



CITY OF
SANFORD
FLORIDA

City of Sanford, Florida

Annual Comprehensive Financial Report

For the fiscal year ended September 30, 2023

CITY OF SANFORD, FLORIDA

Annual Comprehensive Financial Report

For the fiscal year ended

September 30, 2023

(With Independent Auditors' Report Thereon)

Prepared by:
Department of Finance



CITY OF
SANFORD
FLORIDA

CITY OF SANFORD, FLORIDA
Annual Comprehensive Financial Report
Year Ended September 30, 2023

Contents

INTRODUCTORY SECTION:	<u>Page</u>
Letter of Transmittal	i
Organization Chart	vi
Principal Officials	vii
Certificate of Achievement for Excellence in Financial Reporting	viii
FINANCIAL SECTION:	
Independent Auditor’s Report	1
Management’s Discussion and Analysis	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	20
Statement of Activities	21
Fund Financial Statements:	
Balance Sheet – Governmental Funds	22
Reconciliation of the Balance Sheet to the Statement of Net Position	24
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in the Fund Balances of Governmental Funds to the Statement of Activities	28
Statement of Net Position – Proprietary Funds	29
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	30
Statement of Cash Flows – Proprietary Funds	31
Statement of Net Position – Fiduciary Funds	33

FINANCIAL SECTION: (Continued)Basic Financial Statements: *(Continued)*

Statement of Changes in Net Position – Fiduciary Funds	34
Notes to the Financial Statements	36
Required Supplementary Information:	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual – General Fund	92
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual – Local Option Gas Tax Fund	93
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual – ARPA Fund	94
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual – CRA Fund	95
Schedules of Changes in Net Pension Liability and Related Ratios – Defined Benefit Pension Trust Funds – Police Officers’ Retirement Trust Funds	96
Schedules of Changes in Net Pension Liability and Related Ratios – Defined Benefit Pension Trust Funds – Firefighters’ Retirement Trust Funds	97
Schedules of Contributions – Police Officers’ Retirement Trust Funds	98
Schedules of Contributions – Firefighters’ Retirement Trust Funds	99
Schedules of Investment Returns – Defined Benefit Pension Trust Funds	100
Schedule of Contributions – Florida Retirement System Defined Benefit Pension Plan	101
Schedule of Contributions – Retiree Health Insurance Subsidy Program Defined Benefit Pension Plan	101
Schedule of Proportionate Share of the Net Pension Liability – Florida Retirement System Defined Benefit Pension Plan	102
Schedule of Proportionate Share of the Net Pension Liability – Retiree Health Insurance Subsidy Program Defined Benefit Pension Plan	102
Schedule of Changes in Net OPEB Liability and Related Ratios– Retiree Insurance Continuation Plan	103
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	107
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	111
Budgetary Comparison Schedule - 2023 Construction Fund	114

Budgetary Comparison Schedule – Building Inspection Fund	115
Budgetary Comparison Schedule – Local Option Sales Tax Fund	116
Budgetary Comparison Schedule – Law Enforcement Trust Fund	117
Budgetary Comparison Schedule – Police Education Fund	118
Budgetary Comparison Schedule – Cemetery Fund	119
Budgetary Comparison Schedule – LIHEAP Grant Fund	120
Budgetary Comparison Schedule – Police Impact Fees Fund	121
Budgetary Comparison Schedule – Fire Impact Fees Fund	122
Budgetary Comparison Schedule – Recreation Impact Fees Fund	123
Budgetary Comparison Schedule – CDBG Fund	124
Budgetary Comparison Schedule – Public Art Commission Fund	125
Budgetary Comparison Schedule – 9th Cent Sales Tax Fund	126
Budgetary Comparison Schedule – Debt Fund	127
Budgetary Comparison Schedule – Capital Project Fund	128
Budgetary Comparison Schedule – Capital Recovery Fee Fund	129
Budgetary Comparison Schedule – Catalyst Fund	130
Combining Statement of Net Position – Nonmajor Proprietary Funds	131
Combining Statement of Revenues, Expenses and Changes in Fund Net Position – Nonmajor Proprietary Funds	132
Combining Statement of Cash Flows – Nonmajor Proprietary Funds	133

STATISTICAL SECTION:

Schedule 1	Net Position by Component – Last Ten Fiscal Years	136
Schedule 2	Changes in Net Position – Last Ten Fiscal Years	138
Schedule 3	Fund Balances, Governmental Funds – Last Ten Fiscal Years	142
Schedule 4	Changes in Fund Balances, Governmental Funds – Last Ten Fiscal Years	144
Schedule 5	Assessed and Actual Value of Taxable Property – Last Ten Fiscal Years	146

Schedule 6	Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	147
Schedule 7	Principal Property Taxpayers – Current Year and Nine Years Ago	148
Schedule 8	Property Tax Levies and Collections – Last Ten Fiscal Years	149
Schedule 9	Ratio of Outstanding Debt by Type- Last Ten Fiscal Years	150
Schedule 10	Pledged Revenue Coverage – Last Ten Fiscal Years	152
Schedule 11	Computation of Direct and Overlapping Debt – Governmental Activities	154
Schedule 12	Demographic and Economic Statistics – Last Ten Fiscal Years	155
Schedule 13	Principal Employers – Current Year and Nine Years Ago	156
Schedule 14	Full-time Equivalent City Government Employees by Function/Program – Last Ten Fiscal Years	157
Schedule 15	Operating Indicators by Function/Program – Last Ten Fiscal Years	158
Schedule 16	Capital Asset Statistics by Function/Program – Last Ten Fiscal Years	160

COMPLIANCE SECTION:

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 <i>Government Auditing Standards</i>	163
Independent Auditor’s Report on Compliance with Requirements for Each Major Federal Program and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	165
Schedule of Findings and Questioned Costs	168
Schedule of Expenditures of Federal Awards	170
Independent Accountant’s Report	172
Independent Auditor’s Management Letter	173

INTRODUCTORY SECTION:

This section contains the following subsections:

- LETTER OF TRANSMITTAL
- ORGANIZATION CHART
- PRINCIPAL OFFICIALS
- CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING



March 31, 2024

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

It is with great pleasure that we present the City’s Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2023. State law requires that all general-purpose local governments publish within 9 months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed Certified Public Accountants.

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

The City’s financial statements have been audited by MSL, P.A., a firm of licensed Certified Public Accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City 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 the audit, that there was a reasonable basis for rendering an unmodified opinion that the City’s financial statements for the fiscal year ended September 30, 2023 are fairly presented in conformity with GAAP. The independent auditors’ report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis

Art Woodruff Mayor	Sheena Britton District 1	Kerry Wiggins, Sr. District 2	Patrick Austin District 3	Patty Mahany District 4	Norton N. Bonaparte, Jr. City Manager
-----------------------	------------------------------	----------------------------------	------------------------------	----------------------------	--

(“MD&A”). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City’s MD&A can be found immediately following the report of the independent auditors.

