

City of
Lake Mary
Florida

**ANNUAL
COMPREHENSIVE
FINANCIAL REPORT**

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





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**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
of the
CITY OF LAKE MARY
FLORIDA
FISCAL YEAR ENDED
September 30, 2024**



PREPARED BY THE
FINANCE DEPARTMENT



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Introductory Section



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City of Lake Mary

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City Manager

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March 20, 2025

To the Honorable Mayor, City Commission and the Citizens of the City of Lake Mary, Florida:

It is with pleasure that we present to you the City of Lake Mary, Florida Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2024. This document fulfills the requirements set forth in Florida Statutes, Chapter 166.241, and the Rules of the Florida Auditor General, Chapter 10.550. The organization, form and contents of this report, plus the accompanying financial statements and statistical tables, are formulated in accordance with the principles prescribed by the Governmental Accounting Standards Board, State of Florida, and the Government Finance Officers Association.

Management assumes full responsibility for the completeness and reliability of all information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free of material misstatement. As management, we assert, to the best of our knowledge and belief that this financial report is complete and reliable in all material aspects.

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

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

Profile of the City

The City of Lake Mary, Florida, a municipality incorporated under Florida law in 1973, is located in Central Florida and considered a part of the Orlando Metropolitan area. The City encompasses 9.9 square miles with an estimated population of 17,423. Land uses within Lake Mary consist primarily of single-family residential neighborhoods, retail businesses, Class A office space, light manufacturing and high-tech industries. Lake Mary is considered a major economic hub of the Orlando Metropolitan Area. Several large corporations maintain major operations within the City and is well renowned for its exceptional quality of life. This quality of life is enhanced by Lake Mary's strategic location on the North Interstate-4 corridor, the community's exceptional education system, and a skilled workforce.

In accordance with the City Charter, the City Commission, consisting of a mayor and four commissioners elected at large, appoints a City Manager who is responsible for the day-to-day administration of City services including all traditional municipal functions such as police and fire protection; emergency medical

services; land use and building construction regulation; refuse collection; drainage and roadway system maintenance and construction; recreational facilities management to include programming for all ages; parks maintenance; cemetery management; fleet services; and all components of the water, wastewater and stormwater utility systems.

The annual budget serves as the foundation for the City of Lake Mary's financial planning and control. Department Directors are required to submit their budget requests to the City Manager who, in coordination with the Finance Department, uses them as the starting point in developing a proposed budget. The City Manager is required by the City Charter to present the proposed budget to the City Commission prior to August 1st of each year. The City Commission must hold public hearings on the proposed budget and adopt a final budget by September 30th which is prior to the close of the City's fiscal year. The appropriated budget is prepared by fund and program. The City Manager may make transfers between programs within the same fund. Any other budget transfers or amendments must be adopted by a budget resolution of the City Commission. The budget may be amended up until 60 days after the end of the fiscal year. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented as part of the basic financial statements for the governmental funds. For other governmental funds with appropriated budgets, this comparison is presented in the Combining and Individual Fund Statements and Schedules subsection of this report. The Police & Firefighter Premium Tax Trust Special Revenue Fund is not budgeted as this represents the state contribution to pension funds and is unknown until received. The City's financial plan may be obtained from the City's website (www.lakemaryfl.com).

Local economy

The City of Lake Mary's economy is comprised of a well-established and growing business community that is represented by manufacturing, medical, retail, professional office and technology uses. In the past year, we continue to face volatility as inflation, labor markets and associated wage pressures, monetary policies, and financial markets remain on edge. As we move forward, the search for equilibrium will be the central theme, marked by a collective effort to find a "new normal". With that in mind, we will remain cautious and conservative in our fiscal decision making and those unknowns that may still lie ahead.

On an encouraging perspective, Lake Mary's taxable values for 2024 are estimated to grow from \$3.46 billion to \$3.67 billion. This equates to a 6.12% increase over the prior year and generates approximately \$673,096 in additional ad valorem revenues. New construction of approximately \$55.47 million and improved commercial and residential valuations account for the increase. The City also continues to maintain a near equal split between commercial uses (54.20% of taxable value) verses residential uses (45.80% of taxable value).

As the City approaches green-field buildout, its strategic initiatives will turn its focus to redevelopment and business expansion. This type of proper planning will ensure the City's economic health in the years ahead as well as continuing to be the premier City to live, work, and raise a family.

Long-term financial planning and major initiatives

The City continues its commitment toward conservative financial planning. Our long-standing policy has been to prepare the annual budget encompassing all categories of revenue generation and expenditures including personnel, operating and capital costs. The budget also acts as a blueprint toward meeting our goals of providing City services that enhance our community's quality of life and economic opportunity.

We continue to see several active construction projects inside the City including Orlando Health Lake Mary Hospital (opening in January 2025), Bent's Landing Medical Office Buildings, Astera Townhomes, and Fontaine Subdivision. Additional projects anticipated in the coming year(s) include Fairfield Inn and Retail/Office building, Dorchester Plaza, Smart Office Phase II, Office Biscayne, and various additional residential, office and commercial infill projects. As always, it is essential that new growth is carefully planned as the City nears build-out.

Downtown Lake Mary continues to be a priority. Our, in-process, \$4.30 million multi-year transformational downtown improvement project, funded jointly by the City and Seminole County through the one-cent sales tax program and additionally through American Rescue Plan Act (ARPA), will join Uptown/International Parkway, the Medical Corridor/Rinehart Road, and Midtown/Griffin Farms to provide multiple opportunities to those who wish to start or relocate a business and/or call Lake Mary home. This project includes underground electrical power line conversion, streetlight upgrades, parking

improvements, signal modifications, new parks, trails and park improvements, and streetscape enhancements along Country Club Road. Additionally, several developments are on the horizon within the downtown corridor including Dwell at Lake Mary mixed-use project, Lourdes Landing townhomes, TLC Electronics, and 4th Street Studios.

Beyond our downtown improvement project, significant utilization of ARPA funds is to fund one-time capital needs. Approximately \$3.89 million of these federal funds are to address several areas of importance to include park enhancements, drainage/stormwater infrastructure, facility maintenance, sewer infrastructure, and the above-mentioned downtown improvement project. FY 2025 will be the final year of ARPA.

The City strategically plans these projects for development so that it works within existing budget constraints, so it is not necessary to incur new debt to finance these initiatives.

Relevant financial policies

It is the policy of the City, a long-standing goal of the City Commission, and management's position that the General Fund balance should always remain above 25% of projected expenditures and that the net position of the Enterprise Funds are above 25% of current year expenditures. The City has also adopted an investment policy with the objectives to safeguard principal, to ensure the preservation of capital, provide sufficient liquidity to meet the City's operating, payroll and capital requirements and to strive to increase the return on the portfolio but avoid assuming unreasonable investment risks.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lake Mary for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023. This was the thirty-second consecutive year that the City of Lake Mary has achieved this prestigious award. 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.

Preparation of this Annual Comprehensive Financial Report on a timely basis is made possible through the efficient, dedicated and professional efforts of the Finance Department staff. The significant amount of year-end closing procedures required prior to the audit would not have been accomplished without much hard work and personal sacrifice.

Other City departments, although not extensively involved in year-end audit activities, contributed significantly by ensuring the accuracy and integrity of accounting information compiled throughout the year. Without their diligence, the work of the Finance Department would have been considerably more difficult. Appreciation must also be expressed to the City's auditors whose suggestions and attention to detail enhanced the quality of this report.

In closing, special thanks go to the Mayor and Commission for their continued support and steadfast commitment to maintaining the financial integrity of the City. With their leadership, Lake Mary indeed has a secure financial future without compromising a total quality of life second to no other community in this area.

Respectfully submitted,

Kevin L. Smith

Kevin L. Smith
City Manager

Brent D. Mason

Brent D. Mason
Finance Director



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Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Lake Mary
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

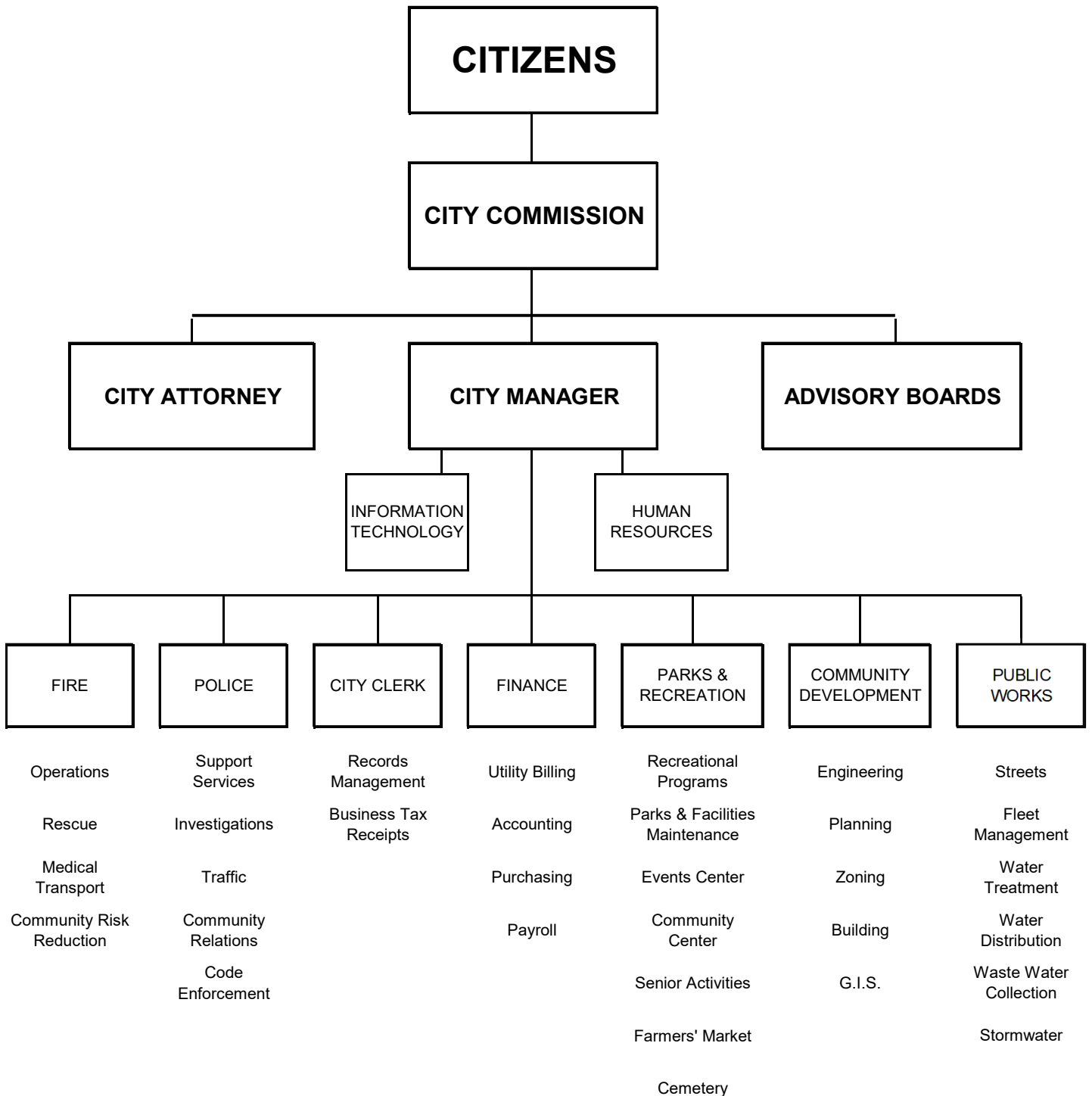
September 30, 2023

Christopher P. Morrell

Executive Director/CEO

CITY OF LAKE MARY, FLORIDA

ORGANIZATIONAL CHART



**CITY OF LAKE MARY, FLORIDA
PRINCIPAL CITY OFFICIALS
SEPTEMBER 30, 2024**

CITY COMMISSION

David Mealor, Mayor

George Duryea

Jordan Smith

Sidney Miller, Deputy Mayor

Justin York

ADMINISTRATION

CITY MANAGER

Kevin Smith

FINANCE DIRECTOR

Brent Mason

CITY ATTORNEY

Catherine Reischmann

CITY CLERK

Amber Branton

ASSISTANT FINANCE DIRECTOR

Ehab Azer

COMMUNITY DEVELOPMENT DIRECTOR

Sabreena Colbert

PUBLIC WORKS DIRECTOR

Danielle Koury

PARKS & RECREATION DIRECTOR

Bryan Nipe

POLICE CHIEF

Kevin Pratt II

FIRE CHIEF

Michael Johansmeyer



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Financial Section



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FINANCIAL SECTION

Independent Auditor's Report
Management's Discussion and Analysis
Basic Financial Statements
Notes to the Financial Statements
Required Supplemental Information



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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commission
City of Lake Mary, Florida

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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's 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

The City's management is responsible for the preparation and fair presentation of these 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 the 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the *City of Lake Mary, Florida's* basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such 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 information is fairly stated in all material respects, in relation to the financial statements as a whole.

Other Information Included in the Annual Report

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 financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exist between the other information and the financial statements, or the other information otherwise appears to be materially misstatement. 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 February 27, 2025, on our consideration of the *City of Lake Mary, Florida's* internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Lake Mary, Florida's, internal control over financial reporting and compliance.

McDiarmid Davis

Orlando, Florida
February 27, 2025

Management's Discussion and Analysis



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As management of The City of Lake Mary (the "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. The purpose of *management's discussion and analysis* (MD&A) is to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns. We encourage readers to consider this information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-3 of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Lake Mary exceeded its liabilities and deferred inflows of resources at September 30, 2024 by \$151,771,352 (*net position*). Of this amount, \$40,949,416 represents unrestricted net position, and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$7,240,129 (or 5.01%). Governmental total net position increased by \$6,352,365 (or 8.25%). Business-type activities increased by \$887,764 in 2024 (or 1.31%).
- As of the close of the current fiscal year, the City of Lake Mary's governmental funds reported combined fund balances of \$37,929,070, an increase of \$2,868,351 in comparison with the prior year. Approximately 64% of this amount, or \$24,440,110, is available for spending at the City's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the General Fund was \$25,604,927 (or 96%) of total expenditures and transfers out.
- Net position of the Police Officers' and Firefighters' Pension Trust Funds increased by \$5,340,450 and \$4,516,784 respectively.

Overview of the Financial Statements

This discussion and analysis provided here are intended to serve as an introduction to the City of Lake Mary's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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

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

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 for some items that will 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, streets, parks and recreation and other physical environment. The business-type activities of the City consist of the water, sewer, and stormwater systems.

The government-wide financial statements include only the City of Lake Mary (known as the *primary government*). There are no component units.

The government-wide financial statements can be found on pages 19-20 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over the 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, proprietary, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the 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*.

During fiscal year 2024, the City utilized twelve (12) 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, general capital project fund, and one-cent infrastructure sales tax fund which are considered to be major funds. Data from the other (9) nine 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 in this report, immediately following the notes to the financial statements and required supplemental information.

The City adopts an annual appropriated budget for its general fund, and most special revenue funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the budget.

The basic governmental fund financial statements may be found on pages 21-25 of this report.

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, and stormwater systems. *Internal service fund* is an accounting device used to accumulate and allocate costs internally among the City's various functions. The City utilizes an internal service fund for the management of its fleet operations. Because this service predominately benefits governmental rather than business-type functions, it has been included within the *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund, and the Stormwater fund (which are both considered to be major funds of the City). The Internal service fund is presented in the proprietary fund statements.

The basic proprietary fund financial statements can be found on pages 26-30 of 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 reported in the government-wide financial statements because the resources of those 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.

The basic fiduciary fund financial statements can be found on pages 31-32 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-64 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information (RSI)* concerning the City's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found on pages 65-73 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the RSI on pensions and OPEB. Combining and individual fund statements and schedules can be found on pages 74-87 of this report.

Government-wide Overall Financial Analysis

Statement of Net Position - As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the City of Lake Mary, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$151,771,352 at the close of fiscal year ended September 30, 2024.

Statement of Net Position As of September 30,

	Governmental Activities		Business-type Activities		Total	
	2024	2023, as restated	2024	2023, as restated	2024	2023, as restated
Current and other assets	\$ 49,215,725	\$ 45,675,351	\$ 20,034,471	\$ 19,728,892	\$ 69,250,196	\$ 65,404,243
Restricted assets	427,054	435,714	2,314,734	2,213,915	2,741,788	2,649,629
Capital assets	44,715,383	41,207,597	49,716,580	49,686,720	94,431,963	90,894,317
Total assets	94,358,162	87,318,662	72,065,785	71,629,527	166,423,947	158,948,189
Total deferred outflows of resources	2,398,868	4,828,721	68,843	58,436	2,467,711	4,887,157
Current liabilities	3,446,281	6,238,275	2,913,316	3,411,072	6,359,597	9,649,347
Non-current liabilities outstanding	1,524,584	3,593,737	394,029	384,475	1,918,613	3,978,212
Other liabilities (comp abs & opeb)	4,487,876	3,243,001	349,361	253,654	4,837,237	3,496,655
Total liabilities	9,458,741	13,075,013	3,656,706	4,049,201	13,115,447	17,124,214
Total deferred inflows of resources	3,952,025	963,296	52,834	27,068	4,004,859	990,364
Net investment in capital assets	44,054,599	41,207,597	49,122,252	49,686,720	93,176,851	90,894,317
Restricted	15,724,380	12,203,080	1,920,705	1,829,440	17,645,085	14,032,520
Unrestricted	23,567,285	24,698,397	17,382,131	16,095,534	40,949,416	40,793,931
Total net position	\$ 83,346,264	\$ 78,109,074	\$ 68,425,088	\$ 67,611,694	\$ 151,771,352	\$ 145,720,768

By far, the largest portion of the City's net position \$93,176,851 (or 61.4%) reflect its investment in capital assets (e.g., land, buildings, improvements, infrastructure, vehicles and equipment) less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide a variety of services to citizens. Accordingly, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position \$17,645,085 (or 11.6%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$40,949,416 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of fiscal year 2024, the City of Lake Mary is able to report positive balances in the government activities as a whole. This trend has been consistent for the previous fifteen fiscal years.

The City's net position increased a total of \$7,240,129 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Statement of Activities. The following table reflects the *Statement of Changes in Net Position* for the current and prior year. For more detailed information see the *Statement of Activities* on page 20.

Note that the City's net position increased by \$7,240,129 or 5.01% in fiscal year 2024.

Governmental activities increased net position by \$6,352,365 in fiscal year 2024 compared to an increase of \$4,901,891 in 2023. The increase is related to recognition of ARPA funding, investment income outperforming projections, and actual expenditures were 3% less than budget. Taxable values in the City also increased 7.00% than the prior year.

Business-type activities increased net position by \$887,764 or 1.31% in fiscal year 2024 compared to an decrease of \$404,706 or 0.61% in 2023. The increase is related to recognition of ARPA funding.

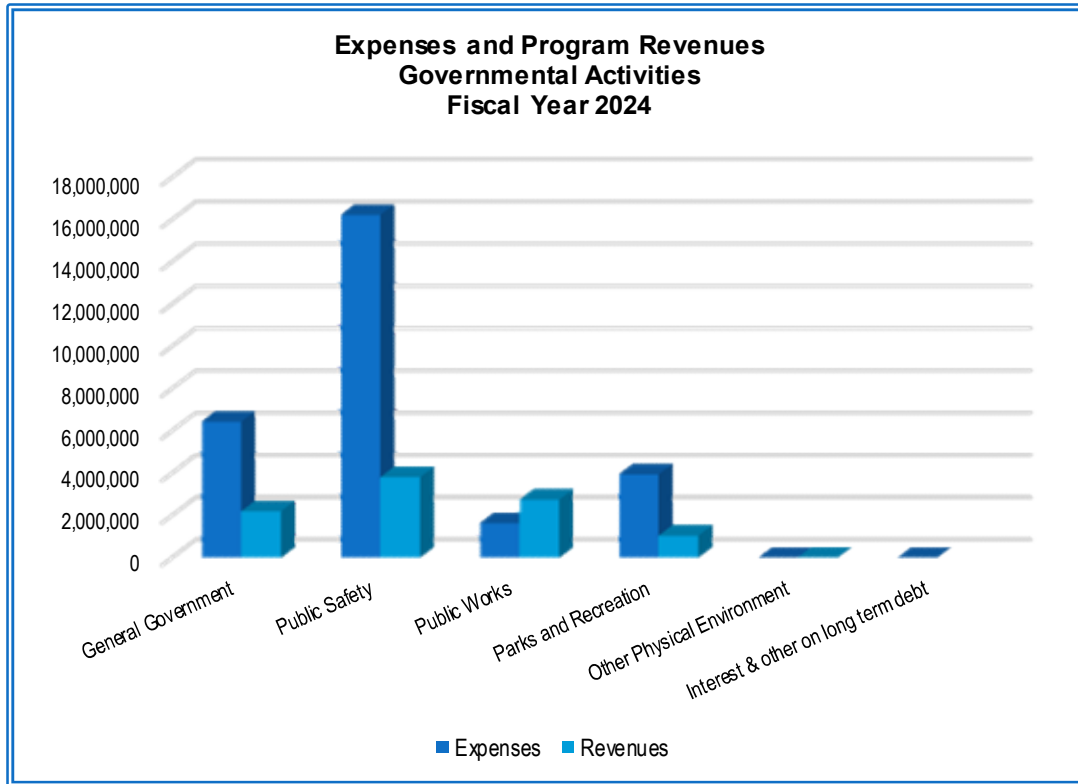
Following the *Changes in Net Position* table is a series of bar and pie charts that relay in pictorial form the revenues and expenses for each of the governmental and business-type activities as well as the revenue 'source' for each.

Additional information regarding the changes in fund balances of the governmental and business-type activities can be found in the section entitled **Financial Analysis of the City's Funds** on page 16.

