

# CITY OF PORT ORANGE, FLORIDA



## ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2024



**THIS PAGE INTENTIONALLY LEFT BLANK**

**CITY OF PORT ORANGE, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Prepared by:  
Finance Department  
Linda Truitt, Interim Finance Director



**THIS PAGE INTENTIONALLY LEFT BLANK**

# Table of Contents

## Introductory Section

Table of Contents .....	i - ii
Principal City Officials.....	1
Letter of Transmittal .....	3-5
Organizational Chart .....	7
Certificate of Achievement for Excellence in Financial Reporting.....	8

## Financial Section

Independent Auditors' Report.....	9 -11
Management's Discussion and Analysis .....	13 - 25
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position .....	28
Statement of Activities .....	29
Fund Financial Statements	
Balance Sheet—Governmental Funds.....	30
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position .....	31
Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds.....	32
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	33
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund.....	34
Eastport Business Center CRA.....	35
Town Center CRA.....	36
Statement of Net Position – Proprietary Funds.....	37
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds .....	38
Statement of Cash Flows – Proprietary Funds.....	39
Statement of Fiduciary Net Position – Fiduciary Funds .....	40
Statement of Changes in Fiduciary Net Position – Fiduciary Funds .....	41
Notes to Financial Statements.....	42 - 85
Required Supplementary Information	
Schedule of Changes in Total OPEB Liability and Related Ratios.....	86
Schedule of Changes in Net Pension Liability and Related Ratios – General Employees Plan .....	87
Schedule of Changes in Net Pension Liability and Related Ratios – Police Plan .....	88
Schedule of Changes in Net Pension Liability and Related Ratios – Fire Plan.....	89
Schedule of Contributions – General Employees Plan.....	90
Schedule of Contributions – Police Plan.....	91
Schedule of Contributions – Fire Plan .....	92
Schedules of Investment Returns.....	93
Combining Nonmajor Fund Financial Statements and Other Schedules	
Combining Balance Sheet – Nonmajor Governmental Funds .....	96 - 97
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	98 - 99
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Business Development.....	100
Recreation Facilities.....	101
Community Development Building.....	102
Community Development Block Grant .....	103
Debt Service Funds.....	104
General Construction.....	105
Transportation Capital Projects.....	106
Police Impact.....	107
Fire Impact.....	108

Transportation Impact.....	109
General Obligation Capital Projects .....	110
Capital Replacement.....	111
Economic Development Capital .....	112
2014 Capital Improvement Bond Projects .....	113
Recreation Impact.....	114
Combining Statement of Net Position – Internal Service Funds.....	115
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds .....	116
Combining Statement of Cash Flows – Internal Service Funds.....	117

### **Statistical Section**

Table I	Net Position by Component – Last Ten Fiscal Years.....	120
Table II	Changes in Net Position – Last Ten Fiscal Years .....	121
Table III	Fund Balances – Governmental Funds – Last Ten Fiscal Years .....	122
Table IV	Changes in Fund Balances – Governmental Funds – Last Ten Fiscal Years .....	123
Table V	Tax Revenues by Source – Governmental Funds – Last Ten Fiscal Years .....	124
Table VI	Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years.....	125
Table VII	Property Tax Rates and Tax Levies – All Direct and Overlapping Governments - Last Ten Fiscal Years.....	126
Table VIII	Principal Property Taxpayers – Current and Nine Years Ago.....	127
Table IX	Property Tax Levies and Collections – Last Ten Fiscal Years.....	128
Table X	Ratios of Outstanding Debt by Type – Last Ten Fiscal Years .....	129
Table XI	Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years.....	130
Table XII	Direct and Overlapping Governmental Activities Debt.....	131
Table XIII	Pledged Revenue Coverage – Last Ten Fiscal Years .....	132
Table XIV	Demographic and Economic Statistics – Last Ten Fiscal Years .....	133
Table XV	Principal Employers.....	134
Table XVI	Full-Time Equivalent Government Employees by Function/Program - Last Ten Fiscal Years.....	135
Table XVII	Operating Indicators by Function/Program – Last Ten Fiscal Years .....	136
Table XVIII	Capital Asset Statistics by Function/Program – Last Ten Fiscal Years.....	137

### **Single Audit**

Schedule of Expenditures of Federal Awards and State Financial Assistance.....	139
Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance.....	140-141
Schedule of Findings and Questioned Costs.....	142-143
Independent Auditors’ Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General.....	145-147

### **Other Reports**

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 <i>Government Auditing Standards</i> .....	149-150
Independent Auditors’ Management Letter Required by Chapter 10.550, Rules of the State of Florida Office of the Auditor General .....	151 - 153
Independent Accountants’ Examination Report. ....	155

**City of Port Orange, Florida**  
**Annual Comprehensive Financial Report**  
**For the Fiscal Year Ended September 30, 2024**



*Elected Officials as of the Financial Statement Date*

**Mayor**

Donald Burnette

**Council Members**

District 1—Jonathan Reed Foley

District 2—Tracy Grubbs

District 3—Drew Bastian

District 4—Scott Stiltner

*Principal Officials as of the Issuance Date*

**City Manager**

Wayne Clark

**City Attorney**

Matthew Jones

**Interim Finance Director**

Linda Truitt



**THIS PAGE INTENTIONALLY LEFT BLANK**



March 28, 2025

**To the Honorable Mayor, Members of the City Council, and Citizens of Port Orange.**

State law requires that all general-purpose local governments publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed, certified public accountants. We hereby issue the Annual Comprehensive Financial Report of the City of Port Orange for the fiscal year ended September 30, 2024.

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

James Moore & Co., P.L., licensed, certified public accountants, has audited the City of Port Orange's financial statements. The independent audit's goal was to provide reasonable assurance that the City of Port Orange's financial statements for the fiscal year ended September 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

Based on the audit, the independent auditors concluded that there was a reasonable basis for rendering an unmodified opinion that the City of Port Orange's financial statements for the fiscal year ended September 30, 2024, are fairly presented in conformity with GAAP. We present the independent auditor's report as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.

**Profile of Government**

The City of Port Orange, incorporated in 1925, is in east-central Florida just south of Daytona Beach, in Volusia County. This region has seen steady growth over the past twenty-five years and the City of Port Orange has followed this pattern, steadily growing from 3,700 people in 1973 to over 65,000 in 2024. The City of Port Orange currently occupies a land area of 28.86 square miles.

The City of Port Orange operates under the council-manager form of government with a City Council consisting of the Mayor and four other members. The Mayor and Council members are non-partisan and elected to serve four-year staggered terms. The Council is the governing board and has legislative

responsibilities, including setting policy, adopting ordinances and resolutions, adopting an annual millage rate and budget, appointing committees, and appointing both the City Manager and City Attorney. The City Manager is responsible for carrying out the governing body's policies and ordinances, overseeing the City's day-to-day operations, and appointing the heads of various departments.

Port Orange provides a full range of services, including police, fire and rescue, street construction and maintenance, planning and zoning, parks and recreation, cultural events, and general administrative services. The City provides water and sewer service, solid waste collection, stormwater, and a golf course utilizing an Enterprise Fund concept with user charges established by the City Council to ensure adequate operating expenses and outstanding debt payments. Vehicle maintenance, building maintenance, data processing, lease and replacement, self-insurances, and loan pool activities are provided through Internal Service Funds. The City of Port Orange delivers water and sewer service outside the city limits, including the City of Daytona Beach Shores, the Town of Ponce Inlet, and certain unincorporated parts of Volusia County. The City of Port Orange contracts with a private enterprise for solid waste collection.

The annual budget serves as the foundation for the City of Port Orange's financial planning and control. All City of Port Orange cost centers are required to submit requests for appropriation to the City Manager. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager reviews the submissions, modifies as necessary, and then presents the reviewed budget to the City Council for consideration. The City Council must hold two public hearings on the proposed budget and adopt a final budget no later than September 30, the close of the City of Port Orange's fiscal year. The appropriated budget is prepared by fund, function, and cost center. Subject to City Manager approval, cost center managers may make transfers of appropriations within a cost center (department). However, transfers of appropriations between cost centers require the approval of the City Council. This report provides budget-to-actual comparisons. The general fund and major special revenue fund comparisons are presented as part of the City's basic financial statements. The combining and individual fund statements section show such comparisons for all other governmental funds with legally adopted budgets. See Note 1(f) for further discussion of budget procedures.

These financial statements also include all financial reporting for two blended component units: the Port Orange Town Center Community Redevelopment Agency and the Eastport Business Center Community Redevelopment Agency.

### **Factors Affecting Financial Condition**

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

**Local economy:** The City of Port Orange currently enjoys a favorable economic environment, and regional indicators point to continued stability. Rising property values led to a taxable value increase of 8.96% for the year ended September 30, 2024. The City's business district is expected to maintain its current occupancy rate with various stores, specialty shops, and commercial businesses. Residential growth is stable. The City expects the development and construction of commercial retail space to be steady during the foreseeable future, fueled by permitting activity and local and regional population growth.

**Financial policies:** The City has adopted a fund balance and working capital policy of maintaining an unassigned fund balance of between 30% and 35% of operating expenditures (less transfers) in the General Fund. When working capital drops below 30%, the City is required to develop a plan to restore working capital to at least 30% within three years. Proprietary Funds will maintain working capital of between 25% and 30% of operating expenses (less transfers), excluding the Golf Course Fund.

The City's investment policy's foremost objective is ensuring the safety of the portfolio's principal. The portfolio is managed to maintain liquidity for reasonably anticipated cash flow requirements and attain a

The City's investment policy's foremost objective is ensuring the safety of the portfolio's principal. The portfolio is managed to maintain liquidity for reasonably anticipated cash flow requirements and attain a market rate of return throughout budgetary and economic cycles. Other than pension funds held by the government, most investments during the fiscal year ended September 30, 2024, are classified low risk as defined by the Governmental Accounting Standards Board.

**Risk Management:** The Risk Management Program includes coverage for exposure regarding Workers' Compensation, Property Damage, General Liability, Pollution, Errors and Omission, Crime, Boiler and Machinery, Accidental Death and Dismemberment, and Health Maintenance Options. Based on conservative projections, adequate reserves are in place to meet loss expectations.

**Pension Trust Fund Operations:** Contracted investment firms overseen by the respective pension boards manage the Municipal Firefighter's, Police Officer's, and General Employee's Pension Trust Funds. An annual actuarial evaluation determines the pension plans' required funding levels. The City funds these plans based on future benefit obligations. Please see Notes to these financial statements for more information.

**Awards:** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Port Orange for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023. To be awarded the Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

**Acknowledgments:** The Annual Comprehensive Financial Report's preparation was made possible by the dedicated and efficient services of the Finance Department's entire staff. We would like to express our sincere appreciation to each member of the Finance Department team for their contributions to this report's preparation.

In closing, we wish to express our appreciation to the Mayor and Council for their dedication and leadership.

Respectfully submitted,



---

Wayne Clark  
City Manager



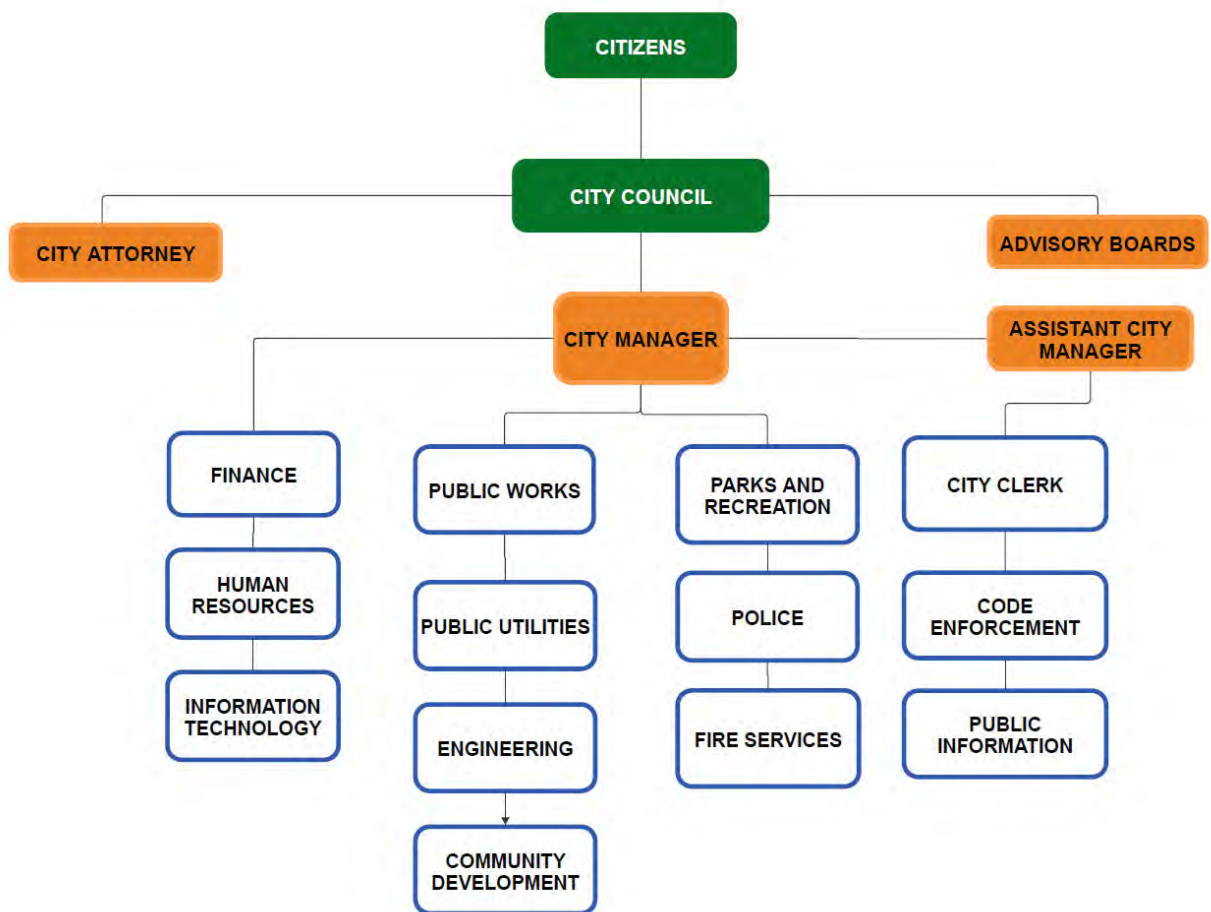
---

Linda Truitt  
Interim Finance Director



**THIS PAGE INTENTIONALLY LEFT BLANK**

# City of Port Orange Organizational Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Port Orange  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2023

*Christopher P. Morill*

Executive Director/CEO



## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council,  
City of Port Orange, 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 City of Port Orange, Florida (the City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

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

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS 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 GAS, we:

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

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules and schedule of expenditures of federal awards and state financial assistance as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Section 215.97, Florida Statutes, *Florida Single Audit Act*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

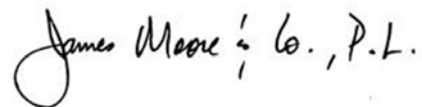
The combining and individual nonmajor fund financial statements and other schedules and schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare 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 financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### ***Other Information Included in the Annual Comprehensive Financial Report***

Management is responsible for the other information included in the annual comprehensive financial report (ACFR). 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 March 28, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Daytona Beach, Florida  
March 28, 2025



**THIS PAGE INTENTIONALLY LEFT BLANK**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As the financial managers of the City of Port Orange, Florida, (hereinafter referred to as the "City"), we offer the readers of these financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended September 30, 2024.

We encourage readers to consider the information presented herein in conjunction with additional information furnished in our letter of transmittal on pages 3-5 of this report.

### Financial Highlights

- The City's net position on September 30, 2024, was \$431,758,808. Of this amount, \$58,012,472 (unrestricted) may be used to meet the government's ongoing obligations to citizens and creditors. The City Council has adopted a policy that the General Fund balance should be approximately 30%-35% of operating expenditures (less transfers). For the enterprise funds, excluding the Golf Course, the City will maintain working capital (defined as current assets minus current liabilities) between 25% and 30% of operating expenditures (less transfers). As of September 30, 2024, the City's reserves exceeded these minimum thresholds.
- During the fiscal year, the City's total net position increased by \$14,636,731. Of this amount, \$4,899,498 was from governmental sources. Business-type (Enterprise) funds produced the remainder of the increase of \$9,737,233. This was primarily attributable to planned capital acquisitions.
- The City's governmental funds reported combined ending fund balances of \$58,315,217, increasing \$5,770,033. This change compares to an increase in fund balance of \$2,406,932 in FY2023. Approximately \$21,354,481 (36.6%) is unassigned and available for spending at the City's discretion. Non-spendable amounts representing investments in inventory and prepaid expenses and advances to other funds totaled \$5,004,695, while amounts restricted by enabling legislation and external purposes totaled \$13,706,005.
- The City's proprietary funds reported a combined ending net position of \$307,445,189 in FY2024. This is an increase of \$10,868,984 or 3.7%, compared to an increase of \$8,645,487 in the prior year. Approximately 16.7% of the combined ending net position amount, or \$51,336,827, is unrestricted. Net investment in capital assets totaled \$215,123,932 at year-end, compared to \$210,549,853 one year earlier. Other amounts restricted by enabling legislation and external covenants totaled \$40,984,430, compared to \$36,305,886 one year earlier.
- Excluding original issue discounts and premiums, the City's FY2024 debt principal decreased by \$3,062,778, which was offset by \$1,083,332 in newly financed purchases in FY2024. This resulted in a net decrease in principal of \$1,979,446 during the current fiscal year.

### Overview of the Financial Statements

The discussion and analysis provided herein serve as an introduction to the City's basic financial statements. The City's basic financial statements have three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

**Government-wide financial statements** The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner like a private-sector business. The *statement of net position* presents information on all the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a helpful indicator of whether the City's financial position is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the City principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The City's governmental activities include general government, public safety, public works, and culture and recreation. The business-type activities of the City include water and sewer, solid waste, stormwater, and the golf course. The government-wide financial statements can be found in the "Financial Section" immediately after this Management's Discussion and Analysis.

**Fund financial statements** A *fund* is a grouping of related accounts used to control resources segregated for specific activities or objectives. Like other state and local governments, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the City's funds are divided into governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintains eighteen individual governmental funds. Fifteen of these governmental funds are classified as non-major and summarized under this heading in the governmental funds presentation. Information is presented separately in the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance for the General Fund, other major funds, and non-major governmental funds, all combined into a single, aggregated presentation. Individual fund data for non-major governmental funds is provided in combining statements elsewhere in this report. The basic Governmental Fund financial statements are on pages 28-34 of this report.

The City legally adopts an annual appropriated budget for its General Fund and other governmental funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with this budget.

**Proprietary funds** The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, solid waste, stormwater, and golf course activities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for data processing, vehicle maintenance, risk management, lease and replacement of vehicles and equipment, building maintenance, and loan pool activities. Because these services predominantly benefit governmental rather than business-type functions, they are included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide a separate report on the Water and Sewer, Solid Waste, Stormwater, and Golf Course activities, all considered major City funds. Conversely, the internal service funds combine into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for internal service funds is provided in combining statements elsewhere in this report. The basic proprietary fund financial statements are on pages 37-39 of this report.

**Fiduciary funds** Fiduciary funds account for resources held for the benefit of parties outside the City. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the City's programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary fund financial statements are on pages 39 and 40 of this report.

**Notes to the financial statements** The notes provide additional information essential to acquire a complete understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 42-85 of this report.

**Other information** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required Supplementary Information (RSI) is on pages 83-90 of this report. The combining statements concerning non-major governmental and internal service funds immediately follow the RSI on pensions and OPEB. Combining and individual fund statements and schedules are on pages 86-93 of this report.

**Government-wide financial analysis** As noted earlier, net position may serve over time as a helpful indicator of a City's financial position. Assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$431,758,808 at the close of the most recent fiscal year. By far, the most significant portion of the City's net position (73.9%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; accordingly, these assets are not available for future spending.

Although the City's investment in capital assets is reported net of related debt, this debt must be repaid from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The table below summarizes the City’s net position as of September 30, 2024, and 2023:

(Amounts in \$\$\$)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Assets</b>						
Current and Other Assets	\$ 72,466	\$ 68,934	\$ 95,392	\$ 87,697	\$ 167,858	\$ 156,631
Capital Assets	136,850	133,065	215,404	214,354	352,254	347,419
Total Assets	209,316	201,999	310,796	302,051	520,112	504,050
Deferred outflow of Resources	6,379	12,555	237	1,523	6,616	14,078
<b>Liabilities</b>						
Long-term liabilities	\$ 56,327	\$ 67,827	\$ 9,848	\$ 14,237	\$ 66,175	\$ 82,064
Other Liabilities	5,927	3,824	8,178	6,186	14,105	10,010
Total Liabilities	62,254	71,651	18,026	20,423	80,280	92,074
Deferred inflow of resources	12,882	7,242	1,808	1,689	14,690	8,931
<b>Net Position:</b>						
Investment in Capital Assets	111,815	107,096	207,257	205,317	319,072	312,413
Restricted	13,690	16,711	40,985	36,306	54,675	53,017
Unrestricted	15,055	11,854	42,957	39,839	58,012	51,693
Total Net Position	\$ 140,560	\$ 135,661	\$ 291,199	\$ 281,462	\$ 431,759	\$ 417,123

A portion of the City’s net position (12.7%) represents resources subject to external restrictions on use. Total restricted net position increased by \$1,656,925 primarily due to transfer for water & sewer renewal and replacement. The remaining balance of unrestricted net position, \$58,012,472, may be used to meet the government’s ongoing obligations and increased due to current year revenues over expenses.

At the end of the current fiscal year, the City can report positive balances in restricted categories of net position, both for the government and governmental activities. The business-type activities report positive balances in all reported categories of net position. The same situation held for the prior fiscal year.

The total net position for the City increased by \$14,636,731 for the period ending September 30, 2024. The reasons for the overall increase are discussed in the following sections for governmental activities and business-type activities.

The following table summarizes changes in net position for governmental and business-type activities for the past two fiscal years.

**Governmental activities** During the current fiscal year, governmental activities increased the City’s net position by \$4,899,498 compared to \$14,465 in the prior year, or a change of \$4,885,033.

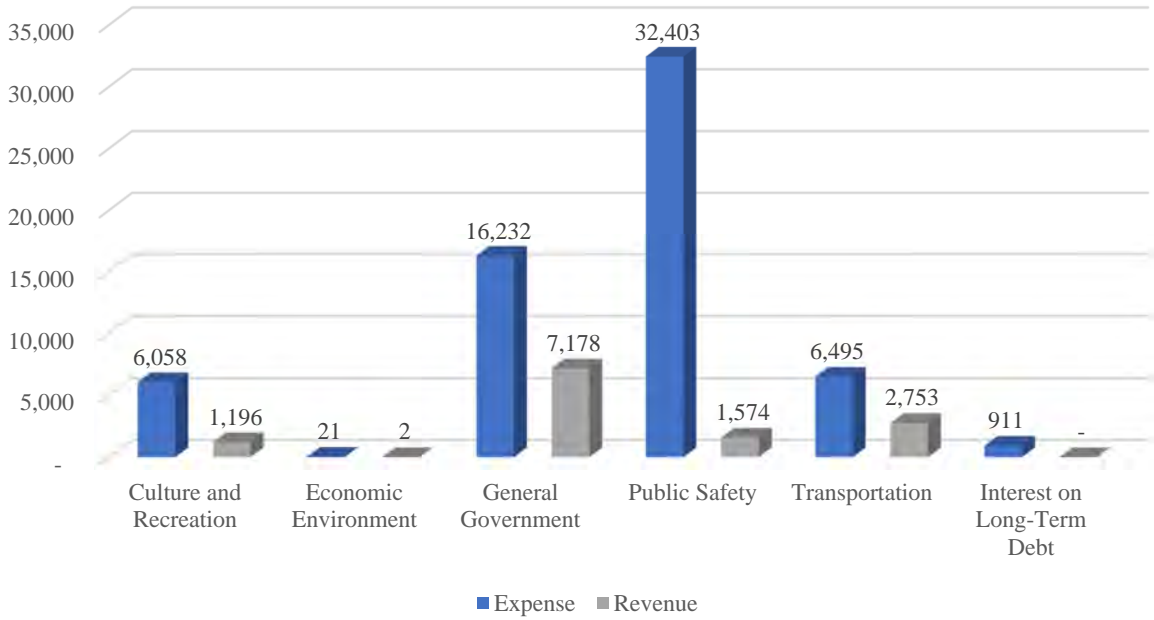
**Business-type activities** The results for the City’s business-type activities were positive, with an ending Total Net Position of \$291,199,193, an increase of \$9,737,233.

**Statement of Changes in Net Position**  
Year Ended September 30, xxxx  
(Amounts in \$000)

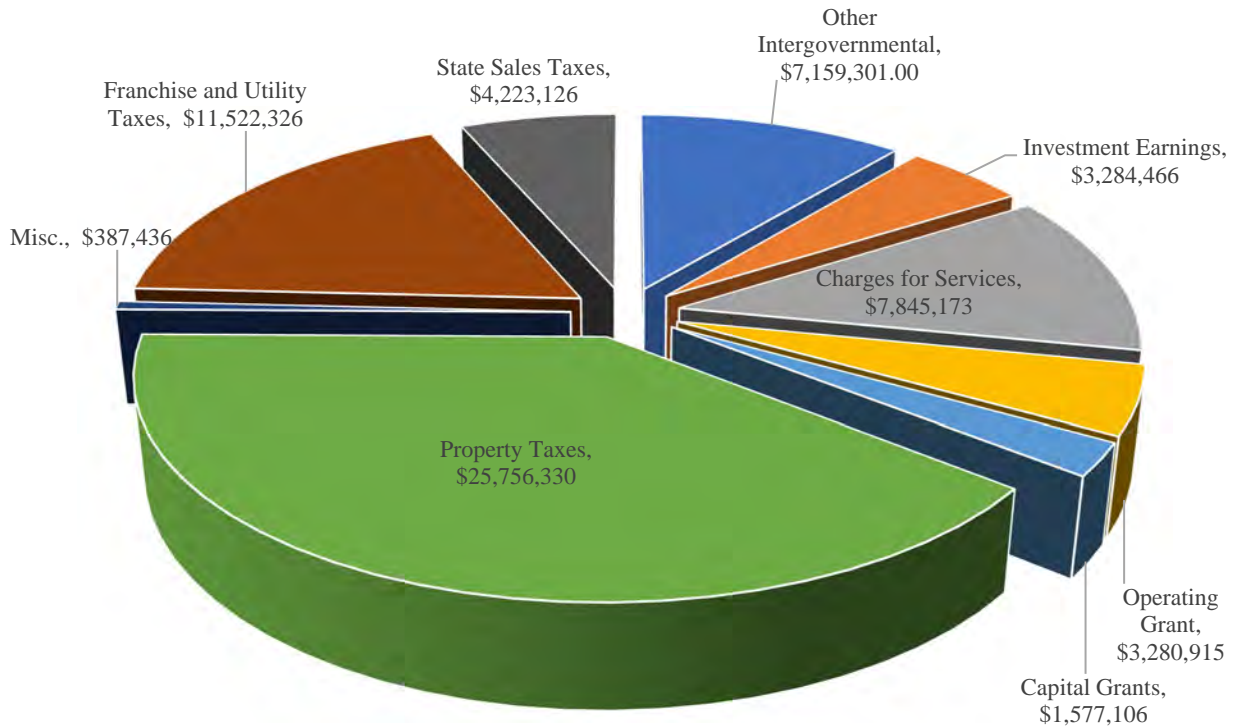
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Program Revenues:						
Charges for services	\$ 7,845	\$ 8,298	\$ 47,614	\$ 44,535	\$ 55,459	\$ 52,833
Operating grants/contributions	3,281	8,501	-	516	3,281	9,017
Capital grants/contributions	1,577	874	2,646	668	4,223	1,542
General Revenues:						
Property taxes	25,756	22,361	-	-	25,756	22,361
Franchise and utility taxes	11,522	11,409	-	-	11,522	11,409
State Sales Tax	4,223	4,419	-	-	4,223	4,419
Other intergovernmental	7,160	7,011	-	-	7,160	7,011
Investment earnings	3,285	1,561	4,053	1,575	7,338	3,136
Miscellaneous	387	230	1,013	667	1,400	897
<b>Total revenues</b>	<b>\$ 65,036</b>	<b>\$ 64,664</b>	<b>\$ 55,326</b>	<b>\$ 47,961</b>	<b>\$ 120,362</b>	<b>\$ 112,625</b>
<b>Expenses</b>						
General government	\$ 16,232	\$ 18,253	\$ -	\$ -	\$ 16,232	\$ 18,253
Public safety	32,403	29,410	-	-	32,403	29,410
Transportation	6,495	6,679	-	-	6,495	6,679
Economic environment	21	22	-	-	21	22
Culture and recreation	6,058	6,380	-	-	6,058	6,380
Interest on long-term debt	910	907	-	-	910	907
Water and sewer	-	-	27,042	28,572	27,042	28,572
Solid waste	-	-	8,030	7,993	8,030	7,993
Stormwater	-	-	5,991	4,796	5,991	4,796
Golf course	-	-	2,543	2,289	2,543	2,289
<b>Total Expenses</b>	<b>\$ 62,119</b>	<b>\$ 61,651</b>	<b>\$ 43,606</b>	<b>\$ 43,650</b>	<b>\$ 105,725</b>	<b>\$ 105,301</b>
Change in net position before transfers	\$ 2,917	\$ 3,013	\$ 11,720	\$ 4,311	\$ 14,637	\$ 7,324
Transfers	1,983	(2,997)	(1,983)	2,998	-	1
<b>Change in net position</b>	<b>\$ 4,900</b>	<b>\$ 16</b>	<b>\$ 9,737</b>	<b>\$ 7,309</b>	<b>\$ 14,637</b>	<b>\$ 7,325</b>
Net Position - Beginning	135,660	135,644	281,462	274,153	417,122	409,797
<b>Net Position - Ending</b>	<b>\$ 140,560</b>	<b>\$ 135,660</b>	<b>\$ 291,199</b>	<b>\$ 281,462</b>	<b>\$ 431,759</b>	<b>\$ 417,122</b>

Total revenues from governmental activities increased by \$372,507 or .6%, while total expenditures increased by \$467,725 or .8%. The City experienced an increase in taxable property values over the previous year and approved a millage rate at 7.8% above the rolled-back rate for FY2024, generating an increase in property tax revenue.

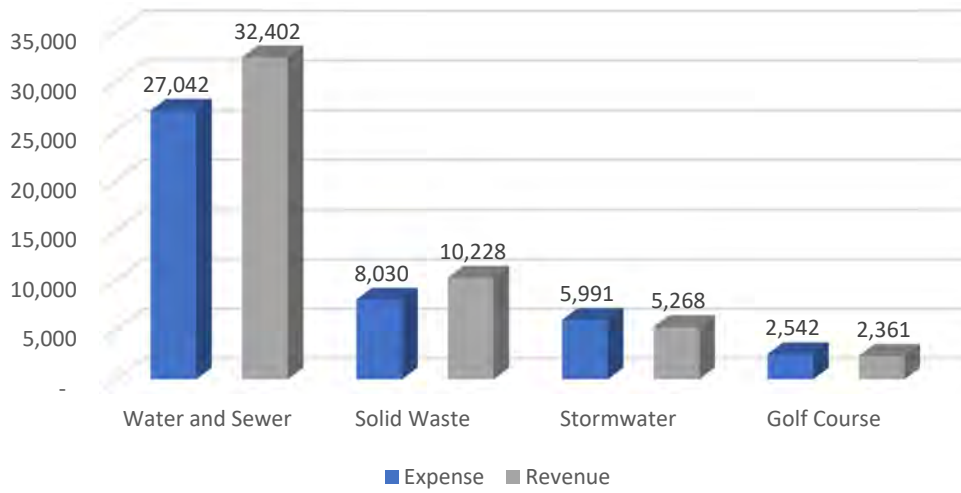
**Program Expenses and Revenues  
Governmental Activities  
(\$000)**



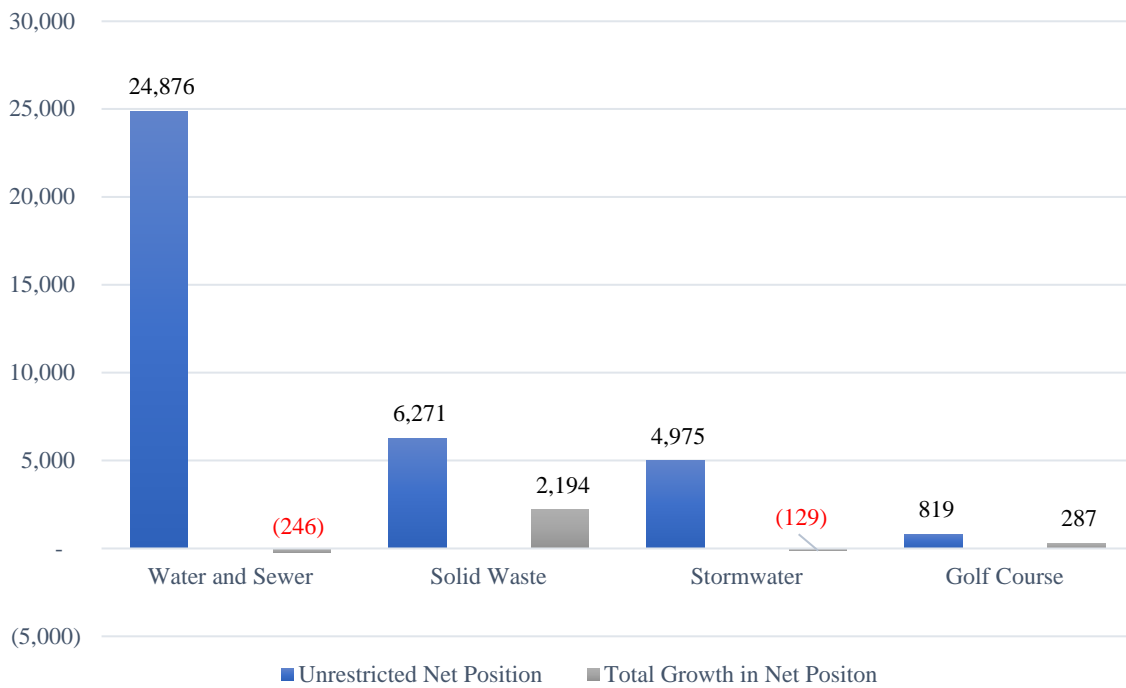
**Revenues by Source  
Governmental Activities**



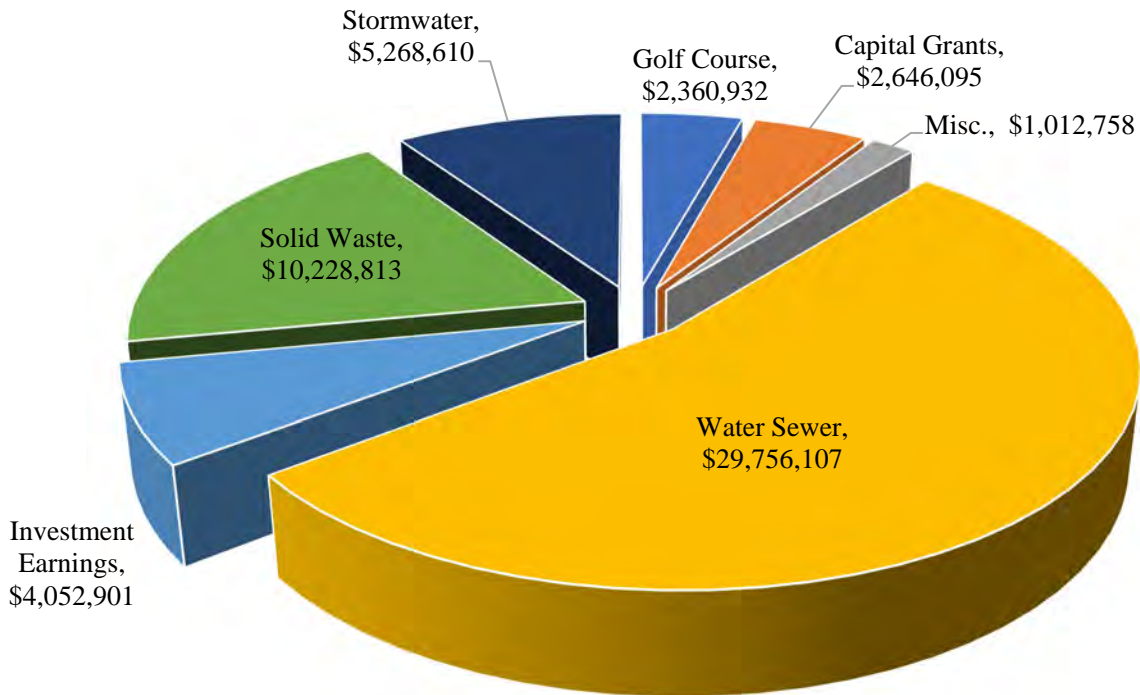
**Program Expenses and Revenues  
Business-Type Activities  
(\$000)**



**Unrestricted and Total Growth in Net Position  
Business Type Activities  
(\$000)**



**Revenues by Source  
Business-Type Activities**



**Financial analysis of the City's funds** The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds** The City's *governmental funds* focus on near-term inflows, outflows, and balances of spendable resources. Such information helps assess the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for discretionary use. Unassigned balances represent the portion of fund balance not limited to use for a particular purpose by an external party, the City, or a delegated authority to assign resources for specific purposes by the City Council.