Profile of the City

Sanford is located in Central Florida in Seminole County, one of the fastest growing counties in the nation. Nicknamed “Celery City” for its agricultural interest in the early 1900's, Sanford was incorporated in 1877 under the direction of General Henry Shelton Sanford. When Seminole County split from neighboring Orange County in 1913, the City of Sanford was named as the County Seat. Sanford is bounded in the East by Orlando-Sanford International Airport, in the North by Lake Monroe, in the West by Interstate 4, and in the South by Seminole State College and the City of Lake Mary. The Sanford Commercial District was proclaimed a historic district and placed on the National Register in 1976. The Sanford Residential Historic District, an area of approximately 76 blocks south of the commercial district, was placed on the National Register in 1989. The St. James African Methodist Episcopal Church, erected in 1913, was designated a historic landmark in May, 1990.

A charter city, the legislative branch is composed of four single-district elected Commissioners and a citywide elected Mayor. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the commission-appointed City Manager. To effectively execute these policies, the City Commission has previously adopted a strategic plan, presented by the City Manager. The vision encompassed the following four major goals:

1. Unify downtown and the waterfront.
2. Promote the City’s distinct culture.
3. Update the regulatory framework.
4. Redevelop and revitalize disadvantaged communities.

Additionally, the Commission has adopted a comprehensive plan, along with land development regulations, and various master plans. The City has established departmental work plans geared toward realizing the vision set forth in the strategic plan. The City is working cooperatively with Seminole County, Seminole County School Board and other area agencies in a cooperative effort to maximize the opportunities and minimize negative impacts of regional growth.

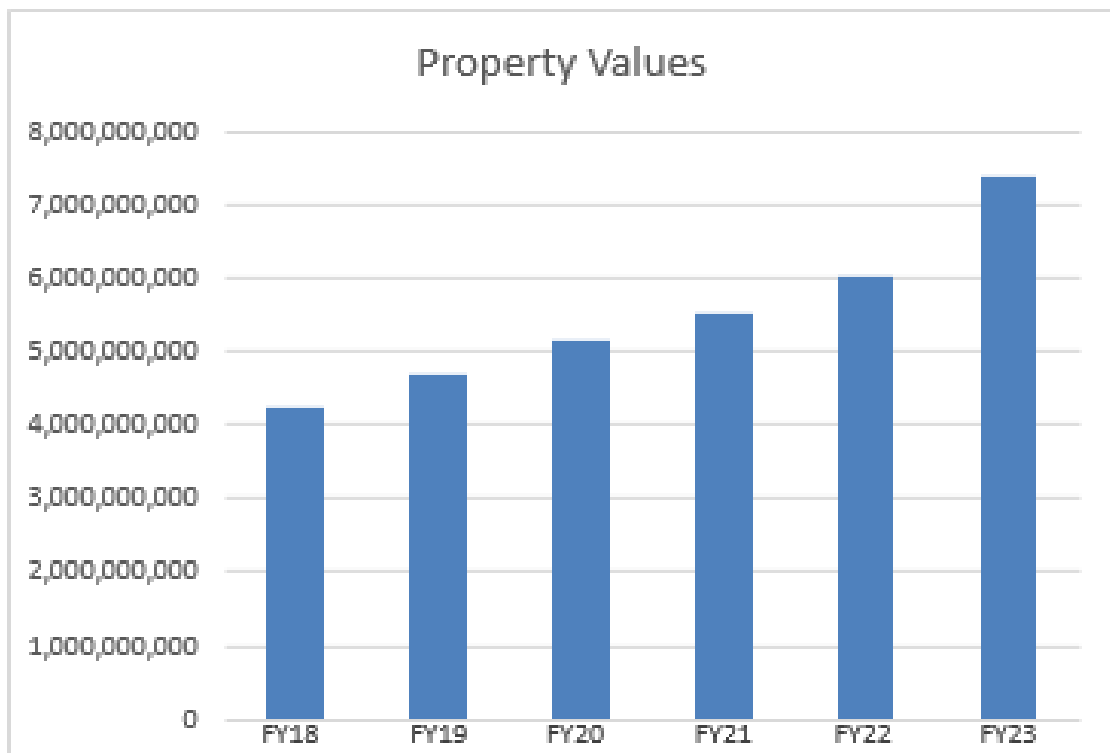
The City provides a full range of services, including police, fire and rescue, street construction and maintenance, planning and zoning, building inspections, community and economic development, parks and recreation, cultural events, and general administrative services. In addition, water, sewer and reclaimed water services, stormwater management and solid waste collection are provided under an enterprise fund concept with user charges established by the City Commission to ensure adequate coverage of operating expenses and payments on outstanding debt. The City is also accountable for two legally separate component units: the Sanford Airport Authority and Community Redevelopment Agency, which are presented as component units of the City.

The annual budget serves as the foundation for the City’s financial planning and control. The budget is developed by the City Manager who is required by the Charter to present the proposed budget to the City Commission for review on or before July 1. The City Commission is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City’s fiscal year. Interim financial reports include budget-to-actual comparisons, current to prior year comparisons, and are generally issued quarterly. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Factors Affecting Financial Condition

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

Local Economy. According to the U.S. Bureau of Labor Statistics, unemployment in Seminole County averaged 2.6% during the fiscal year ended September 30, 2023, which is a decline over the same average rate of 2.7% in the prior year.



From FY 2018 to FY 2023, the City's property values increased from \$4.24 billion to \$7.37 billion, a gain of \$3.13 billion (74%) in property values and the City's economy is improving. The City's next fiscal year budget (2024) is based on preliminary values of \$8.43 billion, which is a 14.39% increase from the fiscal year ended September 30, 2023.

Major ad valorem taxpayers in the City include Florida Power & Light Co. and the Seminole Towne Center Mall (Seminole Mall Realty Holding, LLC). The City's population is currently estimated to be 67,282, making it the largest city in Seminole County as well as the 59th largest city in the State of Florida. Population is a factor used in determining the City's distribution from the State Municipal Revenue Sharing Program.

The Sanford Waterfront/Downtown Community Redevelopment Area was created in 1995 with the purpose of using tax revenues in the downtown district to revitalize the area. Since that time considerable funds have been expended to upgrade public infrastructure, including the \$12 million for the RiverWalk, the First Street Streetscape and a number of grant programs to encourage local property owners and businesses to rehabilitate downtown buildings. The success of these ventures has been evident in the number of new businesses, especially restaurants opening in the downtown area and the rediscovery of downtown Sanford by the Central Florida public.

Long-term Financial Planning. Through the budget process, the City Commission has continued its commitment to maintaining or improving levels of service while enhancing the quality of life and promoting the health, safety, and welfare of its citizens. Several projects are anticipated, many via non-operating funding sources; additionally, several additional projects are in the planning or construction phase:

- Groveview playground
- Lee P Moore tennis and pickleball courts
- City Hall roof replacement
- Redevelopment of Downtown (Catalyst Site)
- New Fire Station
- Pump Branch Drainage
- City-wide water meter replacements
- North Water Reclamation Facility Improvements
- Continued improvements to parks, roads, sidewalks and drainage
- Nutrient Reduction
- Mayfair Clubhouse

An analysis of future projects and services may be best obtained via review of the City's comprehensive plan, currently being updated. Upon completion, this plan will outline the goals, objectives and anticipated projects of the City and mechanisms for realization of such.

