                         | 3,630,720                     | 0.47%                                   | 426.89     | 3,140,000            | 1,121,553     | --                | 4,261,553                      | 7,892,273                | 8,505      | 1.73%                               | 927.96     |
| 2020        | --                       | 1,431,057         | 1,837,961     | --                         | 3,269,018                     | 0.37%                                   | 382.07     | 2,955,000            | 776,077       | 204,365           | 3,935,442                      | 7,204,460                | 8,556      | 1.36%                               | 842.04     |
| 2021        | --                       | 1,377,012         | 1,527,767     | --                         | 2,904,779                     | 0.32%                                   | 321.08     | 2,765,000            | 541,851       | 155,806           | 3,462,657                      | 6,367,436                | 9,047      | 1.14%                               | 703.82     |
| 2022        | --                       | 1,320,013         | 1,105,682     | --                         | 2,425,695                     | 0.24%                                   | 270.12     | 2,565,000            | 320,597       | 105,597           | 2,991,194                      | 5,416,889                | 8,980      | 0.99%                               | 603.22     |
| 2023        | --                       | 1,259,919         | 769,721       | 378,425                    | 2,408,065                     | 0.20%                                   | 268.04     | 2,365,000            | 1,071,439     | 53,681            | 3,490,120                      | 5,898,185                | 8,984      | 1.20%                               | 656.52     |
| 2024        | --                       | 1,196,588         | 725,645       | --                         | 1,922,233                     | 0.16%                                   | 212.47     | 2,155,000            | 1,380,219     | 60,434            | 3,595,653                      | 5,517,886                | 9,047      | 0.88%                               | 609.91     |

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

# TOWN OF LAKE PARK, FLORIDA

## RATIOS OF GENERAL BONDED DEBT OUTSTANDING

AS OF SEPTEMBER 30, 2024

### UNAUDITED

| Fiscal Year | General<br>Obligation<br>Bonds | Less: Amounts<br>Available in Debt<br>Service Fund | Total     | Percentage of<br>Estimated<br>Actual Taxable<br>Value of<br>Property | Per<br>Capita |
|-------------|--------------------------------|----------------------------------------------------|-----------|----------------------------------------------------------------------|---------------|
| 2015        | 1,782,535                      | 94,030                                             | 1,688,505 | 0.32%                                                                | 200           |
| 2016        | 1,088,763                      | 106,900                                            | 981,863   | 0.17%                                                                | 114           |
| 2017        | 371,249                        | 146,225                                            | 225,024   | 0.04%                                                                | 26            |
| 2018        | --                             | --                                                 | --        | 0.00%                                                                | --            |
| 2019        | --                             | --                                                 | --        | 0.00%                                                                | --            |
| 2020        | --                             | --                                                 | --        | 0.00%                                                                | --            |
| 2021        | --                             | --                                                 | --        | 0.00%                                                                | --            |
| 2022        | --                             | --                                                 | --        | 0.00%                                                                | --            |
| 2023        | --                             | --                                                 | --        | 0.00%                                                                | --            |
| 2024        | --                             | --                                                 | --        | 0.00%                                                                | --            |

# TOWN OF LAKE PARK, FLORIDA

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2024

### UNAUDITED

| Governmental Unit                        | Debt<br>Outstanding | Estimated (1)<br>Percentage<br>Applicable<br>to Town of<br>Lake Park | Estimated (1)<br>Share of<br>Direct and<br>Overlapping<br>Debt |
|------------------------------------------|---------------------|----------------------------------------------------------------------|----------------------------------------------------------------|
| <b>Overlapping Debt</b>                  |                     |                                                                      |                                                                |
| <b>Direct Debt - Town of Lake Park</b>   |                     |                                                                      |                                                                |
| General obligation bonds                 | \$ --               | 100.00%                                                              | \$ --                                                          |
| Loans and lease obligations              | <u>1,922,233</u>    | 100.00%                                                              | <u>1,922,233</u>                                               |
|                                          | <u>1,922,233</u>    |                                                                      | <u>1,922,233</u>                                               |
| <b>Other Debt</b>                        |                     |                                                                      |                                                                |
| Palm Beach County                        | 104,915,000         | 1.10%                                                                | 1,153,995                                                      |
| Palm Beach County School Board           | <u>2,910,000</u>    | 1.10%                                                                | <u>32,008</u>                                                  |
|                                          | <u>107,825,000</u>  |                                                                      | <u>1,186,004</u>                                               |
| <b>Total Direct and Overlapping Debt</b> |                     |                                                                      | 3,108,237                                                      |
| Estimated town population                |                     |                                                                      | <u>9,047</u>                                                   |
| <b>Total Per Capita</b>                  |                     |                                                                      | <u>\$ 344</u>                                                  |