The City's governmental funds reported a combined ending fund balance of \$58,315,217, increasing \$5,770,033 compared to the prior year's increase of \$2,406,932. The unassigned fund balance is \$21,354,481 or 36.6%, which is available for spending at the City's discretion. The remainder of the fund balance of \$36,960,736 (63.4%) is not available because of allocation to (1) non-spendable items such as inventories and prepaid expenditures; (2) restricted by enabling legislation or other legal requirements; (3) committed by formal action of City Council, or (4) assigned by the City for specific purposes.

The General Fund is the main operating fund of the City. Total fund balance was \$37,442,102, with an unassigned balance of \$25,865,577.

To measure the General Fund's liquidity, it may be helpful to compare both unassigned fund balance and total fund balance to total fund expenditures less transfers. Unassigned fund balance represents

approximately 43.2% of total general fund expenditures and transfers, while total fund balance represents about 62.5% of that same amount.

The total of General Fund revenues and other financing sources had little change (less than 1%), when compared to FY2023. However, included in FY2023 were one-time revenues and expenses related to Hurricane's Ian and Nicole of approximately \$7 million. The net effect (including transfers) increased the fund balance by \$1,040,676, or 2.9%.

The special revenue funds are all non-major, except Eastport Business Center and Town Center Community Redevelopment Agency (CRA). The CRAs receive their primary funding through tax increments. These districts promote and provide economic incentives, infrastructure improvements, and an environment conducive for business within the district's boundaries. A separate audit report of each CRA is available from the City's Finance Department.

The reader may find financial information for all other special revenue funds in the Combining Statements – Non-major Governmental Funds, Special Revenue Category. Special Revenue Funds (excluding CRAs) have a combined fund balance of \$2,849,714. The funds closed the year with a net decrease in the combined fund balance of 2,797,601, primarily related to transfers of Community Development Building funds for future construction.

Other non-major governmental funds include debt service funds and various capital project funds. Debt service has a fund balance of \$2,177,584, which is reserved for debt service. The net increase in the fund balance was \$28,273. Capital projects have a fund balance of \$19,423,011 and include the Transportation, General Obligation, and Capital Replacement funds, as well as other non-major funds. These funds may be found in the Combining Statements – Non-major Governmental Funds, Capital Project Funds Category. At fiscal year-end, the majority of the fund balances were appropriated for infrastructure and facility improvements.

Non-major governmental funds have a combined fund balance of \$24,450,309, a net increase of \$4,472,514 during the year.

**Proprietary funds** The City's enterprise funds provide the same type of information found in the government-wide financial statements but in more detail.

The unrestricted net position of the enterprise funds at the end of the year amounted to \$36,941,704. The total growth in unrestricted net position was \$2,105,547.

The net position of the internal service funds at the end of the year amounted to \$22,210,606. Internal service funds closed the year with an increase in net position of \$2,093,140. This included the transfer of \$1,471,399 from the Building Maintenance fund to the General Fund. Other factors concerning the financial position of these funds are addressed in the discussion of the City's business-type activities.

### **General fund budgetary highlights**

**Original budget compared to the final budget.** During the year, budget amendments increased either the estimated revenues or original budget appropriations. The significant variances between the original budget and the final amended budget are as follows:

- Revenues reported an overall positive variance in the General Fund, with actual revenues of \$56,535,623 which were higher than the final FY2024 budget by \$3,466,417. Most of this variance was due to the increases in investment income and tax revenues over budget.

- Actual expenditures totaled \$48,720,757, a positive variance of \$9,414,015 due to the City focus on cost containment efforts, reduction in salary expense due to vacancies, and timing delays for capital outlay projects.
- Net transfers were (\$7,857,522) and proceeds from leases were \$1,083,332. The actual net change in fund balance was \$1,040,676, an increase of \$13,923,696 over budget.

**Capital asset and debt administration**

**Capital assets** The City’s investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounts to \$352,254,237 (net of accumulated depreciation), and increase of \$4,834,586 or 1.4%. This investment in capital assets includes land, easements, art, buildings and improvements, infrastructure, equipment, and construction in progress. Additional information about the City’s capital assets is in Note 7 on pages 61-62.

Major capital asset events during the current fiscal year included the following:

- In FY2024, the City acquired easements totaling \$762,345 and added Buildings and Improvements of \$787,729 primarily for Parks and Recreations The REC Community Center gym floor and final improvements.
- Infrastructure improvements had a net increase of \$3,020,876. The increase was due to improvements to Town West Blvd as well as the Sewer Plant.
- Net of disposals, the City added \$6,240,323 of vehicles and equipment in the current year.
- The City purchased land at Devon Steet and Madeline Avenue in conjunction with Stormwater planning.
- Construction in progress had a net increase of \$10,530,352, ending the fiscal year at \$18,866,672. Construction in progress increase is related to lift station projects, generator replacement, water/wastewater plant improvements and stormwater projects.

**Statement of Capital Assets, Net of Depreciation**

September 30, XXXX  
(\$000)

	Governmental Activities		Business Type Activities		Total	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Land	\$ 24,973	\$ 24,973	\$ 30,424	\$ 29,500	\$ 55,397	\$ 54,473
Easements	14,934	14,171	-	-	14,934	14,171
Works of Art	12	12	-	-	12	12
Construction in Prog.	3,602	1,051	15,264	7,286	18,866	8,337
Buildings and Impr.	92,900	92,374	33,208	32,947	126,108	125,321
Infrastructure	88,226	86,343	314,518	313,380	402,744	399,723
Equipment	43,217	38,965	11,044	9,055	54,261	48,020
Less: Depreciation	<u>(131,014)</u>	<u>(124,824)</u>	<u>(189,054)</u>	<u>(177,814)</u>	<u>(320,068)</u>	<u>(302,638)</u>
Total Capital Assets, Net	<u>\$ 136,850</u>	<u>\$ 133,065</u>	<u>\$ 215,404</u>	<u>\$ 214,354</u>	<u>\$ 352,254</u>	<u>\$ 347,419</u>

**Long-term liabilities** At the end of the current fiscal year, the City had outstanding bonds, notes, and financed purchases of \$32,942,059 and compensated absences of \$4,305,150. The total of bonds, notes, and financed purchases due in more than one year are \$30,708,855 plus \$3,228,862 of compensated

absences. The general obligation debt backed by the full faith and credit of the government is \$8,695,000.

The remainder of the City’s debt represents bonds secured solely by specified revenue sources and other obligations summarized as follows:

**Statement of Outstanding Debt**

September 30, XXXX

(\$000)

	Governmental Activities		Business Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds and notes	\$ 8,695	\$ 9,265	\$ -	\$ -	\$ 8,695	\$ 9,265
Revenue bonds and notes	13,570	14,750	4,965	4,965	18,535	19,715
Loans from Other Gov.	-	-	2,939	4,101	2,939	4,101
Less deferred amount	-	-	-	-	-	-
Original issue premium	812	938	-	-	812	938
Original issues discount	(35)	(40)	(24)	(28)	(59)	(68)
Total bonds and notes payables	23,042	24,913	7,880	9,038	30,922	33,951
Financed Purchases	2,019	1,088				
Compensated Absences	3,672	2,667	632	739	4,304	3,406
Total long-term liabilities	\$ 28,733	\$ 28,668	\$ 8,512	\$ 9,777	\$ 37,245	\$ 38,445

Excluding original issue discounts and premiums, the City’s FY2024 debt principal decreased by \$3,062,778, which was offset by \$1,083,332 in newly financed purchases in FY2024. This resulted in a net decrease in principal of \$1,979,446 during the current fiscal year.

A summary of the City’s approved debt types, related security pledges, and underlying ratings (without regard to credit support bond insurance) is as follows:

Additional information on the City’s long-term debt is in the notes to these financial statements on pages 63-66 of this report.

Debt Obligation Type	Pledged Security	Bond Rating as of September 2024
General Obligation Bonds	Ad Valorem Taxes	Moody’s: Aa2 Standard & Poor’s: Not rated Fitch: Not rated
Capital Improvement Bonds	Excise Taxes	Moody’s: Aa3 Standard & Poor’s: Not rated Fitch: Not rated
Drainage Bonds	Stormwater Drainage Revenues	Moody’s: Aa3 Standard & Poor’s: Not rated Fitch: Not rated
Florida State Revolving Fund (Intergovernmental)	Water & Sewer Revenues	Not rated
Bank Loans, Capital Leases, Conduit Debt, and Special Assessment Financing	Various, including Ad Valorem Tax; Gas Tax; Excise Tax; and unsecured, subject to Budgetary Appropriations.	Not rated

## Budget Amendments to the FY2024 Adopted General Fund Budget

Description	Amount	Resolution #
Carryforward Projects in Fund 001	5,713,481	23-61
1st Quarter Budget Adjustments	861,443	23-68
Mid-Year Adjustments	4,352,933	24-12
Year-End Adjustments	<u>(626,702)</u>	24-46
Total General Fund Budget Amendments	<u><u>10,301,155</u></u>	

### Economic Factors and Next Year’s Budgets and Rates

- In 2020, the citizens of Florida enacted Amendment 2, \$15 Minimum Wage Initiative (2020), by 60.82%. Amendment 2 was designed to increase the state minimum wage from \$8.56 in 2020 to \$15.00 in 2026. Under Amendment 2, the state minimum wage is set to increase each year such that the Florida minimum wage of \$15.00 is achieved by September 30, 2026. This amendment requires an annual adjustment to the state minimum wage based on increases to the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) beginning on September 30, 2027. The City’s current minimum wage as of October 1, 2024, is \$15.50.
- The annual average unemployment rate for Port Orange as of September 30, 2024, was 3.4%, increasing 0.5% from the prior year. This rate is slightly lower than the statewide average annual unemployment rate of 3.5%.
- The Council adopted an ad valorem tax rate of 4.9750 for FY2025 to fund operating expenditure obligations. This millage tax rate .02490% less than the previous FY2024 tax rate of 4.9999 and 7.8% above the “rolled-back rate” of 4.6134. The “rolled-back rate” is the tax rate that would result in the same dollar-amount revenue of the previous year.
- The FY2025 required millage rate levy to fund debt service on the City’s general obligation bonds is 0.1720, decreasing 8.8% from the prior year's millage of 0.1885.
- Public safety pension costs continue at high levels. The City and Unions agreed to bifurcated plans in FY2013 and introduced a defined contribution plan for new non-union employees to maintain long- term stability. Changing mortality tables and investment performance have added complexity to the pension funding program. To improve the funded status of the plans and manage future costs, the City plans to continue the practice of making discretionary contributions at fiscal year-end.
- Consistent with state and national trends, taxable assessed property values continue to increase. Certified final taxable value for 2023 was \$5,050,861,266, increasing to \$5,512,602,467 for 2024, an increase of \$461,741,201 or 9.1%.
- Stormwater non-ad Valorem rates increased to \$130.00 per equivalent residential unit in FY2024 to address the need for funding major stormwater capital projects. Rates will increase to \$145.00 per equivalent residential unit in FY 2025.

The City considered all these factors in preparing the budget for the upcoming fiscal year.

For the fiscal year ended September 30, 2024, the fund balance in the general fund totaled \$37,442,102. This compares to \$36,401,426 for the prior fiscal year. All appropriations lapse at year-end.

The City conducted a Financial Feasibility Study in FY2023, which resulted in an increase effective in January 2024. An additional increase for water sewer rates became effective in January 2025 and will continue to increase until FY2027.

Solid waste rates increased by 5% for FY2024 and FY2025 effective in October. The solid waste rates will continue to adjust annually in upcoming years based on the Consumer Price Index (CPI).

### **Requests for Information**

The City designed this financial report to provide a general overview of the City's finances for all those interested in the government's finances. The reader should address questions related to any information provided in this report or requests for additional financial information to the City of Port Orange, Finance Director, 1000 City Center Circle, Port Orange, FL 32129.



**THIS PAGE INTENTIONALLY LEFT BLANK**

## **BASIC FINANCIAL STATEMENTS**

These basic financial statements contain Government-wide Financial Statements, Fund Financial Statements and Notes to the Financial Statements.

**CITY OF PORT ORANGE, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2024**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Equity in pooled cash and investments	\$ 53,080,194	\$ 40,637,365	\$ 93,717,559
Receivables, net	2,391,243	4,573,579	6,964,822
Internal balances	(6,015,979)	6,015,979	-
Due from other governments	2,624,781	96,959	2,721,740
Leases receivable	3,246,115	428,340	3,674,455
Inventories	170,579	1,216,969	1,387,548
Prepaid items	2,033,716	100,715	2,134,431
Restricted assets:			
Equity in pooled cash	14,452,335	42,321,787	56,774,122
Investments	483,228	-	483,228
Capital assets:			
Capital assets, not being depreciated	43,521,216	45,688,234	89,209,450
Other capital assets, net of depreciation/amortization	93,328,920	169,715,867	263,044,787
Total assets	<u>\$ 209,316,348</u>	<u>\$ 310,795,794</u>	<u>\$ 520,112,142</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred loss on bond refunding	\$ 27,402	\$ -	\$ 27,402
Deferred outflows related to pensions	6,040,163	157,413	6,197,576
Deferred outflows related to OPEB	311,882	79,763	391,645
Total deferred outflows	<u>\$ 6,379,447</u>	<u>\$ 237,176</u>	<u>\$ 6,616,623</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 2,265,876	\$ 2,559,634	\$ 4,825,510
Customer deposits	1,293,746	3,738,008	5,031,754
Unearned revenue	389,610	508,071	897,681
Accrued interest payable	18,055	22,715	40,770
Noncurrent liabilities:			
Due within one year:			
Bonds and notes payable	835,000	1,191,690	2,026,690
Financed purchases	206,514	-	206,514
Compensated absences	918,108	158,180	1,076,288
Due in more than one year:			
Bonds and notes payable	22,207,267	6,688,619	28,895,886
Financed purchases	1,812,969	-	1,812,969
Compensated absences	2,754,324	474,538	3,228,862
Total OPEB liability	2,885,542	737,969	3,623,511
Net pension liability	26,667,147	1,946,629	28,613,776
Total liabilities	<u>\$ 62,254,158</u>	<u>\$ 18,026,053</u>	<u>\$ 80,280,211</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	\$ 6,687,595	\$ 522,747	\$ 7,210,342
Deferred inflows related to OPEB	3,080,515	787,834	3,868,349
Deferred inflows related to leases	3,113,912	497,143	3,611,055
Total deferred inflows of resources	<u>\$ 12,882,022</u>	<u>\$ 1,807,724</u>	<u>\$ 14,689,746</u>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 111,815,788	\$ 207,257,080	\$ 319,072,868
Restricted for:			
Public safety	1,170,618	-	1,170,618
Community redevelopment projects	933,902	-	933,902
Transportation	6,856,297	-	6,856,297
Debt service	753,213	657,180	1,410,393
Capital improvements	2,563,850	10,316,634	12,880,484
Inspections and other purposes	1,411,158	30,010,616	31,421,774
Unrestricted	15,054,789	42,957,683	58,012,472
Total net position	<u>\$ 140,559,615</u>	<u>\$ 291,199,193</u>	<u>\$ 431,758,808</u>

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

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

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 16,231,802	\$ 5,294,107	\$ 1,722,695	\$ 161,005	\$ (9,053,995)	\$ -	\$ (9,053,995)
Public safety	32,403,072	1,370,944	96,040	107,044	(30,829,044)	-	(30,829,044)
Transportation	6,494,591	173,822	1,447,240	1,131,884	(3,741,645)	-	(3,741,645)
Economic environment	20,547	2,417	-	-	(18,130)	-	(18,130)
Culture and recreation	6,058,336	1,003,883	14,940	177,173	(4,862,340)	-	(4,862,340)
Interest on long-term debt	910,958	-	-	-	(910,958)	-	(910,958)
Total governmental activities	62,119,306	7,845,173	3,280,915	1,577,106	(49,416,112)	-	(49,416,112)
Business-type activities:							
Water and sewer	27,042,434	29,756,107	-	2,646,095	-	5,359,768	5,359,768
Solid waste	8,030,096	10,228,813	-	-	-	2,198,717	2,198,717
Stormwater	5,991,357	5,268,610	-	-	-	(722,747)	(722,747)
Golf course	2,542,471	2,360,932	-	-	-	(181,539)	(181,539)
Total business-type activities	43,606,358	47,614,462	-	2,646,095	-	6,654,199	6,654,199
Total primary government	\$ 105,725,664	\$ 55,459,635	\$ 3,280,915	\$ 4,223,201	(49,416,112)	6,654,199	(42,761,913)
General revenues:							
Property taxes					25,756,330	-	25,756,330
Sales taxes					4,223,126	-	4,223,126
Casualty and fire insurance premium taxes					1,310,005	-	1,310,005
Public service taxes					7,214,993	-	7,214,993
Other taxes					1,985,731	-	1,985,731
Franchise and utility taxes					4,307,333	-	4,307,333
State revenue sharing					3,863,565	-	3,863,565
Investment earnings (loss)					3,284,466	4,052,901	7,337,367
Miscellaneous revenues					387,436	1,012,758	1,400,194
Transfers					1,982,625	(1,982,625)	-
Total general revenues and transfers					54,315,610	3,083,034	57,398,644
Change in net position					4,899,498	9,737,233	14,636,731
Net position - beginning of year					135,660,117	281,461,960	417,122,077
Net position - ending of year					\$ 140,559,615	\$ 291,199,193	\$ 431,758,808

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

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

	General Fund	Eastport Business Center CRA Fund	Town Center CRA Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Equity in pooled cash and investments	\$ 30,643,298	\$ 933,902	\$ -	\$ 24,429,422	\$ 56,006,622
Receivables, net	2,389,008	-	-	2,235	2,391,243
Due from other governments	2,387,839	-	-	236,942	2,624,781
Leases receivable	2,465,965	-	-	780,150	3,246,115
Inventories	170,579	-	-	-	170,579
Prepaid items	1,381,041	-	-	1,407,404	2,788,445
Advances to other funds	2,045,671	-	-	-	2,045,671
Total assets	<u>\$ 41,483,401</u>	<u>\$ 933,902</u>	<u>\$ -</u>	<u>\$ 26,856,153</u>	<u>\$ 69,273,456</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	\$ 1,199,385	\$ -	\$ 2	\$ 450,523	\$ 1,649,910
Customer deposits	66,639	-	-	1,227,107	1,293,746
Unearned revenue	387,549	-	33	2,028	389,610
Due to other funds	-	-	2,465,390	-	2,465,390
Advances from other funds	-	-	2,045,671	-	2,045,671
Total liabilities	<u>1,653,573</u>	<u>-</u>	<u>4,511,096</u>	<u>1,679,658</u>	<u>7,844,327</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows related to leases	2,387,726	-	-	726,186	3,113,912
Total deferred inflows of resources	<u>2,387,726</u>	<u>-</u>	<u>-</u>	<u>726,186</u>	<u>3,113,912</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventories	170,579	-	-	-	170,579
Prepaid items	1,381,041	-	-	1,407,404	2,788,445
Advances to other funds	2,045,671	-	-	-	2,045,671
Restricted for:					
Public safety	979,857	-	-	190,761	1,170,618
Inspections	-	-	-	1,293,534	1,293,534
Recreation	116,536	-	-	-	116,536
Debt service	-	-	-	771,268	771,268
Capital improvements	-	-	-	2,563,850	2,563,850
Community redevelopment	-	933,902	-	-	933,902
Transportation projects	-	-	-	4,725,127	4,725,127
Transportation impact	-	-	-	2,131,170	2,131,170
Committed to:					
Tree replacement	254,840	-	-	-	254,840
ARPA transition projects	844,635	-	-	-	844,635
Capital improvements	4,061,756	-	-	-	4,061,756
Stormwater - Irma	1,721,610	-	-	-	1,721,610
Recreation facility improvements	-	-	-	1,435,682	1,435,682
Assigned to:					
Capital improvements	-	-	-	9,812,103	9,812,103
Business development	-	-	-	119,410	119,410
Unassigned	25,865,577	-	(4,511,096)	-	21,354,481
Total fund balances	<u>37,442,102</u>	<u>933,902</u>	<u>(4,511,096)</u>	<u>24,450,309</u>	<u>58,315,217</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 39,095,675</u>	<u>\$ 933,902</u>	<u>\$ -</u>	<u>\$ 26,129,967</u>	<u>\$ 66,159,544</u>

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

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

<b>Fund balances - total governmental funds</b>		<b>\$ 58,315,217</b>
Amounts reported for governmental activities in the statement of activities are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		
Total governmental capital assets	232,707,759	
Less: accumulated depreciation	<u>(103,724,475)</u>	128,983,284
On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the statement of net position, the City's net pension liability of the defined benefit pension plans is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported.		
Net pension liability	(26,667,147)	
Deferred outflows related to pensions	6,040,163	
Deferred inflows related to pensions	<u>(6,687,595)</u>	(27,314,579)
On the governmental fund statements, a total OPEB liability is not recorded unless an amount is due and payable (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's total OPEB liability is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to OPEB are also reported.		
Total OPEB liability	(2,885,542)	
Deferred outflows related to OPEB	311,882	
Deferred inflows related to OPEB	<u>(3,080,515)</u>	(5,654,175)
Internal service funds are used by management to charge the costs of data processing, insurance, fleet lease and maintenance, building maintenance, and internal loans to individual funds. These assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
Total net position	22,261,975	
Less: amounts attributable to business-type activities	<u>(6,015,979)</u>	16,245,996
Prepaid principal and interest payments on long-term debt are not recorded as expenditures at the fund level, but are applied against the debt and accrued interest balances in the government-wide financial statements.		
		(1,406,316)
Long-term liabilities, including bonds payable and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities, deferred outflows, and other debt-related deferred charges consist of the following:		
Bonds and notes payable	(22,265,000)	
Financed purchases	(2,019,483)	
Accrued interest payable	(18,055)	
Unamortized bond discounts and premiums	(777,267)	
Unamortized deferred loss on bond refunding	27,402	
Compensated absences	<u>(3,557,409)</u>	(28,609,812)
<b>Net position of governmental activities</b>		<b><u>\$ 140,559,615</u></b>

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

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

	General Fund	Eastport Business Center CRA Fund	Town Center CRA Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$ 34,901,589	\$ 246,628	\$ 156,402	\$ 2,371,493	\$ 37,676,112
Permits and fees	4,440,000	-	-	2,603,275	7,043,275
Intergovernmental	9,546,275	310,017	196,601	50,640	10,103,533
Charges for services	4,890,787	-	2,417	411,925	5,305,129
Fines and forfeitures	437,561	-	-	-	437,561
Investment income (loss)	1,896,181	52,501	600	799,281	2,748,563
Miscellaneous	423,230	2	2	524	423,758
<b>Total revenues</b>	<u>56,535,623</u>	<u>609,148</u>	<u>356,022</u>	<u>6,237,138</u>	<u>63,737,931</u>
<b>Expenditures</b>					
Current:					
General government	10,808,437	-	-	2,289,802	13,098,239
Public safety	28,217,540	-	-	2,499	28,220,039
Transportation	3,031,615	-	-	3,086,712	6,118,327
Economic environment	-	12,717	24,566	-	37,283
Culture and recreation	5,329,928	-	-	179,736	5,509,664
Capital outlay	1,113,443	-	-	4,823,818	5,937,261
Debt service:					
Principal retirement	151,631	-	-	1,710,000	1,861,631
Interest and fiscal charges	67,588	-	-	975,288	1,042,876
Other charges	575	-	-	2,325	2,900
<b>Total expenditures</b>	<u>48,720,757</u>	<u>12,717</u>	<u>24,566</u>	<u>13,070,180</u>	<u>61,828,220</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>7,814,866</u>	<u>596,431</u>	<u>331,456</u>	<u>(6,833,042)</u>	<u>1,909,711</u>
<b>Other financing sources (uses)</b>					
Transfers in	3,283,310	-	-	16,925,566	20,208,876
Transfers out	(11,140,832)	(268,335)	(402,709)	(5,620,010)	(17,431,886)
Issuance of financed purchases	1,083,332	-	-	-	1,083,332
<b>Total other financing sources (uses)</b>	<u>(6,774,190)</u>	<u>(268,335)</u>	<u>(402,709)</u>	<u>11,305,556</u>	<u>3,860,322</u>
<b>Net change in fund balances</b>	<u>1,040,676</u>	<u>328,096</u>	<u>(71,253)</u>	<u>4,472,514</u>	<u>5,770,033</u>
<b>Fund balances, beginning of year</b>	36,401,426	605,806	(4,439,843)	19,977,795	52,545,184
<b>Fund balances, end of year</b>	<u>\$ 37,442,102</u>	<u>\$ 933,902</u>	<u>\$ (4,511,096)</u>	<u>\$ 24,450,309</u>	<u>\$ 58,315,217</u>

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

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

<b>Net change in fund balances - total governmental funds</b>	<b>\$ 5,770,033</b>
Differences in amounts reported for governmental activities in the statement of activities are:	
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.	
Capital outlay expenditures	5,937,261
Depreciation expense	(5,785,307)
Contributed capital assets	762,345
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations, CIP project abandoned) is to decrease net position.	237,198
Bond and loan proceeds are reported as financing sources in the governmental funds. However, the issuance of debt is reported as long-term debt payable in the statement of net position. Repayment of bond and note principal is an expenditure in the governmental funds, but the repayment of debt principal reduces long-term liabilities in the statement of net position. These amounts are as follows:	
Principal repayment of general long-term debt	1,861,631
Issuance of governmental long-term debt	(1,083,332)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds (reduction in delinquent taxes).	-
Governmental funds report contributions to defined benefit pension plans as expenditures. However, in the statement of activities, the amount contributed to defined benefit pension plans reduces future net pension liability. Also included in pension expense in the statement of activities are amounts required to be amortized.	
Change in net pension liability and deferred inflows/outflows related to pensions	(3,378,736)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. These adjustments are as follows:	
Amortization of bond discounts and premiums	116,788
Change in accrued interest on long-term debt	18,030
Change in compensated absences liability	(1,045,142)
Change in total OPEB liability and deferred inflows/outflows related to OPEB	356,978
Internal service funds are used by management to charge the costs of certain activities to individual funds. The portion of net revenue/expense of internal service funds reported within governmental activities for the year.	1,131,751
<b>Change in net position of governmental activities</b>	<b>\$ 4,899,498</b>

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

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 33,409,153	\$ 33,409,153	\$ 34,901,589	\$ 1,492,436
Permits and fees	4,353,000	4,353,000	4,440,000	87,000
Intergovernmental	9,236,808	9,895,123	9,546,275	(348,848)
Charges for services	4,405,639	4,525,939	4,890,787	364,848
Fines and forfeitures	392,000	392,000	437,561	45,561
Investment income (loss)	101,800	101,800	1,896,181	1,794,381
Miscellaneous	239,950	392,191	423,230	31,039
<b>Total revenues</b>	<u>52,138,350</u>	<u>53,069,206</u>	<u>56,535,623</u>	<u>3,466,417</u>
<b>Expenditures</b>				
Current:				
General government:				
Mayor and Council	321,749	321,749	289,925	31,824
City Manager	551,178	576,178	574,918	1,260
Finance and administration	3,189,786	3,158,326	2,906,457	251,869
Legal	900,896	927,896	828,718	99,178
Planning and community development	1,311,379	1,311,379	1,091,789	219,590
Nondepartmental	7,871,625	8,333,267	5,714,875	2,618,392
<b>Total general government</b>	<u>14,146,613</u>	<u>14,628,795</u>	<u>11,406,682</u>	<u>3,222,113</u>
Public safety:				
Law enforcement	16,706,650	16,938,294	15,366,893	1,571,401
Fire safety	14,136,634	15,819,953	12,607,769	3,212,184
Code enforcement	604,473	672,602	621,008	51,594
<b>Total public safety</b>	<u>31,447,757</u>	<u>33,430,849</u>	<u>28,595,670</u>	<u>4,835,179</u>
Transportation	4,211,619	4,053,475	3,041,452	1,012,023
Culture and recreation	5,800,161	6,021,653	5,676,953	344,700
<b>Total expenditures</b>	<u>55,606,150</u>	<u>58,134,772</u>	<u>48,720,757</u>	<u>9,414,015</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(3,467,800)</u>	<u>(5,065,566)</u>	<u>7,814,866</u>	<u>12,880,432</u>
<b>Other financing sources (uses)</b>				
Transfers in	2,041,846	2,066,742	3,283,310	1,216,568
Transfers out	(4,749,992)	(12,522,528)	(11,140,832)	1,381,696
Proceeds from leases	1,555,000	2,638,332	1,083,332	(1,555,000)
<b>Total other financing sources (uses)</b>	<u>(1,153,146)</u>	<u>(7,817,454)</u>	<u>(6,774,190)</u>	<u>1,043,264</u>
<b>Net change in fund balances</b>	<u>(4,620,946)</u>	<u>(12,883,020)</u>	<u>1,040,676</u>	<u>13,923,696</u>
<b>Fund balances, beginning of year</b>	36,401,426	36,401,426	36,401,426	-
<b>Fund balances, end of year</b>	<u>\$ 31,780,480</u>	<u>\$ 23,518,406</u>	<u>\$ 37,442,102</u>	<u>\$ 13,923,696</u>

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

**CITY OF PORT ORANGE, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - EASTPORT BUSINESS CENTER CRA**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 246,628	\$ 246,628
Intergovernmental	536,920	617,813	310,017	(307,796)
Investment income (loss)	2,400	2,400	52,501	50,101
Miscellaneous	-	-	2	2
Total revenues	<u>539,320</u>	<u>620,213</u>	<u>609,148</u>	<u>(11,065)</u>
<b>Expenditures</b>				
Current:				
Economic environment	270,985	351,878	12,717	339,161
Capital outlay	-	-	-	-
Total expenditures	<u>270,985</u>	<u>351,878</u>	<u>12,717</u>	<u>339,161</u>
Excess (deficiency) of revenues over expenditures	<u>268,335</u>	<u>268,335</u>	<u>596,431</u>	<u>328,096</u>
<b>Other financing sources (uses)</b>				
Transfers out	(268,335)	(268,335)	(268,335)	-
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>328,096</u>	<u>328,096</u>
<b>Fund balances, beginning of year</b>	605,806	605,806	605,806	-
<b>Fund balances, end of year</b>	<u>\$ 605,806</u>	<u>\$ 605,806</u>	<u>\$ 933,902</u>	<u>\$ 328,096</u>

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

**CITY OF PORT ORANGE, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - TOWN CENTER CRA**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 156,402	\$ 156,402
Intergovernmental	340,494	340,494	196,601	(143,893)
Charges for services	4,000	4,000	2,417	(1,583)
Investment income (loss)	1,000	1,000	600	(400)
Miscellaneous	-	-	2	2
<b>Total revenues</b>	<u>345,494</u>	<u>345,494</u>	<u>356,022</u>	<u>10,528</u>
<b>Expenditures</b>				
Current:				
Economic environment	28,210	28,210	24,566	3,644
Excess (deficiency) of revenues over expenditures	<u>317,284</u>	<u>317,284</u>	<u>331,456</u>	<u>14,172</u>
<b>Other financing sources (uses)</b>				
Transfers in	50,000	50,000	-	(50,000)
Transfers out	<u>(402,709)</u>	<u>(402,709)</u>	<u>(402,709)</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>(352,709)</u>	<u>(352,709)</u>	<u>(402,709)</u>	<u>(50,000)</u>
<b>Net change in fund balances</b>	<u>(35,425)</u>	<u>(35,425)</u>	<u>(71,253)</u>	<u>(35,828)</u>
<b>Fund balances, beginning of year</b>	(4,439,843)	(4,439,843)	(4,439,843)	-
<b>Fund balances, end of year</b>	<u>\$ (4,475,268)</u>	<u>\$ (4,475,268)</u>	<u>\$ (4,511,096)</u>	<u>\$ (35,828)</u>

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

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

	<b>Business-type Activities - Enterprise Funds</b>					<b>Governmental</b>
	<b>Water and Sewer</b>	<b>Solid Waste</b>	<b>Stormwater Utility</b>	<b>Golf Course</b>	<b>Total</b>	<b>Activities - Internal Service Funds</b>
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 26,411,449	\$ 5,771,636	\$ 5,949,461	\$ 2,504,819	\$ 40,637,365	\$ 12,009,135
Accounts receivable, net	3,330,398	1,209,652	30,954	2,575	4,573,579	-
Due from other governments	96,079	-	880	-	96,959	-
Leases receivable	428,340	-	-	-	428,340	-
Inventories	1,111,281	-	643	105,045	1,216,969	-
Prepaid items	41,032	-	-	59,683	100,715	651,587
Due from other funds	-	-	-	-	-	2,465,390
Restricted current assets	-	-	-	-	-	-
Equity in pooled cash	17,005	-	5,710	-	22,715	-
Total current assets	<u>31,435,584</u>	<u>6,981,288</u>	<u>5,987,648</u>	<u>2,672,122</u>	<u>47,076,642</u>	<u>15,126,112</u>
Noncurrent assets:						
Restricted cash	41,699,800	-	599,272	-	42,299,072	-
Capital assets:						
Land	16,596,051	42,800	12,835,980	949,209	30,424,040	-
Building and improvements	27,533,813	159,441	-	5,514,858	33,208,112	311,981
Infrastructure	272,644,951	-	41,873,425	-	314,518,376	-
Machinery and equipment	8,597,156	32,500	2,236,209	177,726	11,043,591	34,844,513
Construction in progress	13,952,730	-	1,196,430	115,034	15,264,194	-
Accumulated depreciation	(169,895,289)	(168,567)	(15,131,378)	(3,858,978)	(189,054,212)	(27,289,642)
Total capital assets, net	169,429,412	66,174	43,010,666	2,897,849	215,404,101	7,866,852
Advances to other funds	1,559,061	-	-	-	1,559,061	-
Total noncurrent assets	<u>212,688,273</u>	<u>66,174</u>	<u>43,609,938</u>	<u>2,897,849</u>	<u>259,262,234</u>	<u>7,866,852</u>
Total assets	<u>\$ 244,123,857</u>	<u>\$ 7,047,462</u>	<u>\$ 49,597,586</u>	<u>\$ 5,569,971</u>	<u>\$ 306,338,876</u>	<u>\$ 22,992,964</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred outflows related to pensions	\$ 126,258	\$ 4,805	\$ 26,350	\$ -	\$ 157,413	\$ -
Deferred outflows related to OPEB	62,735	1,793	15,235	-	79,763	-
Total deferred outflows of resources	<u>\$ 188,993</u>	<u>\$ 6,598</u>	<u>\$ 41,585</u>	<u>\$ -</u>	<u>\$ 237,176</u>	<u>\$ -</u>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts payable and accrued liabilities	\$ 1,572,121	\$ 603,749	\$ 275,936	\$ 107,828	\$ 2,559,634	\$ 214,966
Deposits	3,738,008	-	-	-	3,738,008	-
Unearned revenue	321,507	-	-	186,564	508,071	-
Estimated claims payable	-	-	-	-	-	401,000
Compensated absences	139,765	757	17,658	-	158,180	28,756
Payable from restricted assets:						
Current maturities on long-term debt	741,106	-	450,584	-	1,191,690	-
Accrued interest payable	17,005	-	5,710	-	22,715	-
Total current liabilities	<u>6,529,512</u>	<u>604,506</u>	<u>749,888</u>	<u>294,392</u>	<u>8,178,298</u>	<u>644,722</u>
Noncurrent liabilities:						
Bonds and notes payable, net	1,051,481	-	5,637,138	-	6,688,619	-
Advances from other funds	-	-	-	1,559,061	1,559,061	-
Compensated absences	419,292	2,272	52,974	-	474,538	86,267
Total OPEB liability	580,425	16,584	140,960	-	737,969	-
Net pension liability	1,561,349	59,425	325,855	-	1,946,629	-
Total noncurrent liabilities	<u>3,612,547</u>	<u>78,281</u>	<u>6,156,927</u>	<u>1,559,061</u>	<u>11,406,816</u>	<u>86,267</u>
Total liabilities	<u>\$ 10,142,059</u>	<u>\$ 682,787</u>	<u>\$ 6,906,815</u>	<u>\$ 1,853,453</u>	<u>\$ 19,585,114</u>	<u>\$ 730,989</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred inflows related to pensions	\$ 419,284	\$ 15,958	\$ 87,505	\$ -	\$ 522,747	\$ -
Deferred inflows related to OPEB	619,644	17,704	150,486	-	787,834	-
Deferred inflows related to leases	497,143	-	-	-	497,143	-
Total deferred inflows of resources	<u>\$ 1,536,071</u>	<u>\$ 33,662</u>	<u>\$ 237,991</u>	<u>\$ -</u>	<u>\$ 1,807,724</u>	<u>\$ -</u>
<b>NET POSITION</b>						
Net investment in capital assets	\$ 167,372,965	\$ 66,174	\$ 36,920,092	\$ 2,897,849	\$ 207,257,080	\$ 7,866,852
Restricted for debt service	57,908	-	599,272	-	657,180	-
Restricted for Wetland Mitigation Credits	2,533,612	-	-	-	2,533,612	-
Restricted for renewal and replacement	27,477,004	-	-	-	27,477,004	-
Restricted for utility plant expansion	10,316,634	-	-	-	10,316,634	-
Unrestricted	24,876,597	6,271,437	4,975,001	818,669	36,941,704	14,395,123
Total net position	<u>\$ 232,634,720</u>	<u>\$ 6,337,611</u>	<u>\$ 42,494,365</u>	<u>\$ 3,716,518</u>	<u>\$ 285,183,214</u>	<u>\$ 22,261,975</u>
Cumulative adjustment to reflect consolidation of internal service fund activities related to enterprise funds					6,015,979	
Net position, business-type activities					<u>\$ 291,199,193</u>	