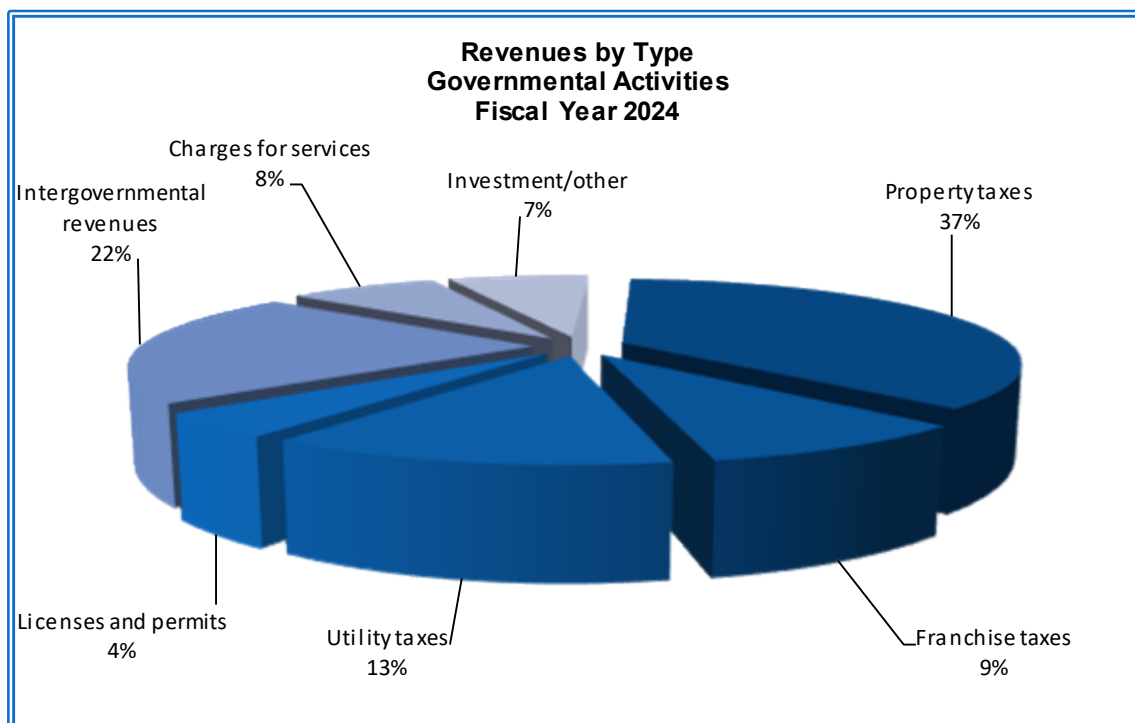
**Changes In Net Position
For the Year Ended September 30,**

	Governmental Activities		Business-type Activities		Total	
	2024	2023, as restated	2024	2023, as restated	2024	2023, as restated
Revenues:						
Program revenues:						
Charges for services	\$ 4,265,797	\$ 5,811,058	\$ 7,618,339	\$ 7,276,817	\$ 11,884,136	\$ 13,087,875
Operating grants and contributions	1,037,030	834,745	-	-	1,037,030	834,745
Capital grants and contributions	4,589,056	3,023,369	1,424,158	243,233	6,013,214	3,266,602
General revenues:						
Property taxes	11,963,333	11,175,967	-	-	11,963,333	11,175,967
Other taxes	7,184,597	6,919,460	-	-	7,184,597	6,919,460
Other revenues	4,286,980	3,864,451	952,479	770,724	5,239,459	4,635,175
Total revenues	33,326,793	31,629,050	9,994,976	8,290,774	43,321,769	39,919,824
Expenses:						
General government	6,459,535	5,340,462	-	-	6,459,535	5,340,462
Public safety	16,241,663	16,727,574	-	-	16,241,663	16,727,574
Public works	1,644,764	2,468,578	-	-	1,644,764	2,468,578
Parks and recreation	3,961,318	3,651,632	-	-	3,961,318	3,651,632
Other physical environment	5,694	6,730	-	-	5,694	6,730
Interest on long-term debt	11,454	-	-	-	11,454	-
Water and sewer	-	-	7,349,729	6,849,413	7,349,729	6,849,413
Stormwater	-	-	407,483	449,825	407,483	449,825
Total expenses	28,324,428	28,194,976	7,757,212	7,299,238	36,081,640	35,494,214
Increase (decrease) in net position before transfers	5,002,365	3,434,074	2,237,764	991,536	7,240,129	4,425,610
Transfers	1,350,000	1,437,800	(1,350,000)	(1,437,800)	-	-
Increase (decrease) in Net position	6,352,365	4,871,874	887,764	(446,264)	7,240,129	4,425,610
Net position - October 1	78,109,074	71,781,391	67,611,694	66,825,550	145,720,768	138,606,941
Restatements	(1,115,175)	1,455,809	(74,370)	1,232,408	(1,189,545)	2,688,217
Net position - October 1, as restated	76,993,899	73,237,200	67,537,324	68,057,958	144,531,223	141,295,158
Net position - September 30	\$ 83,346,264	\$ 78,109,074	\$ 68,425,088	\$ 67,611,694	\$ 151,771,352	\$ 143,032,551

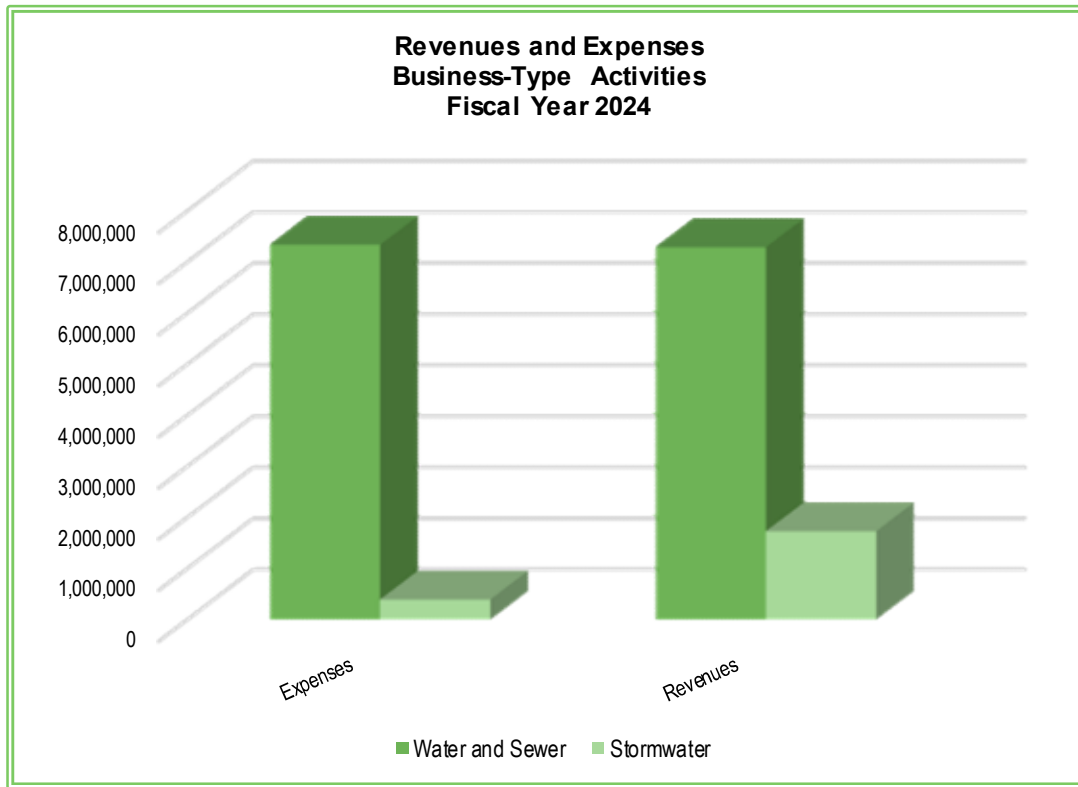
Expenses and revenues for governmental activities are shown graphically by function. Public safety is the largest category of expenses followed by general government.



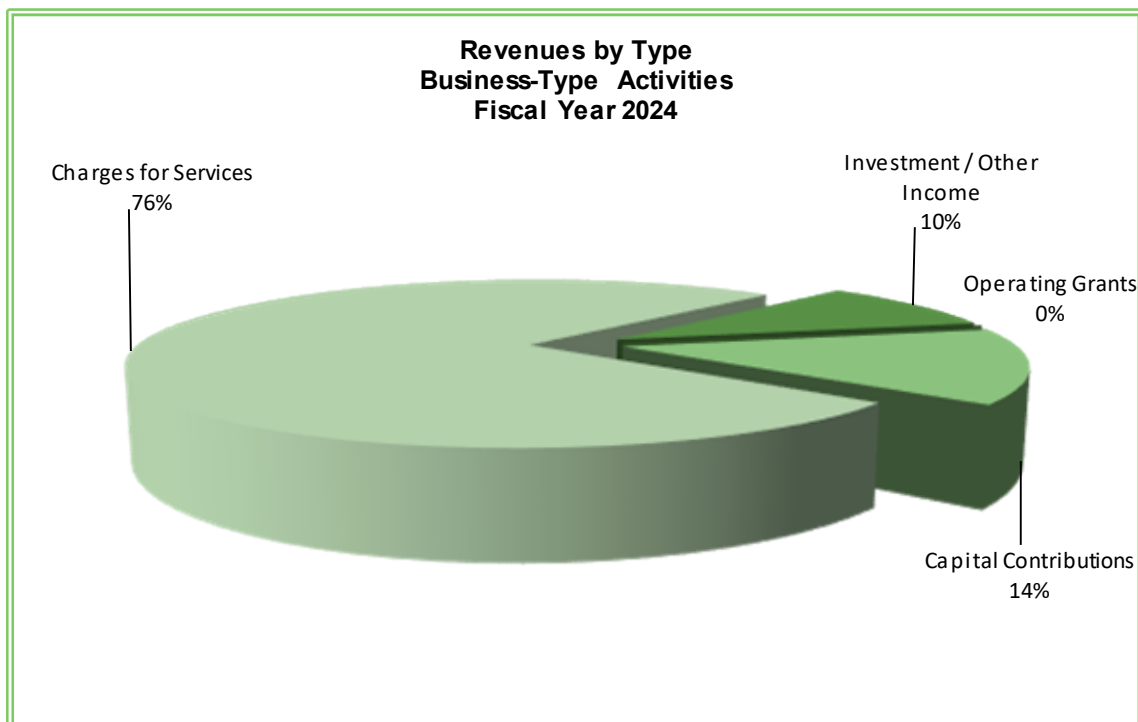
Revenue for governmental activities are shown graphically by type. The largest type of revenue for governmental activities is property taxes followed by intergovernmental revenues.



Revenues and expenses are shown by business-type activity. The Water and Sewer Fund is the largest business-type activity.



Revenues for business-type activities are shown graphically by type. The largest source of revenue is charges for services.



Financial Analysis of the City's Funds.

As noted earlier, the City of Lake Mary 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 of Lake Mary's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Lake Mary itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City of Lake Mary's Commission.

As of September 30, 2024, the City's governmental funds reported combined ending fund balances of \$37,929,070 an increase of \$2,868,351 in comparison with the prior year. Approximately 64% of this total amount \$24,440,110 constitutes *unassigned fund balance*, which is available for spending at the City's discretion. Further information regarding unassigned fund balance can be found in the governmental funds financial statements starting on page 21. The remainder of fund balance is either *nonspendable, restricted, committed, or assigned*. These amounts totaled \$13,488,960 or 36% of ending fund balance. Of this amount, \$7,563 is nonspendable as inventories and prepaid items; \$1,059,465 is restricted for special revenue funds, \$3,789,006 is restricted for capital projects funded by One-Cent Infrastructure Sales Tax and \$6,690,008 is restricted for building department; \$778,101 is committed to other capital projects. A total of \$1,000,000 is assigned to other capital projects and \$164,817 is assigned for subsequent years expenditures as approved by the City's Commission.

The General Fund is the chief operating fund of the City. The general fund manages 85% of the total governmental revenues. At September 30, 2024, the unassigned fund balance of the general fund was \$24,440,110 while the total fund balance increased to \$32,302,498. The increase is related to recognition of ARPA funding, investment income outperforming projections, and actual expenditures were 3% less than budget. Taxable values in the City also increased 7.00% than the prior year. Unassigned fund balance represents 92% of the total general fund expenditures and transfers out, while total fund balance represents 122% of that same amount.

The adopted budget for the fiscal year 2024 projected an appropriation of fund balance in the amount of \$763,432. The actual increase to the fund balance of the City's General Fund was \$2,295,691 during the fiscal year. Total actual revenue collections were \$2,350,974 more favorable than projected. Ad valorem tax revenues were over projections by \$117,179. Licenses and permits were less than expectations by \$238,185 and investment revenues exceeded expectations by \$1,427,947. Several other revenue categories also outperformed. Overall expenditures were under budget by \$708,149 or 3%. Additional information regarding the general fund budget to actual variances can be found on page 25.

The General Capital Projects Fund increased \$51,807. The reason for this increase was due to capital projects costs remaining under budget.

The One-Cent Infrastructure Sales Tax Capital Projects Fund increased \$406,085. The increase is due to the improvement in downtown projects in 2024.

The total fund balance of all the nonmajor governmental funds is \$1,059,465, a net increase of \$114,768 when compared to fiscal year 2023. The increase is due to no capital expenditures budgeted in 2024.

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

At September 30, 2024, unrestricted net position of the Water and Sewer Fund amounted to \$15,342,798, unrestricted net position of the Stormwater Utility Fund was \$2,039,333, and net position restricted for capital improvement in the Water and Sewer Fund was \$1,920,705. In total, the proprietary funds increased net position by \$887,764 over the prior year. Operating revenues increased 4.7% while operating expenses increased 6.9%.

General Fund Budgetary Highlights

Original budget compared to final budget. During fiscal year 2024, the general fund budget was not amended, however, appropriations were transferred between functions.

Final budget compared to actual results. The final amended general fund appropriations were \$26,622,436 and actual expenditures (budgetary basis) were \$25,914,287. General fund revenues exceeded the original budget by \$2,350,974, or 9%. Significant budgetary variances between the final amended budget and actual results are listed below:

- Property Taxes increased 1.0% from last year due to improved commercial and residential valuation.
- Licenses and Permits revenue decreased by 13.7% due to completion of construction at Orlando Health Lake Mary Hospital.
- Intergovernmental revenues reported an overall decrease of 2.5% under budget due to improved economic conditions.
- Charges for Services exceeded expectations by 15.0% due to park rentals.
- Actual expenditures were less than appropriations by \$708,149, a variance of 3%. It is expected each year that actual expenditures will be less than budget.

Transfers to other funds were:

- \$650,000 to the Capital Projects Fund.

Overall:

- The net increase in the fund balance of the general fund was \$2,295,691.

Capital Asset and Debt Administration

Capital assets. The City of Lake Mary's investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounts to \$94,431,963 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, water and sewer system, stormwater system, intangible assets, infrastructure, vehicles, and equipment. The total net increase in the City's capital assets for the current fiscal year was \$3,537,646.

Capital Assets (net of depreciation) As of September 30,

	Governmental Activities		Business-type Activities		Total	
	2024	2023, as restated	2024	2023, as restated	2024	2023, as restated
Land	\$ 10,510,062	\$ 9,432,135	\$ 488,808	\$ 488,808	\$ 10,998,870	\$ 9,920,943
Buildings	9,215,771	9,793,032	23,600	35,400	9,239,371	9,828,432
Improvements other than bldg	462,796	518,143	-	-	462,796	518,143
Water/sewer system	-	-	45,686,157	45,925,277	45,686,157	45,925,277
Stormwater system	-	-	1,130,634	1,269,196	1,130,634	1,269,196
Intangible assets	1,544,097	1,578,935	-	-	1,544,097	1,578,935
Subscription assets	458,148	-	-	-	458,148	-
Machinery and equipment	1,491,084	1,045,310	650,072	756,907	2,141,156	1,802,217
Vehicles	3,762,228	3,655,426	-	-	3,762,228	3,655,426
Infrastructure	13,285,513	13,992,665	-	-	13,285,513	13,992,665
Construction in progress	3,985,684	1,191,951	1,737,309	1,211,132	5,722,993	2,403,083
Total	<u>\$ 44,715,383</u>	<u>\$ 41,207,597</u>	<u>\$ 49,716,580</u>	<u>\$ 49,686,720</u>	<u>\$ 94,431,963</u>	<u>\$ 90,894,317</u>

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

- A.K. Shoemaker E. Crystal Lake Ave. Property - \$1,077,927

Major capital assets included in Construction in Progress:

- Downtown Underground Utilities - \$1,590,931
- Downtown Parking Improvements - \$1,131,114
- Tennis Center Lighting - \$356,113
- Stair Step Park (Crystal Gardens) - \$123,980
- Events Center Privacy Wall- \$89,900

Additional information regarding the City's capital assets can be found in on pages 45-46 of this report.

Long-term debt. At the end of the current fiscal year, the City had \$462,639 outstanding debt related to a subscription liability. Business-type activities have no outstanding debt.

There are no limitations placed on the amount of debt the City may issue either by the City's charter, code of ordinances or by the Florida State Statutes. The City's charter does require voter referendum for any lease purchase contracts or any other unfunded multi-year contracts for the purchase of real property or the construction of any capital improvement, the repayment of which extends beyond the end of any fiscal year. However, in the case of the Water and Sewer Fund the City Commission may declare an emergency to issue debt in order to meet a public emergency affecting the safety, health and welfare of the citizens where the requirements cannot be met through the prudent use of existing reserves.

Additional information regarding the City's long-term liabilities can be found in on pages 62 in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The national economy continues to face volatility as inflation, labor markets and associated wage pressures, monetary policies, and financial markets remain on edge. As we move forward, the search for equilibrium will be the central theme, marked by a collective effort to find a "new normal". With that in mind, economists call for cautious optimism for the next year. Accordingly, we remain cautious and conservative in our approach to this FY 2025 budget, cognizant of this current situation, yet keeping our approach to fiscal decision-making skillful and agile.

We continue to see several active construction projects inside the City including Orlando Health Lake Mary Hospital (opening January 2025), Bent's Landing Medical Office Buildings, Astera Townhomes, and Fontaine Subdivision. Additionally, *Downtown Lake Mary* continues to be a priority. Our, in-process, \$4.30 million multi-year transformational downtown improvement project, funded jointly by the City and Seminole County through the one-cent sales tax program and additionally through American Rescue Plan Act (ARPA), will join Uptown/International Parkway, the Medical Corridor/Rinehart Road, and Midtown/Griffin Farms to provide multiple opportunities to those who wish to start or relocate a business and/or call Lake Mary home.

The utilization of ARPA will continue to fund one-time capital needs. We have earmarked approximately \$3.89 million of these funds to address several areas of importance to include park enhancements, drainage/stormwater infrastructure, facility maintenance, sewer infrastructure, and the above-mentioned downtown improvement project.

Taxable values for the City are projected to grow from \$3.46 billion to \$3.67 billion in FY 2025. This equates to a 6.12% increase over the prior year and generates approximately \$673,096 in additional ad valorem revenues. New construction of approximately \$55.47 million and improved commercial and residential valuations account for this increase. Also, for the twelfth consecutive year, the City of Lake Mary held the ad valorem millage rate at 3.5895.

Requests for Information

This financial report is designed to provide a general overview of the City of Lake Mary'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 information should be addressed to the Finance Director, P.O. Box 958445, Lake Mary, Florida 32795.

Basic Financial Statements



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City of Lake Mary, Florida
Statement of Net Position
September 30, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and equivalents	\$ 24,512,190	\$ 9,175,274	\$ 33,687,464
Investments	19,330,096	9,376,334	28,706,430
Interest receivable	12,722	5,966	18,688
Accounts receivable (net of allowance for uncollectibles)	1,426,568	849,083	2,275,651
Due from other governments	459,191	-	459,191
Unbilled service charges	2,369	465,046	467,415
Special assessments-current	2,916	5,935	8,851
Inventories	57,040	117,863	174,903
Prepaid items	4,833	38,970	43,803
Restricted Assets:			
Temporarily restricted investments	427,054	2,314,734	2,741,788
Net pension asset	3,407,800	-	3,407,800
Capital assets not being depreciated:			
Land	10,510,062	488,808	10,998,870
Construction in progress	3,985,684	1,737,309	5,722,993
Capital assets net of accumulated depreciation:			
Buildings	9,215,771	23,600	9,239,371
Improvements other than buildings	462,796	-	462,796
Water/sewer system	-	45,686,157	45,686,157
Stormwater system	-	1,112,778	1,112,778
Intangible assets	1,544,097	-	1,544,097
Subscription assets	458,148	-	458,148
Machinery and equipment	1,491,084	667,928	2,159,012
Infrastructure	13,285,513	-	13,285,513
Vehicles	3,762,228	-	3,762,228
Total assets	94,358,162	72,065,785	166,423,947
Deferred Outflows of Resources			
Deferred outflows of pension earnings	1,572,875	-	1,572,875
Deferred outflows related to OPEB	825,993	68,843	894,836
Total deferred outflows of resources	2,398,868	68,843	2,467,711
Liabilities			
Accounts payable and other current liabilities	1,594,246	1,019,431	2,613,677
Due to other governments	10,335	149,168	159,503
Unearned revenue	1,841,700	1,744,717	3,586,417
Liabilities payable from restricted assets	427,064	394,029	821,093
Noncurrent liabilities:			
Due within one year	413,714	22,954	436,668
Due in more than one year	5,171,682	326,407	5,498,089
Total liabilities	9,458,741	3,656,706	13,115,447
Deferred Inflows of Resources			
Deferred inflows of pension earnings	3,301,911	-	3,301,911
Deferred inflows related to OPEB	650,114	52,834	702,948
Total deferred inflows of resources	3,952,025	52,834	4,004,859
Net Position			
Net investment in capital assets	44,054,599	49,122,252	93,176,851
Restricted for capital projects	4,567,107	1,920,705	6,487,812
Restricted for building department	6,690,008	-	6,690,008
Restricted for other purposes	1,059,465	-	1,059,465
Restricted for pensions	3,407,800	-	3,407,800
Unrestricted	23,567,285	17,382,131	40,949,416
Total net position	\$ 83,346,264	\$ 68,425,088	\$ 151,771,352

City of Lake Mary, Florida
Statement of Activities
For the Year Ended September 30, 2024

Functions/Programs	Program Revenue				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
Primary government							
Governmental activities:							
General government	\$ 6,459,535	\$ 398,251	\$ -	\$ 1,818,086	\$ (4,243,198)	\$ -	\$ (4,243,198)
Public safety	16,241,663	2,780,482	619,039	427,394	(12,414,748)	-	(12,414,748)
Public works	1,644,764	1,093	417,991	2,343,576	1,117,896	-	1,117,896
Parks and recreation	3,961,318	1,061,496	-	-	(2,899,822)	-	(2,899,822)
Other physical environment	5,694	24,475	-	-	18,781	-	18,781
Interest on long-term debt	11,454	-	-	-	(11,454)	-	(11,454)
Total governmental activities	28,324,428	4,265,797	1,037,030	4,589,056	(18,432,545)	-	(18,432,545)
Business-type activities:							
Water and sewer	7,349,729	7,158,041	-	142,336	-	(49,352)	(49,352)
Stormwater	407,483	460,298	-	1,281,822	-	1,334,637	1,334,637
Total business-type activities	7,757,212	7,618,339	-	1,424,158	-	1,285,285	1,285,285
Total primary government	36,081,640	11,884,136	1,037,030	6,013,214	(18,432,545)	1,285,285	(17,147,260)
General Revenues:							
Property taxes					11,963,333	-	11,963,333
Franchise taxes					2,949,455	-	2,949,455
Utility taxes					4,235,142	-	4,235,142
Unrestricted intergovernmental revenues					1,834,853	-	1,834,853
Unrestricted investment earnings (loss)					2,204,109	952,379	3,156,488
Miscellaneous revenues					91,435	-	91,435
Gain on sale of asset					156,583	100	156,683
Transfers					1,350,000	(1,350,000)	-
Total general revenues and transfers					24,784,910	(397,521)	24,387,389
Change in net position					6,352,365	887,764	7,240,129
Net position - beginning, as previously presented					76,683,282	66,420,844	143,104,126
Restatements (Note 2)					310,617	1,116,480	1,427,097
Net position - beginning, as restated					76,993,899	67,537,324	144,531,223
Net position - ending					\$ 83,346,264	\$ 68,425,088	\$ 151,771,352

City of Lake Mary, Florida
Balance Sheet
Governmental Funds
September 30, 2024

	General Fund	General Capital Projects Fund	One-Cent Infrastructure Sales Tax Fund	Total Nonmajor Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 14,067,946	\$ 2,527,555	\$ 3,587,244	\$ 871,451	\$ 21,054,196
Investments	17,949,837	53,317	40,646	187,716	18,231,516
Interest receivable	10,072	-	1,043	298	11,413
Receivables (net of allowance for uncollectibles)	1,426,568	-	-	-	1,426,568
Unbilled service charges	2,369	-	-	-	2,369
Due from other governments	293,538	-	165,653	-	459,191
Special assessments-current	2,916	-	-	-	2,916
Inventories	2,730	-	-	-	2,730
Prepaid expenses	4,833	-	-	-	4,833
Restricted investments	427,054	-	-	-	427,054
Total assets	\$ 34,187,863	\$ 2,580,872	\$ 3,794,586	\$ 1,059,465	\$ 41,622,786
Liabilities					
Accounts payable	\$ 710,226	\$ 56,272	\$ 5,580	\$ -	\$ 772,078
Accrued liabilities	620,727	-	-	-	620,727
Due to other governments	10,335	-	-	-	10,335
Unearned revenue	95,201	1,746,499	-	-	1,841,700
Other liabilities	21,812	-	-	-	21,812
Liabilities payable from restricted assets	427,064	-	-	-	427,064
Total liabilities	1,885,365	1,802,771	5,580	-	3,693,716
Fund Balances					
Nonspendable	7,563	-	-	-	7,563
Restricted	6,690,008	-	3,789,006	1,059,465	11,538,479
Committed	-	778,101	-	-	778,101
Assigned	1,164,817	-	-	-	1,164,817
Unassigned	24,440,110	-	-	-	24,440,110
Total fund balances	32,302,498	778,101	3,789,006	1,059,465	37,929,070
Total liabilities and fund balances	\$ 34,187,863	\$ 2,580,872	\$ 3,794,586	\$ 1,059,465	\$ 41,622,786

City of Lake Mary, Florida
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
September 30, 2024

Total fund balance, governmental funds	\$ 37,929,070
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	40,481,620
Internal service funds are used by management to charge the costs of fleet management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	8,616,457
Deferred inflows and outflows of resources related to pension earnings and OPEB are not recognized in the governmental funds; however, they are recorded in the entity-wide statement of net position under full accrual accounting.	(1,553,157)
Long-term liabilities are not due and payable in the current period, and therefore are not reported in the funds:	
Compensated absences	(2,739,556)
Other post employment benefits	(1,698,450)
Subscription Liability	(462,639)
Net pension asset/liability are not due and payable in the current period and therefore, are not reported in the funds.	2,772,919
Net Position of Governmental Activities	\$ 83,346,264

City of Lake Mary, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2024

	General Fund	General Capital Projects Fund	One-Cent Infrastructure Sales Tax Fund	Total Nonmajor Funds	Total Governmental Funds
Revenues					
Taxes:					
Property	\$ 11,963,333	\$ -	\$ -	\$ -	\$ 11,963,333
Franchise	2,949,455	-	-	-	2,949,455
Utility	4,235,142	-	-	-	4,235,142
Licenses and permits	1,505,815	-	-	-	1,505,815
Intergovernmental revenues	2,287,300	1,818,086	2,343,576	596,779	7,045,741
Charges for services	2,452,389	-	-	24,475	2,476,864
Impact fees/assessments	33,157	-	-	28,184	61,341
Fines and forfeitures	179,005	-	-	30,576	209,581
Investment income	1,812,947	-	138,343	38,908	1,990,198
Other	91,435	-	-	-	91,435
Total revenues	27,509,978	1,818,086	2,481,919	718,922	32,528,905
Expenditures					
Current:					
General government	4,891,493	1,064,593	-	-	5,956,086
Public safety	15,382,424	63,589	-	599,270	16,045,283
Public works	996,478	-	97,763	-	1,094,241
Parks and recreation	3,565,965	19,387	-	-	3,585,352
Other physical environment	-	-	-	4,884	4,884
Debt service:					
Principal	-	110,046	-	-	110,046
Interest and other fiscal charges	-	11,454	-	-	11,454
Capital outlay:					
General government	1,077,927	483,185	-	-	1,561,112
Public safety	-	651,225	-	-	651,225
Public works	-	-	1,978,071	-	1,978,071
Parks and recreation	-	585,485	-	-	585,485
Total expenditures	25,914,287	2,988,964	2,075,834	604,154	31,583,239
Excess (deficiency) of revenues over (under) expenditures	1,595,691	(1,170,878)	406,085	114,768	945,666
Other Financing Sources (Uses)					
Subscriptions issued	-	572,685	-	-	572,685
Transfers in	1,350,000	650,000	-	-	2,000,000
Transfers out	(650,000)	-	-	-	(650,000)
Total other financing sources and uses	700,000	1,222,685	-	-	1,922,685
Net change in fund balances	2,295,691	51,807	406,085	114,768	2,868,351
Fund balances - beginning	30,006,807	726,294	3,382,921	944,697	35,060,719
Fund balances - ending	\$ 32,302,498	\$ 778,101	\$ 3,789,006	\$ 1,059,465	\$ 37,929,070

City of Lake Mary, Florida
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2024

Net change in fund balances - total governmental funds: \$ 2,868,351

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. In the Statement of Activities the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation during the period.