Relevant Financial Policies

The City Commission has informally established a reserve requirement for the General Fund to maintain at a minimum, unassigned fund balance equal to fourteen (14%) of the annual General Fund budget.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2022. This was the 34th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

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

Acknowledgments

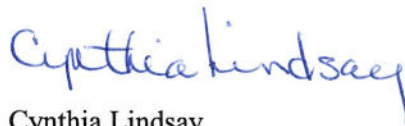
The preparation of this report would not have been possible without the efficient and dedicated services of the Financial Services Team. We would also like to express our appreciation to our auditing firm, MSL, P.A.

Finally, we would like to acknowledge the Mayor and City Commission for their unfailing support and steadfast commitment to maintaining the financial integrity of the City. With their continued leadership, the City can look forward to a secure financial future.

Respectfully submitted,



Norton N. Bonaparte, Jr.
City Manager



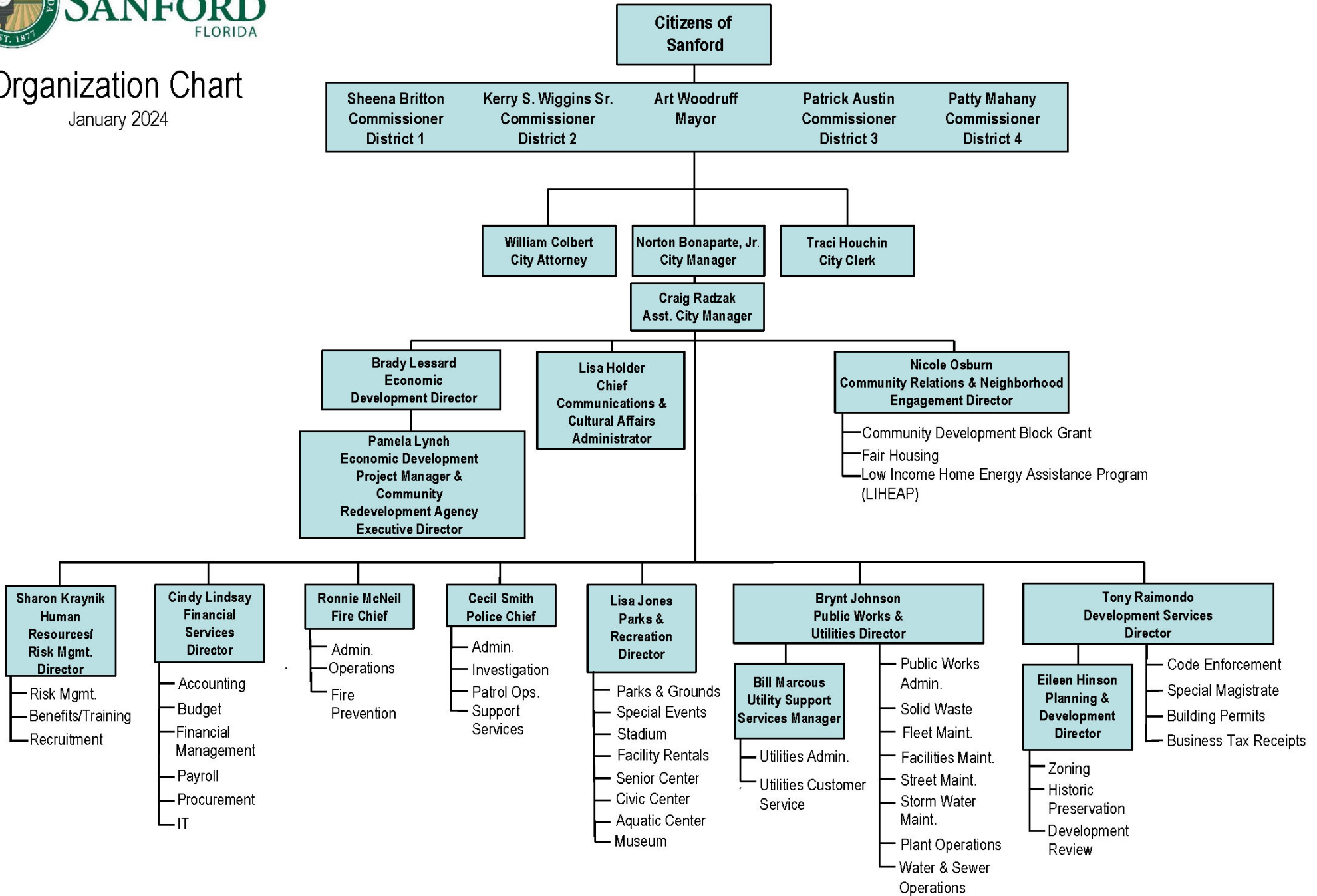
Cynthia Lindsay
Director of Finance



Organization Chart

January 2024

14



CITY OF SANFORD, FLORIDA

PRINCIPAL OFFICIALS

Year Ended September 30, 2023

MAYOR

Art Woodruff

COMMISSIONERS

Sheena Britton

Kerry Wiggins, Sr.

Patrick Austin

Patty Mahany

STAFF

Norton N. Bonaparte, Jr., City Manager

Craig Radzak, Assistant City Manager

Cynthia Lindsay, Director of Finance

Traci Houchin, City Clerk

Anthony Raimondo, Director of Development Services

Brady Lessard, Director of Economic Development

Fred Fosson, Director of Human Resources

Lisa Jones, Director of Parks and Recreation

Craig Radzak, Acting Director of Public Works and Utilities

Cecil E. Smith, Police Chief

Ronnie McNeil, Fire Chief



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Sanford
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION:

This section contains the following subsections:

- INDEPENDENT AUDITORS' REPORT
- MANAGEMENT'S DISCUSSION AND ANALYSIS
- BASIC FINANCIAL STATEMENTS
- REQUIRED SUPPLEMENTARY INFORMATION
- COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES



Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the City Commission
City of Sanford, Florida

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sanford, Florida (the "City") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, 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.

Emphasis-of-Matter

As discussed in Note 18 to the financial statements, in the year ended September 30, 2023, the City adopted the provisions of Government Accounting Standards Board Statement ("GASBS") Number 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

The Honorable Mayor and
Members of the City Commission
City of Sanford, Florida

INDEPENDENT AUDITOR'S REPORT (Continued)

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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.

The Honorable Mayor and
Members of the City Commission
City of Sanford, Florida

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The combining and individual fund financial statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and non-major fund financial statements and schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 29, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Sanford (herein referred to as "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, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i through v of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$464,944,616 (net position). Of this amount, \$140,804,104 (30.28%) represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$25,517,899 (or (5.81)%). The City's net position in governmental activities increased by \$4,438,203 while the net position in business-type activities increased by \$21,079,696. The governmental increase is attributable to an increase in the ad valorem tax rate while the business-type activities increase is due to contribution of capital assets, impact fees, and an accumulation of operational charges created to assist in ongoing and future capital needs.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$113,231,878, an increase of \$33,184,104 in comparison with the prior year.
- 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 \$46,395,272, or approximately 78.25% of total general fund expenditures.
- The City's total outstanding long-term debt increased by \$16,744,592 during the current fiscal year. The increase is attributable to an increase in pension liabilities, and a slight increase in compensated absences and then offset by a decrease in outstanding notes, OPEB costs, claims, loans, and leases.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements' focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhance the City's accountability. This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

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

The statement of net position presents information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, the 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 related cash flows. Thus, revenues and expense are reported for

some items that will only result in cash flows in future fiscal periods (e.g. uncollected franchise fees or earned but unused paid time off, etc.).

