

Annual Comprehensive Financial Report

City of Winter Haven, Florida

For the Period Ended September 30, 2024



CITY OF WINTER HAVEN, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2024

Prepared by:

Finance Department
Colleen (CJ) Scott, CFO
Debbie Tate, Assistant Financial Services Director

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WINTER HAVEN

THE CHAIN OF LAKES CITY

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INTRODUCTORY SECTION

*W*INTER HAVEN

THE CHAIN OF LAKES CITY

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Honorable Mayor, Members of the City Commission
Citizens of the City of Winter Haven
Winter Haven, Florida

MARCH 24, 2025

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Winter Haven for the fiscal year ending September 30, 2024. This report is presented in conformity with generally accepted accounting principles (GAAP), and audited by an independent firm of certified public accountants, Mauldin & Jenkins CPAs & Advisors, as mandated by both local ordinances and state statutes. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data as presented is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General for Local Government Entity Audits. Information related to this single audit, including the schedule of expenditures of Federal awards and State financial assistance, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations are included in the single audit section of this report.

City management is responsible for establishing and maintaining a system of internal controls designed to ensure the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable, but not absolute assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

Profile of the City

Winter Haven is located in central Polk County which lies in the center of the State of Florida, equidistant between the major metropolitan areas of Orlando and Tampa. Winter Haven, known as the "Chain of Lakes City" is Polk County's second largest city. Widely recognized as the water skiing capital of the world, the "Chain of Lakes" is a boater's paradise with beautiful waters and world-class fishing. There are fifty fresh-water lakes within or bordering the City limits, many of which are connected via two chain systems of navigable canals. Fourteen boat ramps, sixteen public docks/piers, two boardwalks, and nineteen waterfront parks allow residents and visitors alike to enjoy our lakes.

Winter Haven is home to the LEGOLAND Florida Resort which includes the historic Cypress Gardens botanical garden, two LEGOLAND Resort Hotels on property and the nearby Beach Retreat; a resort offering 83 beach-themed bungalows in a village-style layout with free transportation to LEGOLAND Florida.

The City operates under the commission-manager form of government. Policy-making and legislative authority are vested in the City Commission (Commission) consisting of the Mayor, Mayor Pro Tem and three commissioners. The Commission is responsible for, among other things, adopting local ordinances and resolutions, adopting the budget, appointing committees, and hiring the City Manager, City Attorney, and City Clerk. The City Manager is responsible for carrying out the policies and ordinances of the Commission, for overseeing the day-to-day operations of the City, and for appointing the heads of various departments. The Commission is elected on a non-partisan basis. Commission members serve four-year staggered terms, with two or three commission seats up for election every two years. The mayor and commissioners are elected at large. The commissioners select the Mayor and Mayor Pro Tem annually.

The City provides a full range of services, including police and fire protection; the construction and maintenance of streets, sidewalks and infrastructure; engineering; planning and community development; code compliance; general administration and support services; recreational activities and cultural events. In addition, the City operates several enterprises: including water and sewer service, solid waste, stormwater, dark fiber, and a golf course.

The annual budget serves as the foundation of the City's financial planning and control. Departments are required to submit requests for appropriations including any new employee positions and capital projects to the Financial Services Department, which uses those requests as the starting point for developing a proposed budget. With the prudent oversight of the City Manager, a proposed budget and five-year capital improvement plan is prepared and presented to the City Commission by the City Manager annually in July.

The Mayor, Mayor Pro Tem, and Commissioners provide input and suggestions on initiatives they would like to see in the proposed budget. City Management and staff summarize these suggestions and add analysis of an operational impact, if any. At a special City Commission meeting, the Commission discusses modifications to the proposed budget and reaches a consensus as to what will be reflected in the proposed budget. Staff incorporates these suggestions in the budget for a Commission vote in September.

The Commission is required to hold two public hearings on the budget and millage rate in September and adopt a final budget and millage rate by no later than September 30, the close of the City's fiscal year.

The appropriated budget is prepared by fund. Transfers between accounts within the same fund may be made with City Manager approval. Transfers between funds and adjustments that increase the overall budget of a fund require approval of the City Commission. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated budget has been adopted.

Reserve Policies

The City's fiscal policy prescribes a minimum of 17% of the General Fund's operating expenditures will be retained in the Unassigned Fund Balance; with a reserve goal of 30%. Any Unassigned Fund Balance in excess of 30% may be transferred to the Construction Fund to defray costs and cover contingencies as recommended by the City Manager and approved by the City Commission.

Factors Affecting Financial Condition

Polk County is an economically diverse region, coexistent with the Lakeland-Winter Haven Metropolitan Statistical Area (MSA). The 232,000 households account for \$12.8 billion in annual income and \$18.7 billion in total economic activity. The Lakeland-Winter Haven MSA was in the top quartile for economic growth. The unemployment rate in Polk County is in the normal range at 4.6%. Over the past 12 months, the County has experienced job expansion in most industries, with the largest growth coming from Education and Health services.

The City currently enjoys a favorable economic environment. The City has experienced significant economic growth over the past year, driven by various factors including residential, industrial, commercial growth, and tourism. The City experienced an 11.26% increase in gross taxable values, providing an increase in ad valorem revenues. This growth also had positive impact on sales tax, franchise fees, and utility revenues.

Due to the City's strong financial performance and robust reserves, Standards & Poor and Fitch provided bond ratings of AA and AA-, for non-ad valorem revenue bonds and water and sewer revenue bonds, respectively.

Long term Planning & Major Initiatives

Each year, the Commission adopts a fiscally sound approach to budgeting, allowing the City to be responsible financial stewards of its resources. With prudent management of financial resources and strategic planning, several major initiatives will come to fruition in the near future.

Lake Elbert Trail

Winter Haven has the distinction of being one of only 13 Cities in Florida to have received the "Trail Town" designation from the Florida Department of Environmental Protection. Winter Haven's trail network spans over 14 miles and includes an interconnected system of parks, neighborhoods, schools, community destinations, and downtown.

The City is proud that one of its next major trails will be the Lake Elbert Trail. A portion of the trail is already in place along the lake's southern shore. The remaining 1.8 miles of trail will provide upgrades to the entire corridor. The Trail is generally six feet wide on the east side of the lake and eight feet wide on the north and west sides. The project includes upgrades to water and sewer lines, storm inlets and pipes, and an enhanced shoreline.

Winter Haven Recreational & Cultural Center

The Winter Haven Recreation and Cultural Center (WHRCC) will be completed by the winter of 2025. The WHRCC will be a state of the art facility with a multi-use gymnasium, a zero depth entry swimming pool, a splash-pad, new playground, outdoor sport court, a fitness center, library/ technology area with WIFI, offices and community meeting space.

Transportation Fund

The City strives to maintain the quality of life for its neighborhoods by resurfacing streets and maintaining trails and walkways. Each year, the City designates \$2M for the Transportation Improvement Program to manage pavement conditions of the City and improve pedestrian networks to improve safety and create a more connected community.

Pollard Road Water Production Facility

This initiative will be completed in two phases. Phase one of the Pollard Road Water Treatment Plant is the construction of approximately 6,700 feet of new 16-inch water main from the future water plant, which will be located adjacent to Wastewater Treatment Plant #3, to interconnect with an existing water main located on Lake

Eloise Loop Road. Extending this water line will increase the capacity to receive future alternative water supplies from the Polk Regional Water Cooperative. This project will also be a critical link to transmit alternative water supplies to other communities through Winter Haven's system. The second phase of the project will be constructed in tandem with the reuse interconnect project funded through a cooperative funding request and the new force main from Wastewater Treatment Plant #3 to the Master Lift Station.

The City continues to monitor State legislative initiatives that may have an impact on the City. This includes adjustments to the homestead exemption and modifications to property taxes.

Awards and Acknowledgements

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded its Certificate of Achievement for Excellence in Financial Reporting to the City of Winter Haven, for its Annual Comprehensive Financial Report for the fiscal year ending September 30, 2023. This was the 34th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit 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 our current 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.

Award for Distinguished Budget

The City received the GFOA's Award for Distinguished Budget Presentation for its annual financial plan for the fiscal year ending September 30, 2024. This was the 31st consecutive year that the City has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning, organization, and as a communications medium. We are pleased that we continue to achieve this distinction.

Acknowledgments

The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire staff of the Finance Department. Their efforts have been instrumental in ensuring the accuracy and completeness of the financial information presented herein. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, the continued leadership and support by the Mayor, Mayor Pro Tem, and the City Commissioners in the planning and guidance of the financial operations of the City is much appreciated.

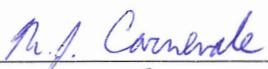
Sincerely,



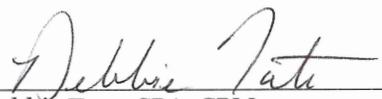
T. Michael Stavres, ICMA-CM, CPM
CITY MANAGER



CJ Scott, CPA, CGFO, CPM
CHIEF FINANCIAL OFFICER



M.J. Carnevale
DEPUTY CITY MANAGER



Debbie Tate, CPA, CPM
ASSISTANT FINANCIAL SERVICES DIRECTOR

ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Winter Haven
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morill

Executive Director/CEO

**CITY OF WINTER HAVEN, FLORIDA
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE
IN FINANCIAL REPORTING (CONTINUED)
SEPTEMBER 30, 2024**

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 Winter Haven, Florida for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both 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.

**CITY OF WINTER HAVEN, FLORIDA
PRINCIPAL CITY OFFICIALS
SEPTEMBER 30, 2024**

Mayor

Nathaniel J. Birdsong, Jr.

Mayor Pro Tem

William "Brian" Yates

Commissioners

Bradley T. Dantzler

Clifton E. Dollison

L. Tracy Mercer

City Manager

T. Michael Stavres

City Clerk

Vanessa Castillo

Deputy City Manager

M.J. Carnevale

City Attorney

Frederick J. Murphy, Jr.

City Auditors

Mauldin & Jenkins, LLC

FINANCIAL SECTION

*W*INTER HAVEN
THE CHAIN OF LAKES CITY

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of the City Commission
City of Winter Haven, Florida

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, 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, and the respective budgetary comparison for the General Fund, Community Redevelopment Agency Fund, and Airport Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 13 through 24 and the schedule of changes in the employer's net pension liability and related ratios, schedule of employer contributions, schedule of investment returns, and schedule of changes in the City's total OPEB liability and related ratios on pages 115 through 132, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

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



Bradenton, Florida
March 28, 2025

*W*INTER HAVEN

THE CHAIN OF LAKES CITY

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**City of Winter Haven
Management's Discussion and Analysis
September 30, 2024**

As management of the City of Winter Haven ("City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal, which can be found on page 1 of this report.

Financial Highlights

- The assets and deferred outflows of the City of Winter Haven exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$314,929,582 (net position). Of this amount, \$177,921,193 represents net investment in capital assets (capital assets net of related debt), \$77,061,382 is restricted for a specific purpose, and \$59,947,007 (unrestricted net position) may be used to meet the City's ongoing obligations.
- The City's total net position increased by \$56,106,238, offset by a restatement of \$2,660,779. This restatement is due to early implementation of GASB Statement no, 101, *Compensated Absences*. Total revenues were \$176,822,377; an increase of \$20,770,522 over the previous year. Total expenses were \$120,716,139; an increase of \$8,921,148 over the previous year.
- As of September 30, 2024, the City of Winter Haven's governmental funds reported combined ending fund balances of \$140,587,042 an increase of \$31,146,597 over the previous year. Nonspendable fund balance increased by \$7,829,534 due to non-ad valorem bond funds provided to acquire land for the Water & Sewer fund.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$23,788,487, or 49.6% of total General Fund expenditures. The unassigned fund balance reflects a decrease of \$2,153,557 over prior year. This decrease can be attributed to a transfer, in the amount of \$5,386,019, to the Construction Fund. This decrease is offset by an increase in property tax revenues, investment earnings, and vacant positions. The City's fiscal policy prescribes any Unassigned Fund Balance in excess of 30% may be transferred to the Construction Fund to defray costs and cover contingencies.
- On November 29, 2023, the City issued Non-Ad Valorem revenue bonds in the amount of \$26,291,443 (including \$2,056,443 in premium) to fund various capital projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components:

- 1) Government-wide financial statements
- 2) Fund financial statements
- 3) Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

**City of Winter Haven
Management's Discussion and Analysis
September 30, 2024**

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

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 the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, transportation, economic development, human services, and culture and recreation. The business-type activities of the City include water and sewer, solid waste, stormwater, dark fiber, and a golf course.

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

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

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

The City maintains eighteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Community Redevelopment Agency Fund, Airport Fund, Capital Project Fund and 2021 Construction Fund, which are considered to be major funds. Data from the other thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and certain Special Revenue Funds. Budgetary comparison schedules have been provided for the General Fund and each major Special Revenue Fund that adopts a budget to demonstrate compliance with the budget. Budgetary

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comparisons for nonmajor special revenue funds are presented in the combining statements.

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, dark fiber, and golf course.

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 its fleet maintenance operations, general services, and, self- insurance. Because services accounted for in internal service funds predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and Solid Waste Fund. The Water and Sewer Fund and Solid Waste Fund are considered to be major funds of the City. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

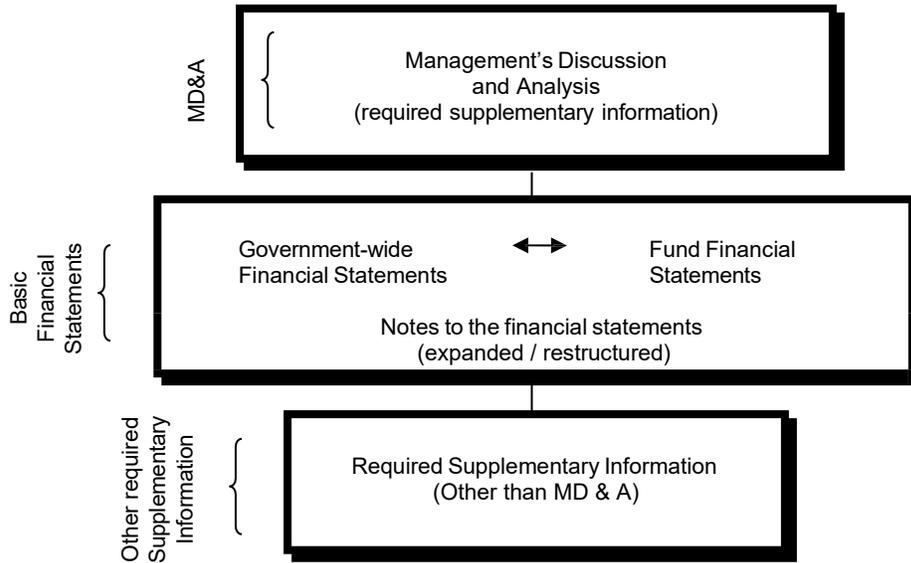
Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's own programs. The accounting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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on starting on page 41 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons and the City's progress in funding its obligation to provide pension benefits to its employees and Other Postemployment Benefit (OPEB) obligations. The combining statements referred to earlier in connection with nonmajor governmental and internal service funds are presented immediately following the required supplementary information.

The chart below may assist in understanding the structure of the financial statements.

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Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$314,929,582 at the close of the most recent fiscal year.

The following table reflects the condensed Statement of Net Position for current year and previous year. For more detailed information, see the Statement of Net Position.

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	\$ 179,109,638	\$ 138,986,323	\$ 92,549,012	\$ 89,963,022	\$ 271,658,650	\$ 228,949,345
Capital Assets (Net)	147,901,809	121,391,140	151,100,554	124,429,287	299,002,363	245,820,427
Total Assets	<u>327,011,447</u>	<u>260,377,463</u>	<u>243,649,566</u>	<u>214,392,309</u>	<u>570,661,013</u>	<u>474,769,772</u>
Deferred Outflows of Resources	11,035,144	12,298,595	4,272,688	3,112,298	15,307,832	15,410,893
Liabilities						
Current and other liabilities	19,167,376	10,475,047	13,125,648	13,669,371	32,293,024	24,144,418
Long-term liabilities	136,796,380	118,375,707	74,910,773	67,861,192	211,707,153	186,236,899
Total Liabilities	<u>155,963,756</u>	<u>128,850,754</u>	<u>88,036,421</u>	<u>81,530,563</u>	<u>244,000,177</u>	<u>210,381,317</u>
Deferred Inflows of Resources	<u>20,464,839</u>	<u>12,987,167</u>	<u>6,574,247</u>	<u>5,328,058</u>	<u>27,039,086</u>	<u>18,315,225</u>
Net Position:						
Net Investment in						
Capital Assets	85,437,976	79,663,112	92,483,217	71,750,956	177,921,193	151,414,068
Restricted	36,933,151	31,706,811	40,128,231	28,410,050	77,061,382	60,116,861
Unrestricted	<u>39,246,869</u>	<u>19,468,214</u>	<u>20,700,138</u>	<u>30,484,980</u>	<u>59,947,007</u>	<u>49,953,194</u>
Total Net Position	<u>\$ 161,617,996</u>	<u>\$ 130,838,137</u>	<u>\$ 153,311,586</u>	<u>\$ 130,645,986</u>	<u>\$ 314,929,582</u>	<u>\$ 261,484,123</u>

The largest portion of the City's net position (56.50%) reflects its investment in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment) net of any related debt

**City of Winter Haven
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used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Approximately, 24.46% of the City's net position represents resources which are subject to external restrictions on how they can be used. These assets are used to provide services to citizens and therefore not available for future spending. The remaining \$54,174,182 (19.04%), is available to meet the City's on-going obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was an increase of \$56,507,125 in Net Investment in Capital Assets. This increase is mainly due to construction of park and recreation facilities as well as infrastructure developments for the Water & Sewer fund.

There was an increase of \$11,718,181 in restricted net position reported in connection with the City's business-type activities. This increase is mainly due to grants and developer contributions for specific water and sewer projects.

The City's Net Position increased by \$53,445,459. This increase represents the degree to which increases in revenues have exceeded expenses which can be attributed to property tax revenues, utility collections, developer contributions, and unanticipated interest earnings.

Governmental activities.

Governmental activities increased the City's net position by \$32,913,125, offset by a restatement of \$2,133,266 due to implementation of GASB No. 101, *Compensated Absences*. Key elements of this increase are as follows:

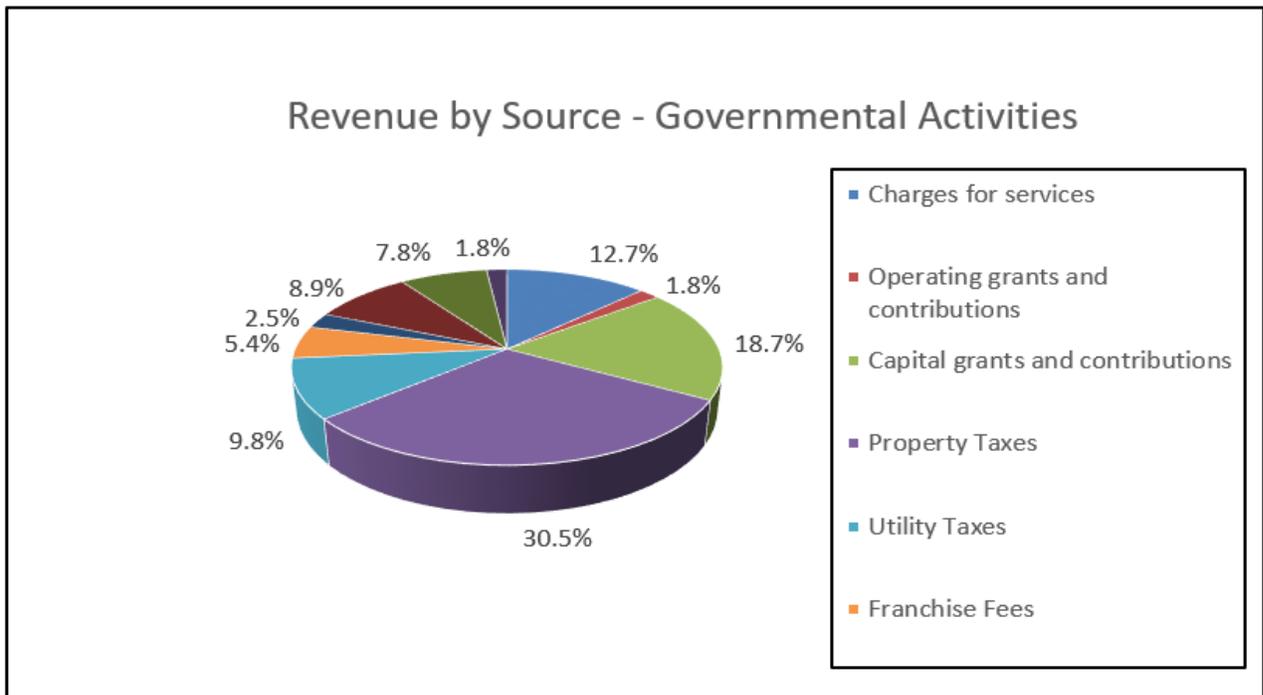
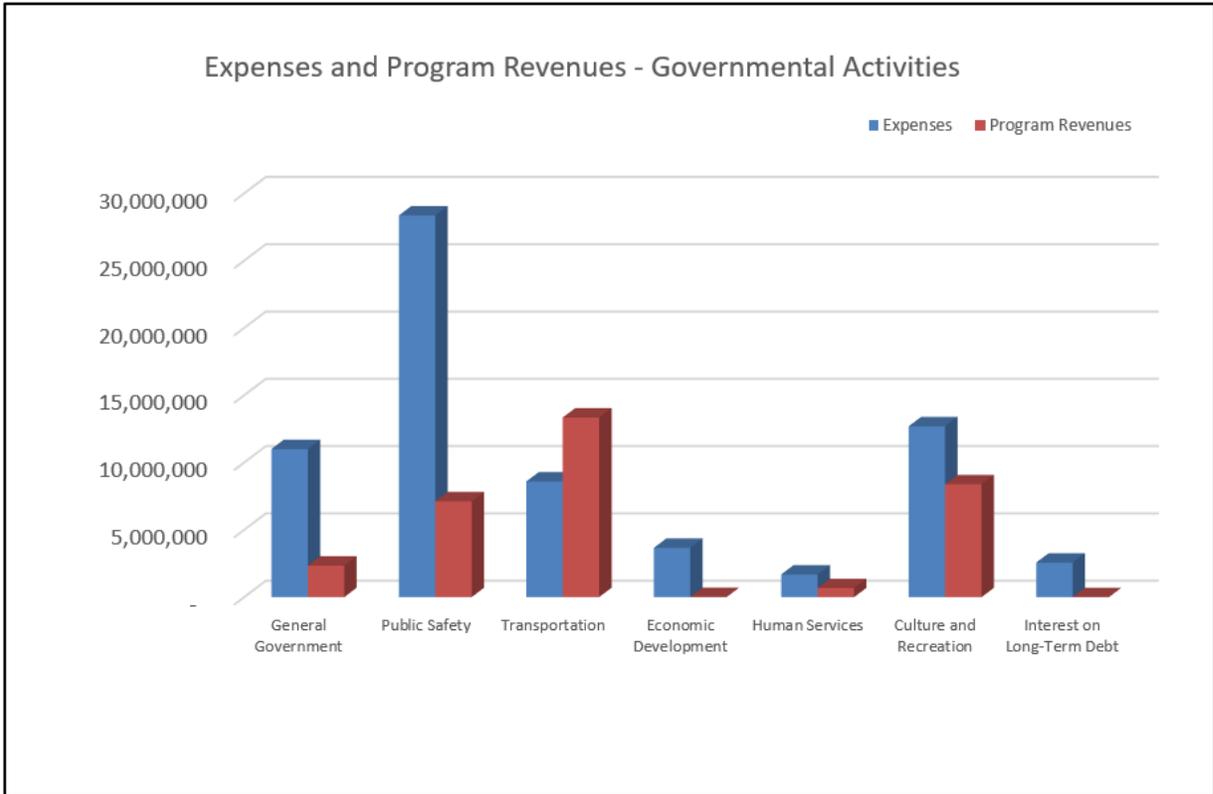
- Property taxes increased by \$3,719,545 due to a robust housing market and increase in property values.
- The Capital Grants and Contributions reflects a contribution of \$8,087,588 to support a land acquisition.
- Investment earnings exceeded expectations with an increase over budget of \$607,757.

The changes in net position displayed below shows the governmental and business-type activities during the fiscal year.

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	Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
REVENUES						
Program Revenues:						
Charges for Services	\$ 12,191,269	\$ 13,476,896	\$ 64,962,799	\$ 57,284,906	\$ 77,154,068	\$ 70,761,802
Operating Grants and Contributions	1,756,946	1,310,483	34,937	6,553	1,791,883	1,317,036
Capital Grants and Contributions	17,934,355	9,844,119	10,879,736	10,431,748	28,814,091	20,275,867
General Revenues:					-	-
Property Taxes	29,276,542	25,556,997	-	-	29,276,542	25,556,997
Utility Taxes	9,402,825	8,821,394	-	-	9,402,825	8,821,394
Franchise Fees	5,192,249	5,367,262	-	-	5,192,249	5,367,262
Fuel Taxes	2,448,105	2,399,551	-	-	2,448,105	2,399,551
Intergovernmental Revenues	8,546,261	8,475,475	-	-	8,546,261	8,475,475
Investment Income	7,510,051	4,971,231	4,178,497	3,636,526	11,688,548	8,607,757
Other	1,761,372	3,256,626	746,433	1,212,088	2,507,805	4,468,714
Total Revenues	<u>96,019,975</u>	<u>83,480,034</u>	<u>80,802,402</u>	<u>72,571,821</u>	<u>176,822,377</u>	<u>156,051,855</u>
EXPENSES						
General Government	11,001,598	10,843,922	-	-	11,001,598	10,843,922
Public Safety	28,359,498	29,418,690	-	-	28,359,498	29,418,690
Transportation	8,595,059	9,818,458	-	-	8,595,059	9,818,458
Economic Development	3,664,381	2,524,541	-	-	3,664,381	2,524,541
Human Resources	1,685,705	1,582,258	-	-	1,685,705	1,582,258
Culture/Recreation	12,698,142	11,447,769	-	-	12,698,142	11,447,769
Interest on Long-Term debt	2,568,253	1,631,223	-	-	2,568,253	1,631,223
Water and Sewer Operations	-	-	37,773,721	32,180,503	37,773,721	32,180,503
Solid Waste	-	-	9,340,129	8,751,981	9,340,129	8,751,981
Willowbrook Golf Course	-	-	1,441,519	1,300,364	1,441,519	1,300,364
Stormwater	-	-	3,137,442	2,070,209	3,137,442	2,070,209
Dark Fiber	-	-	450,692	225,073	450,692	225,073
Total Expenses	<u>68,572,636</u>	<u>67,266,861</u>	<u>52,143,503</u>	<u>44,528,130</u>	<u>120,716,139</u>	<u>111,794,991</u>
Increase (Decrease) in Net Position						
Before Transfers	27,447,339	16,213,173	28,658,899	28,043,691	56,106,238	44,256,864
Transfers	5,465,786	5,578,408	(5,465,786)	(5,578,408)	-	-
Change in Net Position	32,913,125	21,791,581	23,193,113	22,465,283	56,106,238	44,256,864
Net Position - Beginning of Year.	130,838,137	109,046,556	130,645,986	108,180,703	261,484,123	217,227,259
Restatement	(2,133,266)	-	(527,513)	-	(2,660,779)	-
Net Position - End of Year	<u>\$ 161,617,996</u>	<u>\$ 130,838,137</u>	<u>\$ 153,311,586</u>	<u>\$ 130,645,986</u>	<u>\$ 314,929,582</u>	<u>\$ 261,484,123</u>

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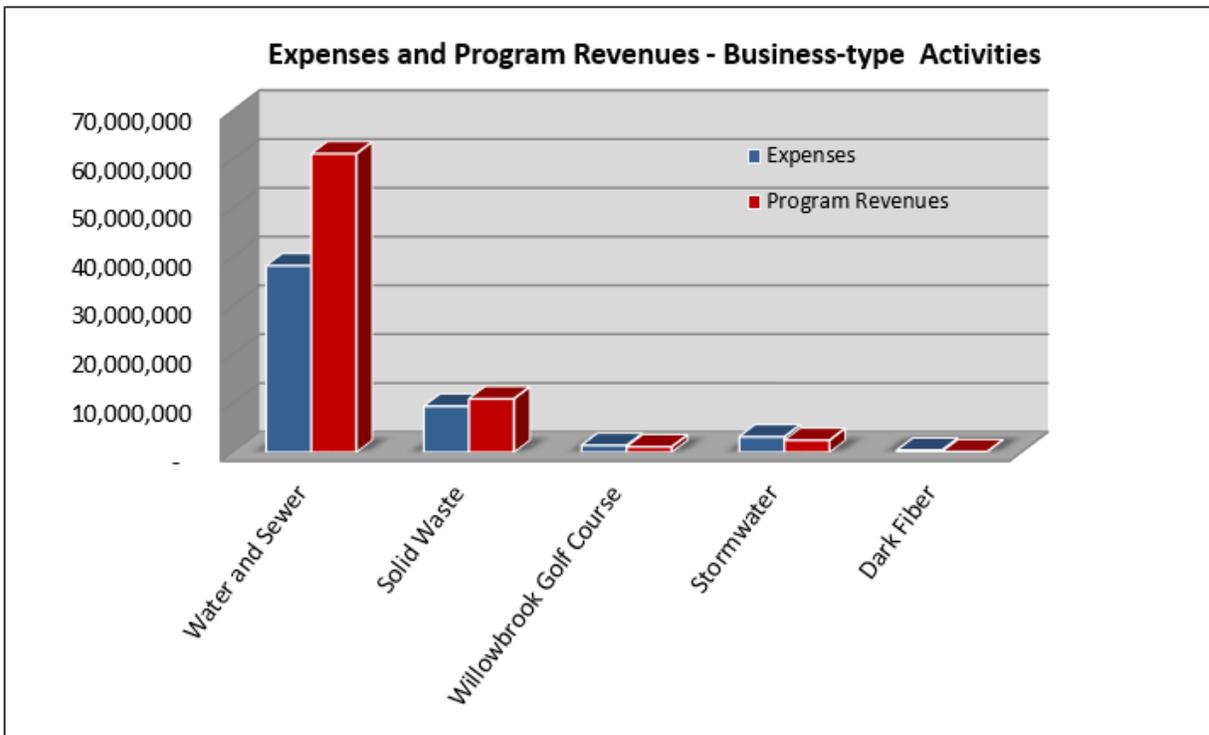
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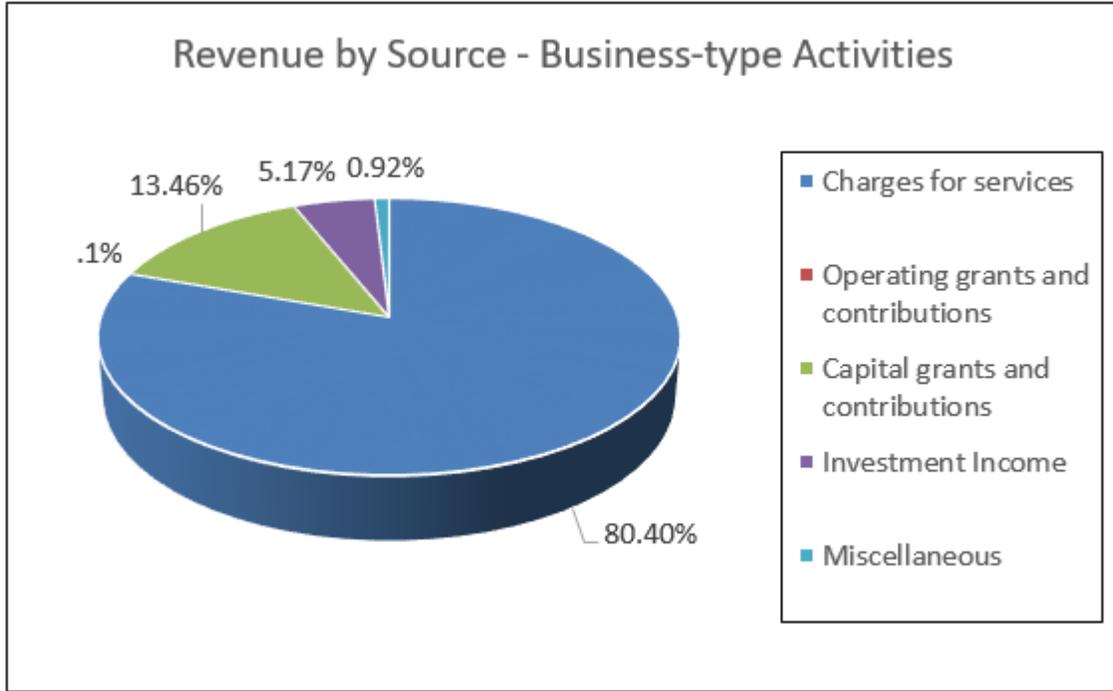
Business-type activities.

Business-type activities increased the City's net position by \$23,193,113; offset by a restatement of \$527,513 due to implementation of GASB No. 101, *Compensated Absences*. Key elements of this increase are as follows:

Key elements of this increase are as follows:

- Charges for services for business-type activities increased by \$8,230,581. This increase is attributable to a robust housing market and commercial and industrial development.
- Capital Grants and Contributions include Developer Contributions of \$10,668,736.
- Expenses increased by \$8,246,826, mainly due to professional and engineering services, and waste water plant and lift station repairs.





Financial Analysis of the City's Major Funds

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The City maintains five major governmental funds: the General Fund, the Community Redevelopment Agency Fund, the Airport Fund, the Capital Project Fund and the 2021 Construction Fund.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$140,587,042, an increase of \$31,146,597 in comparison to prior year. Approximately, 17.0% of this total amount constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is not available for new spending as it is dedicated to specific purposes.

The General Fund is the primary operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$23,788,487, while total fund balance was \$34,023,819. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the fund's total current expenditures. Unassigned fund balance represents 32.99% of total expenditures and transfers out, while total fund balance represents 47.18% of that same amount.

The fund balance of the City's General Fund increased by \$5,160,921, during the current fiscal year.

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Key factors in this growth are as follows:

- Taxes increased by \$4,291,649 which is attributable to an increase property taxes as a result of a robust housing market, an increase in property values, and an increase in electric utility rates.
- Intergovernmental revenues increased \$14,674,001 due to contributions related to capital projects.
- Investment earnings exceeded expectations with an increase \$2,369,320 over prior year.

The Community Redevelopment Agency reflected an increase in fund balance of \$648,160 over prior year. This increase is attributable to an increase in property values and pending economic development projects.

The Airport Fund reflected an increase in fund balance of \$835,348 due to FAA and FDOT grant reimbursements for the South Apron Rehab project offset by related capital expenditures.

The Capital Project Fund reflects an increase in fund balance of \$14,800,255. The increase is due to an interfund transfers, mainly from the General Fund and 2023 Bond Fund, to fund parks and recreation capital projects, as well as, construction of Public Safety buildings. The Capital Project Fund also reflects Restatement for Fund Consolidation for consolidation of the 2021 Construction Fund.

Proprietary Funds

The fund financial statements for the proprietary funds essentially provide the same information found in the business-type activities column in the government-wide financial statements, but in more detail. Factors concerning the proprietary funds have been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Total General Fund revenues reflect a difference of \$\$292,390 between the original and final amended budget. The main reasons for this positive variance is due investment income exceeding expectations.

Differences between the original budget and final amended budget were relatively minor for expenditures with an increase in appropriations of \$542,872. This cost is attributable to a roof replacement for the Police Department building and maintenance and repair costs.

Capital Assets and Debt Administered

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2024, is \$236,403,727 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements, infrastructure, utility systems and equipment. The total increase in the City's investment in capital assets for the current fiscal year was \$20,942,911, reflecting a 10% increase over prior year.

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

	Capital Assets (Net of depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 8,478,268	\$ 8,272,852	\$ 15,937,906	\$ 5,735,857	\$ 24,416,174	\$ 14,008,709
Buildings and Improvements	78,681,877	79,435,014	9,792,685	8,935,652	88,474,562	88,370,666
Improvements Other than Buildings	97,046,234	91,860,367	234,488,435	221,983,697	331,534,669	313,844,064
Equipment	30,904,672	27,330,326	22,956,489	22,270,971	53,861,161	49,601,297
Right to use Leased Equipment	821,144	662,535	222,870	116,222	1,044,014	778,757
Right to use SBITAs	2,917,135	2,816,928	303,607	167,581	3,220,742	2,984,509
Construction in Progress	30,245,145	12,631,265	14,336,888	6,078,718	44,582,033	18,709,983
	249,094,475	223,009,287	298,038,880	265,288,698	484,534,719	457,517,977
Less: Accumulated Depreciation	(101,192,666)	(101,618,147)	(146,938,326)	(140,859,411)	(248,130,992)	(242,057,161)
Capital Assets, net	<u>\$147,901,809</u>	<u>\$121,391,140</u>	<u>\$151,100,554</u>	<u>\$124,429,287</u>	<u>\$236,403,727</u>	<u>\$215,460,816</u>

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

- Land reflects an increase of \$10,407,465 mainly due to the acquisition of property for development and expansion of utility projects.
- Improvements Other than Buildings reflects an increase of \$17,690,605 due to various projects. These projects include improvements to Lake Elbert Trail, Lake Maude, the Pollard Road CSX extension, re-surfacing streets, and maintaining trails and walkways for the governmental activities. Business-type activities include construction of utility lines to handle growth and capacity and the donation of utility lines for new housing developments.
- Construction in Progress reflected an increase in governmental funds as the various parks and recreation projects, such as Lake Elbert Trail, the South Apron rehabilitation project, the Chain of Lakes, and Winter Haven Recreation and Culture Center were in the process of completion. Business-type activities increased as several projects have commenced including construction of the Harmony lift station, well construction for Cypresswood and Pollard Road, and Logistics Parkway extension.

Additional information on the City's capital assets can be found in Note 6 in the notes to the financial statements.

Debt Administration

At the end of the current fiscal year, the City had total outstanding debt of \$135,062,007. The revenue bonds and notes payables are secured by non-ad valorem tax dollars and specified revenue sources (water and sewer system charges). The City's total debt increased by \$227,015,310 as the City issued debt to fund various capital projects.

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	Outstanding Debt					
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Non-Ad Valorem	\$ 83,975,124	\$ 61,306,994	\$ -	\$ -	\$ 83,975,124	\$ 61,306,994
Water & Sewer Revenue Bonds and Notes	-	-	55,311,607	51,954,358	55,311,607	51,954,358
Leases Payable	507,304	459,045	177,568	99,125	684,872	558,170
SBITAs Payable	767,477	1,602,600	95,752	76,917	863,229.00	-
	<u>\$ 85,249,905</u>	<u>\$ 63,368,639</u>	<u>\$ 55,584,927</u>	<u>\$ 52,130,400</u>	<u>\$ 140,834,832</u>	<u>\$ 113,819,522</u>

Two major rating institutions (Standards & Poor, and Fitch Ratings) have evaluated the City's financial management, economic conditions and administrative practices. The bond ratings reflect that the City's bonds have the characteristics of investment quality, as shown below:

Credit Ratings	Fitch	S&P
General Fund Non-Ad Valorem	AA Positive	AA Stable
Water & Sewer System	AA - Stable	AA-

Additional information on the City's long-term liabilities can be found in Note 9 in notes to the financial statements.

FUND BALANCE

The Government Finance Officers Association recommends, at a minimum, that general-purpose governments maintain unassigned fund balance in their General Fund of no less than one to two months of regular General Fund operating expenditures (or 8.33 – 16.67%). The City Commission adopted a General Fund Balance Policy which prescribes a minimum of 17% of General Fund expenditures will be retained in Unassigned Fund Balance and will work towards an unassigned fund balance of 30%. Any Unassigned Fund Balance in excess of 30% may be transferred to the Construction fund to defray costs and cover contingencies as recommended by the City Manager and approved by the City Commission.

Economic Factors and Next Year's Budgets and Rates

Staff monitors economic indicators on a continual basis. Taxable property values increased by 11.26% over prior year's taxable value. While construction activity continues to occur at a high rate, permit revenues are budgeted on a conservative basis, due to the uncertainty of this revenue source.

Ordinance O-22-03, approved by Commission, provides for a rate increase of no less than 2.5% for water, sewer, and reclaimed water service. The City recently approved a utility rate study and connection fee study to ensure proper funding to support these services.

The City experienced unanticipated investment earnings for fiscal year 2024. Due to the uncertainty of the economy and the Federal Reserve indication of an adjustment to the interest rate, the City will continue to budget conservatively.

Financial Contact

The financial report is designed to provide a general overview of the City's finances for all of those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Chief Financial Officer, 551 3rd Street NW, Winter Haven, Florida 33881.