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

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

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water and Sewer	Solid Waste	Stormwater Utility	Golf Course		
<b>Operating revenues</b>						
Charges for services	\$ 29,696,522	\$ 10,228,701	\$ 5,266,975	\$ 2,360,658	\$ 47,552,856	\$ 9,762,836
Other revenues	59,585	112	1,635	274	61,606	266,030
Total operating revenues	<u>29,756,107</u>	<u>10,228,813</u>	<u>5,268,610</u>	<u>2,360,932</u>	<u>47,614,462</u>	<u>10,028,866</u>
<b>Operating expenses</b>						
Personal services	6,706,136	275,481	1,524,231	-	8,505,848	1,520,680
Contractual services	4,815,402	7,377,939	1,219,555	2,342,861	15,755,757	605,637
Other operating expenses	6,782,618	376,676	620,040	7,958	7,787,292	3,588,918
Insurance claims and expenses	-	-	-	-	-	802,449
Depreciation	8,679,468	-	2,367,110	191,652	11,238,230	1,319,594
Total operating expenses	<u>26,983,624</u>	<u>8,030,096</u>	<u>5,730,936</u>	<u>2,542,471</u>	<u>43,287,127</u>	<u>7,837,278</u>
<b>Operating income (loss)</b>	<u>2,772,483</u>	<u>2,198,717</u>	<u>(462,326)</u>	<u>(181,539)</u>	<u>4,327,335</u>	<u>2,191,588</u>
<b>Nonoperating revenues (expenses)</b>						
Investment earnings (loss)	3,231,946	260,941	470,062	89,952	4,052,901	535,903
Gain (loss) on disposition of capital assets	-	-	-	-	-	490,633
Interest and amortization expense	(58,810)	-	(260,421)	-	(319,231)	-
Total nonoperating revenues (expenses)	<u>3,173,136</u>	<u>260,941</u>	<u>209,641</u>	<u>89,952</u>	<u>3,733,670</u>	<u>1,026,536</u>
<b>Income (loss) before contributions and transfers</b>	<u>5,945,619</u>	<u>2,459,658</u>	<u>(252,685)</u>	<u>(91,587)</u>	<u>8,061,005</u>	<u>3,218,124</u>
Capital contributions	1,896,095	-	-	-	1,896,095	-
Capital grants	750,000	-	-	-	750,000	-
Transfers in	-	-	927,243	431,683	1,358,926	1,620,717
Transfers out	(1,900,067)	(265,843)	(1,150,745)	(24,896)	(3,341,551)	(2,694,332)
<b>Change in net position</b>	<u>6,691,647</u>	<u>2,193,815</u>	<u>(476,187)</u>	<u>315,200</u>	<u>8,724,475</u>	<u>2,144,509</u>
<b>Net position, beginning of year</b>	225,943,073	4,143,796	42,970,552	3,401,318	276,458,739	20,117,466
<b>Net position, end of year</b>	<u>\$ 232,634,720</u>	<u>\$ 6,337,611</u>	<u>\$ 42,494,365</u>	<u>\$ 3,716,518</u>	<u>\$ 285,183,214</u>	<u>\$ 22,261,975</u>
Change in proprietary funds net position					\$ 8,724,475	
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds					1,012,758	
Change in net position of business-type activities					<u>\$ 9,737,233</u>	

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

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

	<b>Business-type Activities - Enterprise Funds</b>				<b>Total</b>	<b>Governmental Activities - Internal Service Funds</b>
	<b>Water and Sewer</b>	<b>Solid Waste</b>	<b>Stormwater Utility</b>	<b>Golf Course</b>		
<b>Cash flows from operating activities</b>						
Cash received from customers	\$ 30,377,117	\$ 10,311,845	\$ 5,272,202	\$ 2,363,939	\$ 48,325,103	\$ 10,029,806
Cash paid to employees	(7,095,931)	(291,086)	(1,437,468)	-	(8,824,485)	(1,531,883)
Cash paid to suppliers	(10,937,942)	(7,722,333)	(1,919,170)	(2,363,629)	(22,943,074)	(5,305,390)
Net cash provided by (used in) operating activities	<u>12,343,244</u>	<u>2,298,426</u>	<u>1,915,564</u>	<u>310</u>	<u>16,557,544</u>	<u>3,192,533</u>
<b>Cash flows from noncapital financing activities</b>						
Transfers from other funds	-	-	927,243	431,683	1,358,926	1,620,717
Transfers to other funds	(1,900,067)	(265,843)	(1,150,745)	(24,896)	(3,341,551)	(2,644,759)
Net cash provided by (used in) noncapital financing activities	<u>(1,900,067)</u>	<u>(265,843)</u>	<u>(223,502)</u>	<u>406,787</u>	<u>(1,982,625)</u>	<u>(1,024,042)</u>
<b>Cash flows from capital and related financing activities</b>						
Impact fees	1,896,095	-	-	-	1,896,095	-
Acquisition and construction of capital assets	(10,483,853)	-	(1,583,596)	(220,175)	(12,287,624)	(4,002,862)
Proceeds from sale of capital assets	-	-	-	-	-	490,633
Principal payments of long-term debt	(721,141)	-	(436,561)	-	(1,157,702)	-
Interest paid	(50,977)	-	(262,689)	-	(313,666)	-
Net cash provided by (used in) capital and related financing activities	<u>(8,609,876)</u>	<u>-</u>	<u>(2,282,846)</u>	<u>(220,175)</u>	<u>(11,112,897)</u>	<u>(3,512,229)</u>
<b>Cash flows from investing activities</b>						
Interest received (loss)	3,231,946	260,941	470,062	89,952	4,052,901	535,903
<b>Net change in cash and cash equivalents</b>	<u>5,065,247</u>	<u>2,293,524</u>	<u>(120,722)</u>	<u>276,874</u>	<u>7,514,923</u>	<u>(807,835)</u>
<b>Cash and cash equivalents, beginning of year</b>	63,063,007	3,478,112	6,675,165	2,227,945	75,444,229	12,816,970
<b>Cash and cash equivalents, end of year</b>	<u>\$ 68,128,254</u>	<u>\$ 5,771,636</u>	<u>\$ 6,554,443</u>	<u>\$ 2,504,819</u>	<u>\$ 82,959,152</u>	<u>\$ 12,009,135</u>
<b>Cash and cash equivalents classified as:</b>						
Unrestricted	\$ 26,411,449	\$ 5,771,636	\$ 5,949,461	\$ 2,504,819	\$ 40,637,365	\$ 12,009,135
Restricted	41,716,805	-	604,982	-	42,321,787	-
Total cash and cash equivalents	<u>\$ 68,128,254</u>	<u>\$ 5,771,636</u>	<u>\$ 6,554,443</u>	<u>\$ 2,504,819</u>	<u>\$ 82,959,152</u>	<u>\$ 12,009,135</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>						
Operating income (loss)	\$ 2,772,483	\$ 2,198,717	\$ (462,326)	\$ (181,539)	\$ 4,327,335	\$ 2,191,588
Adjustments to reconcile net operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	8,679,468	-	2,367,110	191,652	11,238,230	1,319,594
Changes in assets and liabilities:						
Accounts receivable	726,775	83,032	3,073	52,990	865,870	209
Due from other governments	(7,238)	-	519	-	(6,719)	731
Lease receivable	21,101	-	-	-	21,101	-
Inventories	(185,232)	-	(134)	(5,686)	(191,052)	-
Prepaid items	(12,678)	-	-	(3,243)	(15,921)	(343,932)
Accounts payable and accrued liabilities	857,988	32,282	(79,441)	(3,881)	806,948	35,546
Deposits	(155,632)	-	-	-	(155,632)	-
Unearned revenue	36,004	-	-	(49,983)	(13,979)	-
Compensated absences	(89,166)	165	(17,042)	-	(106,043)	(40,203)
Claims liability	-	-	-	-	-	29,000
Net pension liability	60,313	5,889	98,367	-	164,569	-
Total OPEB liability	(360,942)	(21,659)	5,438	-	(377,163)	-
Net cash provided by (used in) operating activities	<u>\$ 12,343,244</u>	<u>\$ 2,298,426</u>	<u>\$ 1,915,564</u>	<u>\$ 310</u>	<u>\$ 16,557,544</u>	<u>\$ 3,192,533</u>

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

**CITY OF PORT ORANGE, FLORIDA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2024**

	<u><b>Pension Trust Funds</b></u>
<b>ASSETS</b>	
Cash and cash equivalents with trustee	\$ 1,920,835
Prepaid benefit payments	<u>772,216</u>
Receivables	
State premium taxes	175
Interest and dividends receivable	<u>214,710</u>
Total receivables	<u>214,885</u>
Investments, at fair value	
U.S. Treasury and agency obligations	9,013,130
Corporate and municipal debt obligations	6,646,950
Corporate equity securities	27,572,982
Mutual funds	84,465,088
Real estate funds	19,352,281
Local government investment pool	<u>5,455,667</u>
Total investments	<u>152,506,098</u>
Total assets	<u><u>\$ 155,414,034</u></u>
<b>LIABILITIES</b>	
Accounts payable	\$ 1,139,069
Prepaid employer contributions	-
Total liabilities	<u><u>\$ 1,139,069</u></u>
<b>NET POSITION</b>	
Restricted for pensions	<u><u>\$ 154,274,965</u></u>

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

**CITY OF PORT ORANGE, FLORIDA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u><b>Pension Trust Funds</b></u>
<b>Additions</b>	
Contributions:	
Employer	\$ 6,242,890
Plan members	1,087,307
State - insurance premium taxes	1,316,225
Total contributions	<u>8,646,422</u>
Investment earnings:	
Net appreciation (depreciation) in fair value of investments	21,430,375
Interest and dividends	3,605,029
Total investment earnings	<u>25,035,404</u>
Less: investment expense	<u>(321,191)</u>
Net investment income (loss)	<u>24,714,213</u>
 Total additions	 <u><u>33,360,635</u></u>
<b>Deductions</b>	
Benefit payments and refunds	9,703,198
Administrative expenses	337,456
Total deductions	<u>10,040,654</u>
 <b>Change in net position</b>	 <u><u>23,319,981</u></u>
 <b>Net position restricted for pensions, beginning of year</b>	 130,954,984
 <b>Net position restricted for pensions, end of year</b>	 <u><u>\$ 154,274,965</u></u>

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

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

(1) **Summary of Significant Accounting Policies:**

The financial statements of the City of Port Orange, Florida (the City), have been prepared in conformance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for promulgating governmental accounting and financial reporting principles and the City has adopted the GASB Codification. The following is a summary of the City's significant accounting policies:

(a) **Reporting entity**—The City is a municipal corporation created by the laws of Florida, Chapter 67-1274, located in Volusia County. The legislative branch of the City is comprised of a five member elected Council. The City Council is governed by the City Charter and by state and local laws and regulations. The City Council is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Council-appointed City Manager.

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may be financially accountable and, as such, should be included within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. Because of the closeness of their relationship with the primary government (the City), the current component units are blended as though they are part of the primary government.

(b) **Blended component units**—The City has two blended component units, as follows:

The City of Port Orange, Florida, Eastport Business Center Community Redevelopment Agency (the "Eastport Business Center CRA") was created by Ordinance No. 1995-42 to account for the receipt and expenditure of property tax revenues from the tax increment financing district to support City redevelopment in the designated community redevelopment area. Although legally separate, pursuant to Resolution No. 95-23, the City Council declared itself to be the Eastport Business Center CRA and provided for the appointment of two additional members. Since the City is financially accountable for the activities of the Eastport Business Center CRA, its governing board is the same, and its relationship to the City is significant, its financial activities are reported on a blended basis as if it were part of the primary government as a major special revenue fund. Separate audited financial statements for the Eastport Business Center CRA are available from the City's finance department upon request.

The City of Port Orange, Florida, Town Center Community Redevelopment Agency (the "Town Center CRA") was created by Ordinance No. 1998-79 to account for the receipt and expenditure of property tax revenues from the tax increment financing district to support City redevelopment in the designated community redevelopment area. Although legally separate, pursuant to Resolution No. 98-20, the City Council declared itself to be the Town Center CRA and provided for the appointment of two additional members. Since the City is financially accountable for the activities of the Town Center CRA, its governing board is the same, and its relationship to the City is significant, its financial activities are reported on a blended basis as if it were part of the primary government as a major special revenue fund. Separate audited financial statements for the Town Center CRA are available from the City's finance department upon request.

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

(1) **Summary of Significant Accounting Policies:** (Continued)

(c) **Related organizations**—Organizations for which a primary government is accountable because the City appoints a voting majority of the board, but is not financially accountable, are considered to be related organizations. The City Council temporarily appoints a voting majority of the members of the governing board of The Port Orange Business Park Property Owners' Association, Inc. (the Property Owners' Association). The City is not financially accountable for the organization, nor does the City's accountability for this organization extend significantly beyond making the appointments. Accordingly, financial information for this entity is excluded from the City's financial statements.

Cypress Head Golf Club (the Golf Course) is an 18-hole championship course, with lighted practice facility, driving range, maintenance barn, cart barn, clubhouse, pro shop, restaurant, banquet room, and other related facilities wholly owned and operated by the City. Golf Club at Cypress Head, Inc. was incorporated on August 31, 2001, under the laws of the State of Florida and is the successor of Cypress Head Golf Course, Inc. which was incorporated on October 10, 1991. Golf Club at Cypress Head, Inc. is engaged primarily in holding the license authorizing the sale of alcoholic beverages at the Golf Course and is wholly owned by the City. The Golf Course is managed by an independent sports management company, which provides separate financial statements and accounting for the revenues and expenses generated from player fees, pro-shop sales, restaurant sales, and other related financial activities of the Golf Course. The accompanying financial statements combine the financial activities of the Golf Course which is managed pursuant to the Agreement for Golf Course Management at Cypress Head and the City's Golf Course Enterprise fund. All real and other personal property associated with golf course operations are combined with the financial reporting of the operational activities of the Golf Course in the City's Golf Course Enterprise Fund.

(d) **Government-wide and fund financial statements**—The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report aggregated information for the overall government for all of the activities of the primary government. These statements do not report fiduciary funds or fiduciary component units such as retirement trust funds. Those activities are reported only in fund financial statements. The effect of interfund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange revenues, are reported separately from business-type activities, which are financed wholly or partially by fees charged to external parties for goods or services and are reported in enterprise funds.

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

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

(1) **Summary of Significant Accounting Policies:** (Continued)

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 major individual enterprise funds are reported as separate columns in the fund financial statements.

(e) **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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period except for grant revenues which are considered earned when expenditures are incurred. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, intergovernmental revenues, licenses and permits, charges for services, 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. All other revenue items are considered to be measurable and available only when the government receives cash.

Nonexchange transactions are grouped into four classes, based on their principal characteristics. The accounting treatment for each type of transaction is as follows:

- *Derived Tax Revenues* are defined as assessments imposed on exchange transactions. Examples include: sales taxes, franchise tax, utility taxes, etc. Assets from derived tax revenue are recognized in the period when the exchange transaction on which the tax is imposed or when resources are received, whichever occurs first. Revenues are recognized, net of estimated uncollectible amounts, in the same period that the assets are recognized. Resources received in advance are recorded as deferred revenue until the period of the exchange.
- *Imposed Nonexchange Revenues* result from assessments on nongovernmental entities, other than assessments on exchange transactions. Examples include: ad valorem (property) taxes, fines and penalties, and property forfeitures. Assets from imposed nonexchange revenues are recognized in the period when an enforceable legal claim to the assets arises or when the resources are received, whichever occurs first. Property taxes are recognized in the period for which the taxes are levied. All other imposed nonexchange revenues are recognized in the same period that the assets are recognized.

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

(1) **Summary of Significant Accounting Policies:** (Continued)

- *Government-mandated Nonexchange Transactions* establish eligibility requirements before a transaction can occur. Examples include federal awards and state financial assistance. Until the requirements are met, the recipient does not have a receivable and recognition of revenue received in advance is deferred. The providers (usually federal, state, and county governments) often offer resources on a reimbursement (“expenditure-driven”) basis at the time the recipient has incurred allowable costs under the applicable program.
- *Voluntary Nonexchange Transactions* result from legislative or contractual agreements other than exchanges, entered into willingly by two or more parties. Examples include certain grants, entitlements, and donations by nongovernmental entities. Principal characteristics of these types of transactions are (1) they are not imposed on the provider or recipient, and (2) fulfillment of eligibility requirements is essential for a transaction to occur. Assets and revenues are recognized when all applicable eligibility requirements, including time requirements, are met. Resources received in advance are reported as deferred revenue.

The City’s accounts are organized on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of the governmental and proprietary fund financial statements is on major funds.

The City reports the following major governmental funds:

**General Fund**—The General Fund is the principal fund of the City which accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the City other than proprietary fund activities are financed through revenues received by the General Fund.

**Eastport Business Center Community Redevelopment Area (CRA) Fund**—The Eastport CRA Fund accounts for the receipt and expenditure of property tax revenues from the tax increment financing district to support redevelopment in the Eastport Business Center community redevelopment area.

**Town Center Community Redevelopment Area (CRA) Fund**—The Town Center CRA Fund accounts for the receipt and expenditure of property tax revenues from the tax increment financing district to support redevelopment in the Town Center community redevelopment area.

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

(1) **Summary of Significant Accounting Policies:** (Continued)

The City reports the following major proprietary funds:

**Water and Sewer System Fund**—The Water and Sewer System Fund accounts for the costs and recovery of costs in the form of user charges related to the production, treatment and distribution of potable water, along with the collection, treatment and disposal of sewage waste with the City. The maintenance and improvement of utility plant required to provide these goods and services are financed primarily from user charges. Physical plant expansion is financed primarily from revenue bond obligations and other long-term debt borrowings.

**Solid Waste Fund**—The Solid Waste Fund provides the community with refuse and recycling services provided by third-party contracted vendors, the costs of which are primarily recovered by user charges.

**Stormwater Utility Fund**—The Stormwater Utility Fund accounts for the collection of drainage fees utilized for the expansion and maintenance of drainage facilities.

**Golf Course Fund**—The Golf Course Fund accounts for the costs and recovery of costs in the form of user charges related to the use of the 18-hole golf course owned and operated by the City. The maintenance and improvement of the golf course required to provide these goods and services are financed primarily from user charges, existing cash resources, and other City funds.

Additionally, the City reports the following fund types:

**Special Revenue Funds**—These funds account for financial sources and uses that are legally restricted for specific purposes. The City has the following non-major Special Revenue Funds: Business Development; Recreation Facilities; Community Development-Building; and Community Development Block Grant. These financial activities are reported separately in the Combining and Individual Fund Statements and Schedules section of this report.

**Debt Service Funds**—These funds are used to account for the accumulation of resources for, and payment of, general long-term debt principal, interest, and related costs. This fund type is used to provide for the debt service requirements of the City’s governmental long-term debt.

**Capital Projects Funds**—These funds are used to account for financial resources to be used for equipment replacement or the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The City has the following non-major capital projects funds: General Construction, Transportation Capital Projects, Fire Impact, Transportation Impact, General Obligation Capital Projects, Capital Replacement Funds, Economic Development Capital, 2014 Capital Improvement Bond Projects, and Recreation Impact. These financial activities are reported separately in the Combining and Individual Fund Statements and Schedules section of this report.

**Internal Service Funds**—The City’s Internal Service Funds account for the financial activities of its internal information technology, vehicle maintenance, insurance, lease and replacement, building services to departments of the maintenance, and internal loan pool activities. These type funds provide services to departments of the City on a cost-reimbursement basis.

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

(1) **Summary of Significant Accounting Policies:** (Continued)

**Pension Trust Funds**—Accounts for the net position held in trust for defined pension benefits and the related financial activities of the employees' retirement system, which accumulates resources for defined pension benefit payments to the Municipal Police Officers' Retirement Trust Fund, the Municipal Firefighters' Pension Trust Fund, and the General Employee's Pension Trust Fund. Assets accumulated and held in trust in defined contribution pension plans (deferred compensation and money purchase retirement plans) are not included in the financial statements, since such amounts immediately vest with the employees.

As a general rule, the effect of the City's interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer function and various other functions. 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 for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments (when applicable). 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 nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. The City recognizes as operating revenue the portion of impact fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

(f) **Budgets and budgetary accounting**—Annual budgets for all governmental and proprietary funds were adopted in compliance with Florida law. The basis on which the budgets are prepared is consistent with the basis of accounting utilized by the various fund types. The governmental funds' budgets are prepared on the modified accrual basis of accounting. The proprietary funds' budgets are prepared on a full accrual basis of accounting. The City uses the following procedures in establishing the budgetary data reflected in the accompanying financial statements:

- i. On or before July 1st, the City Manager submits a preliminary budget to the City Council for the ensuing fiscal year.
- ii. Budget workshop sessions are scheduled by the City Council, as needed.
- iii. A general summary of the budget and notice of public hearing is published in a local newspaper.
- iv. Prior to October 1st, the budget is legally enacted through passage of an ordinance.
- v. The City Council, by resolution, may make supplemental appropriations in excess of those estimated for the year up to the amount of available revenue in accordance with Section 3.08 of the City Charter. Prior to the end of the fiscal year, supplemental appropriations are made for unanticipated spending requirements by the Council.
- vi. The City Council must approve all inter-departmental budget amendments and/or appropriations transfers. Budgetary control is exercised at the department level.
- vii. Every appropriation lapses at the close of the fiscal year.

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

(1) **Summary of Significant Accounting Policies:** (Continued)

The budgets for governmental funds that were either adopted or amended during the year by the City Council were prepared using the modified accrual basis of accounting in accordance with generally accepted accounting principles. The general, special revenue, debt service, and capital project funds have legally adopted budgets.

The individual accounts that comprise the water and sewer fund, consisting of the water and sewer revenue account, water and sewer renewal and replacement account, and water and sewer impact fee account, have legally adopted annual budgets. The solid waste, golf course, and stormwater funds also have legally adopted annual budgets.

(g) **Deposits and investments**—The City’s cash and cash equivalents include cash on hand, demand deposits and short-term investments that are readily convertible to known amounts of cash. Investments with original maturities of three months or less are considered to be cash equivalents.

The City’s investment policies are governed by state statutes and local resolution. These policies authorize the City to invest in bonds, notes, and certificates of indebtedness, treasury bills, or other securities which are guaranteed by the full faith and credit of the United States of America, interest bearing savings accounts, interest bearing certificates of deposit and interest bearing time deposits.

(h) **Receivables and payables**—Activity between funds that are 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) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are reported net of an allowance for uncollectible accounts, which is based upon management’s analysis of historical trends. Utility operating sales are generally recognized on the basis of cycle billings rendered quarterly. Unbilled accounts receivable are accrued by the City at September 30th, to recognize the sales revenues earned between the last meter reading dates made in mid-September through the end of the fiscal year.

(i) **Leases receivable**—When engaged in long-term leasing activity as the lessor, the City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

(1) **Summary of Significant Accounting Policies:** (Continued)

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

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.
- The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

(j) **Inventories and prepaid items**—The cost of inventory is accounted for on the consumption basis wherein inventories are charged as expenditures when used, rather than when purchased. All inventories are valued at cost, which approximates market, by using the weighted average valuation method. The effect of this method is to flow the costs of the materials and supplies in the order in which they are purchased and to assign a balance sheet inventory valuation more nearly at current replacement value. No required minimum levels of inventory are maintained.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded as expenditures in governmental funds using the consumption method.

(k) **Restricted assets**—Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayments, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Restricted funds are comprised of the following:

*Sinking funds* – segregated resources generated from operations that are accumulated for making debt service payments over the next twelve months.

*Construction funds* – segregated resources consisting of net bond proceeds from the issuance of revenue bonds and other long-term debt obligations that are restricted to use in construction.

*Renewal and replacement funds* – segregated resources that are set aside to meet unexpected repairs or to fund asset renewal and replacement.

*Impact fee funds* – segregated resources, contributions and development fees paid on new constructions that are restricted for utility system expansion.

(l) **Capital assets**—Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, drainage improvements, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Infrastructure assets are being accounted for using different methods. For governmental activities, the cost or estimated cost of roads and sidewalks are presented. The City has compiled this information and has recorded all roads and sidewalks acquired after June 30, 1980. For business-type activities, infrastructure assets have been capitalized at cost. Water and sewer utility and stormwater utility improvements are being depreciated over their useful lives.

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

(1) **Summary of Significant Accounting Policies:** (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized, but charged to operating expense as incurred. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20 – 50 years
Infrastructure	15 – 30 years
Improvements other than buildings	20 – 50 years
Machinery and equipment	5 – 35 years

The City has historically recorded all easements and rights of way that are determined to have limited useful lives at estimated fair value on the date received. The City has elected to not retroactively report intangible assets that are determined to have indefinite useful lives. The City does not have any intangible assets previously subjected to amortization that have now been determined to have indefinite useful lives.

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

(n) **Long-term obligations**—In the government-wide financial statements, and proprietary fund types in the 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. Original issue bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize premiums and discounts, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

(1) **Summary of Significant Accounting Policies:** (Continued)

(o) **Fund balance**—In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Those classifications are as follows:

*Nonspendable* – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash such as inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

*Restricted* – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation (i.e., when the government assesses, levies, charges, or otherwise mandates payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

*Committed* – Fund balance amounts that can only be used for specific purposes pursuant to constraints imposed by ordinance of the City Council are reported as committed fund balance. Those committed amounts cannot be used for any other purpose unless the City removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

*Assigned* – Fund balance amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as assigned fund balance, except for stabilization arrangements. The City Council expressly delegates to the City Manager authority under this policy to assign funds for particular purposes. Such balances must be assigned (encumbered) through a contract or purchase order as provided under Chapter 2, Section 2-294 of the Port Orange Code of Ordinances and Generally Accepted Accounting Principles.

*Unassigned* – Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The City would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

The desired net equity reserve maintained by specified funds shall be held at a particular level. The City policy has set an optimal level of 30-35% of the respective operating expenditures less transfers in the General Fund. The major enterprise funds (excluding the Golf Course Fund) should retain working capital of between 25% and 30% of operating expenses (less transfers).

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

(1) **Summary of Significant Accounting Policies:** (Continued)

(p) **Deferred outflows/inflows of resources**—In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items, deferred loss on bond refunding in the proprietary funds and government-wide statement of net position, and deferred outflows related to pensions and OPEB, which qualify for reporting in this category. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows related to pensions are discussed further in Note (14) and deferred outflows related to OPEB are discussed further in Note (13).

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The City has three items, deferred inflows related to leases, and deferred inflows related to pensions and OPEB in the proprietary funds and government-wide statement of net position, which qualify for reporting in this category. Unavailable property tax revenues are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows related to pensions are discussed further in Note (14) and deferred inflows related to OPEB are discussed further in Note (13).

(q) **Net position flow assumption**—Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to determine amounts reported as restricted and unrestricted net position, it is the City’s policy to consider restricted net position to have been used before unrestricted net position is applied.

(r) **Use of estimates**—Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

(2) **Reconciliation of Government-Wide and Fund Financial Statement:**

(a) **Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**—Following the governmental fund balance sheet is a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. A detailed explanation of these differences is provided in this reconciliation.

(b) **Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**—Following the governmental fund statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. A detailed explanation of these differences is provided in this reconciliation.

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

**(3) Property Tax Calendar:**

Under Florida law, the assessment of all properties and the collection of all county, municipal and school district property taxes are consolidated in the offices of the County Property Appraiser and County Finance Director. The laws of the state regulating tax assessment are also designed to assure a consistent property valuation method statewide. State Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. For the year ended September 30, 2024, the operating and combined debt service millage rates (2024 levy) assessed by the City were 4.99990 and 0.18850 mills, respectively.

The property tax calendar is as follows:

Valuation Date	January 1, 2023												
Property Appraiser prepares the assessment roll with values as of January 1, 2023, submits this preliminary roll for approval by the State and notifies each taxing authority of their respective valuations.	July 1, 2023												
City Council holds two required public hearings and adopts a budget and ad valorem tax millage rate for the coming fiscal year.	September 2023												
Property Appraiser certifies the assessment roll and all real and tangible personal property taxes are due and payable (Levy date).	November 1, 2023												
A Notice of Taxes is mailed to each property owner on the assessment roll. Taxes may be paid November 2023 through March 2024, with the following applicable discounts:	November 1, 2023												
<table border="0" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;"><u>Month Paid</u></th> <th style="text-align: left;"><u>Discount Percent</u></th> </tr> </thead> <tbody> <tr> <td>November</td> <td style="text-align: center;">4 %</td> </tr> <tr> <td>December</td> <td style="text-align: center;">3</td> </tr> <tr> <td>January</td> <td style="text-align: center;">2</td> </tr> <tr> <td>February</td> <td style="text-align: center;">1</td> </tr> <tr> <td>March</td> <td style="text-align: center;">0</td> </tr> </tbody> </table>	<u>Month Paid</u>	<u>Discount Percent</u>	November	4 %	December	3	January	2	February	1	March	0	November 1, 2023 through March 31, 2024
<u>Month Paid</u>	<u>Discount Percent</u>												
November	4 %												
December	3												
January	2												
February	1												
March	0												
All unpaid taxes on real and tangible personal property become delinquent.	April 1, 2024												
A list of unpaid tangible personal property taxes and a list of unpaid real property taxes are advertised.	April and May 2024												
Tax certificates are sold on all real estate parcels with unpaid real property taxes (Lien date).	June 1, 2024												
A court order is obtained authorizing the seizure and sale of personal property if the taxpayer fails to pay the delinquent personal property taxes.	June 1, 2024												

At September 30, 2024, the City has recorded property taxes receivable of \$40,683.

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

**(4) Cash Deposits and Investments:**

***City Deposits and Investments***

The City's investment policies are governed by Chapter 280 and 218, Florida Statutes, City Code of Ordinances, and the adopted investment policy. For all investments authorized by statute or policy, the City applies the "Prudent Person" standard when developing investment strategies. The basic allowable investment instruments are as follows:

*The Florida PRIME* – includes the Florida PRIME and shall be rated "AAAm" by Standard & Poor's or the equivalent by another NRSRO.

*United States Government Securities* – includes direct negotiable obligations, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government.

*United States Government Agencies (full faith and credit of the United States Government)* – includes bonds, debentures or notes issued or guaranteed by the United States Government agencies, provided such obligations are back by the full faith and credit of the United States Government.

*Federal Instrumentalities (United States Government Sponsored Enterprises ("GSE") which are non-full faith and credit)* – includes bonds, debentures or notes issued or guaranteed by the United States Government Sponsored Enterprises which are non-full faith and credit.

*Non-Negotiable Interest-Bearing Time Certificates of Deposit* – includes non-negotiable interest bearing time certificates of deposit or savings accounts in banks organized under the laws of Florida and/or in national banks organized under the laws of the United States and doing business and situated in Florida, provided that any such deposits are secured by the Florida Security for Public Deposits Act, Section 280, Florida Statutes.

*Repurchase Agreements* – includes repurchase agreements composed of only those investments based on the requirements set by the City's Master Repurchase Agreement.

*Commercial Paper* – includes commercial paper of any United States company that is rates, at the time of purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper).

*Corporate Notes* – includes corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long term debt rating, at the time of purchase, at a minimum "Aa" by Moody's and a minimum long term debt rating of "AA" by Standard & Poor's.

*Bankers' Acceptances* – includes bankers' acceptances which are issued by a domestic bank or a federally chartered domestic office of a foreign bank, which is eligible for purchase by the Federal Reserve System, at the time of purchase, the short-term paper is rated, at a minimum, "P-1" by Moody's or "A-1" by Standard & Poor's.

*State and/or Local Government Taxable and/or Tax-Exempt Debt* – includes state and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "Aa" by Moody's and "AA" by Standard & Poor's for long-term debt, or rate at least "MIG-2" by Moody's and "SP-2" by Standard & Poor's for short-term debt.

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

(4) **Cash Deposits and Investments:** (Continued)

*Registered Investment Companies (Money Market Mutual Funds)* – includes shares in open-end and no-load fixed-income securities mutual funds provided such funds are registered under the Federal Investment Company Act of 1940 and invest in securities permitted by this policy.

*Intergovernmental Investment Pool* – includes intergovernmental investment pools that are authorized pursuant to the Florida Interlocal Corporation Act, as provided in Section 163.01, Florida Statutes, and provided that said funds contain no derivatives.

Deposits include cash on hand and amounts held in the City’s demand accounts. At September 30, 2024, the carrying amount of the City’s deposits was \$27,102,720. Each demand account is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Any balance in excess of FDIC insurance is covered by collateral held by the City’s custodial bank, which is pledged to a state trust fund that provides security in accordance with Florida Security for Public Deposits Act, Chapter 280, Florida Statutes.

The Florida Security for Public Deposits Act (the Act) established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50 percent of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act.

Obligations pledged to secure deposits must be delivered to the State Treasurer or, with the approval of the State Treasurer, to a bank, savings association, or trust company provided a power of attorney is delivered to the Treasurer. Under the Act, the pool may assess participating financial institutions on a pro rata basis to fund any shortfall in the event of the failure of a member institution.

The City has funds invested in a money market mutual fund. The fund’s portfolio is structured within the confines of Rule 2a-7 under the Investment Company Act of 1940, as amended. SEC Rule 2a-7 is the rule that permits money market funds to use amortized cost to maintain a constant NAV (net asset value) of \$1.00 per share, provided that such funds meet certain criteria. Therefore, the fair value of the City’s position in the fund is the same as the value of the fund’s shares. The fund invests primarily in short-term, high-quality, fixed-income securities issued by banks, corporations and the U.S. government, rated in the highest short-term category or of comparable quality. As of September 30, 2024, the total invested in the fund was \$37,807,758.

The City measures and records its investments, assets whose use is limited, and restricted assets using fair value measurement guidelines. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices – Values determined based on quoted market prices for similar assets in active or inactive markets; and,
- *Level 3:* Unobservable inputs – Values determined based on the underlying real estate and other holdings within the noted investments.

The City’s investment measured via Level 2 inputs are valued based on the price/yield of similar bonds or other investments.

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

**(4) Cash Deposits and Investments:** (Continued)

As of September 30, 2024, the City’s governmental and business-type investment portfolio was composed of the following investments:

Investment Type	Credit Quality Rating (S&P)	Weighted Average Investment Maturities (in Years)				Fair Value Hierarchy Classification
		Carrying Value	Less than 1	1-5	>5	
Cash	NR	\$ 27,102,720	\$ 27,102,720	\$ -	\$ -	N/A
Money Market	NR	76,361,427	76,361,427	-	-	N/A
Municipal Bonds	AAA to AA	551,780	551,780	-	-	1
Corporate Bonds	AA+ to A-	10,498,405	506,952	9,991,453	-	1
US Government Treasury	AA+	22,658,606	-	22,658,606	-	1
Federal Agency Collat. Mortgage Obligation	AA+	2,158,938	428,127	1,711,810	19,001	1
Asset-Backed Security/Coll.Mortgage Oblig.	NR or AAA	9,283,354	393	9,037,559	245,402	1
Supra-national agency bond	AAA	1,385,170	-	1,385,170	-	1
Bank Note	A+	639,765	-	639,765	-	
Certificates of deposit	NR	334,744	334,744	-	-	N/A
		\$ 150,974,909	\$ 105,286,143	\$ 45,424,363	\$ 264,403	

*Interest Rate Risk:* The City’s investment policy limits interest rate risk by attempting to match investment maturities with known cash needs and anticipated cash flow requirements. The investment of current operating funds will have maturities of no longer than twenty-four (24) months. Investments of bond reserves, construction funds, and other non-operating funds (“core funds”) shall have a term appropriate to the need for funds and in accordance with debt covenants, but should not exceed ten years. From time to time the above parameters may require modification in order to meet specific construction draw schedules or other predetermined operating, capital needs or to satisfy debt obligations but in no event shall exceed thirty (30) years.