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

The government-wide financial statements include the City of Sanford (known as the primary government) but also a legally separate airport authority, for which the City is financially accountable. Financial information for the Airport Authority is reported separately from the financial information presented for the primary government itself. The Sanford Community Redevelopment Agency, although also legally separate, functions for all practical purposes as a department of the City, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 20-21 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 funds, proprietary funds, and fiduciary funds.

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

The City maintains twenty-two 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, Local Option Gas Tax Fund, ARPA Fund, 2023 Construction Fund, and the Sanford Community Redevelopment Agency, which are considered to be major funds. Data from the other sixteen 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 supplementary information. The basic governmental fund financial statements can be found on pages 22-27 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, solid waste, and stormwater systems as well as the City's golf course and the City's Marina. Internal service funds are an accounting device used to

accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its risk management activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer, solid waste and stormwater activities, all three of which are considered to be major funds of the City. The remaining funds, the golf course and the marina, are not considered major funds, and are combined on the basic proprietary fund financial statements. 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 supplementary information. The internal service fund for risk management is presented in a separate column in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 29-32 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 33-34 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. They can be found on pages 38-89 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons and the City's progress in its obligation to provide pension and other postemployment benefits to its employees. Required Supplementary Information can be found on pages 90-103 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

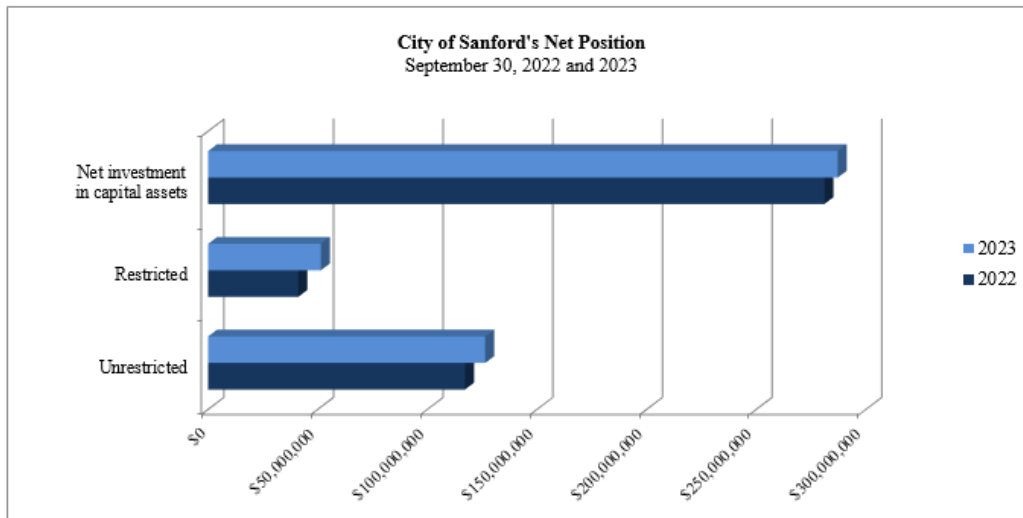
As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$464,944,616, at the close of the most recent fiscal year.

By far, the largest portion of the City's net position, \$287,131,930 (61.8%), are reflected in its investment in capital assets (e.g., land, buildings, improvements, infrastructure, vehicles, and equipment) less any outstanding related debt used to acquire those assets. The City uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position, \$51,429,954 represents resources that are subject to external restrictions on how they may be used, primarily for capital projects. The remaining balance \$126,382,732 is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

City of Sanford's Net Position
As of September 30, 2022 and 2023

	Governmental Activities		Business-type Activities		Total	
	2022	2023	2022	2023	2022	2023
Current and other assets	\$ 114,015,852	\$ 143,414,874	\$ 112,243,394	\$ 122,281,075	\$ 226,259,246	\$ 265,695,949
Capital assets	133,712,856	127,496,622	210,167,347	221,746,223	343,880,203	349,242,845
Total assets	<u>247,728,708</u>	<u>270,911,496</u>	<u>322,410,741</u>	<u>344,027,298</u>	<u>570,139,449</u>	<u>614,938,794</u>
Deferred outflows of resources	<u>22,977,901</u>	<u>16,444,507</u>	<u>3,833,947</u>	<u>3,442,064</u>	<u>26,811,848</u>	<u>19,886,571</u>
Current and other liabilities	15,995,508	13,276,581	6,817,093	8,440,048	22,812,601	21,716,629
Long-term liabilities outstanding	58,594,953	75,869,866	64,891,295	64,360,974	123,486,248	140,230,840
Total liabilities	<u>74,590,461</u>	<u>89,146,447</u>	<u>71,708,388</u>	<u>72,801,022</u>	<u>146,298,849</u>	<u>161,947,469</u>
Deferred inflows of resources	<u>7,830,362</u>	<u>5,485,567</u>	<u>3,175,620</u>	<u>2,447,713</u>	<u>11,005,982</u>	<u>7,933,280</u>
Net position:						
Net investment in capital assets	125,236,817	118,583,305	155,866,824	168,548,625	281,103,641	287,131,930
Restricted	28,828,132	39,769,431	12,321,743	11,660,523	41,149,875	51,429,954
Unrestricted	34,220,837	34,371,253	82,952,364	92,011,479	117,173,201	126,382,732
Total net position	<u>\$ 188,285,786</u>	<u>\$ 192,723,989</u>	<u>\$ 251,140,931</u>	<u>\$ 272,220,627</u>	<u>\$ 439,426,717</u>	<u>\$ 464,944,616</u>