(1) Estimates based on ratio of assessed taxable values.

Source: Finance Department, Town of Lake Park, Florida  
Palm Beach County Property Appraiser  
School Board of Palm Beach County

# TOWN OF LAKE PARK, FLORIDA

## PLEDGED-REVENUE COVERAGE

### LAST TEN FISCAL YEARS UNAUDITED

| Fiscal<br>Year | Marina Revenue Bonds |                          |                                 |             |          |
|----------------|----------------------|--------------------------|---------------------------------|-------------|----------|
|                | Gross<br>Revenue     | Operating<br>Expense (1) | Net Revenue<br>Available<br>for |             | Coverage |
|                |                      |                          | Debt                            | Debt        |          |
|                |                      |                          | Service                         | Service (2) |          |
| 2015           | 1,357,287            | 974,610                  | 382,677                         | 315,713     | 1.21     |
| 2016           | 1,340,329            | 911,991                  | 428,338                         | 314,150     | 1.36     |
| 2017           | 1,403,726            | 1,157,953                | 245,773                         | 317,325     | 0.77     |
| 2018           | 1,475,452            | 1,028,588                | 446,864                         | 279,513     | 1.6      |
| 2019           | 1,607,079            | 1,231,365                | 375,714                         | 284,412     | 1.32     |
| 2020           | 1,330,386            | 1,134,523                | 195,863                         | 282,213     | 0.69     |
| 2021           | 1,923,192            | 1,751,749                | 171,443                         | 281,663     | 0.61     |
| 2022           | 2,311,840            | 4,355,762                | (2,043,922)                     | 285,963     | -7.15    |
| 2023           | 1,993,665            | 1,642,223                | 351,442                         | 277,963     | 1.26     |
| 2024           | 2,383,371            | 2,078,364                | 305,007                         | 283,963     | 1.07     |

(1) Expense is exclusive of depreciation.

(2) Includes principal and interest of revenue bonds only.

# TOWN OF LAKE PARK, FLORIDA

## DEMOGRAPHIC AND ECONOMIC STATISTICS

### LAST TEN FISCAL YEARS UNAUDITED

| Fiscal Year | Population (1) | Per Capita Personal Income (1) | Average Household Income (1) | Median Age (1) | Education Level in Years of Formal Schooling | School Enrollment (3) | Unemployment Rate (4) |
|-------------|----------------|--------------------------------|------------------------------|----------------|----------------------------------------------|-----------------------|-----------------------|
| 2015        | 8,448          | \$ 18,774                      | \$ 45,780                    | 37             | N/A                                          | 350                   | 4.90%                 |
| 2016        | 8,640          | 20,984                         | 51,182                       | 38             | N/A                                          | 348                   | 5.30%                 |
| 2017        | 8,645          | 20,160                         | 46,175                       | 36             | N/A                                          | 352                   | 4.10%                 |
| 2018        | 8,605          | 20,999                         | 51,186                       | 40             | N/A                                          | 368                   | 3.40%                 |
| 2019        | 8,505          | 20,799                         | 53,659                       | 37             | N/A                                          | 368                   | 3.20%                 |
| 2020        | 8,556          | 23,162                         | 61,705                       | 38             | N/A                                          | 368                   | 6.20%                 |
| 2021        | 9,047          | 23,162                         | 61,705                       | 38             | N/A                                          | 368                   | 4.10%                 |
| 2022        | 8,980          | 25,015                         | 60,632                       | 36             | N/A                                          | 546                   | 2.70%                 |
| 2023        | 8,984          | 28,920                         | 54,741                       | 37             | N/A                                          | 511                   | 3.10%                 |
| 2024        | 9,047          | 31,812                         | 69,274                       | 36             | N/A                                          | 405                   | 3.50%                 |