Expenditure for capital assets	4,775,893	
Current year depreciation	<u>(1,811,597)</u>	2,964,296

The issuance of long-term debt 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.

Principal repayments	110,046	
Subscriptions issued	<u>(572,685)</u>	(462,639)

Internal service funds are used by management to charge the costs of fleet management and health insurance to individual funds. The change in net position of the internal service funds are reported and allocated to governmental activities.

Change in net position of the internal service funds	<u>957,301</u>	957,301
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Cash pension contributions reported in the funds were less than the calculated pension expense on the statement of activities and therefore decrease net position.

345,900

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

Change in compensated absences	(119,969)	
Change in OPEB liability	<u>(200,875)</u>	<u>(320,844)</u>

Change in Net Position of Governmental Activities

\$ 6,352,365

City of Lake Mary, Florida
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes:				
Property	\$ 11,846,154	\$ 11,846,154	\$ 11,963,333	\$ 117,179
Franchise	2,653,250	2,653,250	2,949,455	296,205
Utility	3,835,500	3,835,500	4,235,142	399,642
Licenses and permits	1,744,000	1,744,000	1,505,815	(238,185)
Intergovernmental revenues	2,346,350	2,346,350	2,287,300	(59,050)
Charges for services	2,131,750	2,131,750	2,452,389	320,639
Impact fees/assessments	32,000	32,000	33,157	1,157
Fines and forfeitures	90,000	90,000	179,005	89,005
Investment income	385,000	385,000	1,812,947	1,427,947
Other	95,000	95,000	91,435	(3,565)
Total revenues	<u>25,159,004</u>	<u>25,159,004</u>	<u>27,509,978</u>	<u>2,350,974</u>
Expenditures				
Current:				
General government	5,862,337	5,870,337	4,891,493	978,844
Public safety	15,583,132	15,583,132	15,382,424	200,708
Public works	1,166,811	1,166,811	996,478	170,333
Parks and recreation	3,910,156	3,910,156	3,565,965	344,191
Capital outlay:				
General government	100,000	92,000	1,077,927	(985,927)
Total expenditures	<u>26,622,436</u>	<u>26,622,436</u>	<u>25,914,287</u>	<u>708,149</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,463,432)</u>	<u>(1,463,432)</u>	<u>1,595,691</u>	<u>3,059,123</u>
Other Financing Sources (Uses)				
Transfers in	1,350,000	1,350,000	1,350,000	-
Transfers out	(650,000)	(650,000)	(650,000)	-
Total other financing sources and uses	<u>700,000</u>	<u>700,000</u>	<u>700,000</u>	<u>-</u>
Net change in fund balances	<u>(763,432)</u>	<u>(763,432)</u>	<u>2,295,691</u>	<u>3,059,123</u>
Fund balances - beginning	30,006,807	30,006,807	30,006,807	-
Fund balances - ending	<u>\$ 29,243,375</u>	<u>\$ 29,243,375</u>	<u>\$ 32,302,498</u>	<u>\$ 3,059,123</u>

City of Lake Mary, Florida
Statement of Net Position
Proprietary Funds
September 30, 2024

	Business Type Activities - Enterprise Funds			Governmental Activities
	Water & Sewer Fund	Stormwater Utility Fund	Totals	Internal Service Fund
Assets				
Current assets:				
Cash and cash equivalents	\$ 6,389,551	\$ 2,785,723	\$ 9,175,274	\$ 3,457,994
Investments	9,157,632	218,702	9,376,334	1,098,580
Interest receivable	5,103	863	5,966	1,309
Accounts receivable (net of allowance for uncollectibles)	802,094	46,989	849,083	-
Unbilled service charges	431,664	33,382	465,046	-
Special assessments- current	1,399	4,536	5,935	-
Inventories	117,863	-	117,863	54,310
Prepaid items	38,970	-	38,970	-
Total current assets	16,944,276	3,090,195	20,034,471	4,612,193
Noncurrent Assets:				
Restricted investments:				
Customer deposits	394,029	-	394,029	-
Impact fee funds	1,920,705	-	1,920,705	-
Total restricted assets	2,314,734	-	2,314,734	-
Capital Assets:				
Land	488,808	-	488,808	-
Construction in progress	162,574	1,574,735	1,737,309	471,535
Buildings	472,000	-	472,000	-
Water/sewer system	59,310,801	-	59,310,801	-
Stormwater system	-	2,679,553	2,679,553	-
Intangible assets	73,621	-	73,621	-
Machinery and equipment	1,174,084	19,678	1,193,762	-
Vehicles	-	-	-	11,022,167
Less accumulated depreciation	(14,672,499)	(1,566,775)	(16,239,274)	(7,259,939)
Total capital assets (net of accumulated depreciation)	47,009,389	2,707,191	49,716,580	4,233,763
Total noncurrent assets	49,324,123	2,707,191	52,031,314	4,233,763
Total assets	\$ 66,268,399	\$ 5,797,386	\$ 72,065,785	\$ 8,845,956
Deferred Outflows of Resources				
Deferred outflows related to OPEB	59,194	9,649	68,843	-
Total deferred outflows of resources	59,194	9,649	68,843	-

	Business Type Activities - Enterprise Funds			Governmental Activities
	Water & Sewer Fund	Stormwater Utility Fund	Totals	Internal Service Fund
Liabilities				
Current Liabilities:				
Accounts payable	\$ 375,754	\$ 600,101	\$ 975,855	\$ 172,209
Accrued liabilities	39,122	4,454	43,576	7,420
Due to other governments	149,168	-	149,168	-
Compensated absences	14,079	2,681	16,760	3,990
Other current liabilities	5,752	442	6,194	-
Unearned revenue	753,132	991,585	1,744,717	-
Total current liabilities	1,337,007	1,599,263	2,936,270	183,619
Noncurrent Liabilities:				
Liabilities payable from restricted assets:				
Customer deposits	394,029	-	394,029	-
Compensated absences	161,910	30,837	192,747	45,880
Other noncurrent liabilities	114,744	18,916	133,660	-
Total noncurrent liabilities	670,683	49,753	720,436	45,880
Total liabilities	2,007,690	1,649,016	3,656,706	229,499
Deferred Inflows of Resources				
Deferred inflows related to OPEB	47,011	5,823	52,834	-
Total deferred inflows of resources	47,011	5,823	52,834	-
Net Position				
Net investment in capital assets	47,009,389	2,112,863	49,122,252	4,091,890
Restricted for capital improvement	1,920,705	-	1,920,705	-
Unrestricted	15,342,798	2,039,333	17,382,131	4,524,567
Total net position	\$ 64,272,892	\$ 4,152,196	\$ 68,425,088	\$ 8,616,457



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City of Lake Mary, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2024

	Business Type Activities - Enterprise Funds			Governmental Activities
	Water & Sewer Fund	Stormwater Utility Fund	Totals	Internal Service Fund
Operating Revenues				
Charges for sales and services:				
Water sales	\$ 3,101,759	\$ -	\$ 3,101,759	\$ -
Sewer revenue	3,014,304	-	3,014,304	-
Stormwater fees	-	460,298	460,298	-
Other service charges	1,041,978	-	1,041,978	1,533,461
Total operating revenues	7,158,041	460,298	7,618,339	1,533,461
Operating Expenses				
Costs of operations	5,690,424	267,057	5,957,481	342,082
Administration	262,361	-	262,361	-
Depreciation	1,382,190	139,291	1,521,481	1,031,966
OPEB expense	14,754	1,135	15,889	-
Total operating expenses	7,349,729	407,483	7,757,212	1,374,048
Operating income (loss)	(191,688)	52,815	(138,873)	159,413
Nonoperating Revenues (Expenses)				
Investment income	797,053	155,326	952,379	213,911
Gain (loss) on sale of capital assets	100	-	100	156,583
Total nonoperating revenue (expenses)	797,153	155,326	952,479	370,494
Income (loss) before contributions and transfers	605,465	208,141	813,606	529,907
Capital contributions - impact fees	91,265	-	91,265	-
Capital contributions - intergovernmental	51,071	1,281,822	1,332,893	427,394
Transfers out	(1,350,000)	-	(1,350,000)	-
Change in net position	(602,199)	1,489,963	887,764	957,301
Net position - beginning, as previously presented	63,751,387	2,669,457	66,420,844	7,677,812
Restatements (Note 2)	1,123,704	(7,224)	1,116,480	(18,656)
Net position - beginning, as restated	64,875,091	2,662,233	67,537,324	7,659,156
Total net position - ending	\$ 64,272,892	\$ 4,152,196	\$ 68,425,088	\$ 8,616,457

City of Lake Mary, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2024

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water & Sewer Fund	Stormwater Utility Fund	Totals	Internal Service Fund
Cash Flows From Operating Activities				
Receipts from customers and users	\$ 6,213,563	\$ 458,967	\$ 6,672,530	\$ -
Other operating cash receipts	1,041,978	-	1,041,978	-
Receipts from interfund services provided	-	-	-	1,408,461
Payments to suppliers	(4,616,185)	(100,946)	(4,717,131)	(101,078)
Payments to employees	(1,045,474)	(159,333)	(1,204,807)	(230,859)
Net cash provided by operating activities	1,593,882	198,688	1,792,570	1,076,524
Cash Flows From Noncapital financing activities				
Transfers to/from other funds	(1,350,000)	-	(1,350,000)	-
Net cash provided (used) by non-capital financing activities	(1,350,000)	-	(1,350,000)	-
Cash Flows From Capital and Related Financing Activities				
Capital contributions - impact fees	91,265	-	91,265	-
Acquisition and construction of capital assets	(203,199)	(753,814)	(957,013)	(1,433,583)
Proceeds from sales of capital assets	100	-	100	156,583
Net cash provided (used) by capital and related financing activities	(111,834)	(753,814)	(865,648)	(1,277,000)
Cash Flows From Investing Activities				
Investments purchased	(1,000,000)	-	(1,000,000)	-
Interest and dividends received	1,393,452	76,023	1,469,475	105,399
Net cash provided by investing activities	393,452	76,023	469,475	105,399
Net increase (decrease) in cash and cash equivalents	525,500	(479,103)	46,397	(95,077)
Cash and cash equivalents - October 1	5,864,051	3,264,826	9,128,877	3,553,071
Cash and cash equivalents - September 30	<u>\$ 6,389,551</u>	<u>\$ 2,785,723</u>	<u>\$ 9,175,274</u>	<u>\$ 3,457,994</u>

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water & Sewer Fund	Stormwater Utility Fund	Totals	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (191,688)	\$ 52,815	\$ (138,873)	\$ 159,413
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	1,382,190	139,291	1,521,481	1,031,966
(Increase) decrease in customer accounts receivable	95,990	(1,553)	94,437	-
(Increase) decrease in unbilled service charges	(8,044)	222	(7,822)	-
(Increase) decrease in inventory	36,288	-	36,288	(1,205)
(Increase) decrease in deferred outflows	(9,664)	(743)	(10,407)	-
Increase (decrease) in accounts payable	91,797	(5,486)	86,311	7,332
Increase (decrease) in accrued expenses	4,233	1,097	5,330	982
Increase (decrease) in due to other governments	149,168	-	149,168	-
Increase (decrease) in OPEB obligation	492	38	530	-
Increase (decrease) in deferred inflows	23,926	1,840	25,766	-
Increase (decrease) in unearned revenue	-	-	-	(125,000)
Increase (decrease) in compensated absences payable	9,640	11,167	20,807	3,036
Increase (decrease) in customer deposits	9,554	-	9,554	-
Total adjustments	1,785,570	145,873	1,931,443	917,111
Net cash provided by operating activities	\$ 1,593,882	\$ 198,688	\$ 1,792,570	\$ 1,076,524

The Water and Sewer Fund had non-cash gain in the fair value of investments of \$78,785. The Stormwater Fund had a non-cash gain in the fair value of investment of \$16,676. The Internal Service Fund has a non-cash gain in the fair market value of investments of \$21,565.

City of Lake Mary, Florida
Statement of Fiduciary Net Position
September 30, 2024

	Total Employee Pension Funds
Assets	
Cash and cash equivalents	\$ 2,956,823
Receivables:	
Interest receivable	104,603
Total receivables	104,603
Investments, at fair value:	
Domestic corporate & govt bonds	17,778,304
Domestic stocks	37,690,785
Real estate	3,888,411
Total investments	59,357,500
Total assets	62,418,926
Liabilities	
Accounts payable	126,439
Due to other funds	58,684
Total liabilities	185,123
Net Position:	
Net position restricted for pensions	\$ 62,233,803

Statement of Changes in Fiduciary Net Position

For the Year Ended September 30, 2024

	Total Employee Pension Funds
Additions	
Contributions:	
City	\$ 1,289,120
State	596,779
Employee	386,221
Total contributions	2,272,120
Investment earnings:	
Net increase in fair value of investments	9,695,488
Interest	1,322,140
Less: investment expense	(233,535)
Net investment earnings	10,784,093
Total additions	13,056,213
Deductions	
Benefit payments	2,260,034
Refunds of contributions	808,843
Administrative expenses	130,102
Total deductions	3,198,979
Change in net position	9,857,234
Net position - beginning	52,376,569
Net position - ending	\$ 62,233,803

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Lake Mary, Florida ("City"), a municipality incorporated under Chapter 73-422, Laws of Florida, in 1973, operates under the Commission - City Manager form of government. The City is located near the center of the State of Florida in the northwest part of Seminole County.

The City of Lake Mary is a municipal corporation governed by an elected mayor and a four member commission. The City provides a full range of municipal services, including police and fire protection, public works activities, parks and recreation, planning and development, and general administrative service. In addition, the City operates a water, sewer and stormwater utility.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to the organization; or (c) is obligated in some manner for the debt of the organization. In applying the above criteria, management has determined that there are no component units to be included within the reporting entity.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. The *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The government reports the following funds:

Major Governmental Funds

General Fund - The *general fund* is the City's primary operating fund and is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The majority of current operating expenditures of the City other than proprietary fund activities are financed through revenues received by the general fund.

The General Capital Project Fund - accounts for acquisition or construction of capital facilities, equipment purchases and general capital improvements, estimated to cost in excess of \$5,000.

One-Cent Infrastructure Sales Tax Fund - *Capital Projects Funds* - is used to account for acquisition and construction activity for large-scale projects of the general government.

The government reports the following major enterprise funds:

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

The *Stormwater Utility Fund* - is an enterprise fund that accounts for the operation and maintenance of the City's stormwater system.

Additionally, the government reports the following fund types:

Special Revenue Funds - account for specific revenue sources that are restricted by law or administrative action to expenditures for specific purposes. Non-major special revenue funds include the Police Education Fund, Police Impact Fees Fund, Fire Impact Fees Fund, Public Works Impact Fees Fund, Recreation Impact Fees Fund, Law Enforcement Trust Fund, Police and Fire Premium Tax Trust, and the Cemetery Fund.

Internal Service Funds - are used to account for the City's fleet maintenance operations and vehicle rental on a cost reimbursement basis.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements their amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the 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, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

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

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

Unearned revenues in governmental funds include amounts collected before revenue recognition criteria are met. The unearned amount typically consists of license revenue collected in advance of the ensuing year, and grants received before all eligibility is met.

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. Formal budgetary integration is employed as a management control device during the year for the general fund and most special revenue funds. The police & firefighter premium tax trust special revenue fund is not budgeted as this represents the state contribution to pension funds and is unknown until received. Formal budget integration is not employed for the capital projects funds because capital projects funds are appropriated on a project-length basis. Transfers of appropriations between departments require the approval of the City Manager. Revisions that alter the total expenditures of any fund must be approved by the City Commission. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executed contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, And Net Position/Fund Balance

Cash and cash equivalents

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. The City currently holds \$660 available as petty cash.

The City maintains a cash and investment pool that is used by all funds. This pool includes deposits and overnight repurchase agreements. Pooled cash is classified as "Cash" in the Balance Sheet. Interest income earned as a result of pooling is distributed to the appropriate funds based on the month end equity balance in each fund.

Investments

Investments for the government are reported at fair value (generally based on quoted market prices) and are categorized within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

Inventories and prepaid items

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

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

Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Property, plant and equipment purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value as of the date received. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Buildings	15-50 years
Machinery and equipment	5-10 years
Water/sewer system	15-60 years
Stormwater system	15-60 years
Structures	25 years
Intangible assets	5-10 years
Infrastructure	25-100 years
Heavy equipment vehicles	7-15 years
Light vehicles	3-5 years

Sewer contract cost (purchases of capacity) is capitalized and amortized over the life of the agreement. Subscription assets are amortized over the life of the associated contract.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *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 government has two items which qualify for reporting in this category. It is the deferred outflow of pension resources, and deferred outflows related to OPEB.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. City of Lake Mary has two items that qualify for reporting in this category for the year ended September 30, 2024, the deferred inflow of pension investment earnings, and deferred inflow related to OPEB.

Net position flow assumption

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

Fund balance flow assumptions

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Policies

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

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

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

The General Fund is the only fund that reports a positive unassigned fund balance. However, in other governmental funds, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Revenues and Expenditures/Expenses

Program revenues

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

Property taxes

Under Florida Law, the assessment of all properties and the collection of all City 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 also designed to assure a consistent property valuation method statewide. State Statutes permit cities to levy property taxes at a rate of up to ten (10) mills. The millage rate in effect for the City for the fiscal year ended September 30, 2024 was 3.5895 mills.

The tax levy of the City is established by the City Commission prior to October 1 of each year and the Seminole County Property Appraiser incorporates the millage into the total tax levy, which includes the municipalities, independent districts and the County School Board tax requirements. All property is reassessed according to its fair market value on January 1 of each year.

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

Delinquent taxes on real property bear interest of 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

The City recognized a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee) during or upon separation of employment. Based on the criteria listed, three types of leave qualify for liability recognition for compensated absences – vacation, sick leave and personal leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds, only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation

City policy permits employees to accumulate up to 240 or 336 hours per fiscal year end, of earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from government service.

Sick Leave

The City's policy permits employees to accumulate earned but unused sick leave benefits. Upon separation, employees with at least five years of continuous service will receive pay for 50% of their accumulated sick leave hours, to a maximum of 240 hours of pay. Additionally, a liability for the estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

Personal Leave

The City's policy permits employees to use two days of personal leave after six months of employment. All personal leave lapses upon separation, however, a liability for estimated value of personal leave that will be used by employees is included in the liability for compensated absences.

Subscription-Based Information Technology Arrangements

The City reports a subscription liability and an intangible right-to-use capital assets (known as the subscription asset) on the government-wide financial statements for a subscription-based information technology arrangement (SBITA). The City's policy is to recognize subscription liabilities with an initial, individual value of \$100,000 or more.

At the commencement of a SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of the subscription liability, adjusted for subscription payments made at or before the SBITA commencement date, plus certain initial direct costs, including development costs. Subsequently, the subscription asset is amortized on a straight-line basis over the SBITA term.

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

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA term includes the noncancellable period of the SBITA and any extensions that are deemed certain to be exercised. Subscription payments included in the measurement of the subscription liability are composed of fixed payments to the SBITA vendor.

The City monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure subscription assets and liabilities if certain changes occur that are expected to significantly affect the amount of subscription liabilities.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term liabilities on the statement of net position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer fund, the stormwater fund, and internal service funds are charges to customers for sales and services. The water and sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

New GASB Statements Implemented

In fiscal year 2024, the City implemented Government Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*. This statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections for greater consistency, resulting in more understandable, reliable, relevant, and comparable information. In addition, the City had adopted early implementation of (GASB) Statement No. 101, *Compensated Absences*. This statement will ensue in a liability for compensated absences that more appropriately reflects when the City incurs an obligation, which will enhance the relevance and reliability of information. As a result of implementation, the City's changes in beginning balances and net position where applicable is further described in Note 2.

Other Significant Accounting Policies

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities of the financial statement date and the reported amounts of revenues and expenses or expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 ADJUSTMENTS AND RESTATEMENTS OF BEGINNING BALANCES

In the current year, the City implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation and sick time due to employees upon separation of employment, the City now recognizes an estimated portion of sick leave and personal leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the "Restatement – GASB 101 implementation" column below.

In the current year, the City corrected an error for contributed infrastructure received in a prior year that was not capitalized. The effect of this error is summarized below in the "Error correction" column below.

	Net position/fund balance 9/30/23 as previously reported	Restatement - GASB 101 implementation	Error Correction	Net position/fund balance 9/30/23 as restated
Government-Wide				
Governmental Activities	\$ 76,683,282	\$ (1,115,175)	\$ 1,425,792	\$ 76,993,899
Business-type Activities	66,420,844	(74,370)	1,190,850	67,537,324
Total government-wide	<u>\$ 143,104,126</u>	<u>\$ (1,189,545)</u>	<u>\$ 2,616,642</u>	<u>\$ 144,531,223</u>
Proprietary Funds				
Enterprise Funds				
Water	\$ 63,751,387	\$ (67,146)	\$ 1,190,850	\$ 64,875,091
Stormwater	2,669,457	(7,224)	-	2,662,233
Total Enterprise Funds	<u>\$ 66,420,844</u>	<u>\$ (74,370)</u>	<u>\$ 1,190,850</u>	<u>\$ 67,537,324</u>
Internal Service Funds	<u>\$ 7,677,812</u>	<u>\$ (18,556)</u>	<u>\$ -</u>	<u>\$ 7,659,256</u>

NOTE 3 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes reconciliation between *fund-balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position.