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

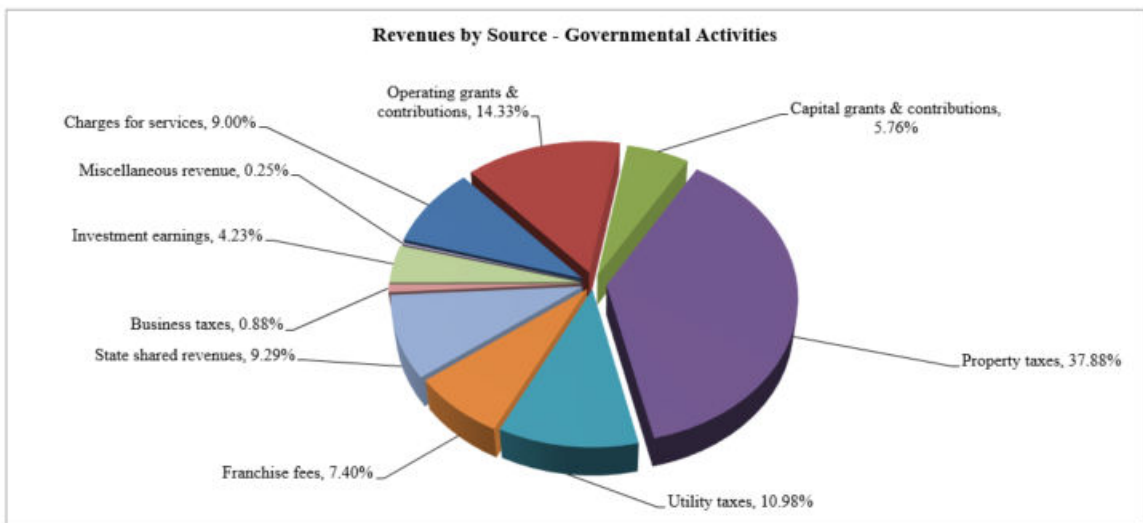
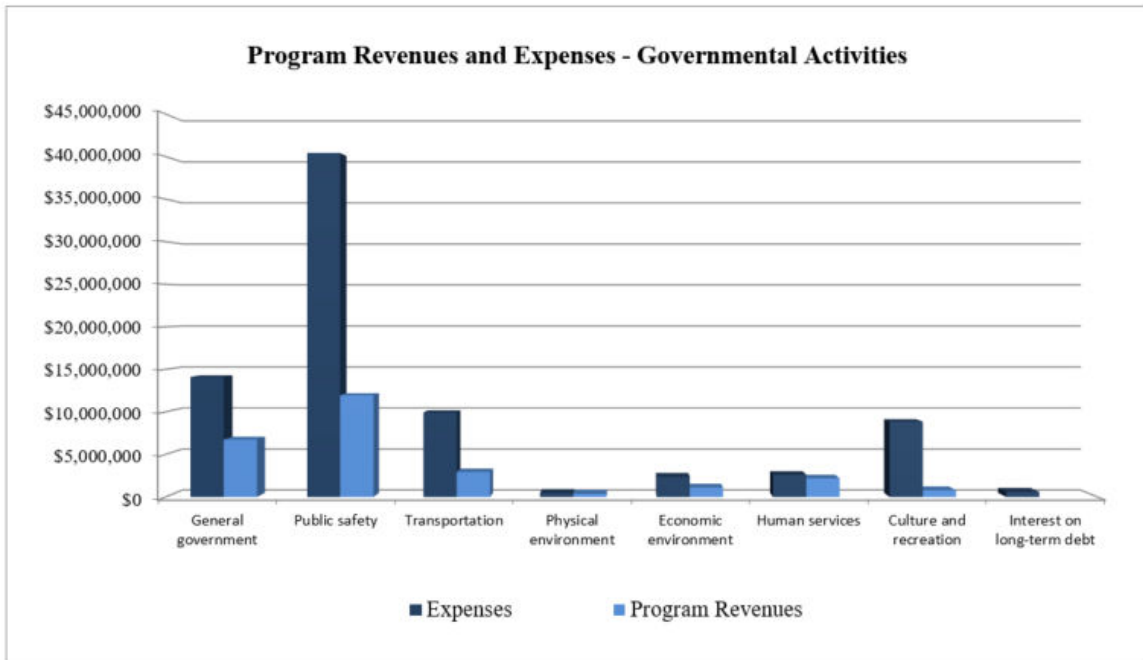


The City's overall net position increased by \$25,517,900 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental and business-type activities. The following is a summary of activities for the City during the most recent and prior fiscal year:

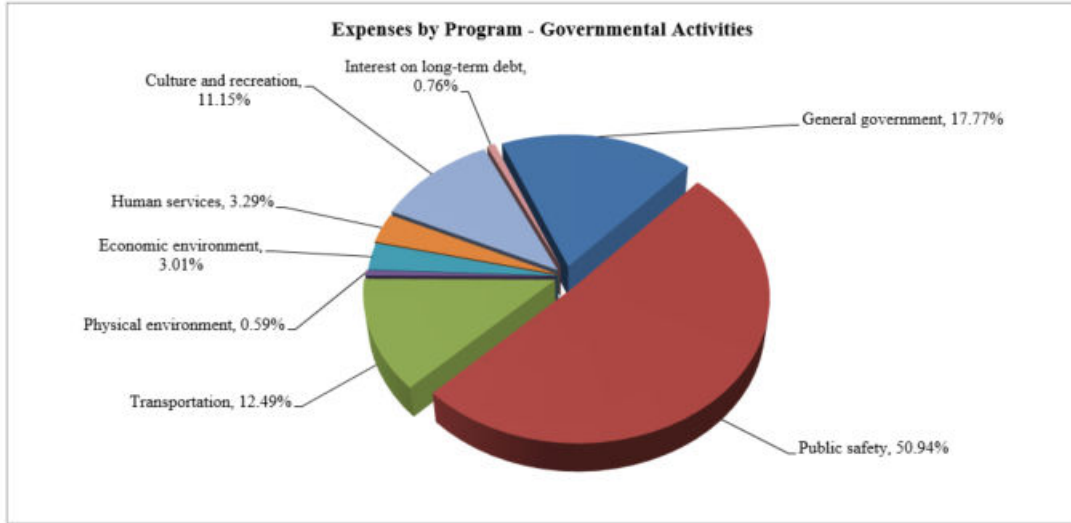
City of Sanford's Change in Net Position
For the years ended September 30, 2022 and 2023

	Governmental Activities		Business-type Activities		Total	
	2022	2023	2022	2023	2022	2023
Revenues:						
Program revenues:						
Charges for services	\$ 9,916,056	\$ 8,066,376	\$ 42,036,928	\$ 49,049,131	\$ 51,952,984	\$ 57,115,507
Operating grants & contributions	10,393,966	12,841,198	-	24,578	10,393,966	12,865,776
Capital grants & contributions	5,386,212	5,163,534	4,266,226	4,316,581	9,652,438	9,480,115
General revenues:						
Property taxes	29,277,977	33,944,627	-	-	29,277,977	33,944,627
Utility taxes	8,700,931	9,841,452	-	-	8,700,931	9,841,452
Franchise fees	5,899,095	6,631,504	-	-	5,899,095	6,631,504
State shared revenues	8,194,565	8,323,896	13,310	14,705	8,207,875	8,338,601
Other	(707,347)	4,800,599	3,797,305	7,664,601	3,089,958	12,465,200
Total revenues	<u>77,061,455</u>	<u>89,613,186</u>	<u>50,113,769</u>	<u>61,069,596</u>	<u>127,175,224</u>	<u>150,682,782</u>
Expenses:						
General government	11,437,704	14,112,244	-	-	11,437,704	14,112,244
Public safety	33,413,844	40,429,743	-	-	33,413,844	40,429,743
Transportation	8,701,334	9,913,285	-	-	8,701,334	9,913,285
Physical environment	478,785	465,712	-	-	478,785	465,712
Economic environment	2,058,918	2,391,821	-	-	2,058,918	2,391,821
Human services	2,554,704	2,610,771	-	-	2,554,704	2,610,771
Culture and recreation	7,843,433	8,847,402	-	-	7,843,433	8,847,402
Interest on long-term debt	258,713	600,620	-	-	258,713	600,620
Water and sewer	-	-	24,410,543	30,454,959	24,410,543	30,454,959
Stormwater	-	-	4,009,232	4,367,836	4,009,232	4,367,836
Solid waste	-	-	6,956,326	7,332,055	6,956,326	7,332,055
Golf course	-	-	2,174,372	1,741,078	2,174,372	1,741,078
Marina	-	-	296,502	1,897,356	296,502	1,897,356
Total Expenses	<u>66,747,435</u>	<u>79,371,598</u>	<u>37,846,975</u>	<u>45,793,284</u>	<u>104,594,410</u>	<u>125,164,882</u>
Change in net position before transfers	10,314,020	10,241,588	12,266,794	15,276,312	22,580,814	25,517,900
Transfers	(4,023,179)	(5,803,385)	4,023,179	5,803,385	-	-
Change in net position	<u>6,290,841</u>	<u>4,438,203</u>	<u>16,289,973</u>	<u>21,079,697</u>	<u>22,580,814</u>	<u>25,517,900</u>
Net position, beginning of year	181,994,945	188,285,786	234,850,958	251,140,931	416,845,903	439,426,717
Net position, end	<u>\$ 188,285,786</u>	<u>\$ 192,723,989</u>	<u>\$ 251,140,931</u>	<u>\$ 272,220,628</u>	<u>\$ 439,426,717</u>	<u>\$ 464,944,617</u>