#### Data Sources:

(1) The Population for 2013, 2014, 2015, 2016, 2017, 2018, 2019 , 2020,2021, 2022, 2023 and 2024 was obtained from the US Census Finder. Per Capita, Avg Household Income & Median Age was obtained from the US Census Bureau Fact F.

(3) Lake Park Elementary.

(4) Unemployment rate was obtained from the US Dept of Labor Local Area Unemployment Statistics.

# TOWN OF LAKE PARK, FLORIDA

## PRINCIPAL EMPLOYERS

### CURRENT YEAR AND NINE YEARS AGO UNAUDITED

| Employer                          | 2024          |      |                                | 2015          |      |                                |
|-----------------------------------|---------------|------|--------------------------------|---------------|------|--------------------------------|
|                                   | Employees     | Rank | Percentage<br>of Total<br>Town | Employees     | Rank | Percentage<br>of Total<br>Town |
|                                   |               |      | Employees                      |               |      | Employment                     |
| Palm Beach County School District | 22,218        | 1    | N/A                            | 22,000        | 1    | N/A                            |
| Florida Atlantic University       | 6,335         | 2    | N/A                            | 2,655         | 6    | N/A                            |
| Palm Beach County                 | 5,873         | 3    | N/A                            | 5,507         | 3    | N/A                            |
| Tenet Coastal Division PBC        | 5,734         | 4    | N/A                            | 6,100         | 2    | N/A                            |
| Next Era Energy (Parent Co, FPL)  | 5,598         | 5    | N/A                            | 3,854         | 4    | N/A                            |
| Baptist Health South Florida      | 3,135         | 6    | N/A                            | N/A           | N/A  | N/A                            |
| Veterans Health Administration    | 2,948         | 7    | N/A                            | 2,500         | 9    | N/A                            |
| HCA Healthcare                    | 2,612         | 8    | N/A                            | 2,714         | 5    | N/A                            |
| Jupiter Medical Center            | 2,540         | 9    | N/A                            | 2,000         | 10   | N/A                            |
| The Breakers                      | 2,300         | 10   | N/A                            | --            | N/A  | N/A                            |
| <b>Totals</b>                     | <u>59,293</u> |      | <u>N/A</u>                     | <u>47,330</u> |      | <u>N/A</u>                     |

Source: Business Development Board of Palm Beach County. Data is for the West Palm Beach to Boca Raton metropolitan area.

N/A: Not available.