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statements of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances - total governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities.

NOTE 4 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

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

1. Prior to the first day of August of each year, the City Manager prepares a recommended budget for the next succeeding fiscal year and submits it to the City Commission. The recommended budget includes proposed expenditures and the sources of receipts to finance them.
2. Public hearings are conducted to obtain taxpayers comments.
3. The budget is approved by the Commission and becomes the basis for the millage levied by the Commission.
4. The City Manager is authorized to transfer budgeted amounts between departments; however, any revisions that alter the total expenditures of any fund must be approved by the City Commission. Expenditures may not exceed legal appropriations at the fund level. All appropriations lapse at year-end.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and most Special Revenue Funds. The Police & Firefighter Premium Tax Trust Special Revenue Fund is not budgeted as this represents the state contribution to pension funds and is unknown until received. Formal budget integration is not employed for the Capital Project Funds because projects are approved individually.
6. The budgets for the General Fund and Special Revenue Funds are legally adopted on a basis consistent with generally accepted accounting principles.
7. Budgeted amounts are as originally adopted, or as amended, in accordance with City ordinance.
8. The Budgetary Comparison Schedules shown in the accompanying supplemental information present comparisons of the legally adopted budget, as amended, with actual results. The originally adopted budget is presented for purposes of comparison to the final, amended budget.

Fund Balance/Net Position Policy

In accordance with Resolution No's 800 and 924, the City designates that a minimum amount equal to 25 percent of the current fiscal year expenditures of the General Fund be maintained as unassigned fund balance and 25 percent of the current year expenditures of each Enterprise Fund, as unrestricted net position. The purpose of this policy is to provide the capacity to provide sufficient cash flow for daily financial needs, to have the ability to offset significant economic downturns or revenue shortfalls, to provide funds for unforeseen expenditures related to emergencies or other unanticipated needs/occurrences, and maintain historical fund balance/net position stability which may provide advantageous interest rates in the event of issuing debt.

If, at the end of any fiscal year, the actual amount of unassigned fund balance, or unrestricted net position falls below the required level, the City Manager and City Commission review the circumstances creating the shortfall and develop a plan for restoring or amending the requirements. Compliance with the resolution is part of the annual budget process.

NOTE 5 DEPOSITS AND INVESTMENTS

Cash Deposits With Financial Institutions

Custodial credit risk—deposits. In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it.

The City's bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for each banking relationship. Remaining balances are collateralized pursuant to Chapter 280, Florida Statutes. Under this chapter all depositories holding public funds collateralize deposits in excess of FDIC insurance with the State Treasurer. 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.

Investments

The City utilizes a pooled investment concept for all its funds to maximize its investment program. Income for this internal pooling is allocated to the respective funds based upon the sources of funds invested.

As of September 30, 2024, the City had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (years)
U.S. Agencies	\$ 7,517,410	0.83 years
Certificates of deposit	74,319	n/a
Commercial paper	22,821,489	23 days
Money market	1,035,000	n/a
Total Fair Value of Investments	<u>\$ 31,448,218</u>	

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The City uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtaining quoted prices for identical or similar assets, or liabilities, in markets that are not active. The valuation technique(s) to value Level 2 investment is a model that takes into consideration both the yield curve and option adjusted spread (OAS) to determine the fair market value. Level 3 is the least reliable and uses significant unobservable inputs that uses the best information available under the circumstances, which includes the City's own data in measuring unobservable inputs. Level 2 investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered active.

The City has the following recurring fair value measurements as of September 30, 2024:

- U.S. Agencies of \$7,517,410 are valued using Level 2 inputs.
- Commercial paper of \$22,821,489 is valued using Level 2 inputs.

Interest rate risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the investment of current operating funds to an average maturity of less than 36 months. Investments of bond reserves, construction funds, and other non-operating funds maturity may not exceed 5 years.

NOTE 5 DEPOSITS AND INVESTMENTS (CONTINUED)

Credit risk. The City limits investments to Local Government Investment Pool (SBA), SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency, savings accounts or certificates of deposit in state certified qualified public depositories, direct obligations of the U.S. Treasury, Federal agencies and instrumentalities or investment trusts registered under the investment Company Act of 1940, provided the portfolio is limited to U.S. Government obligations and repurchase agreements fully collateralized by such U.S. Government obligations and provided such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian, i.e. mutual funds. The SBA is administered by the State of Florida. Investments held consist of U.S. Treasury obligations, short-term federal agency obligations, repurchase agreements, and commercial paper. The City has no investment position with SBA on September 30, 2024. All agencies held by the City on September 30, 2024, are rated AA+ or higher by Standard & Poor's.

Concentration of credit risk. Assets held shall be diversified to control the risk of loss resulting from over-concentration of assets in a specific maturity, issuer, instruments, dealer or bank through which these instruments are bought and sold. Diversification strategies within the established guidelines of the City's investment Policy shall be reviewed and revised periodically as necessary.

Custodial credit risk-investments. For an investment, this is the risk that, in the event of the failures of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investments are insured or registered and held by its agent in the City's name.

As of September 30, 2024, the City has satisfied all of the objectives and requirements laid out in the City's investment policy and held no investments that were not in compliance with policy.

City of Lake Mary Pension Funds had the following investments on September 30, 2024:

Investment Type	Police Officers' Pension Funds Fair Value	Weighted Average Maturity (years)	Firefighters' Pension Funds Fair Value	Weighted Average Maturity (years)
U.S. Treasuries	\$ 1,462,869	10.86	\$ 1,956,461	9.88
U.S. Agencies & BAB's	3,615,330	18.00	2,881,808	16.18
Corporate Bonds	3,172,707	8.86	4,689,129	6.08
Corporate Stocks	22,169,860	n/a	15,520,925	n/a
Real Estate	1,310,730	n/a	2,577,681	n/a
Total Investments	31,731,496		27,626,004	
Cash and Cash Equivalents	1,607,348	n/a	1,349,475	n/a
Total Cash and Investments	\$ 33,338,844		\$ 28,975,479	

* Contains U.S. Treasuries and/or agencies, but specific identification is not available.

The City has the following recurring fair value measurements as of September 30, 2024 for pension funds:

- U.S. Treasuries are valued using Level 2 inputs.
- U.S. Agencies and BABS are valued using Level 2 inputs
- Corporate Bonds are valued using Level 2 inputs
- Corporate Stocks are valued using Level 1 inputs
- Real Estate are valued using Level 3 inputs

NOTE 5 DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk. The pension fund investment policy limits the duration of fixed income portfolio to within 50% to 150% of the duration of the Merrill Lynch Master Bond Index.

Credit risk. Securities shall be limited to those rated BAA or higher by Moody's or Standard & Poor's rating services. Foreign bonds are prohibited. Of Police Pension investments, 18% are rated by Moody's as A3 or better, 14% are rated by Moody's as Baa1 to Baa3, and 68% unrated. Fire Pension investments are 11% rated by Moody's as A3 or better, 8% rated Baa1 to Baa3, with 87% unrated. Unrated investments are typically U.S. Agency backed securities.

Concentration of credit risk. The pension investment policy does not allow for an investment in any one issuer that is in excess of five percent of the pension fund's fixed income portfolio.

Foreign currency risk. The police pension fund invests only in ADR's which are traded in U.S. Dollars mitigating any foreign currency risk, while firefighter pension invests in i-series foreign investment. Due to the nature of these investment vehicles, it has been determined that these investments carry a minimal risk of fluctuation in foreign currency valuation.

As of September 30, 2024, the Police and Fire Pension funds had satisfied the objectives and requirements laid out in their respective investment policy and held no investments that were not in compliance with policy.

NOTE 6 RECEIVABLES

Receivables

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Below is the detail of receivables for the general fund, all other governmental funds in the aggregate, water and sewer fund, stormwater fund, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts:

Receivables	General Fund	Water and Sewer Fund	Stormwater Fund	Total
Accounts receivables	\$ 1,950,809	\$ 843,526	\$ 95,612	\$ 2,889,947
Less: allowance for uncollectibles	(524,241)	(41,432)	(48,623)	(614,296)
Net receivables	<u>\$ 1,426,568</u>	<u>\$ 802,094</u>	<u>\$ 46,989</u>	<u>\$ 2,275,651</u>

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NOTE 7 CAPITAL ASSETS

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

	Beginning Balance, as Restated	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 6,877,375	\$ 1,077,927	\$ -	\$ 7,955,302
Land under infrastructure	2,554,760	-	-	2,554,760
Construction in progress	1,191,951	3,191,701	(397,968)	3,985,684
Total capital assets, not being depreciated	<u>10,624,086</u>	<u>4,269,628</u>	<u>(397,968)</u>	<u>14,495,746</u>
Capital assets, being depreciated:				
Buildings	25,010,103	-	-	25,010,103
Improvements other than building	4,533,580	-	-	4,533,580
Intangible assets	1,701,381	-	-	1,701,381
Subscription assets	-	572,685	-	572,685
Equipment	2,977,136	768,236	(34,982)	3,710,390
Infrastructure	30,143,111	-	-	30,143,111
Vehicles	10,457,282	1,138,768	(573,883)	11,022,167
Total capital assets, being depreciated:	<u>74,822,593</u>	<u>2,479,689</u>	<u>(608,865)</u>	<u>76,693,417</u>
Less accumulated depreciation for:				
Buildings	(15,217,071)	(577,261)	-	(15,794,332)
Improvements other than buildings	(4,015,437)	(55,347)	-	(4,070,784)
Intangible assets	(122,446)	(34,838)	-	(157,284)
Subscription assets	-	(114,537)	-	(114,537)
Equipment	(1,931,826)	(322,462)	34,982	(2,219,306)
Infrastructure	(16,150,446)	(707,152)	-	(16,857,598)
Vehicles	(6,801,856)	(1,031,966)	573,883	(7,259,939)
Total accumulated depreciation	<u>(44,239,082)</u>	<u>(2,843,563)</u>	<u>608,865</u>	<u>(46,473,780)</u>
Total capital assets, being depreciated, net	<u>30,583,511</u>	<u>(363,874)</u>	<u>-</u>	<u>30,219,637</u>
Governmental activities capital assets, net	<u>\$ 41,207,597</u>	<u>\$ 3,905,754</u>	<u>\$ (397,968)</u>	<u>\$ 44,715,383</u>

NOTE 7 CAPITAL ASSETS (CONTINUED)

	Beginning Balance, as Restated	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 488,808	\$ -	\$ -	\$ 488,808
Construction in progress	1,211,132	1,522,761	(996,584)	1,737,309
Total capital assets, not being depreciated	<u>1,699,940</u>	<u>1,522,761</u>	<u>(996,584)</u>	<u>2,226,117</u>
Capital assets, being depreciated:				
Buildings	472,000	-	-	472,000
Water/sewer system	58,314,216	996,585	-	59,310,801
Stormwater system	2,917,079	-	(237,526)	2,679,553
Intangible Assets	102,200	-	(28,579)	73,621
Machinery and equipment	1,167,770	28,579	(2,587)	1,193,762
Total capital assets, being depreciated:	<u>62,973,265</u>	<u>1,025,164</u>	<u>(268,692)</u>	<u>63,729,737</u>
Less accumulated depreciation for:				
Buildings	(436,600)	(11,800)	-	(448,400)
Water/sewer system	(12,388,939)	(1,235,705)	-	(13,624,644)
Stormwater system	(1,647,883)	(138,562)	237,526	(1,548,919)
Intangible Assets	(102,200)	-	28,579	(73,621)
Machinery and equipment	(410,863)	(135,414)	2,587	(543,690)
Total accumulated depreciation	<u>(14,986,485)</u>	<u>(1,521,481)</u>	<u>268,692</u>	<u>(16,239,274)</u>
Total capital assets, being depreciated, net	<u>47,986,780</u>	<u>(496,317)</u>	<u>-</u>	<u>47,490,463</u>
Business-type capital assets, net	<u>\$ 49,686,720</u>	<u>\$ 1,026,444</u>	<u>\$ (996,584)</u>	<u>\$ 49,716,580</u>
Depreciation expense was charged to governmental functions as follows:				
General government				\$ 210,489
Police				334,392
Fire				239,575
Public works				707,238
Parks				319,093
Other physical environment				810
Capital assets held by the City's internal service funds are charged to the various functions based on their usage of the assets				1,031,966
Total depreciation expense				<u>\$ 2,843,563</u>
Depreciation expense was charged to business type activities as follows:				
Water/sewer system				\$ 1,382,190
Stormwater system				139,291
Total depreciation expense				<u>\$ 1,521,481</u>

NOTE 8 PENSIONS

Police and Fire Employee Pension Plans:

The City maintains two separate single-employer, defined benefit pension plans for police officers and firefighters, which are maintained as Pension Trust Funds and included as part of the City's reporting entity. These pension plans do not issue stand-alone financial reports. These plans also provide for disability and survivor benefits.

Each system is independently governed by separate boards of trustees. Assets may not be transferred from one plan to another or used for any purpose other than to benefit each system's participants as defined in their authorizing ordinances. Administrative expenses and fees attributable to each plan are deducted from the plan assets. These funds are reported using the full accrual basis of accounting. The benefits and refunds of each defined benefit plan are recognized when due and payable in accordance with the terms of the plan.

These plans are established by and operated in accordance with Chapters 175 (Fire) & 185 (Police), Florida Statutes. The State requires local governments to make the actuarially determined contribution. The funding methods and determination of benefits payable are provided in the various acts of the Florida Legislature, which created the funds including subsequent amendments thereto. Additionally, the State collects two locally authorized insurance premium surcharges (one for the Police Pension Plan on casualty insurance policies and one for the Firefighter Pension Plan on certain real and personal property insurance policies within the corporate limits) which can only be distributed after the Florida Division of Retirement reviews and approves each local government's actuarial report and has ascertained that the local government has met their actuarial funding requirement for the then most recently completed fiscal year.

With the adoption by the Florida Legislation of Chapter 2015-39, Laws of Florida, a separate Defined Contribution component of the Police and Fire Employee Pensions plans was established by October 1, 2015 and will provide special benefits in the form of a supplemental retirement, termination, death and disability benefits to be funded solely and entirely by premium tax monies. The Share Plan benefits are additional to the benefits currently provided by the defined benefit component currently provided. Individual Member share accounts shall be established as of September 30, 2015 for all members actively employed as of October 1, 2014. Funds will be allocated to eligible members on each valuation date based on an individual's total years of Credited Service to the sum of all individuals to whom allocations are being made.

The annual pension cost, and required contribution for September 30, 2024, were determined as part of the actuarial valuation of each plan as of October 1, 2023, and reviewed as part of the actuarial valuation as of October 1, 2023, using the entry age normal actuarial cost method.

Police Officers' Pension Plan Description

Plan administration: The City of Lake Mary Police Officer's Pension is a single employer defined benefit pension plan that provides pensions for all full-time active and future police officers of the City. The sole and exclusive administration and responsibility for proper operation of the Plan and for making effective the provisions of the Plan is vested in the Board of Trustees (Board). The Board is hereby designated as the plan administrator. The Board shall consist of five (5) Trustees, two (2) of whom, unless otherwise prohibited by law, shall be legal residents of the City, who shall be appointed by the Lake Mary City Commission, and two (2) of whom shall be Members of the System, who shall be elected by a majority of the Police Officers who are Members of the System. The fifth Trustee shall be chosen by a majority of the previous four (4) Trustees as provided for herein, and such person's name shall be submitted to the Lake Mary City Commission.

Plan Membership as of October 1, 2023:

Inactive Plan members or beneficiaries currently receiving benefits	35
Inactive Plan members entitled to but not yet receiving benefits	27
Active Plan Members	49
Total	<u>111</u>

NOTE 8 PENSIONS (CONTINUED)

Benefits Provided. The Plan provides retirement, termination, disability and death benefits.

Normal Retirement:

Date: Earlier of: 1) the attainment of age 55 and 5 years of Credited Service, or 2) the completion of 20 years of service, regardless of age.

Benefit: 3.2% of Average Final Compensation times Credited Service.

Early Retirement:

Date: Age 50 and completion of 5 years of Credited Service.

Benefit: Determined as for Normal Retirement, reduced by 3% per year preceding Normal Retirement Date.

Termination Benefit:

Less than 5 years: Refund of Contributions

5 or more years: Refund of Contributions or vested accrued benefit payable at Normal (unreduced) or Early (reduced) retirement date.

Disability Retirement:

Line of Duty: The greater of 1) 50% of salary at the time of disability or 2) the Member's accrued pension.

Non Line-of-Duty: A vested Member receives the greater of 1) the Member's accrued pension, or 2) 25% of salary at the time of disability.

A Member that is not vested receives the Members' Accumulated Contributions.

Pre-Retirement Death Benefits:

Vested In-Line of Duty: Spouse will receive the greater of 1) 10% of the Member's yearly compensation for life or 2) the monthly actuarial equivalent of the accrued normal or early retirement Benefit. If there is no Spouse, then a dependent child can receive benefit until age 18.

Vested Not-In-Line of Duty: Actuarial equivalent of accrued benefit.

Non-Vested: Refund of Member's Accumulated Contributions.

Contributions. The Board establishes contributions based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability, as provided in Chapter 112, Florida Statutes. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members. For the year ended September 30, 2024, the active member contribution rate was 5.0% of annual pay, and the City plus State contribution is the remaining requirement.

Investments

Investment Policy: The pension plan's policy relating to the allocation of invested assets is established and may be amended by the Board by a majority vote of its members, and must be approved by the City commission. The investment objective of the Board is to preserve the purchasing power of the Fund's assets and earn a reasonable real rate of return (after inflation) over the long term while minimizing the short-term volatility of results. To achieve these objectives, the Board seeks to create a conservative, well diversified and balanced portfolio of high quality equity, convertible, fixed income, real estate, master limited partnerships and money market securities. The following was the Board's adopted asset allocation policy as of September 30, 2024:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	40.00%
International equity	15.00%
Bonds	25.00%
Convertibles	5.00%
Private real estate	5.00%
Infrastructure	5.00%
Hedge fund	5.00%
Total	<u>100.00%</u>

NOTE 8 PENSIONS (CONTINUED)

Concentrations. The plan did not hold investments in any one organization that exceeded the limitations set forth in the investment policy.

Rate of Return. For the year ended September 30, 2024, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 20.86%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program (DROP)

Eligibility: Satisfaction of Normal Retirement requirements (earlier of (1) Age 55 with 5 years of Credited Service, or (2) 20 years of Credited Service).

Participation: Not to exceed 60 months.

Rate of Return: Actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs) credited each fiscal quarter.

The DROP balance as of September 30, 2024 is \$0.

Net Pension Liability

The City's net pension liability was measured as of September 30, 2024. The total pension liability used to calculate the Net Pension Liability was determined as of that date.

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

	Police Officers' Pension Fund
Total pension liability	\$ 29,952,377
Plan fiduciary net position	(33,360,177)
City's net pension liability (asset)	<u>\$ (3,407,800)</u>
Plan fiduciary net position as a percentage of total pension liability	111.38%

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

Inflation	2.5%
Salary increases	Age Based
Discount rate	7.0%
Investment rate of return	7.0%

Mortality rates were based on the Mortality Improvement Scale MP-2018. Mortality assumptions were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumption used in either of the two most recent valuations of the Florida Retirement System (FRS). The rates used are those outlined in Milliman's July 1, 2021 FRS valuation report for special risk participants.

The actuarial assumptions used in the October 1, 2023 valuation were based on the results of an actuarial experience study dated May 5, 2021.

NOTE 8 PENSIONS (CONTINUED)

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

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic equity	8.2%
International equity	3.3%
Bonds	2.2%
Real estate	5.5%
Infrastructure	6.5%
Convertibles	6.5%
Hedge fund	2.5%

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**City of Lake Mary Police Officers' Pension Plan
Changes in Net Pension Liability**

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (Asset) (a)-(b)</u>
Balances at September 30, 2023	\$ 27,659,089	\$ 28,019,728	\$ (360,639)
Changes for the year:			
Service cost	829,663	-	829,663
Interest	1,943,659	-	1,943,659
Share plan allocation	74,353	-	74,353
Differences between expected and actual experience	889,975	-	889,975
Changes of assumption	-	-	-
Contributions - employer	-	574,312	(574,312)
Contributions - state	-	285,361	(285,361)
Contributions - employee	-	198,313	(198,313)
Net investment income	-	5,791,819	(5,791,819)
Benefit payments, including refunds of employee contributions	(1,444,362)	(1,444,362)	-
Administrative expense	-	(64,994)	64,994
Net changes	2,293,288	5,340,449	(3,047,161)
Balances at September 30, 2024	<u>\$ 29,952,377</u>	<u>\$ 33,360,177</u>	<u>\$ (3,407,800)</u>

NOTE 8 PENSIONS (CONTINUED)

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.00 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's net pension liability (asset)	\$ 117,074	\$ (3,407,800)	\$ (6,335,151)

Deferred Outflows and Inflows of Resources

For the year ended September 30, 2024, the City will recognize a pension expense of \$532,923. On September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 667,482	\$ 222,427
Net difference between Projected and actual earnings on pension plan investments	-	1,781,764
Total	\$ 667,482	\$ 2,004,191

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

Total year ended September 30:

2025	\$ (300,924)
2026	495,720
2027	(762,258)
2028	(769,247)
2029	-
Thereafter	-

Firefighters' Pension Plan Description

Plan administration. The City of Lake Mary Firefighters' Pension Trust Fund is single employer defined benefit pension plan that provides pensions for all active and future, full time or volunteer firefighters who participate in the plan as a condition of employment. The Board is hereby designated as the plan administrator. The Board shall consist of five (5) Trustees, two (2) of whom, unless otherwise prohibited by law, shall be legal residents of the City, who shall be appointed by the Lake Mary City Commission, and two (2) of whom shall be Members of the System, who shall be elected by a majority of the Firefighters who are Members of the System. The fifth Trustee shall be chosen by a majority of the previous four (4) Trustees as provided for herein, and such person's name shall be submitted to the Lake Mary City Commission.

NOTE 8 PENSIONS (CONTINUED)

Plan Membership as of October 1, 2023:

Inactive Plan members or beneficiaries currently receiving benefits	23
Inactive Plan members entitled to but not yet receiving benefits	5
Active Plan Members	41
Total	<u>69</u>

Benefits Provided. The Plan provides retirement, termination, disability and death benefits.

Normal Retirement:

Date: Earlier of: 1) the attainment of age 55 and 5 years of Credited Service, or 2) the completion of 20 years of service, regardless of age.

Benefit: 3.2% of Average Final Compensation times Credited Service.

Early Retirement:

Date: Age 50 and completion of 10 years of Credited Service.

Benefit: Determined as for Normal Retirement, reduced by 3% per year preceding Normal Retirement Date.

Termination Benefit:

Less than 5 years: Refund of Member Contributions plus 5% compounded annual interest.

5 or more years: Refund of Contributions or Vested Accrued benefit payable at Normal (unreduced) or Early (reduced) retirement date.

Disability Retirement:

Line of Duty: The greater of 1) 50% of salary at the time of disability or 2) the Member's accrued normal retirement benefit. Non Line-of-Duty: A vested Member with 5 years of Credited Service, receives the greater of 1) 25% of salary at the time of disability or 2) the Member's accrued normal retirement taking into account compensation earned and service credited until the date of disability. A Member that is not vested receives the Members' Accumulated Contributions plus 5% compounded annual interest.

Pre-Retirement Death Benefits:

Vested In-Line of Duty: Beneficiary will receive a monthly benefit based on the greater of 1) 1/12th of 10% of the Member's current annual salary on the date of death or 2) the monthly actuarial equivalent of the accrued normal retirement benefit. In lieu of the Normal Form, the beneficiary may elect to receive the greater of a lump sum of the present value of the member's accrued benefit or a refund of the member's contributions with interest.

Vested Not-In-Line of Duty: Any member with 5 or more years of Credited Service is considered vested. The member's beneficiary will receive a monthly benefit based on the greater of 1) 1/12th of 5% of the member's current annual salary on the date of death or 2) the Actuarial equivalent of 50% of the present value of the member's accrued Normal Retirement Benefit taking into account Compensation earned and service credited until the date of death.