Governmental activities. During the current fiscal year, net position for governmental activities increased \$4,438,202 from the prior fiscal year for an ending balance of \$192,723,989. The increase is due to increased revenues offset by increased expenses.

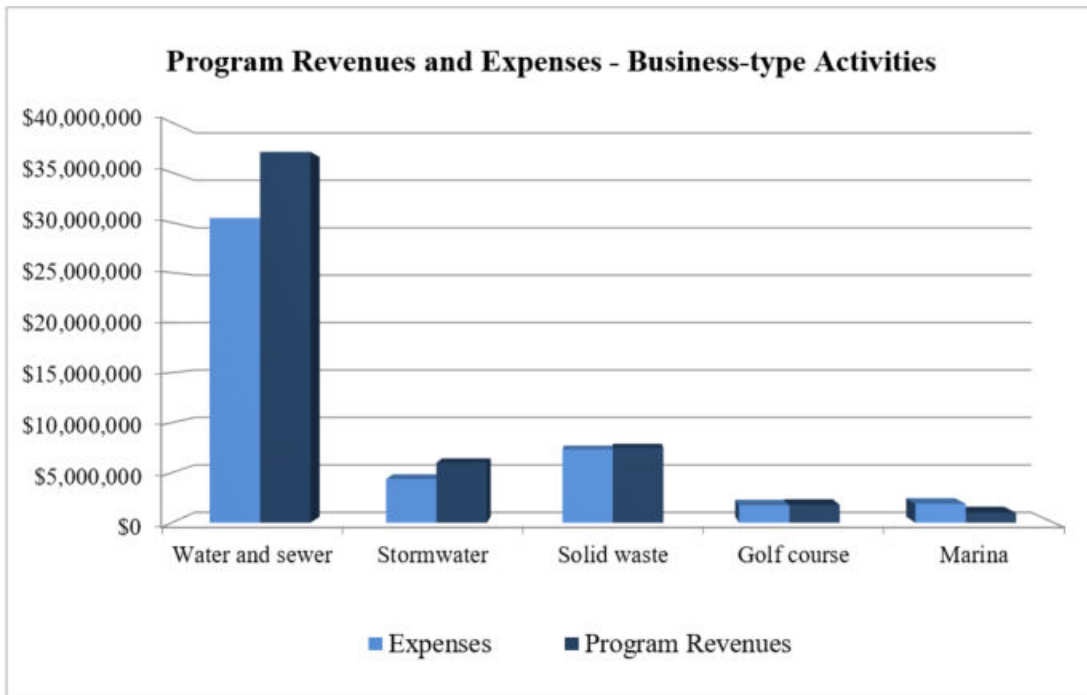


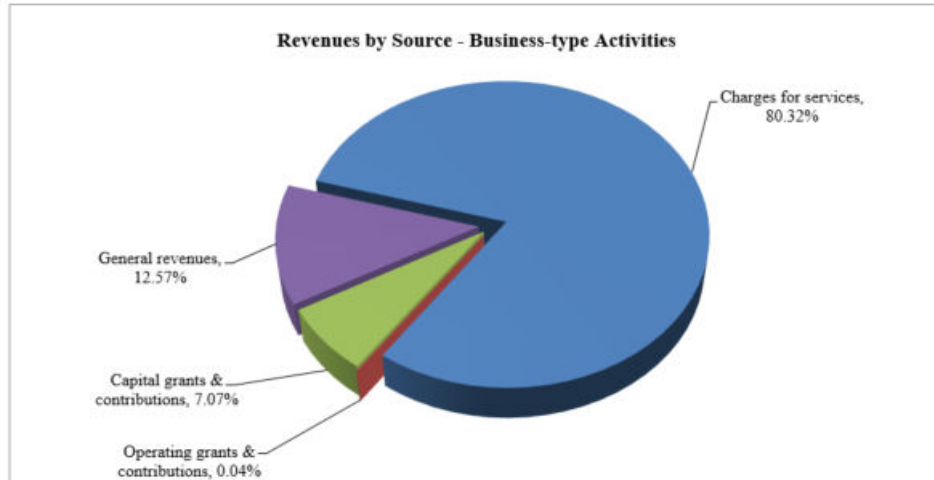
Property taxes, which comprised 37.9% of the City’s governmental activity revenues, increased by \$4,666,650; this increase was primarily due to the increase in taxable value of property in the City.



Overall, the City's expenses increased this year. Total expenses were \$79,371,598, compared to \$66,747,435 the prior fiscal year; an increase of \$12,624,163 or 18.91%. Public safety expenses of \$40,429,743 comprised 50.94% of the total governmental activities expenses.

Business-type activities. Business-type activities increased the City's net position by \$21,079,695, thereby accounting for 83% of the total growth in the City's net position. This increase primarily is attributable to a planned accumulation of resources for future purchases of capital assets and debt payments related to capital assets.





Charges for services of \$49,049,131 increased over the prior-year total of \$42,036,928 by \$7,012,203, or approximately 16.68%. This was due to the increase in customers due to the growing housing stock and an increase in service fees charged as well as the City taking back control of the Marina.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