# TOWN OF LAKE PARK, FLORIDA

## FULL-TIME EQUIVALENT TOWN EMPLOYEES BY FUNCTION/PROGRAM

### LAST TEN FISCAL YEARS UNAUDITED

|                               | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|-------------------------------|------|------|------|------|------|------|------|------|------|------|
| <b>General government</b>     |      |      |      |      |      |      |      |      |      |      |
| Town Manager                  | 2    | 2    | 3    | 2    | 3    | 3    | 3    | 2    | 2    | 2    |
| Personnel                     | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    |
| Town Clerk                    | 1    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    |
| Finance                       | 5    | 5    | 5    | 6    | 5    | 5    | 5    | 5    | 4    | 5    |
| Grant Writer/Chief PIO        | n/a  | n/a  | n/a  | n/a  | n/a  | n/a  | n/a  | 1    | 2    | 2    |
| Information technology        | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    | 1    |
| <b>Public Safety</b>          |      |      |      |      |      |      |      |      |      |      |
| Police                        | --   | --   | --   | --   | --   | --   | --   | --   | --   | --   |
| Fire                          | --   | --   | --   | --   | --   | --   | --   | --   | --   | --   |
| Community Development         | 6    | 6    | 6    | 5    | 7    | 7    | 7    | 8    | 8    | 9    |
| <b>Physical Environment</b>   |      |      |      |      |      |      |      |      |      |      |
| Public works                  | 8    | 8    | 8    | 5    | 7    | 7    | 8    | 8    | 8    | 10   |
| Vehicle maintenance           | 1    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    |
| <b>Transportation</b>         |      |      |      |      |      |      |      |      |      |      |
| Transportation                | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 2    | 1    |
| <b>Culture and Recreation</b> |      |      |      |      |      |      |      |      |      |      |
| Library                       | 5    | 5    | 5    | 5    | 6    | 5    | 4    | 6    | 5    | 5    |
| Park maintenance              | 6    | 5    | 6    | 6    | 6    | 6    | 5    | 5    | 5    | 5    |
| Recreation                    | 1    | 1    | 3    | 3    | 3    | 3    | 3    | 3    | 2    | 3    |
| <b>Marina</b>                 | 3    | 3    | 4    | 4    | 5    | 5    | 6    | 6    | 5    | 5    |
| <b>Sanitation</b>             | 8    | 8    | 7    | 7    | 6    | 8    | 7    | 9    | 4    | 5    |
| <b>Total</b>                  | 51   | 52   | 56   | 52   | 57   | 58   | 57   | 62   | 54   | 59   |

# TOWN OF LAKE PARK, FLORIDA

## OPERATING INDICATORS BY FUNCTION/PROGRAM

### LAST TEN FISCAL YEARS UNAUDITED

| Function                        | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   | 2021   | 2022   | 2023    | 2024    |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|
| <b>Public Safety</b>            |        |        |        |        |        |        |        |        |         |         |
| Community development           |        |        |        |        |        |        |        |        |         |         |
| Code violations                 | 451    | 723    | 651    | 703    | 891    | 847    | 684    | 781    | 400     | 1,482   |
| Building permits issued         | 663    | 830    | 792    | 990    | 683    | 618    | 674    | 868    | 845     | 763     |
| Value of permits (in thousands) | --     | --     | 9,871  | 33,464 | 12,203 | 9,844  | 17,839 | 61,028 | 241,912 | 605,587 |
| <b>Transportation</b>           |        |        |        |        |        |        |        |        |         |         |
| Street resurfacing (miles)      | --     | --     | --     | 1      | --     | --     | --     | --     | 2       | --      |
| Pot holes repaired              | 450    | 441    | 512    | 585    | 429    | 419    | 468    | 436    | 273     | --      |
| <b>Culture and Recreation</b>   |        |        |        |        |        |        |        |        |         |         |
| Library                         |        |        |        |        |        |        |        |        |         |         |
| Circulation                     | 27,010 | 29,790 | 27,300 | 8,790  | 4,700  | 2,669  | 3,173  | 2,969  | 3,981   | 10,418  |
| Programs offered                | 1,314  | 1,300  | 980    | 1,015  | 821    | 256    | 57     | 149    | 465     | 535     |
| Park maintenance                |        |        |        |        |        |        |        |        |         |         |
| Acres of parks                  | 69     | 69     | 69     | 69     | 69     | 69     | 69     | 69     | 69      | 69      |
| Recreation                      |        |        |        |        |        |        |        |        |         |         |
| Recreation programs offered     | 3      | --     | 1      | 7      | 7      | 7      | 11     | 9      | 6       | 4       |
| Recreation program attendance   | 825    | --     | 880    | 134    | 283    | 168    | 190    | 185    | 130     | 181     |
| Youth athletic participants     | --     | --     | --     | 74     | 173    | 68     | 140    | 150    | 100     | 109     |
| <b>Marina</b>                   |        |        |        |        |        |        |        |        |         |         |
| Available slips                 | 112    | 112    | 112    | 112    | 112    | 112    | 112    | 112    | 112     | 112     |
| <b>Sanitation</b>               |        |        |        |        |        |        |        |        |         |         |
| Residential customers           | 3,666  | 3,666  | 3,666  | 3,397  | 3,689  | 3,689  | 3,666  | 3,666  | 3,677   | 3,677   |
| Commercial customers            | 375    | 375    | 288    | 293    | 303    | 328    | 315    | 295    | 304     | 372     |
| Refuse collected (tons)         | 9,385  | 9,827  | 10,246 | 10,362 | 10,686 | 11,308 | 11,758 | 11,167 | 9,814   | 9,413   |
| Recyclables collected (tons)    | 398    | 391    | 361    | 377    | 319    | 189    | 279    | 219    | 207     | 680     |

Sources: Town departments.