BASIC FINANCIAL STATEMENTS

*W*INTER HAVEN
THE CHAIN OF LAKES CITY

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CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 143,010,321	\$ 37,818,984	\$ 180,829,305
Restricted Cash and Investments	473,995	47,326,462	47,800,457
Accounts Receivable, Net	1,961,021	8,043,482	10,004,503
Lease Receivable	2,616,514	866,184	3,482,698
Due from Other Governments	19,196,907	7,499,399	26,696,306
Internal Balances	11,230,090	(11,230,090)	-
Inventory	251,546	2,193,404	2,444,950
Prepaid Items	369,244	31,187	400,431
Capital Assets, Not Being Depreciated	38,723,413	30,274,794	68,998,207
Capital Assets, Being Depreciated - Net	109,178,396	120,825,760	230,004,156
Total Assets	<u>327,011,447</u>	<u>243,649,566</u>	<u>570,661,013</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Items	3,035,523	318,100	3,353,623
OPEB Related Items	7,999,621	3,560,950	11,560,571
Deferred Charge on Debt Refunding	-	393,638	393,638
Total Deferred Outflows of Resources	<u>11,035,144</u>	<u>4,272,688</u>	<u>15,307,832</u>
LIABILITIES			
Accounts Payable	7,724,913	5,047,260	12,772,173
Accrued Liabilities	1,428,545	520,602	1,949,147
Claims Payable	1,748,553	-	1,748,553
Due to Other Governments	119,608	140,851	260,459
Accrued Interest Payable	1,364,957	606,660	1,971,617
Current Liabilities Payable from Restricted Assets:			
Customer Deposits	-	6,810,275	6,810,275
Unearned Revenue	6,780,800	-	6,780,800
Noncurrent Liabilities:			
Due Within One Year			
Bonds and Notes Payable	4,195,000	3,090,719	7,285,719
Leases Payable	158,707	42,232	200,939
SBITA Payable	595,382	52,796	648,178
Compensated Absences	702,612	1,362,266	2,064,878
Total OPEB Liability	1,148,484	369,115	1,517,599
Due in More than One Year			
Bonds and Notes Payable	79,780,124	52,220,888	132,001,012
Leases Payable	348,597	135,336	483,933
SBITA Payable	172,095	42,956	215,051
Compensated Absences	4,078,115	-	4,078,115
Net Pension Liability	16,428,879	4,459,434	20,888,313
Total OPEB Liability	29,188,385	13,135,031	42,323,416
Total Liabilities	<u>155,963,756</u>	<u>88,036,421</u>	<u>244,000,177</u>
DEFERRED INFLOWS OF RESOURCES			
Lease Related Items	2,587,311	794,068	3,381,379
Pension Related Items	10,186,921	2,356,784	12,543,705
OPEB Related Items	7,690,607	3,423,395	11,114,002
Deferred Charge on Debt Refunding	-	-	-
Total Deferred Inflows of Resources	<u>20,464,839</u>	<u>6,574,247</u>	<u>27,039,086</u>
NET POSITION			
Net Investment in Capital Assets	85,437,976	92,483,217	177,921,193
Restricted for:			
Public Safety	7,335,159	-	7,335,159
Community Redevelopment Agency	4,107,246	-	4,107,246
Environmental Awareness	200,000	-	200,000
Human Services	1,118,179	-	1,118,179
Police Training, Confiscation and Abandoned Property	195,519	-	195,519
Building Safety	5,489,947	-	5,489,947
Impact Fees	3,058,507	-	3,058,507
Debt Service	4,388,348	3,034,977	7,423,325
Transportation	11,040,246	-	11,040,246
Renewal, Replacement, and Improvements	-	37,093,254	37,093,254
Unrestricted	39,246,869	20,700,138	59,947,007
Total Net Position	<u>\$ 161,617,996</u>	<u>\$ 153,311,586</u>	<u>\$ 314,929,582</u>

See accompanying Notes to Financial Statements.

**CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Primary Government:							
Governmental Activities:							
General Government	\$ 11,001,598	\$ 2,317,864	\$ 27,751	\$ -	\$ (8,655,983)	\$ -	\$ (8,655,983)
Public Safety	28,359,498	5,464,576	677,155	977,737	(21,240,030)	-	(21,240,030)
Transportation	8,595,059	2,886,753	10,146	10,450,477	4,752,317	-	4,752,317
Economic Development	3,664,381	7,800	1,995	-	(3,654,586)	-	(3,654,586)
Human Services	1,685,705	280,162	394,508	-	(1,011,035)	-	(1,011,035)
Culture and Recreation	12,698,142	1,234,114	645,391	6,506,141	(4,312,496)	-	(4,312,496)
Debt Service:							
Interest on Long-Term Debt	2,568,253	-	-	-	(2,568,253)	-	(2,568,253)
Total Governmental Activities	<u>68,572,636</u>	<u>12,191,269</u>	<u>1,756,946</u>	<u>17,934,355</u>	<u>(36,690,066)</u>	<u>-</u>	<u>(36,690,066)</u>
Business-Type Activities:							
Water and Sewer	37,773,721	50,408,924	-	10,759,736	-	23,394,939	23,394,939
Solid Waste	9,340,129	10,974,329	-	-	-	1,634,200	1,634,200
Willowbrook Golf Course	1,441,519	1,129,963	-	-	-	(311,556)	(311,556)
Stormwater	3,137,442	2,315,745	34,937	120,000	-	(666,760)	(666,760)
Dark Fiber	450,692	133,838	-	-	-	(316,854)	(316,854)
Total Business-Type Activities	<u>52,143,503</u>	<u>64,962,799</u>	<u>34,937</u>	<u>10,879,736</u>	<u>-</u>	<u>23,733,969</u>	<u>23,733,969</u>
Total Primary Government	<u>\$ 120,716,139</u>	<u>\$ 77,154,068</u>	<u>\$ 1,791,883</u>	<u>\$ 28,814,091</u>	<u>(36,690,066)</u>	<u>23,733,969</u>	<u>(12,956,097)</u>
General Revenues							
Taxes:							
Property Taxes					29,276,542	-	29,276,542
Utility Taxes					9,402,825	-	9,402,825
Franchise Taxes					5,192,249	-	5,192,249
Fuel Taxes					2,448,105	-	2,448,105
Unrestricted State-Shared Revenues:							
Sales Taxes					4,223,119	-	4,223,119
Municipal Revenue Sharing					2,649,292	-	2,649,292
Other Taxes					1,673,850	-	1,673,850
Investment Income					7,510,051	4,178,497	11,688,548
Gain on Sale of Capital Assets					72,931	96,000	168,931
Miscellaneous					1,688,441	650,433	2,338,874
Transfers					5,465,786	(5,465,786)	-
Total General Revenues and Transfers					<u>69,603,191</u>	<u>(540,856)</u>	<u>69,062,335</u>
Change in Net Position					32,913,125	23,193,113	56,106,238
Net Position - Beginning of Year, Original					130,838,137	130,645,986	261,484,123
Restatement					(2,133,266)	(527,513)	(2,660,779)
Net Position - Beginning of Year, as Restated					<u>128,704,871</u>	<u>130,118,473</u>	<u>258,823,344</u>
Net Position - End of Year					<u>\$ 161,617,996</u>	<u>\$ 153,311,586</u>	<u>\$ 314,929,582</u>

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	General Fund	Community Redevelopment Agency	Airport Fund	Capital Project Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Investments	\$ 22,325,423	\$ 4,189,385	\$ 746,621	\$ 68,056,091	\$ 37,805,659	\$ 133,123,179
Investments - Reserved for Perpetual Care	-	-	-	-	473,995	473,995
Accounts Receivable	1,860,775	452	1,681	2,619	49,921	1,915,448
Lease Receivable	-	-	2,508,841	-	107,673	2,616,514
Due from Other Governments	18,301,924	-	152,499	283,599	458,885	19,196,907
Due from Other Funds	604,841	-	-	-	228,693	833,534
Advances to Other Funds	9,651,460	-	-	-	1,028,260	10,679,720
Inventory	-	-	-	-	30,161	30,161
Prepaid Items	262,459	5,445	8,584	12,940	914	290,342
Total Assets	<u>\$ 53,006,882</u>	<u>\$ 4,195,282</u>	<u>\$ 3,418,226</u>	<u>\$ 68,355,249</u>	<u>\$ 40,184,161</u>	<u>\$ 169,159,800</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 1,008,250	\$ 33,478	\$ 523,865	\$ 3,246,372	\$ 1,587,781	\$ 6,399,746
Accrued Liabilities	1,176,032	8,292	21,055	-	90,823	1,296,202
Due to Other Funds	-	-	43,257	123,527	107,102	273,886
Due to Other Governments	-	-	-	-	119,608	119,608
Advances from Other Funds	-	-	-	539,635	-	539,635
Unearned Revenue	6,760,245	4,494	16,011	-	50	6,780,800
Total Liabilities	<u>8,944,527</u>	<u>46,264</u>	<u>604,188</u>	<u>3,909,534</u>	<u>1,905,364</u>	<u>15,409,877</u>
Deferred Inflows of Resources:						
Unavailable Revenue	10,038,536	-	142,958	-	394,076	10,575,570
Lease Related Items	-	-	2,481,658	-	105,653	2,587,311
Total Deferred Inflows of Resources	<u>10,038,536</u>	<u>-</u>	<u>2,624,616</u>	<u>-</u>	<u>499,729</u>	<u>13,162,881</u>
Fund Balances:						
Nonspendable	9,913,919	5,445	8,584	12,940	31,075	9,971,963
Restricted	216,233	4,143,573	-	7,318,926	26,940,528	38,619,260
Committed	-	-	-	-	1,970,927	1,970,927
Assigned	105,180	-	180,838	57,113,849	8,836,538	66,236,405
Unassigned	23,788,487	-	-	-	-	23,788,487
Total Fund Balances	<u>34,023,819</u>	<u>4,149,018</u>	<u>189,422</u>	<u>64,445,715</u>	<u>37,779,068</u>	<u>140,587,042</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 53,006,882</u>	<u>\$ 4,195,282</u>	<u>\$ 3,418,226</u>	<u>\$ 68,355,249</u>	<u>\$ 40,184,161</u>	<u>\$ 169,159,800</u>

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
September 30, 2024

TOTAL FUND BALANCES FOR GOVERNMENTAL FUNDS		\$ 140,587,042
<p>Total net position reported for governmental activities in the statement of net position is different because:</p>		
<p>Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.</p>		
Costs of Capital Assets	\$ 241,801,820	
Accumulated Depreciation	(96,068,483)	
Total Capital Assets Added		145,733,337
<p>Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Accrued interest for governmental activities bonds is included in the statement of net position.</p>		
		(1,364,957)
<p>The City's net pension liability and related deferred outflows and inflows of resources for governmental activities are recorded only on the Statement of Net Position.</p>		
Net Pension Liability	(14,140,083)	
Deferred Outflows of Resources - Pension Related	2,872,259	
Deferred Inflows of Resources - Pension Related	(8,977,306)	
Total Pension Related Items		(20,245,130)
<p>The City's total other postemployment benefits liability and related deferred outflows and inflows of resources are recorded only on the Statement of Net Position.</p>		
Total OPEB Liability	(27,234,393)	
Deferred Outflows of Resources - OPEB Related	7,181,516	
Deferred Inflows of Resources - OPEB Related	(6,904,107)	
Total Pension Related Items		(26,956,984)
<p>Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
Bonds Payable	(80,340,000)	
Premium on Bond Issue	(3,635,124)	
SBITA Payable	(395,822)	
Accrued Compensated Absences	(4,078,114)	
Total Long-Term Liabilities		(88,521,955)
<p>Unavailable revenue is recorded in the funds to offset receivables that do not meet the criteria for revenue recognition in the current period.</p>		
		10,575,570
<p>Internal service funds are used by management to charge the costs of certain activities, such as employer health insurance and equipment maintenance, to individual funds.</p>		
		1,811,073
TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES		\$ 161,617,996

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Community Redevelopment Agency	Airport	Capital Project Fund	2021 Construction	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 43,447,838	\$ 4,317,583	\$ -	\$ -	\$ -	\$ -	\$ 47,765,421
Licenses and Permits	75,901	-	-	-	-	6,079,449	6,155,350
Intergovernmental	8,687,265	1,995	3,975,085	5,778,088	-	8,971,659	27,414,092
Charges for Services	3,983,884	-	1,316,808	-	-	296,880	5,597,572
Fines and Forfeitures	171,487	-	-	-	-	75,212	246,699
Rents	428,739	7,800	1,078,105	-	-	167,564	1,682,208
Investment Income	1,540,147	243,793	23,653	3,271,576	-	1,981,059	7,060,228
Other	945,982	1,000	83,552	-	-	14,729	1,045,263
Total Revenues	<u>59,281,243</u>	<u>4,572,171</u>	<u>6,477,203</u>	<u>9,049,664</u>	<u>-</u>	<u>17,586,552</u>	<u>96,966,833</u>
EXPENDITURES							
Current:							
General Government	9,887,378	-	-	-	-	5,500	9,892,878
Public Safety	25,293,041	-	-	-	-	1,993,650	27,286,691
Transportation	2,882,614	-	7,416,098	-	-	986,900	11,285,612
Economic Development	1,111,475	2,764,867	-	-	-	-	3,876,342
Human Services	-	-	-	-	-	1,595,930	1,595,930
Culture and Recreation	8,594,783	-	-	-	-	2,150,298	10,745,081
Capital Projects	-	-	-	16,519,386	-	10,827,655	27,347,041
Debt Service:							
Principal Retirement	142,404	-	-	-	-	3,629,816	3,772,220
Interest and Fiscal Charges	4,830	-	2,638	25,485	-	1,885,393	1,918,346
Other Debt Service	-	-	-	10,475	-	271,961	282,436
Total Expenditures	<u>47,916,525</u>	<u>2,764,867</u>	<u>7,418,736</u>	<u>16,555,346</u>	<u>-</u>	<u>23,347,103</u>	<u>98,002,577</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	11,364,718	1,807,304	(941,533)	(7,505,682)	-	(5,760,551)	(1,035,744)
OTHER FINANCING SOURCES (USES)							
Issuance of Revenue Bonds	-	-	-	-	-	24,235,000	24,235,000
Issuance Premium	-	-	-	-	-	2,056,444	2,056,444
Issuance of Leases and SBITAs	88,328	-	-	-	-	-	88,328
Transfers In	17,902,278	-	2,125,000	22,305,937	-	20,002,407	62,335,622
Transfers Out	(24,194,403)	(1,159,144)	(348,119)	-	-	(30,831,387)	(56,533,053)
Total Other Financing Sources (Uses)	<u>(6,203,797)</u>	<u>(1,159,144)</u>	<u>1,776,881</u>	<u>22,305,937</u>	<u>-</u>	<u>15,462,464</u>	<u>32,182,341</u>
NET CHANGE IN FUND BALANCES	5,160,921	648,160	835,348	14,800,255	-	9,701,913	31,146,597
Fund Balances (Deficit) - Beginning of Year	<u>28,862,898</u>	<u>3,500,858</u>	<u>(645,926)</u>	<u>33,624,218</u>	<u>16,021,242</u>	<u>28,077,155</u>	<u>109,440,445</u>
Restatement for Fund Consolidation	-	-	-	16,021,242	(16,021,242)	-	-
Fund Balances (Deficit) - Beginning of Year, as restated	<u>28,862,898</u>	<u>3,500,858</u>	<u>(645,926)</u>	<u>49,645,460</u>	<u>-</u>	<u>28,077,155</u>	<u>109,440,445</u>
FUND BALANCES - END OF YEAR	<u>\$ 34,023,819</u>	<u>\$ 4,149,018</u>	<u>\$ 189,422</u>	<u>\$ 64,445,715</u>	<u>\$ -</u>	<u>\$ 37,779,068</u>	<u>\$ 140,587,042</u>

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITY
GOVERNMENTAL ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 31,146,597

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

Capital outlay, reported as expenditures in governmental funds, are shown as capital assets in the statement of net position. 35,022,713

Depreciation of capital assets is not a use of financial resources to governmental funds; however, it is expensed in the statement of net position. (7,571,018)

In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in net position differs from the change in fund balance by the carrying value of the capital assets sold. (517,694)

The issuance of long-term debt (e.g., bonds, note payables and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Proceeds from Bonds	\$ (24,235,000)	
Bond and Note Payments	3,495,000	
Proceeds from Leases and SBITAs	(88,328)	
Lease and SBITA Payments	277,220	
Premium from Bonds	<u>(2,056,444)</u>	
Total Long-Term Debt		(22,607,552)

The amortization of bond premium and similar items do not require the use of financial resources of the governmental funds and, therefore, are not reported as expenditures in governmental funds:

Amortization of Deferred Charges on Refunding	33,684	
Amortization of Bond Premium	<u>128,314</u>	
Total Amortization		161,998

The (increase) decrease in certain accrued liabilities reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.

Net Change in OPEB Liability and Related Amounts	(902,213)	
Net Change in Accrued Compensated Absences	(372,919)	
Net Change in Bond Interest Payable	(515,700)	
Net Change in Net Pension Liability and Related Amounts	<u>474,643</u>	
Net Adjustment		(1,316,189)

Some revenues reported in the statement of activities will not be collected for several months after the fiscal year and, therefore, are not reported as revenue in the governmental funds. (2,105,113)

Internal service funds are used by management to charge the costs of insurance and equipment and vehicle maintenance to individual funds. The net expense of certain activities of internal service funds is reported with governmental activities. 699,383

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 32,913,125

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 41,589,060	\$ 41,589,060	\$ 43,447,838	\$ 1,858,778
Licenses and Permits	78,000	78,000	75,901	(2,099)
Intergovernmental	8,430,787	8,430,787	8,687,265	256,478
Charges for Services	3,930,789	3,930,789	3,983,884	53,095
Fines and Forfeitures	210,200	210,200	171,487	(38,713)
Rents	366,300	366,300	428,739	62,439
Investment Income	640,000	932,390	1,540,147	607,757
Other	896,200	896,200	945,982	49,782
Total Revenues	<u>56,141,336</u>	<u>56,433,726</u>	<u>59,281,243</u>	<u>2,847,517</u>
EXPENDITURES				
Current:				
General Government	10,682,117	10,688,868	9,887,378	801,490
Public Safety	26,766,288	27,058,678	25,293,041	1,765,637
Transportation	15,014,119	15,047,719	2,882,614	12,165,105
Economic Development	11,146,898	11,146,898	1,111,475	10,035,423
Culture and Recreation	9,274,333	9,484,464	8,594,783	889,681
Debt Service:				
Principal Retirement	-	-	142,404	(142,404)
Interest and Fiscal Charges	-	-	4,830	(4,830)
Total Expenditures	<u>72,883,755</u>	<u>73,426,627</u>	<u>47,916,525</u>	<u>25,510,102</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(16,742,419)	(16,992,901)	11,364,718	28,357,619
OTHER FINANCING SOURCES (USES)				
Issuance of Leases and SBITAs	-	-	88,328	88,328
Transfers In	9,808,208	9,808,208	17,902,278	8,094,070
Transfers Out	(18,050,943)	(23,436,962)	(24,194,403)	(757,441)
Total Other Financing Sources (Uses)	<u>(8,242,735)</u>	<u>(13,628,754)</u>	<u>(6,203,797)</u>	<u>7,424,957</u>
NET CHANGE IN FUND BALANCES	(24,985,154)	(30,621,655)	5,160,921	35,782,576
Fund Balances - Beginning of Year	<u>28,862,898</u>	<u>28,862,898</u>	<u>28,862,898</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 3,877,744</u>	<u>\$ (1,758,757)</u>	<u>\$ 34,023,819</u>	<u>\$ 35,782,576</u>

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT AGENCY FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 4,317,142	\$ 4,317,142	\$ 4,317,583	\$ 441
Intergovernmental	-	-	1,995	1,995
Miscellaneous:				
Rents	4,200	4,200	7,800	3,600
Investment Income	75,000	75,000	243,793	168,793
Other	-	-	1,000	1,000
Total Revenues	<u>4,396,342</u>	<u>4,396,342</u>	<u>4,572,171</u>	<u>175,829</u>
EXPENDITURES				
Current:				
Economic Development	<u>7,487,360</u>	<u>7,487,360</u>	<u>2,764,867</u>	<u>4,722,493</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,091,018)	(3,091,018)	1,807,304	4,898,322
OTHER FINANCING USES				
Transfers Out	<u>(1,159,144)</u>	<u>(1,159,144)</u>	<u>(1,159,144)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(4,250,162)	(4,250,162)	648,160	4,898,322
Fund Balances - Beginning of Year	<u>3,500,858</u>	<u>3,500,858</u>	<u>3,500,858</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ (749,304)</u>	<u>\$ (749,304)</u>	<u>\$ 4,149,018</u>	<u>\$ 4,898,322</u>

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
AIRPORT FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 6,292,620	\$ 6,292,620	\$ 3,975,085	\$ (2,317,535)
Charges for Services	1,106,600	1,106,600	1,316,808	210,208
Miscellaneous:				
Rents	1,034,365	1,034,365	1,078,105	43,740
Investment Income	-	-	23,653	23,653
Other	57,247	57,247	83,552	26,305
Total Revenues	<u>8,490,832</u>	<u>8,490,832</u>	<u>6,477,203</u>	<u>(2,013,629)</u>
EXPENDITURES				
Current:				
Transportation	10,108,949	10,347,389	7,416,098	2,931,291
Debt Service:				
Principal Retirement	41,564	41,564	-	41,564
Interest and Fiscal Charges	2,637	2,637	2,638	(1)
Total Expenditures	<u>10,153,150</u>	<u>10,391,590</u>	<u>7,418,736</u>	<u>2,972,854</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,662,318)	(1,900,758)	(941,533)	959,225
OTHER FINANCING SOURCES (USES)				
Transfers In	2,125,000	2,125,000	2,125,000	-
Transfers Out	(348,119)	(348,119)	(348,119)	-
Total Other Financing Sources (Uses)	<u>1,776,881</u>	<u>1,776,881</u>	<u>1,776,881</u>	<u>-</u>
NET CHANGE IN FUND BALANCES (DEFICITS)	114,563	(123,877)	835,348	959,225
Fund Balances (Deficit) - Beginning of Year	<u>(645,926)</u>	<u>(645,926)</u>	<u>(645,926)</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ (531,363)</u>	<u>\$ (769,803)</u>	<u>\$ 189,422</u>	<u>\$ 959,225</u>

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Business-Type Activities - Enterprise Funds				Governmental
	Water and Sewer	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
CURRENT ASSETS					
Cash and Investments	\$ 24,127,588	\$ 5,506,540	\$ 8,184,856	\$ 37,818,984	\$ 9,887,142
Cash With Fiscal Agent	-	-	370,316	370,316	-
Restricted Cash and Investments					
Customer Deposits	6,810,276	17,639	-	6,827,915	-
Receivables:					
Accounts	5,892,291	1,791,297	628,923	8,312,511	45,573
Less: Allowance for Doubtful Accounts	(269,029)	-	-	(269,029)	-
Leases	739,621	-	126,563	866,184	-
Due from Other Governments	7,379,399	-	120,000	7,499,399	-
Due from Other Funds	123,527	-	-	123,527	-
Advances to Other Funds	539,635	-	-	539,635	-
Inventories	2,103,937	-	89,467	2,193,404	221,385
Prepaid Items	10,747	647	19,793	31,187	78,902
Total Current Assets	<u>47,457,992</u>	<u>7,316,123</u>	<u>9,539,918</u>	<u>64,314,033</u>	<u>10,233,002</u>
NONCURRENT ASSETS					
Restricted Cash and Investments:					
Bond Asset Replacement Funds	5,483,941	-	-	5,483,941	-
Construction Funds	31,609,313	-	-	31,609,313	-
Debt Service	3,034,977	-	-	3,034,977	-
Total Restricted Assets	<u>40,128,231</u>	<u>-</u>	<u>-</u>	<u>40,128,231</u>	<u>-</u>
Capital Assets:					
Land	12,937,991	-	2,999,915	15,937,906	-
Construction in Progress	13,907,615	-	429,273	14,336,888	-
Building	8,512,446	849,104	431,135	9,792,685	214,392
Improvements Other than Buildings	221,040,817	10,654	13,432,560	234,484,031	430,249
Equipment	10,050,556	10,126,006	2,779,927	22,956,489	3,886,147
Right-to-Use Leased Equipment	-	222,870	-	222,870	732,817
Right-to-Use Subscription Software	167,581	136,026	-	303,607	2,003,116
	<u>266,617,006</u>	<u>11,344,660</u>	<u>20,072,810</u>	<u>298,034,476</u>	<u>7,266,721</u>
Less: Accumulated Depreciation	(130,312,733)	(7,165,830)	(9,455,359)	(146,933,922)	(5,098,249)
Net Capital Assets	<u>136,304,273</u>	<u>4,178,830</u>	<u>10,617,451</u>	<u>151,100,554</u>	<u>2,168,472</u>
Total Noncurrent Assets	<u>176,432,504</u>	<u>4,178,830</u>	<u>10,617,451</u>	<u>191,228,785</u>	<u>2,168,472</u>
Total Assets	<u>223,890,496</u>	<u>11,494,953</u>	<u>20,157,369</u>	<u>255,542,818</u>	<u>12,401,474</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension Related Items	248,493	40,226	29,381	318,100	163,264
OPEB Related Items	2,351,507	952,180	257,263	3,560,950	818,105
Deferred Charge on Debt Refunding	393,638	-	-	393,638	-
Total Deferred Outflows of Resources	<u>2,993,638</u>	<u>992,406</u>	<u>286,644</u>	<u>4,272,688</u>	<u>981,369</u>

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

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water and Sewer	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (DEFICIT)					
CURRENT LIABILITIES					
Accounts Payable	\$ 4,262,741	\$ 268,418	\$ 516,101	\$ 5,047,260	\$ 1,325,167
Accrued Liabilities	344,119	113,314	63,169	520,602	156,044
Due to Other Funds	-	-	683,175	683,175	-
Due to Other Governments	140,851	-	-	140,851	-
Claims Payable	-	-	-	-	1,748,553
Accrued Interest Payable	606,660	-	-	606,660	-
Current Portion of Bonds and Notes Payable	3,090,719	-	-	3,090,719	-
Current Portion of Lease Payable	-	42,232	-	42,232	145,330
Current Portion of SBITA Payable	11,423	41,373	-	52,796	328,792
Current Portion of Compensated Absences	989,297	260,522	112,447	1,362,266	678,912
Current Portion of Total OPEB Liability	250,732	90,315	28,068	369,115	72,725
Total	<u>9,696,542</u>	<u>816,174</u>	<u>1,402,960</u>	<u>11,915,676</u>	<u>4,455,523</u>
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS					
Customer Deposits	6,792,636	17,639	-	6,810,275	-
Total Current Liabilities	<u>16,489,178</u>	<u>833,813</u>	<u>1,402,960</u>	<u>18,725,951</u>	<u>4,455,523</u>
LONG-TERM LIABILITIES					
Advances from Other Funds	8,087,588	-	2,592,132	10,679,720	-
Bonds and Notes Payable (Net of Unamortized Premiums)	52,220,888	-	-	52,220,888	-
Lease Payable	-	135,336	-	135,336	289,079
SBITA Payable	-	42,956	-	42,956	42,863
Total OPEB Liability	8,666,863	3,520,625	947,543	13,135,031	3,029,751
Net Pension Liability	3,483,613	563,932	411,889	4,459,434	2,288,796
Total Long-Term Liabilities	<u>72,458,952</u>	<u>4,262,849</u>	<u>3,951,564</u>	<u>80,673,365</u>	<u>5,650,489</u>
Total Liabilities	<u>88,948,130</u>	<u>5,096,662</u>	<u>5,354,524</u>	<u>99,399,316</u>	<u>10,106,012</u>
DEFERRED INFLOWS OF RESOURCES					
Lease Related Items	667,499	-	126,569	794,068	-
Pension Related Items	1,841,069	298,034	217,681	2,356,784	1,209,615
OPEB Related Items	2,260,672	915,398	247,325	3,423,395	786,500
Total Deferred Inflows of Resources	<u>4,769,240</u>	<u>1,213,432</u>	<u>591,575</u>	<u>6,574,247</u>	<u>1,996,115</u>
NET POSITION (DEFICIT)					
Net Investment in Capital Assets	78,819,825	3,483,004	10,180,388	92,483,217	1,233,046
Restricted for:					
Revenue Bonds Debt Service	3,034,977	-	-	3,034,977	-
Renewal, Replacement and Improvements	37,093,254	-	-	37,093,254	-
Unrestricted (Deficit)	<u>14,218,708</u>	<u>2,694,261</u>	<u>4,317,526</u>	<u>21,230,495</u>	<u>47,670</u>
Total Net Position (Deficit)	<u>\$ 133,166,764</u>	<u>\$ 6,177,265</u>	<u>\$ 14,497,914</u>	<u>153,841,943</u>	<u>\$ 1,280,716</u>
				Adjustment to Reflect Consolidation of Internal Service Fund Activities Related to Enterprise Funds	<u>(530,357)</u>
				Net Assets of Business-Type Activities	<u>\$ 153,311,586</u>

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water and Sewer	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES					
Charges for Services	\$ 49,649,303	\$ 10,974,329	\$ 3,579,546	\$ 64,203,178	\$ 20,086,762
Tap Fees	759,621	-	-	759,621	-
Miscellaneous	592,471	27,776	30,186	650,433	783,421
Total Operating Revenues	<u>51,001,395</u>	<u>11,002,105</u>	<u>3,609,732</u>	<u>65,613,232</u>	<u>20,870,183</u>
OPERATING EXPENSES					
Personal Services	8,143,214	3,286,733	1,065,737	12,495,684	4,449,805
Material and Supplies	4,693,792	445,036	98,248	5,237,076	1,793,817
Depreciation	4,866,210	1,136,919	1,026,538	7,029,667	1,077,523
Other Services and Charges	18,761,059	4,297,484	2,797,045	25,855,588	12,967,411
Total Operating Expenses	<u>36,464,275</u>	<u>9,166,172</u>	<u>4,987,568</u>	<u>50,618,015</u>	<u>20,288,556</u>
OPERATING INCOME (LOSS)	14,537,120	1,835,933	(1,377,836)	14,995,217	581,627
NONOPERATING REVENUES (EXPENSES)					
Grants and Contributions	-	-	34,937	34,937	-
Investment Income	3,470,444	270,466	437,587	4,178,497	449,823
Interest Expense	(1,442,495)	(1,750)	(42,459)	(1,486,704)	(13,769)
Gain on Disposal of Assets	29,550	66,300	150	96,000	(20,299)
Total Nonoperating Revenues (Expenses)	<u>2,057,499</u>	<u>335,016</u>	<u>430,215</u>	<u>2,822,730</u>	<u>415,755</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	16,594,619	2,170,949	(947,621)	17,817,947	997,382
CAPITAL CONTRIBUTIONS AND TRANSFERS					
Capital Grants and Contributions	10,759,736	-	120,000	10,879,736	-
Transfers In	-	-	505,999	505,999	-
Transfers Out	(4,729,960)	(1,241,825)	-	(5,971,785)	(336,783)
Total Capital Contributions and Transfers	<u>6,029,776</u>	<u>(1,241,825)</u>	<u>625,999</u>	<u>5,413,950</u>	<u>(336,783)</u>
CHANGE IN NET POSITION (DEFICIT)	22,624,395	929,124	(321,622)	23,231,897	660,599
Net Position - Beginning of Year, Original	110,950,441	5,323,381	14,863,737		931,655
Restatement	(408,072)	(75,240)	(44,201)		(311,538)
Net Position - Beginning of Year, As Restated	<u>110,542,369</u>	<u>5,248,141</u>	<u>14,819,536</u>		<u>620,117</u>
NET POSITION - END OF YEAR	<u>\$ 133,166,764</u>	<u>\$ 6,177,265</u>	<u>\$ 14,497,914</u>		<u>\$ 1,280,716</u>

Some Amounts Reported for Business-Type Activities in the Statement of Activities are Different Because the Net Revenue (Expense) of Certain Internal Service Funds is Reported with Business-Type Activities.

(38,784)

Change in Net Position of Business-Type Activities

\$ 23,193,113

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities - Enterprise Funds			Total	Governmental
	Water and Sewer	Solid Waste	Other Enterprise Funds		Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	\$ 50,795,131	\$ 10,632,795	\$ 3,563,678	\$ 64,991,604	\$ 20,947,743
Cash Paid to Employees for Services	(25,485,167)	(5,187,344)	(1,033,275)	(31,705,786)	(3,488,864)
Cash Paid to Suppliers for Goods and Services	(8,391,724)	(2,856,231)	(2,905,289)	(14,153,244)	(14,469,810)
Net Cash Provided by					
Operating Activities	16,918,240	2,589,220	(374,886)	19,132,574	2,989,069
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Grants and Contributions	527,182	-	34,937	562,119	-
Advances from Other Funds	-	-	(69,592)	(69,592)	-
Transfers from Other Funds	-	-	505,999	505,999	-
Transfers to Other Funds	(4,729,960)	(1,241,825)	-	(5,971,785)	(336,783)
Repayment of Advances To Other Funds	8,206,873	-	-	8,206,873	-
Repayment of Advances From Other Funds	-	-	(37,680)	(37,680)	-
Net Cash Provided (Used) by Noncapital and Related Financing Activities	4,004,095	(1,241,825)	433,664	3,195,934	(336,783)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital Grants and Contributions	91,000	-	938,803	1,029,803	-
Interest Paid	(1,389,094)	(1,750)	(42,459)	(1,433,303)	(13,769)
Acquisition and Construction of Capital Assets	(18,267,871)	(483,277)	(612,328)	(19,363,476)	558,911
Proceeds from Sale of Assets	29,550	66,300	150	96,000	(20,299)
Principal Payments on Bonds and Notes	(2,481,070)	-	-	(2,481,070)	-
Principal Payments on SBITAs and Leases	-	(79,902)	-	(79,902)	(1,681,712)
Receipts from Leasing Activities	(21,756)	-	495	(21,261)	-
Net Cash Used by Capital and Related Financing Activities	(22,039,241)	(498,629)	284,661	(22,253,209)	(1,156,869)
CASH FLOWS FROM INVESTING ACTIVITIES					
Net Investment Income	3,470,444	270,466	437,587	4,178,497	449,823
Net Cash Provided by Investing Activities	3,470,444	270,466	437,587	4,178,497	449,823
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,353,538	1,119,232	781,026	4,253,796	1,945,240
Cash and Cash Equivalents - Beginning of Year	68,712,557	4,404,947	7,774,146	80,891,650	7,941,902
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 71,066,095</u>	<u>\$ 5,524,179</u>	<u>\$ 8,555,172</u>	<u>\$ 85,145,446</u>	<u>\$ 9,887,142</u>

See accompanying Notes to Financial Statements.

**CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2024**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water and Sewer	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 14,537,120	\$ 1,835,933	\$ (1,377,836)	\$ 14,995,217	\$ 581,627
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	4,866,210	1,136,919	1,026,538	7,029,667	1,077,523
(Increase) Decrease in Assets and Deferred Outflows of Resources:					
Accounts Receivable	(733,108)	(386,575)	(98,556)	(1,218,239)	77,560
Inventories	(987,578)	-	(16,389)	(1,003,967)	(17,618)
Prepaid Items	24,520	(608)	82,888	106,800	29,538
Due from Other Governments	-	-	52,502	52,502	-
Deferred Outflows of Resources- Pension Related Items	828,285	146,301	85,948	1,060,534	404,648
Deferred Outflows of Resources- OPEB Related Items	(1,508,104)	(648,380)	(162,850)	(2,319,334)	(573,476)
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:					
Accounts Payable	(1,089,771)	(444,216)	(76,495)	(1,610,482)	279,498
Accrued Liabilities	48,388	21,055	25,610	95,053	26,297
Due to Other Governments	22,513	-	-	22,513	-
Customer Deposits	526,844	17,265	-	544,109	-
Compensated Absences	83,172	73,338	11,805	168,315	48,867
Total OPEB Liability	2,569,962	1,324,477	265,038	4,159,477	1,261,339
Net Pension Liability	(3,308,092)	(612,572)	(315,542)	(4,236,206)	(1,293,260)
Deferred Inflows of Resources- Pension Related Items	1,752,954	282,770	208,243	2,243,967	1,163,142
Deferred Inflows of Resources- OPEB Related Items	(715,075)	(156,487)	(85,790)	(957,352)	(76,616)
Net Cash Provided by Operating Activities	<u>\$ 16,918,240</u>	<u>\$ 2,589,220</u>	<u>\$ (374,886)</u>	<u>\$ 19,132,574</u>	<u>\$ 2,989,069</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Contributions of Capital Assets by Developers	<u>\$ 10,668,736</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,668,736</u>	<u>\$ -</u>
Issuance of SBITAs and Leases	<u>\$ -</u>	<u>\$ 242,674</u>	<u>\$ -</u>	<u>\$ 242,674</u>	<u>\$ 1,083,740</u>
Accrual for Loan Proceeds	<u>\$ 5,772,825</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,772,825</u>	<u>\$ -</u>
Capital Additions Funded by Accounts Payable	<u>\$ 2,555,056</u>	<u>\$ 433,929</u>	<u>\$ 437,063</u>	<u>\$ 3,426,048</u>	<u>\$ 129,362</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITIONS					
Cash, Investments, and Cash Equivalents	\$ 24,127,588	\$ 5,506,540	\$ 8,184,856	\$ 37,818,984	\$ 9,887,142
Cash With Fiscal Agent	-	-	370,316	370,316	-
Restricted Assets:					
Customer Deposits	6,810,276	17,639	-	6,827,915	-
Renewal And Replacement Funds	5,483,941	-	-	5,483,941	-
Expansion Funds	31,609,313	-	-	31,609,313	-
Debt Service	3,034,977	-	-	3,034,977	-
Total Cash, Investments, and Cash Equivalents	<u>\$ 71,066,095</u>	<u>\$ 5,524,179</u>	<u>\$ 8,555,172</u>	<u>\$ 85,145,446</u>	<u>\$ 9,887,142</u>

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024

	<u>Employee Retirement Funds</u>
ASSETS	
Prepaid Items	\$ 12,058
Investments:	
Short-Term Money Market Funds	12,162,607
US Government Obligations	10,362,905
Mutual Funds Fixed	5,228,390
Mortgage Backed Securities	11,366,564
Municipal Obligations	234,693
Collateralized Mortgage Obligations	2,680,799
Corporate Bonds	6,206,398
Foreign Bonds	167,994
Equity Mutual Funds	14,346,281
Domestic Equities	76,361,727
International Equities	19,322,829
Real Estate Fund	14,500,070
Total Investments	<u>172,941,257</u>
Receivables:	
Contribution Receivables	98,954
Interest and Dividends Receivable	233,608
Total Receivables	<u>332,562</u>
Total Assets	<u>173,285,877</u>
LIABILITIES	
Accounts Payable	<u>675,937</u>
NET POSITION	
Net Position Restricted for Pensions	<u><u>\$ 172,609,940</u></u>

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Employee Retirement Funds
ADDITIONS	
Contributions:	
Employer	\$ 4,226,766
Employee	1,392,713
State	1,200,692
Total Contributions	6,820,171
Investments Income	32,520,068
Less: Investment Expenses	(649,282)
Net Investment Loss	31,870,786
Miscellaneous Revenue	74,925
Total Additions	38,765,882
DEDUCTIONS	
Benefits	11,397,040
Refunds	146,942
Administrative Expenses	428,552
Total Deductions	11,972,534
CHANGE IN NET POSITION	26,793,348
NET POSITION RESTRICTED FOR PENSIONS	
Net Position - Beginning of Year	145,816,592
Net Position - End of Year	\$ 172,609,940

See accompanying Notes to Financial Statements.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Winter Haven (the City) conform to accounting principles generally accepted in the United States as applicable to governmental units. The accompanying summary of significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies, as presented, should be reviewed as an integral part of the accompanying financial statements.

A. Reporting Entity

The City was created and re-established as a municipal government when its present charter was approved by voters at a general referendum on October 2, 1973 and by Laws of Florida, Chapter 73-660.

These financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The blended component unit, although a legally separate entity, is in substance part of the City's operations. The Community Redevelopment Agency, (CRA), authorized by Chapter 163, Florida Statutes, is a legally separate entity, but since the City Commission also serves as its governing board, it is reported as a blended component unit. Management of the City has operational responsibility for the CRA. The CRA consists of two distinct geographic districts: Downtown and Florence Villa. The CRA's fiscal year ends on September 30. Separate financial statements for the CRA may be obtained by writing to the Winter Haven Community Redevelopment Agency, 451 Third Street NW, Winter Haven, Florida 33881.

The City maintains three single-employer, defined benefit pension plans for which the government is considered to be financially accountable. The fiduciary component units are reported as part of the aggregate remaining fund information. See Note 11 for additional information regarding these plans.

B. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Administrative overhead charged by the General Fund to other funds are included in the direct expenses of other functions in the Statement of Activities.

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.

Fund Accounting

The City organizes its accounts on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, deferred outflows of resources, liabilities, and deferred inflows of resources, fund balance/net position, revenues and expenditures or expenses, as appropriate. The City has the following funds:

Governmental Fund Types

Governmental fund types are those funds through which most governmental functions are typically financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets and liabilities, the fund equity, is referred to as "fund balance." The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The City electively added the Community Redevelopment Agency as a major fund due to its specific community focus. The following comprise the City's major governmental funds:

- **General Fund** – The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. Many of the more important activities of the City, including operation of the City's general service departments; street and highway maintenance; public safety; and parks and recreation programs are accounted for in this fund.
- **Community Redevelopment Agency Fund** – The Community Redevelopment Agency Fund was established pursuant to F.S. Chapter 163 to account for the operations of the CRA. Revenue is generated from ad-valorem taxes in the redevelopment district. The CRA is reported as a special revenue fund of the City.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Governmental Fund Types (Continued)

- **Airport Fund** – The Airport Fund is a special revenue fund established by Resolution No. R-10-15 to assure that all revenue generated by the airport will be expended for capital or operating costs. This is to comply with the Joint Participation Agreement with the Florida Department of Transportation for multiple projects at the Winter Haven Municipal Airport
- **Capital Project Fund** – The Capital Project Fund is a capital projects fund used to account for resources from the 2015 and 2021 Construction Bonds used in the acquisition and construction of capital facilities and other capital assets.

The other governmental funds of the City are considered nonmajor and are as follows:

Special Revenue Funds – Special Revenue Funds are used to account for revenues derived from specific sources, which are usually required by law, regulation, or administrative action to be accounted for in separate funds.

The following nonmajor funds are included in this fund type:

Library Fund was established by the Polk County Library Cooperative Interlocal Agreement for 2014 through 2024. Polk County (the County) is an eligible political subdivision under Florida Statutes (F.S.) 257.17 and may participate in the State Aid to Libraries Program. Polk County enacted an ordinance allowing them to levy an impact fee to provide for library capital improvements required by growth within Polk County. Also, Polk County can levy ad-valorem taxes to unincorporated areas to fund new libraries. The cooperative agreement is considered restricted revenue and is utilized for operations first. Additional financing is provided by membership fees and donations from the General Fund and the public.

Cemetery Fund was established by Ordinance No. O-85-13 to provide adequate revenue to cover all operating expenses, capital improvements, debt service and to provide a contribution to the perpetual care fund. Revenues are generated from interment space sales, interment fees, monument costs and other charges.