*Credit Risk:* Credit risk is the risk that a debt issuer or other counter-party to an investment will not fulfill its obligations. The City’s investment policy utilizes portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. The ratings of the investments held at year end are shown above. All are rated within the investment policy guidelines at September 30, 2024.

*Concentration of Credit Risk:* The City’s investment policy has established asset allocation and issuer limits on its investments which are designed to reduce concentration of credit risk of the City’s investment portfolio. A maximum of 25% of available funds may be invested in the Florida PRIME, 100% of available funds may be invested in the United States Government Securities, 75% of available funds may be invested in United States Government agencies with a 50% limit on individual issuers, 80% of available funds may be invested in Federal Instrumentalities with a 40% limit on individual issuers, 25% of available funds may be invested in non-negotiable interest bearing time certificates of deposit with a 15% limit on individual issuers, 50% of available funds may be invested in repurchase agreements excluding one (1) business day agreements and overnight sweep agreements with a 25% limit on individual issuers, 30% of available funds may be directly invested in prime commercial paper with a 10% limit on individual issuers, 15% of available funds may be directly invested in corporate notes with a 5% limit on individual issuers, 30% of available funds may be directly invested in Bankers’ acceptances with a 10% limit on individual issuers, 20% of available funds may be invested in taxable and tax-exempt debts, 50% of available funds may be invested in mutual funds excluding one (1) business day overnight sweep agreements with a 25% limit on individual issuers, 25% of available funds may be invested in intergovernmental investment pools.

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

(4) **Cash Deposits and Investments:** (Continued)

*Custodial Credit Risk—Deposits:* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Pursuant to the applicable provisions of Chapter 280, Florida Statutes, *The Florida Security for Public Deposits Act*, the State of Florida, Department of Financial Services, Division of Treasury, Bureau of Collateral Management have established specific requirements relative to the security and collateralization for public deposits. Accordingly, banks qualifying as a public depository in the State of Florida must adopt the necessary procedures outlined in these statutes and meet all of the requirements of this chapter to be designated by the State Chief Financial Officer (CFO) as eligible to receive deposits from municipal depositors. Collateral having a fair value equal to 50% of the average daily balance for each month of all public deposits in excess of any applicable depository insurance is required to be pledged or deposited with the State CFO to secure such deposits. Additional collateral, up to a maximum of 125% may be required if deemed necessary under the conditions set forth in the Act. Securities eligible to be pledged as collateral are generally limited to obligations of the United States government and any state thereof and are held in the name of the State CFO's office. Compliance with the provisions of Chapter 280, Florida Statutes, is monitored by a Qualified Public Depository Oversight Board with members appointed by the State CFO.

*Custodial Credit Risk—Investments:* In the case of investments, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of September 30, 2024, the City's investments in U.S. Treasury obligations and federal instrumentalities/agency obligations are backed by the full faith and credit of the United States, or explicitly guaranteed by the United States. The City's investment in corporate debt obligations are held in the form of corporate bonds through a financial brokerage firm. The corporate debt obligations are uninsured, unregistered and held by the City's brokerage firm which is also the counterparty for these particular securities.

*Foreign Currency Risk:* Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The investment policy does not permit general obligations issued by a foreign government and is, therefore, not exposed to foreign currency risk.

***Pension Plan Deposits and Investments***

The City's Pension Plans are authorized to invest in the following investments:

Investment products and funds provided through insurance companies, including, but not limited to, annuity and life insurance contracts of life insurance companies in amounts sufficient to provide, in whole or in part, the benefits to which all of the members in the fund shall be entitled under the provisions of this system and pay the initial and subsequent premium thereon.

Time or savings accounts of a national bank, a state bank or a savings/building and loan association insured by the Federal Deposit Insurance Corporation.

Obligations of the United States or obligations guaranteed as to principal and interest by the government of the United States.

Open-end non-commission bank or insurance company real estate funds with ability to liquidate every three (3) months.

Foreign securities.

Bonds, stocks, commingled or mutual funds.

State Board of Administration and the investment vehicles it utilizes.

Any other investment which the pension board deems to be prudent

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

(4) **Cash Deposits and Investments:** (Continued)

The pension plan investments measured via Level 2 inputs are valued based on the price/yield of similar bonds or other investments.

The following chart shows the General Employees' Pension fund cash and investment accounts by investment portfolios and their respective maturities (in years):

	<u>Fair Value</u>	<u>Weighted Average Maturity (years)</u>	<u>Credit Rating Range (S&amp;P)</u>	<u>Fair Value Hierarchy Classification</u>
Money Market Funds	\$ 554,012	N/A	NR	Level 1
U.S. Treasury Obligations	1,152,735	6.01	NR	Level 2
U.S. Government Obligations	2,182,987	16.99	NR	Level 2
Corporate Debt	2,171,741	5.03	BBB- to AA-	Level 2
Municipal Debt	36,944	4.17	NR	Level 2
Equities – Domestic	6,695,968	N/A	NR	Level 1
Equities – International	14,363,760	N/A	NR	Level 1
Florida Municipal Investment Trust	5,455,667	N/A	NR	Level 2
Real Estate Pooled Separate Account	7,062,675	N/A	NR	Level 3
Total Portfolio	<u>\$ 39,676,489</u>			

The following chart shows the Fire Pension fund cash and investment accounts by investment portfolios and their respective maturities (in years):

	<u>Fair Value</u>	<u>Weighted Average Maturity (years)</u>	<u>Credit Rating Range (Moody's)</u>	<u>Fair Value Hierarchy Classification</u>
Money Market Funds	\$ 900,620	N/A	NR	N/A
U.S. General & Agency Obligations	5,677,408	9.3	Aa1-Aaa	Level 2
Corporate Bonds	4,438,265	8.0	Baa3-Aaa	Level 2
Common Stock	6,513,254	N/A	NR	Level 1
Mutual Funds	28,409,101	N/A	NR	Level 1
Real Estate Partnership	1,774,541	N/A	NR	Level 3
Total Portfolio	<u>\$ 47,713,189</u>			

The following chart shows the Police Pension fund cash and investment accounts by investment portfolios and their respective maturities (in years):

	<u>Fair Value</u>	<u>Weighted Average Maturity (years)</u>	<u>Credit Rating Range (S&amp;P)</u>	<u>Fair Value Hierarchy Classification</u>
Money Market Funds	\$ 466,203	N/A	NR	N/A
Mutual Funds – equity	42,505,889	N/A	NR	Level 1
Mutual Funds – fixed income	13,550,098	N/A	NR	Level 2
Real Estate Partnership	10,515,065	N/A	NR	Level 3
Total Portfolio	<u>\$ 67,037,255</u>			

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

**(4) Cash Deposits and Investments:** (Continued)

*Interest Rate Risk:* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. The established performance objectives of the Pension Plans require investment maturities to provide sufficient liquidity to pay obligations as they become due, the majority of which is liquidated by the general fund. At September 30, 2024, the weighted average maturity in years for each investment type is included in the preceding table.

*Credit Risk:* Credit risk is the risk that a debt issuer or other counter-party to an investment will not fulfill its obligations. The Pension Plans utilize portfolio diversification in order to limit investments to the highest rated securities as rated by nationally recognized rating agencies. The ratings of the investments held at year end are shown above. All are rated within the investment policy guidelines at September 30, 2024.

*Concentration of Credit Risk:* Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The Fire Pension trust funds policy does not allow more than five (5) percent of its assets in the common stock, capital stock, or convertible securities of any one issuing company, nor shall the aggregate investment in any one issuing company, exceed five (5) percent of the outstanding stock of that company, nor shall the aggregate of its investments at market in common stock, capital stock and convertible securities exceed seventy (70) percent of the fund's total assets. The Police Pension trust funds policy does not allow more than five (5) percent of its assets in the common stock, capital stock, or convertible securities of any one issuing company, nor shall the aggregate investment in any one issuing company, exceed twelve and one-half (12.5) percent of the outstanding stock of that company. The General Employee Pension trust funds policy does not allow more than five (5) percent of its assets in the common stock, capital stock, or convertible securities of any one issuing company, nor shall the aggregate investment in any one issuing company, exceed fifteen (15) percent of the outstanding stock of that company, nor shall the aggregate of its investments at market in common stock, capital stock and convertible securities exceed seventy-five (75) percent of the fund's total assets. At September 30, 2024, the investment portfolios met the single issuer limitations.

*Custodial Credit Risk:* Custodial credit risk is the risk that the City may not recover cash and investments held by another party in the event of financial failure. Custodial credit risk is limited since investments are held in independent custodial safekeeping accounts or mutual funds.

*Foreign Currency Risk:* Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The Pension trust funds policies allow for up to twenty-five (25) percent of its investments in common stock, capital stock and convertible securities at fair value in foreign securities. At September 30, 2024, the investment portfolios met the foreign securities limitations.

A reconciliation of cash and investments as shown in the accompanying financial statements follows:

<b>Government-Wide Statement of Net Position:</b>	
Equity in pooled cash	\$ 93,717,559
Restricted equity in pooled cash	56,774,122
Restricted investments	483,228
Total	\$150,974,909

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

(5) **Receivables:**

***Accounts Receivable***

The City's receivables consisted of the following at September 30, 2024:

	<u>Gross Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Receivable</u>
Governmental Activities:			
General Fund			
Delinquent taxes receivable	\$ 38,655	\$ -	\$ 38,655
Accounts receivable	5,232,986	(2,882,633)	2,350,353
Eastport CRA Fund			
Accounts receivable	-	-	-
Town Center CRA Fund			
Accounts receivable	-	-	-
Nonmajor Governmental Funds			
Accounts receivable	2,235	-	2,235
	<u>5,273,876</u>	<u>(2,882,633)</u>	<u>2,391,243</u>
Internal Service:			
Accounts receivable	-	-	-
Total – Governmental Activities	<u>5,273,876</u>	<u>(2,882,633)</u>	<u>2,391,243</u>
Business-Type Activities:			
Water and Sewer Fund			
Accounts receivable	3,619,944	(289,546)	3,330,398
Solid Waste Fund			
Accounts receivable	1,303,391	(93,739)	1,209,652
Stormwater Utility Fund			
Accounts receivable	31,724	(770)	30,954
Golf Course Fund			
Accounts receivable	2,575	-	2,575
Totals – Business-Type Activities	<u>4,957,634</u>	<u>(384,055)</u>	<u>4,573,579</u>
Totals	<u>\$ 10,231,510</u>	<u>\$ (3,266,688)</u>	<u>\$ 6,964,822</u>

***Leases Receivable***

The City has ongoing lease agreements with third parties related to rentals of land, building space, cell towers, and billboards owned by the City. The City has approximately 7 leases, most of which were entered into with 5-year terms that include additional renewal terms of up to two or more years.

A summary of the City's activity surrounding leases receivable as of and for the year ending September 30, 2024, is as follows:

	<u>General Fund</u>	<u>Recreation Facilities</u>	<u>Governmental Activities</u>	<u>Water &amp; Sewer Fund</u>	<u>Business- Type Activities</u>
Lease Revenue	\$ 592,484	\$ 223,442	\$ 815,926	\$ 159,186	\$ 159,186
Lease Receivable	2,465,965	780,150	3,246,115	428,340	428,340
Deferred Inflows	2,387,726	726,186	3,113,912	497,143	497,143

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

**(6) Interfund Loans, Advances, Fees, and Transfers:**

At September 30, 2024, individual fund advances to and from other funds for the primary government were comprised of the following:

	<b>Advance To</b>	<b>Advance From</b>
Governmental Activities:		
General Fund:		
Town Center CRA Fund	\$ 2,045,671	\$ -
Town Center CRA Fund:		
General Fund	-	2,045,671
Business-Type Activities:		
Water and Sewer Fund:		
Golf Course Fund	\$ 1,559,061	\$ -
Golf Course Fund:		
Water and Sewer Fund	-	1,559,061
Totals - All Funds	\$ 3,604,732	\$ 3,604,732

The outstanding balances between funds result mainly from the time lag between the dates reimbursable expenditures occur, when transactions are recorded in the accounting system, and when payments between funds are made. At September 30, 2024, individual fund interfund receivables and payables for the primary government were comprised of the following:

	<b>Due from Other Funds</b>	<b>Due to Other Funds</b>
Governmental Activities:		
Town Center CRA Fund:		
Internal Loan Pool	\$ -	\$ 2,465,390
Internal Service Funds:		
Internal Loan Pool Fund:		
Town Center CRA Fund	2,465,390	-
Totals - All Funds	\$ 2,465,390	\$ 2,465,390

Transfers are used to (1) move revenues from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, (2) move restricted amounts from borrowings to the debt service funds to establish and maintain mandatory reserve and sinking fund accounts, (3) move revenues from proprietary fund operations to the general fund for payments in lieu of taxes, and (4) move unrestricted revenues to finance various programs that the City must account for in other funds in accordance with budgetary authorizations, including amounts provided as matching funds for various grant programs.

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

**(6) Interfund Loans, Advances, Fees, and Transfers: (Continued)**

For the year ended September 30, 2024, individual fund transfers to and from other funds for the primary government were comprised of the following:

	<u>Transfer From</u>	<u>Transfer To</u>
Governmental Activities:		
General Fund:		
Nonmajor Governmental Funds	\$ 24,418	\$ 9,770,105
Water and Sewer Fund	1,514,084	-
Solid Waste Fund	265,843	-
Stormwater Utility Fund	261,920	605,933
Golf Course Fund	24,896	431,683
Internal Service Funds	1,192,149	333,111
Town Center CRA Fund:		
Debt Service Funds	-	402,709
Eastport CRA Fund:		
Debt Service Funds	-	268,335
Nonmajor Governmental Funds:		
Special Revenue Funds:		
General Fund	24,355	24,418
Capital Projects Funds	-	5,355,592
Capital Projects Funds:		
General Fund	8,681,225	-
Eastport CRA Fund	35,000	-
Capital Projects Funds	240,000	240,000
Special Revenue Funds	5,355,592	-
Stormwater Utility Fund	806,225	-
Debt Service Funds:		
General Fund	1,064,525	-
Town Center CRA Fund	402,709	-
Eastport CRA Fund	233,335	-
Stormwater Utility Fund	82,600	-
	<u>20,208,876</u>	<u>17,431,886</u>
Business-Type Activities:		
Water and Sewer Fund:		
General Fund	-	1,514,084
Internal Service Funds	-	64,673
Stormwater Utility Fund	-	321,310
Solid Waste Fund:		
General Fund	-	265,843
Stormwater Utility Fund:		
General Fund	605,933	261,920
Capital Projects Funds	-	806,225
Debt Service Funds	-	82,600
Water and Sewer Fund	321,310	-
Golf Course Fund:		
General Fund	431,683	24,896
	<u>1,358,926</u>	<u>3,341,551</u>
Internal Service Funds:		
Data Processing Fund:		
General Fund	300,000	-
Lease and Replacement Fund	1,000,000	-
Lease and Replacement Fund:		
General Fund	33,111	-
Data Processing Fund	-	1,000,000
Self-Insurance Fund	222,933	-
Self-Insurance Fund:		
Lease and Replacement Fund	-	222,933
Building Maintenance Fund:		
General Fund	-	1,192,149
Vehicle Maintenance Fund:		
Water and Sewer Fund	64,673	-
	<u>1,620,717</u>	<u>2,415,082</u>
Totals - All Funds	<u>\$ 23,188,519</u>	<u>\$ 23,188,519</u>

Included in transfers out of the Building Maintenance Fund is a transfer to government-wide activities for transfer of capital assets as part of elimination of fund in current year for \$279,250.

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

**(7) Capital Assets:**

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b><i>Governmental activities:</i></b>				
Capital assets not being depreciated:				
Land	\$ 24,973,091	\$ -	\$ -	\$ 24,973,091
Easements	14,171,302	762,345	-	14,933,647
Works of art	12,000	-	-	12,000
Construction in progress	1,050,550	4,011,669	(1,459,741)	3,602,478
Total assets not being depreciated	<u>40,206,943</u>	<u>4,774,014</u>	<u>(1,459,741)</u>	<u>43,521,216</u>
Capital assets being depreciated:				
Building & Improvements	92,373,928	526,542	-	92,900,470
Infrastructure	86,343,238	1,882,938	-	88,226,176
Machinery and equipment	38,964,562	5,104,534	(852,705)	43,216,391
Total assets being depreciated	<u>217,681,728</u>	<u>7,514,014</u>	<u>(852,705)</u>	<u>224,343,037</u>
Less accumulated depreciation for:				
Buildings, Improvements	(23,021,832)	(2,158,755)	17,927,803	(7,252,784)
Infrastructure	(16,850,897)	(3,404,036)	(75,204,421)	(95,459,354)
Machinery and equipment	(84,950,998)	(1,542,110)	58,191,129	(28,301,979)
Total accumulated depreciation	<u>(124,823,727)</u>	<u>(7,104,901)</u>	<u>914,511</u>	<u>(131,014,117)</u>
Total capital assets being depreciated, net	<u>92,858,001</u>	<u>409,113</u>	<u>61,806</u>	<u>93,328,920</u>
Governmental activities capital assets, net	<u>\$ 133,064,944</u>	<u>\$ 5,183,127</u>	<u>\$ (1,397,935)</u>	<u>\$ 136,850,136</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b><i>Business-type activities:</i></b>				
Capital assets not being depreciated:				
Land	\$ 29,500,484	\$ 923,556	\$ -	\$ 30,424,040
Construction in progress	7,285,770	10,542,439	(2,564,015)	15,264,194
Total assets not being depreciated	<u>36,786,254</u>	<u>11,465,995</u>	<u>(2,564,015)</u>	<u>45,688,234</u>
Capital assets being depreciated:				
Building & Improvements	32,946,925	261,187	-	33,208,112
Infrastructure	313,380,438	1,137,938	-	314,518,376
Machinery and equipment	9,055,097	1,994,498	(6,004)	11,043,591
Total assets being depreciated	<u>355,382,460</u>	<u>3,393,623</u>	<u>(6,004)</u>	<u>358,770,079</u>
Less accumulated depreciation for:				
Building & Improvements	(143,461,671)	(980,625)	(164,611)	(144,606,907)
Infrastructure	(31,613,809)	(2,682,332)	(6,568,791)	(40,864,932)
Machinery and equipment	(2,738,527)	(7,575,273)	6,731,427	(3,582,373)
Total accumulated depreciation	<u>(177,814,007)</u>	<u>(11,238,230)</u>	<u>(1,975)</u>	<u>(189,054,212)</u>
Total capital assets being depreciated, net	<u>177,568,453</u>	<u>(7,844,607)</u>	<u>(7,979)</u>	<u>169,715,867</u>
Business-type activities capital assets, net	<u>\$ 214,354,707</u>	<u>\$ 3,621,388</u>	<u>\$ (2,571,994)</u>	<u>\$ 215,404,101</u>

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

(7) **Capital Assets:** (Continued)

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General governmental	\$ 4,643,414
Public safety	1,390,053
Transportation	425,971
Culture and recreation	645,463
Total depreciation expense - governmental activities	<u>\$ 7,104,901</u>
Business-type activities:	
Water and sewer	\$ 8,679,468
Solid Waste	-
Stormwater Utility	2,367,110
Golf Course	191,652
Total depreciation expense - business-type activities	<u>\$ 11,238,230</u>

(8) **Commitments:**

The City had active construction projects as of September 30, 2024. The projects included construction of utility improvements, road and right-of-way improvements, recreational facilities, and stormwater drainage improvements. At September 30, 2024, the City's commitments with contractors were as follows:

Project	Total Adjusted Contract Amounts	Remaining Commitment
Water and Sewer Utility Improvements	\$ 15,695,049	\$ 13,552,130
Transportation Infrastructure Improvements	64,500	64,500
Facility Improvements	1,447,760	535,589
Recreational Improvements	2,723,818	2,100,185
Vehicle / Equipment Purchase	1,607,687	1,607,687
Stormwater Drainage Improvements	4,155,592	3,718,788
	<u>\$ 25,694,406</u>	<u>\$ 21,578,880</u>

Construction of transportation infrastructure improvements is being funded from gas tax revenues, capital project funds, and grant funding. The commitment for stormwater drainage improvements is being funded from stormwater drainage revenues.

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

**(9) Long-Term Liabilities:**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Bonds and notes payable:					
General obligation bonds and notes	\$ 9,265,000	\$ -	\$ (570,000)	\$ 8,695,000	\$ 590,000
Revenue bonds and notes	14,750,000	-	(1,180,000)	13,570,000	245,000
Less deferred amount:					
Original issue premium	937,922	-	(126,138)	811,784	-
Original issue (discount)	(40,245)	-	5,728	(34,517)	-
Total bonds and notes payable	24,912,677	-	(1,870,410)	23,042,267	835,000
Financed purchases	1,087,782	1,083,332	(151,631)	2,019,483	206,514
Compensated absences	2,667,493	1,766,004	(761,065)	3,672,432	918,108
Governmental activities – Total long-term liabilities	<u>\$ 28,667,952</u>	<u>\$ 2,849,336</u>	<u>\$ (2,783,106)</u>	<u>\$28,734,182</u>	<u>\$ 1,959,622</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Business-type activities:</b>					
Bonds payable:					
Revenue bonds and notes	\$ 4,965,000	\$ -	\$ -	\$ 4,965,000	\$ -
Loans from other governments	4,100,590	-	(1,161,147)	2,939,443	1,191,690
Less deferred amount:					
Original issue (discount)	(27,579)	-	3,445	(24,134)	-
Total bonds and notes payable	9,038,011	-	(1,157,702)	7,880,309	1,191,690
Compensated absences	738,761	48,960	(155,003)	632,718	158,180
Business-type activities – Total long-term liabilities	<u>\$ 9,776,772</u>	<u>\$ 48,960</u>	<u>\$ (1,312,705)</u>	<u>\$ 8,513,027</u>	<u>\$ 1,349,870</u>

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

(9) **Long-Term Liabilities:** (Continued)

Bonds and notes payable in the City’s governmental activities at September 30, 2024, were comprised of the following obligations:

Series 2006 Eastport Community Redevelopment Agency Tax Increment Note, was issued in the amount of \$2,500,000 to fund the construction of infrastructure improvements in the Eastport Community Redevelopment Area, due in payments of principal plus interest at 3.922% semi-annually on April 1 and October 1 of each year until final maturity on October 1, 2024. Pledged by Eastport CRA tax increment revenues.	\$ -
Series 2007 Town Center Community Redevelopment Agency Tax Increment Note, was issued in the amount of \$5,600,000 to fund the construction of infrastructure improvements in the Town Center Community Redevelopment Area, due in payments of principal plus interest ranging from 4.00% to 4.625% semi-annually on April 1 and October 1 of each year until final maturity on April 1, 2036. Pledged by Town Center tax increment revenues.	3,440,000
Series 2014 Capital Improvement Refunding Revenue Bonds were issued in the amount of \$16,350,000 to refund the City’s Capital Improvement Revenue Bonds, Series 2004, and to construct certain capital improvements in the Town Center area of the City. Bond is due in payments of principal plus interest ranging from 2.00% to 5.00% in semi-annual installments due on April 1 and October 1 through October 1, 2035. Secured by a lien upon and pledge of public service taxes imposed on certain purchases of electricity and metered or bottled gas, and communication service taxes originating within the corporate limits of the City.	10,130,000
Total revenue bonds	<u>13,570,000</u>
Series 2016 General Obligation Bonds were issued in the amount of \$12,895,000 to refund the City’s General Obligation Bonds, Series 2006; payments are due serially with interest rates ranging from 2.00% to 4.00%, payable in semi-annual installments due on April 1 and October 1 through April 1, 2036.	8,695,000
Total revenue and general obligation bonds	<u>22,265,000</u>
Net unamortized premiums/(discounts)	777,267
Total bonds and notes payable, governmental activities	<u><u>\$ 23,042,267</u></u>

Financed purchases in the City’s governmental activities at September 30, 2024, were comprised of the following obligations:

On January 31, 2023, the City entered into an agreement through TD Equipment finance, INC., for an Ambulance for \$320,625. The agreement bears interest at 3.610% with semi-annual payments of \$26,122 until January 2030.	\$ 258,513
On January 31, 2023, the City entered into an agreement through TD Equipment finance, INC., for a Fire Truck for \$822,199. The agreement bears interest at 3.490% with semi-annual payments of \$49,054 until January 2033.	\$ 716,250

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

(9) **Long-Term Liabilities:** (Continued)

On November 28, 2023, the City entered into an agreement through TD Equipment finance, INC., for a Fire Truck for \$1,083,332. The agreement bears interest at 4.720% with semi-annual payments of \$68,887 until January 2034.

\$ 1,044,720

Annual debt service requirements to maturity for the City's governmental activities bonds and notes payable and financed purchases are as follows:

Year Ending September 30,	General Obligation Bonds		Revenue Bonds		Financed Purchases		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2025	\$ 590,000	\$ 310,819	\$ 245,000	\$ 379,707	\$ 206,514	\$ 81,572	\$ 1,813,612
2026	615,000	287,219	1,005,000	563,169	214,961	73,126	2,758,475
2027	625,000	274,150	1,040,000	529,119	223,761	64,327	2,756,357
2028	650,000	249,150	1,075,000	492,906	232,926	55,160	2,755,142
2029	680,000	223,150	1,130,000	440,557	242,477	45,609	2,761,793
2030-2034	3,815,000	686,750	6,250,000	1,373,045	67,279	1,588	12,193,662
2035-2036	1,720,000	77,850	2,825,000	176,456	-	-	4,799,306
Total	<u>\$ 8,695,000</u>	<u>\$ 2,109,088</u>	<u>\$13,570,000</u>	<u>\$ 3,954,959</u>	<u>\$ 2,019,483</u>	<u>\$ 410,253</u>	<u>\$ 29,838,347</u>

Bonds and notes payable in the City's business-type activities at September 30, 2024, were comprised of the following obligations:

Series 2005 Stormwater Utility Revenue Bonds were issued in the amount of \$7,470,000 to provide for the expansion of the City's stormwater drainage system and infrastructure. Due serially with interest rates ranging from 3.00% to 4.30%, payable in semi-annual installments due on April 1 and October 1 through October 1, 2035. Pledged by non-ad valorem stormwater drainage assessments.

\$ 4,965,000

Total revenue bonds and notes payable, business-type activities

\$ 4,965,000

The following is a summary of the City's State Revolving Fund (SRF) loans granted by the State to fund various water, sewer, and drainage projects at September 30, 2024:

Project Loan Number	Original Amounts	Interest Rate	Payment Dates	Final Maturity	Balance
Water and Sewer Fund:					
WWW72514S	\$ 7,230,813	1.425%	2/15; 8/15	2026	\$ 944,840
DW6413030	4,365,810	2.580%	3/15; 9/15	2027	847,747
Stormwater Utility Fund:					
SW725150	5,116,928	1.195%	1/15; 7/15	2027	1,146,856
Total					<u>\$ 2,939,443</u>

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

**(9) Long-Term Liabilities:** (Continued)

Annual debt service requirements to maturity for the City’s business-type activities bonds, notes, and SRF loans payable are as follows:

Year Ending September 30,	Revenue Bonds & Notes		SRF Loans		Total
	Principal	Interest	Principal	Interest	
2025	\$ -	\$ 222,935	\$ 1,191,691	\$ 68,474	\$ 1,483,100
2026	-	222,935	1,223,042	37,122	1,483,099
2027	-	222,935	524,710	8,428	756,073
2028	245,000	217,668	-	-	462,668
2029	505,000	201,038	-	-	706,038
2030-2034	2,875,000	636,189	-	-	3,511,189
2035-2036	1,340,000	60,973	-	-	1,400,973
Total	<u>\$ 4,965,000</u>	<u>\$ 1,784,673</u>	<u>\$ 2,939,443</u>	<u>\$ 114,024</u>	<u>\$ 9,803,140</u>

**Conduit Debt Obligation**

Pursuant to the provisions of Ordinance No. 2019-17, the City authorized issuance of conduit debt in the total amount not to exceed \$19,000,000 for Palmer College Foundation, a nonprofit corporation organized and existing under the laws of the State of Iowa, also known as Palmer College Foundation, Inc. for the purpose of conducting its affairs in the State of Florida.

On June 28, 2019, the City issued its Private College Facility Revenue Bonds (Palmer Chiropractic of Chiropractic Project), Series 2019B in the aggregate principal amount of \$18,460,000. The proceeds of the bonds were loaned to Palmer College Foundation for the purpose of re-financing the outstanding City of Port Orange, Florida Tax-Exempt Revenue Note, Series 2010 (Palmer College Project) previously issued by the City to finance or re-finance the acquisition and construction of certain educational facilities on the campus of the College at 4777 City Center Parkway, Port Orange, Florida, 32129, paying the swap termination payment in connection with the cancellation of a hedging agreement associated with the prior financing, and paying costs of issuance of the bonds. Principal payments are due in quarterly installments including interest at the effective rate of 0.68% per annum through 2037. At September 30, 2024, the balance of this conduit debt outstanding is \$13,862,932.

Under the financing agreements, the City is not obligated to pay the Series 2010 Note except from the proceeds derived from the repayment of the loan to the Palmer College Foundation, or from the other security pledged thereof by Palmer College Foundation, and neither the faith and credit nor the taxing power of the City, the State or any political subdivision thereof is pledged to the payment of the principal or, premium, if any, or the interest on the obligation.

**Approved Debt Issuance**

In August 2024, Port Orange residents voted in favor of a 30-year Parks Bond Referendum of up to \$30 million. The initiative is designed to enhance and preserve the City’s existing parks and facilities while creating new recreational opportunities to meet the growing and evolving needs of the community that current and future generations can enjoy. The funds will only be used to benefit City-owned properties. Construction of the projects could begin as early as 2025.

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

(10) **Contingencies:**

The City is engaged in various liability claims incidental to the conduct of its general government operations at September 30, 2024. The outcomes of established claims are included in these financial statements. In the opinion of the City’s legal counsel, no legal proceedings are pending or threatened against the City which are not covered by applicable insurance which would inhibit its ability to perform its operations or materially affect its financial condition.

(11) **Risk Management:**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters, all of which is satisfactorily insured by limited risk, high deductible commercial general liability insurance. Commercial insurance policies are also obtained for other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

The City’s risk management program is achieved through the optimal combination of the purchase of commercial insurance, loss control and safety programs. The City transfers catastrophic risks of property and casualty losses through insurance policies with deductibles. The limits of these policies are \$100 million for property and \$2 million combined single limit for general and automobile liability. The City also established a limited risk management program for workers’ compensation in 1999. Premiums are paid in the Insurance Internal Service Fund by all other funds and are available to pay claims, claim reserves, and the administrative costs of the program. These interfund premiums are used to reduce the amount of claims expenditures reported in the various funds. As of September 30, 2024, such interfund premiums did not exceed reimbursable expenditures.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR) based upon a valuation performed by an independent actuary. The result of the process to estimate claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other social and economic factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries from salvage or subrogation are another component of the claims liability estimate. Excess coverage insurance policies cover individual claims in excess of \$-0- for general liability, and \$25,000 for workers’ compensation and property, respectively. Settlements have not exceeded coverage limits (e.g., there have been no significant insurance proceeds received) for each of the past three years.

Changes in the balances of general liability and workers’ compensation claims liabilities during the past two years are as follows:

	<b><u>Year ended</u></b> <b><u>9/30/2024</u></b>	<b><u>Year ended</u></b> <b><u>9/30/2023</u></b>
Unpaid claims, beginning of fiscal year	\$ 372,000	\$ 443,000
Incurred (closed) claims (including IBNRs)	43,916	120,773
Claim payments	(14,916)	(191,773)
Unpaid claims, end of fiscal year	<u>\$ 401,000</u>	<u>\$ 372,000</u>

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

**(12) Jointly-Owned Property:**

*County of Volusia, Florida.* The City and County of Volusia, Florida, jointly purchased additional wellfield and water recharge property during 1995. This jointly-owned land, which is approximately 3,709 acres, is contiguous to the City limits.

In September 2006, the City and County of Volusia, Florida, subsequently purchased additional real property, which is approximately 17 acres of environmentally sensitive, water resource protection, and outdoor recreation lands. Interest in the property has been divided on the pro-rata basis of 75% ownership to the City and 25% ownership to the County.

No joint operating expenses were incurred during fiscal year 2024 on the above properties. These type expenses, if incurred, would have been allocated pro-rata to each joint venture party based on their respective ownership percentages.

**(13) Other Postemployment Benefits (OPEB):**

**Plan Description**—City of Port Orange, Florida, Post-Retirement Benefits Plan (the Plan) is a single-employer healthcare plan administered by the City. Pursuant to Section 112.0801, Florida Statutes, the City is required to permit participation in the Plan to retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Eligible individuals include all regular employees of the City who retire from active service under one of the pension plans sponsored by the City. Under certain conditions, eligible individuals also include spouses and dependent children. The Plan does not issue a publicly available financial report.

**Funding Policy**—The contribution requirements of plan members and the City are established by state statutes and may be amended by the state legislature. The required contribution is based on projected pay-as-you-go financing requirements and is subject to constant revision. The City has opted to not fund the total OPEB liability and does not have any assests accumulated in a GASB-compliant trust.

**Benefits Provided**—The Other Post-Employment Benefit Plan is a single-employer benefit plan administered by the City. Retirees are charged whatever the insurance company charges for the type of coverage elected, however, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees. The older retirees typically have a higher cost which means the City is actually subsidizing the cost of the retiree coverage because it pays all or a significant portion of the premium on behalf of the active employee, known as the “implicit rate subsidy.”

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

(13) **Other Postemployment Benefits (OPEB):** (Continued)

**Plan Membership**—At October 1, 2023, the date of the latest actuarial valuation, plan participation consisted of the following:

Active Employees	411
Inactive Employees	19
	430
	430

**Total OPEB Liability**—The City’s total OPEB liability was measured as of September 30, 2023, one year prior to the current reporting period, and was determined by an actuarial valuation as of the date noted in the above Plan Membership section.

**Actuarial Assumptions and Other Inputs**—The total OPEB liability recorded at September 30, 2024, was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	4.00%-7.25%
Discount rate	4.63%
Healthcare cost trend rate	Getzen Model 7.00%
	Ultimate rate reached in 2050 4.00%
Retirees’ share of benefit-related costs	100.00%

The City does not have a dedicated Trust to pay retiree healthcare benefits. The discount rate was based on the Fidelity 20-Year Municipal GO AA Index.

Mortality rates were based on the various PUB-2010 base tables, generational mortality using gender-specific MP-2018 mortality improvement projection scale.