Non-Vested: Refund of Member's Accumulated Contributions with 5% compounded annual interest.

Contributions. The Board establishes contributions based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability, as provided in Chapter 112, Florida Statutes. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of plan members. For the year ended September 30, 2024, the active member contribution rate was 5.0% of annual pay, and the City and state contribution was the remaining requirement.

NOTE 8 PENSIONS (CONTINUED)

Investments

Investment Policy. The pension plan's policy relating to the allocation of invested assets is established and may be amended by the Board by a majority vote of its members, and must be approved by the City commission. The investment objective of the Board is to obtain a reasonable total rate of return - defined as interest and dividend income plus realized and unrealized capital gains or losses - that exceeds the actuarial interest rate assumption on an annual basis. Additionally, the Board, in performing their investment duties, shall comply with fiduciary standards set forth in the Employee Retirement Income Security Act of 1974, U.S.C. s1104 (a) (1) (A)-(C).

The following was the Board's adopted asset allocation policy as of September 30, 2024:

Asset Class	Target Allocation
Domestic equity	35.00%
International equity	15.00%
Bonds	30.00%
Real estate	5.00%
Infrastructure	5.00%
Convertibles	10.00%
Total	100.00%

Concentrations. The plan did not hold investments in any one organization that represented 5% or more of the Pension Plan's fiduciary net position.

Rate of Return. For the year ended September 30, 2024, the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 21.23%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deferred Retirement Option Program (DROP)

Eligibility: Satisfaction of Normal Retirement requirements (earlier of (1) Age 55 with 5 years of Credited Service, or (2) 20 years of Credited Service).

Participation: Not to exceed 60 months

Rate of Return: Actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs) credited each fiscal quarter.

The DROP balance as of September 30, 2024 is \$216,843.

Net Pension Liability

The City's net pension liability was measured as of September 30, 2024. The total pension liability used to calculate the Net Pension Liability was determined as of that date.

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

	Firefighters' Pension Fund
Total pension liability	\$ 29,567,190
Plan fiduciary net position	(28,932,309)
City's net pension liability (asset)	\$ 634,881
Plan fiduciary net position as a percentage of total pension liability	97.85%

NOTE 8 PENSIONS (CONTINUED)

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

Inflation	2.5%
Salary increases	4% to 8% service-based table
Investment rate of return	7.0%

Mortality rates are based on the PUB-2010 Headcount Weighted Safety Below Median Employee Table for males and females. The provision for future mortality improvements is being made by using scale MP-2018 after 2010. These are the same rates used for Special Risk Class members of the Florida Retirement System (FRS) in the July 1, 2022 FRS valuation, as mandated by Chapter 112.63, Florida Statutes.

The long-term expected return is the 30-year average return, or since- inception average return for those assets that did not exist prior to 1993, less inflation measured by CPI. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2024 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return
Domestic equity	8.2%
International equity	3.3%
Bonds	2.2%
Real estate	5.5%
Infrastructure	6.5%
Convertibles	6.5%

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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NOTE 8 PENSIONS (CONTINUED)

**City of Lake Mary Firefighters' Pension Plan
Changes in Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a)-(b)
Balances at September 30, 2023	\$ 27,573,547	\$ 24,415,525	\$ 3,158,022
Changes for the year:			
Service cost	907,216	-	907,216
Interest	1,936,795	-	1,936,795
Differences between expected and actual experience	703,313	-	703,313
Assumption changes	-	-	-
Contributions - employer and state	-	1,026,226	(1,026,226)
Contributions - employee	-	187,908	(187,908)
Net investment income	-	4,992,272	(4,992,272)
Benefit payments, including refunds of employee contributions	(1,624,514)	(1,624,514)	-
Other (change in state contribution reserve)	70,833	-	70,833
Administrative expense	-	(65,108)	65,108
Net changes	1,993,643	4,516,784	(2,523,141)
Balances at September 30, 2024	\$ 29,567,190	\$ 28,932,309	\$ 634,881

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.00 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's net pension liability (asset)	\$ 4,179,162	\$ 634,881	\$ (2,310,420)

Deferred Outflows and Inflows of Resources:

For the year ended September 30, 2024, the City will recognize a pension expense of \$1,007,076. On September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 905,393	\$ 18,244
Changes in assumptions	-	143,714
Net difference between Projected and actual earnings on pension plan investments	-	1,135,762
Total	\$ 905,393	\$ 1,297,720

NOTE 8 PENSIONS (CONTINUED)

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

Total year ended September 30:

2025	\$	50,564
2026		550,241
2027		(600,038)
2028		(519,922)
2029		115,297
Thereafter		11,531

Aggregate Amounts of All Pension Plans

The aggregate amounts for all of the City's defined benefit pension plans at September 30, 2024 are as follows:

	Net Pension Asset (Liability)	Deferred Inflows	Deferred Outflows	Pension Expense
Police Pension Plan	\$ 3,407,800	\$ (2,004,191)	\$ 667,482	\$ 532,923
Firefighters' Pension Plan	(634,881)	(1,297,720)	905,393	1,007,076
Total	<u>\$ 2,772,919</u>	<u>\$ (3,301,911)</u>	<u>\$ 1,572,875</u>	<u>\$ 1,539,999</u>

General Pension Plan:

The General Employees Pension Plan (General Plan) is a defined contribution plan covering all other full-time and permanent part-time employees of the City. This plan is authorized by and may be amended by the City Commission. The City makes employee contributions of 10%, with an available match of up to an additional 2.5%. Employees can make voluntary contributions of up to 10% of annual compensation. Employees are eligible to participate in the General Plan after 6 months of employment. Employees are immediately vested in their own contributions and earnings on those contributions. Vesting of City contributions is 20% after the first year and each year thereafter, with full vesting after 5 years. Benefits are available at termination, regardless of age, based on vested years of service. Normal retirement age has been designated by the employer as age 60. The loan provision for the plan permits loans from participant contributions only. All loans are due in full at termination.

For the fiscal year ending September 30, 2024, payroll for the employees covered by this plan was \$5,349,498. Employer contributions required and made were \$583,697, with voluntary contributions of \$105,483. During FY 2024, the City was able to reallocate forfeited funds remaining in the plan to reduce its cash contribution by \$56,000. As of September 30, 2024, participation in the plan consisted of 84 active members. The outstanding employee loan amount at September 30, 2024 was \$46,775.

There is no actuarial valuation required for this plan.

During the fiscal year, the General Plan held no securities issued by the employer.

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NOTE 8 PENSIONS (CONTINUED)

Individual Fiduciary Fund Statements

Individual statements of net position for the two plans included in the City of Lake Mary fiduciary funds are as follows:

City of Lake Mary, Florida
Individual Statements of Fiduciary Net Position
September 30, 2024

	Police Pension Trust	Fire Pension Trust	Total Employee Pension Funds
Assets			
Cash and cash equivalents	\$ 1,607,348	\$ 1,349,475	\$ 2,956,823
Receivables:			
Interest receivable	62,415	42,188	104,603
Total receivables	<u>62,415</u>	<u>42,188</u>	<u>104,603</u>
Investments, at fair value:			
Domestic corporate & govt bonds	8,250,906	9,527,398	17,778,304
Domestic stocks	22,169,860	15,520,925	37,690,785
Real estate	1,310,730	2,577,681	3,888,411
Total Investments	<u>31,731,496</u>	<u>27,626,004</u>	<u>59,357,500</u>
Total assets	<u><u>33,401,259</u></u>	<u><u>29,017,667</u></u>	<u><u>62,418,926</u></u>
Liabilities			
Accounts payable	41,081	85,358	126,439
Due to other funds	-	58,684	58,684
Total liabilities	<u>41,081</u>	<u>144,042</u>	<u>185,123</u>
Net Position Restricted for Pensions	<u><u>\$ 33,360,178</u></u>	<u><u>\$ 28,873,625</u></u>	<u><u>\$ 62,233,803</u></u>

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NOTE 8 PENSIONS (CONTINUED)

Individual statements of the changes in fiduciary net position are as follows:

City of Lake Mary, Florida
Individual Statements of Changes in Fiduciary Net Position
For the Year Ended September 30, 2024

	Police Pension Trust	Fire Pension Trust	Total Employee Pension Funds
Additions			
Contributions:			
City	\$ 574,312	\$ 714,808	\$ 1,289,120
State	285,361	311,418	596,779
Employee	198,313	187,908	386,221
Total contributions	<u>1,057,986</u>	<u>1,214,134</u>	<u>2,272,120</u>
Investment Earnings:			
Net increase in fair value of investments	5,197,426	4,498,062	9,695,488
Interest	731,325	590,815	1,322,140
Less: investment expense	(136,930)	(96,605)	(233,535)
Net investment earnings (losses)	<u>5,791,821</u>	<u>4,992,272</u>	<u>10,784,093</u>
Total additions	<u>6,849,807</u>	<u>6,206,406</u>	<u>13,056,213</u>
Deductions			
Benefit payments	1,244,276	1,015,758	2,260,034
Refunds of contributions	200,087	608,756	808,843
Administrative expenses	64,994	65,108	130,102
Total deductions	<u>1,509,357</u>	<u>1,689,622</u>	<u>3,198,979</u>
Change in net position	5,340,450	4,516,784	9,857,234
Net position - beginning	28,019,728	24,356,841	52,376,569
Net position - ending	<u>\$ 33,360,178</u>	<u>\$ 28,873,625</u>	<u>\$ 62,233,803</u>

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (OPEB)

Pursuant to Resolution 830, and in accordance with Florida Statutes Section 112.0801, the City of Lake Mary makes continuation of group health insurance through the city's current provider available to retirees and eligible dependents provided certain service requirements and normal age retirement requirements have been met. This single-employer benefit plan has no cost to the City, other than the implicit cost of including retirees in the group calculation. All premiums are paid by the retiree. The City has six retirees currently receiving benefits. The City has chosen pay-as-you-go funding, but is recording the liability in the government wide financial statements. This plan does not have assets accumulated in any GASB-compliant trust and does not issue stand-alone financial statements.

As of October 1, 2023, the valuation date, there were 185 active employees and 6 inactive employees currently receiving benefits. The OPEB liability of \$1,838,304 was measured as of September 30, 2024 and was determined by the actuarial valuation. The covered payroll was \$12,263,972, and the ratio of Net OPEB liability as a percentage of covered payroll was 14.99%.

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Summary of Actuarial Methods & Assumptions:

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. The Liability of the OPEB Plan are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Other Postemployment Benefits Liability and Related Ratios Schedule, immediately following the notes to the financial statements as required supplementary information, presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing over time.

Projections of benefits for financial reporting purposes are based on the substantive OPEB plan provision, (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuary provided guidance with respect to the economic assumptions, demographic assumptions, and the health care participant rate assumptions.

The Total liability was determined using the following actuarial assumptions and other inputs, applied to all periods include in the measurement unless otherwise specified:

Health Care Trend Rates	
Initial Health Care Cost Trend Rate	7.0%
Ultimate Health Care Cost Trend Rate	4.5%
Fiscal Year the Ultimate Rate is Reached	Fiscal year 2040
Additional Information	
Valuation Date	October 1, 2023
Measurement Date	September 30, 2024
Actuarial Cost Method	Entry Age Normal
Discount Rate*	4.06%
Inflation Rate	3%
Salary Rate Increase	4%
Funded Ratio (Fiduciary Net Position as a percentage of Total OPEB Liability)	0%
Covered Payroll	\$ 12,263,972
Net OPEB Liability as a Percentage of Covered Payroll	14.99%

* Discount rate of 4.06% is used, which is the S&P Municipal Bond 20-year high-grade rate index as of September 30, 2024.

Below are the details regarding the Total OPEB liability for the measurement period from October 1, 2023, to September 30, 2024.

	Total OPEB Liability
Balance as of 9/30/2023	\$ 1,831,079
Changes for the year:	
Service Cost	125,916
Interest on Total OPEB Liability	87,116
Difference Between Expected & Actual Experience	(452,583)
Changes of Assumptions and Other Inputs	331,283
Benefit Payments	(84,507)
Net Changes	7,225
Balance as of 9/30/2024	<u>\$ 1,838,304</u>

NOTE 9 OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

	Decrease 3.06%	Discount Rate 4.06%	Increase 5.06%
Net OPEB Liability	\$ 1,989,600	\$ 1,838,304	\$ 1,700,209

The following presents the total liability of the city using the ultimate healthcare cost trend rate of 4.5 percent, as well as what the City's OPEB liability would be if it were calculated using healthcare trend rates that are 1 percentage point lower and 1 percentage point higher than the current healthcare cost trend rates:

	Decrease 1%	Health Care Trend	Increase 1%
Net OPEB Liability	\$ 1,657,312	\$ 1,838,304	\$ 2,050,974

For the fiscal year ended September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 200,291	\$ 406,529
Changes of assumptions	694,545	296,419
Total	<u>\$ 894,836</u>	<u>\$ 702,948</u>

Amounts reported as deferred outflows or resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Fiscal Year Ending September 30,	
2025	\$ 88,239
2026	88,239
2027	64,698
2028	34,388
2029	(17,104)
Thereafter	(66,572)

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NOTE 9 OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Summary of Benefits

The City of Lake Mary provides optional post-employment medical, prescription drug and dental insurance coverage to eligible individuals. Eligible individuals include all regular, full-time employees and certain elected officials of the City of Lake Mary who retire from active service and are eligible for retirement or disability benefits under the general employee or fire and police pension plans. Under certain conditions, eligible individuals for healthcare coverage also include spouses and dependent children. The medical plan is the Florida Blue "BlueCare 60" HMO with prescription drug copays of \$15/\$45/\$75. Retirees must pay a monthly premium as determined by the insurance carrier. The premium varies depending on the single or family coverage.

NOTE 10 CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

1. Replacement vehicles were carried forward into fiscal year 2025 in the amount of \$183,402.
2. The Crystal Gardens/Wilbur improvements were carried into fiscal year 2025 in the amount of \$580,740.
3. The Lift Station improvements were carried forward into fiscal year 2025 in the amount of \$713,850.
4. North Country Club Road and Wilbur Avenue signal modification was carried forward into fiscal year 2025 in the amount of \$192,296.
5. The Trailblazer Park Concession building renovations were carried forward into fiscal year 2025 in the amount of \$290,000.

Encumbrances. As discussed in note 4, budgetary information, budgetary basis of accounting, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of encumbrances expected to be honored upon performance by the vendor and re-appropriated October 1, 2024 were as follows:

	Encumbrances
General fund	\$ 21,153
General capital projects fund	1,099,250
One-Cent infrastructure sales tax fund	752,269
Enterprise funds	1,584,571
Internal Service fund	230,986
	<u>\$ 3,688,229</u>

NOTE 11 RISK MANAGEMENT

Public Risk Management of Florida

The City is a member of Public Risk Management of Florida (the pool), a local government liability risk pool. The pool has approximately 55 local government agency members. The pool administers insurance activities relating to property, general liability, police, professional, automobile liability, public officials' liability, workers' compensation, and boiler and machinery. The pool absorbs losses up to a specified amount for each pool year and purchases excess and other specific coverage's from third-party carriers. The pool assesses each member its pro rata share of the estimated amount required to meet current year losses and operating expenses. If total member assessments do not produce sufficient funds to meet its obligations, the pool can make additional limited assessments. Losses, if any, in excess of the pool's ability to assess its members would revert back to the member that incurred the loss. There has been no significant reduction in insurance coverage from the prior year, and no settlements in excess of insurance coverage in any of the prior three years. There were no additional assessments levied against the City for the fiscal year ended September 30, 2024. The cost of the insurance is allocated among the appropriate departments and funds.

NOTE 12 LONG TERM LIABILITIES

Subscription Based Information Technology Arrangements (SBITA)

In November 2023, the City entered into a five year subscription for the use a vendor's public safety software. An initial subscription liability was recorded in the amount of \$572,685. As of September 30, 2024, the value of the subscription liability is \$462,639. The City is required to make annual fixed payments of approximately \$121,500 through November 2027. The subscription liability has an interest rate of 2%. The value of the right to use subscription asset as of September 30, 2024 is \$572,685 with accumulated amortization of \$114,537 included with subscription assets in Note 7.

Annual debt service requirements to maturity for SBITA's are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 112,247	\$ 9,253
2026	114,492	7,008
2027	116,782	4,718
2028	119,118	2,382
	<u>\$ 462,639</u>	<u>\$ 23,361</u>

During the year ended September 30, 2024, the following changes occurred in long term liabilities:

	<u>Beginning Balance, as Restated</u>	<u>Reductions</u>	<u>Additions</u>	<u>Balance 09/30/2024</u>	<u>Balance Due within One Year</u>
Governmental activities					
Subscription Liability	\$ -	\$ (110,046)	\$ 572,685	\$ 462,639	\$ 112,247
Other post employment benefits	1,691,755	-	6,695	1,698,450	78,313
Net pension Liability	3,158,022	(2,523,141)	-	634,881	-
Compensated absences *	2,666,421	-	123,005	2,789,426	223,154
Governmental activity long-term liabilities	<u>\$ 7,516,198</u>	<u>\$ (2,633,187)</u>	<u>\$ 702,385</u>	<u>\$ 5,585,396</u>	<u>\$ 413,714</u>
Business-type activities					
Other post employment benefits	\$ 139,324	-	\$ 530	\$ 139,854	\$ 6,194
Compensated absences *	188,700	-	20,807	209,507	16,760
Business-type activity long-term liabilities	<u>\$ 328,024</u>	<u>\$ -</u>	<u>\$ 21,337</u>	<u>\$ 349,361</u>	<u>\$ 22,954</u>

* The change in the compensated absences above is as a net change for the year.

For governmental activities, compensated absences, net pension liability and the other post employment benefits liability are generally liquidated by the general fund.

NOTE 13 FUND BALANCE

Minimum fund balance policy. In accordance with Resolution No's. 800 and 924, the City designates that a minimum amount equal to 25 percent of the current fiscal year expenditures of the General Fund be maintained as unassigned fund balance and 25 percent of the current year expenditures of each Enterprise Fund, as unrestricted net position. The purpose of this policy is to provide the capacity to provide sufficient cash flow for daily financial needs, to have the ability to offset significant economic downturns or revenue shortfalls, to provide funds for unforeseen expenditures related to emergencies or other unanticipated needs/occurrences, and maintain historical fund balance/net position stability which may provide advantageous interest rates in the event of issuing debt.

If, at the end of any fiscal year, the actual amount of unassigned fund balance, or unrestricted net position falls below the required level, the City Manager and City Commission review the circumstances creating the shortfall and develop a plan for restoring or amending the requirements. Compliance with the resolution is part of the annual budget process.

At September 30, 2024, the City's governmental fund balances were classified as follows:

Fund Balances	General Fund	General Capital Projects Fund	One-Cent Infrastructure Sales Tax Fund	Nonmajor Funds	Total Governmental Funds
Nonspendable:					
Inventory/prepays	\$ 7,563	\$ -	\$ -	\$ -	\$ 7,563
Restricted for:					
Public works	-	-	-	61,552	61,552
Public safety	-	-	-	586,718	586,718
Parks and recreation	-	-	-	249,740	249,740
Other physical environment	-	-	-	161,455	161,455
Building department	6,690,008	-	-	-	6,690,008
Other capital projects	-	-	3,789,006	-	3,789,006
Committed to:					
Other capital projects	-	778,101	-	-	778,101
Assigned to:					
Capital projects	1,000,000	-	-	-	1,000,000
Subsequent year expenditure:	164,817	-	-	-	164,817
Unassigned fund balance	24,440,110	-	-	-	24,440,110
Total fund balance	\$ 32,302,498	\$ 778,101	\$ 3,789,006	\$ 1,059,465	\$ 37,929,070

NOTE 14 INTERFUND TRANSFERS

The composition of interfund transfers for the year ended September 30, 2024 is as follows:

Recipient Fund	Amount	Purpose
General Fund	1,350,000	Transfer from Water and Sewer Fund to cover costs of General Fund services provided to the Water and Sewer Fund, such as Customer Service, Finance, Human Resources, Purchasing, Information Technology Services, City Manager, City Clerk and Community Development.
Capital Projects Fund	650,000	Transfer from General Fund to provide for general capital improvements of the City.

NOTE 15 CONTINGENCIES

The City participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the government's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City anticipates such amounts, if any, will be immaterial.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City Attorney the resolution of these matters will not have a material adverse effect on the financial condition of the City.

NOTE 16 TAX ABATEMENTS

In accordance with s. 288.106, Florida Statutes and in partnership with Seminole County and the State of Florida, the City has agreed to participate in the Qualified Target Industry (QTI) Tax Refund Program. Under the Statutes, the City may offer tax refund incentives for companies that create high wage jobs in targeted high value-added industries. Qualified companies who create jobs in Florida receive tax refunds depending on the number of new jobs created, salary level, and certain other criteria. Currently resolutions have been adopted to support incentives and approve expenditures for several area businesses.

For the fiscal year ended September 30, 2024, the City abated taxes totaling \$19,000 under this program.

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CITY OF LAKE MARY POLICE OFFICERS' PENSION FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years

	2024	2023	2022	2021
Total pension liability				
Service cost	\$ 829,663	\$ 686,106	\$ 680,197	\$ 867,986
Interest	1,943,659	1,866,910	1,782,416	1,774,467
Change in excess state money	-	-	-	-
Share plan allocation	74,353	59,243	40,180	27,901
Differences between expected and actual experience	889,975	(345,968)	(197,771)	(161,209)
Assumption changes	-	-	-	460,045
Contributions - buy back	-	-	-	-
Benefit payments, including refunds of member contributions	(1,444,362)	(1,182,476)	(1,025,284)	(930,464)
Net change in total pension liability	2,293,288	1,083,815	1,279,738	2,038,726
Total pension liability - beginning	27,659,089	26,575,274	25,295,536	23,256,810
Total pension liability - ending (a)	\$ 29,952,377	\$ 27,659,089	\$ 26,575,274	\$ 25,295,536
Plan fiduciary net position				
Contributions - employer	\$ 574,312	\$ 537,255	\$ 526,855	\$ 583,427
Contributions - state	285,361	255,139	217,015	192,457
Contributions - employee	198,313	187,028	170,798	170,772
Contributions - buy back	-	-	-	-
Net investment income	5,791,819	2,848,786	(4,612,862)	5,585,272
Benefit payments, including refunds of member contributions	(1,444,362)	(1,182,476)	(1,025,284)	(930,464)
Administrative expense	(64,994)	(62,546)	(61,598)	(57,236)
Net change in plan fiduciary net position	5,340,449	2,583,186	(4,785,076)	5,544,228
Plan fiduciary net position - beginning	28,019,728	25,436,542	30,221,618	24,677,390
Plan fiduciary net position - ending (b)	\$ 33,360,177	\$ 28,019,728	\$ 25,436,542	\$ 30,221,618
City's net pension liability (asset) - ending (a) - (b)	\$ (3,407,800)	\$ (360,639)	\$ 1,138,732	\$ (4,926,082)
Plan fiduciary net position as a percentage of the total pension liability	111.38%	101.30%	95.72%	119.47%
Covered payroll	\$ 3,966,262	\$ 3,740,564	\$ 3,415,969	\$ 3,415,446
City's net pension liability (asset) as a percentage of covered payroll	-85.92%	-9.64%	33.34%	-144.23%

Notes to Schedule:

Changes of assumptions

For measurement date 9/30/21:

- The investment return assumption was reduced from 7.55 to 7% per year, net of investment related expenses.
- Assumed rate of individual salary increases has been changed from a flat 7% per year to age-based assumption.
- Assumed rates of retirement were amended
- Assumed rates of pre-retirement withdrawal were changed
- Assumed rates of disability retirement were doubled at each age.