Community Development Grant Fund was established due to grant requirements to account for the receipt and expenditure of Community Development Block Grant funds.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Governmental Fund Types (Continued)

Special Revenue Funds (Continued)

SHIP Grant Fund was established due to grant requirements. The State Housing Initiatives Partnership Program was created by Florida Statute Chapter 420.9072 for the purpose of providing funds to counties and eligible municipalities as an incentive for the creation of local housing partnerships, to expand production of and to preserve affordable housing, to further the housing element of the local government comprehensive plan specific to affordable housing, and to increase housing-related employment.

Police Training, Confiscation, and Abandoned Property Fund was established by the several Florida Statutes to account for asset seizures and training expenses related to law enforcement. State and local forfeitures are considered restricted based upon F.S. Chapter 932. Police training monies are received monthly from the office of the Polk County Clerk of the Circuit Court and Polk County Sheriff's Office. The source of these funds is a \$2 per conviction fee for violation of municipal or county ordinance under F.S. 938.15. The fees are used to pay expenditures for programs and courses for training police officers. Unclaimed evidence is also restricted based upon F.S. 705. The City receives funds from federal agencies as a result of Winter Haven police cooperation in federal investigations. The funds must be spent in accordance with federal regulations. No budget is adopted for this fund.

Building Safety Fund was established by F.S. 468.631 and F.S. 553.721 to account for the operations of building and permitting. Revenues are generated from permits, inspections, planning reviews and other charges for service.

Impact Fees Fund was established by Ordinance No. O-06-44 to charge impact fees for police, fire, library, and parks and recreational services. In addition, the City passed Ordinance No. O-06-45 to charge impact fees related to new development, which necessitates new roads and related facilities. Water and sewer impact fees are accounted for in the Water and Sewer Fund.

Federal Building Fund was established by Resolution No. R-03-13 to account for activities of the Federal Building. The building is considered a historical monument. Rental income in excess of repair, rehabilitation, restoration, and maintenance is used by the City only for public historic preservation, park, and recreational purposes as enunciated in its Program of Preservation and Utilization.

Affordable Housing Fund was established by Ord O-21-59 to provide for additional flexibility to meet varied and evolving housing needs and priorities while enabling the development and provision of affordable housing that is safe, sound and financially viable within the municipal limits of the City.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Debt Service Funds – The debt service funds are used to account for the funding and payment of interest and principal of general obligation and tax increment debt of the City.

Capital Project Funds – The capital project funds are used to account for resources used in the acquisition and construction of capital facilities and other capital assets, with the exception of those that are financed through proprietary funds.

Proprietary Fund Types

Proprietary fund types are used to account for a government's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position, and cash flows.

Enterprise Funds – The Enterprise Funds are used to finance and account for the acquisition, operation and maintenance of the City's facilities and services which are supported primarily by user charges. The following comprise the City's major enterprise funds:

Water and Sewer Fund – To account for the operation and maintenance of the City's Water and Sewer System.

Solid Waste Fund – To account for the operation and maintenance of the City's Solid Waste Collection System.

The other enterprise funds of the City are considered nonmajor and are as follows:

Willowbrook Golf Course Fund – To account for the operation and maintenance of the City's municipal golf course.

Stormwater Fund – To account for the operation and maintenance of the City's Stormwater Management Services System.

Dark Fiber Fund – To account for the operation and maintenance of the City's Dark Fiber Services System.

Internal Service Funds – The Internal Service Funds are used to finance and account for services and commodities provided by designated departments or agencies to other departments and agencies of the City on a cost reimbursement basis. The following funds are included in this fund type:

Self-Insurance Fund – To account for the costs of providing health insurance to all covered City employees, retirees and dependents.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Internal Service Funds (Continued)

General Services Fund – To account for the costs of providing centralized services to other City departments. The services provided are human resources, engineering, facilities support, and information technology.

Central Garage Fund – To account for the costs of operating a maintenance facility for automotive equipment used by other City departments. The automotive equipment itself is acquired and owned by the various user departments which are also responsible for financing replacement vehicles as necessary through contributions to the Capital Projects Fund.

Fiduciary Fund Types

Fiduciary fund types are used to account for assets held by a governmental unit in a trustee capacity or as fiduciary for individuals, private organizations, other governmental units and / or other funds.

Employee Retirement Funds – To account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by respective pension boards with City commission approval and by the City at amounts determined by an annual actuarial study.

In addition, the state of Florida remits income received from a 0.85% excise tax on casualty insurance premiums, per Florida Statutes 185.08, to the Municipal Firefighters' Pension Fund and the Municipal Police Officers' Pension Fund. These are considered on-behalf payments for the benefit of the City's police officers and firefighters and the \$1,137,434 at September 30, 2024 was included as revenues and expenditures of the General Fund.

The following funds are included in this fund type:

General Employees' Pension Fund – Accounts for pension funds for eligible current and former employees (hired prior to November 20, 2017) of the City except those currently participating in the Firefighters' Pension, Police Officers' Pension, or Director 401(a) Plan.

Municipal Firefighters' Pension Fund – Accounts for pension funds of qualified current and former employees of the City's Firefighting Department.

Municipal Police Officers' Fund – Accounts for pension funds of qualified current and former employees of the City's Police Department.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including lease and SBITA liabilities, as well as expenditures related to compensated absences, pensions, other postemployment benefits, and claims and judgments, are recognized based on specific accounting rules applicable to each, generally when payment is due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded and the availability criteria. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

Property taxes, sales taxes, and franchise taxes 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. Licenses and permits, fines and forfeitures, charges for sales and services (other than utility) and miscellaneous revenues are generally recorded as revenue when received in cash because they are generally not measurable until actually received. In the category of use of money and property, property rentals are recorded as revenue when received in cash, but investment earnings are recorded as earned, since they are measurable and available.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

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. 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.

The City's fiduciary funds are presented in the fund financial statements by type (pension). Since, by definition, these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Cash and Pooled Cash Investments

All of the City's cash and investments, except pension funds and certain bond related investments, are combined in a pooled cash accounting system to allow the investment of idle cash for short periods of time, thereby maximizing interest earnings for the City as a whole. Interest earned on pooled cash is allocated to each fund participating in the pool on a pro-rata basis. Funds which incur negative equity balances in the pooled cash incur a charge for interest.

Statement of Cash Flows

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Investments

Investments, which are comprised of FL PRIME and pension fund monies deposited with various trustees that are recorded at fair value.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Investments (Continued)

The City invests funds throughout the year with Florida PRIME, an investment pool administered by the State Board of Administration (SBA), under the regulatory oversight of the state of Florida. Investments in Florida PRIME are made pursuant to Chapter 125.31, Florida Statutes. The investments are not categorized because they are not evidenced by securities that exist in physical or book entry form. Throughout the year and as of September 30, 2024, the SBA contained certain floating and adjustable rate securities. These investments represent 28.3% of Florida PRIME’s portfolio at September 30, 2024.

Florida PRIME meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost, as a cash equivalent.

The dollar weighted average days to maturity (WAM) of Florida PRIME as of September 30, 2024 was 39 days. Next interest rate reset dates for floating securities are used in the calculation of the WAM. The weighted average life (WAL) of the Florida PRIME at September 30, 2024 was 74 days. Investments in Florida PRIME must carry an “AAAm” rating from Standard and Poor’s. On September 30, 2024, Standard and Poor’s Ratings Services assigned the Florida PRIME an “AAAm” principal stability funding rating.

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states “The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days.”

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Investments (Continued)

As of September 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

Fair Value Measures

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. For Level 2 securities, the pricing methodology involves the use of evaluation models such as matrix pricing, which is based on the securities' relationship to benchmark quoted prices. Level 3, unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

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 noncurrent 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 reported in the general fund financial statements are classified as nonspendable fund balance to indicate that they are not available for appropriation and do not constitute available spendable resources.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Property Taxes

Under Florida Law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are designed to assure a consistent property valuation method statewide.

State statutes permit cities to levy property taxes at a rate of up to 10 mills. The millage rate in effect for the fiscal year ended September 30, 2024 was 6.5900.

The tax levy of the City is established by the City Commission prior to October 1 of each year and the Polk County Property Appraiser incorporates the millages into the total tax levy, which includes the municipalities, independent districts, and County School Board tax requirements.

All property is reassessed according to its fair value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the roll meets all of the appropriate requirements of state statutes.

All taxes are due and payable on November 1 (levy date) of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount.

Delinquent taxes on real property bear interest of up to 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

Delinquent taxes on personal property bear interest of up to 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Inventories and Prepaid Items

Inventories are stated at cost on the basis of the "first-in, first-out" method of accounting, except for the Water and Sewer Fund, and the Central Garage Fund parts inventories. Inventories in the Special Revenue Funds consist of expendable supplies held for consumption (consumption method). Governmental fund inventories are classified as nonspendable fund balance, which indicates that they do not constitute available spendable resources.

The Water and Sewer, and Central Garage inventories are stated at the lower of cost or market on the basis of weighted average cost. The effect of this method is to price and charge inventory to operations on the basis of average prices paid for the items, weighted according to the quantity purchased at each price.

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 using the consumption method of accounting. Under the consumption method, services paid for in advance are reported as an asset until the period in which the services are actually consumed.

Capital Assets

Capital assets, including land, buildings, improvements, infrastructure, equipment, and right-to-use lease assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an initial useful life in excess of two years. Such assets are recorded at historical cost if purchased or constructed and at an estimated historical cost where no historical records exist. Donated capital assets are recorded at estimated acquisition value at the date of donation.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation is provided using the straight-line method over the estimated useful lives of the various classes of depreciable assets as follows:

<u>Assets</u>	
Buildings	30 to 50 Years
Infrastructure Systems	25 to 100 Years
Improvements Other than Buildings	10 to 33 Years
Equipment	3 to 33 Years
Right-to-use Lease Buildings	Lease Term
Right-to-use Lease Equipment	Lease Term
Right-to-use Subscription Software	Subscription

The term depreciation (and related forms of the term) includes amortization of intangible assets. The City's collection of works of art, library books, and other similar assets are not capitalized. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved and subject to City policy that requires proceeds from the sale of these items to be used to acquire other collection items.

Leases – Lessee and Lessor

The City is a lessee for noncancellable leases of equipment and buildings. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the applicable governmental activities or business-type activities in the government-wide and in the proprietary fund financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)
Leases – Lessee and Lessor (Continued)

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the City is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long- term debt on the statement of net position.

The City is a lessor for noncancellable leases of buildings, infrastructure systems, and equipment. The City recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities or business-type activities in the government-wide and in the governmental and proprietary 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 WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Leases – Lessee and Lessor (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 noncancellable 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.

Subscription-Based Information Technology Arrangements (SBITAs)

The City is a user of certain subscription software arrangements. The City recognizes an intangible right-to-use asset and corresponding liability for those transactions in the governmental and business-type activities of the government-wide and proprietary fund financial statements. The City recognizes SBITA liabilities with an initial, individual value of \$5,000 or more. SBITA assets are reported with other capital assets and SBITA liabilities are reported with long- term debt on the statement of net position.

At the commencement of a SBITA, the City initially measures the SBITA liability at the present value of payments expected to be made during the subscription term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for SBITA payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized in a systematic and rational manner over the shorter of the SBITA term or the useful life of the underlying asset.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has multiple items that qualify for reporting in this category including the deferred charge on refunding, differences between expected and actual experience, changes in actuarial assumptions, and projected versus actual earnings on pension plan investments, and changes in actuarial assumptions related to the OPEB valuation. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Deferred Outflows/Inflows of Resources (Continued)

This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other amounts will be recognized as increases in pension expense and OPEB expense in future years.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The City has multiple pension and OPEB related items that qualify for reporting in this category including changes in assumptions, projected versus actual earnings on pension plan investments, and differences between expected and actual experience. The statement of net position and the governmental funds balance sheet also report a deferred inflow of resources related to leases.

The City also has items which arise only under a modified accrual basis of accounting that qualify for reporting as deferred inflows of resources in the governmental funds balance sheet. The governmental funds report unavailable revenues for revenue collected after the period of availability. The amounts are deferred and recognized as an inflow of resources in the period in which the amounts become available.

Compensated Absences

The City records the portion of accumulated unused compensated absences, more likely than not, to be used or paid out based on each employee's accumulated unused hours and rate of pay, plus certain salary-related fringe benefits. All accumulated unused compensated absences are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is normally reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

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. Bond premiums and discounts on bonds, are 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 bond premiums, discounts, and costs related to bond refundings during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Unearned Revenues

Unearned revenues in the governmental funds and in the government-wide statement of net position represent amounts which have been received but are not yet earned.

Fund Balances

The classifications of fund balances are described as follows:

Nonspendable – Amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and generally long-term items such as advances to other funds or amounts that are required to be maintained intact (corpus of a permanent fund).

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

Committed – Amounts that can be used only for specific purposes determined by a formal action (ordinance) of the Commissioners, the City’s highest level of decision making authority. Commitments may be changed or lifted only by the Commission taking the same formal action (ordinance) that imposed the constraints originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and nonrecurring.

Assigned – Amounts intended to be used by the City for specific purposes. According to the City’s fund balance policy, this includes spendable fund balance amounts established by the City Commission or City Management that are neither restricted nor committed. The City’s fund balance policy does not describe the specific action required to assign fund balance.

Unassigned – Includes the residual classification for the general fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Fund Balances (Continued)

The City spends restricted amounts first, when both restricted and unrestricted fund balance is available, unless prohibited by legal documents, grant agreements or contracts. Additionally, the City uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The Government Finance Officers Association recommends, at a minimum, that general-purpose governments, regardless of size, incorporate a financial policy maintaining unassigned fund balance in the general fund of no less than two months (17%) of regular general fund operating revenues or regular general fund operating expenditures. The Commission established the targeted minimum reserve balance in the City's General Fund Unassigned Fund Balance equal to 17% of the General Fund's current fiscal year operating expenditures and transfers out budgeted for the fund. For purposes of this calculation, the current fiscal year budget shall be the budget as originally adopted by resolution on or before September 30th for the subsequent fiscal year. The required balance as of September 30, 2024 was approximately \$12,667,544.

The City strives to maintain adequate levels of fund balance to mitigate risks and provide a back-up for revenue shortfalls. If, at the end of any fiscal year, the actual amount of Unassigned Fund Balance falls below the targeted levels set forth herein, a plan shall be established to achieve the target by adding a designated amount to the budget to cover the deficiency over a period not to exceed five fiscal years.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted resources are used first to fund appropriation. Below are the proprietary funds and certain fiduciary fund restrictions:

Restricted for Revenue Bonds Debt Service – Restricted for payment of principal and interest on revenue bonds.

Restricted for Renewal, Replacement, and Improvements – Restricted for meeting of various contingencies as may be so specified and defined in the indenture.

Restricted for Pensions – Restricted for payment of employee retirement benefits.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Interfund Transactions

Transactions between City funds that would be treated as revenues and expenditures or expenses if they involved organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved.

Transactions which constitute reimbursements to a fund for expenditures or expenses made from it which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the reimbursed fund.

Transactions which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective funds' operating statements.

Interfund receivables and payables in the amount of \$174,941 between governmental funds must be eliminated for the statement of net position.

Transfers in and transfers out in the amount of \$46,408,070 between governmental activities are eliminated.

Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the basic financial statements. Actual results could differ from estimates.

Adoption of New Accounting Standards:

In June 2022, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. This standard defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. The implementation resulted in changes to presentation for a combination of funds in the current fiscal year. Additional information can be found at note 16.

In June 2022, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 101, *Compensated Absences*. This standard enhances the recognition, measurement, and disclosure requirements for compensated absences, replacing previous guidance under GASB Statement No. 16. The implementation resulted in changes to the presentation of a combination of government-wide funds in the current fiscal year. Additional information can be found at note 16.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- The City Manager submits to the City Commission a proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the sources of revenues to finance those expenditures. The budgets are prepared in accordance with GAAP.
- Public hearings are conducted to obtain taxpayer comments.
- The budget is approved by the Commission and becomes the basis for the millage levied by the Commission.
- The City Commission must approve transfers between departments.
- The City legally adopts annual budgets for the General Fund, most Capital Projects, and certain Special Revenue Funds (Community Redevelopment, Library, Airport, Cemetery, SHIP Grants, Building Safety, Impact Fees, Federal Building, and Affordable Housing). Budgets for the General and budgeted Special Revenue Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America at the department level. Budgets for Capital Projects Funds are adopted annually based on the amount to be spent in the fiscal year, not for the length of the project. The City does not adopt annual budgets for the Capital Depletion Fund or the debt service funds. Florida Statutes require only the General Fund to legally adopt an annual budget.
- Budgeted amounts are as originally adopted, and as amended, in accordance with City ordinance. Appropriations not expended at the end of each fiscal year lapse and become subject to future appropriation.
- Supplemental budget appropriations were made during the current year.
- Section 40 of the City's Charter makes it unlawful to expend or contract for the expenditure, in any fiscal year, of more than the amount appropriated by the City Commission. The Commission appropriates monies for expenditures on a departmental and fund basis.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Deficit Fund Equity

The General Services Fund had a deficit net position of \$1,176,061 at September 30, 2024. Management believes this deficit will be recovered through operations in future years.

The Central Garage Fund had a deficit net position of \$814,704 at September 30, 2024. Management believes this deficit will be recovered through operations in future years.

NOTE 3 CASH AND INVESTMENTS

Custodial Credit Risk

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its deposits and securities that are in the possession of an outside party.

At September 30, 2024, the bank balance of the City's deposits was \$21,270,911. The City also had \$9,034 cash on hand at September 30, 2024.

All balances in excess of the Federal Deposit Insurance Corporation (FDIC) for demand and time deposits are fully collateralized pursuant to Chapter 280, Florida Statutes. The City's investment policy requires that the deposit be entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

The City's investment policy requires that securities be secured through third-party custody in the City's name and safekeeping procedures. All of the City's investments are held by the counterparties' trust departments in the City's name.

Investments

Statutes authorize the City to invest excess monies in the Florida PRIME, S.E.C. registered money market funds, interest-bearing time deposits or savings accounts in qualified public depositories and in direct obligations of the U.S. Treasury. All of the City's investments are in Florida PRIME except those investments related to the pension funds.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

State statutes limit the pension funds to the following types of investments: (1) annuity and life insurance contracts with life insurance companies, (2) 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, (3) obligations of the United States or obligations guaranteed as to principal and interest by the government of the United States, (4) stocks, commingled or mutual funds, bonds or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States, or state or organized territory of the United States, or the District of Columbia, (5) international securities, not to exceed at market value 25% or 15% at cost of the Funds' assets, and (6) real estate investments in an amount not to exceed at cost value 15% of the Funds' assets.

At September 30, 2024, the City's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>
Florida PRIME	\$ 208,206,153
Short-Term Money Market Funds	12,162,607
Collateralized Mortgage Obligations	2,680,800
US Government Obligations	10,362,905
Mortgage Backed Securities	11,366,565
Corporate Bonds	6,206,398
Foreign Bonds	167,994
Equity Mutual Funds	14,346,281
Municipal Obligations	234,693
Mutual Funds Fixed	5,228,390
Domestic Equities	76,361,726
International Equities	19,322,829
Real Estate Fund	14,500,070
Total Investments	<u>\$ 381,147,411</u>

Reconciliation of deposits and investments to amounts shown on statement of net position and statement of fiduciary net position:

Deposits	\$ 20,423,608
Investments	381,147,411
Total	<u>\$ 401,571,019</u>
Statement of Net Position:	
Cash and Investments	\$ 180,829,305
Restricted Cash and Investments	47,800,457
Statement of Fiduciary Net Position:	
Investments	172,941,257
Total Cash and Investments	<u>\$ 401,571,019</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

- **Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As of September 30, 2024, the City had the following investments and maturities:

Investment Maturities (in Years)

<u>Investment Type</u>	<u>Less Than One</u>	<u>One to Five</u>	<u>Six to Ten</u>	<u>More Than Ten</u>	<u>Total Fair Value</u>
Florida PRIME	\$ 208,206,153	\$ -	\$ -	\$ -	\$ 208,206,153
United States Treasuries	154,231	1,373,190	5,691,987	3,143,497	10,362,905
Government Agencies:					
FHLMC	298	1,080,493	593,662	2,808,519	4,482,972
FNMA	179	188,955	60,109	3,950,783	4,200,026
GNMA	-	-	10,945	657,709	668,654
Commercial Asset-Backed Securities	-	75,655	295,164	1,644,093	2,014,912
Consumer Asset-Backed Securities	-	-	-	-	-
Municipal Obligations	-	-	16,374	218,319	234,693
Collateralized Mortgage Obligations	-	209,368	673,322	1,798,110	2,680,800
Corporate Bonds	201,675	1,666,089	1,754,105	2,584,529	6,206,398
Foreign Bonds	-	63,518	75,122	29,354	167,994
Total	<u>\$ 208,562,536</u>	<u>\$ 4,657,268</u>	<u>\$ 9,170,790</u>	<u>\$ 16,834,913</u>	<u>\$ 239,225,507</u>

The mortgage pools include collateralized mortgage backed securities. In management's opinion, the credit and legal risk associated with these investments is comparable to other investments within the portfolio. The collateralized mortgage backed securities are based on cash flows from the underlying mortgages. The principal repayment portions could be sensitive to prepayment by mortgagees, which may be affected by interest rate changes. The prepayments and anticipated interest rate changes can therefore affect the market values of the investments. The City has no policy regarding interest rate risk.

- **Credit Risk** – The investment policies of the pension funds allow the Plans to only invest in securities meeting the following ranking criteria: (1) fixed income securities must be rated investment grade or higher as reported by a major credit rating service, (2) at least 85% of the equities must have a value line ranking for safety of 1, 2, or 3, and (3) money market funds must be rated A1 by Standard and Poor's or P1 by Moody's.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Credit Risk (Continued)

The following illustrated the credit quality distribution with credit exposure as a percentage of the City's investment securities.

Investment Type	Credit Rating	Portfolio	Market Value in U.S. Dollars
U.S. Agencies:			
Federal National Mortgage Association	No Rating	1.55%	\$ 4,200,026
Federal Home Loan Mortgage Corporation	Aaa	0.15%	419,920
Federal Home Loan Mortgage Corporation	No Rating	1.50%	4,063,052
Government National Mortgage Association	No Rating	0.25%	668,654
Collateralized Mortgage Obligations	A	0.09%	253,959
Collateralized Mortgage Obligations	A1	0.01%	39,654
Collateralized Mortgage Obligations	A2	0.04%	99,731
Collateralized Mortgage Obligations	A-	0.04%	97,996
Collateralized Mortgage Obligations	A+	0.02%	51,352
Collateralized Mortgage Obligations	AAA	0.04%	100,739
Collateralized Mortgage Obligations	Aaa	0.15%	414,130
Collateralized Mortgage Obligations	BBB	0.08%	211,730
Collateralized Mortgage Obligations	BBB-	0.04%	105,395
Collateralized Mortgage Obligations	No Rating	0.48%	1,306,114
Commercial Asset-Backed Securities	A	0.14%	383,983
Commercial Asset-Backed Securities	A-	0.02%	55,667
Commercial Asset-Backed Securities	A2	0.04%	99,731
Commercial Asset-Backed Securities	AAA	0.07%	179,529
Commercial Asset-Backed Securities	Aaa	0.11%	295,168
Commercial Asset-Backed Securities	BBB	0.03%	92,282
Commercial Asset-Backed Securities	BBB-	0.07%	180,162
Commercial Asset-Backed Securities	No Rating	0.27%	728,390
Municipal Obligations	A1	0.01%	13,826
Municipal Obligations	Aa1	0.00%	11,002
Municipal Obligations	Aa2	0.01%	39,963
Municipal Obligations	A+	0.01%	22,527
Municipal Obligations	Aa3	0.01%	30,903
Municipal Obligations	Aaa	0.01%	25,076
Municipal Obligations	No Rating	0.03%	91,396

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)
Credit Risk (Continued)

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Portfolio</u>	<u>Market Value in U.S. Dollars</u>
U.S. Treasuries	Aaa	3.82%	\$ 10,362,905
Corporate Bonds	AAA	0.02%	40,761
Corporate Bonds	AA+	0.02%	41,301
Corporate Bonds	A	0.11%	308,701
Corporate Bonds	A-	0.03%	94,778
Corporate Bonds	A1	0.27%	727,621
Corporate Bonds	A2	0.07%	177,903
Corporate Bonds	A3	0.28%	769,981
Corporate Bonds	Aa1	0.00%	11,002
Corporate Bonds	Aa2	0.11%	298,218
Corporate Bonds	Aa3	0.09%	240,841
Corporate Bonds	Aaa	0.14%	384,652
Corporate Bonds	Baa1	0.08%	215,746
Corporate Bonds	Baa2	0.17%	464,464
Corporate Bonds	Baa3	0.26%	709,941
Corporate Bonds	BBB	0.14%	380,509
Corporate Bonds	No Rating	0.49%	1,339,979
Short-Term Money Market Funds	No Rating	4.48%	12,153,500
Florida PRIME	No Rating	76.80%	208,206,153
Mutual Funds Fixed	No Rating	0.67%	1,810,272
Mutual Funds Other - Global	No Rating	1.26%	3,418,118
Foreign Bonds	A+	0.02%	48,515
Foreign Bonds	A	0.00%	9,313
Foreign Bonds	A-	0.03%	75,122
Foreign Bonds	BBB-	0.01%	35,044
Real Estate Fund	No Rating	5.35%	14,500,070
Total			<u>\$ 271,107,467</u>

- Concentration of Credit Risk** – No more than 5% of the Pension Plans' assets may be invested 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 5% of the outstanding capital stock of that company. The value of bonds issued by any single company may not exceed 3% of the total fund. No more than 60% of the Plans' assets at cost for the Police Officers' Pension Plan and no more than 70% of the Plans' assets at cost for the Firefighters' and General Employees' Pension Plans may be invested in common stock and convertible bonds. No more than 15% of the Plans' assets at cost or 25% of the Plans' assets at fair value may be invested in international securities.
- Foreign Currency Risk** – As of September 30, 2024 the Pension Funds have \$19,322,829 invested in foreign equities. Foreign securities are limited to those that settle in U.S. dollars and trade on one or more of the national exchanges.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

- **Fair Value** – The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified as Level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets. The City had the following fair value measurements as of September 30, 2024:

	Total	Fair Value Measurement Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Domestic Equities	\$ 76,361,726	\$ 76,175,540	\$ -	\$ 186,186
International Equities	19,322,829	16,535,245	2,787,584	-
Equity Mutual Funds	14,346,281	14,346,281	-	-
Corporate Bonds	6,206,398	45,549	6,160,849	-
Foreign Bonds	167,994	-	167,994	-
Collateralized Mortgage Obligations	2,680,800	-	2,527,184	153,616
Mortgage Backed Securities	11,366,565	-	11,366,565	-
Municipal Obligations	234,693	-	234,693	-
U.S. Government Obligations	10,362,905	1,139,938	9,041,702	181,265
Mutual Funds Fixed	5,228,390	5,228,390	-	-
Total Investments Measured at Fair Value	146,278,581	\$ 113,470,943	\$ 32,286,571	\$ 521,067
Investments Measured at Net Asset Value (NAV)				
Real Estate Fund	14,500,070			
Total Investments Measured at the NAV	14,500,070			
Investments Measured at Amortized Cost				
Florida PRIME	208,206,153			
Short-Term Money Market Funds	12,162,607			
Total Investments Measured at Amortized Cost	220,368,760			
Total Investments	\$ 381,147,411			

Other information for investments measured at the NAV or its equivalent is as follows:

	Fair Value	Redemption Frequency	Redemption Notice Period
Real Estate Fund	\$ 14,500,070	Quarterly	Daily

Real Estate Fund – The American Core Realty Fund is an open-end diversified core real estate commingled fund whose primary objective is to provide returns that are attractive relative to other asset classes with stable income and the potential for market appreciation. The American Core Realty Fund invests primarily in core institutional quality industrial, multi-family, office and retail properties located throughout the United States, and is diversified by product type, geographic region, and economic exposure in order to mitigate investment risk.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 ALLOWANCE FOR UNCOLLECTIBLE AMOUNTS OF RECEIVABLES

The City provides for an allowance for water and sewer accounts that may become uncollectible. At September 30, 2024, the allowance for doubtful accounts associated with the receivables of the Water and Sewer Fund was \$269,029. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectible as reported at fiscal yearend.

NOTE 5 LEASES RECEIVABLES

The City, acting as lessor, leases buildings, water towers, fiber-optic infrastructure, and land under long-term, noncancelable lease agreements. The leases expire at various dates through 2053 and provide for renewal options ranging from one year to five years. During the year ended September 30, 2024, the City recognized \$519,366 and \$57,365 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Certain leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases.

Total future minimum lease payments to be received under lease agreements are as follows:

	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2025	\$ 262,114	\$ 69,169	\$ 108,107	\$ 36,063	\$ 475,453
2026	230,126	68,054	102,803	31,398	432,381
2027	228,196	62,343	48,121	28,288	366,948
2028	171,885	57,090	52,407	26,116	307,498
2029	112,952	52,304	56,950	23,746	245,952
2030-2034	160,452	243,073	362,927	75,336	841,788
2035-2039	245,151	211,400	134,869	6,107	597,527
2040-2044	351,854	164,692	-	-	516,546
2045-2049	485,310	99,115	-	-	584,425
2050-2053	368,474	18,427	-	-	386,901
Total minimum lease payments	\$ 2,616,514	\$ 1,045,667	\$ 866,184	\$ 227,054	\$ 4,755,419

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 6 CAPITAL ASSETS

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

Primary Government

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	CIP Transfers	Ending Balance
Governmental Activities:						
Capital Assets, Not Being Depreciated:						
Land	\$ 8,272,852	\$ 213,126	\$ (7,710)	\$ -	\$ -	\$ 8,478,268
Construction in Progress	12,631,265	24,694,232	-	-	(7,080,352)	30,245,145
Total Capital Assets, Not Being Depreciated	20,904,117	24,907,358	(7,710)	-	(7,080,352)	38,723,413
Capital Assets, Being Depreciated:						
Buildings and Improvements	79,435,014	525,227	(1,347,153)	39,258	29,531	78,681,877
Improvements Other than Buildings	91,860,367	5,691,911	(6,909,377)	(36,609)	6,439,942	97,046,234
Equipment	27,330,326	4,223,380	(1,289,652)	29,739	610,879	30,904,672
Right-to-use Assets						
Leased Equipment	662,535	237,113	(78,504)	-	-	821,144
Subscription Software	2,816,928	202,070	(101,863)	-	-	2,917,135
Total Capital Assets, Being Depreciated	202,105,170	10,879,701	(9,726,549)	32,388	7,080,352	210,371,062
Less Accumulated Depreciation and Amortization for:						
Buildings and Improvements	(23,517,126)	(1,904,846)	1,311,634	-	-	(24,110,338)
Improvements Other than Buildings	(57,510,837)	(3,611,866)	6,392,375	-	-	(54,730,328)
Equipment	(19,514,709)	(1,969,101)	1,302,246	(18,338)	-	(20,199,902)
Right-to-use Assets						
Leased Equipment	(176,466)	(174,783)	78,504	-	-	(272,745)
Subscription Software	(899,009)	(980,344)	-	-	-	(1,879,353)
Total Accumulated Depreciation	(101,618,147)	(8,640,940)	9,084,759	(18,338)	-	(101,192,666)
Total Capital Assets, Being Depreciated, Net	100,487,023	2,238,761	(641,790)	14,050	7,080,352	109,178,396
Governmental Activities Capital Assets, Net	\$ 121,391,140	\$ 27,146,119	\$ (649,500)	\$ 14,050	\$ -	\$ 147,901,809
Business-Type Activities:						
Capital Assets, Not Being Depreciated:						
Land	\$ 5,735,857	\$ 10,182,284	\$ -	\$ 19,765	\$ -	\$ 15,937,906
Construction in progress	6,078,718	11,129,232	-	(1,253,008)	(1,618,054)	14,336,888
Total Capital Assets, Not Being Depreciated	11,814,575	21,311,516	-	(1,233,243)	(1,618,054)	30,274,794
Capital Assets, Being Depreciated:						
Buildings and Improvements	8,935,652	41,091	-	-	815,942	9,792,685
Improvements Other than Buildings	221,983,697	11,244,434	-	458,192	802,112	234,488,435
Equipment	22,270,971	1,385,130	(932,414)	232,802	-	22,956,489
Right-to-use Assets						
Leased Equipment	116,222	106,648	-	-	-	222,870
Subscription Software	167,581	136,026	-	-	-	303,607
Total Capital Assets, Being Depreciated	253,474,123	12,913,329	(932,414)	690,994	1,618,054	267,764,086
Less Accumulated Depreciation and Amortization for:						
Buildings and Improvements	(6,930,868)	(230,148)	-	-	-	(7,161,016)
Improvements Other than Buildings	(119,837,908)	(4,431,548)	-	-	-	(124,269,456)
Equipment	(14,014,544)	(2,273,898)	932,414	18,338	-	(15,337,690)
Right-to-use Assets						
Leased Equipment	(15,496)	(25,022)	-	-	-	(40,518)
Subscription Software	(60,595)	(69,051)	-	-	-	(129,646)
Total Accumulated Depreciation	(140,859,411)	(7,029,667)	932,414	18,338	-	(146,938,326)
Total Capital Assets, Being Depreciated, Net	112,614,712	5,883,662	-	709,332	1,618,054	120,825,760
Business-Type Activities Capital Assets, Net	\$ 124,429,287	\$ 27,195,178	\$ -	\$ (523,911)	\$ -	\$ 151,100,554

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 6 CAPITAL ASSETS (CONTINUED)

Primary Government (Continued)

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

Governmental Activities:	
General Government	\$ 1,011,027
Public Safety	1,010,569
Transportation	1,989,337
Economic Development	1,321,096
Human Services	98,838
Culture and Recreation	2,132,550
Capital Assets held by the Government's Internal Service Funds	<u>1,077,523</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 8,640,940</u>
Business-Type Activities:	
Water and Sewer	\$ 4,866,210
Solid Waste	1,136,919
Willowbrook Golf Course	171,938
Stormwater	611,552
Dark Fiber	<u>243,048</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 7,029,667</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Transfers for the year ended September 30, 2024 consisted of the following:

Interfund Transfers

Transfers to the General Fund from:	
Community Redevelopment Agency Fund	\$ 973,199
Nonmajor Governmental Funds	11,054,070
Water and Sewer Fund	4,647,009
Solid Waste Fund	1,228,000
Total	<u>\$ 17,902,278</u>
Transfers to the Airport Fund from:	
General Fund	\$ 2,125,000
	<u>\$ 2,125,000</u>
Transfers to the Capital Project Fund from:	
General Fund	\$ 10,561,019
Community Redevelopment Agency Fund	150,000
Internal Service Funds	275,000
Nonmajor Governmental Funds	11,319,918
Total	<u>\$ 22,305,937</u>
Transfers to the Nonmajor Governmental Funds from:	
General Fund	\$ 11,231,881
Airport Fund	334,294
Capital Project Fund	8,093,013
Nonmajor Governmental Funds	343,219
Total	<u>\$ 20,002,407</u>
Transfers to the Nonmajor Proprietary Funds from:	
General Fund	\$ 276,503
Community Redevelopment Agency Fund	35,945
Airport Fund	13,825
Nonmajor Governmental Funds	27,650
Internal Service Funds	55,300
Water and Sewer Fund	82,951
Solid Waste Fund	13,825
Total	<u>\$ 505,999</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Transfers are used to: (1) move revenues from the fund with collection authorizations to the debt service funds as debt service principal and interest payments become due, (2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, (3) move revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs, or (4) move portions of enterprise fund profits to the general fund to assist in financing the operations of governmental activities.

Due To / From Other Funds

<u>Due To</u>	<u>Due From</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 107,102
General Fund	Nonmajor Proprietary Funds	497,739
Water and Sewer Fund	Capital Project Fund	123,527
Nonmajor Governmental Funds	Nonmajor Proprietary Funds	185,436
Nonmajor Governmental Funds	Airport Fund	43,257
Total		<u>\$ 957,061</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These balances also include the amount of working capital loans that will be repaid in the subsequent year.

Advances to / from Other Funds

<u>Advances To</u>	<u>Advances From</u>	<u>Amount</u>
Nonmajor Proprietary Funds	General Fund	\$ 1,563,872
Capital Project Fund	Water and Sewer Fund	539,635
Water and Sewer Fund	General Fund	8,087,588
Nonmajor Proprietary Funds	Nonmajor Governmental Funds	1,028,260
Total		<u>\$ 11,219,355</u>

In a prior year, the General Fund advanced \$1,563,872 to the Willowbrook Golf Course Fund. Though there were budgeted transfers, no transfers on this advance were made during the year ending September 30, 2024. Since repayment to the General Fund will not occur within the next few months, these funds are not available for appropriation in the General Fund. Accordingly, fund balance in the General Fund has been classified as nonspendable.

The Capital Depletion Fund advanced \$370,025 on April 1, 2023 to the Willowbrook Golf Course to fund the acquisition of golf carts, \$194,024 of which was outstanding at September 30, 2024. The advance will be paid down monthly through March 2028 at a 4.0% interest rate.

Additionally, the Capital Depletion Fund advanced \$608,475 on October 1, 2018 and \$2,700,000 on September 1, 2019 to the Dark Fiber Fund to aid in operations for expansions, \$947,032 of which was outstanding at September 30, 2024. The advances will be paid down monthly through September 1, 2025 and October 1, 2026 respectively at 2.5%.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

During the year ending September 30, 2019, the Water and Sewer Fund advanced \$1,220,000 to the Bond Construction Fund to provide financing for an energy efficiency project; \$539,635 of which was outstanding at September 30, 2024. The advance will be paid down monthly through September 1, 2029 at a 3.5% interest rate.