The actuarial assumptions excluding mortality assumption used in the October 1, 2023 actuarial valuation reflect an Experience Study as of 2018 for the City of Port Orange Police Pension Fund and Experience Study as of 2019 for the City of Port Orange Fire and Rescue Pension Fund. General Employees withdrawal and disability assumption are from results of experience studies conducted by the Florida Retirement System as of 2019 and retirement and salary increased assumptions from the October 1, 2019 Actuarial Valuation. Mortality assumptions are from results of experience studies conducted by the Florida Retirement System as of 2019 for Firefighters, Police Officers and General participants

For the fiscal year ended September 30, 2024, changes in the total OPEB liability were as follows:

Balance at September 30, 2023	\$ 5,595,148
Changes for a year:	
Service cost	312,157
Interest	254,470
Benefit changes	-
Difference between actual and expected experience	(238,820)
Changes of assumptions	(2,048,971)
Benefit payments – implicit rate subsidy	(250,473)
Net changes	(1,971,637)
Balance at September 30, 2024	\$ 3,623,511

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

(13) **Other Postemployment Benefits (OPEB):** (Continued)

*Sensitivity of the total OPEB liability to changes in the discount rate:*

The following presents the total OPEB liability of the City calculated using the discount rate of 4.63%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
Total OPEB Liability	\$ 4,048,203	\$ 3,623,511	\$ 3,260,255

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate:*

The following presents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates (7.50%-5.80%):

	<b>1% Decrease</b>	<b>Current Trend Rates</b>	<b>1% Increase</b>
Total OPEB Liability	\$ 3,207,332	\$ 3,623,511	\$ 4,127,656

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources**

For the year ended September 30, 2024, the City recognized OPEB expense of \$(273,581). At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 15,243	\$ 884,844
Changes of assumptions	174,957	2,983,505
Contributions subsequent to measurement date	201,445	-
Total	\$ 391,645	\$ 3,868,349

With the exception of deferred outflows for contributions subsequent to the measurement date, which will be entirely recognized in fiscal year 2025, amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

2025	\$ (826,611)
2026	(719,422)
2027	(491,643)
2028	(494,198)
2029	(498,732)
Thereafter	(647,543)

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

(14) **Employee Retirement Systems and Pension Funds:**

**A. Defined Contribution Plans**

1. The City Council has adopted the International City Management Association Retirement Corporation Deferred Compensation (ICMA-RC457) Plan. This plan is available to the Mayor, City Council members, City Manager, Assistant City Manager, City Attorney, Assistant City Attorney, department heads, assistant department heads, division heads, and supervisors designated by the City Manager and approved by the City Council, who waive participation in the City of Port Orange General Employees Defined Benefit Retirement Plan as amended and restated effective October 1, 2003, hereinafter the "Plan" and other existing city or state retirement plans to which the city makes contributions, and who enroll in the ICMA-RC457 Plan. The ICMA-RC457 Plan shall also be available to general employees who on or before September 30, 2003, waive participation in the City of Port Orange General Employees Defined Benefit Plan as amended and restated effective October 1, 2003, and other existing city or state retirement plans to which the city makes contributions, and who enroll in the ICMA-RC457 Plan. If the city is not contributing to another retirement plan on behalf of an individual, then contributions by the city to the ICMA-RC457 plan shall be the same percentage or amount as established for the City of Port Orange General Employees Defined Benefit Retirement Plan as amended and restated effective October 1, 2003, or such higher percentage or amount as authorized by the City Council, which is half of employee contribution up to a maximum of 3%. Contributions by the city shall commence immediately upon the person waiving participation in the plan or other existing retirement plan, if any, and enrolling in the ICMA-RC457 Plan. All city employees shall be eligible to enroll in the ICMA-RC457 Plan for the purpose of making voluntary employee contributions to such plan. For the year ended September 30, 2024, actual employer and employee contributions to this plan totaled \$76,255 and \$891,959, respectively.
2. The City Council has adopted the International City Management Association Retirement Corporation (ICMA-RC) Money Purchase Plan and Trust for management employees. The plan is available to the management employees as follows: City Manager, Assistant City Manager, City Attorney, Assistant City Attorney, and department heads, who waive participation in the City of Port Orange General Employees Defined Benefit Retirement Plan as amended and restated effective October 1, 2003 and other existing city or state retirement plans to which the city makes contributions, and who enroll in the ICMA-RC Money Purchase Plan and Trust. Contributions by the city to the ICMA-RC Money Purchase Plan and Trust for management employees shall be the same percentage or amount as established for the City of Port Orange General Employees Defined Benefit Retirement Plan as amended and restated effective October 1, 2003 or such higher percentage or amount as authorized by the City Council which currently ranges from 10% to 12.5%. Contributions by the city shall commence immediately upon the person waiving participation in the plan or other existing retirement plan and enroll in the ICMA-RC Money Purchase Plan and Trust for management employees. For the year ended September 30, 2024, actual employer and employee contributions to this plan totaled \$153,805 and \$118,311, respectively.
3. The City Council has adopted the International City Management Association Retirement Corporation (ICMA-RC) Money Purchase Plan and Trust effective October 1, 2003, for contract employees. The plan is available to contract employees of the city, including the assistant department heads, division heads, and supervisors designated by the city manager and approved by the City Council, who waive participation in the City of Port Orange General Employees' Defined Benefit Retirement Plan as amended and restated effective October 1, 2003, and other city or state retirement plans to which the city makes contributions, and who enroll in the ICMA-RC Money Purchase Plan and Trust for contract employees. For purposes of this paragraph contract employees shall exclude the mayor, City Council members, City Manager, Assistant City Manager, City Attorney, Assistant City Attorney, and department heads.

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

(14) **Employee Retirement Systems and Pension Funds:** (Continued)

City contributions to the ICMA-RC Money Purchase Plan and Trust for contract employees shall be in such percentages or amounts as are specified in the adoption agreement for such plan, or as otherwise authorized by the City Council which is currently 10%. For the year ended September 30, 2024, actual employer contributions to this plan totaled \$72,831.

4. The City Council has adopted the International City Management Association Retirement Corporation (ICMA-RC) Money Purchase Plan and Trust effective October 1, 2003, for general employees as defined in this article. The plan is available to the general employees of the city who on or before September 30, 2003, waive participation in the City of Port Orange General Employees' Defined Benefit Retirement Plan as amended and restated effective October 1, 2003, and other city or state retirement plans to which the city makes contributions, and who enroll in the ICMA-RC Money Purchase Plan and Trust for general employees. The ICMA-RC Money Purchase Plan for general employees shall also be available to general employees who are not eligible to participate in the City of Port Orange General Employees' Defined Benefit Retirement Plan (effective October 1, 2010) as amended and restated effective October 1, 2003, or any other city or state retirement plans to which the city makes contributions. City contributions to the ICMA-RC Money Purchase Plan and Trust for general employees shall be in such percentages or amounts as are specified in the adoption agreement for such plan, or as otherwise authorized by the City Council (currently 10%). General employees who are eligible to participate in the City of Port Orange General Employees' Defined Benefit Retirement Plan as amended and restated effective October 1, 2003, and do not waive participation in such plan on or before September 30, 2003, shall not be entitled to waive participation at any time in the future. For the year ended September 30, 2024, actual employer contributions to this plan totaled \$1,138,136.

Members of the pension plan who have achieved ten years of service with the city shall have the option to continue city contributions on their behalf contributed to the General Employee Retirement System, or waive participation in the General Employee Retirement System and enroll in the ICMA-RC Deferred Compensation Plan and have city contributions made on their behalf contributed to the ICMA-RC Deferred Compensation Plan. Such decisions are irrevocable and employees may not switch back to the General Employee Retirement System if the employee elects to waive participation.

These defined contribution plans were established and authorized by the City however they are monitored and maintained by employees. Benefits are paid directly to employees from ICMA-RC with no contingent liability belonging to the City. As such these assets are not presented in these financial statements. More detailed annual financial reports are available for these pension plans on the City's website.

**B. Defined Benefit Plans**

**Plan Description and Administration**

The City maintains three separate single-employer, defined benefit pension plans: The City of Port Orange Fire and Rescue Pension Fund (the Fire Plan) covers all of the City's fire and rescue personnel; the City of Port Orange Police Pension Fund (the Police Plan) covers all of the City's police officers; the City of Port Orange General Employees' Defined Benefit Pension Fund (the General Employees Plan) covers other general employees of the City. These plans contain the assets, liabilities and net position of each respective plan. Each plan is administered by an independent administrator as hired by each of the respective Pension Plan boards.

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

**(14) Employee Retirement Systems and Pension Funds:** (Continued)

Stand-alone financial reports exist for the General Employees and Police Officers pension plans. All financial activity is reported within the accompanying financial statements. Investments are reported at fair value and are managed by third party money managers. The City’s independent custodian and the individual money managers price each instrument (using various third-party pricing sources) and reconcile material differences. Investments that do not have an established market are reported at estimated fair value. Performance reporting, manager fees, and the City’s asset valuation are based on the custodian’s determination of value.

The City also has a Deferred Retirement Option Program for eligible Police and Fire Plan participants. The DROP Plan allows members who have met the eligibility requirement for normal retirement to have their retirement benefits deposited monthly into a DROP account, earning interest, while simultaneously continuing to work (but not earning additional credit for retirement) for up to sixty months (5 years). Employees who enter the DROP Program have an option of either receiving their earned compensated absences when they enter the program in one lump sum, or to receive the lump sum at the end of their employment with the City. The purpose of this program is to provide a way for retirees to accumulate additional savings while continuing employment.

Costs incurred by each of the plans for administration of the plans, which includes legal and actuarial fees, trustee fees and investment advisory fees, are borne by the respective retirement plans and are included in the actuarial analysis of the required funding amounts.

**Benefits Provided and Employees Covered**

Each Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. Cost of living adjustments are provided to retirees and beneficiaries in accordance with the respective plan provisions. Each of the Plans has contracted with an actuary to provide an actuarial valuation of each plan as of October 1 of each year. Current membership in the employee retirement plans was composed of the following at October 1, 2024:

	<b>General Employees Plan</b>	<b>Police Plan</b>	<b>Fire Plan</b>
Retirees and beneficiaries currently receiving benefits, including DROP participants	117	73	65
Vested terminated employees	24	4	12
Active participants	53	86	60
Total current membership	194	163	137

*General Employees Plan*

The General Employees Plan originated as a defined contribution plan on April 1, 1979. However, on October 1, 2003, pursuant to Ordinance No. 2003-27, the defined contribution plan was terminated and converted into a defined benefit plan. On September 28, 2010, continued access to this plan by new employees was limited. Under the provisions of Ordinance No. 2010-29, the General Employee Plan was closed to new members effective September 30, 2010. General employees hired on or after October 1, 2010, may participate in the ICMA-RC Money Purchase Plan and Trust for general employees (401A Defined Contribution Plan). Members participating in a bargaining unit will continue to have access to the General Employee Plan unless this option is removed through future collective bargaining processes.

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

(14) **Employee Retirement Systems and Pension Funds:** (Continued)

All general employees of the City hired prior to October 1, 2010 must participate in the General Employee Plan unless they are included in the following group of exceptions; 1) general employees that previously opted out of the plan prior to October 1, 2003; 2) police officers in the Police Plan; 3) fire and rescue personnel in the Fire Plan; 4) members of City Council; 5) temporary employees; or 6) contract employees who have opted for the defined contribution plans mentioned later in this note. New non-union (civil service) employees hired on or after October 1, 2010, are not eligible for participation in the plan.

Employees have a stepped vesting program that requires a minimum of 5 years of service to earn a 25% vested benefit. Vesting percentages are increased at a rate of 15% per year for each successive year and are not achieved in full (100%) until after ten years of credited service. Upon retirement, participants are entitled to a Normal Retirement Benefit equal to 2.00% (2.12% for years up to 9/30/09) of their average monthly compensation for each year of credited service at their normal retirement date. The normal form of benefit is Life Only. Upon retirement at Normal Retirement date or later, or Early Retirement with 25 years of service, participants will be eligible for a supplemental benefit equal to \$16 per year of service completed prior to September 30, 2009. Early Retirement benefits are available, but are reduced 0.25 of 1% for each month by which their commencement of benefits precedes the normal retirement date. However, participants with 25 or 30 years of service at their early retirement are guaranteed a monthly benefit equal to at least 50% or 60%, respectively, of their final average compensation. The General Employees Plan has no provision for cost-of-living (COLA) adjustments.

Pursuant to Section 54-148, the General Employees Plan also contains a voluntary defined contribution component. Under this plan, employees may contribute up to 10% of their base salary. Accumulated contributions plus related earnings under this plan may be accessed by employees one time per fiscal year, or as needed under certain emergency situations. At September 30, 2024, the total voluntary account balance is \$1,072,201 and is contained in the assets as presented in the General Employees Plan.

*Police Plan*

For the Police Plan, all sworn full-time law enforcement officers are eligible to participate. Credited Service is computed in completed months from date of employment to actual retirement or termination date. Upon retirement, Police Plan participants are entitled to an annual pension benefit equal to 3.0% of their average final compensation (equivalent to the average of the three highest years of service for participants hired prior to January 31, 2011, and average of the five highest years of service for participants hired after January 31, 2011) for each year of credited service at their Normal Retirement Date. For members hired on or before January 31, 2011, the Normal Retirement Date is the first day of the month coincident with or next following the earlier of (i) age 48 and ten years of Credited Service, or (ii) age 45 and 25 years of Credited Service. For members hired after January 31, 2011, the Normal Retirement Date is the first day of the month coincident with or next following the date the member attains age 48 and ten years of Credited Service. Certain eligible participants are also eligible for supplemental benefits of up to \$600 per month based on years of service and age at retirement. Additional benefit election options are available for early retirement, and disability and death benefits are also provided.

Members hired on or before January 31, 2011, are eligible to enter the deferred retirement option program (DROP) upon earning 25 years of Credited Service. The accrued benefit is frozen and no further Employee Contributions are payable at DROP entry. The accrued benefit accumulates with interest at the fund's assumed rate of investment return in the DROP account (credited quarterly) and is payable as a single-lump sum within 60 days following DROP exit. The maximum DROP participation duration is 60 months. DROP participants are not eligible for pre-retirement death or disability benefits. No DROP is available to members hired after January 31, 2011.

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

**(14) Employee Retirement Systems and Pension Funds:** (Continued)

Effective October 1, 2001, Members who retired prior to October 1, 2002 (including disability retirees) are granted a 1% cost-of-living adjustment annually commencing the January 1 following the first anniversary of retirement annuity commencement (1% COLA). For a DROP retiree, the 1% COLA is granted commencing on the January 1 following the first anniversary of actual annuity commencement after the end of the DROP period. The 1% COLA is not payable to any participant eligible to receive the 3% COLA, as described in the following. Effective October 1, 2002, retirees are granted a deferred annual 3% cost-of-living adjustment (3% COLA) as follows: (i) Members who are retired on October 1, 2002, and had earned at least 20 years of Credited Service, (ii) Members who are actively employed on October 1, 2002, and had attained age 50 with ten years of Credited Service at that date, (iii) Members who are actively employed on October 1, 2002, with 20 years of Credited Service at that date, (iv) Members who attain 20 years of Credited Service after October 1, 2002, and who retire or enter the DROP by January 31, 2011, and (v) Members who attain 25 years of Credited Service after January 31, 2011. The deferred 3% COLA is payable annually once eligibility criteria have been met based upon a series of age and years-of-service requirements.

*Fire Plan*

All firefighters must participate in the Fire Plan immediately upon employment by the City. Fire Plan participants hired before September 25, 2012, are entitled to an annual pension benefit equal to 3.0% of their average final compensation (equivalent to the average of the three highest years of the last ten years of credited service) for each year of credited service at their normal retirement date. Fire Plan participants hired on or after September 25, 2012, are entitled to an annual pension benefit equal to 2.5% of their average final compensation (equivalent to the average of the five highest years of the last ten years of credited service) for each year of credited service at their normal retirement date. Normal retirement date is achieved at the earlier of age 50 and 10 years of credited service or 20 years of credited service for employees hired prior to September 25, 2012. For employees hired on or after September 25, 2012, eligibility for normal retirement occurs at the earlier of age 55 and 10 years of credited services of the completion of 25 years of service (age 52 is also required for employees hired after December 4, 2012). Maximum benefits may not exceed the lesser of 80% (90% for employees hired before December 4, 2012) of average final compensation or \$95,000, unless the benefit calculated based upon 2.0% times credited years of service equates to a greater amount. Early retirement benefits are available, but are actuarially reduced to reflect early payment when the commencement of benefits precedes the normal retirement date. The plan provides supplemental health subsidy benefits that range from \$20 to \$500 per month, based on credited service.

Members hired on or before December 4, 2012, are eligible to enter the deferred retirement option program (DROP) upon meeting the eligibility requirement for normal retirement. The accrued benefit is frozen and no further Employee Contributions are payable at DROP entry. The accrued benefit accumulates with interest at the fund's actual net rate of investment return in the DROP account (credited quarterly). The maximum DROP participation duration is 60 months. DROP participants are not eligible for pre-retirement death or disability benefits. No DROP is available to members hired after December 4, 2012.

Cost-of-living adjustments (COLA's) are provided for with an annual increase of 3.0% commencing upon the 61<sup>st</sup> month following retirement for members who retired before October 1, 2003. For those who retired after October 1, 2003, with at least 20 years of credited service and who accrued benefits prior to January 1, 2013, the 3.0% annual increase will commence upon the 61<sup>st</sup> month following retirement. For all other retirees with benefits accrued prior to January 1, 2013, the annual COLA increase is 1.0% and begins on January 1 following one full year of retirement. For members with benefits accrued after January 1, 2013, and at least 25 years of credited service (or 20 years of credited services if first eligible for normal retirement at age 55 and 10 years of service), the annual COLA increase begins at the later of 8 years after retirement or age 59.5 and is equal to the lesser of 3.0% or the amount granted for Social Security benefits, and will only adjusted in years the Fire Plan meets or exceeds the actuarial assumptions, and only when the Fire Plan's plan fiduciary net position as a percentage of total pension liability exceeds 80.0%. No COLA is available to members hired after December 4, 2012.

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

(14) **Employee Retirement Systems and Pension Funds:** (Continued)

**Financial Statements**

The financial statements of the plans are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The City’s contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value. The Police and General Employees’ plans also issue stand-alone financial reports.

**Contributions**

Local Ordinance No. 1999-40, No. 2002-59 and No. 2003-27 for the Municipal Firemen’s, Municipal Police Officers’ and General Employees’ Pension Plans, respectively provide the authority under which the City establishes or amends pension policies, procedures and/or benefits. The participant contribution rates are established by and may be amended by the City Council. Participant contribution rates for the General Employees Plan, Police Plan, and Fire Plan are 7.50%, 8.00% (7.50% for employees hired prior to January 31, 2011), and 7.50% (8.00% for employees hired prior to December 4, 2012), respectively, of covered payroll. The City’s annual required contribution for the current year was determined as part of the October 1, 2022, actuarial valuations. The City is required under the Florida Protection of Public Employee Retirement Benefits Act to meet required contribution amounts. The City’s contributions (and if applicable, any liquidations of a net pension obligation) to the Police and Fire Plans are funded by the General Fund, while the General Employees’ Plan contributions are funded by the General Fund and various enterprise funds.

The State of Florida also makes contributions to the Firefighters’ and Police Officers’ Retirement Plans in accordance with Chapter 175 and Chapter 185 of the Florida Statutes as amended by the State Legislature. This contribution by the State of Florida is first recognized as revenue in the General Fund before being transferred to the Pension Fund. The City’s actual annual contribution for each plan is determined by subtracting estimated employee contributions and actual State of Florida contributions from the total annual required contribution as determined by the actuary.

For the year ended September 30, 2024, contributions to the City’s pension plans were as follows:

	<b>General Employees Plan</b>	<b>Police Plan</b>	<b>Fire Plan</b>	<b>Total</b>
Employee contributions	\$ 261,322	\$ 487,102	\$ 338,883	\$ 1,087,307
City contributions	611,995	2,201,908	3,428,987	6,242,890
State contributions	-	681,328	634,897	1,316,225
Total contributions	<u>\$ 873,317</u>	<u>\$ 3,370,338</u>	<u>\$ 4,402,767</u>	<u>\$ 8,646,422</u>

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

(14) **Employee Retirement Systems and Pension Funds:** (Continued)

**Investment Policy**

See Note (4) for additional discussion of the investment policies for each of the Plans. The following was the asset allocation policy for each of the plans at September 30, 2024:

Asset Class	Target Asset Allocation		
	General Employees Plan	Police Plan	Fire Plan
Domestic equity	55.00%	47.50%	50.00%
International equity	10.00%	15.00%	15.00%
Bonds	0.00%	0.00%	30.00%
Domestic fixed income	10.00%	17.50%	0.00%
International fixed income	0.00%	5.00%	0.00%
Real estate	20.00%	15.00%	5.00%
Hedge funds	0.00%	0.00%	0.00%
Cash and equivalents	5.00%	0.00%	0.00%

**Net Pension Liability**

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

	General Employees Plan	Police Plan	Fire Plan	Total
Total pension liability	\$ 43,656,406	\$ 76,002,608	\$ 63,229,728	\$ 182,888,742
Plan fiduciary net position	(38,824,683)	(67,366,446)	(48,083,837)	(154,274,966)
Net pension liability (asset)	\$ 4,831,723	\$ 8,636,162	\$ 15,145,891	\$ 28,613,776
Plan fiduciary net position as percentage of total pension liability	88.93%	88.64%	76.05%	84.35%

The total pension liability was determined by actuarial valuations as of October 1, 2023, and measurement date of September 30, 2024, using the following actuarial assumptions to all measurement periods.

	General Employees Plan	Police Plan	Fire Plan
Inflation	3.00%	2.00%	2.50%
Salary increases	4.00%	7.25%	Service-based
Investment rate of return	6.00%	6.75%	7.25%
Mortality table	Pub 10, Scale MP-21	2021 FRS Special Risk	2021 FRS Special Risk

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.

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

(14) **Employee Retirement Systems and Pension Funds:** (Continued)

Best estimates of arithmetic real rates of return for each major class included in the pension plan's target asset allocation as of September 30, 2024, are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return		
	General Employees Plan	Police Plan	Fire Plan
Domestic equity	9.56%	7.50%	8.20%
International equity	5.08%	8.50%	3.30%
Domestic fixed income	2.44%	2.50%	n/a
International fixed income	n/a	3.50%	n/a
Bonds	n/a	n/a	2.20%
Real estate	3.73%	4.50%	5.50%
Hedge funds	n/a	n/a	n/a
Money market	0.99%	n/a	n/a

Note: While the weighted composite average for the General Employee Plan return does not add up to the return used as the discount rate, recent history of the trust in exceeding the assumed rate, along with prevailing practice among similar public pension systems, has led management to continue to assume the current rate. The long-term expected rates shown above were provided by the Plan's financial advisor using Horizon Survey's 2021 capital markets assumptions. They are presented net of expected inflation.

*Discount rate:*

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

*Changes in net pension liability:*

Changes in each plan's net pension liability were as follows:

	General Employees Plan		
	Total Pension Liability	Plan Fiducian Net Position	Net Pension Liability
	(a)	(b)	(a-b)
Beginning Balance	\$ 42,990,272	\$ 35,098,329	\$ 7,891,943
Changes for year:			
Service cost	510,440	-	510,440
Interest	2,548,419	-	2,548,419
Difference between actual and expected experience	338,599	-	338,599
Assumption changes	-	-	-
Contributions - employer	-	611,995	(611,995)
Contributions - employee	-	261,322	(261,322)
Net investment income	-	5,674,508	(5,674,508)
Benefit payments including refunds of contributions	(2,731,325)	(2,731,325)	-
Administrative expense	-	(90,146)	90,146
Net changes	666,133	3,726,354	(3,060,221)
ng Balance	\$ 43,656,405	\$ 38,824,683	\$ 4,831,722

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

(14) **Employee Retirement Systems and Pension Funds:** (Continued)

	<b>Police Plan</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a-b)</b>
Beginning Balance	\$ 67,339,673	\$ 56,729,338	\$ 10,610,335
Changes for year:			
Service cost	1,318,777	-	1,318,777
Interest	4,578,950	-	4,578,950
Changes in benefit terms	2,355,507	-	2,355,507
Difference between actual and expected experience	2,834,810	-	2,834,810
Assumption changes	864,499	-	864,499
Contributions - employer	-	2,201,908	(2,201,908)
Contributions - state	-	681,328	(681,328)
Contributions - employee	-	487,102	(487,102)
Net investment income	-	10,708,176	(10,708,176)
Benefit payments including refunds of contributions	(3,289,608)	(3,289,608)	-
Administrative expense	-	(151,798)	151,798
Net changes	<u>8,662,935</u>	<u>10,637,108</u>	<u>(1,974,173)</u>
Ending Balance	<u>\$ 76,002,608</u>	<u>\$ 67,366,446</u>	<u>\$ 8,636,162</u>

	<b>Fire Plan</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a-b)</b>
Beginning Balance	\$ 59,500,074	\$ 39,127,316	\$ 20,372,758
Changes for year:			
Service cost	659,386	-	659,386
Interest	4,228,079	-	4,228,079
Changes in benefit terms	1,879,064	-	1,879,064
Difference between actual and expected experience	645,390	-	645,390
Assumption changes	-	-	-
Contributions - employer	-	3,428,987	(3,428,987)
Contributions - state	-	634,897	(634,897)
Contributions - employee	-	338,883	(338,883)
Contributions - buy back	-	-	-
Net investment income	-	8,331,528	(8,331,528)
Benefit payments including refunds of contributions	(3,682,265)	(3,682,265)	-
Administrative expense	-	(95,509)	95,509
Net changes	<u>3,729,654</u>	<u>8,956,521</u>	<u>(5,226,867)</u>
Ending Balance	<u>\$ 63,229,728</u>	<u>\$ 48,083,837</u>	<u>\$ 15,145,891</u>

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

(14) **Employee Retirement Systems and Pension Funds:** (Continued)

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

The following presents the net pension liability of the City calculated using the selected discount rates, as well as what the City's net pension liability (NPL) would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

<u>Plan</u>	<u>Current Discount Rate</u>	<u>NPL with 1% Decrease</u>	<u>NPL at Current Discount Rate</u>	<u>NPL with 1% Increase</u>
General Employees	6.00%	\$ 10,141,636	\$ 4,831,723	\$ 1,364,910
Police	6.75%	18,313,394	8,636,162	700,236
Fire	7.25%	22,627,723	15,145,891	8,935,235
Total		<u>\$ 51,082,753</u>	<u>\$ 28,613,776</u>	<u>\$ 11,000,381</u>

For the year ended September 30, 2024, the annual-money weighted rate of return on each pension plan investments, net of pension plan investment expense was as follows:

	<u>General Employees Plan</u>	<u>Police Plan</u>	<u>Fire Plan</u>
Annual money-weighted rate of return	16.48%	22.20%	21.36%

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

For the year ended September 30, 2024, the City recognized pension expense of \$984,907, \$4,793,516, and \$4,472,862 in the General Employees, Police, and Fire pension plans, respectively, for a total of \$10,251,285.

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

	<u>General Employees Plan</u>		<u>Police Plan</u>		<u>Fire Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 248,406	\$ 2,719,708	\$ 203,464	\$ 1,872,701	\$ -
Changes of assumptions	390,715	-	1,097,868	-	116,584	-
Net different between projected and actual investment earnings	-	1,049,104	-	4,323,574	-	1,385,794
	<u>\$ 390,715</u>	<u>\$ 1,297,510</u>	<u>\$ 3,817,576</u>	<u>\$ 4,527,038</u>	<u>\$ 1,989,285</u>	<u>\$ 1,385,794</u>

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

(14) **Employee Retirement Systems and Pension Funds:** (Continued)

Amounts reported as deferred outflows and deferred inflows of resources related to pensions being amortized for a period of greater than one year will be recognized in pension expense in succeeding years as follows:

	<b>General Employees Plan</b>	<b>Police Plan</b>	<b>Fire Plan</b>
2025	\$ (249,870)	\$ 753,506	\$ 916,879
2026	702,800	1,876,826	1,490,339
2027	(634,315)	(1,970,196)	(838,377)
2028	(725,411)	(1,369,598)	(965,350)
2029	-	-	-
Thereafter	-	-	-

**C. Pension Fund Financial Statements**

The City does not issue separate financial statements for the Fire Plan; separate audits and financial statements have been issued for the Police Plan and the General Employee Plan. The basic financial statements of the City include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position that presents a single column presented by fund type for all pension trust funds. Presented below are the financial statements for each pension trust fund as of and for the year ended September 30, 2024:

**COMBINING SCHEDULE OF NET POSITION – FIDUCIARY FUNDS**

	<b>General Plan</b>	<b>Police Plan</b>	<b>Fire Plan</b>	<b>Total</b>
<b>ASSETS</b>				
Cash and cash equivalents with trustee	\$ 554,012	\$ 466,203	\$ 900,620	\$ 1,920,835
Prepaid benefit payments	231,638	265,091	275,487	772,216
Receivables				
State premium taxes	-	-	175	175
Interest and dividends receivable	44,570	75,154	94,986	214,710
Total receivables	44,570	75,154	95,161	214,885
Investments, at fair value				
U.S. Treasury and agency obligations	3,335,722	-	5,677,408	9,013,130
Corporate and municipal debt obligations	2,208,685	-	4,438,265	6,646,950
Corporate equity securities	21,059,728	-	6,513,254	27,572,982
Mutual funds	-	56,055,987	28,409,101	84,465,088
Real estate funds	7,062,675	10,515,065	1,774,541	19,352,281
Local government investment pool	5,455,667	-	-	5,455,667
Total investments	39,122,477	66,571,052	46,812,569	152,506,098
Total assets	\$ 39,952,697	\$ 67,377,500	\$ 48,083,837	\$ 155,414,034
<b>LIABILITIES</b>				
Accounts payable	\$ 1,128,015	\$ 11,054	\$ -	\$ 1,139,069
Prepaid employer contributions	-	-	-	-
Total liabilities	\$ 1,128,015	\$ 11,054	\$ -	\$ 1,139,069
<b>NET POSITION</b>				
Restricted for pensions	\$ 38,824,682	\$ 67,366,446	\$ 48,083,837	\$ 154,274,965

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

(14) **Employee Retirement Systems and Pension Funds:** (Continued)

**COMBINING SCHEDULE OF CHANGES IN NET POSITION – FIDUCIARY FUNDS**

	<u>General Plan</u>	<u>Police Plan</u>	<u>Fire Plan</u>	<u>Total</u>
<b>Additions</b>				
Contributions:				
Employer	\$ 611,995	\$ 2,201,908	\$ 3,428,987	\$ 6,242,890
Plan members	261,322	487,102	338,883	1,087,307
State - insurance premium taxes	-	681,328	634,897	1,316,225
Total contributions	<u>873,317</u>	<u>3,370,338</u>	<u>4,402,767</u>	<u>8,646,422</u>
Investment earnings				
Net appreciation (depreciation) in fair value of investments	5,057,626	9,180,922	7,191,827	21,430,375
Interest and dividends	735,238	1,589,971	1,279,820	3,605,029
Total investment earnings	<u>5,792,864</u>	<u>10,770,893</u>	<u>8,471,647</u>	<u>25,035,404</u>
Less: investment expense	<u>(118,355)</u>	<u>(62,717)</u>	<u>(140,119)</u>	<u>(321,191)</u>
Net investment income (loss)	<u>5,674,509</u>	<u>10,708,176</u>	<u>8,331,528</u>	<u>24,714,213</u>
Total additions	<u>6,547,826</u>	<u>14,078,514</u>	<u>12,734,295</u>	<u>33,360,635</u>
<b>Deductions</b>				
Benefit payments and refunds	2,731,325	3,289,608	3,682,265	9,703,198
Administrative expenses	90,149	151,798	95,509	337,456
Total deductions	<u>2,821,474</u>	<u>3,441,406</u>	<u>3,777,774</u>	<u>10,040,654</u>
<b>Change in net position</b>	<u>3,726,352</u>	<u>10,637,108</u>	<u>8,956,521</u>	<u>23,319,981</u>
<b>Net position restricted for pensions, beginning of year</b>	35,098,330	56,729,338	39,127,316	130,954,984
<b>Net position restricted for pensions, end of year</b>	<u>\$38,824,682</u>	<u>\$67,366,446</u>	<u>\$48,083,837</u>	<u>\$154,274,965</u>

(15) **Tax Abatements:**

The City entered into an agreement with a local corporation to abate certain ad valorem taxes in exchange for economic incentives. Article VII, Section 3 of the Florida Constitution and Section 16.1995, Florida Statutes, and the electorate of the City, have granted City Council the authority to grant property tax exemptions for new business and expansions of existing businesses. The City Council approved Resolution 17-14, granting the corporation an ad valorem tax rebate over the life of the agreement. During the year ended September 30, 2024, no taxes were abated.

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

**(16) Deficit Fund Balances:**

At September 30, 2024, the Town Center Community Redevelopment Agency Special Revenue Fund reported a fund balance deficit of (\$4,511,096). This cumulative deficit was the result of making excess capital expenditures that are expected to be recovered from subsequent periods' tax increment revenues and proceeds from sales of capital assets.

In 2022, the Town Center Community Redevelopment Agency entered into a Contract for Sale and Purchase of Real Property with a developer for certain parcels of land for a total sales price of \$9 million, subject to various contingencies related to the development process which were ongoing at September 30, 2024. As such, no adjustments for any potential impacts resulting from this agreement have been provided for in the financial statements.

**(17) Recent Accounting Pronouncements:**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for fiscal years subsequent to September 30, 2024, that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the City's financial statements:

- (a) GASB issued Statement No. 101, *Compensated Absences*, in June 2022. GASB Statement No. 101 amends the existing guidance related to the calculation and disclosures surrounding the liability for compensated absences. The provisions for GASB 101 are effective for fiscal years beginning after December 15, 2023.
- (b) GASB issued Statement No. 102, *Certain Risk Disclosures*, in December 2023. GASB Statement No. 102 amends GASB Statement No. 62 regarding the disclosure of a government's vulnerability to risks related to certain concentrations and constraints that limit its ability to acquire resources or control spending. The provisions for GASB 102 are effective for fiscal years beginning after June 15, 2024.
- (c) GASB issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. The objective of GASB 103 is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The effective date for implementation is fiscal years beginning after June 15, 2025, and all reporting periods thereafter.
- (d) GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, in September 2024. GASB Statement No. 104 requires governments to disclose separate information about specific types of capital assets and establishes criteria for identifying and reporting capital assets held for sale. The objective of GASB 104 is to enhance transparency and improve the usefulness of financial statements for stakeholders by providing more detailed information on these assets. The provisions are effective for fiscal years beginning after June 15, 2025.

**CITY OF PORT ORANGE, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY**  
**AND RELATED RATIOS**  
**LAST 10 FISCAL YEARS**  
**(UNAUDITED)**

	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>							
Service cost	\$ 312,157	\$ 438,664	\$ 489,884	\$ 431,981	\$ 434,624	\$ 447,656	\$ 463,725
Interest	254,470	156,223	164,231	173,379	299,577	269,510	232,930
Benefit changes	-	-	(1,834)	-	7,391	-	-
Difference between expected and actual experience	(238,820)	-	25,638	-	(2,485,993)	-	(461,907)
Changes of assumptions	(2,048,971)	(1,566,906)	9,140	31,578	549,891	(284,994)	229,965
Benefit payments - implicit rate subsidy	(250,473)	(253,872)	(267,640)	(260,248)	(332,431)	(263,588)	(261,178)
Net change in total OPEB liability	(1,971,637)	(1,225,891)	419,419	376,690	(1,526,941)	168,584	203,535
Total OPEB liability - beginning of year	5,595,148	6,821,039	6,401,620	6,024,930	7,551,871	7,383,287	7,179,752
<b>Total OPEB liability - end of year</b>	<b>\$ 3,623,511</b>	<b>\$ 5,595,148</b>	<b>\$ 6,821,039</b>	<b>\$ 6,401,620</b>	<b>\$ 6,024,930</b>	<b>\$ 7,551,871</b>	<b>\$ 7,383,287</b>
Covered-employee payroll	\$ 22,417,122	\$ 20,079,445	\$ 19,769,785	\$ 17,955,285	\$ 17,892,048	\$ 19,225,613	\$ 18,572,129
Total OPEB liability as a percentage of covered-employee payroll	16.16%	27.87%	34.50%	35.65%	33.67%	39.28%	39.75%

Notes to Schedule:

Measurement Date  
Valuation date:

Changes of assumptions and other changes reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

	10/1/2023	10/1/2022	10/1/2021	10/1/2020	10/1/2019	10/1/2018	10/1/2017
	10/1/2023	10/1/2021	10/1/2021	10/1/2019	10/1/2019	10/1/2017	10/1/2017
	4.63%	4.40%	2.19%	2.43%	2.74%	3.83%	3.50%

The City only reports the total OPEB liability as there are no assets accumulated in a GASB-compliant trust.

\* 10 years of data will be presented as it becomes available.