For Measurement date 9/30/19, the inflation rate assumption was lowered from 2.6% to 2.5%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

CITY OF LAKE MARY POLICE OFFICERS' PENSION FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years

2020	2019	2018	2017	2016	2015
\$ 847,935	\$ 711,092	\$ 815,164	\$ 786,087	\$ 699,691	\$ 671,221
1,636,092	1,538,000	1,476,466	1,363,629	1,215,442	1,166,563
-	-	-	-	(185,349)	-
29,315	23,487	16,131	13,125	212,226	-
366,589	(162,738)	(621,805)	(44,067)	(57,497)	(698,228)
(44,515)	-	-	41,017	375,825	-
-	-	11,000	-	36,773	23,490
(1,090,450)	(787,146)	(757,705)	(611,052)	(574,995)	(504,618)
1,744,966	1,322,695	939,251	1,548,739	1,722,116	658,428
21,511,844	20,189,149	19,249,898	17,701,159	15,979,043	15,320,615
<u>\$ 23,256,810</u>	<u>\$ 21,511,844</u>	<u>\$ 20,189,149</u>	<u>\$ 19,249,898</u>	<u>\$ 17,701,159</u>	<u>\$ 15,979,043</u>
\$ 548,192	\$ 540,893	\$ 629,559	\$ 620,418	\$ 600,951	\$ 690,683
195,285	183,629	168,916	162,904	154,751	139,620
156,615	149,072	139,682	139,829	137,252	128,132
-	-	11,000	-	36,773	23,490
1,774,969	634,605	1,641,052	2,177,717	1,584,417	(142,157)
(1,090,450)	(787,146)	(757,705)	(611,052)	(574,995)	(504,618)
(52,854)	(52,749)	(53,223)	(50,923)	(37,977)	(41,419)
1,531,757	668,304	1,779,281	2,438,893	1,901,172	293,731
23,145,633	22,477,329	20,698,048	18,259,155	16,357,983	16,064,252
<u>\$ 24,677,390</u>	<u>\$ 23,145,633</u>	<u>\$ 22,477,329</u>	<u>\$ 20,698,048</u>	<u>\$ 18,259,155</u>	<u>\$ 16,357,983</u>
<u>\$ (1,420,580)</u>	<u>\$ (1,633,789)</u>	<u>\$ (2,288,180)</u>	<u>\$ (1,448,150)</u>	<u>\$ (557,996)</u>	<u>\$ (378,940)</u>
106.11%	107.59%	111.33%	107.52%	103.15%	102.37%
\$ 3,132,289	\$ 2,981,442	\$ 2,793,634	\$ 2,796,590	\$ 2,745,050	\$ 2,562,188
-45.35%	-54.80%	-81.91%	-51.78%	-20.33%	-14.79%

Notes to Schedule:

For measurement date 9/30/17, assumed rates of mortality have been changed to those used in the July 1, 2016 FRS valuation report. The inflation assumption rate was lowered from 2.7% to 2.6% matching the long-term inflation assumption utilized by the Plan's investment consultant.

For measurement date 9/30/16, the assumed rates of mortality have been changed to the mortality table used by the Florida Retirement System for the special risk employees. The inflation rate was lowered from 3% to 2.7% matching the long-term inflation assumption utilized by the Plan's investment consultant.

CITY OF LAKE MARY POLICE OFFICERS' PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years

	Actuarially determined contribution	Contributions in relation to the actuarially determined contributions	Contribution deficiency (Excess)	Covered payroll	Contributions as a percentage of covered payroll
2024	\$ 785,320	\$ 785,320	\$ -	\$3,966,262	19.80%
2023	733,151	733,151	-	3,740,564	19.60%
2022	703,690	703,690	-	3,415,969	20.60%
2021	747,983	747,983	-	3,415,466	21.90%
2020	714,162	714,162	-	3,132,289	22.80%
2019	679,769	701,035	(21,266)	2,981,442	23.51%
2018	768,249	782,344	(14,095)	2,793,634	28.00%
2017	760,672	770,197	(9,525)	2,796,590	27.54%
2016	746,654	746,654	-	2,745,050	27.20%
2015	830,294	830,303	(9)	2,562,188	32.41%

Notes to Schedule:

Valuation date - 10/1/22

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

Methods and assumptions used to determine contribution rates:

Mortality - Healthy Lives: Female: RP2000 Generational, 100% Annuitant White Collar, Scale BB. Male: RP 2000 Generational, 10% Annuitant White Collar / 90% Annuitant Blue Collar, Scale BB. Disabled Lives: Female: 60% RP2000 Disabled Female set forward two years / 40% Annuitant White Collar with no setback, no projection scale. Male: 60% RP2000 Disabled Male setback four years / 40% Annuitant White Collar with no setback, no projection scale.

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

Retirement age - Earlier of 1) Age 55 and 5 years of service or 2) completion of 20 years of service, regardless of age. In addition, members who are eligible to retire on the valuation date are assumed to retire one year later.

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

Disability rates - See Table below. It is assumed that 75% of disablements and active member deaths are service related.

Termination rates - See table below.

Termination and Disability Rate Table

Age	% Terminating During the Year	% Becoming Disabled During the Year
20	9.0%	0.06%
30	7.0%	0.08%
40	4.0%	0.14%
50	0.0%	0.36%

Marriage rates - Assume all are married.

Salary increases - 7% per year until the assumed retirement age. Projected salary at retirement is increased by an individually determined amount, based on data provided by the City, to account for non-regular payments.

Payroll growth assumption - 2.79% per year (3.8% for 10/1/14). This assumption complies with Part VII of Chapter 112, Florida Statutes.

Funding method - Entry Age Normal Actuarial Cost Method.

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

CITY OF LAKE MARY POLICE OFFICERS' PENSION PLAN
SCHEDULE OF INVESTMENT RETURNS
Last Ten Fiscal Years

	Annual money-weighted rate of return, net of investment expense
2024	20.86%
2023	11.31%
2022	-15.35%
2021	22.71%
2020	8.33%
2019	3.41%
2018	7.93%
2017	11.89%
2016	9.63%
2015	-0.88%

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CITY OF LAKE MARY FIREFIGHTERS' PENSION PLAN
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years

	2024	2023	2022	2021
Total pension liability				
Service cost	\$ 907,216	\$ 809,571	\$ 788,791	\$ 819,268
Interest	1,936,795	1,822,740	1,684,035	1,590,395
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	703,313	148,483	359,755	81,119
Changes of assumptions	-	-	-	(364,810)
Change in state contribution reserve	70,833	55,413	22,823	22,167
Refunds	-	-	(18,306)	(1,312)
Benefit payments, including refunds of member contributions	(1,624,514)	(984,456)	(786,604)	(753,688)
Net change in total pension liability	<u>1,993,643</u>	<u>1,851,751</u>	<u>2,050,494</u>	<u>1,393,139</u>
Total pension liability - beginning	<u>27,573,547</u>	<u>25,721,796</u>	<u>23,671,302</u>	<u>22,278,163</u>
Total pension liability - ending (a)	<u><u>\$ 29,567,190</u></u>	<u><u>\$ 27,573,547</u></u>	<u><u>\$ 25,721,796</u></u>	<u><u>\$ 23,671,302</u></u>
Plan fiduciary net position				
Contributions - employer and state	\$ 1,026,226	\$ 929,463	\$ 961,970	\$ 1,092,745
Contributions - employee	187,908	163,930	153,448	150,617
Net investment income	4,992,272	2,106,069	(4,006,663)	4,040,185
Benefit payments, including refunds of member contributions	(1,624,514)	(984,456)	(786,604)	(753,688)
Refunds	-	-	(18,306)	(1,312)
Administrative expense	(65,108)	(54,304)	(73,866)	(50,848)
Other	-	(8,447)	-	-
Net change in plan fiduciary net position	<u>4,516,784</u>	<u>2,152,255</u>	<u>(3,770,021)</u>	<u>4,477,699</u>
Plan fiduciary net position - beginning	<u>24,415,525</u>	<u>22,263,270</u>	<u>26,033,291</u>	<u>21,555,592</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 28,932,309</u></u>	<u><u>\$ 24,415,525</u></u>	<u><u>\$ 22,263,270</u></u>	<u><u>\$ 26,033,291</u></u>
City's net pension liability (asset) - ending (a) - (b)	<u><u>\$ 634,881</u></u>	<u><u>\$ 3,158,022</u></u>	<u><u>\$ 3,458,526</u></u>	<u><u>\$ (2,361,989)</u></u>
Plan fiduciary net position as a percentage of the total pension liability	97.85%	88.55%	86.55%	109.98%
Covered payroll	\$ 3,632,673	\$ 3,262,012	\$ 3,068,954	\$ 3,012,342
City's net pension liability (asset) as a percentage of covered payroll	17.48%	96.81%	112.69%	-78.41%

Notes to Schedule:

Effective 10/1/17, the pre-retirement mortality assumption was changed to the same rates used for Special Risk Class members for the Florida Retirement System (FRS) in their actuarial valuation as of 7/1/16. This change was not reflected as of the 9/30/17 measurement date.

CITY OF LAKE MARY FIREFIGHTERS' PENSION PLAN
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years

2020	2019	2018	2017	2016	2015
\$ 759,939	\$ 674,747	\$ 679,044	\$ 748,823	\$ 705,489	\$ 694,024
1,485,894	1,380,937	1,299,727	1,314,284	1,246,237	1,200,113
6,572	-	-	232,790	-	-
(79,059)	201,627	(48,492)	(102,108)	(254,774)	(653,507)
-	-	21,320	(310,888)	193,914	178,939
13,937	8,652	(630,795)	(898,642)	(119,357)	-
-	(7,277)	-	(9,323)	(31,602)	-
(752,462)	(943,810)	3,776	-	(438,239)	(768,302)
1,434,821	1,314,876	1,324,580	974,936	1,301,668	651,267
20,843,342	19,528,466	18,203,886	17,228,950	15,927,282	15,276,015
<u>\$ 22,278,163</u>	<u>\$ 20,843,342</u>	<u>\$ 19,528,466</u>	<u>\$ 18,203,886</u>	<u>\$ 17,228,950</u>	<u>\$ 15,927,282</u>
\$ 998,131	\$ 866,252	\$ 797,096	\$ 855,027	\$ 758,955	\$ 755,836
145,991	137,515	220,192	207,761	124,011	117,356
2,132,171	824,687	1,192,068	1,623,631	1,283,870	18,601
(752,462)	(943,810)	(630,795)	(898,642)	(438,239)	(768,302)
-	(7,277)	-	(9,323)	(31,602)	-
(59,382)	(54,397)	(50,726)	(59,898)	(41,718)	(37,977)
-	-	-	-	-	-
2,464,449	822,970	1,527,835	1,718,556	1,655,277	85,514
19,091,143	18,268,173	16,740,338	15,021,782	13,366,505	13,280,991
<u>\$ 21,555,592</u>	<u>\$ 19,091,143</u>	<u>\$ 18,268,173</u>	<u>\$ 16,740,338</u>	<u>\$ 15,021,782</u>	<u>\$ 13,366,505</u>
<u>\$ 722,571</u>	<u>\$ 1,752,199</u>	<u>\$ 1,260,293</u>	<u>\$ 1,463,548</u>	<u>\$ 2,207,168</u>	<u>\$ 2,560,777</u>
96.76%	91.59%	93.55%	91.96%	87.19%	83.92%
\$ 2,919,822	\$ 2,750,300	\$ 2,607,420	\$ 2,577,693	\$ 2,480,211	\$ 2,746,205
24.75%	63.71%	48.33%	56.78%	88.99%	93.25%

CITY OF LAKE MARY FIREFIGHTERS' PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years

	Actuarially determined contribution	Contributions in relation to the actuarially determined contributions	Contribution deficiency (Excess)	Covered payroll	Contributions as a percentage of covered payroll
2024	\$ 955,393	\$ 955,393	\$ -	\$ 3,632,673	26.30%
2023	850,080	874,051	(23,971)	3,262,012	26.79%
2022	928,052	939,146	(11,094)	3,068,954	30.60%
2021	1,061,549	1,070,578	(9,029)	3,012,342	35.54%
2020	991,280	984,194	7,086	2,919,822	33.71%
2019	857,544	857,600	(56)	2,750,300	31.18%
2018	783,008	793,320	(10,312)	2,607,420	30.43%
2017	840,843	851,147	(10,304)	2,577,693	33.02%
2016	757,952	758,955	(1,003)	2,480,211	30.60%
2015	752,016	752,863	(847)	2,746,205	27.41%

Valuation Date - 10/1/22

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method - Entry age normal

Amortization method - Level percentage of payroll, closed

Remaining amortization - 20 years

Asset valuation method - 5-year smoothed fair value

Inflation - 2.5% per year

Salary increases - 4.00% - 8.00% service-based table, including 2.50% inflation

Interest rate - 7%

Retirement age - Experience-based table of rates

Mortality - PUB-2010 Headcount Weighted Safety Table for males and females with mortality improvements projected to all future years after 2010 using Scale MP-2018

Termination rates - See table below. Rates do not apply to members eligible to retire and do not include separation on account of death or disability.

Marriage rates - Assume all are married.

Disability rates - See Table below. It is assumed that 75% of disablements and active member deaths are service related.

Termination and Disability Rate Table		
Age	% Terminating During the Year	% Becoming Disabled During the Year
20	4.5%	0.14%
25	3.0%	0.14%
30	2.3%	0.19%
35	1.5%	0.24%
40	0.8%	0.34%
45	0.5%	0.48%
50	0.1%	0.87%

CITY OF LAKE MARY FIREFIGHTERS' PENSION PLAN
SCHEDULE OF INVESTMENT RETURNS
Last Ten Fiscal Years

	Annual money-weighted rate of return, net of investment expense
2024	21.23%
2023	10.32%
2022	-15.80%
2021	19.68%
2020	11.61%
2019	4.96%
2018	7.10%
2017	11.55%
2016	10.10%
2015	0.60%

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Schedule of Changes in the City's Net OPEB Liability and Related Ratios
Last Ten Fiscal Years*

	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability							
Service cost	\$ 125,916	\$ 82,479	\$ 114,061	\$ 87,953	\$ 70,305	\$ 49,541	\$ 48,653
Interest	87,116	82,261	43,426	37,852	39,207	38,629	17,856
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	(452,583)	-	(3,037)	-	177,761	-	443,172
Changes of assumptions	331,283	(13,624)	(137,839)	(39,144)	373,244	5,760	(74,759)
Benefit Payments (2)	(84,507)	(89,182)	(69,126)	(67,586)	(65,494)	(52,957)	(44,920)
Other changes	-	-	-	-	78,635	246	142,228
Net change in total OPEB liability	7,225	61,934	(52,515)	19,075	673,658	41,219	532,230
Total OPEB liability, beginning (1)	1,831,079	1,769,145	1,821,660	1,802,585	1,128,927	1,087,708	555,478
Total OPEB liability, ending	\$ 1,838,304	\$ 1,831,079	\$ 1,769,145	\$ 1,821,660	\$ 1,802,585	\$ 1,128,927	\$ 1,087,708
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 12,263,972	\$ 11,530,724	\$ 11,089,513	\$ 10,234,767	\$ 10,234,767	\$ 8,983,813	\$ 8,983,813
Net OPEB liability as a percentage of covered-employee payroll	14.99%	15.88%	15.95%	17.80%	17.61%	12.57%	12.11%

Notes to Schedule:

- (1) Fiscal Year 2018 beginning results calculated using a 3.35% Discount Rate index as of 9/30/2018.
- (2) Includes the Implicit Rate Subsidy.
- (3) no assets accumulated in a trust.

* Prior years' data unavailable

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Combining and Individual Statements and Schedules



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Non-Major Governmental Funds

SPECIAL REVENUE FUNDS

POLICE EDUCATION FUND - This fund is used to account for the \$2.00 additional assessment on each traffic citation that is restricted for criminal justice education and training in accordance with Chapter 938.15, Florida Statutes.

IMPACT FEES FUNDS - These funds are used to account for impact fees levied on new development and are restricted for use in funding capital facilities and equipment that are directly related to new growth. Such capital expenditures must benefit the governmental activity for which collected, as indicated in the name of each fund; Police, Fire, Public Works, and Recreation.

LAW ENFORCEMENT TRUST FUNDS - STATE & FEDERAL - These funds are used to account for revenue and expenditures to be used for School Resource Officers, crime prevention, drug education programs or other law enforcement purposes in accordance with Chapter 932.7055 Florida Statutes.

POLICE AND FIRE PREMIUM TAX TRUST FUND - This special revenue fund is used to account for State contributions included as a part of insurance premiums paid by businesses within City limits, to be used solely for the benefit of police and fire pension plans.

LAKE MARY CEMETERY FUND - This fund is used to account for cemetery activities.

City of Lake Mary, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2024

	Special Revenue				
	Police Education Fund	Police Impact Fees	Fire Impact Fees	Public Works Impact Fees	Recreation Impact Fees
Assets					
Cash and cash equivalents	\$ 102,078	\$ 56,155	\$ 107,481	\$ 56,492	\$ 197,620
Investments	56,898	43,229	11,910	5,042	52,048
Interest receivable	46	29	34	18	72
Total assets	<u>\$ 159,022</u>	<u>\$ 99,413</u>	<u>\$ 119,425</u>	<u>\$ 61,552</u>	<u>\$ 249,740</u>
Liabilities					
Accounts payable	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Restricted:					
Public works	\$ -	\$ -	\$ -	\$ 61,552	\$ -
Public safety	159,022	99,413	119,425	-	-
Parks and recreation	-	-	-	-	249,740
Other physical environment	-	-	-	-	-
Total fund balances	<u>159,022</u>	<u>99,413</u>	<u>119,425</u>	<u>61,552</u>	<u>249,740</u>
Total liabilities and fund balances	<u>\$ 159,022</u>	<u>\$ 99,413</u>	<u>\$ 119,425</u>	<u>\$ 61,552</u>	<u>\$ 249,740</u>

Special Revenue

Law Enforcement Trust Fund - State	Law Enforcement Trust Fund - Federal	Police & Fire Premium Tax Trust	Lake Mary Cemetery	Total Nonmajor Governmental Funds
\$ 161,252	\$ 28,760	\$ -	\$ 161,613	\$ 871,451
17,823	970	-	(204)	187,716
53	-	-	46	298
<u>\$ 179,128</u>	<u>\$ 29,730</u>	<u>\$ -</u>	<u>\$ 161,455</u>	<u>\$ 1,059,465</u>
-	-	-	-	-
-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ 61,552
179,128	29,730	-	-	586,718
-	-	-	-	249,740
-	-	-	161,455	161,455
<u>179,128</u>	<u>29,730</u>	<u>-</u>	<u>161,455</u>	<u>1,059,465</u>
<u>\$ 179,128</u>	<u>\$ 29,730</u>	<u>\$ -</u>	<u>\$ 161,455</u>	<u>\$ 1,059,465</u>

City of Lake Mary, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2024

	Special Revenue				
	Police Education Fund	Police Impact Fees	Fire Impact Fees	Public Works Impact Fees	Recreation Impact Fees
Revenues					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-
Impact fees/assessments	-	6,761	7,416	1,093	12,914
Fines and forfeitures	9,485	-	-	-	-
Investment earnings	6,818	4,227	5,090	2,690	10,725
Total revenues	<u>16,303</u>	<u>10,988</u>	<u>12,506</u>	<u>3,783</u>	<u>23,639</u>
Expenditures					
Current:					
Public safety	2,491	-	-	-	-
Other physical environment	-	-	-	-	-
Total expenditures	<u>2,491</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,812</u>	<u>10,988</u>	<u>12,506</u>	<u>3,783</u>	<u>23,639</u>
Net change in fund balances	13,812	10,988	12,506	3,783	23,639
Fund balances - beginning	145,210	88,425	106,919	57,769	226,101
Fund balances - ending	<u>\$ 159,022</u>	<u>\$ 99,413</u>	<u>\$ 119,425</u>	<u>\$ 61,552</u>	<u>\$ 249,740</u>

Special Revenue				
Law Enforcement Trust Fund - State	Law Enforcement Trust Fund - Federal	Police & Fire Premium Tax Trust	Lake Mary Cemetery	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 596,779	\$ -	\$ 596,779
-	-	-	24,475	24,475
-	-	-	-	28,184
21,091	-	-	-	30,576
7,414	1,173	-	771	38,908
28,505	1,173	596,779	25,246	718,922
-	-	596,779	-	599,270
-	-	-	4,884	4,884
-	-	596,779	4,884	604,154
28,505	1,173	-	20,362	114,768
28,505	1,173	-	20,362	114,768
150,623	28,557	-	141,093	944,697
\$ 179,128	\$ 29,730	\$ -	\$ 161,455	\$ 1,059,465

City of Lake Mary, Florida
Police Education Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Fines and forfeitures	\$ 7,500	\$ 7,500	\$ 9,485	\$ 1,985
Investment income	2,800	2,800	6,818	4,018
Total revenues	<u>10,300</u>	<u>10,300</u>	<u>16,303</u>	<u>6,003</u>
Expenditures				
Current:				
Public safety	10,000	10,000	2,491	7,509
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>2,491</u>	<u>7,509</u>
Excess (deficiency) of revenues over (under) expenditures*	<u>300</u>	<u>300</u>	<u>13,812</u>	<u>13,512</u>
Net change in fund balances	<u>300</u>	<u>300</u>	<u>13,812</u>	<u>13,512</u>
Fund balances - beginning	145,210	145,210	145,210	-
Fund balances - ending	<u>\$ 145,510</u>	<u>\$ 145,510</u>	<u>\$ 159,022</u>	<u>\$ 13,512</u>

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

City of Lake Mary, Florida
Police Impact Fees Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Impact fees/assessments	\$ 25,000	\$ 25,000	\$ 6,761	\$ (18,239)
Investment income	2,500	2,500	4,227	1,727
Total revenues	<u>27,500</u>	<u>27,500</u>	<u>10,988</u>	<u>(16,512)</u>
Expenditures				
Capital outlay:				
Public safety	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures*	<u>27,500</u>	<u>27,500</u>	<u>10,988</u>	<u>(16,512)</u>
Net change in fund balances	<u>27,500</u>	<u>27,500</u>	<u>10,988</u>	<u>(16,512)</u>
Fund balances - beginning	88,425	88,425	88,425	-
Fund balances - ending	<u>\$ 115,925</u>	<u>\$ 115,925</u>	<u>\$ 99,413</u>	<u>\$ (16,512)</u>

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

City of Lake Mary, Florida
Fire Impact Fees Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Impact fees/assessments	\$ 15,000	\$ 15,000	\$ 7,416	\$ (7,584)
Investment income	2,000	2,000	5,090	3,090
Total revenues	<u>17,000</u>	<u>17,000</u>	<u>12,506</u>	<u>(4,494)</u>
Expenditures				
Capital outlay:				
Public safety	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures*	<u>17,000</u>	<u>17,000</u>	<u>12,506</u>	<u>(4,494)</u>
Net change in fund balances	<u>17,000</u>	<u>17,000</u>	<u>12,506</u>	<u>(4,494)</u>
Fund balances - beginning	106,919	106,919	106,919	-
Fund balances - ending	<u><u>\$ 123,919</u></u>	<u><u>\$ 123,919</u></u>	<u><u>\$ 119,425</u></u>	<u><u>\$ (4,494)</u></u>

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

City of Lake Mary, Florida
Public Works Impact Fees Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Impact fees/assessments	\$ 2,000	\$ 2,000	\$ 1,093	\$ (907)
Investment income	1,200	1,200	2,690	1,490
Total revenues	<u>3,200</u>	<u>3,200</u>	<u>3,783</u>	<u>583</u>
Expenditures				
Capital outlay:				
Public works	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures*	<u>3,200</u>	<u>3,200</u>	<u>3,783</u>	<u>583</u>
Net change in fund balances	<u>3,200</u>	<u>3,200</u>	<u>3,783</u>	<u>583</u>
Fund balances - beginning	57,769	57,769	57,769	-
Fund balances - ending	<u><u>\$ 60,969</u></u>	<u><u>\$ 60,969</u></u>	<u><u>\$ 61,552</u></u>	<u><u>\$ 583</u></u>

* The net change in fund balances was included in the budget as an increase of fund balance.