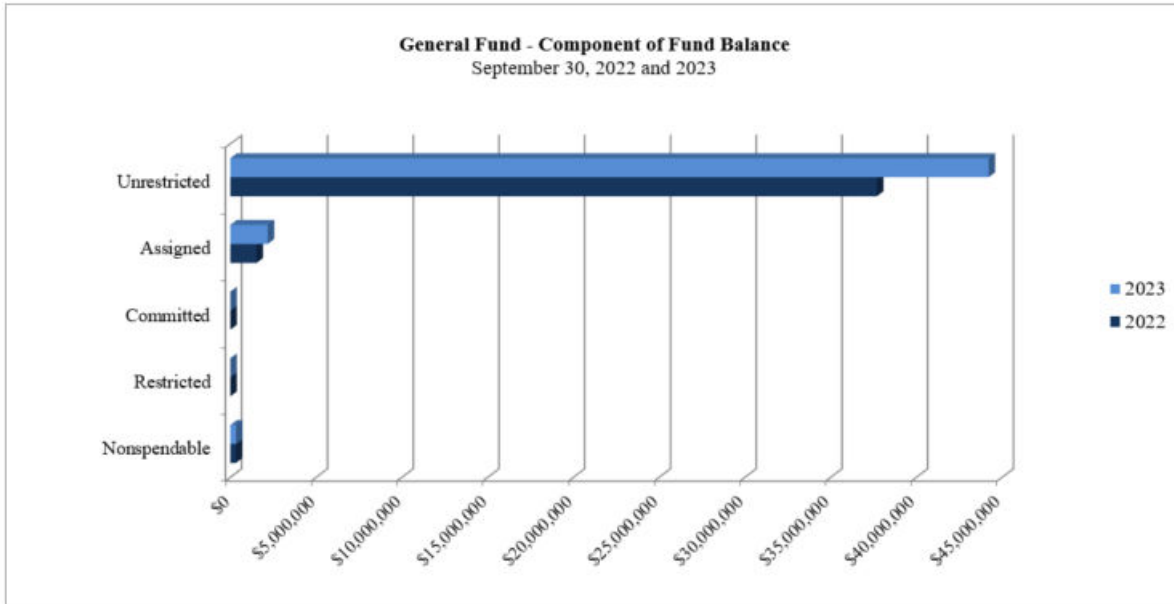
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for 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 or the City itself.

As of the fiscal year end, the City's governmental funds reported combined ending fund balances of \$113,231,878, an increase of \$33,184,104 in comparison with the prior year. Approximately 38.99% of this total amount, \$44,148,117, constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form \$434,232, 2) restricted for particular purposes \$39,769,431, 3) committed for particular purposes \$224,690, or 4) assigned for particular purposes \$28,655,408.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$44,212,451, while the total fund balance was \$46,727,884. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 84.86% of total General Fund expenditures, while total fund balance represents 89.68% of that same amount.

The fund balance of the City's General Fund increased by \$7,189,972 during the current fiscal year. The increase is primarily attributed to increased revenues. Tax revenues for the year increased primarily due to increased property tax revenue, which grew as a result of a 13.4% increase in property values, driven by increased local real estate market values and a 2% increase in added property values. This also drove an increase in utility taxes, and franchise fees.



The Sanford Community Redevelopment Agency (herein referred to as “Sanford CRA”), is a blended component unit that is presented as a major special revenue fund and reports the financial activities related to the redevelopment of downtown and the Lake Monroe waterfront. At the end of the current fiscal year, the Sanford CRA’s total fund balance was \$5,312,543. The fund balance of the Sanford CRA increased by \$4,755,504 during the current fiscal year. The increase is attributed to the cancellation of the the interlocal with the City for funding of the Catalyst Site project and the funds dedicated were transferred back to the CRA. The funds of the Sanford CRA are legally restricted for use in the downtown and Lake Monroe redevelopment areas.

Major governmental funds consist of the Local Option Gas Tax Fund, the ARPA Fund, and the 2023 Bond Construction Fund, these funds have total fund balances of \$2,515,635, \$216,053, and \$14,294,448, respectively at the end of the current fiscal year. The fund balance changes were \$402,972, \$184,993, and \$14,294,448 during the current fiscal year. The changes are attributed to gas tax revenue and expenditures related to transportation, grant revenue and expenditures for the ARPA grant and bond fund issued for refunding the PSC loan and for future capital expenditures. The funds of the Local option Gas Tax Fund are restricted for transportation expenditures, the ARPA Fund is restricted based on the ARPA grant requirements, and the 2023 Bond Construction Funds are restricted for capital expendiutres related to the issue.

Nonmajor governmental funds consisting of Special Revenue Funds, Debt Service Funds and Capital Project Funds have a combined total fund balance of \$44,165,315 at the end of the current fiscal year. The net increase during the current year in nonmajor governmental funds was \$6,356,215 due to the issue of the 2023 Construction Fund bonds.

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

Unrestricted net position at the end of the year was \$60,871,836 in the Water and Sewer Fund, \$26,025,708 in the Stormwater Fund, \$708,971 in the Solid Waste Fund, \$2,098,407 in the Golf Course Fund, and \$533,532 in the Marina Fund. The total growth of net position for the Water and Sewer Fund, the Stormwater Fund, and the Solid Waste Fund was \$16,927,873, \$2,565,191, and \$186,970 respectively. The increase in the water and sewer fund is attributable to capital contributions and grants and an increase in rate revenues, the increase in the stormwater fund is attributable to an increase in rate revenues, and the increase in the Solid Waste Fund was due to a decrease in operational expenditures. The Golf Course Fund had an increase in net position of

\$697,610 due to transfers from the General Fund offset by an operating loss. The Marina Fund had an decrease in net position of \$(394,614) due to expenditures for operating expenditures exceeding operating revenues.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget \$580,122 increase in revenues and \$14,038,905 increase in appropriations and transfers out can be briefly summarized as follows:

Revenues

- \$188,723 Increase in grant revenue for police services grant
- \$325,000 Increase in recognition of tree mitigation revenue
- \$ 66,399 Increase in revenue for parks and recreation grant

Transfers Out:

- \$ 8,577,013 Provided budget for the catalyst project
- \$ 171,116 Provided budget for additional capital replacements
- \$ 152,772 Provided budget for operational expenditures
- \$ 441,266 Provided budget for Marina operations and capital expenditures
- \$ 373,749 Provided budget for Mayfair operations and capital expenditures

Expenditures:

- \$ 80,048 Increased budget for operational costs for the police department
- \$ 202,733 Increased budget for professional services
- \$ 243,847 Increased budget for grant funds in the police department
- \$ 66,399 Increased budget for grant funds in the recreation department
- \$ 60,929 Increased budget for operational costs for the fire department
- \$2,540,648 Increased budget for repairs due to Hurricane IAN
- \$ 30,000 Increased budget for Mainstreet contractual agreements
- \$ 35,000 Increased budget for REEI committee expenditures
- \$ 65,400 Increased budget for Human Resources salary expenditures
- \$ 548,738 Increased budget for contractual costs for landscaping services
- \$ 150,000 Increased budget for tree mitigation costs
- \$ 299,247 Budgeted for reappropriation of funds unused in prior fiscal year budget:
 - \$ 101,362 Increased budget for Choice Neighborhoods Grant
 - \$ 9,144 Public Arts Commission grant
 - \$ 88,741 Professional service expenditures

Of the increases in expenditures and transfers out, \$580,122 was offset by increased revenues. The remaining increased the use of reserves by \$13,458,783

Differences between the final amended budget and actual was a \$7,333,516 increase in revenues and \$11,857,529 decrease in expenditures can be briefly summarized as follows:

Revenues

- \$ 439,278 Increase in property tax revenue due to collecting over the 95% budgeted
- \$ 1,504,912 Increase in utility taxes due to increased electrical costs and growth
- \$ 1,518,389 Increase in franchise fees due to growth within the City
- \$ 1,207,174 Increase in charges for services due to \$884,000 increase in tree mitigation funds due to increased development, an increase of \$877,000 in public hearing fees, and \$613,000 increase in ambulance transport fees.