**CITY OF PORT ORANGE, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**GENERAL EMPLOYEES PLAN**  
**SEPTEMBER 30, 2024**  
**(UNAUDITED)**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>										
Service cost	\$ 510,440	\$ 518,849	\$ 566,402	\$ 478,569	\$ 466,411	\$ 482,939	\$ 495,961	\$ 573,319	\$ 575,977	\$ 616,351
Interest	2,548,419	2,508,868	2,555,475	2,645,885	2,791,733	2,784,226	2,586,918	2,478,603	2,470,374	2,378,040
Difference between actual and expected experience	338,599	(1,202,665)	(565,656)	(50,045)	(630,928)	(164,290)	(39,970)	796,937	(903,297)	(63,305)
Assumption changes	(2,731,325)	(2,666,139)	(2,630,728)	(2,555,372)	(2,591,963)	(2,600,808)	(2,558,198)	(2,154,821)	(2,043,177)	(1,798,774)
Benefit payments including refunds of contributions	666,133	(841,087)	3,246,573	519,037	1,541,556	502,067	484,711	1,624,713	2,528,769	1,676,726
Net change in total pension liability	42,990,272	43,831,359	40,584,786	40,065,749	38,524,193	38,022,126	37,537,415	35,912,702	33,383,933	31,707,207
Total pension liability - beginning	\$ 43,656,405	\$ 42,990,272	\$ 43,831,359	\$ 40,584,786	\$ 40,065,749	\$ 38,524,193	\$ 38,022,126	\$ 37,537,415	\$ 35,912,702	\$ 33,383,933
<b>Total Fiduciary Net Position</b>										
Contributions - employer	\$ 611,995	\$ 546,132	\$ 812,453	\$ 966,934	\$ 849,692	\$ 866,364	\$ 735,559	\$ 794,333	\$ 880,209	\$ 673,300
Contributions - employee	261,322	266,117	279,119	292,005	275,875	305,057	318,883	360,185	396,597	397,523
Net investment income	5,674,508	1,612,270	(3,763,794)	7,340,151	2,927,287	1,138,227	3,846,860	3,368,574	2,811,791	657,572
Benefit payments, including refunds of contributions	(2,731,325)	(2,666,139)	(2,630,728)	(2,555,372)	(2,591,963)	(2,600,808)	(2,558,198)	(2,154,821)	(2,043,177)	(1,798,774)
Administrative expense	(90,146)	(95,958)	(89,740)	(79,548)	(76,184)	(80,128)	(73,629)	(75,902)	(86,458)	(86,458)
Net change in plan fiduciary net position	3,726,354	(337,578)	(5,392,690)	5,964,170	1,384,707	(371,288)	2,269,475	2,292,369	1,958,962	(144,341)
Plan fiduciary net position - beginning	35,098,329	35,435,907	40,828,597	34,864,427	33,479,720	33,851,008	31,581,533	29,289,164	27,330,202	27,474,543
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 38,824,683</b>	<b>\$ 35,098,329</b>	<b>\$ 35,435,907</b>	<b>\$ 40,828,597</b>	<b>\$ 34,864,427</b>	<b>\$ 33,479,720</b>	<b>\$ 33,851,008</b>	<b>\$ 31,581,533</b>	<b>\$ 29,289,164</b>	<b>\$ 27,330,202</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 4,831,722</b>	<b>\$ 7,891,943</b>	<b>\$ 8,395,452</b>	<b>\$ (243,811)</b>	<b>\$ 5,201,322</b>	<b>\$ 5,044,473</b>	<b>\$ 4,171,118</b>	<b>\$ 5,955,882</b>	<b>\$ 6,623,538</b>	<b>\$ 6,053,731</b>
Plan fiduciary net position as a percentage of the total pension liability	88.93%	81.64%	80.85%	100.60%	87.02%	86.91%	89.03%	84.13%	81.56%	81.87%
Covered payroll	\$ 3,484,290	\$ 3,548,147	\$ 3,696,265	\$ 3,893,292	\$ 3,678,337	\$ 4,067,567	\$ 4,251,780	\$ 4,802,452	\$ 5,287,951	\$ 5,300,301
Net pension liability as a percentage of covered payroll	138.67%	222.42%	227.13%	-6.26%	141.40%	124.02%	98.10%	124.02%	125.26%	114.21%
Plan fiduciary net position for financial statement purposes also includes the following amounts for voluntary contributions:	\$ 1,128,015	\$ 1,078,828	\$ 1,172,202	\$ 1,452,775	\$ 1,659,489	\$ 1,543,336	\$ 1,514,307	\$ 1,445,671	\$ 1,341,946	\$ 1,475,816

**CITY OF PORT ORANGE, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**POLICE PLAN**  
**SEPTEMBER 30, 2024**  
**(UNAUDITED)**

	Fiscal Year Ending September 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>										
Service cost	\$ 1,318,777	\$ 1,242,344	\$ 1,294,706	\$ 1,141,322	\$ 1,089,767	\$ 1,046,453	\$ 933,544	\$ 820,072	\$ 885,450	\$ 801,785
Interest	4,578,950	4,265,524	4,177,676	3,962,353	3,948,829	3,777,855	3,603,240	3,425,372	3,371,771	3,257,812
Changes in benefit terms	2,355,507	817,204	(966,460)	778,405	(512,876)	228,731	413,041	(7,192)	(950,704)	609,774
Difference between actual and expected experience	2,834,810	1,587,115	690,124	670,075	(854,131)	646,883	485,735	585,900	771,544	568,624
Assumption changes	864,499	721,778	(2,951,165)	(2,778,419)	(2,736,407)	(2,614,086)	(2,425,157)	(2,256,996)	(3,144,461)	(3,415,712)
Benefit payments including refunds of contributions	(3,289,608)	(3,118,586)	5,515,379	3,773,736	935,182	3,085,836	3,010,403	2,964,859	933,600	1,822,283
Net change in total pension liability	8,662,935	5,515,379	2,244,881	3,773,736	54,870,495	51,784,659	48,774,256	45,809,397	44,875,797	43,053,514
Total pension liability - beginning	67,339,673	61,824,294	59,579,413	55,805,677	\$ 55,805,677	\$ 54,870,495	\$ 51,784,659	\$ 48,774,256	\$ 45,809,397	\$ 43,053,514
<b>Total pension liability - ending (a)</b>	<b>\$ 76,002,608</b>	<b>\$ 67,339,673</b>	<b>\$ 61,824,294</b>	<b>\$ 59,579,413</b>	<b>\$ 55,805,677</b>	<b>\$ 54,870,495</b>	<b>\$ 51,784,659</b>	<b>\$ 48,774,256</b>	<b>\$ 45,809,397</b>	<b>\$ 43,053,514</b>
<b>Total Fiduciary Net Position</b>										
Contributions - employer	\$ 2,201,908	\$ 2,862,774	\$ 2,614,761	\$ 2,967,626	\$ 2,846,074	\$ 3,051,552	\$ 2,813,517	\$ 2,824,801	\$ 2,817,806	\$ 2,731,326
Contributions - state	681,328	583,717	511,029	494,738	498,650	485,030	444,090	397,680	373,343	345,822
Contributions - employee	487,102	446,629	410,604	402,855	372,178	378,935	375,306	355,777	336,731	326,566
Net investment income	10,708,176	7,536,983	(8,209,681)	9,413,959	4,114,436	1,404,369	2,948,620	3,063,317	1,688,832	(21,228)
Benefit payments, including refunds of contributions	(3,289,608)	(3,118,586)	(2,951,165)	(2,778,419)	(2,736,407)	(2,614,086)	(2,425,157)	(2,256,996)	(3,151,653)	(3,415,712)
Administrative expense	(151,798)	(180,825)	(129,154)	(122,327)	(121,286)	(129,585)	(116,145)	(106,538)	(116,769)	(104,276)
Net change in plan fiduciary net position	10,637,108	8,130,692	(7,753,606)	10,378,432	4,973,645	2,576,215	4,040,231	4,278,041	1,948,290	(137,502)
Plan fiduciary net position - beginning	56,729,338	48,598,646	56,352,252	45,973,820	41,000,175	38,423,960	34,383,729	30,105,688	28,157,398	28,294,900
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 67,366,446</b>	<b>\$ 56,729,338</b>	<b>\$ 48,598,646</b>	<b>\$ 56,352,252</b>	<b>\$ 45,973,820</b>	<b>\$ 41,000,175</b>	<b>\$ 38,423,960</b>	<b>\$ 34,383,729</b>	<b>\$ 30,105,688</b>	<b>\$ 28,157,398</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 8,636,162</b>	<b>\$ 10,610,335</b>	<b>\$ 13,225,648</b>	<b>\$ 3,227,161</b>	<b>\$ 9,831,857</b>	<b>\$ 13,870,320</b>	<b>\$ 13,360,699</b>	<b>\$ 14,390,527</b>	<b>\$ 15,703,709</b>	<b>\$ 16,718,399</b>
Plan fiduciary net position as a percentage of the total pension liability	88.64%	84.24%	78.61%	94.58%	82.38%	74.72%	74.20%	70.50%	65.72%	62.75%
Covered employee payroll	\$ 6,226,766	\$ 5,712,169	\$ 5,289,979	\$ 5,199,237	\$ 4,798,318	\$ 4,893,948	\$ 4,855,965	\$ 4,622,671	\$ 4,275,349	\$ 4,293,316
Net pension liability as a percentage of covered payroll	138.69%	185.75%	250.01%	62.07%	204.90%	283.42%	275.14%	311.30%	367.31%	389.41%

**CITY OF PORT ORANGE, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**FIRE PLAN**  
**SEPTEMBER 30, 2024**  
**(UNAUDITED)**

	Fiscal Year Ending September 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total Pension Liability</b>										
Service cost	\$ 659,386	\$ 651,832	\$ 610,421	\$ 616,749	\$ 570,654	\$ 511,607	\$ 506,131	\$ 468,739	\$ 424,216	\$ 411,997
Interest	4,228,079	4,046,331	3,841,890	3,703,649	3,601,516	3,443,468	3,348,084	3,225,607	3,037,757	2,987,593
Changes in benefit terms	1,879,064	57,355	156,468	156,468	-	(8,591)	-	-	(1,577)	-
Difference between actual and expected experience	645,390	1,148,966	1,337,174	660,698	569,957	337,913	21,178	367,210	(100,351)	(20,660)
Contributions - buy back	-	13,512	13,238	-	-	-	12,086	-	-	-
Assumption changes	-	-	-	582,920	(717,430)	1,349,692	528,047	549,204	2,361,584	420,007
Benefit payments including refunds of contributions	(3,682,265)	(3,155,096)	(2,893,417)	(3,018,372)	(2,657,008)	(2,571,837)	(2,534,625)	(2,436,218)	(3,208,450)	(2,154,771)
Net change in total pension liability	3,729,654	2,762,900	2,909,306	2,702,112	1,367,689	3,062,252	1,880,901	2,174,542	2,513,179	1,644,166
Total pension liability - beginning	59,500,074	56,737,174	53,827,868	51,125,756	49,758,067	46,695,815	44,814,914	42,640,372	40,127,193	38,483,027
<b>Total pension liability - ending (a)</b>	<b>\$ 63,229,728</b>	<b>\$ 59,500,074</b>	<b>\$ 56,737,174</b>	<b>\$ 53,827,868</b>	<b>\$ 51,125,756</b>	<b>\$ 49,758,067</b>	<b>\$ 46,695,815</b>	<b>\$ 44,814,914</b>	<b>\$ 42,640,372</b>	<b>\$ 40,127,193</b>
<b>Total Fiduciary Net Position</b>										
Contributions - employer	\$ 3,428,987	\$ 3,423,262	\$ 2,681,868	\$ 2,314,229	\$ 2,225,281	\$ 2,509,962	\$ 2,582,544	\$ 2,449,781	\$ 2,459,983	\$ 2,321,223
Contributions - state	634,897	576,430	461,979	438,926	427,496	395,108	388,246	351,038	367,918	391,117
Contributions - employee	338,883	305,786	277,724	237,968	226,546	226,090	217,736	209,651	200,780	182,394
Contributions - buy back	-	13,512	13,238	-	-	-	12,086	-	-	-
Net investment income	8,331,528	3,088,030	(7,261,379)	6,693,113	2,769,135	1,576,221	1,718,519	2,516,903	2,064,410	218,115
Benefit payments, including refunds of contributions	(3,682,265)	(3,155,096)	(2,893,417)	(3,018,372)	(2,657,008)	(2,571,837)	(2,534,625)	(2,436,218)	(3,208,450)	(2,154,771)
Administrative expense	(95,509)	(90,246)	(88,144)	(75,205)	(93,364)	(86,848)	(69,199)	(57,973)	(72,625)	(77,530)
Net change in plan fiduciary net position	8,956,521	4,161,678	(6,808,131)	6,590,659	2,898,086	2,048,696	2,315,307	3,033,182	1,812,016	880,548
Plan fiduciary net position - beginning	39,127,316	34,965,638	41,773,769	35,183,110	32,285,024	30,236,328	27,921,021	24,887,839	23,075,823	22,195,275
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 48,083,837</b>	<b>\$ 39,127,316</b>	<b>\$ 34,965,638</b>	<b>\$ 41,773,769</b>	<b>\$ 35,183,110</b>	<b>\$ 32,285,024</b>	<b>\$ 30,236,328</b>	<b>\$ 27,921,021</b>	<b>\$ 24,887,839</b>	<b>\$ 23,075,823</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 15,145,891</b>	<b>\$ 20,372,758</b>	<b>\$ 21,771,536</b>	<b>\$ 12,054,099</b>	<b>\$ 15,942,646</b>	<b>\$ 17,473,043</b>	<b>\$ 16,459,487</b>	<b>\$ 16,893,893</b>	<b>\$ 17,752,533</b>	<b>\$ 17,051,370</b>
Plan fiduciary net position as a percentage of the total pension liability	76.05%	65.76%	61.63%	77.61%	68.82%	64.88%	64.75%	62.30%	58.37%	57.51%
Covered employee payroll	\$ 4,338,253	\$ 3,934,872	\$ 3,585,349	\$ 3,081,159	\$ 2,940,474	\$ 2,936,534	\$ 2,837,507	\$ 2,735,484	\$ 2,629,023	\$ 2,571,913
Net pension liability as a percentage of covered payroll	349.12%	517.75%	607.24%	391.22%	542.18%	595.02%	580.07%	617.58%	675.25%	662.98%

**CITY OF PORT ORANGE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
GENERAL EMPLOYEES PLAN  
SEPTEMBER 30, 2024  
(UNAUDITED)**

<b>Fiscal Year</b>	<b>Actuarially Determined Contribution (ADC)</b>	<b>Contributions in Relation to ADC</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contributions as Percentage of Employee Payroll</b>
2024	\$ 540,065	\$ 611,995	\$ (71,930)	\$ 3,484,290	17.56%
2023	546,415	546,132	283	3,548,147	15.39%
2022	802,089	812,458	(10,369)	3,696,265	21.98%
2021	965,147	966,934	(1,787)	3,893,292	24.84%
2020	849,696	849,692	4	3,678,337	23.10%
2019	866,392	866,364	28	4,067,567	21.30%
2018	735,558	735,559	(1)	4,251,780	17.30%
2017	744,380	794,333	(49,953)	4,622,671	17.18%
2016	739,845	880,209	(140,364)	4,275,349	20.59%
2015	673,138	673,300	(162)	4,293,316	15.68%

Notes to Schedule:

Valuation Date: 10/1/2024

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method:	Entry Age Normal (as of October 1, 2020)
Amortization Method:	The initial base upon transition will be amortized over 20 years. Thereafter all gains and losses, including amendments and changes in assumptions will be amortized over 10 years.
Asset Valuation Method:	5-year smoothed market
Inflation:	3.00%
Salary Increases:	4.00%, including inflation
Investment Rate of Return:	6.00%, net of pension plan investment expense including inflation The 2022-23 valuation was based on a blend of 60% of the 6.75% contribution amount and 40% of the 6% valuation results
Mortality:	Pub 10 General Rates - projected generationally with Scale MP-2021
Retirement Age:	Normal retirement date (NRD) or on valuation date if past NRD

**CITY OF PORT ORANGE, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
POLICE PLAN  
SEPTEMBER 30, 2024  
(UNAUDITED)**

Fiscal Year	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Employee Payroll
2024	\$ 2,316,007	\$ 2,883,236	\$ (567,229)	\$ 6,226,766	46.30%
2023	2,836,107	3,446,491	(610,384)	5,712,169	60.34%
2022	2,978,832	3,125,790	(146,958)	5,289,979	59.09%
2021	3,184,038	3,462,364	(278,326)	5,199,237	66.59%
2020	3,344,724	3,344,724	-	4,798,318	69.71%
2019	3,240,623	3,536,582	(295,959)	4,893,948	72.26%
2018	3,197,607	3,257,607	(60,000)	4,855,965	67.08%
2017	3,214,965	3,222,481	(7,516)	4,622,671	69.71%
2016	3,054,694	3,191,149	(136,455)	4,275,349	74.64%
2015	2,916,745	3,077,148	(160,403)	4,293,316	71.67%

Notes to Schedule:

Valuation Date: 10/1/2024

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method: Entry Age  
Amortization Method: Level percent of pay, closed  
Remaining Amortization Period: 25 years for change in Plan provisions, assumptions, and methods. (2015 and later)  
30 years for plan provisions; 15 years for actuarial gains and losses (prior to 2015)  
Asset Valuation Method: 5-year smoothed market  
Inflation: 2.00%  
Salary Increases: 7.5% (7.25% beginning October 1, 2018)  
Investment Rate of Return: 7.75%, net of pension plan investment expense including inflation, as of 10/1/14  
(7.65% beginning with 2016 contributions; 7.55% with 2017 contributions)  
(7.45% beginning with 2018 contributions; 7.35% with 2019 contributions)  
(7.15% beginning with 2020 contributions; 7.05% with 2021 contributions)  
(6.95% beginning with 2022 contributions; 6.85% with 2023 contributions)  
(6.75% beginning with 2024 contributions)

Mortality: The mortality table was revised with the October 1, 2020 actuarial valuation to be that used for special risk employees in the valuation of the Florida Retirement System (FRS) as of July 1, 2019 and 2020. The mortality table was revised with the October 1, 2017 actuarial valuation to be that used for special risk employees in the valuation of the Florida Retirement System (FRS) as of July 1, 2016 and 2017, as required by state statute. The mortality table was revised with the October 1, 2016 to be that used for special risk employees in the valuation of FRS as of July 1, 2015, as required by state statute. Prior to this change the RP-2000 Combined Mortality Table using Scale AA projected to the valuation year was used.

Retirement Age: Members hired after January 31, 2011 – 100% at age 48 and 10 years of service  
Members hired before January 31, 2011 – 100% at age 45 with 25 years of service or at age 48 with 10 years of service  
Effective with Ordinance No. 2024-10 members who are 48 years of age with

**CITY OF PORT ORANGE, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CONTRIBUTIONS**  
**FIRE PLAN**  
**SEPTEMBER 30, 2024**  
**(UNAUDITED)**

Fiscal Year	Actuarially Determined Contribution (ADC)	Contributions in Relation to ADC	Contribution Deficiency (Excess)	Covered Payroll	Contributions as Percentage of Employee Payroll
2024	\$ 4,073,619	\$ 4,063,884	\$ 9,735	\$ 4,338,253	93.68%
2023	3,702,715	3,999,692	(296,977)	3,934,872	101.65%
2022	3,223,229	3,143,847	79,382	3,585,349	87.69%
2021	2,646,715	2,753,155	(106,440)	3,081,159	89.35%
2020	2,619,962	2,652,777	(32,815)	2,940,474	90.22%
2019	2,739,786	2,905,070	(165,284)	2,936,534	98.93%
2018	2,897,095	2,970,790	(73,695)	2,837,507	104.70%
2017	2,776,516	2,800,819	(24,303)	2,735,484	102.39%
2016	2,689,491	2,827,901	(138,410)	2,629,023	107.56%
2015	2,691,757	2,712,340	(20,583)	2,571,913	105.46%

Notes to Schedule:

Valuation Date: 10/1/2023

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method: Entry Age Normal  
Amortization Method: Level Percentage of Pay, Closed  
Remaining Amortization Period: 28 Years (as of 10/1/2017)  
Asset Valuation Method: Each year, the prior Actuarial Value of Assets is brought forward utilizing geometric 4-year average Fair Value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below Fair Value.  
Salary Increases: 4.00% to 5.50% based on years of service  
Interest Rate: 7.25% per year, compounded annually, net of investment-related expenses.  
Payroll Growth: None.  
Cost-of-Living Adjustment:  
    "Frozen Benefit" At least 20 years at retirement: 3% per year beginning 5 years after retirement.  
    Otherwise, 1% per year beginning 1 year after retirement.  
    "Future Service Piece" At least 25 years at retirement: 3% per year in years that the Plan met or exceeded actuarial assumptions and when GASB 25 funded ration is above 80% and the later of 8 years after retirement and age 59.5  
Retirement Rates:  
    "Frozen Benefit" Old Normal Retirement Date (30%); Old Normal Retirement Date + 1 (15%); Old Normal Retirement Date + 2 (15%); Old Normal Retirement Date + 3 (15%); Old Normal Retirement Date + 4 (15%); Old Normal Retirement Date + 5 (100%)  
    "Future Service Piece" New Normal Retirement Date (100%)  
Termination Rates: See table below.  
Disability Rates: See table below. 90% of disability occurrences are assumed to be service-connected.  
Mortality: RP-2000 Table with no projection – based on a study of over 650 public safety funds, this table reflects a 10% margin for future mortality improvements. Disability mortality is

Termination and Disability Rate Table

Service	% Terminating During the Year	% Becoming Disabled During the Year
0-4	7.50%	20 0.07%
5-9	3.00%	25 0.09%
10+	1.00%	30 0.11%
		35 0.14%
		40 0.19%
		45 0.30%
		50 0.51%
		55 0.96%
		60 1.66%
		65 2.39%

**CITY OF PORT ORANGE, FLORIDA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULES OF INVESTMENT RETURNS  
 SEPTEMBER 30, 2024**

<b>For the Year Ending September 30,</b>	<b>General Employees Plan</b>	<b>Police Plan</b>	<b>Fire Plan</b>
2024	16.48%	22.20%	21.36%
2023	4.72%	12.34%	8.83%
2022	-9.40%	-13.05%	-17.41%
2021	21.52%	21.56%	19.09%
2020	8.78%	9.26%	8.61%
2019	3.44%	3.24%	5.22%
2018	12.47%	8.45%	6.13%
2017	11.72%	10.34%	10.11%
2016	11.50%	6.18%	9.01%
2015	2.43%	-0.49%	0.98%



**THIS PAGE INTENTIONALLY LEFT BLANK**

## **SUPPORTING SCHEDULES**

Financial schedules are presented to provide greater detailed information than reported in the preceding financial statements. This information, in many cases, has been spread throughout the report and is brought together here for greater clarity. Financial schedules are not necessary for fair presentation in conformity with generally accepted accounting principles.

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

	Special Revenue Funds					Debt Service
	Business Development	Recreation Facilities	Community Development Building	Community Development Block Grant	Total	
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 119,410	\$ 1,381,718	\$ 1,351,610	\$ -	\$ 2,852,738	\$ 771,268
Receivables, net	-	-	207	-	207	2,028
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Leases receivable	-	780,150	-	-	780,150	-
Prepaid items	-	-	1,088	-	1,088	-
Total assets	<u>\$ 119,410</u>	<u>\$ 2,161,868</u>	<u>\$ 1,352,905</u>	<u>\$ -</u>	<u>\$ 3,634,183</u>	<u>\$ 2,179,612</u>
<b>LIABILITIES</b>						
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 48,223	\$ -	\$ 48,223	\$ -
Customer deposits	-	-	10,060	-	10,060	-
Unearned revenue	-	-	-	-	-	2,028
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>58,283</u>	<u>-</u>	<u>58,283</u>	<u>2,028</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred inflows related to leases	-	726,186	-	-	726,186	-
Total deferred inflows of resources	<u>-</u>	<u>726,186</u>	<u>-</u>	<u>-</u>	<u>726,186</u>	<u>-</u>
<b>FUND BALANCES</b>						
Nonspendable:						
Prepaid items	-	-	1,088	-	1,088	1,406,316
Restricted for:						
Public safety	-	-	-	-	-	-
Inspections	-	-	1,293,534	-	1,293,534	-
Debt service	-	-	-	-	-	-
Capital improvements	-	-	-	-	-	771,268
Transportation projects	-	-	-	-	-	-
Transportation impact	-	-	-	-	-	-
Committed to:						
Recreation facility improvements	-	1,435,682	-	-	1,435,682	-
Assigned to:						
Capital improvements	-	-	-	-	-	-
Business development	119,410	-	-	-	119,410	-
General government	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>119,410</u>	<u>1,435,682</u>	<u>1,294,622</u>	<u>-</u>	<u>2,849,714</u>	<u>2,177,584</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 119,410</u>	<u>\$ 2,161,868</u>	<u>\$ 1,352,905</u>	<u>\$ -</u>	<u>\$ 3,634,183</u>	<u>\$ 2,179,612</u>

CITY OF PORT ORANGE, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2024

	Capital Project Funds										Total	
	General											
	General Construction	Transportation Capital Projects	Police Impact	Fire Impact	Transportation Impact	Obligation Capital Projects	Capital Replacement	Economic Development Capital	2014 Capital Improvement Bond Project	Recreation Impact		
<b>ASSETS</b>												
Equity in pooled cash and investments	\$ 4,155,704	\$ 1,651,630	\$ 27,383	\$ 164,208	\$ 2,131,170	\$ 92,298	\$ 10,109,838	\$ 15,151	\$ 7,648	\$ 2,450,386	\$ 20,805,416	
Receivables, net	-	-	-	-	-	-	-	-	-	-	-	
Due from other governments	236,942	-	-	-	-	-	-	-	-	-	236,942	
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	
Inventories	-	-	-	-	-	-	-	-	-	-	-	
Leases receivable	-	-	-	-	-	-	-	-	-	-	-	
Prepaid items	-	-	-	-	-	-	-	-	-	-	-	
Total assets	<u>\$ 4,392,646</u>	<u>\$ 1,651,630</u>	<u>\$ 27,383</u>	<u>\$ 164,208</u>	<u>\$ 2,131,170</u>	<u>\$ 92,298</u>	<u>\$ 10,109,838</u>	<u>\$ 15,151</u>	<u>\$ 7,648</u>	<u>\$ 2,450,386</u>	<u>\$ 21,042,358</u>	
<b>LIABILITIES</b>												
Accounts payable and accrued liabilities	\$ 102,087	\$ 15	\$ 526	\$ 304	\$ -	\$ -	\$ 297,735	\$ -	\$ -	\$ 1,633	\$ 402,300	
Customer deposits	-	1,217,047	-	-	-	-	-	-	-	-	1,217,047	
Unearned revenue	-	-	-	-	-	-	-	-	-	-	-	
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	
Total liabilities	<u>102,087</u>	<u>1,217,062</u>	<u>526</u>	<u>304</u>	<u>-</u>	<u>-</u>	<u>297,735</u>	<u>-</u>	<u>-</u>	<u>1,633</u>	<u>1,619,347</u>	
<b>DEFERRED INFLOWS OF RESOURCES</b>												
Deferred inflows related to leases	-	-	-	-	-	-	-	-	-	-	-	
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<b>FUND BALANCES</b>												
Nonspendable:												
Prepaid items	-	-	-	-	-	-	-	-	-	-	-	
Restricted for:												
Public safety	-	-	26,857	163,904	-	-	-	-	-	-	190,761	
Inspections	-	-	-	-	-	-	-	-	-	-	-	
Debt service	-	-	-	-	-	-	-	-	-	-	-	
Capital improvements	-	-	-	-	-	92,298	-	15,151	7,648	2,448,753	2,563,850	
Transportation projects	4,290,559	434,568	-	-	2,131,170	-	-	-	-	-	4,725,127	
Transportation impact	-	-	-	-	-	-	-	-	-	-	2,131,170	
Committed to:												
Recreation facility improvements	-	-	-	-	-	-	-	-	-	-	-	
Assigned to:												
Capital improvements	-	-	-	-	-	-	9,812,103	-	-	-	9,812,103	
Business development	-	-	-	-	-	-	-	-	-	-	-	
General government	-	-	-	-	-	-	-	-	-	-	-	
Unassigned	-	-	-	-	-	-	-	-	-	-	-	
Total fund balances	<u>4,290,559</u>	<u>434,568</u>	<u>26,857</u>	<u>163,904</u>	<u>2,131,170</u>	<u>92,298</u>	<u>9,812,103</u>	<u>15,151</u>	<u>7,648</u>	<u>2,448,753</u>	<u>19,423,011</u>	
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,392,646</u>	<u>\$ 1,651,630</u>	<u>\$ 27,383</u>	<u>\$ 164,208</u>	<u>\$ 2,131,170</u>	<u>\$ 92,298</u>	<u>\$ 10,109,838</u>	<u>\$ 15,151</u>	<u>\$ 7,648</u>	<u>\$ 2,450,386</u>	<u>\$ 21,042,358</u>	

**CITY OF PORT ORANGE, FLORIDA**  
**COMBINING STATEMENT OF REVENUES**  
**EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Special Revenue Funds				
	Business Development	Recreation Facilities	Community Development Building	Community Development Block Grant	Total
<b>Revenues</b>					
Taxes	\$ -	-	-	-	\$ -
Permits and fees	-	-	1,949,519	-	1,949,519
Intergovernmental	-	-	-	-	-
Charges for services	-	411,925	-	-	411,925
Investment income (loss)	-	81,764	226,438	-	308,202
Miscellaneous	-	-	524	-	524
Total revenues	-	493,689	2,176,481	-	2,670,170
<b>Expenditures</b>					
Current:					
General government	-	-	2,284,692	-	2,284,692
Public safety	-	-	-	-	-
Transportation	-	-	-	-	-
Culture and recreation	-	140,200	-	-	140,200
Capital outlay	-	-	42,816	-	42,816
Debt service:					
Principal retirement	-	-	-	-	1,710,000
Interest and fiscal charges	-	-	-	-	975,288
Other charges	-	-	-	-	2,325
Total expenditures	-	140,200	2,327,508	-	2,467,708
Excess (deficiency) of revenues over expenditures	-	353,489	(151,027)	-	202,462
<b>Other financing sources (uses)</b>					
Transfers in	-	24,355	-	-	24,355
Transfers out	-	-	(3,000,000)	(24,418)	(3,024,418)
Total other financing sources (uses)	-	24,355	(3,000,000)	(24,418)	(1,783,169)
<b>Net change in fund balances</b>	-	377,844	(3,151,027)	(24,418)	(2,797,601)
<b>Fund balances, beginning of year</b>	119,410	1,057,838	4,445,649	24,418	5,647,315
<b>Fund balances, end of year</b>	<u>\$ 119,410</u>	<u>\$ 1,435,682</u>	<u>\$ 1,294,622</u>	<u>\$ -</u>	<u>\$ 2,849,714</u>
					<u>\$ 2,177,584</u>

**CITY OF PORT ORANGE, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Capital Project Funds										Total	
	Transportation					General						
	General Construction	Capital Projects	Police Impact	Fire Impact	Transportation Impact	Capital Projects	Obligation	Capital Replacement	Economic Development Capital	2014 Capital Improvement Bond Project		Recreation Impact
<b>Revenues</b>												
Taxes	\$ 1,447,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,447,240
Permits and fees	-	-	26,826	80,218	369,539	-	-	-	-	-	177,173	653,756
Intergovernmental	-	-	-	-	-	-	-	50,640	-	-	-	50,640
Charges for services	-	-	-	-	-	-	-	-	-	-	-	-
Investment income (loss)	60,127	78,830	31	28,249	189,118	10,554	-	-	-	-	115,706	482,615
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>1,507,367</u>	<u>78,830</u>	<u>26,857</u>	<u>108,467</u>	<u>558,657</u>	<u>10,554</u>	<u>50,640</u>	<u>-</u>	<u>-</u>	<u>292,879</u>	<u>-</u>	<u>2,634,251</u>
<b>Expenditures</b>												
Current:												
General government	-	-	-	-	-	-	5,110	-	-	-	-	5,110
Public safety	-	-	-	2,499	-	-	-	-	-	-	-	2,499
Transportation	2,627,026	-	-	-	999	-	458,687	-	-	-	501	3,086,712
Culture and recreation	-	-	-	-	-	-	39,035	-	-	-	-	39,536
Capital outlay	1,557,374	-	-	-	-	-	3,223,628	-	-	-	-	4,781,002
Debt service:												
Principal retirement	-	-	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	-	-	-
Other charges	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>4,184,400</u>	<u>-</u>	<u>-</u>	<u>2,499</u>	<u>999</u>	<u>-</u>	<u>3,726,460</u>	<u>-</u>	<u>-</u>	<u>501</u>	<u>-</u>	<u>7,914,859</u>
Excess (deficiency) of revenues over expenditures	<u>(2,677,033)</u>	<u>78,830</u>	<u>26,857</u>	<u>105,968</u>	<u>557,658</u>	<u>10,554</u>	<u>(3,675,820)</u>	<u>-</u>	<u>-</u>	<u>292,378</u>	<u>-</u>	<u>(5,280,608)</u>
<b>Other financing sources (uses)</b>												
Transfers in	3,736,723	-	-	-	-	-	11,381,319	-	-	-	-	15,118,042
Transfers out	(240,000)	-	-	(451,293)	(1,904,299)	-	-	-	-	-	-	(2,595,592)
Total other financing sources (uses)	<u>3,496,723</u>	<u>-</u>	<u>-</u>	<u>(451,293)</u>	<u>(1,904,299)</u>	<u>-</u>	<u>11,381,319</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,522,450</u>
<b>Net change in fund balances</b>	<u>819,690</u>	<u>78,830</u>	<u>26,857</u>	<u>(345,325)</u>	<u>(1,346,641)</u>	<u>10,554</u>	<u>7,705,499</u>	<u>-</u>	<u>-</u>	<u>292,378</u>	<u>-</u>	<u>7,241,842</u>
<b>Fund balances, beginning of year</b>	<u>3,470,869</u>	<u>355,738</u>	<u>-</u>	<u>509,229</u>	<u>3,477,811</u>	<u>81,744</u>	<u>2,106,604</u>	<u>15,151</u>	<u>7,648</u>	<u>2,156,375</u>	<u>-</u>	<u>12,181,169</u>
<b>Fund balances, end of year</b>	<u>\$ 4,290,559</u>	<u>\$ 434,568</u>	<u>\$ 26,857</u>	<u>\$ 163,904</u>	<u>\$ 2,131,170</u>	<u>\$ 92,298</u>	<u>\$ 9,812,103</u>	<u>\$ 15,151</u>	<u>\$ 7,648</u>	<u>\$ 2,448,753</u>	<u>\$ 7,648</u>	<u>\$ 19,423,011</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - BUSINESS DEVELOPMENT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Investment income (loss)	\$ -	\$ -	\$ -	\$ -
<b>Net change in fund balances</b>	-	-	-	-
<b>Fund balances, beginning of year</b>	119,410	119,410	119,410	-
<b>Fund balances, end of year</b>	<u>\$ 119,410</u>	<u>\$ 119,410</u>	<u>\$ 119,410</u>	<u>\$ -</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - RECREATION FACILITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 202,700	\$ 202,700	\$ 411,925	\$ 209,225
Investment income (loss)	3,000	3,000	81,764	78,764
Miscellaneous	-	-	-	-
Total revenues	<u>205,700</u>	<u>205,700</u>	<u>493,689</u>	<u>287,989</u>
<b>Expenditures</b>				
Current:				
Culture and recreation	205,700	345,918	140,200	205,718
Capital outlay	-	-	-	-
Total expenditures	<u>205,700</u>	<u>295,918</u>	<u>140,200</u>	<u>155,718</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>(65,863)</u>	<u>377,844</u>	<u>443,707</u>
<b>Fund balances, beginning of year</b>	1,057,838	1,057,838	1,057,838	-
<b>Fund balances, end of year</b>	<u>\$ 1,057,838</u>	<u>\$ 991,975</u>	<u>\$ 1,435,682</u>	<u>\$ 443,707</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BUILDING**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Permits and fees	\$ 1,290,000	\$ 1,290,000	\$ 1,949,519	\$ 659,519
Investment income (loss)	15,000	15,000	226,438	211,438
Miscellaneous	-	-	524	524
Total revenues	<u>1,305,000</u>	<u>1,305,000</u>	<u>2,176,481</u>	<u>871,481</u>
<b>Expenditures</b>				
Current:				
General government:				
Planning and community development	2,796,525	2,800,894	2,284,692	516,202
Capital outlay	-	103,765	42,816	60,949
Total expenditures	<u>2,796,525</u>	<u>2,904,659</u>	<u>2,327,508</u>	<u>577,151</u>
<b>Net change in fund balances</b>	<u>(1,491,525)</u>	<u>(4,599,659)</u>	<u>(3,151,027)</u>	<u>1,448,632</u>
<b>Fund balances, beginning of year</b>	4,445,649	4,445,649	4,445,649	-
<b>Fund balances, end of year</b>	<u>\$ 2,954,124</u>	<u>\$ (154,010)</u>	<u>\$ 1,294,622</u>	<u>\$ 1,448,632</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment income (loss)	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Current:				
General government:				
Finance and administration	-	-	-	-
Economic environment	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other financing sources (uses)</b>				
Transfers out	-	-	(24,418)	(24,418)
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>(24,418)</u>	<u>(24,418)</u>
<b>Fund balances, beginning of year</b>	24,418	24,418	24,418	-
<b>Fund balances, end of year</b>	<u>\$ 24,418</u>	<u>\$ 24,418</u>	<u>\$ -</u>	<u>\$ (24,418)</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - DEBT SERVICE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 903,619	\$ 931,906	\$ 924,253	\$ (7,653)
Investment income (loss)	750	1,311	8,464	7,153
Total revenues	<u>904,369</u>	<u>933,217</u>	<u>932,717</u>	<u>(500)</u>
<b>Expenditures</b>				
Debt service:				
Principal retirement	1,710,000	1,710,000	1,710,000	-
Interest and fiscal charges	977,538	1,006,386	977,613	28,773
Total expenditures	<u>2,687,538</u>	<u>2,716,386</u>	<u>2,687,613</u>	<u>28,773</u>
Excess (deficiency) of revenues over expenditures	<u>(1,783,169)</u>	<u>(1,783,169)</u>	<u>(1,754,896)</u>	<u>28,273</u>
<b>Other financing sources (uses)</b>				
Transfers in	1,783,169	1,783,169	1,783,169	-
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>28,273</u>	<u>28,273</u>
<b>Fund balances, beginning of year</b>	2,149,311	2,149,311	2,149,311	-
<b>Fund balances, end of year</b>	<u>\$ 2,149,311</u>	<u>\$ 2,149,311</u>	<u>\$ 2,177,584</u>	<u>\$ 28,273</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL CONSTRUCTION**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 1,332,518	\$ 1,332,518	\$ 1,447,240	\$ 114,722
Intergovernmental	-	-	-	-
Investment income (loss)	15,000	15,000	60,127	45,127
Miscellaneous	-	-	-	-
Total revenues	<u>1,347,518</u>	<u>1,497,768</u>	<u>1,507,367</u>	<u>9,599</u>
<b>Expenditures</b>				
Current:				
General government:				
Planning and community development	30,000	992,971	-	992,971
Transportation	235,814	855,804	2,627,026	(1,771,222)
Capital outlay	<u>2,938,749</u>	<u>4,966,479</u>	<u>1,557,374</u>	<u>3,409,105</u>
Total expenditures	<u>3,204,563</u>	<u>6,815,254</u>	<u>4,184,400</u>	<u>2,630,854</u>
Excess (deficiency) of revenues over expenditures	<u>(1,857,045)</u>	<u>(5,317,486)</u>	<u>(2,677,033)</u>	<u>2,640,453</u>
<b>Other financing sources (uses)</b>				
Transfers in	1,291,730	3,736,723	3,736,723	-
Transfers out	-	(240,000)	(240,000)	-
Total other financing sources (uses)	<u>1,291,730</u>	<u>3,496,723</u>	<u>3,496,723</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(565,315)</u>	<u>(1,820,763)</u>	<u>819,690</u>	<u>2,640,453</u>
<b>Fund balances, beginning of year</b>	3,470,869	3,470,869	3,470,869	-
<b>Fund balances, end of year</b>	<u><u>\$ 2,905,554</u></u>	<u><u>\$ 1,650,106</u></u>	<u><u>\$ 4,290,559</u></u>	<u><u>\$ 2,640,453</u></u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - TRANSPORTATION CAPITAL PROJECTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Permits and fees	\$ 150,250	\$ -	\$ -	\$ -
Investment income (loss)	-	-	78,830	78,830
<b>Total revenues</b>	<u>150,250</u>	<u>-</u>	<u>78,830</u>	<u>78,830</u>
<b>Expenditures</b>				
Current:				
General government:				
Planning and community development	150,250	-	-	-
<b>Total expenditures</b>	<u>150,250</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>78,830</u>	<u>78,830</u>
<b>Other financing sources (uses)</b>				
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>78,830</u>	<u>78,830</u>
<b>Fund balances, beginning of year</b>	355,738	355,738	355,738	-
<b>Fund balances, end of year</b>	<u>\$ 355,738</u>	<u>\$ 355,738</u>	<u>\$ 434,568</u>	<u>\$ 78,830</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - POLICE IMPACT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Permits and fees	\$ -	\$ 26,857	\$ 26,826	\$ (31)
Investment income (loss)	-	-	31	31
<b>Total revenues</b>	<u>-</u>	<u>26,857</u>	<u>26,857</u>	<u>-</u>
<b>Expenditures</b>				
Current:				
Public safety:				
Law enforcement	-	26,857	-	26,857
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>26,857</u>	<u>26,857</u>
<b>Other financing sources (uses)</b>				
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>26,857</u>	<u>26,857</u>
<b>Fund balances, beginning of year</b>	-	-	-	-
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,857</u>	<u>\$ 26,857</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - FIRE IMPACT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Permits and fees	\$ 25,000	\$ 25,000	\$ 80,218	\$ 55,218
Investment income (loss)	10,000	10,000	28,249	18,249
<b>Total revenues</b>	<u>35,000</u>	<u>35,000</u>	<u>108,467</u>	<u>73,467</u>
<b>Expenditures</b>				
Current:				
Public safety:				
Fire safety	35,000	35,000	2,499	32,501
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>105,968</u>	<u>105,968</u>
<b>Other financing sources (uses)</b>				
Transfers out	-	(451,293)	(451,293)	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(451,293)</u>	<u>(451,293)</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>(451,293)</u>	<u>(345,325)</u>	<u>105,968</u>
<b>Fund balances, beginning of year</b>	509,229	509,229	509,229	-
<b>Fund balances, end of year</b>	<u>\$ 509,229</u>	<u>\$ 57,936</u>	<u>\$ 163,904</u>	<u>\$ 105,968</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - TRANSPORTATION IMPACT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Permits and fees	\$ 25,000	\$ 25,000	\$ 369,539	\$ 344,539
Intergovernmental	-	-	-	-
Investment income (loss)	5,000	5,000	189,118	184,118
<b>Total revenues</b>	<u>30,000</u>	<u>30,000</u>	<u>558,657</u>	<u>528,657</u>
<b>Expenditures</b>				
Current:				
General government:				
Nondepartmental	29,000	29,000	-	29,000
Transportation	1,000	1,000	999	1
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>30,000</u>	<u>30,000</u>	<u>999</u>	<u>29,001</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>557,658</u>	<u>557,658</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	(1,256,730)	(1,904,299)	(1,904,299)	-
<b>Total other financing sources (uses)</b>	<u>(1,256,730)</u>	<u>(1,904,299)</u>	<u>(1,904,299)</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(1,256,730)</u>	<u>(1,904,299)</u>	<u>(1,346,641)</u>	<u>557,658</u>
<b>Fund balances, beginning of year</b>	3,477,811	3,477,811	3,477,811	-
<b>Fund balances, end of year</b>	<u>\$ 2,221,081</u>	<u>\$ 1,573,512</u>	<u>\$ 2,131,170</u>	<u>\$ 557,658</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL OBLIGATION CAPITAL PROJECTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Investment income (loss)	\$ -	\$ -	\$ 10,554	\$ 10,554
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>10,554</u>	<u>10,554</u>
<b>Expenditures</b>				
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>10,554</u>	<u>10,554</u>
<b>Fund balances, beginning of year</b>	81,744	81,744	81,744	-
<b>Fund balances, end of year</b>	<u>\$ 81,744</u>	<u>\$ 81,744</u>	<u>\$ 92,298</u>	<u>\$ 10,554</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - CAPITAL REPLACEMENT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 150,000	\$ 50,640	\$ (99,360)
Investment income (loss)	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>150,000</u>	<u>50,640</u>	<u>(99,360)</u>
<b>Expenditures</b>				
Current:				
General government:				
Planning and community development	-	316,334	5,110	311,224
Public safety:				
Law enforcement	-	-	-	-
Transportation	-	240,491	458,687	(218,196)
Culture and recreation	-	680,053	39,035	641,018
Capital outlay	18,884,610	31,234,280	3,223,628	28,010,652
Total expenditures	<u>18,884,610</u>	<u>32,486,033</u>	<u>3,726,460</u>	<u>28,759,573</u>
Excess (deficiency) of revenues over expenditures	<u>(18,884,610)</u>	<u>(32,336,033)</u>	<u>(3,675,820)</u>	<u>28,660,213</u>
<b>Other financing sources (uses)</b>				
Transfers in	2,784,610	12,788,650	11,381,319	(1,407,331)
Transfers out	-	-	-	-
Proceeds from debt issuance	16,100,000	26,118,180	-	26,118,180
Total other financing sources (uses)	<u>18,884,610</u>	<u>38,906,830</u>	<u>11,381,319</u>	<u>24,710,849</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>6,570,797</u>	<u>7,705,499</u>	<u>53,371,062</u>
<b>Fund balances, beginning of year</b>	2,106,604	2,106,604	2,106,604	-
<b>Fund balances, end of year</b>	<u>\$ 2,106,604</u>	<u>\$ 8,677,401</u>	<u>\$ 9,812,103</u>	<u>\$ 53,371,062</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - ECONOMIC DEVELOPMENT CAPITAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Investment income (loss)	\$ -	\$ -	\$ -	\$ -
<b>Net change in fund balances</b>	-	-	-	-
<b>Fund balances, beginning of year</b>	15,151	15,151	15,151	-
<b>Fund balances, end of year</b>	<u>\$ 15,151</u>	<u>\$ 15,151</u>	<u>\$ 15,151</u>	<u>\$ -</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - 2014 CAPITAL IMPROVEMENT BOND PROJECT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Investment income (loss)	\$ -	\$ -	\$ -	\$ -
<b>Net change in fund balances</b>	-	-	-	-
<b>Fund balances, beginning of year</b>	7,648	7,648	7,648	-
<b>Fund balances, end of year</b>	<u>\$ 7,648</u>	<u>\$ 7,648</u>	<u>\$ 7,648</u>	<u>\$ -</u>