City of Lake Mary, Florida
Recreation Impact Fees Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Impact fees/assessments	\$ 20,000	\$ 20,000	\$ 12,914	\$ (7,086)
Investment income	1,200	1,200	10,725	9,525
Total revenues	<u>21,200</u>	<u>21,200</u>	<u>23,639</u>	<u>2,439</u>
Expenditures				
Capital outlay:				
Parks and recreation	200,000	200,000	-	200,000
Total expenditures	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Excess (deficiency) of revenues over (under) expenditures*	<u>(178,800)</u>	<u>(178,800)</u>	<u>23,639</u>	<u>202,439</u>
Net change in fund balances	<u>(178,800)</u>	<u>(178,800)</u>	<u>23,639</u>	<u>202,439</u>
Fund balances - beginning	226,101	226,101	226,101	-
Fund balances - ending	<u><u>\$ 47,301</u></u>	<u><u>\$ 47,301</u></u>	<u><u>\$ 249,740</u></u>	<u><u>\$ 202,439</u></u>

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

City of Lake Mary, Florida
Law Enforcement Trust Fund - State
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Fines and forfeitures	\$ -	\$ -	\$ 21,091	\$ 21,091
Investment income	-	-	7,414	7,414
Total revenues	-	-	28,505	28,505
Expenditures				
Current:				
Public safety	1,600	1,600	-	1,600
Total expenditures	1,600	1,600	-	1,600
Excess (deficiency) of revenues over (under) expenditures*	(1,600)	(1,600)	28,505	30,105
Net change in fund balances	(1,600)	(1,600)	28,505	30,105
Fund balances - beginning	150,623	150,623	150,623	-
Fund balances - ending	<u>\$ 149,023</u>	<u>\$ 149,023</u>	<u>\$ 179,128</u>	<u>\$ 30,105</u>

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

City of Lake Mary, Florida
Law Enforcement Trust Fund - Federal
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment income	\$ -	\$ -	\$ 1,173	\$ 1,173
Total revenues	-	-	1,173	1,173
Expenditures				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures*	-	-	1,173	1,173
Net change in fund balances	-	-	1,173	1,173
Fund balances - beginning	28,557	28,557	28,557	-
Fund balances - ending	<u>\$ 28,557</u>	<u>\$ 28,557</u>	<u>\$ 29,730</u>	<u>\$ 1,173</u>

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

City of Lake Mary, Florida
Lake Mary Cemetery Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the year ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 5,000	\$ 5,000	\$ 24,475	\$ 19,475
Investment income	2,000	2,000	771	(1,229)
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>25,246</u>	<u>18,246</u>
Expenditures				
Current:				
Other physical environment	8,600	8,600	4,884	3,716
Total expenditures	<u>8,600</u>	<u>8,600</u>	<u>4,884</u>	<u>3,716</u>
Excess (deficiency) of revenues over (under) expenditures*	<u>(1,600)</u>	<u>(1,600)</u>	<u>20,362</u>	<u>21,962</u>
Net change in fund balances	<u>(1,600)</u>	<u>(1,600)</u>	<u>20,362</u>	<u>21,962</u>
Fund balances - beginning	141,093	141,093	141,093	-
Fund balances - ending	<u>\$ 139,493</u>	<u>\$ 139,493</u>	<u>\$ 161,455</u>	<u>\$ 21,962</u>

* The net change in fund balances was included in the budget as an appropriation (i.e., spenddown) of fund balance.

City of Lake Mary, Florida
Combining Statements of Fiduciary Net Position
September 30, 2024

	Police Pension Trust	Fire Pension Trust	Total Employee Pension Funds
Assets			
Cash and cash equivalents	\$ 1,607,348	\$ 1,349,475	\$ 2,956,823
Receivables:			
Interest receivable	62,415	42,188	104,603
Total receivables	<u>62,415</u>	<u>42,188</u>	<u>104,603</u>
Investments, at fair value:			
Domestic corporate & govt bonds	8,250,906	9,527,398	17,778,304
Domestic stocks	22,169,860	15,520,925	37,690,785
Real estate	1,310,730	2,577,681	3,888,411
Total investments	<u>31,731,496</u>	<u>27,626,004</u>	<u>59,357,500</u>
Total assets	<u>33,401,259</u>	<u>29,017,667</u>	<u>62,418,926</u>
Liabilities			
Accounts payable	41,081	85,358	126,439
Due to other funds	-	58,684	58,684
Total liabilities	<u>41,081</u>	<u>144,042</u>	<u>185,123</u>
Net Position Restricted for Pensions	<u>\$ 33,360,178</u>	<u>\$ 28,873,625</u>	<u>\$ 62,233,803</u>

City of Lake Mary, Florida
Combining Statements of Changes in Fiduciary Net Position
For the Year Ended September 30, 2024

	Police Pension Trust	Fire Pension Trust	Total Employee Pension Funds
Additions			
Contributions:			
City	\$ 574,312	\$ 714,808	\$ 1,289,120
State	285,361	311,418	596,779
Employee	198,313	187,908	386,221
Total contributions	<u>1,057,986</u>	<u>1,214,134</u>	<u>2,272,120</u>
Investment Earnings:			
Net increase in fair value of investments	5,197,426	4,498,062	9,695,488
Interest	731,325	590,815	1,322,140
Less: investment expense	(136,930)	(96,605)	(233,535)
Net investment earnings	<u>5,791,821</u>	<u>4,992,272</u>	<u>10,784,093</u>
Total additions	<u>6,849,807</u>	<u>6,206,406</u>	<u>13,056,213</u>
Deductions			
Benefit payments	1,244,276	1,015,758	2,260,034
Refunds of contributions	200,087	608,756	808,843
Administrative expenses	64,994	65,108	130,102
Total deductions	<u>1,509,357</u>	<u>1,689,622</u>	<u>3,198,979</u>
Change in net position	5,340,450	4,516,784	9,857,234
Net position - beginning	28,019,728	24,356,841	52,376,569
Net position - ending	<u>\$ 33,360,178</u>	<u>\$ 28,873,625</u>	<u>\$ 62,233,803</u>



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Statistical Section



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Statistical Section

This part of the City of Lake Mary'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 health.

<u>Contents</u>	<u>Page</u>
Financial Trends	88
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	97
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
Debt Capacity	102
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
There are no limitations placed upon the amount of debt the City of Lake Mary may issue by either the City Charter or the City's Code of Ordinances or by Florida Statutes.	
The City of Lake Mary has no general obligation bonds outstanding.	
Demographic and Economic Information	105
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	107
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	
Supplemental Information	112
These schedules contain trend data for pension funds, and building permit fees collection/expense schedule, which are viewed by management as required information.	

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

City of Lake Mary, Florida
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year			
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental activities				
Net investment in capital assets	\$ 41,948	\$ 42,226	\$ 41,987	\$ 41,150
Restricted	1,546	1,099	1,567	1,313
Unrestricted	<u>16,248</u>	<u>16,613</u>	<u>16,916</u>	<u>19,221</u>
Total governmental activities net position	<u>\$ 59,742</u>	<u>\$ 59,938</u>	<u>\$ 60,470</u>	<u>\$ 61,684</u>
Business-type activities				
Net investment in capital assets	\$ 18,363	\$ 18,672	\$ 18,119	\$ 17,636
Restricted	1,152	1,037	1,817	1,861
Unrestricted	<u>14,631</u>	<u>14,177</u>	<u>14,257</u>	<u>14,469</u>
Total business-type activities net position	<u>\$ 34,146</u>	<u>\$ 33,886</u>	<u>\$ 34,193</u>	<u>\$ 33,966</u>
Primary government				
Net investment in capital assets	\$ 60,311	\$ 60,898	\$ 60,106	\$ 58,786
Restricted	2,698	2,136	3,384	3,174
Unrestricted	<u>30,879</u>	<u>30,790</u>	<u>31,173</u>	<u>33,690</u>
Total primary government net position	<u>\$ 93,888</u>	<u>\$ 93,824</u>	<u>\$ 94,663</u>	<u>\$ 95,650</u>

Fiscal Year					
<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 40,467	\$ 42,045	\$ 41,239	\$ 39,128	\$ 39,782	\$ 44,055
3,075	4,049	6,517	9,501	12,203	15,724
<u>22,057</u>	<u>19,424</u>	<u>21,672</u>	<u>23,152</u>	<u>24,698</u>	<u>23,567</u>
<u>\$ 65,599</u>	<u>\$ 65,518</u>	<u>\$ 69,428</u>	<u>\$ 71,781</u>	<u>\$ 76,683</u>	<u>\$ 83,346</u>
\$ 18,598	\$ 18,143	\$ 50,599	\$ 49,477	\$ 48,496	\$ 49,122
1,967	2,359	1,505	1,692	1,829	1,921
<u>14,216</u>	<u>14,379</u>	<u>15,795</u>	<u>15,657</u>	<u>16,096</u>	<u>17,382</u>
<u>\$ 34,781</u>	<u>\$ 34,881</u>	<u>\$ 67,899</u>	<u>\$ 66,826</u>	<u>\$ 66,421</u>	<u>\$ 68,425</u>
\$ 59,065	\$ 60,188	\$ 91,838	\$ 88,605	\$ 88,278	\$ 93,177
5,042	6,408	8,022	11,193	14,032	17,645
<u>36,273</u>	<u>33,803</u>	<u>37,467</u>	<u>38,809</u>	<u>40,794</u>	<u>40,949</u>
<u>\$ 100,380</u>	<u>\$ 100,399</u>	<u>\$ 137,327</u>	<u>\$ 138,607</u>	<u>\$ 143,104</u>	<u>\$ 151,771</u>

City of Lake Mary, Florida
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

Expenses	Fiscal Year									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Governmental activities:										
General government	\$ 3,609	\$ 3,529	\$ 4,174	\$ 4,633	\$ 4,675	\$ 5,130	\$ 4,354	\$ 4,775	\$ 5,340	\$ 6,459
Public works	1,583	2,733	1,954	3,289	1,712	3,195	2,456	2,947	2,438	1,645
Public safety	11,504	11,841	12,537	11,814	12,666	12,991	12,472	15,221	16,728	16,242
Parks and recreation	2,863	2,924	3,182	3,091	3,270	3,220	3,237	3,416	3,652	3,961
Other physical environment	13	11	8	6	8	8	7	8	7	6
Interest & other fiscal charges on long-term debt	111	94	82	79	84	115	-	-	-	11
Total governmental activities	<u>19,683</u>	<u>21,132</u>	<u>21,937</u>	<u>22,912</u>	<u>22,415</u>	<u>24,659</u>	<u>22,526</u>	<u>26,367</u>	<u>28,165</u>	<u>28,324</u>
Business-type activities:										
Water & Sewer	3,531	3,863	4,672	5,149	4,797	5,507	5,450	6,560	6,808	7,350
Stormwater	435	452	463	473	505	526	492	430	450	407
Total business-type activities	<u>3,966</u>	<u>4,315</u>	<u>5,135</u>	<u>5,622</u>	<u>5,302</u>	<u>6,033</u>	<u>5,942</u>	<u>6,990</u>	<u>7,258</u>	<u>7,757</u>
Total expenses	<u>\$ 23,649</u>	<u>\$ 25,447</u>	<u>\$ 27,072</u>	<u>\$ 28,534</u>	<u>\$ 27,717</u>	<u>\$ 30,692</u>	<u>\$ 28,468</u>	<u>\$ 33,357</u>	<u>\$ 35,423</u>	<u>\$ 36,081</u>
Program Revenues										
Governmental activities:										
Charges for services										
General government	\$ 292	\$ 298	\$ 276	\$ 323	\$ 394	\$ 290	\$ 356	\$ 389	\$ 336	\$ 398
Public works	1	9	13	6	9	10	5	11	2	1
Public safety	1,922	2,801	3,382	3,651	4,034	3,221	3,177	4,882	4,370	2,781
Parks and recreation	858	906	896	920	927	604	776	1,040	1,075	1,062
Other physical environment	3	2	13	10	12	15	42	33	28	24
Operating grants and contributions	692	795	761	951	1,533	841	1,656	934	835	1,037
Capital grants and contributions	915	1,090	934	1,033	1,036	987	1,304	1,567	3,023	4,589
Total governmental activities	<u>4,683</u>	<u>5,901</u>	<u>6,275</u>	<u>6,894</u>	<u>7,945</u>	<u>5,968</u>	<u>7,316</u>	<u>8,856</u>	<u>9,669</u>	<u>9,892</u>

	Fiscal Year									
Program Revenues	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Business-type activities:										
Charges for services										
Water & Sewer	4,471	4,752	5,359	5,938	6,211	6,430	6,333	6,593	6,816	7,158
Stormwater	409	414	413	415	414	435	469	453	461	460
Operating grants and contributions	-	99	31	-	-	-	-	120	-	-
Capital grants and contributions	161	44	779	112	225	393	33,476	188	243	1,424
Total business-type activities	<u>5,041</u>	<u>5,309</u>	<u>6,582</u>	<u>6,465</u>	<u>6,850</u>	<u>7,258</u>	<u>40,278</u>	<u>7,354</u>	<u>7,520</u>	<u>9,042</u>
Total program revenues	<u>\$ 9,724</u>	<u>\$ 11,210</u>	<u>\$ 12,857</u>	<u>\$ 13,359</u>	<u>\$ 14,795</u>	<u>\$ 13,226</u>	<u>\$ 47,594</u>	<u>\$ 16,210</u>	<u>\$ 17,189</u>	<u>\$ 18,934</u>
Net (expense)/revenue										
Governmental activities	\$ (15,000)	\$ (15,231)	\$ (15,662)	\$ (16,018)	\$ (14,470)	\$ (18,691)	\$ (15,210)	\$ (17,511)	\$ (18,496)	\$ (18,432)
Business-type activities	1,075	994	1,447	843	1,548	1,225	34,336	364	262	1,285
Total net expense	<u>\$ (13,925)</u>	<u>\$ (14,237)</u>	<u>\$ (14,215)</u>	<u>\$ (15,175)</u>	<u>\$ (12,922)</u>	<u>\$ (17,466)</u>	<u>\$ 19,126</u>	<u>\$ (17,147)</u>	<u>\$ (18,234)</u>	<u>\$ (17,147)</u>
General Revenues										
Governmental activities:										
Taxes										
Property taxes	\$ 6,385	\$ 6,867	\$ 7,225	\$ 7,812	\$ 8,367	\$ 9,109	\$ 9,682	\$ 9,997	\$ 11,176	\$ 11,963
Franchise fees	2,234	2,226	2,292	2,353	2,507	2,377	2,464	2,676	2,948	2,949
Utility taxes	3,737	3,658	3,653	3,759	3,884	3,806	3,726	3,772	3,971	4,235
Unrestricted intergovernmental revenues	1,259	1,299	1,416	1,400	1,529	1,451	1,684	1,944	2,012	1,835
Unrestricted investment earnings (loss)	228	98	149	228	716	417	65	(163)	1,682	2,204
Miscellaneous revenues	143	130	182	555	128	71	60	136	138	91
Gain on sale of asset	-	-	36	29	88	29	88	153	33	157
Transfers in/(out)	1,039	1,149	1,240	1,200	1,166	1,350	1,350	1,350	1,438	1,350
Total general revenues, transfers and special item	<u>15,025</u>	<u>15,427</u>	<u>16,193</u>	<u>17,336</u>	<u>18,385</u>	<u>18,610</u>	<u>19,119</u>	<u>19,865</u>	<u>23,398</u>	<u>24,784</u>
Business-type activities:										
Investment earnings (loss)	164	60	100	145	433	225	32	(88)	771	953
Gain/(Loss) on sale of capital	-	1	-	-	-	-	-	-	-	-
Transfers in/(out)	(1,039)	(1,149)	(1,240)	(1,200)	(1,166)	(1,350)	(1,350)	(1,350)	(1,438)	(1,350)
Total business-type activities	<u>(875)</u>	<u>(1,088)</u>	<u>(1,140)</u>	<u>(1,055)</u>	<u>(733)</u>	<u>(1,125)</u>	<u>(1,318)</u>	<u>(1,438)</u>	<u>(667)</u>	<u>(397)</u>
Total primary government	<u>\$ 14,150</u>	<u>\$ 14,339</u>	<u>\$ 15,053</u>	<u>\$ 16,281</u>	<u>\$ 17,652</u>	<u>\$ 17,485</u>	<u>\$ 17,801</u>	<u>\$ 18,427</u>	<u>\$ 22,731</u>	<u>\$ 24,387</u>
Change in Net Position										
Governmental activities	\$ 25	\$ 196	\$ 531	\$ 1,318	\$ 3,915	\$ (81)	\$ 3,909	\$ 2,354	\$ 4,902	\$ 6,352
Business-type activities	200	(94)	307	(212)	815	100	33,018	(1,074)	(405)	888
Total change in net position	<u>\$ 225</u>	<u>\$ 102</u>	<u>\$ 838</u>	<u>\$ 1,106</u>	<u>\$ 4,730</u>	<u>\$ 19</u>	<u>\$ 36,927</u>	<u>\$ 1,280</u>	<u>\$ 4,497</u>	<u>\$ 7,240</u>



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City of Lake Mary, Florida
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Franchise Fees</u>	<u>Utility Tax</u>	<u>Total</u>
2014	6,147	2,187	3,839	12,173
2015	6,385	2,234	3,737	12,356
2016	6,867	2,226	3,658	12,751
2017	7,225	2,292	3,653	13,170
2018	7,811	2,353	3,758	13,922
2019	8,367	2,507	3,884	14,758
2020	9,109	2,377	3,806	15,292
2021	9,682	2,464	3,726	15,872
2022	9,997	2,676	3,772	16,445
2023	11,176	2,947	3,971	18,094
2024	11,963	2,949	4,235	19,147

Taxes included in Unrestricted Intergovernmental Revenues

<u>Fiscal Year</u>	<u>Sales Tax</u>	<u>State Revenue Sharing</u>	<u>Other</u>	<u>Total</u>
2014	881	238	20	1,139
2015	975	272	12	1,259
2016	1,009	289	1	1,299
2017	1,080	316	20	1,416
2018	1,142	339	4	1,485
2019	1,155	363	11	1,529
2020	1,096	333	22	1,451
2021	1,258	408	18	1,684
2022	1,406	524	14	1,944
2023	1,350	657	5	2,012
2024	1,298	518	19	1,835

City of Lake Mary, Florida
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year		
	<u>2015</u>	<u>2016</u>	<u>2017</u>
General fund			
Nonspendable:			
Inventory/prepays	\$ 14	\$ 13	\$ 9
Restricted:	-	-	-
Assigned to:			
Debt service	337	336	336
Health insurance benefits	301	249	-
Capital projects	760	970	932
Subsequent year expenditures	652	1,093	863
Unassigned:	<u>13,036</u>	<u>13,237</u>	<u>14,313</u>
Total general fund	<u>\$ 15,100</u>	<u>\$ 15,898</u>	<u>\$ 16,453</u>
All other governmental funds			
Restricted for:			
Public works	18	27	40
Public safety	396	316	409
Parks and recreation	194	237	155
Other physical environment	27	22	30
Other capital projects	561	257	1,184
Committed to:			
Debt service	582	295	297
Other capital projects	<u>985</u>	<u>842</u>	<u>384</u>
Total all other governmental funds	<u>\$ 2,763</u>	<u>\$ 1,996</u>	<u>\$ 2,499</u>

Fiscal Year						
<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 29	\$ 9	\$ 10	\$ 2	\$ 20	\$ 6	\$ 7
-	1,741	1,713	3,028	5,048	6,789	6,690
349	310	-	-	-	-	-
-	-	-	-	-	-	-
1,100	973	125	645	765	763	1,165
99	58	-	-	-	-	-
17,005	17,999	17,985	18,599	19,805	22,449	24,440
<u>\$ 18,582</u>	<u>\$ 21,090</u>	<u>\$ 19,833</u>	<u>\$ 22,274</u>	<u>\$ 25,638</u>	<u>\$ 30,007</u>	<u>\$ 32,302</u>
126	27	38	44	54	58	62
424	497	568	613	818	520	587
106	134	167	187	208	226	250
38	45	56	93	119	141	161
1,111	2,102	1,507	2,551	2,591	3,383	3,789
308	310	-	-	-	-	-
201	973	990	444	663	726	778
<u>\$ 2,314</u>	<u>\$ 4,088</u>	<u>\$ 3,326</u>	<u>\$ 3,932</u>	<u>\$ 4,453</u>	<u>\$ 5,054</u>	<u>\$ 5,627</u>

City of Lake Mary, Florida
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year			
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues				
Taxes				
Property	\$ 6,385	\$ 6,867	\$ 7,225	\$ 7,811
Franchise fees	2,234	2,226	2,292	2,353
Utility taxes	3,737	3,658	3,653	3,758
Licenses and Permits	1,146	1,960	2,549	2,584
Intergovernmental revenues	2,877	3,051	3,124	3,433
Charges for services	1,744	1,730	1,697	2,008
Impact fees/assessments	65	198	232	156
Fines and forfeitures	110	117	88	152
Investment earnings	198	85	131	209
Miscellaneous	143	129	185	556
Total revenues	<u>18,639</u>	<u>20,021</u>	<u>21,176</u>	<u>23,020</u>
Expenditures				
General government	3,467	3,649	4,021	4,513
Public works	961	2,002	1,269	2,599
Public safety	10,937	11,279	11,912	12,048
Parks and recreation	2,404	2,476	2,718	2,681
Other physical environment	8	7	5	3
Capital outlay	1,150	727	810	675
Debt service				
Principal	515	532	254	259
Interest	109	92	80	77
Total expenditures	<u>19,551</u>	<u>20,764</u>	<u>21,069</u>	<u>22,855</u>
Excess of revenues over (under) expenditures	(912)	(743)	107	165
Other financing sources (uses)				
Subscriptions issued	-	-	-	-
Transfers in	2,502	2,263	2,228	3,101
Transfers out	(1,538)	(1,489)	(1,278)	(1,322)
Total other financing sources (uses)	<u>964</u>	<u>774</u>	<u>950</u>	<u>1,779</u>
Net change in fund balances	<u>\$ 52</u>	<u>\$ 31</u>	<u>\$ 1,057</u>	<u>\$ 1,944</u>
Debt service as a percentage of noncapital	3.39%	3.11%	1.65%	1.51%

Fiscal Year					
<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 8,367	\$ 9,109	\$ 9,683	\$ 9,997	\$ 11,176	\$ 11,963
2,507	2,377	2,465	2,676	2,948	2,949
3,884	3,806	3,726	3,772	3,971	4,235
2,831	2,294	2,122	3,654	3,389	1,506
4,110	3,290	4,661	4,457	4,933	7,046
2,154	1,529	1,955	2,254	2,201	2,477
189	200	126	197	66	61
191	106	137	238	145	210
659	383	56	(141)	1,501	1,990
128	73	60	136	138	92
<u>25,020</u>	<u>23,167</u>	<u>24,991</u>	<u>27,240</u>	<u>30,468</u>	<u>32,529</u>
4,650	4,987	4,346	4,634	5,202	5,956
1,008	2,422	1,429	2,248	1,765	1,094
12,361	12,865	13,819	14,234	15,074	16,045
2,896	2,798	2,885	3,024	3,330	3,585
5	5	5	7	6	5
637	695	811	458	1,471	4,776
265	2,663	-	-	-	110
82	101	-	-	-	12
<u>21,904</u>	<u>26,536</u>	<u>23,295</u>	<u>24,605</u>	<u>26,848</u>	<u>31,583</u>
3,116	(3,369)	1,696	2,635	3,620	946
-	-	-	-	-	572
3,075	4,721	1,595	1,895	1,984	2,000
(1,909)	(3,371)	(245)	(645)	(634)	(650)
<u>1,166</u>	<u>1,350</u>	<u>1,350</u>	<u>1,250</u>	<u>1,350</u>	<u>1,922</u>
<u>\$ 4,282</u>	<u>\$ (2,019)</u>	<u>\$ 3,046</u>	<u>\$ 3,885</u>	<u>\$ 4,970</u>	<u>\$ 2,868</u>
1.63%	10.70%	-	-	-	0.46%

City of Lake Mary, Florida
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended September 30,	Real Property					
	Total Residential and Commercial Real Property	Residential Property	% Residential	Commercial Property	% Commercial	Personal Property
2015	1,639,404	798,459	48.70%	840,945	51.30%	216,769
2016	1,758,058	837,237	47.62%	920,821	52.38%	225,238
2017	1,883,482	874,480	46.43%	1,009,002	53.57%	203,864
2018	2,034,005	952,550	46.83%	1,081,455	53.17%	210,076
2019	2,194,085	1,021,506	46.56%	1,172,578	53.44%	223,373
2020	2,402,448	1,092,920	45.49%	1,309,527	54.51%	236,580
2021	2,567,665	1,167,576	45.47%	1,400,089	54.53%	237,557
2022	2,653,938	1,224,939	46.16%	1,428,999	53.84%	234,228
2023	2,976,558	1,345,736	45.21%	1,630,821	54.79%	243,097
2024	3,187,788	1,448,709	45.45%	1,739,079	54.55%	270,937

Source: Seminole County Property Appraiser's Office

<u>Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
279,537	1,856,824	3.5895	2,276,067	81.58%
276,099	1,983,960	3.5895	2,452,454	80.90%
281,616	2,088,057	3.5895	2,594,859	80.47%
296,208	2,244,781	3.5895	2,800,133	80.17%
308,922	2,418,182	3.5895	3,015,482	80.19%
329,160	2,639,740	3.5895	3,290,356	80.23%
360,060	2,806,017	3.5895	3,485,508	80.51%
367,085	2,888,968	3.5895	3,628,046	79.63%
381,251	3,220,502	3.5895	4,252,916	75.72%
400,516	3,459,595	3.5895	4,662,825	74.20%

City of Lake Mary, Florida
Property Tax Rates
Direct and Overlapping¹ Governments
Last Ten Fiscal Years ²

Overlapping Rates									
Fiscal Year	City of Lake Mary Operating Millage ³	Seminole County			School District			St. John's Water Management District	Total Direct & Overlapping Rates
		Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage		
2015	3.5895	4.8751	0.0000	4.8751	7.8970	0.0000	7.8970	0.3164	16.6780
2016	3.5895	4.8751	0.0000	4.8751	7.8490	0.0000	7.8490	0.3023	16.6159
2017	3.5895	4.8751	0.0000	4.8751	7.5570	0.0000	7.5570	0.2885	16.3101
2018	3.5895	4.8751	0.0000	4.8751	6.5690	0.0000	6.5690	0.2724	15.3060
2019	3.5895	4.8751	0.0000	4.8751	6.3130	0.0000	6.3130	0.2562	15.0338
2020	3.5895	4.8751	0.0000	4.8751	5.9340	0.0000	5.9340	0.2287	14.6273
2021	3.5895	4.8751	0.0000	4.8751	5.8250	0.0000	5.8250	0.2189	14.5085
2022	3.5895	4.8751	0.0000	4.8751	5.4600	0.0000	5.4600	0.1974	14.1220
2023	3.5895	4.8751	0.0000	4.8751	5.3780	0.0000	5.3780	0.1793	14.0219
2024	3.5895	4.8751	0.0000	4.8751	5.2790	0.0000	5.2790	0.1793	13.9229

Source: Seminole County Tax Collectors Office

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

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

³ Lake Mary's direct rate is for operating millage. There is no debt service millage.