NOTE 8 FUND BALANCE CLASSIFICATIONS

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note 1 for a description of these categories). A detailed schedule of fund balances at September 30, 2024 is as follows:

Governmental Fund Balances

	General Fund	Community Redevelopment Agency	Airport	Capital Project Fund	Other Governmental Fund	Total Governmental Funds
Nonspendable:						
Advances to Other Funds	\$ 9,651,460	\$ -	\$ -	\$ -	\$ -	\$ 9,651,460
Inventory	-	-	-	-	30,161	30,161
Prepaid Items	262,459	5,445	8,584	12,940	914	290,342
Total Nonspendable Fund Balance	9,913,919	5,445	8,584	12,940	31,075	9,971,963
Restricted for:						
Public Safety	16,233	-	-	-	-	16,233
Community Redevelopment	-	4,143,573	-	-	-	4,143,573
Human Services	-	-	-	-	1,118,179	1,118,179
Police Training, Confiscation and Abandoned Property	-	-	-	-	195,519	195,519
Building Inspections and Enforcement	-	-	-	7,318,926	5,489,342	12,808,268
Impact Fees	-	-	-	-	3,058,507	3,058,507
Debt Service	-	-	-	-	4,144,904	4,144,904
Transportation	-	-	-	-	12,934,077	12,934,077
Environmental Awareness	200,000	-	-	-	-	200,000
Total Restricted Fund Balance	216,233	4,143,573	-	7,318,926	26,940,528	38,619,260
Committed:						
Affordable Housing	-	-	-	-	1,483,727	1,483,727
Perpetual Care	-	-	-	-	437,540	437,540
Federal Building	-	-	-	-	49,660	49,660
Total Committed Fund Balance	-	-	-	-	1,970,927	1,970,927
Assigned:						
Culture and Recreation	14,725	-	-	-	-	14,725
Public Safety	15,827	-	-	-	-	15,827
Library	-	-	-	-	201,668	201,668
Debt Service	-	-	-	-	243,444	243,444
Transportation	74,628	-	180,838	13,161,320	227,247	13,644,033
Capital Projects	-	-	-	43,952,529	8,164,179	52,116,708
Total Assigned Fund Balance	105,180	-	180,838	57,113,849	8,836,538	66,236,405
Unassigned Fund Balance	23,788,487	-	-	-	-	23,788,487
Total Fund Balances	\$ 34,023,819	\$ 4,149,018	\$ 189,422	\$ 64,445,715	\$ 37,779,068	\$ 140,587,042

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES

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

	Beginning Balance *	Additions	Reductions	Ending Balance	Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds Payable:					
2015A Non-Ad Valorem	\$ 8,910,000	\$ -	\$ (775,000)	\$ 8,135,000	\$ 800,000
2021B Non-Ad Valorem	3,705,000	-	(810,000)	2,895,000	835,000
2021C Non-Ad Valorem	17,245,000	-	-	17,245,000	-
2023 Non-Ad Valorem	-	24,235,000	-	24,235,000	600,000
Plus: Unamortized Bond Premium	1,706,994	2,056,444	(128,314)	3,635,124	-
Total Bonds Payable	<u>31,566,994</u>	<u>26,291,444</u>	<u>(1,713,314)</u>	<u>56,145,124</u>	<u>2,235,000</u>
Direct Placements:					
2017 Non-Ad Valorem	20,855,000	-	(1,115,000)	19,740,000	1,150,000
2021 Non-Ad Valorem Refunding	8,885,000	-	(795,000)	8,090,000	810,000
Total Direct Placements	<u>29,740,000</u>	<u>-</u>	<u>(1,910,000)</u>	<u>27,830,000</u>	<u>1,960,000</u>
Leases Payable	459,045	376,258	(327,999)	507,304	158,707
SBITAs Payable	1,602,600	795,810	(1,630,933)	767,477	595,382
Compensated Absences	4,374,115	406,612	-	4,780,727	702,612
Governmental Activity Long-Term Liabilities	<u>\$ 67,742,754</u>	<u>\$ 27,870,124</u>	<u>\$ (5,582,246)</u>	<u>\$ 90,030,632</u>	<u>\$ 5,651,701</u>
BUSINESS-TYPE ACTIVITIES					
Bonds Payable:					
2015 Utility System Refunding					
Revenue Bonds	\$ 23,680,000	\$ -	\$ -	\$ 23,680,000	\$ -
Less: Unamortized Bond Discount	(38,932)	-	3,121	(35,811)	-
Total Bonds Payable	<u>23,641,068</u>	<u>-</u>	<u>3,121</u>	<u>23,644,189</u>	<u>-</u>
Direct Placements:					
2010 Utility System Refunding	14,825,000	-	(2,280,000)	12,545,000	2,355,000
Total Direct Placements	<u>14,825,000</u>	<u>-</u>	<u>(2,280,000)</u>	<u>12,545,000</u>	<u>2,355,000</u>
Direct Borrowings:					
State Revolving Fund - WW531320	756,617	-	(47,182)	709,435	47,196
State Revolving Fund - WW531302	11,626,693	5,772,825	-	17,399,518	572,578
State Revolving Fund - WW531340	741,348	-	(60,202)	681,146	76,848
State Revolving Fund - WW531350	363,632	-	(31,313)	332,319	39,097
Total Direct Borrowings	<u>13,488,290</u>	<u>5,772,825</u>	<u>(138,697)</u>	<u>19,122,418</u>	<u>735,719</u>
Leases Payable	99,125	143,368	(64,925)	177,568	42,232
SBITAs Payable	76,917	188,820	(169,985)	95,752	52,796
Compensated Absences	1,193,951	168,315	-	1,362,266	1,362,266
Business-Type Activity Long-Term Liabilities	<u>\$ 53,324,351</u>	<u>\$ 6,273,328</u>	<u>\$ (2,650,486)</u>	<u>\$ 56,947,193</u>	<u>\$ 4,548,013</u>

* Beginning balances have been restated due to the effects of implementation of GASB 101, Compensated Absences. The change in compensated absences liability is reported net in the above schedule.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

The annual requirements to amortize the debt outstanding as of September 30, 2024 are as follows:

Year	Governmental Activities			
	Bonds Payable		Direct Placements	
	Principal	Interest	Principal	Interest
2025	\$ 2,235,000	\$ 1,928,456	\$ 1,960,000	\$ 732,654
2026	2,460,000	1,847,600	2,010,000	681,419
2027	2,540,000	1,768,344	2,065,000	628,752
2028	2,630,000	1,674,318	2,115,000	574,651
2029	2,745,000	1,562,644	2,170,000	519,118
2030 - 3034	14,500,000	5,929,168	9,670,000	1,784,656
2035 - 2039	12,940,000	3,386,241	7,840,000	444,414
2040 - 2044	12,460,000	1,013,982	-	-
Total	\$ 52,510,000	\$ 19,110,753	\$ 27,830,000	\$ 5,365,664

Year	Business-Type Activities			
	Bonds Payable		Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest
2025	\$ -	\$ 715,013	\$ 3,090,719	453,811
2026	-	715,013	3,734,167	359,117
2027	-	715,013	3,815,047	261,469
2028	-	715,013	3,900,935	160,575
2029	-	715,013	3,981,832	56,430
2030 - 3034	16,405,000	2,373,785	6,387,349	6,985
2035 - 2039	7,275,000	226,744	5,962,613	194
2040 - 2044	-	-	794,756	-
Total	\$ 23,680,000	\$ 6,175,594	\$ 31,667,418	\$ 1,298,581

The annual requirements to amortize the individual debt issues outstanding as of September 30, 2024 are as follows:

Year	Governmental Activities					
	Revenue Bond - 2015A Public Improvement	Direct Placement - 2017 Non-Ad Valorem	Direct Placement - 2021 Non-Ad Valorem	Revenue Bond - 2021B Public Improvement	Revenue Bond - 2021C Public Improvement	Revenue Bond - 2023 Public Improvement
	2025	\$ 1,029,863	\$ 1,737,407	\$ 955,247	\$ 888,725	\$ 531,719
2026	1,029,581	1,736,623	954,796	887,650	531,719	1,858,650
2027	1,027,625	1,739,690	954,062	890,350	531,719	1,858,650
2028	1,026,900	1,736,609	953,044	333,300	1,087,469	1,856,649
2029	1,035,275	1,737,375	951,742	-	1,409,968	1,862,401
2030 - 3034	4,127,750	8,670,257	2,784,398	-	7,059,169	9,242,249
2035 - 2039	-	6,911,189	1,373,225	-	7,100,615	9,225,627
2040 - 2044	-	-	-	-	4,251,981	9,222,000
Totals	9,276,994	24,269,150	8,926,514	3,000,025	22,504,359	36,839,375
Less: Amount Representing Interest	(1,141,994)	(4,529,150)	(836,514)	(105,025)	(5,259,359)	(12,604,375)
Total	\$ 8,135,000	\$ 19,740,000	\$ 8,090,000	\$ 2,895,000	\$ 17,245,000	\$ 24,235,000

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Year	Business-Type Activities					
	Direct Placement - 2010 Water and Sewer	Revenue Bond - 2015 Utility System	Direct Borrowing - State Revolving Fund 531320	Direct Borrowing - State Revolving Fund 531302	Direct Borrowing - State Revolving Fund 531340	Direct Borrowing - State Revolving Fund 531350
2025	\$ 2,801,253	\$ 715,013	\$ 47,406	\$ 572,578	\$ 84,197	\$ 39,096
2026	2,777,429	715,013	47,406	1,145,156	84,197	39,096
2027	2,760,661	715,013	47,406	1,145,156	84,197	39,096
2028	2,745,654	715,013	47,406	1,145,156	84,197	39,096
2029	2,722,407	715,013	47,406	1,145,156	84,197	39,096
2030 - 3034	-	18,778,786	237,028	5,725,780	294,686	136,839
2035 - 2039	-	7,501,743	237,028	5,725,780	-	-
2040 - 2044	-	-	-	794,756	-	-
Totals	13,807,404	29,855,594	711,086	17,399,518	715,671	332,319
Less: Amount Representing Interest	(1,262,404)	(6,175,594)	(1,651)	-	(34,525)	-
Total	<u>\$ 12,545,000</u>	<u>\$ 23,680,000</u>	<u>\$ 709,435</u>	<u>\$ 17,399,518</u>	<u>\$ 681,146</u>	<u>\$ 332,319</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

The following were outstanding at September 30, 2024:

Revenue Bond – 2015A Non Ad Valorem Refunding Revenue Bond

The Resolution provides for:

- **Application of Bond Proceeds** – On January 27, 2015, the City issued Non Ad Valorem Revenue Bonds Series 2015A in the amount of \$13,205,000 for purposes of advance refunding a portion of the Non Ad Valorem Refunding Revenue Bonds Series 2007 and paying associated closing costs. The series 2015A bonds have a redemption date of October 1, 2032.
- **Restrictions on the Use of Cash from Operations** – This bond is payable solely from and secured by a pledge of non ad valorem tax dollars received by the City.
- **Redemption** – The Series 2015A Bonds that mature on or before October 1, 2024 are not subject to redemption prior to their maturities. The Series 2015A Bonds that mature on or after October 1, 2025, are subject to redemption beginning October 1, 2024, in whole or in part at any time, in any order of maturities at the option of the City, and by lot within a maturity if less than a full maturity is redeemed, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date.
- The Revenue Bond consists of the following:

<u>Description</u>	<u>Interest Rate and Dates</u>	<u>Final Maturity</u>	<u>Original Amounts Issued</u>	<u>Outstanding at September 30, 2024</u>
Non Ad Valorem Refunding Revenue Bonds - Series 2015A	2% - 4% 4/1; 10/1	10/1/2032	<u>\$ 13,205,000</u>	<u>\$ 8,135,000</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Direct Placement – 2017 Non Ad Valorem Revenue Note

The Resolution provides for:

- **Application of Bond Proceeds** – On August 16, 2017, the City issued Non Ad Valorem Revenue Bonds Series 2017 in the amount of \$25,000,000 for the purpose of funding the construction of capital improvements, including parks, recreation, fire station, transportation, and other public facilities. The Series 2017 bonds have a redemption date of October 1, 2037.
- **Restrictions on the Use of Cash from Operations** – This note is payable solely from and secured by a pledge of non ad valorem tax dollars received by the City.
- **Redemption** – There are no provisions for early redemption for Series 2017.
- The note contains a provision that in the event of default, the entire outstanding balance shall become immediately due and payable, and the interest rate will be adjusted to a default rate. In addition, the City may be obligated to pay a late payment fee.
- The Revenue Bond consists of the following:

<u>Description</u>	<u>Interest Rate and Dates</u>	<u>Final Maturity</u>	<u>Original Amounts Issued</u>	<u>Outstanding at September 30, 2024</u>
Non Ad Valorem Revenue Bonds - Series 2017	3.07% 10/1; 4/1	10/01/2037	<u>\$ 25,000,000</u>	<u>\$ 19,740,000</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Direct Placement – 2021 Non Ad Valorem Refunding Note

The Resolution provides for:

- **Application of Bond Proceeds** – On March 30, 2021, the City issued Non Ad Valorem Refunding Bond Series 2021 in the amount of \$10,055,000 for the purpose of current refunding of the remaining portions of the Non Ad Valorem Refunding Revenue Bond Series 2016A and Non Ad Valorem Revenue Bond Series 2016B, and paying associated closing costs. The current refunding achieved an aggregate debt service savings of \$382,412 which resulted in an economic gain (difference between the present value of the debt service payments on the old debt and new debt) of \$330,000. The series 2021 bond has a redemption date of October 1, 2036.
- **Restrictions on the Use of Cash from Operations** – This bond is payable solely from and secured by a pledge of non ad valorem tax dollars received by the City.
- **Redemption** – There are no provisions for early redemption for Series 2021.
- The bond contains a provision that in the event of default, the interest rate shall increase to the default rate after five days and through the date which payment is made. Default rate means the lesser of (i) two percent per annum over the interest rate then in effect or (ii) the maximum interest rate permitted by applicable law.
- The Revenue Note consists of the following:

<u>Description</u>	<u>Interest Rate and Dates</u>	<u>Final Maturity</u>	<u>Original Amounts Issued</u>	<u>Outstanding at September 30, 2024</u>
Non Ad Valorem Revenue Refunding Bond - Series 2021	1.89% 10/1; 4/1	10/01/2036	<u>\$ 10,055,000</u>	<u>\$ 8,090,000</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bond – 2021B Non Ad Valorem Revenue Bond

The Resolution provides for:

- **Application of Bond Proceeds** – On October 26, 2021, the City issued Non Ad Valorem Revenue Bonds Series 2021B in the amount of \$4,390,000 for the purpose of funding the acquisition, expansion, design, construction and equipping of various capital improvements, including without limitation, improvements to a parking garage to be owned and/or used by the City. The Series 2021B bonds have a redemption date of October 1, 2027.
- **Restrictions on the Use of Cash from Operations** – This note is payable solely from and secured by a pledge of non ad valorem dollars received by the City.
- **Redemption** – There are no provisions for early redemption for Series 2021B.
- The note contains a provision that in the event of default, the entire outstanding balance may become immediately due and payable.
- The Revenue Bond consists of the following:

<u>Description</u>	<u>Interest Rate and Dates</u>	<u>Final Maturity</u>	<u>Original Amounts Issued</u>	<u>Outstanding at September 30, 2024</u>
Non Ad Valorem Revenue Bonds - Series 2021B	2% - 3% 4/1; 10/1	10/01/2027	<u>\$ 4,390,000</u>	<u>\$ 2,895,000</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bond – 2021C Non Ad Valorem Revenue Bond

The Resolution provides for:

- **Application of Bond Proceeds** – On October 26, 2021, the City issued Non Ad Valorem Revenue Bonds Series 2021C in the amount of \$17,245,000 for the purpose of funding the acquisition, expansion, design, construction and equipping of various capital improvements to the City’s various public parks and public safety stations, recreational and cultural center, and a trail. The Series 2021C bonds have a redemption date of October 1, 2041.
- **Restrictions on the Use of Cash from Operations** – This note is payable solely from and secured by a pledge of non ad valorem dollars received by the City.
- **Redemption** – The Series 2021C Bonds that mature on or before October 1, 2031 are not subject to redemption prior to their maturities. The Series 2021C Bonds that mature on or after October 1, 2032, are subject to redemption prior to maturity, at the option of the City, in whole or in part on any date on or after October 1, 2031, and if in part, in such order of maturities and in such amounts as the City shall select and by lot within a maturity, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, and without premium.

The Series 2021C Bonds maturing on October 1, 2036, are subject to mandatory redemption or purchase prior to their stated dates of maturity, in part by lot, in such manner as the City may deem appropriate from amortization installments deposited by the City in the bond amortization account, at the principal amount thereof, unless purchased pursuant to the operation of such account, plus accrued interest to the redemption date, on October 1 of the years and in the principal amounts of \$1,225,000 for 2035 and \$1,250,000 for 2036.

- The note contains a provision that in the event of default, the entire outstanding balance may become immediately due and payable.
- The Revenue Bond consists of the following:

<u>Description</u>	<u>Interest Rate and Dates</u>	<u>Final Maturity</u>	<u>Original Amounts Issued</u>	<u>Outstanding at September 30, 2024</u>
Non Ad Valorem Revenue Bonds - Series 2021C	2% - 5% 4/1; 10/1	10/01/2041	<u>\$ 17,245,000</u>	<u>\$ 17,245,000</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bond – 2023 Non Ad Valorem Revenue Bond

The Resolution provides for:

- **Application of Bond Proceeds** – On November 29, 2023, the City issued Non Ad Valorem Revenue Bonds Series 2023 in the amount of \$24,235,000 for the purpose of funding the acquisition, expansion, design, construction and equipping of various capital improvements to the City’s various parks, roads, recreational facilities, and water and sewer system.
- **Restrictions on the Use of Cash from Operations** – This note is payable solely from and secured by a pledge of non ad valorem dollars received by the City.
- **Redemption** – The Series 2023 Bonds that mature on or before October 1, 2033 are not subject to redemption. The Series 2023 Bonds maturing on or after October 1, 2034, are subject to redemption prior to maturity, at the option of the City, in whole or in part on any date on or after October 1, 2033, and if in part, in such order of maturities and in such amounts as the City shall select and by lot within a maturity, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, and without premium.
- The Revenue Bond consists of the following:

<u>Description</u>	<u>Interest Rate and Dates</u>	<u>Final Maturity</u>	<u>Original Amounts Issued</u>	<u>Outstanding at September 30, 2024</u>
Non Ad Valorem Revenue Bonds - Series 2023	4% - 5% 10/1; 4/1	10/01/2043	<u>\$ 24,235,000</u>	<u>\$ 24,235,000</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Direct Placement – 2010 Utility System Refunding Revenue Note

The Resolution provides for:

- **Application of Bond Proceeds** – On October 10, 2010, the City obtained a commercial loan for \$20,925,000 with an interest rate of 3.23% to advance refund the 1998 Utility System Improvement serial and term bonds with interest rates ranging from 3.85% to 5.00%. The serial and term bonds mature on October 1, 2028. After liquidating the Debt Service Reserve Fund monies of \$122,338 and paying issuance costs of \$66,260, the net proceeds were \$20,981,078. The net proceeds from the commercial loan were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the serial and term bonds are called on November 10, 2010. The advance refunding met the requirements of an in-substance debt defeasance and the serial and term bonds were removed from the City’s government-wide financial statements.
- **Restrictions on Use of Cash from Operations** – This Bond is payable solely from and secured by pledged revenues as defined in the resolution derived from the ownership, use or operation of the City’s water and sewer system, the sewer system development charges as defined in the resolution and the water system charges as defined in the resolution.
- **Redemption** – The Resolution provides for early redemption of the note at an amount equal to the net present value of the bondholder’s future cost of the liability for the original maturity of such liability prorated to the amount of principal repayment over total principal outstanding at the U.S. Treasury Yield curve for the then remaining original life of the Bond as determined on the date of redemption.
- The note contains a provision that in the event of default, any amount due will bear interest at a default rate, which is the higher of the JP Morgan Chase Bank’s Prime Interest Rate and the adjusted one-month benchmark rate plus 4%.
- The Revenue note consists of the following:

<u>Description</u>	<u>Interest Rate and Dates</u>	<u>Final Maturity</u>	<u>Original Amounts Issued</u>	<u>Outstanding at September 30, 2024</u>
Utility System Refunding Revenue Bonds - Series 2010	3.23% 4/1; 10/1	10/01/2028	<u>\$ 20,925,000</u>	<u>\$ 12,545,000</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bond – 2015 Utility System Refunding Revenue Bonds

The Resolution provides for:

- **Application of Bond Proceeds** – On February 3, 2015, City issued the Utility System Refunding Bonds Series 2015 in the par amount of \$26,070,000. These bonds were issued for the purpose of advance refunding a portion of the City’s outstanding Utility System Improvement and Refunding Revenue Bond Series 2005. The Series 2015 bonds have a redemption date of October 1, 2035.
- **Restrictions on Use of Cash from Operations** – The Series 2015 Bonds are payable solely from and shall be secured by a lien upon and pledge of the Pledged Revenues on a parity with the lien thereon of the Parity Bonds and any Additional Parity Obligations hereafter issued. The System is defined collectively as the Water System, the Sewer System and Reuse System. Upon compliance with certain provisions of the Resolution, the term "System" may be deemed to include other utility functions added to the System, including, but not limited to a storm water system, the acquisition, distribution, and sale of natural gas, the providing of electricity, the providing of cable television services, the providing of telecommunication services or other utility functions that are, in accordance with Prudent Utility Practice, reasonably related to the services provided by the System. Notwithstanding the foregoing definition of the term System, such term shall not include any properties or interest in properties of the City which the City determines shall not constitute a part of the System for the purpose of the Resolution.
- **Redemption** – The Series 2015 Bonds that mature on or before October 1, 2024 are not subject to redemption prior to their maturities. The series 2015 Bonds that mature on or after October 1, 2025, are subject to redemption beginning October 1, 2024, in whole or in part at any time in any order of maturities at the option of the City and by lot within a maturity if less than a full maturity is redeemed, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date.
- The Revenue Bond consists of the following:

<u>Description</u>	<u>Interest Rate and Dates</u>	<u>Final Maturity</u>	<u>Original Amounts Issued</u>	<u>Outstanding at September 30, 2024</u>
Utility System Refunding Revenue Bonds - Series 2015	2% - 3.125% 4/1; 10/1	10/1/2035	<u>\$ 26,070,000</u>	<u>\$ 23,680,000</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Direct Borrowing – State Revolving Funds Loan – WW531320

The City has a State Revolving Fund loan in the amount of \$969,085 with a rate of 0.03% repayable over 20 years. The loan will be used for wastewater projects. The loan is secured by pledged revenues of the water and sewer system. At September 30, 2024 the balance was \$709,435.

In the event of default, the timing of repayment of outstanding balances may be accelerated, or the financing rate on the unpaid principal of the loans may be increased as much as 1.667 times the financing rate.

Direct Borrowing – State Revolving Funds Loan – WW531302

The City has a State Revolving Fund loan in the amount of \$22,903,131 with a rate of 0.00% repayable over 20 years. The loan will be used for lift station rehabilitation and reclaimed water system expansion. The loan is secured by pledged revenues of the water and sewer system. At September 30, 2024, the balance was \$17,399,518.

In the event of default, the timing of repayment of outstanding balances may be accelerated, or the financing rate on the unpaid principal of the loans may be increased as much as 1.667 times the financing rate.

Direct Borrowing – State Revolving Funds Loan – WW531340

The City has a State Revolving Fund loan in the amount of \$1,000,000 with a rate of 1.11% repayable over 10 years. The loan will be used for planning activities for the water infrastructure study. The loan is secured by pledged revenues of the water and sewer system. At September 30, 2024, the balance was \$681,146.

In the event of default, the timing of repayment of outstanding balances may be accelerated, or the financing rate on the unpaid principal of the loans may be increased as much as 1.667 times the financing rate.

Direct Borrowing – State Revolving Funds Loan – WW531350

The City has a State Revolving Fund loan in the amount of \$500,000 with a rate of 0.00% repayable over 10 years. The loan will be used for a stormwater and wastewater master plan. The loan is secured by pledged revenues of the water and sewer system. At September 30, 2024, the balance was \$332,319.

In the event of default, the timing of repayment of outstanding balances may be accelerated, or the financing rate on the unpaid principal of the loans may be increased as much as 1.667 times the financing rate.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

There are a number of limitations and restrictions contained in the various bond indentures. As of September 30, 2024, all funds are being maintained in accordance with the ordinances and resolutions.

The amounts available in the Debt Service Funds to service long-term debt are as follows:

Public Improvement Revenue Bonds, Series 2015A, 2017, 2021, 2021B and 2021C \$ 4,144,904

Long-term liabilities, including accumulated compensated absences, other postemployment benefit liability, and net pension liability, are typically liquidated by the individual fund to which the liability is directly associated. Typically, the governmental funds used to liquidate the governmental activities accumulated compensated absences, other postemployment benefit liability, and net pension liability include the General, Library, Airport, Cemetery, CRA and Building/Safety funds. Claims and judgments are classified as short-term debt.

Revenue Bonds and Notes – Pledged Revenue

The City has pledged future water and sewer customer revenues, net of specified operating expenses, to repay \$46,995,000 in revenue bonds issued in 2010 and 2015. Proceeds from the bonds were used to finance the cost of the acquisition and construction of additions, extensions, and improvements to the system. Principal and interest on the bonds are payable through fiscal year 2036 from the water and sewer gross revenues and connection charges.

The resolutions authorizing the revenue bonds include an obligation for the City to fix, establish, revise from time to time whenever necessary, maintain and collect such fees, rates, rentals and other charges for the use of the products, services and facilities of the System which will always provide net revenues in each year sufficient to pay the lesser of either the aggregate of 115% of the bond service requirement becoming due in such year on the outstanding bonds, or the aggregate of 110% of the bond service requirement as the same become due in such year, provided that net revenues plus sewer system development charges and water system development charges in such year are sufficient to pay the aggregate of 120% of the bond service requirement becoming due in such year on the outstanding bonds. Fiscal year 2024 pledged revenues, net of operating expenses, were approximately \$11.1 million. Principal and interest paid during the year ended September 30, 2024 was \$3,532,243.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Lessee Arrangements

The City leases equipment for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2029 and provide for renewal options in various terms.

Total future minimum lease payments under lease agreements are as follows:

	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2025	\$ 158,707	\$ 9,415	\$ 42,232	\$ 4,412	\$ 214,766
2026	118,906	2,828	43,319	3,325	168,378
2027	119,228	3,717	44,437	2,207	169,589
2028	87,567	1,555	27,352	1,157	117,631
2029	21,454	352	20,228	364	42,398
2030	1,442	10	-	-	1,452
Total minimum lease payments	\$ 507,304	\$ 17,877	\$ 177,568	\$ 11,465	\$ 714,214

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

	Governmental Activities	Business-Type Activities
Equipment	\$ 821,144	\$ 222,870
Less: accumulated amortization	(272,745)	(40,518)
	\$ 548,399	\$ 182,352

SBITA Arrangements

The City contracts for software in its operations for various terms under long-term, non-cancelable subscription agreements. The leases expire at various dates through 2026 and provide for renewal options in various terms.

	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2025	\$ 595,382	\$ 6,764	\$ 52,796	\$ 3,110	\$ 658,052
2026	172,095	1,977	42,956	1,504	218,532
Total minimum payments	\$ 767,477	\$ 8,741	\$ 95,752	\$ 4,614	\$ 876,584

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

	Governmental Activities	Business-Type Activities
Software	\$ 2,917,135	\$ 303,607
Less: accumulated amortization	(1,879,353)	(129,646)
	\$ 1,037,782	\$ 173,961

NOTE 10 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City insures itself against these risks with various insurance policies. Insurance settlements have not exceeded the City's insurance coverage in the three prior fiscal years. All insurance coverage amounts remained constant from the prior year.

The City is self-insured for group health insurance. Estimated claims incurred but not reported of \$1,748,553 were recorded at September 30, 2024. This is the amount established by a specialist to have been incurred but not yet billed as of September 30, 2024. This entire amount is considered to be payable within the next year.

In addition, the City has insurance to cover individual stop/loss after \$300,000. In 2022, 2023 and 2024, settlements exceeded insurance coverage by \$205,013, \$0 and \$0, respectively.

The liability currently provided is the City's maximum run-off claims liability. The City is reinsured for all losses greater than the maximum claims liability through Symetra Life Insurance.

Changes in the City's claims payable at September 30 are as follows:

	Claims Payable Beginning of Year	Claims and Changes in Estimates	Claim Payments	Claims Payable End of Year
2022-2023 Total	\$ 1,748,553	\$ 4,949,542	\$ 4,949,542	\$ 1,748,553
2023-2024 Total	\$ 1,748,553	\$ 7,038,964	\$ 7,038,964	\$ 1,748,553

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS

The City maintains three single-employer, defined benefit pension plans. The plans do not issue stand-alone financial reports and are not included in any other retirement system's or entity's financial report.

The statements of fiduciary net position for the three pension plans at September 30, 2024 are as follows:

	General Employees' Pension	Municipal Firefighters' Pension	Municipal Police Officers' Pension	Total
Assets				
Prepaid Items	\$ 6,905	\$ 5,153	\$ -	\$ 12,058
Investments:				
Short-Term Money Market Funds	5,890,729	4,213,537	2,058,341	12,162,607
US Government Obligations	2,772,564	2,795,616	4,794,725	10,362,905
Mutual Funds Fixed	3,418,118	1,810,272	-	5,228,390
Mortgage Backed Securities	4,182,180	1,148,001	6,036,383	11,366,564
Municipal Obligations	13,480	221,213	-	234,693
Collateralized Mortgage Obligations	-	2,680,799	-	2,680,799
Corporate Bonds	2,866,172	2,431,649	908,577	6,206,398
Foreign Bonds	-	167,994	-	167,994
Equity Mutual Funds	-	4,271,056	10,075,225	14,346,281
Domestic Equities	42,765,145	16,485,560	17,111,022	76,361,727
International Equities	12,985,149	5,841,688	495,992	19,322,829
Real Estate Fund	8,392,829	4,037,664	2,069,577	14,500,070
Total Investments	<u>83,286,366</u>	<u>46,105,049</u>	<u>43,549,842</u>	<u>172,941,257</u>
Receivables:				
Contributions Receivable	35,696	63,258	-	98,954
Interest and Dividends Receivable	117,789	62,170	53,649	233,608
Total Receivables	<u>153,485</u>	<u>125,428</u>	<u>53,649</u>	<u>332,562</u>
Total Assets	83,446,756	46,235,630	43,603,491	173,285,877
Liabilities				
Accounts Payable	<u>79,804</u>	<u>16,679</u>	<u>579,454</u>	<u>675,937</u>
Net Position				
Net Position Restricted for Pensions	<u>\$ 83,366,952</u>	<u>\$ 46,218,951</u>	<u>\$ 43,024,037</u>	<u>\$ 172,609,940</u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS (CONTINUED)

The statement of changes in fiduciary net position for the three pension plans for the year ended September 30, 2024 follows:

	General Employees' Pension	Municipal Firefighters' Pension	Municipal Police Officers' Pension	Total
Additions:				
Contributions:				
Employer	\$ 2,126,793	\$ 1,458,464	\$ 641,509	\$ 4,226,766
Employee	452,186	501,782	438,745	1,392,713
State	-	540,260	660,432	1,200,692
Total Contributions	<u>2,578,979</u>	<u>2,500,506</u>	<u>1,740,686</u>	<u>6,820,171</u>
Investment Income (Loss)	15,905,349	8,107,529	8,507,190	32,520,068
Less: Investment Expenses	<u>(286,099)</u>	<u>(190,416)</u>	<u>(172,767)</u>	<u>(649,282)</u>
Net Investment Loss	15,619,250	7,917,113	8,334,423	31,870,786
Miscellaneous Revenue	<u>52,507</u>	<u>21,061</u>	<u>1,357</u>	<u>74,925</u>
Total Additions (Loss)	18,250,736	10,438,680	10,076,466	38,765,882
Deductions:				
Benefits	5,690,095	2,476,125	3,230,820	11,397,040
Refunds	67,403	15,071	64,468	146,942
Administrative Expenses	<u>212,557</u>	<u>122,161</u>	<u>93,834</u>	<u>428,552</u>
Total Deductions	<u>5,970,055</u>	<u>2,613,357</u>	<u>3,389,122</u>	<u>11,972,534</u>
CHANGE IN NET POSITION	12,280,681	7,825,323	6,687,344	26,793,348
Net Position Restricted for Pensions:				
Net Position - Beginning of Year	<u>71,086,271</u>	<u>38,393,628</u>	<u>36,336,693</u>	<u>145,816,592</u>
Net Position - End of Year	<u>\$ 83,366,952</u>	<u>\$ 46,218,951</u>	<u>\$ 43,024,037</u>	<u>\$ 172,609,940</u>

Summary of Significant Accounting Policies

- **Basis of Accounting** – The financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.
- **Method Used to Value Investments** – Investments are reported at fair value, as described in Note 3.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS (CONTINUED)

Plan Description

The General Employees' Pension Plan, Police Officers' Pension Plan, and Firefighters' Pension plans are defined benefit pension plans. Each plan is administered by a Board of Trustees which acts as the administrator of the plan.

General Employees' Pension Plan

The Board for the General Employees' Plan consists of five Trustees. One Trustee is the Chief Financial Officer of the City, who will be a permanent Trustee. The remaining four trustees are members of the system who are elected by a majority of the General Employees who are members of the system. Each Trustee serves a four-year term. Each person employed by the City as a full-time General Employee before November 20, 2017 became a member of the Plan as a condition of his or her employment. All eligible General Employees are therefore eligible for plan benefits as provided for in the plan document and by applicable law. There are no new entrants to the plan after November 20, 2017.

Employees become eligible for benefits the first day of the month following age 55 and completion of 10 years of credited service. For members who had not attained age 40 with 10 years of service on November 20, 2017, normal retirement is the earlier of age 60 with 10 years of credited service or the completion of 33 years of credited service, regardless of age. Members are entitled to 3.0% of their average final compensation times years of credited service. The benefit accrual reduces to 2.3% of average final compensation for service earned on or after November 20, 2017. The form of benefit is 10-year certain and life annuity. The plan provides for early retirement and disability benefits. All employees not included in the Firefighters' or Police Officers' pension plans are eligible under the plan.

General employees are required to contribute 9.5% of their salary up until November 20, 2017, and 7.00% effective November 20, 2017. The City is required to contribute the remaining amounts necessary to fund the plan as specified by ordinance. Administrative costs of the plan are financed through investment earnings. Service and disability retirees receive cost of living increases of 0.5% each October 1 for 10 years, beginning the first October following one complete year of retirement.

Firefighters' Pension Plan

The Board for the Firefighters' Plan consists of five Trustees, two of whom are legal residents of the City appointed by the City Commission, two of whom are members of the system who are elected by a majority of the Firefighters who are members of the system and a fifth trustee who is chosen by a majority of the other four trustees. Each Trustee serves a four-year term. Each person employed by the City Fire Department as a full-time Firefighter becomes a member of the Plan as a condition of his or her employment. All Firefighters are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS (CONTINUED)

Plan Description (Continued)

Firefighters' Pension Plan (Continued)

Employees under the Firefighter's Pension Plan are entitled to 3.8% of their average final compensation times years of credited service and become eligible the first day of the month following the earlier of age 55 and 10 years of credited service or 25 years of service, regardless of age. The form of benefit is 10-year certain and life annuity. The plan provides for early retirement and disability benefits. Service and disability retirees receive cost of living increases of 0.5% each October 1 for 10 years, beginning the first October following one complete year of retirement.

Police Officers' Pension Plan

The Board for the Police Officers' Plan consists of five Trustees, two of whom are appointed by the City Commission, two of whom are members of the system who are elected by a majority of the Police Officers who are members of the system, and a fifth trustee who is chosen by a majority of the other four trustees. Each Trustee serves a four-year term. Each person employed by the City Police Department as a full-time Police Officer becomes a member of the Plan as a condition of his or her employment. All Police Officers are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

Police employees attaining the earlier of age 55 and 10 years of credited service or the completion of 25 years of credited service or age 60 are entitled to annual benefits of 3.5% of their average final compensation times years of credited service. The form of benefit is 10-year certain and life thereafter. The plan provides for early retirement and disability benefits. Service and disability retirees receive cost of living increases of 0.5% each October 1 for 10 years, beginning the first October following one complete year of retirement.

Police and fire employees are required to contribute 8.2% and 10.0%, respectively, of their annual salary. The City is required to contribute the remaining amounts after employee and state contributions necessary to fund the plans as specified by ordinance. The State remits income received from the 0.85% excise tax on casualty insurance premiums for the police fund, and income received from the 1.85% excise tax on premiums for fire insurance for the firefighters' fund. Contributions received from the State as on-behalf payments were \$660,432 for police employees and \$477,002 for firefighters for 2024. Administrative costs of the plan are financed through investment earnings.

Other information with respect to the Pension Plans is as follows:

	General Employees'	Municipal Firefighters'	Municipal Police Officers'
Plan Establishment/Restatement	January 1, 1971	October 1, 1986	October 1, 1985
Payroll for Covered Employees	\$ 6,459,788	\$ 5,017,823	\$ 5,350,555

The systems also provide disability and survivor benefits.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS (CONTINUED)

Employees Covered by Benefit Terms

At October 1, 2023, the date of the City's most recent valuation, the following employees were covered by the benefit terms:

	General Employees'	Municipal Firefighters'	Municipal Police Officers'
Inactive Plan Members or Beneficiaries			
Currently Receiving Benefits	265	54	68
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	38	18	35
Active Plan Members	105	65	67
Total	<u>408</u>	<u>137</u>	<u>170</u>

Actuarial Assumptions

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

	General Employees'	Municipal Firefighters'	Municipal Police Officers'
Valuation Date	10/1/2023	10/1/2023	10/1/2023
Inflation	2.50%	2.50%	2.50%
Projected Salary Increases	Service Based	Service Based	Service Based
Discount Rate	6.50%	7.45%	7.35%
Investment Rate of Return	6.50%	7.45%	7.35%
Mortality Rate	PubG.H-2010 with Scale MP- 2018	PubS.H-2010 & PubG-H-2010 with Scale MP- 2018	PubS.H-2010 & PubG-H-2010 with Scale MP- 2018
Date of Actuarial Experience Study	7/23/2021	10/23/2019	10/23/2019

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS (CONTINUED)

Actuarial Assumptions (Continued)

Changes in assumptions for the 2024 fiscal year for the General Employees' Pension, Police Officers' Pension, and Firefighters' Pension plans included the following:

Firefighters' – For measurement date September 30, 2024, the investment rate of return remained constant as the prior year at 7.45% per year compounded annually, net of investment-related expenses.

Police Officers' – For measurement date September 30, 2024, the investment rate of return remained constant as the prior year at 7.35% per year compounded annually, net of investment-related expenses.

Discount Rate

The discount rate used to measure the total pension liability was 6.50% for general employees' plan, 7.45% for municipal firefighters' plan, and 7.35% for municipal police officers' plan. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee 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 active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS (CONTINUED)

Investments

Each Board of Trustees (Board) is responsible for administering the investment policies of the Plans and providing oversight for the management of the Plans' asset. The investment strategy of each Plan is to emphasize total return (defined as the aggregate return from capital appreciation and dividend and interest income). The investment policy for each plan requires that all Plan assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Plan, with minimal impact on market price. Following are the adopted asset allocation policies for each plan as of September 30, 2024.

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

General Employees' Plan:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
All Cap Value Equity	25.0 %	7.5 %
Broad Growth Equity	25.0	7.5
International Equity	15.0	8.5
Fixed Income (Core)	20.0	2.5
Global Bond	5.0	3.5
Real Estate	10.0	4.5
Total	100.0 %	

Municipal Firefighters' Plan:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
All Cap Value Equity	22.5 %	7.5 %
Broad Growth Equity	22.5	7.5
International Equity	15.0	8.5
Fixed Income (Core)	20.0	2.5
Global Bond	5.0	3.5
Real Estate	15.0	4.5
Total	100.0 %	

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS (CONTINUED)

Municipal Police Officers' Plan:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
All Cap Value Equity	25.0 %	7.5 %
Broad Growth Equity	25.0	7.5
International Equity	15.0	8.5
Fixed Income (Core)	20.0	2.5
Global Bond	5.0	3.5
Real Estate	10.0	4.5
Total	100.0 %	

Concentrations

The Plans did not hold investments in any one organization that represent 5% or more of the respective Plan's fiduciary net position.

Money-Weighted Rate of Return on Investments

For the year ended September 30, 2024 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 22.36% for the General Employees' Plan, 20.82% for the Firefighters' Plan, and 23.46% for the Police Officers' Plan. The money-weighted rate of return expresses investment performance, net of expenses, adjusted for the changing amounts actually invested.

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

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

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
General Employees' Pension			
Sponsor's Net Pension Liability	\$ 23,200,234	\$ 12,486,395	\$ 3,541,377

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS (CONTINUED)

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

	1% Decrease (6.35%)	Current Discount Rate (7.35%)	1% Increase (8.35%)
Municipal Police Officers' Pension			
Sponsor's Net Pension Liability (Asset)	\$ 8,913,924	\$ 3,375,101	\$ (1,229,908)

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
Municipal Firefighters' Pension			
Sponsor's Net Pension Liability (Asset)	\$ 11,181,339	\$ 5,026,817	\$ (106,595)

Deferred Retirement Option Program (DROP)

The Plans permit the members to elect to receive retirement benefits while still employed and receiving a salary. Members are eligible upon reaching normal retirement. The participant's retirement benefits are credited into an individual member account and paid out to the member upon termination or retirement not to exceed a period of up to 60 months for the General Employees', Firefighters', Police Officers' Plan. Amounts credited to the members' DROP accounts earn interest and remain in the pension plan's net assets until paid out. Amounts held in DROP accounts as of September 30, 2024 totaled \$1,378,326 for the General Employees' Plan, \$599,161 for the Firefighters' Plan, and \$305,383 for the Police Officers' Plan.

Net Pension Liability

The City's net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined as of that date. The net pension liability recorded by the City as of September 30, 2024 consists of the following:

General Employees'	\$ 12,486,395
Municipal Firefighters'	5,026,817
Municipal Police Officers'	3,375,101
Total Net Pension Liability	\$ 20,888,313

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS (CONTINUED)

Changes in Net Pension Liability

Changes in Net Pension Liability General Employees' Pension	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at September 30, 2023	\$ 93,214,139	\$ 71,086,271	\$ 22,127,868
Changes for the Year:			
Service Cost	694,100	-	694,100
Interest	5,917,054	-	5,917,054
Change in Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	1,781,356	-	1,781,356
Changes of Assumptions	-	-	-
Contributions - Employer	-	2,126,793	(2,126,793)
Contributions - Employee	-	452,186	(452,186)
Net Investment Income	-	15,573,150	(15,573,150)
Miscellaneous	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(5,753,302)	(5,753,302)	-
Administrative Expenses	-	(118,146)	118,146
Net Changes	<u>2,639,208</u>	<u>12,280,681</u>	<u>(9,641,473)</u>
Balance at September 30, 2024	<u>\$ 95,853,347</u>	<u>\$ 83,366,952</u>	<u>\$ 12,486,395</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			86.97%

Changes in Net Pension Liability Municipal Firefighters' Pension	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at September 30, 2023	\$ 47,948,702	\$ 38,393,627	\$ 9,555,075
Changes for the Year:			
Service Cost	1,349,006	-	1,349,006
Interest	3,579,882	-	3,579,882
Change in Benefit Terms	1,201	-	1,201
Difference Between Expected and Actual Experience	858,174	-	858,174
Changes of Assumptions	-	-	-
Contributions - Employer	-	1,458,464	(1,458,464)
Contributions - State	-	540,260	(540,260)
Contributions - Employee	-	501,782	(501,782)
Net Investment Income	-	7,936,564	(7,936,564)
Miscellaneous Revenue	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(2,491,196)	(2,491,196)	-
Administrative Expenses	-	(120,550)	120,550
Net Changes	<u>3,297,067</u>	<u>7,825,324</u>	<u>(4,528,257)</u>
Balance at September 30, 2024	<u>\$ 51,245,769</u>	<u>\$ 46,218,951</u>	<u>\$ 5,026,818</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			90.19%

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS (CONTINUED)

Changes in Net Pension Liability (Continued)

Municipal Police Officers' Pension	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at September 30, 2023	\$ 44,767,049	\$ 36,336,694	\$ 8,430,355
Changes for the Year:			
Service Cost	932,320	-	932,320
Interest	3,237,802	-	3,237,802
Change in Excess State Money	-	-	-
Difference Between Expected and Actual Experience	757,256	-	757,256
Changes of Assumptions	-	-	-
Contributions - Employer	-	641,509	(641,509)
Contributions - State	-	660,432	(660,432)
Contributions - Employee	-	438,745	(438,745)
Net Investment Income	-	8,340,876	(8,340,876)
Benefit Payments, Including Refunds of Employee Contributions	(3,295,288)	(3,295,288)	-
Administrative Expenses	-	(98,931)	98,931
Other Changes	-	-	-
Net Changes	1,632,090	6,687,343	(5,055,253)
Balance at September 30, 2024	\$ 46,399,139	\$ 43,024,037	\$ 3,375,102

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability 92.73%

For the year ended September 30, 2024, the City recognized pension expense of \$4,299,931 (\$1,415,392 for General Employees, \$1,820,969 for Municipal Firefighters, and \$1,063,570 for Municipal Police Officers).

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

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

General Employees' Pension:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 890,678	\$ -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	6,598,985
Total	\$ 890,678	\$ 6,598,985

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS (CONTINUED)

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

Municipal Firefighters' Plan:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 958,545	\$ 956,721
Changes of Assumptions	680,979	58,172
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	2,213,447
Total	<u>\$ 1,639,524</u>	<u>\$ 3,228,340</u>

Municipal Police Officers' Plan:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 708,720	\$ -
Changes of Assumptions	114,701	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	2,716,380
Total	<u>\$ 823,421</u>	<u>\$ 2,716,380</u>

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

General Employees' Plan:

<u>Year Ended September 30,</u>	<u>Amount</u>
2025	\$ (756,473)
2026	198,368
2027	(2,938,265)
2028	(2,211,937)

Municipal Firefighters' Plan:

<u>Year Ended September 30,</u>	<u>Amount</u>
2025	\$ (191,856)
2026	502,176
2027	(1,132,977)
2028	(909,188)
2029	143,029

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 PENSION PLANS (CONTINUED)

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

Municipal Police Officers':

<u>Year Ended September 30</u>	<u>Amount</u>
2025	\$ 65,924
2026	489,047
2027	(1,301,751)
2028	(1,146,179)

Summary

The aggregate amount of net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense for the City's pension plans are summarized below. These liabilities are typically liquidated by the individual fund activity in which the employee's costs are associated.