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - RECREATION IMPACT**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Permits and fees	\$ 25,000	\$ 229,364	\$ 177,173	\$ (52,191)
Investment income (loss)	2,000	2,000	115,706	113,706
Total revenues	<u>27,000</u>	<u>231,364</u>	<u>292,879</u>	<u>61,515</u>
<b>Expenditures</b>				
Current:				
Nondepartmental	-	-	-	-
Total general government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Culture and recreation	27,000	231,364	501	230,863
Capital outlay	-	-	-	-
Total expenditures	<u>27,000</u>	<u>231,364</u>	<u>501</u>	<u>230,863</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>292,378</u>	<u>292,378</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>-</u>	<u>292,378</u>	<u>292,378</u>
<b>Fund balances, beginning of year</b>	2,156,375	2,156,375	2,156,375	-
<b>Fund balances, end of year</b>	<u>\$ 2,156,375</u>	<u>\$ 2,156,375</u>	<u>\$ 2,448,753</u>	<u>\$ 292,378</u>

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

	<u>Information Technology</u>	<u>Vehicle Maintenance</u>	<u>Insurance</u>	<u>Lease &amp; Replacement</u>	<u>Building Maintenance</u>	<u>Internal Loan Pool</u>	<u>Total</u>
<b>ASSETS</b>							
Equity in pooled cash	\$ 1,500,372	\$ 276,640	\$ 1,419,959	\$ 8,792,646	\$ -	\$ 19,518	\$ 12,009,135
Accounts receivable, net	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Prepaid items	550,298	-	93,717	7,572	-	-	651,587
Due from other funds	-	-	-	-	-	2,465,390	2,465,390
Total current assets	<u>2,050,670</u>	<u>276,640</u>	<u>1,513,676</u>	<u>8,800,218</u>	<u>-</u>	<u>2,484,908</u>	<u>15,126,112</u>
Noncurrent assets:							
Capital assets:							
Building and improvements	-	218,655	-	93,326	-	-	311,981
Machinery and equipment	1,850,791	346,725	172,962	32,474,035	-	-	34,844,513
Construction in progress	-	-	-	-	-	-	-
Accumulated depreciation	(957,831)	(418,206)	(145,582)	(25,768,023)	-	-	(27,289,642)
Total capital assets, net	<u>892,960</u>	<u>147,174</u>	<u>27,380</u>	<u>6,799,338</u>	<u>-</u>	<u>-</u>	<u>7,866,852</u>
Advances to other funds	-	-	-	-	-	-	-
Total noncurrent assets	<u>892,960</u>	<u>147,174</u>	<u>27,380</u>	<u>6,799,338</u>	<u>-</u>	<u>-</u>	<u>7,866,852</u>
Total assets	<u>\$ 2,943,630</u>	<u>\$ 423,814</u>	<u>\$ 1,541,056</u>	<u>\$ 15,599,556</u>	<u>\$ -</u>	<u>\$ 2,484,908</u>	<u>\$ 22,992,964</u>
<b>LIABILITIES</b>							
Current liabilities:							
Accounts payable and accrued liabilities	\$ 38,215	\$ 17,345	\$ 35,229	\$ 124,177	\$ -	\$ -	\$ 214,966
Estimated claims payable	-	-	401,000	-	-	-	401,000
Compensated absences	19,775	8,981	-	-	-	-	28,756
Total current liabilities	<u>57,990</u>	<u>26,326</u>	<u>436,229</u>	<u>124,177</u>	<u>-</u>	<u>-</u>	<u>644,722</u>
Noncurrent liabilities:							
Compensated absences	59,324	26,943	-	-	-	-	86,267
Total liabilities	<u>\$ 117,314</u>	<u>\$ 53,269</u>	<u>\$ 436,229</u>	<u>\$ 124,177</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 730,989</u>
<b>NET POSITION</b>							
Net investment in capital assets	\$ 892,960	\$ 147,174	\$ 27,380	\$ 6,799,338	\$ -	\$ -	\$ 7,866,852
Unrestricted	1,933,356	223,371	1,077,447	8,676,041	-	2,484,908	14,395,123
Total net position	<u>\$ 2,826,316</u>	<u>\$ 370,545</u>	<u>\$ 1,104,827</u>	<u>\$ 15,475,379</u>	<u>\$ -</u>	<u>\$ 2,484,908</u>	<u>\$ 22,261,975</u>

**CITY OF PORT ORANGE, FLORIDA**  
**COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Information Technology	Vehicle Maintenance	Insurance	Lease & Replacement	Building Maintenance	Internal Loan Pool	Total
<b>Operating revenues</b>							
Charges for services	\$ 3,096,933	\$ 1,590,613	\$ 2,185,942	\$ 2,889,348	\$ -	\$ -	\$ 9,762,836
Other revenues	1,806	21,184	243,040	-	-	-	266,030
Total operating revenues	<u>3,098,739</u>	<u>1,611,797</u>	<u>2,428,982</u>	<u>2,889,348</u>	<u>-</u>	<u>-</u>	<u>10,028,866</u>
<b>Operating expenses</b>							
Personal services	969,415	474,478	76,787	-	-	-	1,520,680
Contractual services	399,362	102,107	104,168	-	-	-	605,637
Other operating expenses	1,289,890	888,543	1,363,831	46,654	-	-	3,588,918
Insurance claims and expenses	-	5,978	796,471	-	-	-	802,449
Depreciation	49,964	10,558	-	1,259,072	-	-	1,319,594
Total operating expenses	<u>2,708,631</u>	<u>1,481,664</u>	<u>2,341,257</u>	<u>1,305,726</u>	<u>-</u>	<u>-</u>	<u>7,837,278</u>
<b>Operating income (loss)</b>	<u>390,108</u>	<u>130,133</u>	<u>87,725</u>	<u>1,583,622</u>	<u>-</u>	<u>-</u>	<u>2,191,588</u>
<b>Nonoperating revenues (expenses)</b>							
Interest earnings	26,999	6,875	52,395	448,691	-	943	535,903
Gain (loss) on disposition of capital assets	-	-	-	490,633	-	-	490,633
Total nonoperating revenues (expenses)	<u>26,999</u>	<u>6,875</u>	<u>52,395</u>	<u>939,324</u>	<u>-</u>	<u>943</u>	<u>1,026,536</u>
<b>Income (loss) before contributions and transfers</b>	<u>417,107</u>	<u>137,008</u>	<u>140,120</u>	<u>2,522,946</u>	<u>-</u>	<u>943</u>	<u>3,218,124</u>
Transfers in	1,300,000	64,673	-	256,044	-	-	1,620,717
Transfers out	-	-	(222,933)	(1,000,000)	(1,471,399)	-	(2,694,332)
<b>Change in net position</b>	<u>1,717,107</u>	<u>201,681</u>	<u>(82,813)</u>	<u>1,778,990</u>	<u>(1,471,399)</u>	<u>943</u>	<u>2,144,509</u>
<b>Net position, beginning of year</b>	1,109,209	168,864	1,187,640	13,696,389	1,471,399	2,483,965	20,117,466
<b>Net position, end of year</b>	<u>\$ 2,826,316</u>	<u>\$ 370,545</u>	<u>\$ 1,104,827</u>	<u>\$ 15,475,379</u>	<u>\$ -</u>	<u>\$ 2,484,908</u>	<u>\$ 22,261,975</u>

**CITY OF PORT ORANGE, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Information Technology	Vehicle Maintenance	Insurance	Lease & Replacement	Building Maintenance	Internal Loan Pool	Total
<b>Cash flows from operating activities</b>							
Cash received from customers	\$ 3,098,948	\$ 1,611,797	\$ 2,428,982	\$ 2,889,348	\$ 731	\$ -	\$ 10,029,806
Cash paid to employees	(958,699)	(476,690)	(47,787)	-	(48,707)	-	(1,531,883)
Cash paid to suppliers	(2,012,770)	(1,014,446)	(2,305,816)	37,882	(10,240)	-	(5,305,390)
Net cash provided by (used in) operating activities	127,479	120,661	75,379	2,927,230	(58,216)	-	3,192,533
<b>Cash flows from noncapital financing activities</b>							
Transfers from other funds	1,300,000	64,673	-	256,044	-	-	1,620,717
Transfers to other funds	-	-	(222,933)	(1,000,000)	(1,421,826)	-	(2,644,759)
Interfund loans	-	-	-	-	-	-	-
Net cash provided by (used in) noncapital financing activities	1,300,000	64,673	(222,933)	(743,956)	(1,421,826)	-	(1,024,042)
<b>Cash flows from capital and related financing activities</b>							
Acquisition and construction of capital assets	(718,209)	(81,854)	-	(3,432,476)	229,677	-	(4,002,862)
Proceeds from sale of capital assets	-	-	-	490,633	-	-	490,633
Net cash provided by (used in) capital and related financing activities	(718,209)	(81,854)	-	(2,941,843)	229,677	-	(3,512,229)
<b>Cash flows from investing activities</b>							
Interest received (loss)	26,999	6,875	52,395	448,691	-	943	535,903
Net cash provided by (used in) investing activities	26,999	6,875	52,395	448,691	-	943	535,903
<b>Net change in cash and cash equivalents</b>	736,269	110,355	(95,159)	(309,878)	(1,250,365)	943	(807,835)
<b>Cash and cash equivalents, beginning of year</b>	764,103	166,285	1,515,118	9,102,524	1,250,365	18,575	12,816,970
<b>Cash and cash equivalents, end of year</b>	<u>\$ 1,500,372</u>	<u>\$ 276,640</u>	<u>\$ 1,419,959</u>	<u>\$ 8,792,646</u>	<u>\$ -</u>	<u>\$ 19,518</u>	<u>\$ 12,009,135</u>
<b>Cash and cash equivalents classified as:</b>							
Unrestricted	\$ 1,500,372	\$ 276,640	\$ 1,419,959	\$ 8,792,646	\$ -	\$ 19,518	\$ 12,009,135
<b>Reconciliation of operating income to net cash provided by (used in) operating activities:</b>							
Operating income (loss)	\$ 390,108	\$ 130,133	\$ 87,725	\$ 1,583,622	\$ -	\$ -	\$ 2,191,588
Adjustments to reconcile net operating income to net cash provided by (used in) operating activities:							
Depreciation	49,964	10,558	-	1,259,072	-	-	1,319,594
Changes in assets and liabilities:							
Accounts receivable	209	-	-	-	-	-	209
Due from other governments	-	-	-	-	731	-	731
Prepaid items	(343,923)	-	7,563	(7,572)	-	-	(343,932)
Accounts payable and accrued liabilities	20,405	(17,818)	(48,909)	92,108	(10,240)	-	35,546
Compensated absences	10,716	(2,212)	-	-	(48,707)	-	(40,203)
Claims liability	-	-	29,000	-	-	-	29,000
Net cash provided by (used in) operating activities	<u>\$ 127,479</u>	<u>\$ 120,661</u>	<u>\$ 75,379</u>	<u>\$ 2,927,230</u>	<u>\$ (58,216)</u>	<u>\$ -</u>	<u>\$ 3,192,533</u>



**THIS PAGE INTENTIONALLY LEFT BLANK**

## **Statistical Section**

This part of the City of Port Orange, Florida's annual comprehensive financial report (ACFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

### **Contents**

#### **Financial Trends**

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

#### **Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

#### **Debt Capacity**

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

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and help make comparisons over time and with other governments.

#### **Operating Information**

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the ACFR for the relevant year.

**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
September 30, 2024  
CITY OF PORT ORANGE, FLORIDA  
*(Accrual basis of accounting)*  
*(Shown in thousands)*

**Table I**

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Governmental Activities:</b>										
Net investment in capital assets.....	\$ 111,816	\$ 106,867	\$ 111,591	\$ 111,482	\$ 111,157	\$ 109,638	\$ 107,192	\$ 100,978	\$ 99,823	\$ 96,276
Restricted.....	13,689	16,710	15,211	17,414	16,104	15,822	15,804	14,912	11,769	15,597
Unrestricted.....	14,974	11,854	8,843	(2,717)	(12,169)	(16,286)	(15,824)	(5,988)	(5,457)	(8,215)
Total governmental activities net position.....	\$ 140,479	\$ 135,431	\$ 135,645	\$ 126,179	\$ 115,092	\$ 109,174	\$ 107,172	\$ 109,902	\$ 106,135	\$ 103,658
<b>Business-type Activities:</b>										
Net investment in capital assets.....	\$ 207,257	\$ 205,317	\$ 208,052	\$ 208,751	\$ 206,168	\$ 200,127	\$ 194,473	\$ 189,582	\$ 191,186	\$ 180,198
Restricted.....	40,985	36,306	27,084	25,080	21,143	19,778	18,185	15,090	8,764	14,299
Unrestricted.....	42,942	39,839	39,018	33,974	33,442	32,699	30,596	27,682	22,687	19,633
Total business-type activities net position.....	\$ 291,184	\$ 281,462	\$ 274,154	\$ 267,805	\$ 260,753	\$ 252,604	\$ 243,254	\$ 232,354	\$ 222,637	\$ 214,130
<b>Primary Government:</b>										
Net investment in capital assets.....	\$ 319,073	\$ 312,184	\$ 319,643	\$ 320,233	\$ 317,325	\$ 309,765	\$ 301,665	\$ 290,560	\$ 291,009	\$ 276,474
Restricted.....	54,674	53,016	42,295	42,494	37,247	35,600	33,989	30,002	20,533	29,896
Unrestricted.....	57,916	51,693	47,861	31,257	21,273	16,413	14,772	21,694	17,230	11,418
Total primary government net position.....	\$ 431,663	\$ 416,893	\$ 409,799	\$ 393,984	\$ 375,845	\$ 361,778	\$ 350,426	\$ 342,256	\$ 328,772	\$ 317,788

\* In 2022, GASB #87 was implemented, resulting in the recording of lease receivables, which ultimately impacted unrestricted net position.  
\* In 2018, GASB #75 was implemented, resulting in the recording of the total OPEB liability, which ultimately impacted unrestricted net position.  
\* In 2015, GASB #68 was implemented, resulting in the recording of the net pension liability, which ultimately impacted unrestricted net position.  
\* In 2013, GASB #65 was implemented, resulting in the write-off of unamortized debt issuance costs.

**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
September 30, 2024  
CITY OF PORT ORANGE, FLORIDA  
*(Accrual basis of accounting)*  
*(Shown in thousands)*

**Table II**

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Expenses:</b>										
Governmental Activities:										
General government.....	\$ 16,232	\$ 18,275	\$ 13,306	\$ 10,798	\$ 9,942	\$ 7,320	\$ 8,241	\$ 14,791	\$ 6,418	\$ 5,840
Public safety.....	32,403	29,410	28,294	19,611	23,586	23,543	22,052	20,330	20,010	18,562
Transportation.....	6,495	6,679	7,715	6,207	6,587	6,989	6,535	6,460	5,934	5,491
Economic environment.....	20	22	41	25	422	40	24	36	95	36
Culture/recreation.....	6,058	6,587	5,350	4,548	4,591	5,654	5,186	4,478	4,264	4,094
Interest on long-term debt.....	911	907	942	995	1,099	1,142	1,199	1,263	1,659	1,715
Total governmental activities expenses.....	<u>62,119</u>	<u>61,880</u>	<u>55,648</u>	<u>42,184</u>	<u>46,227</u>	<u>44,688</u>	<u>43,237</u>	<u>47,358</u>	<u>38,380</u>	<u>35,738</u>
Business-Type Activities:										
Water.....	27,042	28,572	25,937	21,701	22,849	20,575	20,215	20,465	20,671	20,800
Solid waste.....	8,030	7,993	7,838	7,770	7,737	7,709	7,098	6,965	6,711	6,573
Stormwater.....	5,991	4,796	4,198	3,852	3,991	3,834	3,456	3,412	3,116	3,165
Golf course.....	2,542	2,289	1,838	1,640	1,598	1,538	1,545	1,492	1,507	1,530
Total business-type activities expenses.....	<u>43,605</u>	<u>43,650</u>	<u>39,811</u>	<u>34,963</u>	<u>36,175</u>	<u>33,656</u>	<u>32,314</u>	<u>32,334</u>	<u>32,005</u>	<u>32,068</u>
Total primary government expenses.....	<u>\$ 105,724</u>	<u>\$ 105,530</u>	<u>\$ 95,459</u>	<u>\$ 77,147</u>	<u>\$ 82,402</u>	<u>\$ 78,344</u>	<u>\$ 75,551</u>	<u>\$ 79,692</u>	<u>\$ 70,385</u>	<u>\$ 67,806</u>
<b>Program Revenues:</b>										
Governmental Activities:										
Charges for services:										
General government.....	\$ 5,294	\$ 5,320	\$ 5,934	\$ 5,612	\$ 5,573	\$ 3,259	\$ 3,238	\$ 3,098	\$ 1,934	\$ 2,510
Public safety.....	1,370	1,995	1,637	916	1,276	826	616	631	1,532	327
Transportation.....	174	193	336	250	243	170	165	160	143	208
Economic environment.....	2	5	52	4	4	3	2	7	28	28
Culture/recreation.....	1,004	785	754	628	332	733	718	708	736	701
Operating grants and contributions.....	3,281	8,502	12,039	1,598	1,391	2,191	1,605	7,873	1,313	1,213
Capital grants and contributions.....	1,577	872	2,936	4,989	8,095	3,061	8,348	6,176	4,877	3,768
Total governmental activities program revenues.....	<u>12,702</u>	<u>17,672</u>	<u>23,688</u>	<u>13,997</u>	<u>16,914</u>	<u>10,243</u>	<u>14,692</u>	<u>18,653</u>	<u>10,563</u>	<u>8,755</u>
Business-Type Activities:										
Charges for services:										
Water and sewer.....	29,756	28,015	28,369	28,086	27,784	27,260	27,178	27,379	26,979	25,925
Solid waste.....	10,229	9,656	8,798	7,519	7,414	7,379	7,250	7,129	7,170	7,052
Stormwater.....	5,269	4,640	4,619	4,608	4,569	4,485	4,543	3,924	3,884	3,861
Golf course.....	2,361	2,224	1,816	1,565	1,351	1,232	1,396	1,342	1,245	1,005
Operating grants and contributions.....	-	516	1,273	-	-	-	-	156	-	-
Capital grants and contributions.....	2,646	668	2,288	1,717	1,613	2,734	3,812	3,628	2,003	2,182
Total business-type activities program revenue.....	<u>50,261</u>	<u>45,719</u>	<u>47,163</u>	<u>43,495</u>	<u>42,731</u>	<u>43,090</u>	<u>44,179</u>	<u>43,558</u>	<u>41,281</u>	<u>40,025</u>
Total primary government program revenues.....	<u>\$ 62,963</u>	<u>\$ 63,391</u>	<u>\$ 70,851</u>	<u>\$ 57,492</u>	<u>\$ 59,645</u>	<u>\$ 53,333</u>	<u>\$ 58,871</u>	<u>\$ 62,211</u>	<u>\$ 51,844</u>	<u>\$ 48,780</u>
<b>Net (Expense)/Revenue:</b>										
Governmental activities.....	\$ (49,417)	\$ (44,208)	\$ (31,960)	\$ (28,187)	\$ (29,313)	\$ (34,445)	\$ (28,545)	\$ (28,705)	\$ (27,817)	\$ (26,983)
Business-type activities.....	6,656	2,069	7,352	8,532	6,556	9,434	11,865	11,224	9,276	7,957
Total primary government net expense.....	<u>\$ (42,761)</u>	<u>\$ (42,139)</u>	<u>\$ (24,608)</u>	<u>\$ (19,655)</u>	<u>\$ (22,757)</u>	<u>\$ (25,011)</u>	<u>\$ (16,680)</u>	<u>\$ (17,481)</u>	<u>\$ (18,541)</u>	<u>\$ (19,026)</u>
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental Activities:										
Taxes:										
Property taxes.....	\$ 25,756	\$ 22,361	\$ 19,736	\$ 17,846	\$ 16,095	\$ 15,380	\$ 14,016	\$ 12,967	\$ 12,181	\$ 11,643
Sales taxes.....	4,223	4,419	4,377	3,982	3,426	3,472	3,450	3,267	3,117	2,956
Franchise and utility taxes.....	4,307	4,461	12,163	11,078	10,810	11,620	11,479	10,220	10,251	10,297
Other taxes.....	1,310	1,160	973	933	926	120	129	869	889	850
Intergovernmental revenues.....	13,064	12,800	3,670	2,974	2,522	2,750	2,668	2,553	2,380	2,409
Investment earnings.....	3,284	1,561	(837)	34	945	1,069	225	240	322	335
Miscellaneous revenue.....	387	230	1,254	505	554	245	176	660	144	125
Transfers.....	1,983	(2,998)	91	1,923	(47)	1,768	-	1,695	1,011	935
Total governmental activities.....	<u>54,314</u>	<u>43,994</u>	<u>41,427</u>	<u>39,275</u>	<u>35,231</u>	<u>36,424</u>	<u>32,143</u>	<u>32,471</u>	<u>30,295</u>	<u>29,550</u>
Business-Type Activities:										
Investment earnings.....	4,053	1,575	(912)	78	1,048	1,474	194	153	233	172
Miscellaneous revenue.....	1,013	667	(2)	322	376	211	191	38	8	325
Transfers.....	(1,983)	2,998	(91)	(1,923)	47	(1,768)	-	(1,695)	(1,011)	(935)
Total business-type activities.....	<u>3,083</u>	<u>5,240</u>	<u>(1,005)</u>	<u>(1,523)</u>	<u>1,471</u>	<u>(83)</u>	<u>385</u>	<u>(1,504)</u>	<u>(770)</u>	<u>(438)</u>
Total primary government.....	<u>\$ 57,397</u>	<u>\$ 49,234</u>	<u>\$ 40,422</u>	<u>\$ 37,752</u>	<u>\$ 36,702</u>	<u>\$ 36,341</u>	<u>\$ 32,528</u>	<u>\$ 30,967</u>	<u>\$ 29,525</u>	<u>\$ 29,112</u>
<b>Changes in Net Position:</b>										
Governmental activities.....	\$ 4,897	\$ (214)	\$ 9,467	\$ 11,088	\$ 5,918	\$ 1,979	\$ 3,598	\$ 3,766	\$ 2,478	\$ 2,567
Business-type activities.....	9,739	7,309	6,347	7,009	8,027	9,351	12,250	9,720	8,506	7,519
Total primary government.....	<u>\$ 14,636</u>	<u>\$ 7,095</u>	<u>\$ 15,814</u>	<u>\$ 18,097</u>	<u>\$ 13,945</u>	<u>\$ 11,330</u>	<u>\$ 15,848</u>	<u>\$ 13,486</u>	<u>\$ 10,984</u>	<u>\$ 10,086</u>

\*Local option gas taxes reported as transportation operating grants beginning in FY2012.

Table III

**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
 September 30, 2024  
 CITY OF PORT ORANGE, FLORIDA  
*(Accrual basis of accounting)*  
*(Shown in thousands)*

	Fiscal Year										
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	
<b>General Fund:</b>											
Nonspendable.....	\$ 3,597	\$ 2,544	\$ 2,126	\$ 1,585	\$ 2,072	\$ 1,612	\$ 61	\$ 42	\$ 55	\$ 34	
Restricted.....	1,096	837	806	842	830	1,076	1,200	1,272	1,087	561	
Committed.....	6,883	8,813	9,306	59	23	-	-	-	-	-	
Assigned.....	-	550	608	1,608	2,052	718	914	3,725	3,392	1,742	
Unassigned.....	25,866	23,657	21,973	20,612	14,954	13,686	14,079	12,269	14,122	15,465	
<b>Total general fund.....</b>	<b>\$ 37,442</b>	<b>\$ 36,401</b>	<b>\$ 34,819</b>	<b>\$ 24,706</b>	<b>\$ 19,931</b>	<b>\$ 17,092</b>	<b>\$ 16,254</b>	<b>\$ 17,308</b>	<b>\$ 18,656</b>	<b>\$ 17,802</b>	
<b>Other Governmental Funds:</b>											
Nonspendable.....	\$ 1,407	\$ -	\$ -	\$ -	\$ -	\$ 12	\$ 18	\$ 11	\$ 1,266	\$ 10	
Restricted.....	12,610	17,275	15,808	17,129	15,860	15,359	15,247	14,305	13,261	15,847	
Committed.....	1,436	1,058	822	676	487	244	309	-	-	-	
Assigned.....	9,932	2,250	3,131	803	1,153	2,220	2,394	5,150	3,821	2,575	
Unassigned.....	(4,511)	(4,440)	(4,442)	(4,416)	(4,326)	(4,172)	(4,172)	(2,655)	(2,644)	(2,929)	
<b>Total all other governmental funds....</b>	<b>\$ 20,874</b>	<b>\$ 16,143</b>	<b>\$ 15,319</b>	<b>\$ 14,192</b>	<b>\$ 13,174</b>	<b>\$ 13,663</b>	<b>\$ 13,796</b>	<b>\$ 16,811</b>	<b>\$ 15,704</b>	<b>\$ 15,503</b>	

**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

September 30, 2024  
 CITY OF PORT ORANGE, FLORIDA  
 (Accrual basis of accounting)  
 (Shown in thousands)

**Table IV**

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Revenue:</b>										
Taxes.....	\$ 37,676	\$ 33,664	\$ 30,052	\$ 27,705	\$ 25,888	\$ 25,124	\$ 23,581	\$ 22,127	\$ 21,377	\$ 20,675
Permits and fees.....	7,043	6,972	7,480	7,489	6,628	6,397	6,364	6,450	5,169	5,101
Intergovernmental.....	10,104	15,690	19,471	8,371	11,694	7,311	7,772	13,401	6,449	6,066
Charges for services.....	5,305	5,123	5,305	4,420	4,333	4,275	3,632	3,871	3,603	3,423
Fines and forfeitures.....	438	842	353	242	335	323	432	38	917	127
Miscellaneous.....	3,172	1,738	143	536	1,033	1,493	508	825	536	634
<b>Total revenue.....</b>	<b>63,738</b>	<b>64,029</b>	<b>62,804</b>	<b>48,763</b>	<b>49,911</b>	<b>44,923</b>	<b>42,289</b>	<b>46,712</b>	<b>38,051</b>	<b>36,026</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General government.....	13,098	18,298	9,516	9,186	9,231	8,194	9,786	15,551	7,363	6,921
Public safety.....	28,220	28,012	26,272	23,400	23,575	23,049	22,312	20,489	20,109	19,346
Transportation.....	6,118	3,263	4,395	2,775	2,870	3,231	2,875	3,009	2,543	2,287
Economic environment.....	37	37	35	32	23	43	30	39	96	44
Culture/recreation.....	5,510	5,614	4,552	3,818	3,909	4,022	3,637	3,402	3,157	2,825
Capital outlay.....	5,937	2,131	6,443	3,614	5,775	4,386	6,999	5,002	3,877	3,303
Debt service:										
Principal retirement.....	1,862	1,705	1,590	1,535	1,485	1,380	1,330	1,360	1,205	770
Interest and fiscal charges.....	1,043	1,058	1,098	1,155	1,267	1,309	1,369	1,354	1,695	1,535
Payment to refunded bond escrow agent.....	-	-	-	-	-	-	-	-	13,807	-
Refunding bond issuance costs.....	3	2	2	2	-	-	-	-	145	-
<b>Total expenditures.....</b>	<b>61,828</b>	<b>60,120</b>	<b>53,903</b>	<b>45,517</b>	<b>48,135</b>	<b>45,614</b>	<b>48,338</b>	<b>50,206</b>	<b>53,997</b>	<b>37,031</b>
<b>Excess (deficiency) of revenue over (under) expenditures.....</b>	<b>1,910</b>	<b>3,909</b>	<b>8,901</b>	<b>3,246</b>	<b>1,776</b>	<b>(691)</b>	<b>(6,049)</b>	<b>(3,494)</b>	<b>(15,946)</b>	<b>(1,005)</b>
<b>Other Financing Sources (Uses):</b>										
Debt proceeds.....	1,083	1,143	-	-	-	-	-	-	13,959	-
Proceeds from sale of capital assets.....	-	-	-	-	-	-	-	1,242	1,403	-
Transfers in.....	20,209	3,885	10,478	3,633	3,648	4,042	4,499	5,742	4,958	3,551
Transfers out.....	(17,432)	(6,550)	(8,138)	(1,087)	(3,074)	(2,645)	(2,519)	(3,728)	(3,320)	(1,995)
<b>Total other financing sources (uses).....</b>	<b>3,860</b>	<b>(1,502)</b>	<b>2,340</b>	<b>2,546</b>	<b>574</b>	<b>1,397</b>	<b>1,980</b>	<b>3,256</b>	<b>17,000</b>	<b>1,556</b>
<b>Net change in fund balances.....</b>	<b>\$ 5,770</b>	<b>\$ 2,407</b>	<b>\$ 11,241</b>	<b>\$ 5,792</b>	<b>\$ 2,350</b>	<b>\$ 706</b>	<b>\$ (4,069)</b>	<b>\$ (238)</b>	<b>\$ 1,054</b>	<b>\$ 551</b>
<b>Debt service as a percentage of noncapital expenditures.....</b>	<b>5.20%</b>	<b>4.76%</b>	<b>5.66%</b>	<b>6.42%</b>	<b>6.50%</b>	<b>6.52%</b>	<b>6.53%</b>	<b>6.00%</b>	<b>5.79%</b>	<b>6.83%</b>

**TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

September 30, 2024

CITY OF PORT ORANGE, FLORIDA

(Accrual basis of accounting)

Table V

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Ad Valorem Property Tax:										
City operating and debt service.....	\$ 25,353,301	\$ 22,070,754	\$ 19,538,476	\$ 17,644,752	\$ 15,928,774	\$ 15,252,700	\$ 13,801,060	\$ 12,839,236	\$ 12,077,471	\$ 11,534,899
Tax increment districts <sup>(1)</sup> .....	909,648	668,888	549,249	453,609	416,867	335,002	341,665	306,246	283,110	267,167
Total property tax.....	<u>\$ 26,262,949</u>	<u>\$ 22,739,642</u>	<u>\$ 20,087,725</u>	<u>\$ 18,098,361</u>	<u>\$ 16,345,641</u>	<u>\$ 15,587,702</u>	<u>\$ 14,142,725</u>	<u>\$ 13,145,482</u>	<u>\$ 12,360,581</u>	<u>\$ 11,802,066</u>
Sales and use tax.....	\$ 4,223,126	\$ 4,419,453	\$ 4,377,233	\$ 3,981,965	\$ 3,425,661	\$ 3,472,065	\$ 3,302,153	\$ 3,266,628	\$ 3,116,961	\$ 2,956,303
Franchise tax.....	4,307,333	4,460,446	4,020,775	3,408,531	3,206,532	3,303,114	3,303,114	3,230,368	3,195,761	3,256,092
Utility service taxes.....	7,214,993	6,949,302	6,204,935	5,831,407	5,703,323	5,718,089	5,602,896	5,332,884	5,270,749	5,153,922
Communications services tax.....	1,850,892	1,742,804	1,742,804	1,640,897	1,676,838	1,674,912	1,740,753	1,656,402	1,784,375	1,886,648

<sup>(1)</sup> Includes pro-rata share of other government tax increment reported as intergovernmental revenue in the governmental fund financial statements.