City of Lake Mary, Florida
Principal Property Taxpayers
September 30, 2024
(amounts expressed in thousands)

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Primera Towers (FL) JV	\$ 100,226	1	2.89%	-	-	-
IMT Capital VI Lake Mary LLC	99,443	2	2.86%	-	-	-
MAA Alloy, LLC	98,850	3	2.85%	-	-	-
Heathrow Portfolio Properties, LLC	85,727	4	2.47%	-	-	-
RAR2-252 WHEELHOUSE LLC	62,654	5	1.80%	-	-	-
715 CAMARAGUE PLACE (FL) LLC	60,925	6	1.75%	-	-	-
Timacuan Fee Owner, LLC	53,228	7	1.53%	-	-	-
Verizon Corporate Resources	51,705	8	1.49%	-	-	-
Station House Apartments, LLC	37,782	9	1.09%	-	-	-
Duke Energy Florida LLC	35,799	10	1.03%	-	-	-
DRA CLP Heathrow (formerly part of Crescent Resources)	-	-	-	66,394	1	3.58%
Banyan Street/GAP Primera	-	-	-	39,431	2	2.12%
A T & T Mobility LLC	-	-	-	31,768	3	1.71%
Sun Life Assurance Co of Canada (formerly a part of Crescent Resources, Inc)	-	-	-	28,165	4	1.52%
Bell Bentley Parl Apartments	-	-	-	27,725	5	1.49%
Colonial Realty LP	-	-	-	26,840	6	1.45%
BRE/COH FL (formerly Duke-Weeks Realty)	-	-	-	25,468	7	1.37%
Heathrow Hotel Owners LLC (Marriott Hotel)	-	-	-	24,430	8	1.32%
Golfview Apartments	-	-	-	24,429	9	1.32%
Central Florida Educators	-	-	-	17,887	10	0.96%
Totals	<u>\$ 686,339</u>		<u>19.76%</u>	<u>\$ 312,537</u>		<u>16.84%</u>

Source: Seminole County Property Appraiser (www.scpafl.org)

City of Lake Mary, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended September 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	6,661	6,382	95.81%	1	6,383	95.83%
2016	7,116	6,866	96.49%	9	6,875	96.61%
2017	7,514	7,216	96.03%	2	7,218	96.06%
2018	8,121	7,809	96.16%	50	7,859	96.77%
2019	8,700	8,416	96.74%	15	8,431	96.91%
2020	9,499	9,094	95.74%	45	9,139	96.21%
2021	10,115	9,637	95.27%	-	9,637	95.27%
2022	10,376	9,995	96.33%	-	9,995	96.33%
2023	11,548	11,176	96.78%	-	11,176	96.78%
2024	13,178	11,963	90.78%	-	11,963	90.78%

City of Lake Mary, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year Ended September 30,	Governmental Activities		Total Primary Government	Percentage of Personal Income ²	Per Capita
	Refunding Revenue Notes ^{3,4}	Subscription Liability			
2015	3,973	-	3,973	0.64%	250
2016	3,441	-	3,441	0.55%	213
2017	3,187	-	3,187	0.48%	194
2018	2,928	-	2,928	0.42%	175
2019	2,663	-	2,663	0.37%	153
2020	-	-	-	0.00%	-
2021	-	-	-	0.00%	-
2022	-	-	-	0.00%	-
2023	-	-	-	0.00%	-
2024	-	463	463	0.05%	27

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

- 1 Enterprise Funds have no outstanding Debt.
- 2 See Demographic and Economic Statistics for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- 3 Refunding Revenue bonds were refunded in 2002 and 2003 which included a new issue of \$4 million and again in 2007 which included a new issue of \$5 million.
- 4 Refunding Revenue bonds were paid off in 2020.

City of Lake Mary, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2024
(amounts expressed in thousands)

Governmental Unit	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ¹</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping Debt:			
Seminole County General Obligation Debt ³	\$ -	0.68%	\$ -
Subtotal, overlapping debt			
Direct Debt:			
Subscription liability ²	463	100%	463
Total direct and overlapping debt	<u>\$ 463</u>		<u>\$ 463</u>

Sources:

Seminole County Property Appraiser's Office
Seminole County Finance Department
Seminole County School Board

¹ Ratio of assessed valuation of taxable property in overlapping unit to that within the City of Lake Mary.

² City of Lake Mary does not currently have any General Obligation Debt.

³ Seminole County paid off all General Obligation Debt during FY 2013.

**City of Lake Mary, Florida
Pledged-Revenue Coverage
Last Ten Fiscal Years**

General Government							
Fiscal Year Ended Sept 30,	Public Service Taxes	Half-Cent Sales Tax	Electric Franchise Fees	Total Revenue Available for Debt Service	Maximum Annual Debt Service	Coverage	Coverage without Franchise Fees
2015	3,736,703	974,881	2,234,131	6,945,715	n/a	n/a	n/a
2016	3,658,443	1,009,414	2,225,932	6,893,789	n/a	n/a	n/a
2017	3,653,348	1,079,903	2,291,757	7,025,008	n/a	n/a	n/a
2018	3,758,514	1,142,132	2,352,535	7,253,181	n/a	n/a	n/a
2019	3,884,349	1,155,380	2,507,390	7,547,119	n/a	n/a	n/a
2020	3,806,352	1,096,343	2,377,003	7,279,698	n/a	n/a	n/a
2021	3,725,586	1,258,169	2,464,211	7,447,966	n/a	n/a	n/a
2022	3,771,849	1,406,319	2,676,485	7,854,653	n/a	n/a	n/a
2023	3,971,339	1,349,968	2,948,122	8,269,429	n/a	n/a	n/a
2024	4,235,142	1,297,984	2,949,455	8,482,581	n/a	n/a	n/a

City of Lake Mary, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population ¹</u>	<u>Personal Income (amounts expressed in thousands)</u>	<u>Per Capita Personal Income ¹</u>	<u>Median Age ¹</u>	<u>Education Level in Years of Formal Schooling ¹</u>	<u>School Enrollment ²</u>	<u>Unemploy- ment Rate ³</u>
2015	15,905	624,056	39,236	44.1	14.24	2,312	4.9%
2016	16,119	629,141	39,031	45	14.24	2,259	4.5%
2017	16,447	665,692	40,475	40.9	14.24	2,228	3.2%
2018	16,746	691,350	41,285	39.2	14.24	2,209	2.7%
2019	17,449	721,454	41,346	39.7	14.4	2,274	2.8%
2020	17,633	756,085	42,879	45.7	14.71	2,033	6.4%
2021	17,125	799,755	46,701	44.9	14.76	2,090	4.8%
2022	16,978	839,138	49,425	44.9	16	2,180	2.7%
2023	17,366	944,693	54,399	41.9	16	2,219	3.1%
2024	17,423	1,052,715	60,421	43.1	16	2,141	3.4%

Sources:

- 1 Metro Orlando Economic Development Commission (estimates), and UF Bureau of Economic and Business Research
- 2 Lake Mary Elementary; Lake Mary Preparatory School added 2003; Crystal Lake Elementary added 2006;
- 3 Florida Department of Economic Opportunity, Local Area Unemployment Statistics Program

**City of Lake Mary, Florida
Principal Employers
Current Year and Nine Years Ago**

Employer	2024 ¹			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Concentrix	2,000	1	5.71%	-	-	-
Mitsubishi Power Americas	2,000	2	5.71%	-	-	-
Bank of America	1,800	3	5.14%	-	-	-
Deloitte Consulting LLP	1,399	4	4.00%	-	-	-
Liberty Mutual Group	1,325	5	3.79%	-	-	-
Seminole State College of Florida	1,250	6	3.57%	-	-	-
Verizon Corporate Resources Group	1,163	7	3.32%	900	1	2.57%
JP Morgan Chase	1,112	8	3.18%	-	-	-
BNY Mellon Pershing	800	9	2.29%	-	-	-
Florida Blue	600	10	1.71%	-	-	-
Jpmorgan Chase & Co	-	-	-	753	2	2.15%
HF Management Services	-	-	-	697	3	1.99%
Sears Roebuck CO	-	-	-	524	4	1.50%
Duke Energy	-	-	-	399	5	1.14%
Farmers Group	-	-	-	394	6	1.13%
SunGard Public Sector	-	-	-	364	7	1.04%
Gander Mountain	-	-	-	348	8	0.99%
Express Scripts	-	-	-	300	9	0.86%
Scholastic Book Fairs	-	-	-	288	10	0.82%
Total	13,449		38.43%	4,967		14.19%

Source: Orlando Business Journal, Dun and Bradstreet, Business Locations

Note 1: The City of Lake Mary has an estimated daytime population of over 35,000 with approximately **2,250** business tax receipts issued as of 9/30/2024



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City of Lake Mary, Florida
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Full-time Equivalent Employees as of September 30,

Function	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Government	31	28	29	30	32	32	33	33	34	34
Public Safety:										
Police										
Sworn Officers	43	43	44	45	46	47	48	48	48	49
Non sworn officers	3	3	3	3	3	3	3	3	3	3
Civilians	13	13	13	5	5	5	5	5	5	5
Fire										
Firefighters and officers	39	39	39	39	42	42	43	43	44	44
Community Risk Reduction	4	4	4	4	4	4	3	3	3	3
Civilians	1	1	1	1	1	1	1	1	1	1
Public Works	21	21	22	23	24	24	22	22	24	24
Parks and Recreation	29	30	30	31	31	31	31	35	36	36
Total	<u>184</u>	<u>182</u>	<u>185</u>	<u>181</u>	<u>188</u>	<u>189</u>	<u>189</u>	<u>193</u>	<u>198</u>	<u>199</u>

City of Lake Mary, Florida
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year			
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Police				
Auto Accidents	686	764	753	826
Physical arrests	443	524	409	403
Criminal Investigations Conducted	424	457	438	422
Total Calls for Service	62,401	80,802	89,976	118,859
Fire & Life Safety				
Public Education Programs	86	179	152	151
Number of emergency calls answered	4,348	4,620	3,938	3,071
Medical Transports	1,845	1,959	2,141	2,034
Highways and streets				
Streets paved (miles)	1.7	8.8	1.6	5.0
Streets resurfaced (tons/asphalt)	2,083.5	8,635.2	1,293.8	7,889.6
Sidewalks/bike paths built or repaired (feet)	1,040	689	533	701
Culture and recreation				
Tennis membership	153	164	164	204
Events Center rentals	324	308	280	296
Water				
New connections	20	45	34	58
Number of customers	5,193	5,241	5,336	5,289
Water main breaks	205	230	282	80
Average daily consumption (millions of gallons)	3.09	3.24	3.29	3.11
Meter reads	62,449	62,803	64,032	63,518
General Government				
Total Permits Issued	1,763	2,018	1,320	2,476
Construction inspections	5,280	5,804	5,406	8,709
Employment applications received	727	902	873	626
Personnel actions processed	388	417	408	399
Legal Notices published	32	29	26	41
Business Tax Receipts issued	1,999	1,983	2,016	2,138
Accidents & Injuries reviewed	44	65	68	54
Land Use amendments & rezonings	8	15	11	14
License/Permit Reviews	776	962	894	1,077
Employee paychecks issued	5,202	5,433	5,354	5,007
Checks deposited	32,774	33,256	31,338	30,103
A/P Checks issued	2,944	2,972	3,002	2,961
Purchase orders/EPO's processed	743	591	332	403
Purchasing Card Transactions	3,525	3,519	3,742	3,874

Source: City of Lake Mary Departmental Monthly Reports

Fiscal Year					
<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
893	674	609	606	725	689
281	133	114	167	174	218
233	344	418	405	329	332
119,016	147,684	149,753	122,156	98,962	91,078
177	34	66	102	114	104
4,867	4,810	5,339	6,639	6,728	6,763
2,038	1,974	2,152	2,442	2,485	2,526
1.7	-	-	8.9	0.8	3.9
1,576.6	10,116.4	1,748.0	8,235.0	676.0	2,644.0
695	609	659	534	491	2,319
160	212	215	259	177	185
299	175	198	303	300	277
32	31	25	19	17	11
5,309	5,304	5,233	5,331	5,272	5,278
79	65	84	98	115	116
3.25	3.21	3.41	3.48	3.71	3.72
63,758	56,038	76,212	74,322	73,861	74,194
2,206	2,890	2,971	1,766	1,960	1,753
8,101	8,537	5,325	4,165	5,173	5,035
538	561	378	358	301	229
370	355	303	327	319	333
36	31	57	69	67	64
2,185	2,574	2,269	2,324	2,343	2,250
71	53	43	38	33	39
7	9	11	12	14	8
936	754	788	948	1,128	1,323
5,210	5,105	5,054	5,032	4,915	5,229
29,844	21,006	20,331	18,894	17,684	16,432
2,962	2,908	2,864	2,879	2,760	2,973
403	400	379	398	461	479
3,900	3,348	3,607	3,388	3,337	3,624

City of Lake Mary, Florida
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year			
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Public safety				
Police:				
Stations	1	1	1	1
Patrol units	54	51	51	51
Fire stations	2	2	2	2
Highways and streets				
Streets - paved (miles)	59.00	66.05	66.05	66.05
Streets - unpaved (miles)	2.46	2.46	2.46	2.46
Street lights	1,087	1,135	1,135	1,135
Traffic Signals	13	13	14	14
Culture and recreation				
Park acreage	72	72	72	72
Parks	11	11	11	11
Tennis courts	7	7	7	7
Community centers	3	3	3	3
Historical Museum	1	1	1	1
Water				
Water mains (miles)	104.2	104.2	104.2	104.2
Fire hydrants	547	547	548	548
Maximum daily capacity (millions of gallons)	12.96	12.96	12.96	12.96
Sewer				
Sanitary sewers (miles)	32.40	32.53	32.53	32.53
Storm sewers (miles)	54.51	54.67	54.67	54.67

Fiscal Year					
<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
1	1	1	1	1	1
54	54	54	57	57	57
2	2	2	2	2	2
66.05	66.05	66.05	66.05	66.05	66.05
2.46	2.46	2.46	2.46	2.46	2.46
1,135	1,135	1,135	1,135	1,135	1,135
14	14	14	14	14	14
72	72	72	81	81	81
11	11	11	12	12	12
7	7	7	7	7	7
3	3	3	3	3	3
1	1	1	1	1	1
104.2	104.2	104.2	104.2	104.2	104.2
548	548	548	548	548	548
12.96	12.96	12.96	12.96	12.96	12.96
32.53	32.53	32.53	32.53	32.53	32.53
54.67	54.67	54.67	54.67	54.67	54.67

City of Lake Mary
Schedule of Revenues by Source and Expense by Type
Police Officers Pension Fund
Last Ten Fiscal Years

Year	Revenues by Source		Expenses by Type				City Contribution as a Percent of Payroll
	Investment Income Net	Contributions	Benefits	Refunds	Investment Related Expenses	Admin. Expenses	
2015	(18,596)	981,925	504,618	-	123,560	41,419	27.4%
2016	1,699,762	929,727	561,058	13,938	115,345	37,977	22.0%
2017	1,522,770	923,151	611,052	-	122,082	50,923	22.2%
2018	1,784,206	949,157	747,148	10,557	143,154	53,223	22.5%
2019	769,928	873,594	781,411	5,735	135,323	52,749	17.8%
2020	1,894,038	900,092	1,084,727	5,723	119,069	52,854	17.0%
2021	5,715,418	946,656	930,463	-	130,145	57,236	17.0%
2022	(4,477,010)	914,669	1,024,208	1,076	135,852	61,597	20.6%
2023	2,984,414	979,421	1,154,172	28,304	135,627	62,546	19.6%
2024	5,928,749	1,057,986	1,244,276	200,087	136,930	64,994	19.8%

City of Lake Mary
Schedule of Revenues by Source and Expense by Type
Firefighters Pension Fund
Last Ten Fiscal Years

Year	Revenues by Source		Expenses by Type				City Contribution as a Percent of Payroll
	Investment Income Net	Contributions	Benefits	Refunds	Investment Related Expenses	Admin. Expenses	
2015	85,344	873,192	768,302	-	66,743	37,977	25.7%
2016	1,354,582	881,963	438,239	31,602	70,712	41,718	24.2%
2017	1,702,754	1,052,484	898,642	10,440	79,123	59,898	26.3%
2018	1,276,270	1,006,976	630,795	6,239	84,202	50,726	23.6%
2019	908,387	1,003,711	930,424	14,687	83,700	54,397	24.8%
2020	2,202,137	1,151,208	752,462	-	69,966	59,382	27.3%
2021	4,132,167	1,234,333	753,688	1,312	91,982	50,848	29.0%
2022	(3,933,251)	1,104,323	786,604	18,306	73,412	73,866	30.6%
2023	2,201,813	1,069,422	892,548	91,908	95,744	54,304	26.8%
2024	5,088,877	1,214,134	1,015,758	608,756	96,605	65,108	26.3%

City of Lake Mary
Schedule of Building Revenues by Source and Expense by Type
Building Department
Last Ten Fiscal Years

	Fiscal Year			
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues				
Permit Fees				
Building Permits	\$ 791,306	\$ 1,494,458	\$ 1,858,541	\$ 1,957,333
Electrical Permits	39,037	81,153	120,991	98,793
Plumbing Permits	20,018	31,440	49,820	35,221
Mechanical Permits	38,298	53,552	61,414	65,666
Misc Building Fees	28,240	37,120	68,182	55,886
Total revenues	<u>916,899</u>	<u>1,697,723</u>	<u>2,158,948</u>	<u>2,212,899</u>
Expenditures				
Building Salaries & Benefits	310,049	320,963	406,782	445,026
Operating Expenditures	56,229	51,848	55,259	74,762
Capital Expenditures	-	-	-	-
Allocation of Indirect Costs & Bldg Deprec.	547,935	564,373	581,304	570,477
Total expenditures	<u>914,213</u>	<u>937,184</u>	<u>1,043,345</u>	<u>1,090,265</u>
 Excess of revenues over (under) expenditures	 <u>\$ 2,686</u>	 <u>\$ 760,539</u>	 <u>\$ 1,115,603</u>	 <u>\$ 1,122,634</u>

This reconciliation is prepared as a management tool to verify compliance with FS 553.80 (7).

Fiscal Year					
<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 2,122,462	\$ 1,651,389	\$ 1,549,279	\$ 3,112,769	\$ 2,188,868	\$ 1,033,405
99,616	92,150	99,056	79,371	287,885	708,706
28,834	41,557	28,588	19,128	138,489	21,294
107,733	41,361	44,907	45,924	312,694	56,980
71,711	38,583	28,138	31,241	115,062	86,919
<u>2,430,356</u>	<u>1,865,040</u>	<u>1,749,968</u>	<u>3,288,433</u>	<u>3,042,998</u>	<u>1,907,304</u>
486,773	511,130	492,414	506,584	506,583	585,845
66,876	75,204	129,918	121,033	185,517	226,854
-	-	30,265	19,475	11,789	-
<u>527,266</u>	<u>534,186</u>	<u>525,952</u>	<u>570,164</u>	<u>597,720</u>	<u>593,126</u>
<u>1,080,915</u>	<u>1,120,520</u>	<u>1,178,549</u>	<u>1,217,256</u>	<u>1,301,609</u>	<u>1,405,825</u>
<u>\$ 1,349,441</u>	<u>\$ 744,520</u>	<u>\$ 571,419</u>	<u>\$ 2,071,177</u>	<u>\$ 1,741,389</u>	<u>\$ 501,479</u>
Estimated gain/(loss) total since 1996					7,342,452



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Other Reports



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

Honorable Mayor and City Commission
City of Lake Mary, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the *City of Lake Mary, 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 February 27, 2025.

Report on Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 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 significant deficiencies, or material weaknesses. Given those limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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.

McDermitt Davis

Orlando, Florida
February 27, 2025

MANAGEMENT LETTER

Honorable Mayor and City Commission
City of Lake Mary, Florida

Report on the Financial Statements

We have audited the financial statements of *City of Lake Mary, Florida* as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 27, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on and Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and the Independent Auditor'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 which are dated February 27, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no such findings 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 has been disclosed in the notes to the financial statements.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the *City of Lake Mary, Florida* has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the *City of Lake Mary, Florida* 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 of Lake Mary*. It is management's responsibility to monitor the *City of Lake Mary, Florida's* financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

Property Assessed Clean Energy (PACE) Programs

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

The City did not have a PACE program operate within the City.

As required by Section 10.554(1)(i)6.b., Rules of the Auditor General, if a PACE program was operating within the geographical areas of the *City of Lake Mary, Florida*, a list of all program administrators and third-party administrators that administered the program.

Not applicable, no PACE programs.

As required by Section 10.554(1)(i)6.c., Rules of the Auditor General, if a PACE program was operating within the geographical areas of the *City of Lake Mary, Florida*, the full names and contact information of each such program administrator and third-party administrator.

Not applicable, no PACE programs.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, require us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

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

McDiarmid Davis

Orlando, Florida
February 27, 2025



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES**

Honorable Mayor and City Commission
City of Lake Mary, Florida

We have examined City of Lake Mary's, Florida's (the City) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2024. Management 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 and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

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

McDermitt Davis

Orlando, Florida
February 27, 2025



City of Lake Mary

Incorporated in 1973

February 27, 2025

AFFIDAVIT OF IMPACT FEE COMPLIANCE

Impact Fees are assessed in accordance with Title XV: Land Usage, Chapter 150.15 Impact Fees, of City of Lake Mary Code of Ordinances. Impact fee collections, expenditures and accounting are provided for in separate accounting funds and comply with Florida Statute 163.31801.

Brent Mason
Finance Director

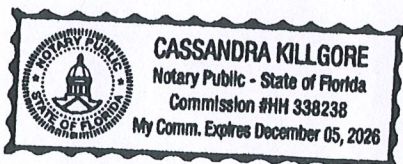
State of Florida
County of Seminole

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this (date) 2/27/25 by (name of person acknowledging) Brent Mason who is personally known to me or who has produced (type of identification) _____ as identification.

Notary Public - Signature

Cassandra Killgore
Name Typed, printed or stamped

My Commission Expires: 12/5/26





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