<u>Description</u>	<u>General Employees'</u>	<u>Municipal Firefighters'</u>	<u>Municipal Police Officers'</u>	<u>Total</u>
Net Pension Liability	\$ 12,486,395	\$ 5,026,817	\$ 3,375,101	\$ 20,888,313
Deferred Outflows of Resources Related to Pensions	890,678	1,639,524	823,421	3,353,623
Deferred Inflows of Resources Related to Pensions	6,598,985	3,228,340	2,716,380	12,543,705
Pension Expense	1,415,392	1,820,969	1,063,570	4,299,931

Other Retirement Plans

In addition to the three defined benefit plans, the City offers employees two Internal Revenue Code (IRS) Section 457 plans.

The City also provides pension benefits through a defined contribution IRC Section 401(a) profit sharing plan to Directors and the City Manager in lieu of participating in the general employees' pension. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees that participate in the plan are required to contribute 10% of their salary. Effective September 25, 2017, Resolution R-17- 46 changed the City's contribution rate to 15% of the employee's gross pay. The City's contribution for each employee (and interest allocated to the employee's account) is fully vested upon contribution. The City Council by ordinance maintains the authority to establish new and amend existing benefit provision of the plan and contribution requirements. The City's contributions to this IRC Section 401(a) plan for the year ended September 30, 2024 were approximately \$178,181.

The City also has a pre-tax defined contribution plan that became effective for non-Police and non-Fire employees hired on or after November 20, 2017. Normal retirement age is 60 and early retirement age is 55. The City contributes 7.5% while employees are required to contribute 3% of pay to the Plan. For the year ended September 30, 2024, the City contributed \$835,213. Employees vest at a rate of 20% per year. A participant who separates from service prior to obtaining full vesting (five years) shall forfeit that percentage of the City's contribution account balance that has not yet been vested. Forfeited amounts will be used to offset future City contributions required in succeeding plan years and investment advisory services. The amount of forfeitures available at September 30, 2024 was \$31,616.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS

The City is obligated to make available to qualified retired employees the option to maintain coverage with the group health, life, and dental insurance plans.

Plan Description

The City of Winter Haven’s Retiree Health Care Plan (Plan) is a single-employer defined benefit postemployment health care plan that covers eligible retired employees of the City. The Plan, which is administered by the City, allows employees who retire and meet retirement eligibility requirements under one of the City’s retirement plans to continue medical and life insurance coverage as a participant in the City’s Plan.

A retired employee and his or her spouse and eligible dependents are eligible to continue health insurance identical to active employees if they meet the eligibility for retirement under the applicable retirement plan. The City subsidizes retiree health premiums at a rate determined by the City. The retiree is responsible for paying the remaining active monthly premium for health and coverage and that of any covered spouse or eligible dependents.

The City subsidizes the premium rates paid by retirees by allowing them to participate in the plans at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible.

For the Postemployment Health Care Benefits Plan, contribution requirements of the City are established and may be amended through the City. The plan is currently being funded on a pay-as-you-go basis. No trust fund has been established for the plan, and there are no assets accumulated in trust for payment of benefits. The plan does not issue a separate publicly available financial report. The OPEB liabilities are typically liquidated by the individual fund in which the employee’s costs are associated.

Employees Covered by Benefit Terms

At September 30, 2024 valuation date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	101
Active Plan Members	<u>522</u>
Total	<u><u>623</u></u>

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

Total OPEB Liability

The City's Total OPEB liability was measured as of September 30, 2024 and was determined by an actuarial valuation as of September 30, 2024. The following table shows the City's total OPEB liability for the year ended September 30, 2024.

	Total OPEB Liability
Balances - October 1, 2023	\$ 30,688,942
Changes for the Year:	
Service Cost	1,302,196
Interest	1,531,234
Changes in Assumptions	11,418,576
Differences Between Expected and Actual Experience	11,180
Benefit Payments	<u>(1,111,113)</u>
Net Changes	<u>13,152,073</u>
Balances - September 30, 2024	<u><u>\$ 43,841,015</u></u>

Discount Rate Sensitivity

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 a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	3.06 %	4.06 %	5.06 %
Total OPEB Liability	\$ 52,291,029	\$ 43,841,015	\$ 37,302,386

Healthcare Trend Rate Sensitivity

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-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
	5.75%		
OPEB Plan Healthcare Cost Rate	decreasing to 3.00%	6.75% decreasing to 4.00%	7.75% decreasing to 5.00%
Total OPEB Liability	\$ 36,798,778	\$ 43,841,015	\$ 53,030,267

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

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

For the year ended September 30, 2024, the City recognized OPEB expense of \$3,518,264. In addition, the City reported deferred inflows of resources of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,583	\$ 1,651,157
Changes of Assumptions	11,550,988	9,462,845
Total	<u>\$ 11,560,571</u>	<u>\$ 11,114,002</u>

Amounts reported as deferred inflows of resources related to OPEB will be amortized over five years and will be recognized as follows:

<u>Year Ending September 30:</u>	<u>Amount</u>
2025	\$ 123,602
2026	(1,208,026)
2027	(831,828)
2028	(831,828)
2029	1,561,825
Thereafter	1,632,824

Actuarial Assumptions

The total OPEB liability in the September 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Healthcare Cost Trend Rates	Initial rate of 6.75% in fiscal 2024, grading down to the ultimate trend rate of 4% in fiscal 2075.

Salary Inflation

Credited Service	General Pension Plans and 401a Employees
First Year	9.00%
Years 2-9	5.00%
Years 10-14	3.50%
Greater than 14 Years	3.25%
	<u>Police Pension Plan Employees</u>
First Year	13.00%
Years 2-10	4.50%
Greater than 10 Years	4.00%

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

Actuarial Assumptions (Continued)

Credited Service	Fire Pension Plan Employees
Less than 5 Years	7.50%
Years 6-10	6.00%
Years 11-15	5.00%
Greater than 15 Years	4.50%

The actuarial cost method used was the Entry Age Cost method, level percentage of pay.

All mortality rates were based on the Pub-2010 mortality tables with fully generational improvement using Scale MP-2018. Rates are based on those outlined in the July 1, 2023 Florida Retirement System actuarial valuation report.

The discount rate used to measure the total OPEB liability was 4.06%, based on the September 30, 2024 S&P Municipal Bond 20-Year High Grade Rate Index as published by S&P Dow Jones Indices.

Changes of Assumptions reflect a change in the discount rate from 4.87% for the reporting period ended September 30, 2023, to 4.06% for the reporting period ended September 30, 2024. Also reflected as assumption changes are updated health care costs and premiums, and updated salary increases, termination rates, and disability rates for General employees.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 13 COMMITMENTS AND CONTINGENCIES

Federal and State Grant Programs

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

Litigation

Various suits and claims, arising in the ordinary course of the City's operations, are pending. These claims consist of suits involving loss of employment and discrimination. Management does not expect the resolution of these matters to have a material effect on the City's financial statements.

Construction Commitments

The City routinely enters into various construction commitments. At September 30, 2024, the City had the following outstanding major construction commitments in process:

Project	Project Authorization	Expended in Prior Years	Expended in September 30, 2024	Commitment
Governmental Activities:				
Lake Elbert Trail	\$ 10,690,164	\$ -	\$ 5,232,292	\$ 5,457,872
S Apron Rehabilitation	4,232,008	-	3,578,549	653,459
South Lake Howard Drive - Complete Street	1,411,744	-	394,076	1,017,668
Fire Station #4 - Fairfax	5,369,334	-	4,213,868	1,155,466
Lake Conine - Recreation Elements	2,682,517	-	953,179	1,729,338
WHRCC - New Recreation Complex	19,995,749	-	1,079,549	18,916,200
Chain of Lakes - Phase II - Park Elements	12,453,900	-	1,087,810	11,366,090
Roadway Resurfacing & Pavement Markings	1,118,578	-	-	1,118,578
Total Governmental Activities	<u>\$ 57,953,994</u>	<u>\$ -</u>	<u>\$ 16,539,323</u>	<u>\$ 41,414,671</u>
Business-Type Activities:				
Construction of Harmony Lift Station	\$ 8,034,186	\$ -	\$ 5,401,112	\$ 2,633,074
Well Construction - Cypresswood & Pollard Road	7,796,300	-	-	7,796,300
Total Business-Type Activities	<u>\$ 15,830,486</u>	<u>\$ -</u>	<u>\$ 5,401,112</u>	<u>\$ 10,429,374</u>

Contingencies

No accrual has been made in the financial statements for contingencies related to claims not yet asserted, because the amount cannot be reasonably estimated. In management's opinion, any such claims, if asserted, would not have a material adverse effect on the operations or financial position of the City.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 14 TAX ABATEMENTS

The City determined that it is desirable to facilitate redevelopment opportunities within the Florence Villa and Downtown Community Redevelopment Areas (CRA) of the City through tax increment rebatement and other incentives. The development incentives are consistent with the Community Redevelopment Plans for the two CRA Districts and are in compliance with Florida State Statutes 163, Part III and 163.370(1)(d), Resolution R-00-19, CRA Resolution R-16-01, and Resolution R-CRA-21-01. A Summary description of the incentives available is as follows:

- **Real Estate Development Accelerator (REDA)** – This incentive targets large-scale development projects that enhance the economic diversity of the Florence Villa Community Redevelopment and/or Downtown Community Redevelopment Areas and are anticipated to increase, by \$5 million or more, the ad valorem Taxable Value within the Florence Villa Community Redevelopment and/or Downtown Community Redevelopment Areas. This incentive can be utilized in the form of a land purchase price mark-down, tax increment financing rebates or similar types of assistance. Each project is negotiated on an individual basis.
- **Real Estate Development Accelerator II (REDA II)** – This incentive is for large-scale development projects that enhance the economic diversity of the Florence Villa and/or Downtown Community Redevelopment Areas and are anticipated to increase the ad valorem Taxable Value of the subject site by \$15 million or more. This incentive can be utilized in the form of land mark-down, infrastructure improvements, tax increment financing rebates or similar types of assistance. Each project is negotiated on an individual basis.
- **Housing Investment Program (HIP)** – This incentive targets developers of new housing units, renovations of existing housing units that increase the taxable value of the project by at least 100%, and for sale/for rent residential projects investing at least \$2 million dollars. Projects could qualify for a \$10,000 per unit incentive for market-rate housing. Developers are given the choice of A or B below plus the option of the Smart City Bonus:
 - A. Reimbursement not to exceed \$10,000 per units from the project’s actual tax increment; or
 - B. Reimbursement of up to 80% of the project’s actual tax increment for years 1-5 and reimbursement of 70% of the project’s actual tax increment for years 6-15; and Smart City Bonus:Both A. and B. above could also receive \$1,500 per unit grant upon completion of construction when the project includes three or more approved Smart City technologies as provided by the Smart City Advisory Committee or City Staff.
- **Facade and Exterior Improvement Program (for Developers)** – A reimbursement program which provides reimbursement of up to 50% of the cost of facade improvements. The maximum reimbursement is \$25,000.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 14 TAX ABATEMENTS (CONTINUED)

- **Commercial Redevelopment** – Redevelopment of existing commercial buildings within the Downtown Community Redevelopment and/or Florence Villa Community Redevelopment Areas that will increase the ad valorem taxable value by at least 100%. A factor in qualifying for this incentive is the degree to which the project retains authentic character and appearance deemed desirable. Qualifying projects may be eligible for a rebate of 50% of the tax increment created by the renovation for up to 10 years.
- **Capital Improvement Grant Program** – Annual reimbursement of tax increment revenue, up to 50% of the previous year annual "interest only" portion on the principal amount of a loan obtained for rehabilitation or renovation of a project located in the Downtown Community Redevelopment and/or Florence Villa Community Redevelopment Areas. Amortized points, fees and closing costs are not reimbursable. Loans from participating lenders would be based on the lower of the prime rate or actual loan interest rate. The maximum reimbursement is based on the annual amount of tax increment revenue actually received by the City and/or CRA from the project.

At the conclusion of fiscal year 2024, the City had the following economic incentive agreements outstanding:

1. Physician's Partnership

A December 9, 2013 development agreement with Physician's Partnership for the development of a 11,440 square foot medical office building located in the Downtown CRA District. Physicians Partnership annually receives 100% of the County's tax increment paid on this structure. The payments will be continued until \$239,107 has been amortized. The City made incentive payments totaling \$18,110 in the current fiscal year.

2. First Street North LLC

This agreement approved by the City Commission in March 2017 will rebate 60% of the annual tax increment actually received by the City for a period of ten years. The incentive was approved for the construction of a Bond Clinic facility on First Street North. The City made incentive payments totaling \$39,244 in the current fiscal year.

3. Six-Ten Development Agreement

The Six-Ten Corporation plans to build 128 market rate apartments in four downtown locations with an investment of \$21 million. Six-Ten receives a tax rebate of up to \$5,000 per unit. Only 20 units have been constructed pursuant to this agreement. The City made payments of \$15,429 in the current fiscal year. The developer does not plan to construct the remaining 108 units allowable by the agreement; therefore, final payment has been made. No further payments are anticipated.

4. Dundee Self Storage LLC

Resolution R-16-01 entitles Dundee Self Storage to a rebate of 50% of the actual façade improvements at 335 Magnolia Avenue, up to \$15,000. The annual rebate will continue for 10 years, or for as long as the CRA exists, but shall not exceed 100% of the actual tax increment revenue generated from the improvements. This agreement was approved by the City Commission in October 2017. The City made payments of \$512 in the current fiscal year

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 14 TAX ABATEMENTS (CONTINUED)

5. Central South, LLC

Resolution R-16-01 entitles Central South, LLC to a rebate of 50% of the actual façade improvements at 150 3rd Street SW, up to \$15,000. The annual rebate will continue for 10 years, or for as long as the CRA exists, but shall not exceed 100% of the actual tax increment revenue generated from the improvements. This agreement was approved by the City Commission in June 2020. The City made payments of \$610 in the current fiscal year.

6. RainDance Development Agreement

RainDance, LLC has built 105 multifamily units on 10.5 lots in the Overstreet Subdivision. Rain Dance will be due a tax rebate of 60% of the annual tax increment and \$5,000 per unit. The City made no payments in the current fiscal year. The first rebate will commence next fiscal year.

7. 750 Avenue C SW, LLC Development Agreement

750 Avenue C SW, LLC plans to build 15 multifamily units at 750 Avenue C SW, in the Downtown CRA District. 750 Avenue C SW receives a tax rebate of up to \$5,000 per unit. The City made payments of \$22,820 in the current fiscal year.

8. Winter Haven, FL 0721 LLC

This agreement approved by the City Commission in September 2021 will rebate 90% of the annual tax increment actually received by the City until September 30, 2030, and an additional development incentive of \$1,759 per room for three years, not to exceed \$190,000. The incentive was approved for the construction of a six-story hotel with approximately 108 rooms on five parcels within the Downtown CRA district. The City made payments of \$257 in the current fiscal year.

9. Ave F SW LLC

Resolution R-21-01 entitles Ave F SW to a rebate of 50% of the actual façade improvements to redevelop 7 multi-family units at 212 Ave F SW, up to \$15,000. The annual rebate will continue for 10 years, or for as long as the CRA exists, but shall not exceed 100% of the actual tax increment revenue generated from the improvements. This agreement was approved by the City Commission in September 2021. The City made payments of \$1,669 in the current fiscal year.

10. Six-Ten LLC

Resolution R-16-01 entitles Six-Ten to a rebate of 50% of the actual façade improvements at 543 Avenue B SW, up to \$15,000. The annual rebate will continue for 10 years, or for as long as the CRA exists, but shall not exceed 100% of the actual tax increment revenue generated from the improvements. This agreement was approved by the City Commission in March 2021. The City made no payments in the current fiscal year as the project did not create a tax increment.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 14 TAX ABATEMENTS (CONTINUED)

11. Six-Ten LLC

Resolution R-16-01 entitles Six-Ten to a rebate of 50% of the actual façade improvements at 140 6th Street SW, up to \$15,000. The annual rebate will continue for 10 years, or for as long as the CRA exists, but shall not exceed 100% of the actual tax increment revenue generated from the improvements. This agreement was approved by the City Commission in March 2021. The City made payments of \$100 in the current fiscal year.

12. Onicx Group LLC

This agreement approved by City Commission in October 2021 will rebate 90% of the annual tax increment received by the City. The incentive was approved for the construction of a 130-room Residence Inn by Marriott and up to 10,000, but not limited to, 6,000 square feet of new activated ground floor retail and restaurant space. The City made no payments in the current fiscal year. This incentive will likely not be payable in the future as certain conditions of the Developer's Agreement have not been fulfilled.

13. Benge Development PMF Lake Idyl, LLC Agreement

Benge Development PMF Lake Idyl, LLC plans to build 96 multifamily units at the corner of MLK Blvd. and 11th Street NE, in the Florence Villa District. Benge Development PMF Lake Idyl, LLC will be due a tax rebate of up to \$10,000 per unit. The developer has not yet commenced construction of this project and, therefore, the City made no payments in the current fiscal year.

14. Katina Campbell Agreement

This agreement was approved by the City Commission on September 14, 2021. Katina Campbell plans to construct not more than 5 multi-family units upon 2 parcels within the Florence Villa Community Redevelopment Area. Ms. Campbell will receive \$10,000 per unit constructed tax increment rebate. The project is currently under construction. The City made no payment in the current fiscal year.

15. 1150 WHG LLC Agreement

This agreement was approved by the City Commission on November 14th, 2022. 1150 WHG LLC is redeveloping a former motel into a 211-unit multi-family project. 1150 WHG LLC will receive \$10,000 per unit tax rebate incentives plus the Smart City Bonus. The project is currently under construction. The City made no payment in the current fiscal year.

16. Brett and Eric Cranmer Agreement

This agreement was approved by the City Commission on March 13th, 2023. Brett and Eric Cranmer are developing 2 residential rental units upon a property within the Downtown Community Redevelopment Area. They will receive \$10,000 per unit tax increment financing upon completion of the project. The City made no payment in the current fiscal year.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 14 TAX ABATEMENTS (CONTINUED)

17. The Breeze Winter Haven, LLC Agreement

This agreement was approved by the City Commission on June 12th, 2023. The Breeze Winter Haven, LLC plans to develop 102 units of multi-family within the Downtown Community Redevelopment Area. They will receive 90% of the tax increment for 20 years. The project is currently under construction. The City made no payment in the current fiscal year.

18. FatCat, LLC (Upper Crust Pizza) Agreement

This agreement was approved by the CRA Board on March 11, 2024. The agreement allows for payment of 100% of the tax increment generated up to \$15,000. The project was recently completed. The City made no payment in the current fiscal year.

NOTE 15 INTERLOCAL AGREEMENT

Polk County

On May 17, 2017, the City entered into an interlocal agreement with Polk County. The County will pay the City amounts equal to semi-annual principal and interest payments on a total amount of \$10,000,000 of debt principal incurred by the City to finance a new facility and improvements at the Chain o' Lakes Complex over a period of 20 years. The City issued the 2017 Non Ad Valorem bonds on August 16, 2017, as described in Note 9, to finance the project. The City and County will mutually determine the configuration and siting of the new facility and will share in sponsorship revenue. At September 30, 2024, \$9,468,627 is due from Polk County and has been recorded as a receivable and deferred inflow of resources in the General Fund. During fiscal year 2024, the City collected \$701,981 from the County.

On October 31, 2023, Polk County and the City entered into an Interlocal Agreement for Tourist Development Tax Funding for the renovation of the Chain of Lakes Complex. The total buildout of the project is estimated to be \$20 Million. The funding plan for the \$20 Million will be shared between the City and County. The City and County will each provide \$5 Million in cash. The City will bond \$10 Million with the County providing equal semiannual payments for principal and interest of their portion of the bond. At September 30, 2024, \$6,745,661 is due from Polk County and has been recorded as a receivable and unearned revenue in the General Fund. During fiscal year 2024, the City collected \$64,482 from the County.

Polk Regional Water Cooperative (PRWC)

Background – The Polk Regional Water Cooperative (PRWC) was created on April 1, 2016 by an interlocal agreement between the City of Auburndale, City of Bartow, City of Davenport, City of Eagle Lake, City of Fort Meade, City of Frostproof, City of Haines City, City of Lakeland, City of Lake Alfred, City of Lake Wales, City of Mulberry, Polk City, City of Winter Haven, Town of Dundee, Town of Lake Hamilton, and Polk County in accordance with Chapter 163 and 373 of the Florida Statutes. These local government units are collectively considered the Member Governments. The PRWC is a separate legal entity organized under the laws of the state of Florida, and the Member Governments have no equity ownership in the PRWC.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 15 INTERLOCAL AGREEMENT (CONTINUED)

The PRWC is devoted to encouraging the development of fully integrated, robust public water supply systems comprised of diverse sources managed in a manner that take full advantage of Florida's intense climatic cycles to ensure reliable, sustainable and drought resistant system which maximize the use of alternative water supplies to the greatest extent practicable. The PRWC will evaluate, plan and implement water projects and coordinate partnerships with other water users.

Membership Fees – The terms of the interlocal agreement require each Member Government to contribute their proportionate share of the PRWC's annual working capital needs which are established annually by a resolution of the PRWC's Board of Directors. For the year ending September 30, 2024 the City's proportionate share of the PRWC's administrative expenses was \$35,984.00, the City's proportionate share of the PRWC's conservation budget was \$10,380.62 and the City's proportionate share of the PRWC's capital needs was \$222,727.

Combined Projects Funding – In May 2017, the PRWC's Member Governments entered into a Combined Projects Implementation Agreement to begin conceptual development of four Approved Projects, to include the Southeast Wellfield Lower Floridian Aquifer Project (Southeast Wellfield), a new Lower Floridian aquifer wellfield with associated water treatment facility, water transmission lines, and supporting facilities, and the West Polk Wellfield lower Floridian aquifer project (West Polk Wellfield).

In April 2021, the PRWC's member governments executed an implementation agreement to advance the Southeast Wellfield and the West Polk Wellfield from the conceptual stage to construction and initial operation. According to the Southeast Wellfield and West Polk Wellfield agreements, each project "Participant" government would pay its proportionate share of the initial construction costs for the wellfield's plant and pipeline system and agree to take generated water to distribute as potable supply.

At its April 26, 2021 regular meeting, the City Commission approved the West Polk Wellfield and Southeast Wellfield Implementation Agreements and elected to join each project as a "Project Participant" with a requested 2045 Water Allotment of 1.52 million gallons per day (MGD) of raw water from the Southeast Wellfield Project and 0.1 million gallons per day from the West Polk Wellfield Project.

According to the PRWC's most recent financial projections, the total combined cost of the Southeast Wellfield Project and the West Polk Wellfield Project is estimated to be \$807,100,000. After application of grant and state appropriation commitments in the amount of \$279,461,596, the remaining balance to complete the Southeast Wellfield and West Polk Wellfield Projects will be funded through Federal and State loans with annual debt service paid by Project Participants, including the City. The City's percentage share of water production is estimated to be 9.3% for the Southeast Wellfield and 1.3% for the West Polk

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 15 INTERLOCAL AGREEMENT (CONTINUED)

Wellfield. Based on the percentages of Wellfield production to be utilized by the City, the City's annual cost for the Southeast Wellfield Project and the West Polk Wellfield Project, inclusive of debt service and consumption charges, will climb to approximately \$5,179,490 and \$211,681, respectively, in 2032. Debt service and consumption changes are estimated to begin in October of 2028

The City Commission agreed to a second amendment to the Southeast Wellfield Lower Aquifer Project. The agreement locks the City into the previously committed amounts of water. The City also agreed to the same amendment with the Southwest Project. The City, along with the County and three other cities, agreed to be "Anchor Participants".

Contact – Complete financial statements of the PRWC may be obtained from the PRWC's Executive Director at 330 W. Church Street, P.O. Box 9005, Drawer CA01, Bartow, Florida 33831-9005.

NOTE 16 RESTATEMENTS

In fiscal year ended September 30, 2024, the Capital Project Fund was established by consolidation of two funds previously reported as major funds, the 2015 Construction Fund (changed to Capital Project Fund) and the 2021 Construction Fund. The effects on fund balance for this change within the reporting entity are presented on the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds and in the table below.

In fiscal year ended September 30, 2024, the City early implemented GASB Statement No. 101, *Compensated Absences*. The early adoption of GASB 101 resulted in changes to the Statement of Activities, and the Proprietary Statement of Revenues, Expenses and Changes in Net Position. The effects of the changes are provided below.

**CITY OF WINTER HAVEN, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 16 RESTATEMENTS (CONTINUED)

Reporting Units Affected by Restatements of Beginning Balances

	9/30/23, As Previously Reported	Change in Accounting Principle	Change in Major Funds	9/30/23, As Restated
Government-Wide				
Governmental Activities	\$ 130,838,137	\$ (2,133,266)	\$ -	\$ 128,704,871
Business-type Activities	130,645,986	(527,513)	-	130,118,473
Total Primary Government	\$ 261,484,123	\$ (2,660,779)	\$ -	\$ 258,823,344
Governmental Funds				
Major Funds:				
Capital Project Fund	\$ 33,624,218	\$ -	\$ 16,021,242	\$ 49,645,460
2021 Construction Fund	16,021,242	-	(16,021,242)	-
Total Governmental Funds	\$ 49,645,460	\$ -	\$ -	\$ 49,645,460
Proprietary Funds				
Major Funds:				
Water and Sewer	\$ 110,950,441	\$ (408,072)	\$ -	\$ 110,542,369
Solid Waste	5,323,381	(75,240)	-	5,248,141
Nonmajor Funds	14,863,737	(44,201)	-	14,819,536
Internal Service Funds (Governmental Activities)	931,655	(311,538)	-	620,117
Total Proprietary Funds	\$ 132,069,214	\$ (839,051)	\$ -	\$ 131,230,163

WINTER HAVEN

THE CHAIN OF LAKES CITY

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

	General Employees' for the Years Ended September 30:									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability										
Service Cost	\$ 694,100	\$ 725,937	\$ 798,355	\$ 853,608	\$ 849,951	\$ 924,122	\$ 1,100,750	\$ 1,064,435	\$ 1,244,642	\$ 1,217,350
Interest	5,917,054	5,933,856	5,911,452	6,144,012	6,195,448	6,131,191	6,084,568	5,928,154	5,727,485	5,599,457
Change in Benefit Terms	-	-	-	-	-	-	-	(2,607,103)	-	-
Difference Between Expected and Actual Experience	1,781,356	(574,280)	376,986	(199,860)	(530,496)	(29,206)	(865,698)	434,635	1,243,148	(701,805)
Changes of Assumptions	-	-	-	4,934,198	885,020	855,724	836,005	2,591,313	2,026,654	723,201
Benefit Payments, Including Refunds	(5,753,302)	(6,871,048)	(6,468,329)	(8,065,041)	(5,767,143)	(5,730,248)	(4,719,393)	(4,905,122)	(4,785,641)	(3,755,355)
Net Change in Total Pension Liability	2,639,208	(785,535)	618,464	3,666,917	1,632,780	2,151,583	2,436,232	2,506,312	5,456,288	3,082,848
Total Pension Liability - Beginning	93,214,139	93,999,674	93,381,210	89,714,293	88,081,513	85,929,930	83,493,698	80,987,386	75,531,098	72,448,250
Total Pension Liability - Ending (A)	<u>\$ 95,853,347</u>	<u>\$ 93,214,139</u>	<u>\$ 93,999,674</u>	<u>\$ 93,381,210</u>	<u>\$ 89,714,293</u>	<u>\$ 88,081,513</u>	<u>\$ 85,929,930</u>	<u>\$ 83,493,698</u>	<u>\$ 80,987,386</u>	<u>\$ 75,531,098</u>
Plan Fiduciary Net Position										
Contributions - Employer	\$ 2,131,084	\$ 1,803,515	\$ 2,354,610	\$ 2,562,853	\$ 2,763,957	\$ 2,676,390	\$ 3,221,324	\$ 3,452,742	\$ 4,177,044	\$ 3,673,711
Contributions - State	-	-	-	-	-	-	-	-	-	-
Contributions - Employee	452,186	464,235	447,531	502,176	527,015	552,552	700,047	920,969	1,039,335	933,696
Net Investment Income	15,573,150	7,891,487	(10,354,603)	14,352,301	2,426,053	2,426,582	6,014,674	7,682,616	5,132,137	605,140
Miscellaneous Revenue	-	-	1,865	762	18,183	25,318	-	-	-	-
Benefit Payments, Including Refunds	(5,753,302)	(6,871,048)	(6,468,329)	(8,065,041)	(5,767,143)	(5,741,101)	(4,708,540)	(4,905,122)	(4,785,641)	(3,755,355)
Administrative Expense	(118,149)	(87,898)	(190,036)	(192,294)	(177,791)	(160,700)	(156,854)	(170,306)	(147,550)	(142,670)
Net Change in Plan Fiduciary Net Position	12,284,969	3,200,291	(14,208,962)	9,160,757	(209,726)	(220,959)	5,070,651	6,980,899	5,415,325	1,314,522
Plan Fiduciary Net Position - Beginning	71,081,983	67,881,692	82,090,654	72,929,897	73,139,623	73,360,582	68,289,931	61,309,032	55,893,707	54,579,185
Plan Fiduciary Net Position - Ending (B)	<u>\$ 83,366,952</u>	<u>\$ 71,081,983</u>	<u>\$ 67,881,692</u>	<u>\$ 82,090,654</u>	<u>\$ 72,929,897</u>	<u>\$ 73,139,623</u>	<u>\$ 73,360,582</u>	<u>\$ 68,289,931</u>	<u>\$ 61,309,032</u>	<u>\$ 55,893,707</u>
Net Pension Liability - Ending (A) - (B)	<u>\$ 12,486,395</u>	<u>\$ 22,132,156</u>	<u>\$ 26,117,982</u>	<u>\$ 11,290,556</u>	<u>\$ 16,784,396</u>	<u>\$ 14,941,890</u>	<u>\$ 12,569,348</u>	<u>\$ 15,203,767</u>	<u>\$ 19,678,354</u>	<u>\$ 19,637,391</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.97%	76.26%	72.21%	87.91%	81.29%	83.04%	85.37%	81.79%	75.70%	74.00%
Covered Payroll	\$ 6,459,788	\$ 6,631,925	\$ 6,393,295	\$ 7,173,941	\$ 7,528,785	\$ 7,893,594	\$ 9,456,212	\$ 9,694,044	\$ 10,940,741	\$ 11,033,219
Net Pension Liability as a Percentage of Covered Payroll	193.29%	333.72%	408.52%	157.38%	222.94%	189.29%	132.92%	156.84%	179.86%	177.98%

**CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS**

Retirement System – Defined Benefit Plan (Continued)

Notes to Schedule

Changes of Benefit Terms:

For measurement date September 30, 2017, amounts reported as changes of benefit terms resulted from Ordinance O-17-25, adopted and effective October 23, 2017, closed the Plan to general employees hired on or after November 20, 2017.

Changes of Assumptions:

For measurement dates September 30, 2024, September 30, 2023, and September 30, 2022, there were no changes in assumptions.

For measurement date September 30, 2021, as a result of an Experience Study prepared July 23, 2021, the Board has approved the following changes: 1) Investment Return – decreased from 7.10% to 6.50% per year, net of investment-related expenses. 2) Salary Increases – The rates were generally adjusted downward based on experience observed during the period. 3) Withdrawal Rates – A slight adjustment to the assumed rates of withdrawal based on experience observed in the period. 4) Disability Rates – reduction of the disability rates to 1/3 of the original rates.

For measurement date September 30, 2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics. Additionally, the investment rate of return was lowered from 7.20% to 7.10%.

For measurement date September 30, 2019, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.30% to 7.20%.

For measurement date September 30, 2018, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.40% to 7.30%.

For 2017, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed from the RP-2000 Combined Healthy Table, projected to the valuation date using scale AA, to the mortality table used by the Florida Retirement System actuary in the July 1, 2016 actuarial valuation for non-special-risk employees.

As described in the March 31, 2017 Actuarial Impact Statement, the following assumption changes are utilized in conjunction with passage of Ordinance O-17-25: 1) Normal Retirement Date – For members who have currently attained age 40 with at least 10 years of Credited Service, no change to the current assumption. For Members who do not currently meet the age 40 with 10 or more years of credited service requirements, 100% assumed retirement upon first eligibility. 2) Early Retirement Date – Maintain the current assumption for all Members, i.e., an assumed 5% retirement for each year of eligibility. 3) Vested Terminated Members – Commencement Date for Benefit Payments. For members who have currently attained age 40 with at least 10 years of credited service, no change to the current assumption, i.e. age 55 unreduced, or age 50, reduced as for early retirement. For members who do not currently meet the age 40 with 10 or more years of credited service requirements, age 60 unreduced, or age 55, reduced as for early retirement.

**CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS**

Retirement System – Defined Benefit Plan (Continued)

Notes to Schedule (Continued)

Changes of Assumptions (Continued):

1. Investment Return – In conjunction with the March 31, 2017 actuarial impact statement, a reduction from 7.70% to 7.50%. Additionally, the Board of Trustees elected further reductions according to the following schedule:
- 2.

<u>Valuation Date</u>	<u>Investment Return Assumption</u>
October 1, 2017	7.4%
October 1, 2018	7.3%
October 1, 2019	7.2%
October 1, 2020	7.1%
October 1, 2021	6.5%
October 1, 2022	6.5%
October 1, 2023	6.5%
October 1, 2024	6.5%

For measurement date September 30, 2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System. The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

For the measurement date September 30, 2015, amounts reported as changes of assumptions were resulted from lowering the investment rate of return from 7.80% to 7.70%.

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

Municipal Firefighters' for the Years Ended September 30:

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	\$ 1,349,006	\$ 1,201,770	\$ 1,149,168	\$ 1,175,351	\$ 1,134,943	\$ 1,058,222	\$ 1,058,208	\$ 1,083,811	\$ 981,995	\$ 960,946
Interest	3,579,882	3,439,672	3,372,362	3,171,185	3,076,072	2,872,901	2,734,227	2,583,788	2,345,959	2,192,966
Change in Excess State Money	-	-	-	-	-	(14,442)	-	(981,312)	135,110	134,190
Change in Benefit Terms	1,201	-	-	-	-	-	-	-	-	-
Difference Between Expected and Actual Experience	858,174	(216,845)	(728,826)	723,464	(986,791)	(1,160,630)	17,965	365,252	90,497	(101,413)
Changes of Assumptions	-	-	746,061	-	(203,603)	2,155,627	-	-	1,017,583	-
Contributions - Buy Back/Employee	-	-	51,446	-	-	-	-	55,704	-	-
Benefit Payments, Including Refunds	(2,491,196)	(2,888,445)	(2,803,359)	(1,990,146)	(1,628,935)	(1,566,862)	(2,455,649)	(1,778,717)	(1,159,453)	(1,039,426)
Net Change in Total Pension Liability	3,297,067	1,536,152	1,786,852	3,079,854	1,391,686	3,344,816	1,354,751	1,328,526	3,411,691	2,147,263
Total Pension Liability - Beginning	47,948,702	46,412,550	44,625,698	41,545,844	40,154,158	36,809,342	35,454,591	34,126,065	30,714,374	28,567,111
Total Pension Liability - Ending (A)	<u>\$ 51,245,769</u>	<u>\$ 47,948,702</u>	<u>\$ 46,412,550</u>	<u>\$ 44,625,698</u>	<u>\$ 41,545,844</u>	<u>\$ 40,154,158</u>	<u>\$ 36,809,342</u>	<u>\$ 35,454,591</u>	<u>\$ 34,126,065</u>	<u>\$ 30,714,374</u>
Plan Fiduciary Net Position										
Contributions - Employer	\$ 1,458,464	\$ 1,060,709	\$ 1,191,772	\$ 975,129	\$ 1,088,055	\$ 1,330,123	\$ 1,240,969	\$ 1,515,857	\$ 1,586,480	\$ 1,333,181
Contributions - State	540,260	497,915	405,618	365,621	344,621	343,132	341,245	328,419	323,495	322,575
Contributions - Employee	501,782	447,970	452,095	406,695	402,978	369,750	370,069	443,832	402,477	364,180
Net Investment Income	7,936,564	3,751,091	(5,281,729)	6,856,248	1,214,255	1,094,036	2,435,714	3,107,129	2,208,912	85,409
Miscellaneous Revenue	-	-	243	-	963	1,087	-	-	-	-
Benefit Payments, Including Refunds	(2,491,196)	(2,888,445)	(2,803,359)	(1,990,146)	(1,628,935)	(1,566,862)	(2,455,648)	(1,778,717)	(1,159,453)	(1,039,427)
Administrative Expense	(120,550)	(109,100)	(69,386)	(69,435)	(81,385)	(75,211)	(82,860)	(77,351)	(71,825)	(66,436)
Net Change in Plan Fiduciary Net Position	7,825,324	2,760,140	(6,104,746)	6,544,112	1,340,552	1,496,055	1,849,489	3,539,169	3,290,086	999,482
Plan Fiduciary Net Position - Beginning	38,393,627	35,633,487	41,738,233	35,194,121	33,853,569	32,357,514	30,508,025	26,968,856	23,678,770	22,679,288
Plan Fiduciary Net Position - Ending (B)	<u>\$ 46,218,951</u>	<u>\$ 38,393,627</u>	<u>\$ 35,633,487</u>	<u>\$ 41,738,233</u>	<u>\$ 35,194,121</u>	<u>\$ 33,853,569</u>	<u>\$ 32,357,514</u>	<u>\$ 30,508,025</u>	<u>\$ 26,968,856</u>	<u>\$ 23,678,770</u>
Net Pension Liability - Ending (A) - (B)	<u>\$ 5,026,818</u>	<u>\$ 9,555,075</u>	<u>\$ 10,779,063</u>	<u>\$ 2,887,465</u>	<u>\$ 6,351,723</u>	<u>\$ 6,300,589</u>	<u>\$ 4,451,828</u>	<u>\$ 4,946,566</u>	<u>\$ 7,157,209</u>	<u>\$ 7,035,604</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.19%	80.07%	76.78%	93.53%	84.71%	84.31%	87.91%	86.05%	79.03%	77.09%
Covered Payroll	\$ 5,017,823	\$ 4,479,704	\$ 4,006,494	\$ 4,066,945	\$ 4,029,779	\$ 3,697,501	\$ 3,700,691	\$ 3,902,070	\$ 4,003,979	\$ 3,909,235
Net Pension Liability as a Percentage of Covered Payroll	100.18%	213.30%	269.04%	71.00%	157.62%	170.40%	120.30%	126.77%	178.75%	179.97%

**CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS**

Retirement System – Defined Benefit Plan (Continued)

Notes to Schedule

Changes of Benefit Terms:

For measurement date September 30, 2024, vested members terminating employment on or after March 11, 2024 shall be entitled to a monthly retirement benefit, determined in the same manner as for normal or early retirement and based upon the member's credited service, average final compensation and benefit accrual rate as of date of termination payable to him commencing at member's otherwise normal or early retirement date, determined as if he had remained employed.

For measurement date September 30, 2019, Chapter 2019-21, Laws of Florida was signed into effect granting certain disability and death benefits to firefighters participating in an employer-sponsored retirement plan.

- 1.) Effective July 1, 2019, an additional presumption was added to the death in the line of duty section. "A firefighter shall be considered to have died in the line of duty if he or she dies as a result of cancer or circumstances that arise out of the treatment of cancer."
- 2.) Effective July 1, 2019, an additional presumption was added to the disability in-line-of-duty presumption. "Diagnosis of cancer or the circumstances that arise out of the treatment of cancer. A firefighter shall be considered totally and permanently disabled in the line of duty if he or she meets the Plan's definition of total and permanently disabled due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer."

Please note that the benefit changes only relate to the disability and death benefits for the Pension Fund and do not provide for other additional benefits that are provided for in Florida Statutes Section 112.1816.

For measurement date September 30, 2017, the following plan changes were made:

Pursuant to a Mutual Consent Agreement between the Plan membership and City under Chapter 2015-39, Laws of Florida, \$846,203 of the Excess State Monies Reserve is applied as a credit to the Unfunded Actuarial Accrued Liability.

Additionally, the City may use all future Chapter 175 Premium Tax Revenue for meeting its funding obligation to the Firefighters' Retirement System. Based on the agreements, \$135,109 of the remaining portion of the Excess State Monies Reserve is set aside as a prepaid City contribution. Furthermore, a Share Plan was established but is currently not funded under the current Mutual Consent Agreement.

Changes of Assumptions:

For measurement dates September 30, 2024 and September 30, 2023, there were no changes in assumptions.

For measurement date September 30, 2022, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.60% to 7.45% per year compounded annually, net of investment related expenses.

**CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS**

Retirement System – Defined Benefit Plan (Continued)

Notes to Schedule (Continued)

Changes of Assumptions (Continued):

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

For measurement date September 30, 2019, the Board adopted changes of actuarial assumptions described in the experience study dated October 23, 2019, as follows:

- The assumptions for salary increases, withdrawal, and retirement were updated to better align with the anticipated plan experience.
- The assumed rate of investment return has been lowered from 7.75% per year to 7.60% per year, net of investment related expenses.