N/A: Not available.

# TOWN OF LAKE PARK, FLORIDA

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

### LAST TEN FISCAL YEARS UNAUDITED

| Function/Program              | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   | 2021   | 2022   | 2023   | 2024   |
|-------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Street Lights                 | 340    | 340    | 340    | 340    | 345    | 340    | --     | 675    | 675    | 635    |
| Lane Miles                    | 64     | 64     | 64     | 64     | 64     | 64     | 64     | 64     | 64     | 64     |
| <b>Culture and Recreation</b> |        |        |        |        |        |        |        |        |        |        |
| Marina                        |        |        |        |        |        |        |        |        |        |        |
| Wet Slips                     | 112    | 112    | 112    | 112    | 112    | 112    | 112    | 112    | 112    | 112    |
| Library                       |        |        |        |        |        |        |        |        |        |        |
| Books                         | 35,000 | 37,000 | 37,695 | 42,340 | 34,780 | 35,118 | 36,338 | 36,338 | 40,545 | 68,496 |
| Leisure Services              |        |        |        |        |        |        |        |        |        |        |
| Ballfields - lighted          | 2      | 2      | 2      | 2      | 2      | 2      | 1      | 1      | 1      | 1      |
| Basketball courts             | 2      | 2      | 2      | 2      | 2      | 2      | 1      | 1      | 2      | 2      |
| Soccer fields                 | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 1      | 2      | 2      |
| Tennis courts                 | 6      | 6      | 6      | 6      | 6      | 6      | 4      | 4      | 8      | 8      |
| Parks                         | 7      | 7      | 7      | 7      | 7      | 7      | 6      | 6      | 7      | 7      |
| Sanitation                    |        |        |        |        |        |        |        |        |        |        |
| Garbage Trucks                | 13     | 14     | 14     | 14     | 14     | 14     | 12     | 10     | 11     | 10     |
| <b>Water /Sewer</b>           | N/A    | N/A    | N/A    | N/A    | N/A    | N/A    | N/A    | N/A    | N/A    | N/A    |

(Provided by Seacoast Utility).

N/A: Not applicable.

Source: Town Departments, Town of Lake Park, Florida.

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## REPORTING SECTION

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**Independent Auditors' Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

To the Honorable Mayor and Town Commission  
**Town of Lake Park, Florida**

We have audited, in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lake Park, Florida (the "Town") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated October 30, 2025.

***Report on Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weakness. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items SD2024-001 and SD2024-002 that we consider to be significant deficiencies.

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

As part of obtaining reasonable assurance about whether the Town'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 an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item SD2024-002.

### ***Town's Response to Findings***

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

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

***CBIZ CPAs P.C.***

West Palm Beach, FL  
October 30, 2025

**Independent Auditors' Report on Compliance for the Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

To the Honorable Mayor and Town Commission  
**Town of Lake Park, Florida**

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

***Opinion on the Major Federal Program***

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

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

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

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

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, 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 Town's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *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 the Town's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town'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 Town's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control Over Compliance**

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

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

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

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

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We issued our report thereon, dated October 30, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*CBIZ CPAs P.C.*