Table VI

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

September 30, 2024

CITY OF PORT ORANGE, FLORIDA

(in thousands)

Fiscal Year Ended September 30,	Residential Property	Commercial Property	Industrial Property	Other Property	Less: Tax-Exempt Property	Total Just Value	Total Direct Tax Rate	Assessed Taxable Value	Assessed Value as a Percentage of Total Just Value
2015	3,359,289	967,639	130,292	542,466	1,276,462	3,723,224	4.9209	2,446,762	65.72%
2016	3,727,810	1,119,879	132,782	525,124	1,450,442	4,055,152	4.8270	2,604,710	64.23%
2017	4,025,371	1,253,143	138,262	555,924	1,593,475	4,379,224	4.7944	2,785,749	63.61%
2018	4,388,396	1,356,968	148,033	599,273	1,752,167	4,740,503	4.8055	2,988,336	63.04%
2019	4,736,345	1,500,159	153,736	629,688	1,892,250	5,127,678	4.9211	3,235,428	63.10%
2020	5,062,856	1,581,022	170,356	657,514	1,997,938	5,473,809	4.7965	3,475,870	63.50%
2021	5,407,607	1,740,943	179,156	706,178	2,135,819	5,898,065	4.9141	3,762,246	63.79%
2022	5,741,313	1,843,089	194,233	703,139	2,245,528	6,236,246	5.1356	3,990,718	63.99%
2023	7,357,932	2,374,541	431,735	683,399	3,170,224	7,677,383	5.0710	4,507,159	58.71%
2024	8,487,426	2,771,276	461,670	859,184	3,764,347	8,815,208	5.1884	5,050,861	57.30%

Source: Volusia County Property Tax Appraiser

Note: The total direct tax rate is the rate per thousand dollars of assessed taxable value

**PROPERTY TAX RATES AND TAX LEVIES-  
ALL DIRECT AND OVERLAPPING GOVERNMENTS-  
LAST TEN FISCAL YEARS**

September 30, 2024

CITY OF PORT ORANGE, FLORIDA

**Table VII**

Fiscal Year Ended September 30,	City of Port Orange		Total	Tax Levies									
	Operating	Debt Service		Volusia County	School District	Volusia County	Florida Inland Navigation District	Volusia Hospital District	Halifax Hospital District	Ponce DeLeon Inlet and Port Authority	St. Johns River Water Management District		
2015	10,909,866	1,130,404	12,040,270	17,949,446	17,790,162	84,413	6,812,275	2,446,762	227,304	774,155			
2016	11,439,888	1,133,049	12,572,937	18,746,098	18,938,586	83,351	6,860,806	2,487,498	241,978	787,404			
2017	12,408,286	947,712	13,355,998	19,076,813	19,645,106	89,144	6,685,799	2,106,305	258,796	803,689			
2018	13,411,952	948,498	14,360,450	19,483,951	21,073,745	95,627	3,822,082	1,129,890	277,616	814,023			
2019	14,976,151	945,716	15,921,867	20,321,723	21,503,949	103,534	3,877,337	1,147,283	300,571	828,917			
2020	15,729,702	947,175	16,676,877	21,136,765	25,333,531	111,228	3,897,493	1,232,544	322,908	839,075			
2021	17,547,611	948,102	18,495,713	22,223,587	25,074,617	120,392	3,978,199	3,716,723	331,078	860,426			
2022	19,591,711	911,874	20,503,585	23,154,146	27,461,328	127,703	4,020,648	3,802,755	337,216	873,568			
2023	21,925,097	947,186	22,872,283	24,708,246	29,734,179	144,229	4,874,943	3,878,861	342,544	889,713			
2024	25,253,801	952,087	26,205,888	44,471,821	40,764,489	145,465	4,122,513	3,979,068	349,520	905,619			
<u>Tax Rates per Thousand Dollars of Assessed Valuation</u>													
2015	4.4589	0.4620	4.92090	7.336	7.271	0.0345	2.784	1.000	0.093	0.316			
2016	4.3920	0.4350	4.82700	7.197	7.271	0.0320	2.634	0.955	0.093	0.302			
2017	4.4542	0.3402	4.79440	6.848	7.052	0.0320	2.400	0.756	0.093	0.289			
2018	4.4881	0.3174	4.80550	6.520	7.052	0.0320	1.279	0.378	0.093	0.272			
2019	4.6288	0.2923	4.92110	6.281	7.288	0.0320	1.198	0.355	0.093	0.256			
2020	4.5254	0.2725	4.79790	6.081	7.288	0.0320	1.121	0.355	0.093	0.241			
2021	4.6622	0.2519	4.91410	5.907	6.665	0.0320	1.057	0.988	0.088	0.229			
2022	4.9072	0.2284	5.13560	5.802	6.881	0.0320	1.008	0.953	0.085	0.219			
2023	4.8610	0.2100	5.07100	5.482	6.597	0.0320	1.082	0.861	0.076	0.197			
2024	4.9999	0.1885	5.18840	8.805	8.071	0.0288	0.816	0.788	0.069	0.179			

Source: Volusia County Property Tax Appraiser

**PRINCIPAL PROPERTY TAXPAYERS  
CURRENT AND NINE YEARS AGO**  
September 30, 2024  
CITY OF PORT ORANGE, FLORIDA

**Table VIII**

Taxpayer	September 30, 2024			September 30, 2015		
	Assessed Taxable Value	Rank	Percent to Total Assessed Taxable Value	Assessed Taxable Value	Rank	Percent to Total Assessed Taxable Value
Florida Power & Light Company.....	151,484,481	1	2.7%	48,726,854	1	1.9%
Port Orange Apt Assoc II LLC.....	61,719,277	2	1.1%	13,291,424	10	0.5%
POA Development LLC	58,325,519	3	1.1%	14,313,362	9	
Edge Cove LLC.....	49,605,656	4	0.9%			
Continental 425 Fund LLC	47,447,003	5	0.9%			
Port Orange Town Center LLC.....	46,438,196	6	0.8%	34,366,327	2	1.3%
Hawthorne Village @Port Orange Inc.....	45,524,909	7	0.8%	21,192,782	3	0.8%
Eden GPC Port Orange Owner LLC	45,445,624	8	0.8%			
Whitepalm Bay LLC.....	42,984,969	9	0.8%			
Ocean Oaks Hat LLC.....	42,644,734	10	0.8%			
Becks Farm LTD.....			0.0%	16,588,989	6	0.6%
Walmart Stores East LP.....				14,541,781	8	0.6%
Brickwalk assoc.....				15,203,036	7	0.6%
USF Propco II LLC				17,459,636	5	0.7%
Whitepalm Pt Bay LLC.....				19,296,730	4	0.7%
Total taxable assessed value of the largest taxpayers.....	\$ 591,620,368			\$ 214,980,921		
Total taxable assessed value of other taxpayers.....	\$ 4,920,982,099			\$ 2,389,729,424		
Total taxable assessed value of all taxpayers.....	\$ 5,512,602,467			\$ 2,604,710,345		

Source: Volusia County Property Tax Appraiser

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

September 30, 2024

CITY OF PORT ORANGE, FLORIDA

**Table IX**

Fiscal Year Ended September 30,	Taxes Levied For Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount (2)	Percent of Levy		Amount	Percent of Levy
2015	12,040,270	11,377,953	94.5%	241,788	11,619,741	96.5%
2016	12,572,937	11,928,757	94.9%	231,859	12,160,615	96.7%
2017	13,355,998	12,680,097	94.9%	248,837	12,928,934	96.8%
2018	14,360,450	13,851,566	96.5%	83,274	13,934,840	97.0%
2019	15,921,867	15,142,867	95.1%	255,325	15,398,191	96.7%
2020	16,676,880	15,835,222	95.0%	264,509	16,099,731	96.5%
2021	18,488,082	17,575,180	95.1%	278,441	17,853,621	96.6%
2022	20,503,585	19,514,674	95.2%	250,125	19,764,799	96.4%
2023	22,872,283	21,714,502	94.9%	356,264	22,070,766	96.5%
2024	26,205,888	24,824,268	94.7%	529,032	25,353,300	96.7%

Source: (1) Volusia County Property Tax Appraisers Office DR-403  
(2) City of Port Orange Finance Department

Table X

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

September 30, 2024  
CITY OF PORT ORANGE, FLORIDA  
(dollars in thousands, except for per capita)

Fiscal Year Ended September 30,	Governmental Activities				Business-Type Activities				Total Primary Government	Percent of Personal Income (a)	Per Capita
	General Obligation Bonds	Revenue Bonds & Loans	Net Premiums & (Discounts)	Revenue Bonds & Notes	SRF Loans	Net Premiums & (Discounts)	Revenue Bonds & Notes	SRF Loans			
2015	14,055	23,160	1,118	36,100	22,972	(54)	36,100	22,972	97,351	0.5630%	1,660
2016	12,895	22,355	1,884	26,260	21,209	(52)	26,260	21,209	84,552	0.4621%	1,425
2017	12,355	21,535	1,741	26,260	18,591	(48)	26,260	18,591	80,434	0.4109%	1,349
2018	11,870	20,690	1,588	21,755	15,897	(45)	21,755	15,897	71,755	0.3493%	1,176
2019	11,375	19,805	1,439	17,155	13,127	(41)	17,155	13,127	62,860	0.2870%	1,020
2020	10,870	18,825	1,292	13,165	10,423	(38)	13,165	10,423	54,537	0.2231%	868
2021	10,350	17,810	1,157	9,100	8,097	(34)	9,100	8,097	46,480	0.1781%	735
2022	9,815	16,755	1,024	4,965	6,126	(31)	4,965	6,126	38,654	0.1293%	602
2023	9,265	15,655	897	4,965	4,099	(28)	4,965	4,099	34,853	0.1124%	536
2024	8,695	14,515	772	4,965	2,939	(25)	4,965	2,939	31,861	0.0967%	485

(a) See Table XIV for personal income and population data.

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**  
September 30, 2024  
CITY OF PORT ORANGE, FLORIDA

**Table XI**

Fiscal Year Ended September 30,	Assessed Taxable Value (1)	Total		Accumulated		Net		Assessed		Estimated Population (2)	Net General Bonded Debt Per Capita
		General Bonded Debt	General Bonded Debt	Resources Restricted	Resources Restricted	General Debt	General Debt	General Bonded Debt	General Bonded Debt		
2014	2,296,124,074	14,440,000	14,440,000	61,902	61,902	14,378,098	14,378,098	0.63%	0.63%	57,467	250.20
2015	2,446,761,822	14,055,000	14,055,000	86,352	86,352	13,968,648	13,968,648	0.57%	0.57%	58,656	238.15
2016	2,604,710,345	12,895,000	12,895,000	298,900	298,900	12,596,100	12,596,100	0.48%	0.48%	59,315	212.36
2017	2,785,749,578	12,355,000	12,355,000	260,279	260,279	12,094,721	12,094,721	0.43%	0.43%	59,625	202.85
2018	2,988,336,202	11,870,000	11,870,000	290,414	290,414	11,579,586	11,579,586	0.39%	0.39%	61,009	189.80
2019	3,235,428,328	11,375,000	11,375,000	328,136	328,136	11,046,864	11,046,864	0.34%	0.34%	61,617	179.28
2020	3,475,870,645	10,870,000	10,870,000	358,572	358,572	10,511,428	10,511,428	0.30%	0.30%	62,832	167.29
2021	3,762,245,788	10,350,000	10,350,000	381,663	381,663	9,968,337	9,968,337	0.26%	0.26%	63,275	157.54
2022	3,990,718,832	9,815,000	9,815,000	364,061	364,061	9,450,939	9,450,939	0.24%	0.24%	64,230	147.14
2023	4,507,159,078	9,265,000	9,265,000	393,476	393,476	8,871,524	8,871,524	0.20%	0.20%	65,008	136.47
2024	5,050,861,266	8,695,000	8,695,000	433,088	433,088	8,261,912	8,261,912	0.16%	0.16%	65,670	125.81

Source: (1) Volusia County Property Tax Appraiser, Final Post VAB Tax Roll (DR-422 Series)  
(2) University of Florida, Bureau of Economic and Business Research

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

September 30, 2024

CITY OF PORT ORANGE, FLORIDA

**Table XII**

Governmental Unit	Net Debt Outstanding	Estimated Percent Applicable to the City of Port Orange (1)	City's Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Volusia County:			
General Obligation Bonds.....	\$ -	9.17%	\$ -
Other Debt:			
District School Board of Volusia County, Florida:			
Sales Tax Revenue Bonds.....	21,150,000	9.17%	1,940,116
Certificates of participation.....	206,625,000	9.17%	18,953,965
Volusia County:			
Revenue Bonds.....	46,540,000	9.17%	4,269,171
Notes Payable.....	<u>17,943,611</u>	9.17%	<u>1,645,990</u>
Total overlapping debt.....			26,809,242
City direct debt .....			<u>23,210,000</u>
Total direct and overlapping debt.....			<u>\$ 50,019,242</u>

(1) Percentage applicable to City was determined by taking the City's assessed taxable value and dividing it by Volusia County's assessed taxable value for the tax year

**PLEDGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS**

**Table XIII**

September 30, 2024

CITY OF PORT ORANGE, FLORIDA

Fiscal Year Ended	Gross Revenues	Less: Operating Expenses	Net Available Revenues	Debt Service		Coverage
				Principal	Interest	
<b><u>Water and Sewer Bonds</u></b>						
2015	26,030,902	14,067,671	11,963,231	4,115,000	578,419	2.55
2016	27,140,395	13,991,595	13,148,800	5,115,000	476,645	2.35
2017	27,486,455	13,884,287	13,602,168	3,510,000	382,624	3.49
2018	27,307,359	13,754,637	13,552,722	3,860,000	317,768	3.24
2019	28,265,911	14,092,024	14,173,887	3,935,000	249,172	3.39
2020	28,492,273	14,653,123	13,839,150	3,990,000	179,432	3.32
2021	28,064,380	14,393,123	13,671,257	4,065,000	108,548	3.28
2022	27,769,787	16,992,891	10,776,896	4,135,000	36,388	2.58
2023	28,791,659	19,172,019	9,619,640	-	-	0.00
2024	28,791,659	20,024,175	8,767,483	-	-	0.00
<b><u>Stormwater Utility Revenue Bonds</u></b>						
2015	3,860,474	1,556,459	2,304,015	880,000	289,338	1.97
2016	3,884,177	1,489,091	2,395,086	595,000	271,281	2.76
2017	3,923,863	1,723,534	2,200,329	620,000	258,124	2.51
2018	4,542,529	1,754,535	2,787,994	645,000	244,360	3.13
2019	4,484,758	2,092,339	2,392,419	665,000	230,126	2.67
2020	4,568,876	2,289,662	2,279,214	-	222,935	10.22
2021	4,627,259	2,097,784	2,529,475	-	222,935	11.35
2022	4,520,597	2,314,460	2,206,137	-	222,935	9.90
2023	4,838,823	2,791,243	2,047,580	-	222,935	7.89
2024	5,738,641	3,396,225	2,342,416	-	222,935	10.51

Note: Water and Sewer gross revenues include operating revenue of the system and interest earnings. Interest earnings from construction funds are excluded. Operating expenses do not include depreciation expense. Stormwater Utility revenue bonds are supported by drainage fees charged. Additional details regarding revenues and expenses can be found in the fund financial statements or the combining schedules of this annual comprehensive financial report.

**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
 September 30, 2024  
 CITY OF PORT ORANGE, FLORIDA

Table XIV

Fiscal Year Ended September 30,	City of Port Orange Population(a)	City of Port Orange School Enrollment (b)	City of Port Orange Unemployment Rate (c)	Volusia Personal Income (d) (in thousands)	Volusia Per Capita Personal Income (e)
2015	58,656	10,149	4.7	17,292,604	34,321
2016	59,315	10,182	4.3	18,297,539	35,364
2017	59,625	10,368	3.8	19,577,196	37,404
2018	61,009	10,473	3.1	20,543,253	38,135
2019	61,617	10,585	3.2	21,902,076	40,001
2020	62,832	9,587	4.7	24,444,162	44,316
2021	63,275	9,629	4.2	26,095,706	47,310
2022	64,230	10,294	2.5	29,893,649	52,964
2023	65,008	10,419	2.8	31,021,130	53,559
2024	65,670	9,729	3.5	35,955,808	55,824

Sources:

- ( a ) University of Florida, Bureau of Economic and Business Research
- ( b ) Volusia County School Board
- ( c ) U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics
- ( d ) University of Florida, Bureau of Economic and Business Research
- ( e ) University of Florida, Bureau of Economic and Business Research

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**  
September 30, 2024  
CITY OF PORT ORANGE, FLORIDA

Table XV

Employer	Fiscal Year Ended September 30, 2024		Fiscal Year Ended September 30, 2015	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Volusia County Schools	8,212	3.06	7,742	3.25
AdventHealth Systems	7,923	2.95	4,294	1.80
Halifax Hospital System	4,447	1.66	4,040	1.70
Publix Supermarkets, Inc.	4,106	1.53	3,333	1.40
Walmart Associates, Inc.	3,504	1.31	3,241	1.36
State of Florida	2,758	1.03	2,758	1.16
County of Volusia	2,740	1.02	1,875	0.79
Embry-Riddle Aeronautical University	1,939	0.72	1,711	0.72
Stetson University	1,502	0.56	1,483	0.62
Daytona State College	1,438	0.54	1,216	0.51
<b>Total</b>	<b>38,569</b>	<b>14.38</b>	<b>31,693</b>	<b>13.31</b>

**Estimated Total Workforce 268,306**

**Estimated Total Workforce 238,240**

FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTIONAL DEPARTMENT

LAST TEN FISCAL YEARS

September 30, 2024

CITY OF PORT ORANGE, FLORIDA

	Fiscal Year Year Ended September 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government:										
Management.....	15.00	16.00	16.00	17.00	14.25	13.50	13.50	11.50	11.78	11.00
Finance.....	16.00	17.00	16.00	13.00	17.40	15.40	16.40	15.50	13.77	11.50
Human Resources.....	7.00	6.00	4.00	6.00	5.00	5.00	4.00	4.00	3.00	3.00
Community Development.....	28.00	26.00	24.00	24.50	26.17	26.17	31.30	30.30	27.17	25.67
Other.....	38.00	38.50	35.25	31.50	33.96	33.96	31.13	31.46	29.16	28.36
Police:										
Officers and civilians.....	120.00	101.50	103.50	105.50	104.90	122.88	112.88	110.88	108.79	108.54
Fire:										
Firefighters, officers and civilian	70.00	64.50	64.50	63.50	64.20	64.50	60.50	59.50	59.50	58.00
Solid Waste.....	1.00	2.00	3.00	3.00	3.92	3.82	3.50	3.30	3.30	3.30
Stormwater.....	12.00	17.00	15.00	14.00	16.69	17.29	16.40	16.70	16.70	16.70
Engineering & Public works.....	23.00	20.00	21.00	20.00	21.15	19.51	19.60	19.50	18.50	16.50
Parks and recreation.....	56.50	58.50	49.00	44.50	46.95	50.09	49.74	45.81	40.41	33.77
Water & Sewer .....	95.00	70.50	83.00	88.50	97.23	104.53	102.68	100.71	100.58	101.08
Total.....	481.50	437.50	434.25	431.00	451.82	476.65	461.63	449.16	432.66	417.42

Source: City Finance Department

**OPERATING INDICATORS BY FUNCTIONAL DEPARTMENT**

**LAST TEN FISCAL YEARS**

September 30, 2024

CITY OF PORT ORANGE, FLORIDA

**Table XVII**

	Fiscal Year Year Ended September 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Police:</b>										
Arrests.....	1,970	1,403	1,405	1,497	1,263	2,005	1,858	1,870	1,799	1,787
Traffic violations*.....	5,886	4,853	5,269	7,251	6,499	8,269	8,366	7,377	7,927	7,848
<b>Fire:</b>										
Emergency responses.....	10,851	10,612	11,420	10,105	9,188	9,000	9,186	9,421	9,076	8,100
Fires extinguished.....	102	137	118	130	118	102	128	143	140	96
Inspections/system tests.....	784	716	651	393	303	220	266	132	577	561
<b>Solid Waste:</b>										
Refuse collected (tons per day).....	150	150	140	184	140	137	124.8	125.4	118.8	121.8
Recyclables collected (tons per day).....	4.6	4.7	3.0	3.1	2.9	6.5	7.4	7.1	8.2	8.2
<b>Number of Customers:</b>										
Residential.....	24,557	25,407	25,356	25,173	24,410	24,048	23,834	23,620	23,515	23,386
Commercial.....	932	550	341	881	828	907	909	899	889	891
<b>Public works-Transportation</b>										
Street resurfacing (miles).....	5.2	-	5.8	7.5	4.5	6.0	7.0	7.0	6.5	7.0
<b>Parks and recreation</b>										
Number of athletic sign-ups.....	2,975	2,417	3,926	4,388	1,266	3,562	3,614	3,215	3,100	3,043
<b>Water:</b>										
Potable Water Produced (MGD AADF**)	5,500	6,648	6,422	6,236	6,178	6,043	5,789	5,815	5,954	5,948
<b>Number of customers:</b>										
Inside.....	26,410	26,274	26,255	26,240	25,874	25,692	25,575	25,284	25,102	25,014
Outside.....	2,393	2,388	2,379	2,370	2,323	2,313	2,294	2,273	2,268	2,265
Residential.....	271,110	26,985	26,964	26,944	26,566	26,382	26,234	25,933	25,743	25,652
Commercial.....	1,693	1,677	1,670	1,666	1,631	1,623	1,635	1,624	1,627	1,627
<b>Sewer:</b>										
Wastewater Treated (MGD AADF**)	5,500	6,648	6,422	6,236	6,178	6,043	5,789	5,815	5,954	5,948
<b>Number of customers:</b>										
Inside.....	25,627	25,503	25,489	25,468	25,098	24,927	24,796	24,462	24,244	24,099
Outside.....	883	878	874	866	842	829	813	793	784	781
Residential.....	25,201	25,086	25,071	25,051	24,685	24,505	24,355	24,010	23,799	23,662
Commercial.....	1,309	1,295	1,292	1,283	1,255	1,251	1,254	1,245	1,229	1,218

\*Traffic violations include state citations, parking citations, written warnings & DUI citations

\*\*Million Gallons per Day Average Annual Daily Flow

Source: City Departments

**CAPITAL ASSET STATISTICS BY FUNCTIONAL DEPARTMENT**

**LAST TEN FISCAL YEARS**

September 30, 2024

CITY OF PORT ORANGE, FLORIDA

**Table XVIII**

	Fiscal Year Ended September 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Police:</b>										
Stations.....	1	1	1	1	1	1	1	1	1	1
Patrol Vehicles and other Fleet.....										
Vehicles.....	120	120	120	123	126	124	113	107	105	102
Motorcycles.....	9	9	9	9	9	9	9	9	7	7
Trailers.....	4	5	6	6	6	6	4	3	3	6
Boat/Marine Unit.....	1	1	-	-	-	-	1	1	1	1
Fire Stations.....	5	5	5	5	5	5	5	5	5	5
<b>Public Works:</b>										
Paved roads (miles).....	221	330	330	325	320	320	320	320	319	319
Streetlights.....	3,919	3,919	3,409	3,691	3,691	3,691	3,650	3,650	3,300	3,300
Traffic control devices.....	24	24	21	22	22	22	22	22	22	20
<b>Parks and Recreation:</b>										
Acreage.....	514	489	489	475	475	485	485	485	485	485
Playgrounds.....	10	10	10	10	9	9	10	10	10	10
Community Centers.....	3	3	3	3	3	3	-	-	-	-
Baseball/softball diamonds.....	16	11	11	11	11	-	-	-	-	-
Soccer/football fields.....	9	9	9	8	8	-	-	-	-	-
Athletic Fields.....	20	20	20	19	19	18	21	21	24	26
Adult Activity Centers.....	1	1	1	3	3	3	3	3	3	3
Boardwalks/Fishing Piers.....	12	6	6	6	7	7	9	9	10	10
Boat Ramps.....	6	5	5	7	7	7	6	6	6	6
Golf Courses.....	1	1	1	1	1	1	1	1	1	1
Gymnasiums.....	1	1	1	1	1	1	1	2	2	2
Tennis Courts.....	18	18	18	18	18	20	18	18	18	18
Pickleball Courts.....	8	8	8	8	-	-	-	-	-	-
Splash Pads.....	2	2	2	2	-	-	-	-	-	-
<b>Water:</b>										
Potable water mains (miles).....	452	456	455	454	444	434	434	434	431	431
Fire hydrants.....	3,199	3,162	3,142	2,900	2,900	2,897	2,897	2,999	2,897	2,887
Storage capacity (mgd).....	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
<b>Sewer:</b>										
Sanitary sewer force mains (miles).....	75	73	74	74	72	72	72	72	72	72
Gravity sewer mains (miles).....	297	295	294	292	300	282	282	282	279	279
Treatment capacity (mgd).....	12	12	12	12	12	12	12	12	12	12

Source: City Departments



**THIS PAGE INTENTIONALLY LEFT BLANK**

**CITY OF PORT ORANGE, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Federal/State Agency / Pass-Through Entity / Federal/State Program	AL / CSFA Number	Contract / Grant Number	Expenditures
<b>FEDERAL AWARDS</b>			
<u>U.S. Department of Justice</u>			
Direct Programs:			
Bulletproof Vest Partnership	16.607	N/A	\$ 6,597
Indirect Programs:			
Passed-through Florida Office of Attorney General: Victims of Crime Act 2020 - Victims Assistance Program	16.575	VOCA-C-2023-POPD-00016	70,506
Passed-through Florida Department of Law Enforcement: JAG Program Swat Team Night Vision	16.738	C-8C282	110,365
Total U.S. Department of Justice			<u>187,468</u>
<u>U.S. Department of Transportation</u>			
Indirect Programs:			
Passed-through University of North Florida: Bicycle and Pedestrian Safety High Visibility Education	20.205	433144-1-8404 / G2A92	18,936
Total U.S. Department of Transportation			<u>18,936</u>
<u>U.S. Department of Homeland Security</u>			
Indirect Programs:			
Passed-through Florida Division of Emergency Management Disaster Grants - Public Assistance (Presidentially Declared Disasters) Hurricane Ian	97.036	DR-4673	4,767,798
Disaster Grants - Public Assistance (Presidentially Declared Disasters) Hurricane Nicole	97.036	DR-4680	481,013
Disaster Grants - Public Assistance (Presidentially Declared Disasters) Hurricane Irma	97.036	DR-4337	1,631,932
Total U.S. Department of Homeland Security			<u>6,880,743</u>
<b>Total Federal Awards</b>			<u><u>\$ 7,087,147</u></u>
<b>STATE FINANCIAL ASSISTANCE</b>			
<u>State of Florida Department of Transportation</u>			
Direct Programs:			
Design St. Johns River to Sea Loop Trail	55.038	439865-3-34-01	\$ 50,640
Total Florida Department of Transportation			<u>50,640</u>
<u>Florida Department of Environmental Protection</u>			
Direct Programs:			
Statewide Surface Water Restorcation and Wastewater Projects	37.039	LPA0368	750,000
Total Florida Department of Environmental Protection			<u>750,000</u>
<b>Total State Financial Assistance</b>			<u><u>\$ 800,640</u></u>

The accompanying notes to the schedule of expenditures of federal awards and state financial assistance are an integral part of this schedule.

**CITY OF PORT ORANGE, FLORIDA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

(1) **Basis of Presentation:**

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of the City of Port Orange, Florida, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Section 215.97, Florida Statutes. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

(2) **Summary of Significant Accounting Policies:**

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

Pass-through entity identifying numbers are presented where available.

No amounts were passed through to subrecipients during the fiscal year ended September 30, 2024.

(3) **De Minimis Indirect Cost Rate Election:**

The City did not elect to use the 10% de minimis indirect cost rate as covered in §200.414, *Indirect (F&A) costs*, of the Uniform Guidance.

(4) **Contingency:**

Project expenditures are subject to audit and adjustment. If any expenditures were to be disallowed by the grantor agency as a result of such an audit, any claim for reimbursement to the grantor agency would become a liability of the City. In the opinion of management, all Project expenditures included on the accompanying schedule complied the terms of the project agreements and applicable federal and state laws and regulations.

(5) **Deferred FEMA Expenditures:**

During the previous two fiscal years, the City incurred substantial costs related to Hurricane Ian and Hurricane Nicole. Per the OMB Compliance Supplement, any reimbursements from the Federal Emergency Management Agency (FEMA) under CFDA 97.036 are not to be recognized as expenditures for purposes of the Schedule of Expenditures of Federal Awards until the respective Project Worksheets (PW) have been approved.

**CITY OF PORT ORANGE, FLORIDA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE**  
**FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

(5) **Deferred FEMA Expenditures:** (Continued)

At September 30, 2024, \$4,767,798 of the federal amounts from the City of Port Orange, Florida's PWs from Hurricane Ian have been approved by FEMA and are recognized on the Schedule of Expenditures of Federal Awards for the year ended September 30, 2024. State match amounts have also been approved and recorded for financial statement purposes. There are approximately \$1,288,000 of expenditures for which no related revenues have been recorded for financial statement purposes and have not been included on the Schedule of Expenditures of Federal Awards; these expenditures will be recognized on the Schedule of Expenditures of Federal Awards in future years once approved by FEMA.

At September 30, 2024, \$481,013 of the federal amounts of the City of Port Orange, Florida's PWs from Hurricane Nicole had been approved by FEMA, and thus are recognized on the Schedule of Expenditures of Federal Awards for the year ended September 30, 2024. There are approximately \$8,000 of expenditures for which no related revenues have been recorded for financial statement purposes and have not been included on the Schedule of Expenditures of Federal Awards; these expenditures will be recognized on the Schedule of Expenditures of Federal Awards in future years once approved by FEMA.

**CITY OF PORT ORANGE, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

**A. Summary of Auditors' Results:**

***Financial Statements:***

Type of audit report issued on the financial statements: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_\_\_ yes   X   no

Significant deficiency(ies) identified? \_\_\_\_\_ yes   X   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes   X   no

***Federal Awards:***

Internal control over major Federal programs:

Material weakness(es) identified? \_\_\_\_\_ yes   X   no

Significant deficiency(ies) identified? \_\_\_\_\_ yes   X   none reported

Type of auditors' report issued on compliance for major Federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes   X   none reported

Auditee qualified as a low-risk auditee? \_\_\_\_\_ yes   X   no

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

Identification of major Federal programs:

<u>AL Number</u>	<u>Program Name</u>
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)

**State Financial Assistance:**

Internal control over major State projects:

Material weakness(es) identified? \_\_\_\_\_ yes  X  no

Significant deficiency(ies) identified? \_\_\_\_\_ yes  X  none reported

Type of auditors' report issued on compliance for major State projects:

*Unmodified*

Any audit findings disclosed that are required to be reported in accordance Chapter 10.550? \_\_\_\_\_ yes  X  none reported

Dollar threshold used to distinguish between type A and type B programs:  \$300,000

Identification of major State projects:

<u>CSFA Number</u>	<u>Project Name</u>
37.079	Statewide Surface Water Restoration and Wastewater Projects

- B. **Financial Statement Findings:** None.
- C. **Federal Program Findings and Questioned Costs:** None.
- D. **Summary Schedule of Prior Audit Findings:** Not applicable as there are no prior year findings.
- E. **Corrective Action Plan:** Not applicable as there are no current year findings.



**THIS PAGE INTENTIONALLY LEFT BLANK**



**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE  
PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE  
AUDITOR GENERAL**

To the Honorable Mayor and City Council,  
City of Port Orange, Florida:

**Report on Compliance for Each Major Federal Program and State Project**

***Opinion on Each Major Federal Program and State Project***

We have audited the City of Port Orange, Florida's (the City) compliance with the types of compliance requirements described in the OMB *Compliance Supplement*, and the requirements described in the Department of Financial Services *State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2024. The City's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

***Basis for Opinion on Each Major Federal Program and State Project***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

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

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550 Rules of the Auditor General we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

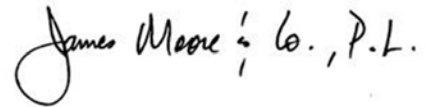
### **Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the 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 and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial "J" and a stylized "M".

Daytona Beach, Florida  
March 28, 2025



**THIS PAGE INTENTIONALLY LEFT BLANK**



**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 City Council,  
City of Port Orange, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Port Orange, Florida, (the City) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 28, 2025.

***Report on Internal Control over Financial Reporting***

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

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

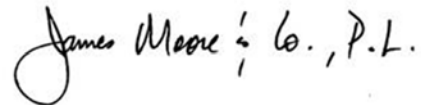
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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

### **Purpose of this Report**

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Daytona Beach, Florida  
March 28, 2025



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED  
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA  
OFFICE OF THE AUDITOR GENERAL**

To the Honorable Mayor and City Council,  
City of Port Orange, Florida:

**Report on the Financial Statements**

We have audited the basic financial statements of City of Port Orange, Florida (the City), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 28, 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 on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Examination Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 28, 2025, should be considered in conjunction with this management letter.

In addition, separate audits were performed on the Agreement for Golf Course Management Services at Cypress Head, which is included in the Golf Course fund, as well as the City of Port Orange General Employees Defined Benefit Pension Plan, the City of Port Orange Police Pension Plan and the City's two Community Redevelopment Agencies. Management comments in those reports should be considered in conjunction with this management letter.

**Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. No repeat findings exist from the second preceding audit. The following is a summary of prior year recommendations:

**2023-001 Budgetary Compliance – Capital Replacement Fund** – Corrective action taken.

### **Official Title and Legal Authority**

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

### **Financial Condition and Management**

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

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we had no such recommendations.

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

The following items have been provided to us to comply with state reporting requirements and have not been audited by us. We did not audit the following information within this section, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on this data.

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the City did not have a property assessed clean energy (PACE) program that finances qualifying improvements authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within the City's geographical boundaries during the fiscal year under audit.

### **Special District Component Units**

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

### **Specific Special District Information – CRAs**

The required reporting items in accordance with Section 218.39(3)(c), Florida Statutes for the City of Port Orange Eastport Business Center Community Redevelopment Agency and the City of Port Orange Town Center Community Redevelopment Agency have been reported in the separately-issued audited financial statements of the respective agencies.

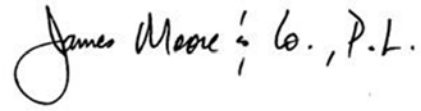
**Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have 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 Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, City Council, management, others within the City, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Daytona Beach, Florida  
March 28, 2025

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.



**THIS PAGE INTENTIONALLY LEFT BLANK**



## INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Honorable Mayor and City Council,  
City of Port Orange, Florida:

We have examined the City of Port Orange, Florida's (the City) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies* (the Statute), for the year ended September 30, 2024. Management is responsible for the City's compliance with the Statute. Our responsibility is to obtain reasonable assurance by evaluate the City's compliance with the Statute and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating whether the City's compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024, and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of evaluation of the City's compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that the City was not in compliance with the Statute in all material respects, 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 engagement.

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

Daytona Beach, Florida  
March 28, 2025

A handwritten signature in black ink that reads "James Moore &amp; Co., P.L." with a stylized flourish at the end.