For measurement date September 30, 2016, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed from the RP-2000 Combined Healthy Tables to the mortality tables for special risk employees used by the Florida Retirement System actuary in the July 1, 2016 actuarial valuation. The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

Municipal Police Officers' for the Years Ended September 30:

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service Cost	\$ 932,320	\$ 913,561	\$ 862,528	\$ 782,346	\$ 860,015	\$ 820,751	\$ 843,956	\$ 853,283	\$ 793,963	\$ 776,050
Interest	3,237,802	3,146,451	3,043,800	2,992,835	2,960,939	2,863,568	2,769,998	2,581,169	2,417,435	2,346,583
Change in Excess State Money	-	-	-	-	-	-	-	-	(28,857)	21,977
Difference Between Expected and Actual Experience	757,256	110,208	342,695	(19,863)	(216,376)	(24,010)	(216,491)	1,188,026	(203,836)	(11,110)
Changes of Assumptions	-	-	458,803	-	(340,344)	1,068,060	-	-	1,200,550	152,399
Benefit Payments, Including Refund	(3,295,288)	(2,596,926)	(3,015,839)	(3,286,970)	(2,229,889)	(2,195,474)	(2,147,670)	(2,148,969)	(2,133,049)	(1,808,907)
Net Change in Total Pension Liability	1,632,090	1,573,294	1,691,987	468,348	1,034,345	2,532,895	1,249,793	2,473,509	2,046,206	1,476,992
Total Pension Liability - Beginning	44,767,049	43,193,755	41,501,768	41,033,420	39,999,075	37,466,180	36,216,387	33,742,878	31,696,672	30,219,680
Total Pension Liability - Ending (A)	\$ 46,399,139	\$ 44,767,049	\$ 43,193,755	\$ 41,501,768	\$ 41,033,420	\$ 39,999,075	\$ 37,466,180	\$ 36,216,387	\$ 33,742,878	\$ 31,696,672
Plan Fiduciary Net Position										
Contributions - Employer	\$ 641,509	\$ 460,598	\$ 489,319	\$ 396,204	\$ 556,013	\$ 719,814	\$ 626,513	\$ 602,998	\$ 704,008	\$ 725,579
Contributions - State	660,432	591,065	514,953	460,889	460,621	437,823	433,238	387,358	369,988	321,673
Contributions - Employee	438,745	421,059	398,280	357,881	351,357	364,598	376,478	369,604	388,964	349,588
Net Investment Income	8,340,876	4,135,667	(5,829,943)	5,813,120	3,109,994	803,013	3,225,778	3,614,442	2,288,900	(99,825)
Benefit Payments, Including Refunds	(3,295,288)	(2,596,926)	(3,015,839)	(3,286,970)	(2,229,889)	(2,204,858)	(2,138,286)	(2,148,970)	(2,133,049)	(1,808,906)
Administrative Expense	(98,931)	(85,580)	(73,957)	(64,177)	(67,985)	(62,843)	(69,552)	(57,811)	(55,026)	(49,560)
Net Change in Plan Fiduciary Net Position	6,687,343	2,925,883	(7,517,187)	3,676,947	2,180,111	57,547	2,454,169	2,767,621	1,563,785	(561,451)
Plan Fiduciary Net Position - Beginning	36,336,694	33,410,811	40,927,998	37,251,051	35,070,940	35,013,393	32,559,224	29,791,603	28,227,818	28,789,269
Plan Fiduciary Net Position - Ending (B)	\$ 43,024,037	\$ 36,336,694	\$ 33,410,811	\$ 40,927,998	\$ 37,251,051	\$ 35,070,940	\$ 35,013,393	\$ 32,559,224	\$ 29,791,603	\$ 28,227,818
Net Pension Liability - Ending (A) - (B)	\$ 3,375,102	\$ 8,430,355	\$ 9,782,945	\$ 573,770	\$ 3,782,369	\$ 4,928,135	\$ 2,452,787	\$ 3,657,163	\$ 3,951,275	\$ 3,468,854
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.73%	81.17%	77.35%	98.62%	90.78%	87.68%	93.45%	89.90%	88.29%	89.06%
Covered Payroll	\$ 5,350,555	\$ 5,134,868	\$ 4,857,078	\$ 4,364,397	\$ 4,284,845	\$ 4,427,931	\$ 4,609,577	\$ 4,507,362	\$ 4,744,893	\$ 4,321,215
Net Pension Liability as a Percentage of Covered Payroll	63.08%	164.18%	201.42%	13.15%	88.27%	111.30%	53.21%	81.14%	83.27%	80.27%

**CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS**

Retirement System – Defined Benefit Plan (Continued)

Notes to Schedule

Changes of Assumptions:

For measurement dates September 30, 2024 and September 30, 2023, there were no changes in assumptions.

For measurement date September 30, 2022, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.45% to 7.35% per year compounded annually, net of investment related expenses.

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

For measurement date September 30, 2019, as a result of an actuarial experience study, the Board approved several actuarial assumption changes as follows:

- The assumed rate of investment return has been lowered from 7.70% per year to 7.45% per year, net of investment related expenses.
- The assumed rate of salary increase prior to completion of ten (10) years of service has been lowered.
- The assumed service-based termination rates have been amended.
- The assumed rates of retirement have been amended for normal and early retirement.

For measurement date September 30, 2016, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed from the RP-2000 Combined Healthy Tables to the mortality tables for special risk employees used by the Florida Retirement System actuary in the July 1, 2016 actuarial valuation. The inflation assumption rate was lowered from 3.0% to 2.5%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

For measurement date September 30, 2015, amounts reported as changes of assumptions were resulted from lowering the investment rate of return from 7.80% to 7.70%.

For measurement date September 30, 2014, amounts reported as changes of assumptions were resulted from lowering the investment rate of return from 7.90% to 7.80%.

**CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN FISCAL YEARS**

General Employees' Pension

Fiscal Year Ended September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2024	\$ 2,045,734	\$ 2,131,084	\$ (85,350)	\$ 6,459,788	32.99%
2023	1,867,549	1,803,515	64,034	6,631,925	27.19%
2022	2,290,575	2,354,610	(64,035)	6,393,295	36.83%
2021	2,580,772	2,562,853	17,919	7,173,941	35.72%
2020	2,766,076	2,763,957	2,119	7,528,785	36.71%
2019	2,677,507	2,676,390	1,117	7,893,594	33.91%
2018	3,227,405	3,221,324	6,081	9,456,212	34.07%
2017	3,429,753	3,452,742	(22,989)	9,694,044	35.62%
2016	4,172,799	4,177,044	(4,245)	10,940,741	38.18%
2015	3,673,711	3,673,711	-	11,033,219	33.30%

Municipal Firefighters' Pension

Fiscal Year Ended September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2024	\$ 2,060,820	\$ 1,998,724	\$ 62,096	\$ 5,017,823	39.83%
2023	1,534,298	1,558,624	(24,326)	4,479,704	34.79%
2022	1,539,295	1,597,390	(58,095)	4,006,494	39.87%
2021	1,494,603	1,340,750	153,853	4,066,945	32.97%
2020	1,527,690	1,432,676	95,014	4,029,779	35.55%
2019	1,635,035	1,673,256	(38,221)	3,697,501	45.25%
2018	1,638,296	1,582,214	56,082	3,700,691	42.75%
2017	1,702,083	1,979,385	(277,302)	3,902,070	50.73%
2016	1,785,374	1,774,865	10,509	4,003,979	44.33%
2015	1,580,540	1,591,049	(10,509)	3,909,235	40.70%

Municipal Police Officers' Pension

Fiscal Year Ended September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2024	\$ 1,305,000	\$ 1,301,941	\$ 3,059	\$ 5,350,555	24.33%
2023	986,922	1,051,663	(64,741)	5,134,868	20.48%
2022	1,033,101	1,004,272	28,829	4,857,078	20.68%
2021	1,000,320	857,093	143,227	4,364,397	19.64%
2020	987,657	1,016,634	(28,977)	4,284,845	23.73%
2019	1,085,729	1,157,638	(71,909)	4,427,931	26.14%
2018	1,143,636	1,059,751	83,885	4,609,577	22.99%
2017	901,022	990,355	(89,333)	4,507,362	21.97%
2016	1,053,841	1,073,994	(20,153)	4,744,893	22.63%
2015	1,061,555	1,107,123	(45,568)	4,321,215	25.62%

CITY OF WINTER HAVEN, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

General Employees' Pension

Valuation Date	10/1/2022	
Funding Method	Entry Age Normal Actuarial Cost Method	
Amortization Method	New UAAL amortization bases are amortized over 15 years.	
Mortality Rate	<p><i>Healthy Active Lives:</i> Female: PubG.H-2010 for Employees. Male: PubG.H-2010 (Below Median) for Employees, set back one year.</p> <p><i>Healthy Inactive Lives:</i> Female: PubG.H-2010 for Healthy Retirees Male: PubG.H-2010 for Healthy Retirees, set back one year.</p> <p><i>Beneficiary Lives:</i> Female: PubG.H-2010 for Healthy Retirees. Male: PubG.H-2010 for Healthy Retirees, set back one year.</p> <p><i>Disabled Lives:</i> PubG.H-2010 for Disabled Retirees, set forward three years. <i>All rates projected generationally with Mortality Improvement Scale MP-2018.</i></p>	
Inflation	2.5% per year	
Interest Rate	6.5% per year, compounded annually, net of investment related expenses. This is supported by the target asset class allocation of the trust and the expected long-term return by asset class.	
Termination Rates	Credited Service	Termination Probability
	0	25.0%
	1-9	13.0%
	10-19	5.0%
	20+	1.0%
Normal Retirement	Number of Years after first Eligible	Retirement Probability
	0	50%
	1-3	25%
	4	50%
	5+	100%
Early Retirement	<p>This assumption is supported by an experience study issued on July 23, 2021, analyzing plan experience from valuations performed from October 1, 2010 to September 30, 2020.</p> <p>Commencing upon age 55 (age 50 for members who attained age 40 with 10 years of service before November 20, 2017) with 10 years of Credited Service, members are assumed to retire with an immediate subsidized benefit at the rate of 5.00% per year. This assumption is supported by an experience study issued on July 23, 2021, analyzing plan experience from valuations performed from October 1, 2010 to September 30, 2020.</p>	
Cost-of-Living	Service and Disability Retirees receive 0.50% increases each October 1 for ten years, beginning the first October 1 following one complete year of retirement.	

CITY OF WINTER HAVEN, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

General Employees' Pension (Continued)

Salary Increases	Credited Service	Assumption
	0	9.00%
	1-9	5.00%
	10-14	3.50%
	15+	3.25%

This assumption is supported by an experience study issued on July 23, 2021, analyzing plan experience from valuations performed from October 1, 2010 to September 30, 2020.

Final Year Salary Load	Service as of 10/1/2012	Final Salary Load
	0	0.00%
	1-4	5.00%
	5-9	10.00%
	10+	15.00%

This assumption was developed based on expectations of unused sick and annual leave time for impacted actives.

Disability Rates	Age	Rates
	20	0.02%
	25	0.02%
	30	0.02%
	35	0.02%
	40	0.04%
	45	0.07%
	50	0.14%
	55	0.30%
	60	0.54%
	65	0.93%

Asset Smoothing Methodology The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in a de minimis bias that is above or below the Market Value of Assets.

Payroll Increase 0.00% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.

CITY OF WINTER HAVEN, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Municipal Firefighters' Pension

Valuation Date 10/1/2022
 Funding Method Entry Age Normal Actuarial Cost Method
 Amortization Method New UAAL amortization bases are established according to the following amortization periods:

Experience: 10 Years
 Assumption/Method Changes: 20 Years
 Benefit Changes: 30 Years

Mortality *Healthy Active Lives:*
 Female: PubS.H-2010 (Below Median) for Employees, set forward one year.
 Male: PubS.H-2010 (Below Median) for Employees, set forward one year.
Healthy Inactive Lives:
 Female: PubS.H-2010 for Healthy Retirees, set forward one year.
 Male: PubS.H-2010 for Healthy Retirees, set forward one year.
Beneficiary Lives:
 Female: PubG.H-2010 for Healthy Retirees. Male: PubG.H-2010 for Healthy Retirees, set back one year.
Disabled Lives:
 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.
All rates projects generationally with Mortality Improvement Scale MP-2018.

Inflation 2.5% per year

Interest Rate 7.45% per year compounded annually, net of investment related expenses. This assumption is supported by the Plan's investment policy and long-term expected returns by asset class.

Termination Rates	Credited Service	Termination Probability
	0-4	6.0%
	5-14	1.0%
	15+	0.0%

The above rates are based on the results of an Experience Study for the period October 1, 2008 through September 30, 2018.

Disability Rates These rates were examined in the experience study dated October 23, 2019, and no changes were recommended at that time.

Age	Probability
20	0.05%
25	0.05%
30	0.06%
35	0.07%
40	0.12%
45	0.22%
50	0.43%
55	0.89%
60	1.61%
65	2.80%

CITY OF WINTER HAVEN, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Municipal Firefighters' Pension (Continued)

Retirement Rates	% Retiring During the Year (10-24 Years of Service)	
	Age	Retirement Probability
	45-49	3%
	50-54	5%
	55-56	25%
	57+	100%

% Retiring During the Year (>= 25 Years of Service)	
Age	Retirement Probability
Any	100%

The above rates are based on the results of an Experience Study for the period October 1, 2008 through September 30, 2018.

Salary Increases	Service	Assumption
	0-4	7.5%
	5-9	6.0%
	10-14	5.0%
	15+	4.5%

The above rates are based on the results of an Experience Study for the period October 1, 2008 through September 30, 2018.

Additionally, the projected salary in the year of retirement is increased as shown below, supported by data provided by the City:

Service as of 10/1/12	Final Salary Load Assumption
Less than 1 Year	0%
1 to 10 Years	5%
10 to 20 Years	10%
Greater than 20 Years	15%

Payroll Growth 0.90% for purposes of amortizing Unfunded Actuarial Accrued Liability bases established prior to October 1, 2019; level dollar amortization is utilized for bases established on and after October 1, 2019. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.

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

CITY OF WINTER HAVEN, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Municipal Police Officers' Pension

Valuation Date	10/1/2022
Funding Method	Entry Age Normal Actuarial Cost Method
Amortization Method	New UAAL amortization bases are amortized over 15 years.
Mortality Rate	<p><i>Healthy Active Lives:</i> Female: PubS.H-2010 (Below Median) for Employees, set forward one year. Male: PubS.H-2010 (Below Median) for Employees, set forward one year.</p> <p><i>Healthy Inactive Lives:</i> Female: PubS.H-2010 for Healthy Retirees, set forward one year. Male: PubS.H-2010 for Healthy Retirees, set forward one year.</p> <p><i>Beneficiary Lives:</i> Female: PubG.H-2010 for Healthy Retirees. Male: PubG.H-2010 for Healthy Retirees, set back one year.</p> <p><i>Disabled Lives:</i> 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.</p> <p><i>All rates projected generationally with Mortality Improvement Scale MP-2018.</i></p>

Inflation	2.5% per year
Interest Rate	7.35% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

Termination Rates	<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Credited Service</th> <th style="text-align: center;">Termination Probability</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">0-4</td> <td style="text-align: center;">13.0%</td> </tr> <tr> <td style="text-align: center;">5-9</td> <td style="text-align: center;">6.0%</td> </tr> <tr> <td style="text-align: center;">10+</td> <td style="text-align: center;">4.5%</td> </tr> </tbody> </table>	Credited Service	Termination Probability	0-4	13.0%	5-9	6.0%	10+	4.5%
Credited Service	Termination Probability								
0-4	13.0%								
5-9	6.0%								
10+	4.5%								
	The assumed rates of termination were approved in conjunction with an actuarial experience study dated October 2019.								

Normal Retirement	<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" style="text-align: center;">% Retiring During the Year (10-24 Years of Service)</th> </tr> <tr> <th style="text-align: center;">Age</th> <th style="text-align: center;">Retirement Probability</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">55</td> <td style="text-align: center;">20%</td> </tr> <tr> <td style="text-align: center;">56+</td> <td style="text-align: center;">100%</td> </tr> </tbody> </table>	% Retiring During the Year (10-24 Years of Service)		Age	Retirement Probability	55	20%	56+	100%
% Retiring During the Year (10-24 Years of Service)									
Age	Retirement Probability								
55	20%								
56+	100%								
	<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" style="text-align: center;">% Retiring During the Year (All Ages)</th> </tr> <tr> <th style="text-align: center;">Service</th> <th style="text-align: center;">Retirement Probability</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">25</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">26+</td> <td style="text-align: center;">100%</td> </tr> </tbody> </table>	% Retiring During the Year (All Ages)		Service	Retirement Probability	25	60%	26+	100%
% Retiring During the Year (All Ages)									
Service	Retirement Probability								
25	60%								
26+	100%								

Early Retirement	<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" style="text-align: center;">% Retiring During the Year (10-24 Years of Service)</th> </tr> <tr> <th style="text-align: center;">Age</th> <th style="text-align: center;">Retirement Probability</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">50-52</td> <td style="text-align: center;">10%</td> </tr> <tr> <td style="text-align: center;">53-54</td> <td style="text-align: center;">0%</td> </tr> </tbody> </table>	% Retiring During the Year (10-24 Years of Service)		Age	Retirement Probability	50-52	10%	53-54	0%
% Retiring During the Year (10-24 Years of Service)									
Age	Retirement Probability								
50-52	10%								
53-54	0%								
	<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" style="text-align: center;">% Retiring During the Year (All Ages)</th> </tr> <tr> <th style="text-align: center;">Service</th> <th style="text-align: center;">Retirement Probability</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">20-22</td> <td style="text-align: center;">10%</td> </tr> <tr> <td style="text-align: center;">23-24</td> <td style="text-align: center;">0%</td> </tr> </tbody> </table>	% Retiring During the Year (All Ages)		Service	Retirement Probability	20-22	10%	23-24	0%
% Retiring During the Year (All Ages)									
Service	Retirement Probability								
20-22	10%								
23-24	0%								

CITY OF WINTER HAVEN, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Municipal Police Officers' Pension (Continued)

Salary Increases	Credited Service	Assumption
	0	13.0%
	1-9	4.5%
	10+	4.0%

The assumed rates of normal and early retirement were approved in conjunction with an actuarial experience study dated October 2019.

Final Year Salary Load	Service as of 10/1/2012	Final Salary Load
	Less than 1 Year	0%
	1 to 5 Years	5%
	5 to 10 Years	10%
	Greater than 10 Years	15%

These assumptions were based on data provided by the City.

Disability Rates	Age	Rates
	25	0.03%
	35	0.05%
	45	0.10%
	55	0.36%
	65	2.22%

Aged Based: Sample rates above. It is assumed that 75% of disablements are service-related. The assumed rates were developed from those used by other plans containing Florida municipal police officers.

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

Payroll Growth None.

CITY OF WINTER HAVEN, FLORIDA
 SCHEDULE OF INVESTMENT RETURNS
 SEPTEMBER 30, 2024

Schedule of Investment Returns*

General Employees' Pension		Municipal Firefighters' Pension		Municipal Police Officers' Pension	
Fiscal Year		Fiscal Year		Fiscal Year	
Ended		Ended		Ended	
September 30	Rate	September 30	Rate	September 30	Rate
2024	22.36%	2024	20.82%	2024	23.46%
2023	11.98%	2023	10.63%	2023	12.70%
2022	-13.09%	2022	-12.76%	2022	-14.64%
2021	20.08%	2021	19.68%	2021	16.16%
2020	3.24%	2020	3.57%	2020	9.02%
2019	3.25%	2019	3.34%	2019	2.53%
2018	8.70%	2018	7.98%	2018	10.04%
2017	12.41%	2017	11.48%	2017	12.33%
2016	9.07%	2016	9.19%	2016	8.27%
2015	0.60%	2015	0.32%	2015	-0.35%

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service Cost	\$ 1,302,196	\$ 1,292,555	\$ 2,629,823	\$ 2,694,177	\$ 1,603,661	\$ 1,291,931	\$ 1,425,372
Interest	1,531,234	1,443,701	1,110,913	973,635	1,236,986	1,222,847	1,107,069
Difference Between Expected and Actual Experience	11,180	-	(2,133,511)	-	(2,592,042)	-	-
Changes of Assumptions	11,418,576	(496,985)	(14,622,053)	(2,257,198)	10,581,817	3,302,003	(2,792,012)
Benefit Payments	(1,111,113)	(1,036,003)	(1,165,449)	(1,089,205)	(862,186)	(798,320)	(735,779)
Net Change in Total OPEB Liability	13,152,073	1,203,268	(14,180,277)	321,409	9,968,236	5,018,461	(995,350)
Total OPEB Liability - Beginning	30,688,942	29,485,674	43,665,951	43,344,542	33,376,306	28,357,845	29,353,195
Total OPEB Liability - Ending	<u>\$ 43,841,015</u>	<u>\$ 30,688,942</u>	<u>\$ 29,485,674</u>	<u>\$ 43,665,951</u>	<u>\$ 43,344,542</u>	<u>\$ 33,376,306</u>	<u>\$ 28,357,845</u>
Covered Employee Payroll	\$ 29,623,662	\$ 24,738,144	\$ 23,228,305	\$ 25,367,270	\$ 23,978,892	\$ 22,466,817	\$ 21,319,811
Total OPEB Liability as a percentage of the Covered Employee Payroll	147.99%	124.06%	126.94%	172.14%	180.76%	148.56%	133.01%

Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

**CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE CITY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS**

Notes to schedule:

The OPEB plan is not administered through a trust, and there are no assets accumulated in trust for payment of benefits.

Covered Employee Payroll was projected one year forward from the valuation date.

Differences Between Expected and Actual Experience. Differences Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of September 30, 2024.

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

Fiscal Year Ending September 30, 2024:	4.06%
Fiscal Year Ending September 30, 2023:	4.87%
Fiscal Year Ending September 30, 2022:	4.77%
Fiscal Year Ending September 30, 2021:	2.43%
Fiscal Year Ending September 30, 2020:	2.14%
Fiscal Year Ending September 30, 2019:	3.58%

Also reflected as assumption changes are updated health care costs and premiums, and updated salary increase rates, termination rates, and disability rates for General employees.

Benefit Payments: The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2024. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

CITY OF WINTER HAVEN, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2024

		Special Revenue							
		Library	Cemetery	Community Development Grant	SHIP Grant	Police Training Confiscation and Abandoned Property	Building Safety	Impact Fees	Federal Building
ASSETS									
Cash and Investments	\$	241,895	-	-	1,146,078	199,261	6,109,970	3,058,507	38,508
Investments - Reserved for Perpetual Care		-	473,995	-	-	-	-	-	-
Accounts Receivable		8,883	38,484	-	-	-	-	-	-
Lease Receivable		82,069	-	-	-	-	-	-	25,604
Due from Other Governments		-	-	51,414	-	879	-	-	12,516
Due from Other Funds		-	-	-	-	-	-	-	-
Advances to Other Funds		-	-	-	-	-	-	-	-
Inventory		-	30,161	-	-	-	-	-	-
Prepaid Items		209	100	-	-	-	605	-	-
Total Assets	\$	<u>333,056</u>	<u>542,740</u>	<u>51,414</u>	<u>1,146,078</u>	<u>200,140</u>	<u>6,110,575</u>	<u>3,058,507</u>	<u>76,628</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts Payable	\$	10,736	3,194	-	26,800	4,621	465,969	-	3,092
Accrued Liabilities		38,666	16,007	-	1,099	-	35,051	-	-
Due to Other Funds		-	55,688	51,414	-	-	-	-	-
Due to Other Governments		-	-	-	-	-	119,608	-	-
Unearned Revenue		-	50	-	-	-	-	-	-
Total Liabilities		<u>49,402</u>	<u>74,939</u>	<u>51,414</u>	<u>27,899</u>	<u>4,621</u>	<u>620,628</u>	<u>-</u>	<u>3,092</u>
Deferred Inflows of Resources:									
Unavailable Revenue		-	-	-	-	-	-	-	-
Related to Leases		81,777	-	-	-	-	-	-	23,876
Total Deferred Inflows of Resources		<u>81,777</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,876</u>
Fund Balances:									
Nonspendable		209	30,261	-	-	-	605	-	-
Restricted		-	-	-	1,118,179	195,519	5,489,342	3,058,507	-
Committed		-	473,995	-	-	-	-	-	49,660
Assigned		201,668	-	-	-	-	-	-	-
Unassigned (Deficit)		-	(36,455)	-	-	-	-	-	-
Total Fund Balances		<u>201,877</u>	<u>467,801</u>	<u>-</u>	<u>1,118,179</u>	<u>195,519</u>	<u>5,489,947</u>	<u>3,058,507</u>	<u>49,660</u>
Total Liabilities, Deferred Inflows and Fund Balances	\$	<u>333,056</u>	<u>542,740</u>	<u>51,414</u>	<u>1,146,078</u>	<u>200,140</u>	<u>6,110,575</u>	<u>3,058,507</u>	<u>76,628</u>

CITY OF WINTER HAVEN, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2024

	Special Revenue	Debt Service		Capital Projects		Total All Nonmajor Governmental Funds
	Affordable Housing	2007 Improvement Revenue Bonds	2023 Bond Fund	Capital Depletion	Transportation	
ASSETS						
Cash and Investments	\$ 1,483,727	\$ 4,144,904	\$ 243,444	\$ 7,273,840	\$ 13,865,525	\$ 37,805,659
Investments - Reserved for Perpetual Care	-	-	-	-	-	473,995
Accounts Receivable	-	-	-	2,554	-	49,921
Lease Receivable	-	-	-	-	-	107,673
Due from Other Governments	-	-	-	-	394,076	458,885
Due from Other Funds	-	-	-	228,693	-	228,693
Advances to Other Funds	-	-	-	1,028,260	-	1,028,260
Inventory	-	-	-	-	-	30,161
Prepaid Items	-	-	-	-	-	914
Total Assets	\$ 1,483,727	\$ 4,144,904	\$ 243,444	\$ 8,533,347	\$ 14,259,601	\$ 40,184,161
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ -	\$ 369,168	\$ 704,201	\$ 1,587,781
Accrued Liabilities	-	-	-	-	-	90,823
Due to Other Funds	-	-	-	-	-	107,102
Due to Other Governments	-	-	-	-	-	119,608
Unearned Revenue	-	-	-	-	-	50
Total Liabilities	-	-	-	369,168	704,201	1,905,364
Deferred Inflows of Resources:						
Unavailable Revenue	-	-	-	-	394,076	394,076
Related to Leases	-	-	-	-	-	105,653
Total Deferred Inflows of Resources	-	-	-	-	394,076	499,729
Fund Balances:						
Nonspendable	-	-	-	-	-	31,075
Restricted	-	4,144,904	-	-	12,934,077	26,940,528
Committed	1,483,727	-	-	-	-	2,007,382
Assigned	-	-	243,444	8,164,179	227,247	8,836,538
Unassigned (Deficit)	-	-	-	-	-	(36,455)
Total Fund Balances	1,483,727	4,144,904	243,444	8,164,179	13,161,324	37,779,068
Total Liabilities, Deferred Inflows and Fund Balances	\$ 1,483,727	\$ 4,144,904	\$ 243,444	\$ 8,533,347	\$ 14,259,601	\$ 40,184,161

CITY OF WINTER HAVEN, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue							
	Library	Cemetery	Community Development Grant	SHIP Grant	Police Training, Confiscation, and Abandoned Property	Building Safety	Impact Fees	
REVENUES								
Intergovernmental	\$ 653,308	\$ -	\$ -	\$ 394,508	\$ -	\$ -	\$ -	\$ -
Permits and Fees	-	-	-	-	-	4,059,943	2,019,506	-
Charges for Services	16,702	280,163	-	-	-	15	-	-
Fines and Forfeits	4,436	-	-	-	70,776	-	-	-
Miscellaneous:								
Rents	24,307	-	-	-	-	-	-	143,257
Investment Income	13,862	26,163	-	86,575	9,729	276,287	192,834	2,810
Other	-	4,780	-	-	-	9,949	-	-
Total Revenues	<u>712,615</u>	<u>311,106</u>	<u>-</u>	<u>481,083</u>	<u>80,505</u>	<u>4,346,194</u>	<u>2,212,340</u>	<u>146,067</u>
EXPENDITURES								
Current:								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	16,975	1,962,675	-	-
Transportation	-	-	-	-	-	-	-	-
Human Services	-	630,542	-	745,388	-	-	-	-
Culture and Recreation	2,087,789	-	-	-	-	-	-	62,509
Capital Projects	-	-	-	-	-	-	-	-
Debt Service:								
Principal Retirement	-	-	-	-	-	90,102	-	-
Interest and Fiscal Charges	-	-	-	-	-	1,198	-	-
Other Debt Service	-	-	-	-	-	-	-	-
Total Expenditures	<u>2,087,789</u>	<u>630,542</u>	<u>-</u>	<u>745,388</u>	<u>16,975</u>	<u>2,053,975</u>	<u>-</u>	<u>62,509</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,375,174)	(319,436)	-	(264,305)	63,530	2,292,219	2,212,340	83,558
OTHER FINANCING SOURCES (USES)								
Issuance of Revenue Bonds	-	-	-	-	-	-	-	-
Issuance Premium	-	-	-	-	-	-	-	-
Transfers In	1,389,600	300,000	-	-	-	-	-	-
Transfers Out	(13,825)	(27,690)	-	-	-	(639,754)	(3,718,675)	(139,999)
Total Other Financing Sources (Uses)	<u>1,375,775</u>	<u>272,310</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(639,754)</u>	<u>(3,718,675)</u>	<u>(139,999)</u>
NET CHANGE IN FUND BALANCES	601	(47,126)	-	(264,305)	63,530	1,652,465	(1,506,335)	(56,441)
Fund Balances (Deficit) - Beginning of Year	201,276	514,927	-	1,382,484	131,989	3,837,482	4,564,842	106,101
FUND BALANCES - END OF YEAR	<u>\$ 201,877</u>	<u>\$ 467,801</u>	<u>\$ -</u>	<u>\$ 1,118,179</u>	<u>\$ 195,519</u>	<u>\$ 5,489,947</u>	<u>\$ 3,058,507</u>	<u>\$ 49,660</u>

CITY OF WINTER HAVEN, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue	Debt Service		Capital Projects		Total All Nonmajor Governmental Funds
	Affordable Housing	2007 Improvement Revenue Bonds	2023 Bond Fund	Capital Depletion	Transportation	
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 7,923,843	\$ 8,971,659
Permits and Fees	-	-	-	-	-	6,079,449
Charges for Services	-	-	-	-	-	296,880
Fines and Forfeits	-	-	-	-	-	75,212
Miscellaneous:						
Rents	-	-	-	-	-	167,564
Investment Income	72,981	-	515,447	414,536	369,835	1,981,059
Other	-	-	-	-	-	14,729
Total Revenues	<u>72,981</u>	<u>-</u>	<u>515,447</u>	<u>414,536</u>	<u>8,293,678</u>	<u>17,586,552</u>
EXPENDITURES						
Current:						
General Government	-	5,500	-	-	-	5,500
Public Safety	-	-	-	14,000	-	1,993,650
Transportation	-	-	-	-	986,900	986,900
Human Services	220,000	-	-	-	-	1,595,930
Culture and Recreation	-	-	-	-	-	2,150,298
Capital Projects	-	-	-	2,231,611	8,596,044	10,827,655
Debt Service:						
Principal Retirement	-	3,495,000	-	-	44,714	3,629,816
Interest and Fiscal Charges	-	1,882,409	-	-	1,786	1,885,393
Other Debt Service	-	550	271,411	-	-	271,961
Total Expenditures	<u>220,000</u>	<u>5,383,459</u>	<u>271,411</u>	<u>2,245,611</u>	<u>9,629,444</u>	<u>23,347,103</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(147,019)	(5,383,459)	244,036	(1,831,075)	(1,335,766)	(5,760,551)
OTHER FINANCING SOURCES (USES)						
Issuance of Revenue Bonds	-	-	24,235,000	-	-	24,235,000
Issuance Premium	-	-	2,056,444	-	-	2,056,444
Transfers In	250,000	5,377,318	-	2,316,876	10,368,613	20,002,407
Transfers Out	-	-	(26,291,444)	-	-	(30,831,387)
Total Other Financing Sources (Uses)	<u>250,000</u>	<u>5,377,318</u>	<u>-</u>	<u>2,316,876</u>	<u>10,368,613</u>	<u>15,462,464</u>
NET CHANGE IN FUND BALANCES	102,981	(6,141)	244,036	485,801	9,032,847	9,701,913
Fund Balances (Deficit) - Beginning of Year	1,380,746	4,151,045	(592)	7,678,378	4,128,477	28,077,155
FUND BALANCES - END OF YEAR	<u>\$ 1,483,727</u>	<u>\$ 4,144,904</u>	<u>\$ 243,444</u>	<u>\$ 8,164,179</u>	<u>\$ 13,161,324</u>	<u>\$ 37,779,068</u>

WINTER HAVEN

THE CHAIN OF LAKES CITY

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**BUDGET TO ACTUAL COMPARISON
OTHER MAJOR AND NONMAJOR GOVERNMENTAL FUNDS**

WINTER HAVEN
The Chain of Lakes City

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CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF EXPENDITURES AND TRANSFERS
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024

Function and Activity	Budget		Actual	Variance With Final Budget
	Original	Final		
General Government:				
City Commission/Legal/Clerk	\$ 1,013,856	\$ 1,009,856	\$ 781,811	\$ 228,045
City Manager	1,668,345	1,679,096	1,593,740	85,356
Finance	1,296,761	1,296,761	1,165,003	131,758
Nondepartmental	6,703,155	6,703,155	6,346,824	356,331
Public Safety:				
Police	14,326,889	14,619,279	13,813,990	805,289
Fire	11,736,964	11,736,964	10,986,187	750,777
Code Enforcement	702,435	702,435	492,864	209,571
Transportation:				
Streets and Buses	15,014,119	15,047,719	2,882,614	12,165,105
Economic Development				
Public Service Buildings	442,307	442,307	349,883	92,424
Community Development/Planning	10,704,591	10,704,591	761,592	9,942,999
Culture and Recreation:				
Leisure Services	9,274,333	9,484,464	8,594,783	889,681
Debt Service:				
Principal Retirement	-	-	142,404	(142,404)
Interest and Fiscal Charges	-	-	4,830	(4,830)
Total Expenditures	<u>72,883,755</u>	<u>73,426,627</u>	<u>47,916,525</u>	<u>25,510,102</u>
Transfers to:				
Library Fund	1,300,000	1,300,000	1,300,000	-
Airport Fund	2,125,000	2,125,000	2,125,000	-
Cemetery Fund	300,000	300,000	300,000	-
Affordable Housing Fund	250,000	250,000	250,000	-
2015 Construction Fund	5,208,600	5,208,600	5,175,000	33,600
2021 Construction Fund	-	5,386,019	5,386,019	-
Capital Depletion Fund	1,669,519	1,669,519	2,228,385	(558,866)
Debt Service Fund	4,845,721	4,845,721	5,077,896	(232,175)
Dark Fiber Fund	276,503	276,503	276,503	-
Transportation Fund	2,075,600	2,075,600	2,075,600	-
Total Transfers	<u>18,050,943</u>	<u>23,436,962</u>	<u>24,194,403</u>	<u>(757,441)</u>
Total Expenditures and Transfers	<u>\$ 90,934,698</u>	<u>\$ 96,863,589</u>	<u>\$ 72,110,928</u>	<u>\$ 24,752,661</u>

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CAPITAL PROJECT FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 5,382,024	\$ 5,382,024	\$ 5,778,088	\$ 396,064
Miscellaneous:				
Investment Income	600,000	600,000	3,271,576	2,671,576
Total Revenues	<u>5,982,024</u>	<u>5,982,024</u>	<u>9,049,664</u>	<u>3,067,640</u>
EXPENDITURES				
Capital Projects	59,222,837	67,178,190	16,519,386	50,658,804
Debt Service:				
Principal Retirement	119,285	119,285	-	119,285
Interest and Fiscal Charges	151,150	151,150	25,485	125,665
Other Debt Service	41,666	41,666	10,475	31,191
Total Expenditures	<u>59,534,938</u>	<u>67,490,291</u>	<u>16,555,346</u>	<u>50,934,945</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(53,552,914)	(61,508,267)	(7,505,682)	54,002,585
OTHER FINANCING SOURCES (USES)				
Transfers In	6,928,155	12,314,174	22,305,937	9,991,763
Total Other Financing Sources (Uses)	<u>6,928,155</u>	<u>12,314,174</u>	<u>22,305,937</u>	<u>9,991,763</u>
NET CHANGE IN FUND BALANCES	(46,624,759)	(49,194,093)	14,800,255	63,994,348
Fund Balances - Beginning of Year	<u>49,645,460</u>	<u>49,645,460</u>	<u>49,645,460</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 3,020,701</u></u>	<u><u>\$ 451,367</u></u>	<u><u>\$ 64,445,715</u></u>	<u><u>\$ 63,994,348</u></u>

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
LIBRARY FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 535,000	\$ 535,000	\$ 653,308	\$ 118,308
Charges for Services	12,000	12,000	16,702	4,702
Fines and Forfeits	3,200	3,200	4,436	1,236
Miscellaneous:				
Rents	27,413	27,413	24,307	(3,106)
Investment Income	3,200	3,200	13,862	10,662
Total Revenues	<u>580,813</u>	<u>580,813</u>	<u>712,615</u>	<u>131,802</u>
EXPENDITURES				
Current:				
Culture and Recreation	<u>2,102,820</u>	<u>2,102,820</u>	<u>2,087,789</u>	<u>15,031</u>
Total Expenditures	<u>2,102,820</u>	<u>2,102,820</u>	<u>2,087,789</u>	<u>15,031</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,522,007)	(1,522,007)	(1,375,174)	146,833
OTHER FINANCING SOURCES (USES)				
Transfers In	1,389,600	1,389,600	1,389,600	-
Transfers Out	<u>(13,825)</u>	<u>(13,825)</u>	<u>(13,825)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,375,775</u>	<u>1,375,775</u>	<u>1,375,775</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(146,232)	(146,232)	601	146,833
Fund Balances - Beginning of Year	<u>201,276</u>	<u>201,276</u>	<u>201,276</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 55,044</u>	<u>\$ 55,044</u>	<u>\$ 201,877</u>	<u>\$ 146,833</u>

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CEMETERY FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Charges for Services	\$ 288,900	\$ 288,900	\$ 280,163	\$ (8,737)
Miscellaneous:				
Investment Income	9,000	9,000	26,163	17,163
Other	2,000	2,000	4,780	2,780
Total Revenues	<u>299,900</u>	<u>299,900</u>	<u>311,106</u>	<u>11,206</u>
EXPENDITURES				
Current:				
Human Services	664,039	664,039	630,542	33,497
Total Expenditures	<u>664,039</u>	<u>664,039</u>	<u>630,542</u>	<u>33,497</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(364,139)	(364,139)	(319,436)	44,703
OTHER FINANCING USES				
Transfers In	500,000	500,000	300,000	(200,000)
Transfers Out	(27,690)	(27,690)	(27,690)	-
Total Other Financing Sources (Uses)	<u>472,310</u>	<u>472,310</u>	<u>272,310</u>	<u>(200,000)</u>
NET CHANGE IN FUND BALANCES	108,171	108,171	(47,126)	(155,297)
Fund Balances - Beginning of Year	<u>514,927</u>	<u>514,927</u>	<u>514,927</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 623,098</u>	<u>\$ 623,098</u>	<u>\$ 467,801</u>	<u>\$ (155,297)</u>

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
SHIP GRANT FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 613,073	\$ 613,073	\$ 394,508	\$ (218,565)
Miscellaneous:				
Investment Income	1,000	1,000	86,575	85,575
Other	30,000	30,000	-	(30,000)
Total Revenues	<u>644,073</u>	<u>644,073</u>	<u>481,083</u>	<u>(162,990)</u>
EXPENDITURES				
Current:				
Human Services	<u>1,739,123</u>	<u>1,739,123</u>	<u>745,388</u>	<u>993,735</u>
Total Expenditures	<u>1,739,123</u>	<u>1,739,123</u>	<u>745,388</u>	<u>993,735</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,095,050)	(1,095,050)	(264,305)	830,745
Fund Balances - Beginning of Year	<u>1,382,484</u>	<u>1,382,484</u>	<u>1,382,484</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 287,434</u>	<u>\$ 287,434</u>	<u>\$ 1,118,179</u>	<u>\$ 830,745</u>

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
BUILDING SAFETY FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Permits and Fees	\$ 2,458,700	\$ 2,458,700	\$ 4,059,943	\$ 1,601,243
Charges for Services	50	50	15	(35)
Miscellaneous:				
Investment Income	40,000	40,000	276,287	236,287
Other	8,000	8,000	9,949	1,949
Total Revenues	<u>2,506,750</u>	<u>2,506,750</u>	<u>4,346,194</u>	<u>1,839,444</u>
EXPENDITURES				
Current:				
Public Safety	1,923,091	1,923,091	1,962,675	(39,584)
Debt Service				
Principal on Debt	-	-	90,102	(90,102)
Interest on Debt	-	-	1,198	(1,198)
Total Expenditures	<u>1,923,091</u>	<u>1,923,091</u>	<u>2,053,975</u>	<u>(130,884)</u>
EXCESS OF REVENUES OVER EXPENDITURES	583,659	583,659	2,292,219	1,708,560
OTHER FINANCING (USES)				
Transfers Out	(639,754)	(639,754)	(639,754)	-
Total Other Financing (Uses)	<u>(639,754)</u>	<u>(639,754)</u>	<u>(639,754)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(56,095)	(56,095)	1,652,465	1,708,560
Fund Balances - Beginning of Year	<u>3,837,482</u>	<u>3,837,482</u>	<u>3,837,482</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 3,781,387</u>	<u>\$ 3,781,387</u>	<u>\$ 5,489,947</u>	<u>\$ 1,708,560</u>

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
IMPACT FEE FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Permits and Fees	\$ 2,700,000	\$ 2,700,000	\$ 2,019,506	\$ (680,494)
Miscellaneous:				
Investment Income	20,000	20,000	192,834	172,834
Total Revenues	<u>2,720,000</u>	<u>2,720,000</u>	<u>2,212,340</u>	<u>(507,660)</u>
OTHER FINANCING USES				
Transfers Out	<u>(3,918,675)</u>	<u>(3,918,675)</u>	<u>(3,718,675)</u>	200,000
Total Other Financing Uses	<u>(3,918,675)</u>	<u>(3,918,675)</u>	<u>(3,718,675)</u>	200,000
NET CHANGE IN FUND BALANCES	(1,198,675)	(1,198,675)	(1,506,335)	(307,660)
Fund Balances - Beginning of Year	<u>4,564,842</u>	<u>4,564,842</u>	<u>4,564,842</u>	-
FUND BALANCES - END OF YEAR	<u><u>\$ 3,366,167</u></u>	<u><u>\$ 3,366,167</u></u>	<u><u>\$ 3,058,507</u></u>	<u><u>\$ (307,660)</u></u>