West Palm Beach, FL  
October 30, 2025

**TOWN OF LAKE PARK, FLORIDA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

| Federal Agency, Pass-through Entity<br>Federal Program                                                                    | Assistance<br>Listing No.<br>(ALN) | Contract/<br>Grant No. | Total<br>Expenditures      |
|---------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------|----------------------------|
| <b><u>United States Department of Housing and Urban Development</u></b>                                                   |                                    |                        |                            |
| CDBG - Entitlement Grants Cluster:                                                                                        |                                    |                        |                            |
| Direct Program:                                                                                                           |                                    |                        |                            |
| Community Development Block Grants/Entitlement Grants                                                                     | 14.218                             | R2022-1211             | \$ 24,593                  |
| Indirect Program:                                                                                                         |                                    |                        |                            |
| Pass-Through Palm Beach County                                                                                            |                                    |                        |                            |
| Community Development Block Grants/Entitlement Grants                                                                     | 14.218                             | R2023-1463             | 47,704                     |
| <b>Total CDBG - Entitlement Grants Cluster</b>                                                                            |                                    |                        | <b><u>72,297</u></b>       |
| <b>Total Community Development Block Grants/Entitlement Grants</b>                                                        |                                    |                        | <b><u>72,297</u></b>       |
| Indirect Program:                                                                                                         |                                    |                        |                            |
| Pass-Through FL Department of Commerce                                                                                    |                                    |                        |                            |
| Community Development Block Grants/State's Program<br>and Non-Entitlement Grants in Hawaii                                | 14.228                             | MT130                  | 1,377,653                  |
| <b>Total Community Development Block Grants/State's<br/>Program and Non-Entitlement Grants in Hawaii</b>                  |                                    |                        | <b><u>1,377,653</u></b>    |
| <b>Total United States Department of Housing and Urban Development</b>                                                    |                                    |                        | <b><u>1,449,950</u></b>    |
| <b><u>United States Department of Treasury</u></b>                                                                        |                                    |                        |                            |
| Indirect Program:                                                                                                         |                                    |                        |                            |
| Passed through State of Florida - Division of Emergency Management -<br>Coronavirus State and Local Fiscal Recovery Funds | 21.027                             | Y5163                  | 318,288                    |
| <b>Total Coronavirus State and Local Fiscal Recovery Funds</b>                                                            |                                    |                        | <b><u>318,288</u></b>      |
| <b>Total United States Department of Treasury</b>                                                                         |                                    |                        | <b><u>318,288</u></b>      |
| <b><u>United States Department of Homeland Security</u></b>                                                               |                                    |                        |                            |
| Indirect Programs:                                                                                                        |                                    |                        |                            |
| Passed through State of Florida - Division of Emergency Management -<br>Hazard Mitigation Grant Program (HMGP)            | 97.039                             | 22FRP76                | 553,121                    |
| <b>Total Hazard Mitigation Grant Program</b>                                                                              |                                    |                        | <b><u>553,121</u></b>      |
| <b>Total United States Department of Homeland Security</b>                                                                |                                    |                        | <b><u>553,121</u></b>      |
| <b>Total Expenditures of Federal Awards</b>                                                                               |                                    |                        | <b><u>\$ 2,321,359</u></b> |

Note: No amounts were provided to subrecipients.

*See notes to Schedule of Expenditures of Federal Awards.*

# **TOWN OF LAKE PARK, FLORIDA**

## **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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### **NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the “Schedule”) presents the expenditure activity of all federal awards of the Town of Lake Park, Florida (the “Town”) for the fiscal year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the Town.

### **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

### **NOTE 3 – INDIRECT COST RATE**

The Town has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

# TOWN OF LAKE PARK, FLORIDA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### SECTION I – SUMMARY OF AUDITORS’ RESULTS

#### **Financial Statements**

Type of auditors’ report issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified Opinion*

Internal control over financial reporting:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☒ Yes ☐ None reported

Non-compliance material to financial statements noted? ☒ Yes ☐ No

#### **Federal Awards**

Internal control over major program:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Type of auditors’ report issued on compliance for the major program: *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ Yes ☒ No

#### **Identification of the Major Federal Program:**

| <u>ALN</u> | <u>Federal Program</u>                                                                   |
|------------|------------------------------------------------------------------------------------------|
| 14.228     | Community Redevelopment Block Grant State’s Program and Non Entitlement Grants In Hawaii |

Dollar threshold used to distinguish between Type A and Type B federal programs: \$750,000

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance? ☐ Yes ☒ No

# TOWN OF LAKE PARK, FLORIDA

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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### SECTION II – FINANCIAL STATEMENT FINDINGS

#### *SIGNIFICANT DEFICIENCY*

##### **SD2024-001 – Bank Reconciliation Process**

###### *Criteria*

Prudent practice would dictate that a formal bank reconciliation be prepared and reviewed each month within 15 days of month end with the appropriate review and sign off as evidence of the completeness, accuracy and timeliness of the reconciliation. Performing timely monthly bank reconciliations reduces the risk that errors, fraud or misuse of funds could go undetected and/or uncorrected.

###### *Condition*

During our audit of the fiscal year ended September 30, 2024, the auditor evaluated and performed a review of controls over the bank reconciliation process. The review focused on controls related to the accuracy and timeliness of the bank reconciliation process. The auditor made selections and examined several bank reconciliations to determine if the reconciliation was performed and reviewed timely (within 15 days) with the appropriate sign off as evidence of the completeness, the accuracy and timeliness of the reconciliation. The auditor relied on bank reports and independently verified reconciliation data on a test basis.

During our bank reconciliation testing, the auditor selected 3 bank accounts to examine and noted that the Town did not complete their monthly bank reconciliation on a timely basis for several months related to each bank account. The auditor finding pertains to delays in preparation and review of bank reconciliations and does not indicate any errors or discrepancies in the reconciliation results.

###### *Cause*

There is a lack of adequate internal control over financial close and reporting as it relates to the bank reconciliation process.

###### *Effect*

Without bank reconciliations being prepared and reviewed timely for accuracy and completeness, the Town may not know if the cash position is accurate and whether or not there were errors, fraud or misuse of funds.

# **TOWN OF LAKE PARK, FLORIDA**

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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### **SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)**

#### ***SIGNIFICANT DEFICIENCY (CONTINUED)***

##### **SD2024-001 – Bank Reconciliation Process (continued)**

###### ***Recommendation***

We recommend the Town implement internal controls associated with the preparation and review of bank reconciliations that will ensure reconciliations are prepared and reviewed on a monthly basis. Monthly bank reconciliations must be prepared and reviewed within 15 days of the month end to ensure accuracy and completeness of cash balances reported by the Town and possibly identify fraud or misuse of funds.

###### ***View of Responsible Official and Planned Corrective Action***

See accompanying corrective action plan.

# **TOWN OF LAKE PARK, FLORIDA**

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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### **SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)**

#### **SD2024-002 – NON-COMPLIANCE WITH FLORIDA STATUTES (REPEAT FINDING- SD2023-002)**

##### ***Criteria***

Section 218.39(1), Florida Statutes, requires that a local government shall have an annual financial audit of its accounts and records completed within nine (9) months after the end of its fiscal year.

##### ***Condition***

The Town did not issue and file the September 30, 2024 financial statements with the Auditor General by June 30, 2025 or the Annual Financial Report (“AFR”) to the Florida Department of Financial Services by June 30, 2025, as required by Florida Statutes.

##### ***Cause***

The Town experienced significant personnel turnover within the finance department.

##### ***Effect***

The lack of personnel led to delays in performing required financial statement closing procedures.

##### ***Recommendation***

We recommend that the Town assess the finance department staffing needs and hire the required personnel.

##### ***View of Responsible Official and Planned Corrective Action***

See accompanying corrective action plan.

### **SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None

**TOWN OF LAKE PARK, FLORIDA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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**I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS**

SD2023-001 – Was addressed in the current year and was not repeated.

SD2023-002 – Was not addressed in the current year and is repeated as SD2024-002.

**II. PRIOR YEAR FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None.

**Management Letter in Accordance with the Rules of the  
Auditor General of the State of Florida**

To the Honorable Mayor and Town Commission  
**Town of Lake Park, Florida**

***Report on the Financial Statements***

We have audited the financial statements of the Town of Lake Park, Florida (the “Town”), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated October 30, 2025.