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FEDERAL BUILDING FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Rents	\$ 150,187	\$ 150,187	\$ 143,257	\$ (6,930)
Miscellaneous:				
Investment Income	25	25	2,810	2,785
Total Revenues	<u>150,212</u>	<u>150,212</u>	<u>146,067</u>	<u>(4,145)</u>
EXPENDITURES				
Current:				
Culture and Recreation	88,675	88,675	62,509	26,166
Total Expenditures	<u>88,675</u>	<u>88,675</u>	<u>62,509</u>	<u>26,166</u>
EXCESS OF REVENUES OVER EXPENDITURES	61,537	61,537	83,558	22,021
OTHER FINANCING USES				
Transfers Out	<u>(140,000)</u>	<u>(140,000)</u>	<u>(139,999)</u>	<u>1</u>
NET CHANGE IN FUND BALANCES	(78,463)	(78,463)	(56,441)	22,022
Fund Balances - Beginning of Year	<u>106,101</u>	<u>106,101</u>	<u>106,101</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 27,638</u>	<u>\$ 27,638</u>	<u>\$ 49,660</u>	<u>\$ 22,022</u>

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
AFFORDABLE HOUSING FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Miscellaneous:				
Investment Income	\$ 30,000	\$ 30,000	\$ 72,981	\$ 42,981
EXPENDITURES				
Current:				
Human Services	220,000	220,000	220,000	-
Total Expenditures	220,000	220,000	220,000	-
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(190,000)	(190,000)	(147,019)	42,981
OTHER FINANCING SOURCES				
Transfers In	250,000	250,000	250,000	-
NET CHANGE IN FUND BALANCES	60,000	60,000	102,981	42,981
Fund Balances - Beginning of Year	1,380,746	1,380,746	1,380,746	-
FUND BALANCES - END OF YEAR	\$ 1,440,746	\$ 1,440,746	\$ 1,483,727	\$ 42,981

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TRANSPORTATION FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 7,902,417	\$ 7,902,417	\$ 7,923,843	\$ 21,426
Miscellaneous:				
Investment Income	60,000	60,000	369,835	309,835
Total Revenues	<u>7,962,417</u>	<u>7,962,417</u>	<u>8,293,678</u>	<u>331,261</u>
EXPENDITURES				
Current:				
Transportation	2,495,000	2,607,513	986,900	1,620,613
Capital Projects	17,282,558	17,724,582	8,596,044	9,128,538
Debt Service				
Principal on Debt	-	-	44,714	(44,714)
Interest on Debt	133,872	133,872	1,786	132,086
Total Expenditures	<u>19,911,430</u>	<u>20,465,967</u>	<u>9,629,444</u>	<u>10,836,523</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(11,949,013)	(12,503,550)	(1,335,766)	11,167,784
OTHER FINANCING SOURCES				
Proceeds of Leases / SBITAs	8,034,000	8,034,000	-	(8,034,000)
Transfers In	2,275,600	2,275,600	10,368,613	8,093,013
Total Other Financing Uses	<u>10,309,600</u>	<u>10,309,600</u>	<u>10,368,613</u>	<u>59,013</u>
NET CHANGE IN FUND BALANCES	(1,639,413)	(2,193,950)	9,032,847	11,226,797
Fund Balances - Beginning of Year	<u>4,128,477</u>	<u>4,128,477</u>	<u>4,128,477</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,489,064</u>	<u>\$ 1,934,527</u>	<u>\$ 13,161,324</u>	<u>\$ 11,226,797</u>

NONMAJOR PROPRIETARY FUND

*W*INTER HAVEN
THE CHAIN OF LAKES CITY

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CITY OF WINTER HAVEN, FLORIDA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Willowbrook Golf Course	Stormwater	Dark Fiber	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
CURRENT ASSETS				
Cash and Investments	\$ 2,799,775	\$ 5,385,081	\$ -	\$ 8,184,856
Cash With Fiscal Agent	370,316	-	-	370,316
Receivables:				
Accounts	20,441	575,651	32,831	628,923
Leases	-	-	126,563	126,563
Due from Other Governments	-	120,000	-	120,000
Inventories	89,467	-	-	89,467
Prepaid Items	19,201	570	22	19,793
Total Current Assets	<u>3,299,200</u>	<u>6,081,302</u>	<u>159,416</u>	<u>9,539,918</u>
Capital Assets:				
Land	628,895	2,371,020	-	2,999,915
Construction in Progress	-	247,817	181,456	429,273
Building	217,380	213,755	-	431,135
Improvements Other than Buildings	1,018,530	8,077,171	4,336,859	13,432,560
Equipment	1,320,213	1,385,789	73,925	2,779,927
	<u>3,185,018</u>	<u>12,295,552</u>	<u>4,592,240</u>	<u>20,072,810</u>
Less: Accumulated Depreciation	<u>(1,927,920)</u>	<u>(6,472,654)</u>	<u>(1,054,785)</u>	<u>(9,455,359)</u>
Net Capital Assets	<u>1,257,098</u>	<u>5,822,898</u>	<u>3,537,455</u>	<u>10,617,451</u>
Total Noncurrent Assets	<u>1,257,098</u>	<u>5,822,898</u>	<u>3,537,455</u>	<u>10,617,451</u>
Total Assets	4,556,298	11,904,200	3,696,871	20,157,369
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Items	-	29,381	-	29,381
OPEB Related Items	-	256,569	694	257,263
Total Deferred Outflows of Resources	<u>-</u>	<u>285,950</u>	<u>694</u>	<u>286,644</u>

Continued

CITY OF WINTER HAVEN, FLORIDA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Willowbrook Golf Course	Stormwater	Dark Fiber	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (DEFICIT)				
CURRENT LIABILITIES				
Accounts Payable	\$ 62,654	\$ 270,931	\$ 182,516	\$ 516,101
Accrued Liabilities	-	38,410	24,759	63,169
Due to Other Funds	72,426	-	610,749	683,175
Current Portion of Compensated Absences	-	112,447	-	112,447
Current Portion of Total OPEB Liability	-	28,001	67	28,068
Total	<u>135,080</u>	<u>449,789</u>	<u>818,091</u>	<u>1,402,960</u>
LONG-TERM LIABILITIES				
Advances from Other Funds	1,758,112	-	834,020	2,592,132
Total OPEB Liability	-	944,980	2,563	947,543
Net Pension Liability	-	411,889	-	411,889
Total Long-Term Liabilities	<u>1,758,112</u>	<u>1,356,869</u>	<u>836,583</u>	<u>3,951,564</u>
Total Liabilities	1,893,192	1,806,658	1,654,674	5,354,524
DEFERRED INFLOWS OF RESOURCES				
Lease Related Items	-	-	126,569	126,569
Pension Related Items	-	217,681	-	217,681
OPEB Related Items	-	246,658	667	247,325
Total Deferred Inflows of Resources	<u>-</u>	<u>464,339</u>	<u>127,236</u>	<u>591,575</u>
NET POSITION (DEFICIT)				
Net Investment in Capital Assets	1,257,098	5,568,327	3,354,963	10,180,388
Unrestricted (Deficit)	<u>1,406,008</u>	<u>4,350,826</u>	<u>(1,439,308)</u>	<u>4,317,526</u>
Total Net Position (Deficit)	<u>\$ 2,663,106</u>	<u>\$ 9,919,153</u>	<u>\$ 1,915,655</u>	<u>\$ 14,497,914</u>

CITY OF WINTER HAVEN, FLORIDA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2024

	Willowbrook Golf Course	Stormwater	Dark Fiber	Total
OPERATING REVENUES				
Charges for Services	\$ 1,129,963	\$ 2,315,745	\$ 133,838	\$ 3,579,546
Miscellaneous	30,186	-	-	30,186
Total Operating Revenues	<u>1,160,149</u>	<u>2,315,745</u>	<u>133,838</u>	<u>3,609,732</u>
OPERATING EXPENSES				
Personal Services	-	917,228	148,509	1,065,737
Material and Supplies	14,302	79,729	4,217	98,248
Depreciation	171,938	611,552	243,048	1,026,538
Other Services and Charges	1,234,244	1,539,333	23,468	2,797,045
Total Operating Expenses	<u>1,420,484</u>	<u>3,147,842</u>	<u>419,242</u>	<u>4,987,568</u>
OPERATING INCOME (LOSS)	(260,335)	(832,097)	(285,404)	(1,377,836)
NONOPERATING REVENUES (EXPENSES)				
Grants and Contributions	-	34,937	-	34,937
Investment Income	146,936	286,019	4,632	437,587
Interest Expense	(12,184)	-	(30,275)	(42,459)
Gain (Loss) on Disposal of Assets - Net	150	-	-	150
Total Nonoperating Revenues (Expenses)	<u>134,902</u>	<u>320,956</u>	<u>(25,643)</u>	<u>430,215</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(125,433)	(511,141)	(311,047)	(947,621)
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital Grants and Contributions	-	120,000	-	120,000
Transfers In	-	-	505,999	505,999
Total Capital Contributions and Transfers	<u>-</u>	<u>120,000</u>	<u>505,999</u>	<u>625,999</u>
CHANGE IN NET POSITION	(125,433)	(391,141)	194,952	(321,622)
Net Position - Beginning of Year, Original	2,788,539	10,354,495	1,720,703	14,863,737
Restatement	-	(44,201)	-	(44,201)
Net Position - Beginning of Year, as Restated	<u>2,788,539</u>	<u>10,310,294</u>	<u>1,720,703</u>	<u>14,819,536</u>
NET POSITION - END OF YEAR	<u>\$ 2,663,106</u>	<u>\$ 9,919,153</u>	<u>\$ 1,915,655</u>	<u>\$ 14,497,914</u>

CITY OF WINTER HAVEN, FLORIDA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2024

	Willowbrook Golf Course	Stormwater	Dark Fiber	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 1,160,149	\$ 2,240,559	\$ 162,970	\$ 3,563,678
Cash Paid to Employees for Services	-	(905,510)	(127,765)	(1,033,275)
Cash Paid to Suppliers for Goods and Services	(1,256,065)	(1,621,530)	(27,694)	(2,905,289)
Net Cash Provided (Used) by Operating Activities	(95,916)	(286,481)	7,511	(374,886)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Grants and Contributions	-	34,937	-	34,937
Transfers from Other Funds	-	-	505,999	505,999
Advances from Other Funds	(69,592)	-	-	(69,592)
Repayment of Advance From Other Funds	-	-	(37,680)	(37,680)
Net Cash Provided (Used) by Noncapital and Related Financing Activities	(69,592)	34,937	468,319	433,664
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital Grants and Contributions	-	938,803	-	938,803
Interest Paid	(12,184)	-	(30,275)	(42,459)
Acquisition and Construction of Capital Assets	-	(160,777)	(451,551)	(612,328)
Proceeds from Sale of Assets	150	-	-	150
Proceeds from Leasing Activities	-	-	495	495
Net Cash Provided (Used) by Capital and Related Financing Activities	(12,034)	778,026	(481,331)	284,661
CASH FLOWS FROM INVESTING ACTIVITIES				
Net Investment Income	146,936	286,019	4,632	437,587
Net Cash Provided by Investing Activities	146,936	286,019	4,632	437,587
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS				
	(30,606)	812,501	(869)	781,026
Cash and Cash Equivalents - Beginning of Year	3,200,697	4,572,580	869	7,774,146
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 3,170,091	\$ 5,385,081	\$ -	\$ 8,555,172

CITY OF WINTER HAVEN, FLORIDA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2024

	Willowbrook Golf Course	Stormwater	Dark Fiber	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (260,335)	\$ (832,097)	\$ (285,404)	\$ (1,377,836)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	171,938	611,552	243,048	1,026,538
(Increase) Decrease in Assets and Deferred				
Outflows of Resources:				
Accounts Receivable	-	(75,186)	(23,370)	(98,556)
Inventories	(16,389)	-	-	(16,389)
Prepaid Items	(4,811)	87,720	(21)	82,888
Due from Other Governments	-	-	52,502	52,502
Deferred Outflows of Resources- Pension Related Items	-	85,948	-	85,948
Deferred Outflows of Resources- OPEB Related Items	-	(162,380)	(470)	(162,850)
Increase (Decrease) in Liabilities and Deferred				
Inflows of Resources:				
Accounts Payable	13,681	(90,188)	12	(76,495)
Accrued Liabilities	-	5,218	20,392	25,610
Unearned Revenue	-	-	-	-
Compensated Absences	-	11,805	-	11,805
Total OPEB Liability	-	264,093	945	265,038
Net Pension Liability	-	(315,542)	-	(315,542)
Deferred Inflows of Resources- Pension Related Items	-	208,243	-	208,243
Deferred Inflows of Resources- OPEB Related Items	-	(85,667)	(123)	(85,790)
Net Cash Provided (Used) by Operating Activities	<u>\$ (95,916)</u>	<u>\$ (286,481)</u>	<u>\$ 7,511</u>	<u>\$ (374,886)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Loss on Disposition of Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contribution of Capital Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Additions Funded by Accounts Payable	<u>\$ -</u>	<u>\$ 254,571</u>	<u>\$ 182,492</u>	<u>\$ 437,063</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITIONS				
Cash, Investments, and Cash Equivalents	\$ 2,799,775	\$ 5,385,081	\$ -	\$ 8,184,856
Cash With Fiscal Agent	370,316	-	-	370,316
Total Cash, Investments, and Cash Equivalents	<u>\$ 3,170,091</u>	<u>\$ 5,385,081</u>	<u>\$ -</u>	<u>\$ 8,555,172</u>

WINTER HAVEN

THE CHAIN OF LAKES CITY

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INTERNAL SERVICE FUNDS

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THE CHAIN OF LAKES CITY

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CITY OF WINTER HAVEN, FLORIDA
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 SEPTEMBER 30, 2024

	Self-Insurance	General Services	Central Garage	Totals
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
CURRENT ASSETS				
Cash and Investments	\$ 5,875,444	\$ 3,414,058	\$ 597,640	\$ 9,887,142
Accounts Receivable	4,539	32,901	8,133	45,573
Inventories	-	-	221,385	221,385
Prepaid Items	39,204	28,730	10,968	78,902
Total Current Assets	<u>5,919,187</u>	<u>3,475,689</u>	<u>838,126</u>	<u>10,233,002</u>
NONCURRENT ASSETS				
Capital Assets:				
Building	-	-	214,392	214,392
Improvements Other than Buildings	-	395,340	34,909	430,249
Equipment	-	2,937,809	948,338	3,886,147
Right-to-Use Leased Equipment	-	732,817	-	732,817
Right-to-Use Subscription Software	-	1,985,131	17,985	2,003,116
	<u>-</u>	<u>6,051,097</u>	<u>1,215,624</u>	<u>7,266,721</u>
Less: Accumulated Depreciation	-	(4,292,055)	(806,194)	(5,098,249)
Net Capital Assets	<u>-</u>	<u>1,759,042</u>	<u>409,430</u>	<u>2,168,472</u>
Total Assets	5,919,187	5,234,731	1,247,556	12,401,474
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Items	-	123,872	39,392	163,264
OPEB Related Items	-	605,095	213,010	818,105
Total Deferred Outflows of Resources	<u>-</u>	<u>728,967</u>	<u>252,402</u>	<u>981,369</u>

CITY OF WINTER HAVEN, FLORIDA
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 SEPTEMBER 30, 2024

	Self-Insurance	General Services	Central Garage	Totals
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION (DEFICIT)				
CURRENT LIABILITIES				
Accounts Payable	\$ 899,153	\$ 193,236	\$ 232,778	\$ 1,325,167
Accrued Liabilities	-	115,790	40,254	156,044
Claims Payable	1,748,553	-	-	1,748,553
Current Portion of Leases Payable	-	145,330	-	145,330
Current Portion of SBITA Payable	-	328,792	-	328,792
Current Portion of Compensated Absences	-	493,940	184,972	678,912
Current Portion of Total OPEB Liability	-	57,499	15,226	72,725
Total Current Liabilities	<u>2,647,706</u>	<u>1,334,587</u>	<u>473,230</u>	<u>4,455,523</u>
LONG-TERM LIABILITIES				
Leases Payable	-	289,079	-	289,079
SBITA Payable	-	42,863	-	42,863
Total OPEB Liability	-	2,237,185	792,566	3,029,751
Net Pension Liability	-	1,736,563	552,233	2,288,796
Total Long-Term Liabilities	<u>-</u>	<u>4,305,690</u>	<u>1,344,799</u>	<u>5,650,489</u>
Total Liabilities	2,647,706	5,640,277	1,818,029	10,106,012
DEFERRED INFLOWS OF RESOURCES				
Pension Related Items	-	917,763	291,852	1,209,615
OPEB Related Items	-	581,719	204,781	786,500
Total Deferred Inflows of Resources	<u>-</u>	<u>1,499,482</u>	<u>496,633</u>	<u>1,996,115</u>
NET POSITION (DEFICIT)				
Net Investment in Capital Assets	-	897,122	335,924	1,233,046
Unrestricted (Deficit)	3,271,481	(2,073,183)	(1,150,628)	47,670
Total Net Position (Deficit)	<u>\$ 3,271,481</u>	<u>\$ (1,176,061)</u>	<u>\$ (814,704)</u>	<u>\$ 1,280,716</u>

CITY OF WINTER HAVEN, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS
 YEAR ENDED SEPTEMBER 30, 2024

	Self-Insurance	General Services	Central Garage	Totals
OPERATING REVENUES				
Charges for Services	\$ 7,607,231	\$ 8,602,714	\$ 3,876,817	\$ 20,086,762
Miscellaneous	640,760	142,661	-	783,421
Total Operating Revenues	<u>8,247,991</u>	<u>8,745,375</u>	<u>3,876,817</u>	<u>20,870,183</u>
OPERATING EXPENSES				
Personal Services	-	3,253,562	1,196,243	4,449,805
Material and Supplies	-	550,399	1,243,418	1,793,817
Depreciation	-	1,017,206	60,317	1,077,523
Other Services and Charges	8,034,808	3,091,275	1,841,328	12,967,411
Total Operating Expenses	<u>8,034,808</u>	<u>7,912,442</u>	<u>4,341,306</u>	<u>20,288,556</u>
OPERATING INCOME	213,183	832,933	(464,489)	581,627
NONOPERATING REVENUES (EXPENSES)				
Investment Income	290,659	131,910	27,254	449,823
Interest Expense	-	(13,766)	(3)	(13,769)
Gain (Loss) on Disposal of Assets - Net	-	(25,424)	5,125	(20,299)
Total Nonoperating Revenues	<u>290,659</u>	<u>92,720</u>	<u>32,376</u>	<u>415,755</u>
INCOME BEFORE TRANSFERS	503,842	925,653	(432,113)	997,382
TRANSFERS				
Transfers Out	-	(309,133)	(27,650)	(336,783)
Total Transfers	<u>-</u>	<u>(309,133)</u>	<u>(27,650)</u>	<u>(336,783)</u>
CHANGE IN NET POSITION (DEFICIT)	503,842	616,520	(459,763)	660,599
Net Position (Deficit) - Beginning of Year, Original	2,767,639	(1,554,320)	(281,664)	931,655
Restatement	-	(238,261)	(73,277)	(311,538)
Net Position (Deficit) - Beginning of Year, as Restated	<u>2,767,639</u>	<u>(1,792,581)</u>	<u>(354,941)</u>	<u>620,117</u>
NET POSITION (DEFICIT) - END OF YEAR	<u>\$ 3,271,481</u>	<u>\$ (1,176,061)</u>	<u>\$ (814,704)</u>	<u>\$ 1,280,716</u>

**CITY OF WINTER HAVEN, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2024**

	Self-Insurance	General Services	Central Garage	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 8,364,036	\$ 8,713,430	\$ 3,870,277	\$ 20,947,743
Cash Paid to Employees for Services	-	(2,650,406)	(838,458)	(3,488,864)
Cash Paid to Suppliers for Goods and Services	(7,674,473)	(3,761,268)	(3,034,069)	(14,469,810)
Net Cash Provided by Operating Activities	689,563	2,301,756	(2,250)	2,989,069
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers to Other Funds	-	(309,133)	(27,650)	(336,783)
Net Cash Provided (Used) by Noncapital Financing Activities	-	(309,133)	(27,650)	(336,783)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	-	574,161	(15,250)	558,911
Proceeds from Sale of Assets	-	(25,424)	5,125	(20,299)
Principal Payments on Leases and SBITAs	-	(1,679,593)	(2,119)	(1,681,712)
Interest Paid	-	(13,766)	(3)	(13,769)
Net Cash Used by Capital and Related Financing Activities	-	(1,144,622)	(12,247)	(1,156,869)
CASH FLOWS FROM INVESTING ACTIVITIES				
Net Investment Income	290,659	131,910	27,254	449,823
Net Cash Provided by Investing Activities	290,659	131,910	27,254	449,823
NET INCREASE IN CASH AND CASH EQUIVALENTS				
	980,222	979,911	(14,893)	1,945,240
Cash and Cash Equivalents - Beginning of Year	4,895,222	2,434,147	612,533	7,941,902
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 5,875,444	\$ 3,414,058	\$ 597,640	\$ 9,887,142
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 213,183	\$ 832,933	\$ (464,489)	\$ 581,627
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	1,017,206	60,317	1,077,523
(Increase) Decrease in Assets and Deferred Outflows of Resources:				
Accounts Receivable	116,045	(31,945)	(6,540)	77,560
Inventories	-	-	(17,618)	(17,618)
Prepaid Items	(39,204)	74,117	(5,375)	29,538
Deferred Outflows of Resources- Pension Related Items	-	301,392	103,256	404,648
Deferred Outflows of Resources- OPEB Related Items	-	(411,683)	(161,793)	(573,476)
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:				
Accounts Payable	399,539	(193,711)	73,670	279,498
Accrued Liabilities	-	15,695	10,602	26,297
Compensated Absences	-	22,224	26,643	48,867
Total OPEB Liability	-	839,014	422,325	1,261,339
Net Pension Liability	-	(945,757)	(347,503)	(1,293,260)
Deferred Inflows of Resources- Pension Related Items	-	882,963	280,179	1,163,142
Deferred Inflows of Resources- OPEB Related Items	-	(100,692)	24,076	(76,616)
Net Cash Provided (Used) by Operating Activities	\$ 689,563	\$ 2,301,756	\$ (2,250)	\$ 2,989,069
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Issuance of SBITAs and Leases	\$ -	\$ 1,083,740	\$ -	\$ 1,083,740
Capital Additions Funded by Accounts Payable	\$ -	\$ 55,856	\$ 73,506	\$ 129,362

STATISTICAL SECTION

(UNAUDITED)

*W*INTER HAVEN
THE CHAIN OF LAKES CITY

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STATISTICAL SECTION

(UNAUDITED)

This part of the City of Winter Haven’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’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.

- Net Position by Components, Last Ten Fiscal Years
- Changes in Net Position, Last Ten Fiscal Years
- Governmental Activities Tax Revenues by Source, Last Ten Fiscal Years
- Fund Balances of Governmental Funds, Last Ten Fiscal Years
- Changes in Fund Balances of Governmental Funds, Last Ten Fiscal Years

Revenue Capacity

These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.

- Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years
- Property Tax Rates, Direct and Overlapping Governments, Last Ten Fiscal Years
- Principal Taxpayers, Current Fiscal Year and Ten Years Prior
- Property Tax Levies and Collections, Last Ten Fiscal Years

Debt Capacity

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

- Ratios of Outstanding Debt by Type, Last Ten Fiscal Years
- Direct and Overlapping Governmental Activities Debt
- Pledged-Revenue Coverage, Last Ten Fiscal Years

The table which concerns computation of legal debt margin is omitted because the Constitution of the State of Florida, Section 200.181, Florida Statutes, and the City of Winter Haven set no legal debt limit.

Own Source Revenue

This schedule provides water and sewer consumption and rate information to help the reader assess the City’s most significant own source revenue, water and sewer charges.

- Water and Sewer Consumption, Last Ten Fiscal Years

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.

- Demographic and Economic Statistics, Last Ten Fiscal Years
- Principal Employers, Current Fiscal Year and Nine Years Prior

STATISTICAL SECTION

(UNAUDITED)

Operating Information

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

Full-Time Equivalent City Government Employees by Function, Last Ten Fiscal Years
Operating Indicators by Function, Last Ten Fiscal Years.....
Capital Assets by Function, Last Ten Fiscal Years.....
Miscellaneous Statistics
Schedule of Insurance in Force

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF WINTER HAVEN
TABLE 1
NET POSITION BY COMPONENTS
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental Activities										
Net Investment in Capital Assets	\$ 85,437,976	\$ 79,663,112	\$ 62,278,545	\$ 62,278,545	\$ 56,358,474	\$ 45,234,239	\$ 43,893,592	\$ 37,464,863	\$ 36,870,523	\$ 33,858,502
Restricted	36,933,151	31,706,811	23,329,563	17,609,300	14,730,235	11,298,724	6,149,488	4,565,096	3,409,302	2,397,480
Unrestricted	39,246,869	19,468,214	23,437,818	6,218,163	4,542,949	7,849,877	(10,341,098)	(1,771,610)	(6,940,999)	(10,346,605)
Subtotal Governmental Activities Net Position	<u>\$ 161,617,996</u>	<u>\$ 130,838,137</u>	<u>\$ 109,045,926</u>	<u>\$ 86,106,008</u>	<u>\$ 75,631,658</u>	<u>\$ 64,382,840</u>	<u>\$ 39,701,982</u>	<u>\$ 40,258,349</u>	<u>\$ 33,338,826</u>	<u>\$ 25,909,377</u>
Business Type Activities										
Net Investment in Capital Assets	\$ 98,256,042	\$ 71,750,956	\$ 60,014,179	\$ 55,466,315	\$ 38,547,062	\$ 25,873,607	\$ 20,741,636	\$ 14,654,234	\$ 13,754,969	\$ 12,017,199
Restricted	40,128,231	28,410,050	23,045,883	19,962,180	16,340,831	17,885,343	14,783,230	18,121,549	16,375,695	14,831,150
Unrestricted	14,927,313	30,484,980	25,120,641	19,472,322	31,295,273	27,775,495	25,856,950	23,218,885	13,263,706	12,942,084
Subtotal Business Type Activities	<u>\$ 153,311,586</u>	<u>\$ 130,645,986</u>	<u>\$ 108,180,703</u>	<u>\$ 94,900,817</u>	<u>\$ 86,183,166</u>	<u>\$ 71,534,445</u>	<u>\$ 61,381,816</u>	<u>\$ 55,994,668</u>	<u>\$ 43,394,370</u>	<u>\$ 39,790,433</u>
Primary government										
Net Investment in Capital Assets	\$ 183,694,018	\$ 151,414,068	\$ 122,292,724	\$ 117,744,860	\$ 94,905,536	\$ 71,107,846	\$ 64,635,228	\$ 52,119,097	\$ 50,625,492	\$ 45,875,701
Restricted	77,061,382	60,116,861	46,375,446	37,571,480	31,071,066	29,184,067	20,932,718	22,686,645	19,784,997	17,228,630
Unrestricted	54,174,182	49,953,194	48,558,459	25,690,485	35,838,222	35,625,372	15,515,852	21,447,275	6,322,707	2,595,479
Total Primary Government Net Position	<u>\$ 314,929,582</u>	<u>\$ 261,484,123</u>	<u>\$ 217,226,629</u>	<u>\$ 181,006,825</u>	<u>\$ 161,814,824</u>	<u>\$ 135,917,285</u>	<u>\$ 101,083,798</u>	<u>\$ 96,253,017</u>	<u>\$ 76,733,196</u>	<u>\$ 65,699,810</u>

CITY OF WINTER HAVEN
TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
EXPENSES										
Government Activities										
General Government	\$ 11,001,598	\$ 10,843,923	\$ 11,212,950	\$ 11,114,046	\$ 9,550,908	\$ 9,375,891	\$ 8,634,562	\$ 10,095,366	\$ 9,209,261	\$ 8,584,527
Public Safety	28,359,498	29,418,690	26,609,110	23,635,420	23,590,215	22,566,425	21,498,700	19,074,245	19,762,150	19,396,846
Transportation	8,595,059	9,818,458	5,947,758	6,299,855	6,023,386	4,823,105	4,526,558	3,564,670	5,023,998	3,667,560
Economic Development	3,664,381	2,524,541	2,406,217	2,225,114	1,629,153	1,429,659	2,313,490	1,818,752	1,806,586	1,732,069
Human Services	1,685,705	1,582,258	811,193	902,963	896,413	1,359,738	851,223	707,632	683,485	876,034
Culture and Recreation	12,698,142	11,447,768	11,763,457	10,846,957	9,662,913	8,369,798	8,082,653	7,030,761	7,416,463	7,858,528
Interest on Long Term Debt	2,568,253	1,631,223	1,598,364	1,246,129	1,308,899	1,389,279	681,215	612,463	706,844	2,293,143
Other Debt Service	-	-	-	-	-	-	-	141,339	1,260	249,322
Subtotal Governmental Activities Expenses	68,572,636	67,266,861	60,349,049	56,270,484	52,661,887	49,313,895	46,588,401	43,045,228	44,610,047	44,658,029
Business Type Activities										
Water and Sewer System	37,773,721	32,180,503	29,315,480	29,761,397	26,024,825	22,562,447	22,793,051	20,426,584	21,254,361	20,819,341
Solid Waste System	9,340,129	8,751,981	7,988,577	7,440,990	6,877,829	6,105,339	4,896,807	5,066,354	4,762,928	4,645,385
Stormwater	1,441,519	1,300,364	2,261,851	1,353,763	1,686,229	1,438,368	1,436,298	1,376,689	1,138,746	1,661,327
Willowbrook	3,137,442	2,070,209	1,257,843	995,179	1,076,599	999,155	1,285,690	1,043,259	1,035,457	1,017,227
Dark Fiber	450,692	225,073	208,121	204,053	223,797	150,763	66,913	12,531	-	-
Subtotal Business Type Activities	52,143,503	44,528,130	41,031,872	39,755,382	35,889,279	31,256,072	30,478,759	27,925,417	28,191,492	28,143,280
Total Primary Government	\$ 120,716,139	\$ 111,794,991	\$ 101,380,921	\$ 96,025,866	\$ 88,551,166	\$ 80,569,967	\$ 77,067,160	\$ 70,970,645	\$ 72,801,539	\$ 72,801,309
PROGRAM REVENUES										
Government Activities										
General Government	\$ 2,345,615	\$ 3,384,596	\$ 4,889,971	\$ 5,059,340	\$ 4,608,767	\$ 4,635,069	\$ 4,457,523	\$ 4,245,109	\$ 5,017,700	\$ 3,957,638
Public Safety	7,119,468	8,166,675	8,965,949	1,115,412	1,451,851	1,208,762	1,018,595	1,074,372	957,860	837,028
Transportation	13,347,376	7,169,129	7,848,803	5,193,411	3,680,433	4,125,237	5,596,578	3,223,216	2,226,255	1,284,179
Economic Development	9,795	233,076	6,694,599	6,663,866	5,505,995	4,590,129	3,879,413	4,571,176	3,230,752	1,984,091
Human Services	674,670	860,247	880,254	813,156	941,877	922,066	500,260	664,033	735,212	492,595
Culture and Recreation	8,385,646	4,817,775	1,886,565	1,644,237	1,241,245	14,128,691	1,193,752	1,141,820	1,178,352	1,119,366
Subtotal Governmental Activities Program Revenue	31,882,570	24,631,498	31,166,141	20,489,422	17,430,168	29,609,954	16,646,121	14,919,726	13,346,131	9,674,897
Business Type Activities										
Water and Sewer System	61,168,660	54,068,385	45,553,402	41,504,745	43,433,415	36,057,444	36,450,559	33,874,974	28,757,406	28,779,383
Solid Waste System	10,974,329	10,172,418	9,359,993	8,838,860	8,575,951	8,526,544	4,654,920	6,823,509	6,356,195	5,998,926
Stormwater	1,129,963	1,150,035	2,095,248	3,303,549	3,068,037	1,921,488	1,944,307	2,055,180	1,641,019	1,598,051
Willowbrook	2,470,682	2,208,493	3,754,165	784,450	866,629	825,384	783,825	847,548	782,513	763,584
Dark Fiber	133,838	123,876	107,252	129,900	139,327	129,152	132,996	116,603	-	-
Subtotal Business Type Activities Program Revenue	75,877,472	67,723,207	60,870,060	54,561,504	56,083,359	47,460,012	43,966,607	43,717,814	37,537,133	37,139,944
Total Primary Government	\$ 107,760,042	\$ 92,354,705	\$ 92,036,201	\$ 75,050,926	\$ 73,513,527	\$ 77,069,966	\$ 60,612,728	\$ 58,637,540	\$ 50,883,264	\$ 46,814,841

Continued

CITY OF WINTER HAVEN
TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
NET (EXPENSE) REVENUE										
Government Activities										
General Government	\$ (8,655,983)	\$ (7,459,327)	\$ (6,322,979)	\$ (6,054,706)	\$ (4,942,141)	\$ (4,740,822)	\$ (4,177,039)	\$ (5,850,257)	\$ (4,191,561)	\$ (4,626,889)
Public Safety	(21,240,030)	(21,252,015)	(17,643,161)	(22,520,008)	(22,138,364)	(21,357,663)	(20,480,105)	(17,999,873)	(18,804,290)	(18,559,818)
Transportation	4,752,317	(2,649,329)	1,901,045	(1,106,444)	(2,342,953)	(697,868)	1,070,020	(341,454)	(2,797,743)	(2,383,381)
Economic Development	(3,654,586)	(2,291,465)	4,288,382	4,438,752	3,876,842	3,160,470	1,565,923	2,752,424	1,424,166	252,022
Human Services	(1,011,035)	(722,011)	69,061	(89,807)	45,464	(437,672)	(350,963)	(43,599)	51,727	(383,439)
Culture and Recreation	(4,312,496)	(6,629,993)	(9,876,892)	(9,202,720)	(8,421,668)	5,758,893	(6,888,901)	(5,888,941)	(6,238,111)	(6,739,162)
Interest on Long-Term Debt	-	-	(1,598,364)	(1,246,129)	(1,308,899)	(1,389,279)	(681,215)	(612,463)	(706,844)	(2,293,143)
Other Debt Service	(2,568,253)	(1,631,223)	-	-	-	-	-	(141,339)	(1,260)	(249,322)
Subtotal Governmental Activities										
Net Expense	(36,690,066)	(42,635,363)	(29,182,908)	(35,781,062)	(35,231,719)	(19,703,941)	(29,942,280)	(28,125,502)	(31,263,916)	(34,983,132)
Business Type Activities										
Water and Sewer System	23,394,939	21,887,882	16,237,922	11,743,348	17,408,590	13,494,997	13,657,508	13,448,390	7,503,045	7,960,042
Solid Waste System	1,634,200	1,420,437	1,371,416	1,397,870	1,698,122	2,421,205	2,758,113	1,757,155	1,593,267	1,353,541
Stormwater	(311,556)	(150,329)	(166,603)	(1,649,786)	1,381,808	483,120	508,009	678,491	502,273	(63,276)
Willowbrook	(666,760)	138,284	2,496,322	(210,729)	(209,970)	(173,771)	(501,865)	(195,711)	(252,944)	(253,643)
Dark Fiber	(316,854)	(101,197)	(100,869)	(74,143)	(84,470)	(21,611)	66,083	104,072	-	-
Subtotal Business Type										
Activities Net Expense	23,733,969	23,195,077	19,838,188	14,506,132	20,194,080	16,203,940	16,487,848	15,792,397	9,345,641	8,996,664
Total primary government	\$ (12,956,097)	\$ (19,440,286)	\$ (9,344,720)	\$ (21,274,930)	\$ (15,037,639)	\$ (3,500,001)	\$ (13,454,432)	\$ (12,333,105)	\$ (21,918,275)	\$ (25,986,468)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities										
Taxes: Property	\$ 29,276,542	\$ 25,556,997	\$ 21,508,955	\$ 18,887,554	\$ 18,341,292	\$ 16,820,550	\$ 12,772,488	\$ 11,508,749	\$ 10,233,775	\$ 9,512,073
Taxes: Utility	9,402,825	8,821,394	7,951,212	7,259,809	6,877,517	6,789,197	6,714,869	6,434,213	6,050,100	5,855,891
Taxes: Franchise	5,192,249	5,367,262	4,491,592	3,734,923	3,356,485	3,508,260	3,403,431	3,305,112	3,385,734	3,289,214
Taxes: Fuel	2,448,105	2,399,551	2,253,960	2,191,325	1,998,095	2,029,500	1,929,720	1,834,549	1,762,196	1,655,207
State Shared: Sales Tax	4,223,119	4,263,656	3,967,798	3,427,130	2,841,455	2,779,282	2,573,786	2,367,136	2,289,491	2,087,383
State Shared: Municipal	2,649,292	2,661,794	2,381,829	1,382,975	1,111,606	1,172,897	1,082,745	1,016,784	936,602	886,585
State Shared: Other	1,673,850	1,550,025	1,202,948	1,524,877	1,396,100	1,930,675	1,339,122	1,271,176	1,215,171	1,157,860
Unrestricted Investment Earnings	7,510,051	4,971,231	717,572	127,393	503,831	1,264,406	612,858	349,143	119,220	119,941
Gain on Sale of Capital Assets	72,931	62,714	-	-	-	11,969	37,445	85,335	87,966	44,307
Miscellaneous	1,688,441	3,193,912	397,157	459,708	443,427	470,344	534,139	293,386	601,469	134,310
Transfers	5,465,786	5,578,408	7,249,803	6,123,195	9,610,729	7,607,719	7,680,835	6,579,442	12,011,641	8,286,612
Sub-Total Governmental Activities	69,603,191	64,426,944	52,122,826	45,118,889	46,480,537	44,384,799	38,681,438	35,045,025	38,693,365	33,029,383
Business Type Activities										
Unrestricted Investment Earnings	4,178,497	3,636,526	649,583	311,408	840,264	1,529,515	1,067,666	570,670	250,619	181,786
Gain on Sale of Capital Assets	96,000	170,853	41,918	23,306	3,225,106	26,893	37,440	-	6,019,318	38,132
Miscellaneous	650,433	1,041,235	-	-	-	-	140,600	-	-	-
Transfers	(5,465,786)	(5,578,408)	(7,249,803)	(6,123,195)	(9,610,729)	(7,607,719)	(7,680,835)	(6,579,442)	(12,011,641)	(8,286,612)
Sub-Total Business Activities	(540,856)	(729,794)	(6,558,302)	(5,788,481)	(5,545,359)	(6,051,311)	(6,435,129)	(6,008,772)	(5,741,704)	(8,066,694)
Total Primary Government	\$ 69,062,335	\$ 63,697,150	\$ 45,564,524	\$ 39,330,408	\$ 40,935,178	\$ 38,333,488	\$ 32,246,309	\$ 29,036,253	\$ 32,951,661	\$ 24,962,689
INCREASE (DECREASE) IN NET POSITION										
Governmental Activities	\$ 32,913,125	\$ 21,791,581	\$ 22,939,918	\$ 9,337,827	\$ 11,248,818	\$ 24,680,858	\$ 8,739,158	\$ 6,919,523	\$ 7,429,449	\$ (1,953,749)
Business Type Activities	23,193,113	22,465,283	13,279,886	8,717,651	14,648,721	10,152,629	10,052,719	9,783,625	3,603,937	929,970
Total Primary Government	\$ 56,106,238	\$ 44,256,864	\$ 36,219,804	\$ 18,055,478	\$ 25,897,539	\$ 34,833,487	\$ 18,791,877	\$ 16,703,148	\$ 11,033,386	\$ (1,023,779)

CITY OF WINTER HAVEN
TABLE 3
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Fiscal Year	Property Taxes *	Sales Taxes	Franchise Taxes	Motor Fuel Taxes	Municipal Revenue Sharing	Utility Taxes	Other Taxes	Total
2015	\$ 9,512,073	\$ 2,087,383	\$ 3,289,214	\$ 1,655,207	\$ 886,585	\$ 5,855,891	\$ 1,157,860	\$ 24,444,213
2016	10,233,775	2,289,491	3,385,734	1,762,196	936,602	6,050,100	1,215,171	25,873,069
2017	11,508,749	2,367,136	3,305,112	1,834,549	1,016,784	6,434,213	1,271,176	27,737,719
2018	12,772,488	2,573,786	3,403,431	1,929,720	1,082,745	6,714,869	1,339,122	29,816,161
2019	16,820,550	2,779,282	3,508,260	2,029,500	1,172,897	6,789,197	1,930,675	35,030,361
2020	18,341,292	2,841,455	3,356,485	1,998,095	1,111,606	6,877,517	1,396,100	35,922,550
2021	19,887,554	3,427,130	3,734,923	2,191,325	1,382,975	7,259,809	1,524,877	39,408,593
2022	21,508,955	3,967,798	4,491,592	2,253,960	2,381,829	7,951,212	1,202,948	43,758,294
2023	25,556,997	4,263,656	5,367,262	2,399,551	2,661,794	8,821,394	1,550,025	50,620,679
2024	29,276,542	4,223,119	5,192,249	2,448,105	2,649,292	9,402,825	1,673,850	54,865,982

* Property Taxes include Ad Valorem tax proceeds received from the County for the City's CRA Districts (Downtown and Florence Villa)

CITY OF WINTER HAVEN
TABLE 4
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

General Fund	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Nonspendable	\$ 9,913,919	\$ 1,993,713	\$ 1,655,022	\$ 1,596,364	\$ 1,739,402	\$ 2,148,072	\$ 1,888,799	\$ 1,859,389	\$ 1,858,826	\$ 1,814,373
Restricted	216,233	215,365	214,644	214,523	210,285	209,429	207,496	207,323	205,640	7,403
Assigned	105,180	99,556	94,885	100,801	72,381	68,054	25,666	25,183	23,751	905,947
Unassigned	23,788,487	26,554,264	22,581,371	17,483,087	14,788,404	12,594,889	12,870,923	10,453,368	8,486,848	8,060,985
Subtotal General Fund	<u>\$ 34,023,819</u>	<u>\$ 28,862,898</u>	<u>\$ 24,545,922</u>	<u>\$ 19,394,775</u>	<u>\$ 16,810,472</u>	<u>\$ 15,020,444</u>	<u>\$ 14,992,884</u>	<u>\$ 12,545,263</u>	<u>\$ 10,575,065</u>	<u>\$ 10,788,708</u>
All Other Governmental Funds										
Nonspendable	\$ 58,044	\$ 148,716	\$ 54,652	\$ 63,295	\$ 154,503	\$ 74,224	\$ 107,726	\$ 95,131	\$ 102,188	\$ 114,624
Restricted	38,403,027	29,662,632	24,128,153	1,783,167	15,181,290	11,791,458	6,294,133	4,735,537	3,589,298	2,799,676
Committed	1,970,927	1,981,785	2,202,110	704,349	607,620	494,565	500,862	414,011	349,764	316,174
Assigned	66,131,225	49,433,089	41,121,377	13,014,365	12,569,938	16,678,688	7,552,634	18,920,228	10,984,367	8,946,138
Unassigned	-	(648,675)	(47,904)	(14,480)	(498,086)	(365,336)	(306,783)	(864,361)	(863,897)	(594,614)
Subtotal All Other Governmental Funds	<u>106,563,223</u>	<u>80,577,547</u>	<u>67,458,388</u>	<u>15,550,696</u>	<u>28,015,265</u>	<u>28,673,599</u>	<u>14,148,572</u>	<u>23,300,546</u>	<u>14,161,720</u>	<u>11,581,998</u>
Total Fund Balance	<u>\$ 140,587,042</u>	<u>\$ 109,440,445</u>	<u>\$ 92,004,310</u>	<u>\$ 34,945,471</u>	<u>\$ 44,825,737</u>	<u>\$ 43,694,043</u>	<u>\$ 29,141,456</u>	<u>\$ 35,845,809</u>	<u>\$ 24,736,785</u>	<u>\$ 22,370,706</u>