***Auditors’ Responsibility***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General.

***Other Reporting Requirements***

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors’ Report on Compliance for the Major Federal Program; Report on Internal Control over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; Summary Schedule of Prior Audit Findings; and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated October 30, 2025, should be considered in conjunction with this management letter.

***Prior Audit Findings***

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. The status of findings made in the preceding annual financial audit report have been addressed except as noted in the summary schedule of prior audit findings.

### ***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 Town has made these disclosures in the notes to the financial statements.

### ***Financial Condition and Management***

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Town has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Town 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 Town. It is management's responsibility to monitor the Town's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. Our assessment was done as of the fiscal year end. The results of our procedures did not disclose any matters that are required to be reported.

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

### ***Property Assessed Clean Energy (PACE) Program***

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the Town's geographical boundaries during the fiscal year under audit. During the fiscal year ended September 30, 2024, the PACE Program did not operate within the Town's geographical boundaries.

### ***Special District Component Units***

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate 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 determined that the special district component unit provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

### ***Specific Information***

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7., Rules of the Auditor General, the Town of Lake Park Community Development Agency (the "Agency") required information is reported in the Agency's standalone financial statements for the fiscal year ended September 30, 2024.

### ***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 have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### ***Purpose of this Letter***

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

*CBIZ CPAs P.C.*

West Palm Beach, FL  
October 30, 2025



CBIZ CPAs P.C.

525 Okeechobee Boulevard  
Suite 750  
West Palm Beach, FL 33401

P: 561.653.7300

**Independent Accountants' Report on Compliance Pursuant to  
Section 218.415, Florida Statutes**

To The Honorable Mayor and Town Commission  
**Town of Lake Park, Florida**

We have examined the Town of Lake Park, Florida (the "Town") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the fiscal year ended September 30, 2024. Management of the Town is responsible for the Town's compliance with the specified requirements. Our responsibility is to express an opinion on the Town's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town 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 Town's compliance with specified requirements.

In our opinion, the Town complied, in all material respects, with Section 218.415, Florida Statutes, for the fiscal year ended September 30, 2024.

This report is intended solely to describe our testing of compliance with Section 218.415, Florida Statutes, and it is not suitable for any other purpose.

*CBIZ CPAs P.C.*

West Palm Beach, FL  
October 30, 2025



Finance  
Department

October 30, 2025

Governing Board  
Town of Lake Park

RE: Response to Report of Audit Findings Management Letter for Year  
ending September 30, 2024

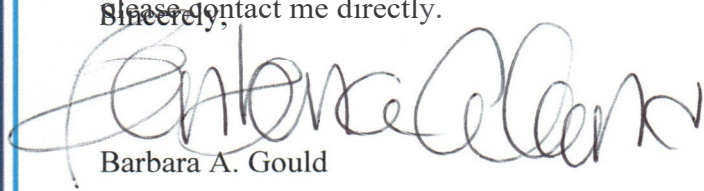
SD2024-01 Bank Reconciliation Process

The policy of the Finance Department is to complete bank reconciliations within 15 days of month end. Efforts will be made, even with the ongoing staffing issue to more timely complete bank reconciliations. It is anticipated that this issue can be resolved on or before December 31, 2025.

SD2024-02 Non-Compliance with Florida Statutes

There were a multitude of issues that delayed the Town having its annual financial audit completed within 9 months after the end of the fiscal year. There are personnel vacancies, which continue to exist at this current date. The employment market in South Florida is improving and the Town improved processes to reach a greater employee pool to secure the best candidates for the open positions. Additionally, the Town will work with the external auditors to set a schedule that will meet the June 30, 2026 deadline for the fiscal year ending September 30, 2025.

Should you have any questions or concerns about the above response,  
~~Please contact me directly.~~  
Sincerely,

  
Barbara A. Gould

Finance Director

535 Park Avenue  
Lake Park, FL 33403  
Phone: (561) 881-3350  
Fax: (561) 881-3358

[www.lakeparkflorida.gov](http://www.lakeparkflorida.gov)