CITY OF WINTER HAVEN
TABLE 5
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
REVENUES										
Taxes	\$ 47,765,421	\$ 43,473,772	\$ 37,126,290	\$ 33,900,121	\$ 31,378,631	\$ 29,928,462	\$ 25,594,991	\$ 23,822,659	\$ 22,101,031	\$ 20,956,633
Licenses and Permits	6,155,350	9,557,875	233,385	261,094	241,126	196,399	220,086	260,496	243,150	244,559
Intergovernmental	27,414,092	12,740,091	21,449,558	10,811,867	8,572,270	9,308,255	9,093,018	7,161,660	6,644,191	4,572,857
Charges for Services	5,597,572	6,617,358	11,420,367	10,646,623	9,371,866	8,456,255	7,890,897	7,024,915	5,966,953	4,788,182
Fines and Forfeitures	246,699	321,286	214,188	357,670	429,314	317,373	327,074	321,480	384,320	334,092
Rents	1,682,208	1,592,741	1,517,030	1,406,765	1,156,265	1,101,015	1,134,734	1,054,939	1,069,563	1,069,223
Investment Income	7,060,228	4,690,908	671,807	117,233	448,173	1,158,233	533,693	309,953	98,546	89,119
Contributions	-	-	15,232	22,222	21,846	10,883	7,718	248	3,443	3,072
Miscellaneous	1,045,263	1,401,284	1,054,437	888,793	992,965	735,370	937,161	700,835	1,086,432	427,721
Total Revenues	96,966,833	80,395,315	73,702,294	58,412,388	52,612,456	51,212,245	45,739,372	40,657,185	37,597,629	32,485,458
EXPENDITURES										
Current										
General Government	9,892,878	9,814,527	7,822,512	7,644,058	7,208,554	6,754,965	6,494,528	7,496,910	7,848,300	4,824,803
Public Safety	27,286,691	25,873,502	23,094,317	22,092,109	21,554,089	20,798,574	21,660,084	20,077,109	21,117,034	19,267,427
Transportation	11,285,612	12,131,247	10,595,302	8,171,434	6,664,174	5,752,081	7,435,633	4,686,015	4,322,726	2,919,564
Economic Environment	3,876,342	3,268,927	2,129,281	1,860,166	1,426,091	975,746	845,182	801,939	755,579	613,187
Human Services	1,595,930	1,486,060	605,401	921,723	905,186	1,296,342	787,687	723,938	698,321	795,774
Culture and Recreation	10,745,081	9,638,625	7,992,738	7,717,104	7,610,247	7,043,748	7,151,773	6,841,385	6,971,999	7,633,831
Subtotal Current	64,682,534	62,212,888	52,239,551	48,406,594	45,368,341	42,621,456	44,374,887	40,627,296	41,713,959	36,054,586
Debt Service										
Principal	3,772,220	3,549,757	2,861,364	3,641,625	3,055,000	2,015,000	1,805,000	1,580,000	1,430,000	1,414,308
Interest	1,918,346	1,787,195	1,473,946	1,380,285	1,414,331	1,097,313	757,419	709,779	798,495	784,674
Other Debt Service	282,436	1,142	248,343	48,664	41,597	550	550	140,629	550	261,398
Subtotal Debt Service	5,973,002	5,338,094	4,583,653	5,070,574	4,510,928	3,112,863	2,562,969	2,430,408	2,229,045	2,460,380
Capital Projects	27,347,041	2,432,403	6,038,783	5,221,314	11,626,745	22,737,013	12,906,201	1,287,001	3,239,540	395,074
Total Expenditures	98,002,577	69,983,385	62,861,987	58,698,482	61,506,014	68,471,332	59,844,057	44,344,705	47,182,544	38,910,040
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,035,744)	10,411,930	10,840,307	(286,094)	(8,893,558)	(17,259,087)	(14,104,685)	(3,687,520)	(9,584,915)	(6,424,582)

Continued

CITY OF WINTER HAVEN
TABLE 5
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Other Financing Sources (Uses)										
Sale of Assets	\$ -	\$ -	\$ 10,087	\$ 23,285	\$ 44,123	\$ 25,955	\$ 242,445	\$ 84,656	\$ 83,153	\$ 36,018
Transfers in	62,335,622	27,426,672	42,862,014	25,824,741	30,154,356	27,166,798	16,884,361	16,412,988	20,566,985	16,784,215
Transfers out	(56,533,053)	(21,306,036)	(35,948,211)	(19,708,346)	(20,173,227)	(20,281,079)	(9,726,474)	(9,114,259)	(8,699,144)	(8,568,403)
Issuance of Debt	-	-	23,247,642	-	-	24,900,000	-	7,535,000	-	-
Issuance of Refunding Bonds	24,235,000	-	-	10,055,000	-	-	-	5,570,000	-	13,205,000
Issuance Premium	2,056,444	-	-	-	-	-	-	-	-	557,512
Issuance of Leases and SBITAs	88,328	903,569	-	-	-	-	-	-	-	-
Payments to Refunded Bond Escrow Agent	-	-	-	(9,878,375)	-	-	-	(5,691,841)	-	(13,756,614)
Total Other Financing Sources (Uses)	32,182,341	7,024,205	30,171,532	6,316,305	10,025,252	31,811,674	7,400,332	14,796,544	11,950,994	8,257,728
Net Change in Fund Balance	\$ 31,146,597	\$ 17,436,135	\$ 41,011,839	\$ 6,030,211	\$ 1,131,694	\$ 14,552,587	\$ (6,704,353)	\$ 11,109,024	\$ 2,366,079	\$ 1,833,146
Debt Service as % of Noncapital Expenditures	9.0%	9.2%	9.3%	9.8%	9.8%	7.5%	6.1%	5.7%	5.4%	5.7%

CITY OF WINTER HAVEN
TABLE 6
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Fiscal Year	Real Property	Assessed Value Personal Property	Centrally Assessed Property	Less: Tax Exempt Property	Taxable Assessed Valuation	Total Direct Tax	Estimated Actual Taxable Value
2015	2,007,403,179	292,022,511	572,626	689,628,652	1,610,369,664	5.790	1,610,369,664
2016	2,144,565,792	309,321,654	10,473,300	741,075,963	1,723,284,783	5.790	1,723,284,783
2017	2,332,021,779	356,176,075	10,576,196	774,995,115	1,923,778,935	5.790	1,923,778,935
2018	2,546,345,759	380,868,003	10,450,270	817,745,867	2,119,918,165	5.790	2,119,918,165
2019	2,842,990,385	387,118,105	11,207,402	869,810,131	2,371,505,761	6.790	2,371,505,761
2020	3,081,865,632	382,257,505	11,164,336	886,582,002	2,588,705,471	6.790	2,588,705,471
2021	3,366,683,827	409,740,176	11,354,545	961,467,512	2,826,311,036	6.790	2,826,311,036
2022	3,637,052,513	447,023,470	12,876,071	1,037,530,860	3,059,421,194	6.790	3,059,421,194
2023	4,238,010,634	580,567,107	14,800,488	1,116,185,122	3,717,193,107	6.590	3,717,193,107
2024	4,835,382,172	621,288,467	13,073,383	1,200,194,804	4,269,549,218	6.590	4,269,549,218

Source: Polk County Property Appraiser Form 403

Note: Property in the county is reassessed annually. The county assesses property at approximately 85-90 percent of market value.

**CITY OF WINTER HAVEN
TABLE 7
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>General Government</u>	<u>Total Direct Rate</u>	<u>Polk County</u>	<u>School Board</u>	<u>Lake Region Management</u>	<u>SWFMD</u>
2015	5.790	5.790	6.8665	7.208	0.4924	0.3658
2016	5.790	5.790	6.7815	7.149	0.4715	0.3488
2017	5.790	5.790	6.7815	6.797	0.4512	0.3317
2018	5.790	5.790	6.7815	6.514	0.4214	0.3131
2019	6.790	6.790	7.1565	6.251	0.4214	0.2955
2020	6.790	6.790	7.1565	6.086	0.4214	0.2801
2021	6.790	6.790	6.8990	5.935	0.4100	0.2669
2022	6.790	6.790	6.8990	5.829	0.4100	0.2535
2023	6.590	6.590	6.6920	5.519	0.4100	0.2260
2024	6.590	6.590	6.6852	5.408	0.3691	0.2043

Note: The City of Winter Haven has no overlapping tax rates due to there being no leveraging of property taxes by other governmental entities.

**CITY OF WINTER HAVEN
TABLE 8
PRINCIPAL TAXPAYERS**

Taxpayer	2024			2015		
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Florida Can Manufacturing LLC	\$ 130,325,175	1	3.05%			
Legoland/Merlin Entertainment	103,407,935	2	2.42%			
Wal-Mart Stores, Inc.	74,714,828	3	1.75%	\$ 49,675,408	1	3.08%
Tampa Electric	58,758,268	4	1.38%	31,696,970	2	1.97%
Carlton Arms	51,286,548	5	1.20%	30,845,284	3	1.92%
350 24th Street FL LLC	35,012,024	6	0.82%			
SFFL001 Owner	31,887,905	7	0.75%			
Coca Cola	27,198,863	8	0.64%			
GAHC4 Spring Haven FL SH LLC	26,613,392	9	0.62%			
Winter Haven Apartments	21,357,863	10	0.50%	10,959,960	10	0.68%
State Farm Mutual Automobile Ins. Co.				20,135,826	4	1.25%
Hanson Pipe				18,296,303	5	1.14%
Verizon				14,323,583	6	0.89%
CCH Ltd. Partnerships				12,591,388	7	0.78%
Landmark Investments INC				12,147,335	8	0.75%
Colonial Station LLC				11,697,793	9	0.73%
Subtotal	560,562,801		13.13%	212,369,850		13.19%
All Other Taxpayers	3,708,986,417		86.87%	1,397,999,814		86.81%
Total	\$ 4,269,549,218		100.00%	\$ 1,610,369,664		100.00%

Source: Property Appraiser Form 403 and 2015 Annual Comprehensive Financial Report (Table 8)

**CITY OF WINTER HAVEN
TABLE 9
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years**

Fiscal Year	Total Tax Levy for Fiscal Year	Collections Within Fiscal Year of Levy	Percent of Levy Collected	Collections in Subsequent Years	City Collections Only	Ratio of Levy to Collections	Total Collections
2015	9,313,686 **	8,975,963	96.37%	30,423	9,006,386	96.70%	9,006,386
2016	9,995,487 **	9,609,535	96.14%	27,294	9,636,829	96.41%	9,636,829
2017	11,175,917 **	10,753,112	96.22%	28,159	10,781,271	96.47%	10,781,271
2018	12,216,629 **	11,821,959	96.77%	33,273	11,855,232	97.04%	11,855,232
2019	16,102,524 **	15,603,176	96.90%	43,885	15,647,061	97.17%	15,647,061
2020	17,577,310 **	17,018,826	96.82%	43,422	17,062,248	97.07%	17,062,248
2021	19,232,123 **	18,530,584	96.35%	31,574	18,562,158	96.52%	18,562,158
2022	20,773,470 **	20,054,284	96.54%	1,413	20,055,697	96.54%	20,055,697
2023	23,250,065 **	21,825,009	93.87%	939,473	22,764,482	97.91%	22,764,482
2024	25,968,315 **	26,006,265	100.15%	548,002	26,554,267	102.26%	22,764,482

** Total Collections **do not include** County Ad Valorem payments to City's CRA Districts (Downtown and Florence Villa)

CITY OF WINTER HAVEN
TABLE 10
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Government Activities				Business Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	Public Improvement Rev Bonds	Sales Tax Revenue Bonds	Leases	SBITAs	Water/Sewer Revenue Bonds	State Revolving Fund Loans	Leases	SBITAs			
2015	21,214,149	4,610,000	-	-	53,409,884	-	-	-	79,234,033	9.2%	2,081
2016	20,365,499	3,985,000	-	-	53,083,141	-	-	-	77,433,640	8.1%	1,959
2017	26,678,360	3,350,000	-	-	51,081,397	-	-	-	81,109,757	8.0%	1,971
2018	25,486,803	2,705,000	-	-	49,116,653	-	-	-	77,308,456	5.3%	1,805
2019	49,000,246	2,045,000	-	-	47,053,709	62,000	-	-	98,160,955	5.2%	2,189
2020	46,583,689	1,375,000	-	-	44,916,165	898,079	-	-	93,772,933	5.2%	2,189
2021	43,767,132	695,000	-	-	42,804,421	850,969	-	-	88,117,522	6.7%	1,724
2022	64,735,310	-	297,325	-	40,667,677	11,109,422	-	167,581	116,977,315	7.8%	2,190
2023	61,306,994	-	459,045	1,602,600	38,466,068	13,488,290	99,125	76,917	115,499,039	7.2%	2,100
2024	83,975,124	-	507,304	767,477	36,189,189	19,122,418	177,568	95,752	140,834,832	8.1%	2,431

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) See schedule of Demographic and Economic statistics (Table 14) for personal income and population data.

CITY OF WINTER HAVEN
TABLE 11
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

<u>Governmental unit</u>	<u>Debt Outstanding</u>	<u>Estimated % Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes: Polk County School Board Overlapping debt	\$ 263,583,049 <u>263,583,049</u>	6.2810%	\$ 16,555,558 <u>16,555,558</u>
City of Winter Haven direct debt	<u>83,975,124</u>		<u>83,975,124</u>
Total direct and overlapping debt	<u><u>\$ 347,558,173</u></u>		<u><u>\$ 100,530,682</u></u>

Note: Polk County has no debt outstanding funded by property taxes

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

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

**CITY OF WINTER HAVEN
TABLE 12
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years**

Fiscal Year	A Gross W/S Fund Revenue	B Less: Operating Expenses	A-B Net Revenues	Bond Service Requirements	W/S System Development Charges	Debt Svc Coverage Test 1	Required Debt Svc Coverage Test 1	Debt Svc Coverage Test 2	Required Debt Svc Coverage Test 2
2015	27,397,846	14,067,335	13,330,511	3,489,471	861,062	382%	115%	407%	120%
2016	32,575,899	19,249,338	13,326,561	1,819,029	790,282	733%	115%	776%	120%
2017	29,840,767	14,307,126	15,533,641	3,466,238	1,377,917	448%	115%	488%	120%
2018	30,000,937	15,809,782	14,191,155	3,554,438	1,391,495	399%	115%	438%	120%
2019	31,070,586	16,167,286	14,903,300	3,597,776	1,347,569	414%	115%	452%	120%
2020	33,433,006	20,218,327	13,214,679	3,743,595	1,704,966	353%	115%	399%	120%
2021	33,598,636	22,616,050	10,982,586	3,647,162	1,605,083	301%	115%	345%	120%
2022	34,151,083	24,490,190	10,374,280	3,612,968	3,102,685	287%	115%	373%	120%
2023	43,339,036	25,453,584	17,885,452	4,245,328	3,879,300	421%	115%	513%	120%
2024	43,162,636	31,992,007	11,170,629	3,675,278	3,605,328	304%	115%	402%	120%

- 1.) Gross revenues includes all income and earnings, including connection fees but does not include proceeds from the sale of the system, contributions in aid of construction or water and sewer system development fees.
- 2.) Operating expenses include all costs of operating the system but does not include depreciation expense, bond amortization, renewal and replacement reserve payments, the annual bond service requirement or transfers to other funds.
- 3.) Bond service requirement is the amount required to be deposited in the bond service fund during each bond year (Oct 1). The amount is reduced by the amount to be transferred from the construction fund to pay interest.
- 4.) Allowable water and sewer development charges based on water and sewer expansion percentage provision of the bond resolution, 18.65% water development charges, 36.7% wastewater development charges.
- 5.) Net revenues divided by bond service requirements.
- 6.) Test 2 is net revenues plus legally available water and sewer system development charges divided by the bond service requirements.

CITY OF WINTER HAVEN
TABLE 13
WATER AND SEWER CONSUMPTION
Last Ten Fiscal Years

Type of Customer	Water Sold By Type of Customer (by millions of gallons)									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Residential	2,554.5	2,463.8	2,247.5	2,193.2	2,174.4	1,974.7	2,007.4	2,041.0	1,656.2	1,748.7
Commercial	1,116.0	1,111.7	1,046.7	1,046.6	1,026.8	1,073.4	1,090.7	1,048.0	891.5	1,027.1
Municipal	120.9	122.1	134.2	137.1	128.0	110.9	95.6	131.0	119.2	138.4
Total	<u>3,791.4</u>	<u>3,697.6</u>	<u>3,428.4</u>	<u>3,376.9</u>	<u>3,329.2</u>	<u>3,159.0</u>	<u>3,193.7</u>	<u>3,220.0</u>	<u>2,666.9</u>	<u>2,914.2</u>

Source: Utility Department Consumption Journals

Water and Sewer Rates

Year	Water		Sewer	
	Monthly Base Rate	Rate per 1,000 Gallons	Monthly Base Rate	Rate per 1,000 Gal
2015	6.00	1.77	8.48	4.21
2016	6.15	1.81	8.69	4.32
2017	6.31	2.10	8.91	4.92
2018	6.31	2.10	8.91	4.92
2019	6.31	2.10	8.91	4.92
2020	6.31	2.10	8.91	4.92
2021	6.31	2.10	8.91	4.92
2022	6.46	2.15	9.13	5.26
2023	6.62	2.20	9.35	5.39
2024	6.78	2.25	9.58	5.52

Notes: The rates are inside city residential rates and are based on a 3/4" meter which is the standard household meter size
The authority charges via a tiered rate schedule for above normal demand usage. Above charges do not include municipal tax.
Source: Utility Department

CITY OF WINTER HAVEN
TABLE 14
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>	<u>Per Capita Personal Income</u>	<u>Personal Income</u>	<u>Unemployment Rate</u>	<u>Average Annual Population Growth</u>
2015	38,080	22,595	860,417,600	6.2%	2.9%
2016	39,524	24,200	956,480,800	6.4%	3.8%
2017	41,143	24,500	1,008,003,500	5.6%	4.1%
2018	42,828	34,213	1,465,274,364	4.3%	4.1%
2019	44,815	42,019	1,883,081,485	3.3%	4.6%
2020	47,044	24,864	1,169,702,016	7.5%	5.0%
2021	51,126	25,753	1,316,647,878	4.1%	8.7%
2022	53,331	28,207	1,504,307,517	3.4%	4.3%
2023	55,764	28,967	1,615,315,788	3.8%	4.6%
2024	57,923	30,101	1,743,540,223	4.8%	3.9%

Source: City of Winter Haven Economic Opportunity & Community Investment Department

**CITY OF WINTER HAVEN
TABLE 15
PRINCIPAL EMPLOYERS
Current Year**

Employer	2024			2015		
	Employees	Rank	% of Total County Employment	Employees	Rank	% of Total County Employment
Publix Super Markets	21,618	1	9.69%	10,249	1	4.42%
Polk County School Board	13,500	2	6.05%	6,210	3	2.68%
Lakeland Regional Health	7,865	3	3.52%	4,499	4	1.94%
Wal-Mart	5,523	4	2.47%	6,238	2	2.69%
Amazon	5,500	5	2.46%			
Bay Care	3,332	6	1.49%			
Geico	3,000	7	1.34%	2,139	7	0.92%
City of Lakeland	2,696	8	1.21%	2,359	6	1.02%
Polk County	2,270	9	1.02%	1,943	9	0.84%
Polk County Sheriff's Office	1,950	10	0.87%			
Watson Clinic				1,600	10	0.69%
MOSAIC				1,993	8	0.86%
Winter Haven Hospital				2,567	5	1.11%
Total	57,189		30.14%	62,660		17.15%
Average annual employment	223,169			232,114		

The above statistics are the principal employers of Polk County, Florida, of which Winter Haven is a primary city.

Data for the City is not available nor accumulated at this time.

Source: Central Florida Development Council October 2024

2015 Data - 2015 Annual Comprehensive Financial Report, Table 15

Average Annual Employment, 2022 US Census Bureau QuickFacts

CITY OF WINTER HAVEN
TABLE 16
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General government	83.00	79.82	73.40	55.90	67.60	58.00	57.50	65.75	57.03	54.03
Public safety										
Police	119.30	118.30	118.30	118.30	117.30	116.00	115.00	111.00	111.00	108.00
Fire	86.70	85.70	81.70	81.70	71.70	72.00	72.00	72.00	72.00	71.00
Building/Safe Neighborhoods	18.50	17.50	15.50	16.50	12.50	12.50	12.50	12.50	12.75	10.75
Transportation	26.80	24.35	23.30	19.80	12.60	11.30	15.30	11.50	13.50	13.50
Economic development	10.00	10.00	8.00	5.10	5.30	5.30	5.00	4.05	4.50	4.50
Human services	8.50	7.00	6.00	6.00	5.00	7.50	5.30	4.00	5.10	5.10
Culture and recreation										
Parks and recreation	85.54	83.04	75.33	74.45	62.55	61.55	57.55	55.55	55.65	55.65
Library	15.65	15.65	15.65	14.15	14.15	14.15	14.15	14.15	14.12	14.12
Willowbrook Golf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Solid waste system	43.80	41.90	39.90	39.40	33.40	30.80	30.80	32.80	25.60	25.60
Utility system	125.25	120.25	120.00	118.00	106.00	104.00	105.00	104.00	92.00	81.00
Stormwater utility	13.70	13.90	14.20	13.70	11.90	10.90	10.90	6.70	6.75	6.75
Total	<u>636.74</u>	<u>617.41</u>	<u>591.28</u>	<u>563.00</u>	<u>520.00</u>	<u>504.00</u>	<u>501.00</u>	<u>494.00</u>	<u>470.00</u>	<u>450.00</u>

Note: Number of positions based on budgeted FTEs

CITY OF WINTER HAVEN
TABLE 17
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public safety										
Police-physical arrests	2,202	2,033	1,562	1,248	1,013	1,487	2,341	1,837	1,895	1,578
Police-traffic violations	2,118	2,084	2,725	1,024	1,632	3,962	4,955	5,333	6,181	5,256
Fire-number of calls answered	10,980	10,844	10,483	10,213	9,104	8,820	8,273	8,192	7,344	6,450
Fire-number of fire inspections	1,984	2,907	2,526	2,246	2,009	2,372	2,139	1,969	2,282	2,215
Building permits issued	3,949	5,010	3,931	3,928	3,431	3,072	3,551	2,408	2,989	3,670
Transportation										
Street resurfacing in miles	7.36	4.03	3.50	4.50	0.00	0.00	1.80	0.00	1.73	2.34
Airport-landings and take offs	78,322	54,000	80,000	80,000	78,000	78,500	77,998	79,450	77,998	76,285
Airport-tenants	174	175	175	162	209	177	177	177	176	147
Leisure services										
Summer program participants	293	293	245	209	444	1,246	1,527	1,592	1,414	1,791
Swimming pool admissions	19,662	21,030	19,257	15,353	5,610	14,650	16,979	19,905	21,408	19,109
Library visitations	441,668	419,627	375,910	307,611	342,178	537,099	570,032	554,506	618,191	559,704
Human services										
Cemetery lot sales	112	129	183	222	183	114	141	161	132	147
Sanitation										
Tons of refuse disposed of	42,313	42,096	42,084	42,120	38,045	35,186	36,038	34,937	31,761	30,460
Solid waste accounts	21,989	21,060	20,210	20,458	19,518	18,606	17,900	16,397	14,864	14,864
Utility water/sewer										
Water accounts	42,853	40,453	40,149	40,649	39,077	37,969	36,783	35,691	34,424	33,669
Wastewater accounts	27,806	26,277	25,858	25,947	24,934	24,023	23,150	22,404	21,513	21,028
Gallons of water billed in (millions)	3,485	3,693	3,428	3,376	3,329	3,159	3,194	3,240	2,868	2,914
Consumption per customer (gallons)	83,616	91,285	97,585	83,076	85,195	83,192	86,826	90,779	83,325	86,548
Rainfall (inches)	44.80	46.75	70.11	48.02	49.42	50.61	54.86	47.70	52.86	75.59
Willowbrook golf course										
Rounds played	33,201	34,581	35,213	29,294	34,079	32,671	30,681	35,165	33,416	33,818

Source: Benchmark Statistics

CITY OF WINTER HAVEN
TABLE 18
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

Function	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General government										
Number of building	157	158	158	158	157	157	157	157	157	157
Square footage of building space	806,954	833,000	833,000	833,000	830,000	814,453	804,453	804,453	804,453	804,453
Public safety										
Fire stations	4	4	4	5	3	3	3	3	3	3
Marked police vehicles	69	70	71	116	72	72	72	60	81	72
Transportation										
City lane miles	346.86	339.74	338.34	327.54	327.54	324.4	324.4	313.76	313.76	313.76
Traffic signals heads/Pedestrian signal	378/298	378/298	378/298	378/298	378/298	378/298	378/298	378/298	378/298	378/298
Street lights High Mast/Decorative	734/569	734/569	691/484	691/484	691/484	691/484	691/484	691/484	691/484	691/484
Commercial airport	1	1	1	1	1	1	1	1	1	1
Airport Hangars	29	30	30	28	30	30	30	30	30	30
Airport T-hangars	135	135	135	135	125	125	125	125	125	125
Economic environment										
Acres of land within city limits	26,598	26,964	26,933	26,244	26,209	26,290	26,203	25,937	26,050	26,116
Culture & recreation										
Parks	46	46	46	46	46	46	46	46	46	46
Parks acreage	655	655	655	655	655	655	655	655	655	655
Recreation centers	5	5	5	5	5	5	5	5	5	5
Activity fields	25	27	27	27	27	27	27	24	24	24
Playgrounds	15	15	15	15	15	15	15	14	14	14
Libraries	1	1	1	1	1	1	1	1	1	1
Tennis courts	9	9	9	9	9	9	9	11	11	11
Enterprise funds										
Utility system										
Water treatment plants	9	9	9	9	9	9	9	9	11	11
Fire hydrants	2,629	2,555	2,345	2,345	2,332	2,306	2,187	2,254	2,232	2,227
Wastewater treatment plants	2	2	2	2	2	2	2	2	2	2
Lift stations	234	230	224	218	213	208	208	195	193	192
Water main miles	564	553	541	535	529	524	518	509	509	510
Sanitary sewer miles	387	401	385	375	356	341	338	329	328	328
Reclaimed main miles	66	60	50	38	38	32	31	27	24	*
Solid waste system										
Number of collection vehicles	47	47	44	35	35	24	24	22	21	19
Stormwater										
Waterway acreage	5,242	5,242	5,242	5,242	5,242	5,242	5,242	5,242	5,242	5,242
Golf Courses										
Willowbrook golf course	1	1	1	1	1	1	1	1	1	1
Golf course acreage	126.54	126.54	126.54	126.54	126.54	126.54	126.54	126.54	126.54	126.54

* Not reported/tracked

**CITY OF WINTER HAVEN
TABLE 19
MISCELLANEOUS STATISTICS**

Date of incorporation:	November 1923
Form of government:	Mayor/commissioners-four commissioners and mayor City manager: appointed
Location:	North Central Polk County, Central Florida
Area:	41.46 square miles
Topography:	Flat to gently rolling
Climate:	Subtropical
Average rainfall	50 inches
Number of lakes:	30
Area of lakes	7.88 square miles (18.8% of city area)
Water supply source:	Florida Aquifer
Water district:	Southwest Florida Water Management District
Standard metropolitan statistical area:	Lakeland/Winter Haven
Industry/commerce	Logistics and Distribution, Tourism, Software and Information Technology, Medical, Business and Professional Services, Agribusiness
Area attractions:	Legoland Florida Bok Tower Historical Gardens

**CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF INSURANCE IN FORCE
September 30, 2024
Table 20**

Coverage/Policy# Insurer/Agency	Deductible	Description	Amount	Expiration Date	Premium
FMIT					
Florida League of Cities					
FMIT 0662				10/1/2024	\$2,849,339
Property & Business Interruption	\$100,000 per occurrence 5% of value per named storm	Blanket Building & Personal Property Business Loss	\$150,000,000 \$2,245,151		
Inland Marine	\$1,000 per loss > \$50K \$500 per loss < \$50K	Watercraft and Equipment > \$ 25,000	\$3,443,375		
General Liability & Law Enforcement Liability	\$25,000 per occurrence \$480,858 Aggregate Stop Loss	Bodily or Personal Injury and Property Damage	\$200,000/\$300,000 \$5,000,000		
Breach Response and Cyber Liability	\$35,000 per occurrence	Breach Response/Data and Network Liability	\$2,000,000		
Auto Liability/ Physical Damage	\$25,000 per occurrence \$138,195 Aggregate Stop Loss	Automobile liability	\$200,000/\$300,000 \$5,000,000		
Workers' Compensation	None	Employer's liability	\$1,000,000		
Community Redevelopment Agency FMIT1231	None	General liability per occurrence	\$1,000,000	10/1/2024	\$10,500
Florence Villa Community Redevelopment Agency FMIT1297	None	General liability per occurrence	\$1,000,000	10/1/2024	\$9,399
Crime 105687807 Travelers Casualty & Surety Co. A.J. Gallagher	\$50,000 per occurrence	Public employee dishonesty Forgery Theft Computer Fraud	\$5,000,000 \$5,000,000 \$5,000,000 \$5,000,000	10/1/2024	\$14,344
Faithful Performance Finance Director 999272783 Liberty Mutual AJ Gallagher & Co	None	Each Loss	\$100,000	2/1/2024	\$375

**CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF INSURANCE IN FORCE
September 30, 2024
Table 20**

Coverage/Policy# Insurer/Agency	Deductible	Description	Amount	Expiration Date	Premium
Group Health (self insured)				12/31/2024	\$1,249
Claims Admin: BCBS Crowne Consulting	\$1,500 individual \$4,500 family \$25 co-pay \$50 co-pay for Specialist	All covered health/dental claims and prescriptions up to excess loss coverage amount			employee per year
Group Life Insurance GL-5323-(6) Kansas City Life Ins Crowne Consulting	None	Life insurance per employee	\$10,000	12/31/2024	\$86,787
Excess Loss-Health 1600923400 - Symetra Life Insurance Co. Dental Claims Prescriptions Safeco Life Ins Co Crowne Consulting	\$300,000 per individual \$330,000 aggregate	Individual Max	Unlimited	12/31/2024	\$515 employee/retiree per year
Airport Owners & Operators Liability AAPN00979636014 Ace Property & Casualty AJ Gallagher & Co	None	Bodily Injury and Property Damage per occurrence Personal and Advertising Injury Liability per occurrence	\$25,000,000 \$25,000,000	11/1/2026	\$64,188 3 year term
	\$2,500 \$2,500	Hangarkeepers Liability Any one occurrence Any one aircraft	\$25,000,000 \$25,000,000		
	None	Non-Owned Aircraft Liability per occurrence	\$25,000,000		
Police Officers/Firefighters					
Statutory Death 21-GTA-101457 Hartford Fire Insurance AJ Gallagher & Co	None	Accidental Death on Duty Unlawful/Intentional Death	\$75,000 \$225,000	10/1/2024	\$15,910 2 year term

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF INSURANCE IN FORCE
September 30, 2024
Table 20

Coverage/Policy# Insurer/Agency	Deductible	Description	Amount	Expiration Date	Premium
Liquor Liability					
LQ 2009385					
Mount Vernon Fire Insurance Company	None	Each Common Cause	\$1,000,000	2/2/2025	\$4,286
AJ Gallagher & Co	None	Aggregate	\$2,000,000		
Storage Tank Liability					
4973007	\$25,000 each incident	Each Incident Limit	\$1,000,000	6/23/2024	\$10,039
Commerce & Industry Ins Co		Aggregate Limit	\$10,000,000		
Public Officials and Employment Practices Liability					
EON G71746598-005	\$50,000 each wrongful act or employment practice violation	Each Loss/Annual Aggregate	\$1,000,000	10/1/2024	\$42,949
Ace American					
AJ Gallagher & Co					
Pollution Legal Liability					
W35D01230101	\$50,000 each incident	Each Incident Limit	\$1,000,000	10/1/2026	\$43,432
Beazley Eclipse		Policy Aggregate	\$2,000,000		3 year term
AJ Gallagher & Co		Separate Claim Expense Limit	\$1,000,000		
Pension & Welfare Fund					
Fiduciary Responsibility	\$10,000 each claim	Annual Aggregate	\$1,000,000	10/1/2024	\$7,395
105995320					
Travelers Casualty & Surety Co					
AJ Gallagher & Co					
Special Event-Rentals LS					
ESE 210013	\$500 per claim	Each Occurrence/Aggregate	\$1,000,000	10/1/2024	\$500
Lloyds of London		Personal and Advertising Injury Limit	\$1,000,000		
AJ Gallagher & Co		Fire Damage Liability (any one fire)	\$50,000		
International Special Risk					
Flood					
091151439303 07	\$1,000 per occurrence building	Building	\$100,000	12/13/2024	\$961
Wright National	\$1,000 per occurrence contents	Contents	\$50,000		
AJ Gallagher & Co					

OTHER REPORTS

*W*INTER HAVEN

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CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2024

Federal / State Agency Federal Program / State Project	Assistance Listing # / CSFA #	Grant Identification Number	Award Amount	Expenditures	Passed Through to Subrecipients
Federal Awards					
U.S. Department of Housing and Urban Development:					
Passed through from Polk County:					
Community Development Block Grant	14.218	M210005	\$ 223,505	\$ -	\$ -
Community Development Block Grant	14.218	M220005	454,450	-	
Community Development Block Grant	14.218	M220005	230,450	302,716	
Community Development Block Grant	14.218	M230006	283,599	283,599	
			1,192,004	586,315	-
Community Development Block Grant	14.228	MT019	179,375	-	
Passed through FDEO:					
Community Development Block Grant	14.228	IO161	778,000	-	
Community Development Block Grant	14.228	MT018	500,000	-	
			1,457,375	-	-
Total U.S. Department of Housing and Urban Development			2,649,379	586,315	-
U.S. Department of Justice:					
Bulletproof Vests Partnership Program	16.607	1121-0235	5,970	1,491	
Bulletproof Vests Partnership Program	16.607	1121-0235	4,975	4,059	
			10,945	5,550	-
Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-23-GG-03242-JAGX	18,280	18,280	
Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-22-GG-00656-MUMU	12,888	12,888	
Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-22-GG-02755-JAGX	16,562	2,147	
			47,730	33,315	-
Total U.S. Department of Justice			58,675	38,865	-
U.S. Department of Transportation:					
Airport Improvement Program	20.106	3-12-0088-038-2023	3,878,741	3,461,212	
Total U.S. Department of Transportation			3,878,741	3,461,212	-
U. S. Federal Highway Administration					
<i>Passed through Florida Department of Transportation</i>					
Highway Planning and Construction	20.205	441906-1-58-01 / G2A44	1,301,000	814,376	
Highway Planning and Construction	20.205	FM 435109-1-58 / G2M31	1,519,343	394,300	
Total U.S. Federal Highway Administration			2,820,343	1,208,676	-
U.S. Department of Homeland Security:					
<i>Passed through Florida Department of Emergency Management</i>					
Public Assistance - Hurricane Ian	97.036	Z3069 / DR-4673-FL	-	77,409	-
SAFER Grant	97.083	EMW-2021-FF-02168	2,193,948	583,913	-
Total U.S. Department of Homeland Security			2,193,948	661,322	-
Total Expenditures of Federal Awards			\$ 18,647,974	\$ 5,956,390	\$ -

**CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2024**

Federal / State Agency Federal Program / State Project	Assistance Listing # / CSFA #	Grant Identification Number	Award Amount	Expenditures	Passed Through to Subrecipients
State Financial Assistance					
Executive Office of the Governor					
Public Assistance - Hurricane Ian	31.066	PA-B3-07-63-01-240	\$ -	\$ 2,315	\$ -
Total Executive Office of the Governor			<u>-</u>	<u>2,315</u>	<u>-</u>
Florida Department of Environmental Protection:					
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0442	1,500,000		-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0212	2,375,000		-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0443	910,000	91,000	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0444	198,014	-	-
			<u>5,683,014</u>	<u>91,000</u>	<u>-</u>
Capitalization Grants for State Revolving Fund	37.077	WW531300	2,648,805	-	-
Capitalization Grants for State Revolving Fund	37.077	WW531302	22,454,050	5,772,828	-
Capitalization Grants for State Revolving Fund	37.077	DW531340	1,004,400		-
Capitalization Grants for State Revolving Fund	37.077	WW531350	500,000		-
			<u>26,607,255</u>	<u>5,772,828</u>	<u>-</u>
Total Florida Department of Environmental Protection			<u>32,290,269</u>	<u>5,863,828</u>	<u>-</u>
Florida Department of Economic Opportunity:					
Community Planning Technical Assistance	40.024	P0495	75,000	75,000	-
Economic Development Tax Refund, Tax Credit and Grant Program	40.043	G0073	6,411,612	4,792,970	-
Total Florida Department of Economic Opportunity			<u>6,486,612</u>	<u>4,867,970</u>	<u>-</u>
Florida Housing Finance Corporation:					
State Housing Initiative Partnership	40.901	2021/2022	164,415	-	-
State Housing Initiative Partnership	40.901	2022/2023	489,968	-	-
State Housing Initiative Partnership	40.901	2023/2024	613,073	745,387	385,400
Total Florida Housing Finance Corporation			<u>1,267,456</u>	<u>745,387</u>	<u>385,400</u>
Florida Department of Transportation:					
Joint Participation Agreement - Aviation Development	55.004	452131-2-94-01 / G2H30	1,230,000	4,900	-
Joint Participation Agreement - Aviation Development	55.004	450763-1-94-01 / G2857	219,679	184,088	-
Joint Participation Agreement - Aviation Development	55.004	450763-1-94-01 / G2857	306,152	181,502	-
Joint Participation Agreement - Aviation Development	55.004	449746-1-94-01 / G2522	541,274	42,021	-
Total Florida Department of Transportation			<u>2,297,105</u>	<u>412,511</u>	<u>-</u>
Total Expenditures of State Awards			<u>\$ 52,392,615</u>	<u>\$ 11,892,010</u>	<u>\$ 385,400</u>

**AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2024**

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the federal and state grant activity of the City of Winter Haven (City) under programs of the federal government and state of Florida for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and Chapter 69I-5, Rules of the Florida Department of Financial Services. 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 position, or cash flows of the City. The City did not receive noncash assistance during the year.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for awards and financial assistance recorded in governmental funds and the accrual basis of accounting for awards and financial assistance recorded in the proprietary funds, which are described in Note 1 to the City's basic financial statements. Such expenditures are recognized following, as applicable, either the cost principles in Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services wherein certain types of expenditures are not allowable or are limited as to reimbursement, with the exception of CFDA 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. The City has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 CONTINGENCIES

Grant monies received and disbursed by the City are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the City does not believe that such disallowances, if any would have a material effect on the financial position of the City. As of March 28, 2025, there were no material questioned or disallowed costs as a result of grant audits in process or completed.



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

Honorable Mayor and Members
of the City Commission
City of Winter Haven, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Winter Haven, 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 audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Bradenton, Florida
March 28, 2025

A handwritten signature in black ink that reads "Mauldin & Jenkins, LLC". The signature is written in a cursive, flowing style.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

Honorable Mayor and Members
of the City Commission
City of Winter Haven, 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 Winter Haven, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the *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 financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs 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; 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. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on 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 generally accepted auditing standards, *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 generally accepted auditing standards, *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 on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Bradenton, Florida
March 28, 2025

CITY OF WINTER HAVEN, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:
Material weaknesses identified? yes no

Significant deficiencies identified not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Programs and State Financial Assistance Projects

Internal control over major federal programs:
Material weaknesses identified? yes no

Significant deficiencies identified not considered to be material weaknesses? yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.550, Rules of the Auditor General? yes no

Identification of major federal programs:

<u>AL Number</u>	<u>Name of Federal Program or Cluster</u>
20.106	Airport Improvement Program
20.205	U.S. Federal Highway Administration – Highway Planning and Construction

Identification of major state financial assistance:

<u>CSFA Number</u>	<u>Name of State Program</u>
37.077	Florida Department of Environmental Protection – Capitalization Grants for State Revolving Fund
44.043	Florida Department of Economic Opportunity – Economic Development Tax Refund, Tax Credit and Grant Program

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

Auditee qualified as low-risk auditee? yes no

CITY OF WINTER HAVEN, FLORIDA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None noted.

**SECTION III
FEDERAL/STATE AWARDS FINDINGS AND QUESTIONED COSTS**

None noted.

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

None reported.

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Mayor and Members
of the City Commission
City of Winter Haven, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Winter Haven, Florida (the "City"), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 28, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Florida 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*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's 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.

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 findings or recommendations were made in the preceding financial audit report.

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. This information is disclosed in the notes to the financial statements.

Financial Condition and Management

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

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

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

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 determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

Mauldin & Jenkins, LLC

Bradenton, Florida
March 28, 2025



INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Mayor, and
Members of the City Commission
City of Winter Haven, Florida

We have examined the City of Winter Haven, Florida's (the "City") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024. Management of the City is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

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

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

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

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

Mauldin & Jenkins, LLC

Bradenton, Florida
March 28, 2025