- \$ 94,703 Increase in intergovernmental revenue due to a general economic growth in sales tax revenue and state revenue sharing allocated to the city from the state being higher than the state projected.
- \$3,126,105 Net variance in other General Fund revenues including increases for investment earning (\$2,039,106), business taxes (\$167,286), sales of assets (\$310) permits and fees (\$359,114), proceeds from leases (\$557,045) and miscellaneous revenues (\$33,667). The increases were offset by negative variances in fines and forfeitures \$(30,423).

Expenditures

- \$2,892,340 Savings associated with vacant positions resulting from terminations and retirements
- \$8,572,059 Savings due to Catalyst Site project not being complete
- \$ 654,440 Offset by operational expenditures over budget

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City’s investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounted to \$349,242,845 (net of accumulated depreciation). This investment in capital assets included land, buildings, machinery and equipment, infrastructure, water and sewer system, stormwater management system, irrigation rights, and construction in progress. The total change in the City’s capital assets, net of related depreciation, for the current fiscal year was an decrease of \$(6,216,234) (0.046) for governmental activities and an increase of \$11,578,876 (0.06) for business-type activities.

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

Governmental activities:

- Acquisition of \$2,002,526 in replacement vehicles
- Acquisition of \$775,122 in miscellaneous equipment consisting of radios, security cameras, ac units, computer equipment, and a message board
- Acquisition of a booth, fence, and entryway \$48,045
- Land of \$5,103
- Capitalization of prior CIP projects included building improvements, Fort Melon safety resurfacing, Myrtle Avenue streetscape, Catalyst project utility lines, and miscellaneous park improvements for a total of \$5,434,256
- Celery Avenue turn lane, Park Drive, Pinecrest roadways, and various recreational facility projects added \$2,357,026 in construction in progress
- Current year depreciation less disposals on capital assets of \$13,665,133 offsets the above additions

Business-type activities:

- Acquisition of \$475,024 in replacement vehicles
- Acquisition of land \$380,987
- Private developers contributed \$3,583,139 in water and sewer system lines
- Acquisition of pumps, generators, and small equipment totaling \$1,311,940
- Capitalization of prior CIP projects included Chase Avenue drainage improvements, Catalyst project line replacement, and miscellaneous upgrades totaling \$2,557,478
- Mayfair drainage, Georgetown stormwater, Water plant upgrades, pipelining, reclaimed storage improvements, North sewer plant improvements, South sewer plant improvements, plant filtration system rehab, Mayfair clubhouse, Marina improvements, and other miscellaneous projects increased construction in progress by \$14,236,663
- Current year depreciation less disposals on capital assets of \$8,408,877 offsets the above additions

City of Sanford's Capital Assets
(net of accumulated depreciation)
As of September 30, 2022 and 2023

	Governmental Activities		Business-type Activities		Total	
	2022	2023	2022	2023	2022	2023
Land	\$ 6,464,501	\$ 6,712,511	\$ 7,557,596	\$ 7,938,583	\$ 14,022,097	\$ 14,651,094
Buildings	35,374,322	33,298,715	15,014,891	12,767,363	50,389,213	46,066,078
Machinery and equipment	6,423,824	7,380,352	4,835,178	5,902,069	11,259,002	13,282,421
Infrastructure	384,608	76,561,841	1,170,555	229,613	1,555,163	76,791,454
Right-to-use assets	384,608	961,683	219,749	145,853	604,357	1,107,536
Water and sewer system	-	-	121,014,564	122,992,212	121,014,564	122,992,212
Stormwater system	-	-	19,542,855	19,279,387	19,542,855	19,279,387
Construction in progress	5,658,750	2,581,520	40,811,958	52,491,143	46,470,708	55,072,663
Total	<u>\$ 54,690,613</u>	<u>\$ 127,496,622</u>	<u>\$ 210,167,346</u>	<u>\$ 221,746,223</u>	<u>\$ 264,857,959</u>	<u>\$ 349,242,845</u>

Additional information on the City's capital assets can be found in Note 5 in the notes to the financial statements.

Long-term debt. At the fiscal year end, the City had \$19,909,768 in bonded debt outstanding, all of which is secured solely by specified revenues sources or covenants. The City had no debt outstanding backed by the full faith and credit of the City. In addition, the City had debt outstanding in the amount of \$50,223,222 in State Revolving Fund loans and \$1,700,019 in capital leases. The City also had \$67,258,638 in other long-term debt, including claims payable, accrued clean-up and long-term care costs, other postemployment benefits, pension liabilities, and compensated absences.

City of Sanford's Outstanding Long-Term Debt
As of September 30, 2022 and 2023

	Governmental Activities		Business-type Activities		Total	
	2022	2023	2022	2023	2022	2023
Structured payment debt:						
Notes payable:						
Series 2012	6,270,000	19,909,768	-	-	6,270,000	19,909,768
State revolving loans	-	-	51,979,240	50,223,222	51,979,240	50,223,222
Financed purchase agreements	1,464,610	1,700,019	-	-	1,464,610	1,700,019
Leases and SBITAs	391,793	993,525	220,515	145,668	612,308	1,139,193
Total structured payment debt	<u>8,126,403</u>	<u>22,603,312</u>	<u>52,199,755</u>	<u>50,368,890</u>	<u>60,326,158</u>	<u>72,972,202</u>
Other long-term debt:						
Claims payable	3,406,120	3,278,045	-	-	3,406,120	3,278,045
Net pension liability	32,946,846	36,138,113	8,508,641	9,824,066	41,455,487	45,962,179
Other postemployment benefits*	11,299,888	11,029,160	3,645,857	3,566,125	14,945,745	14,595,285
Compensated absences	2,815,696	2,821,236	537,042	601,893	3,352,738	3,423,129
Total other long-term debt	<u>50,468,550</u>	<u>53,266,554</u>	<u>12,691,540</u>	<u>13,992,084</u>	<u>63,160,090</u>	<u>67,258,638</u>
Total long-term debt	<u>\$ 58,594,953</u>	<u>\$ 75,869,866</u>	<u>\$ 64,891,295</u>	<u>\$ 64,360,974</u>	<u>\$ 123,486,248</u>	<u>\$ 140,230,840</u>

Total structured payment debt outstanding increased by \$12,646,044 due to principal retirements in the current period \$(12,430,260) partially offset by proceeds received from new state revolving fund loans \$2,617,625 new bond issue \$20,205,722, issuance of new lease debt \$947,441, and issuance of SBITAs \$1,305,516.

Under Florida statutes, no debt limit margin is placed on municipalities. Additional information on the City's long-term liabilities can be found in Notes 6, 7 and 9 in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's elected and appointed officials considered many factors when adopting the fiscal year 2024 budget. The following economic factors currently affect the City and were considered:

- The average unemployment rate for Seminole County during the past fiscal year was 2.6%, which is a decrease from the same figure of 2.7% a year ago. The rate is less than the State's average unemployment rate during the same time period of 2.7%.
- The City's taxable value of commercial and residential real property for the next fiscal year, 2024, is estimated to increase by 14.39% (of which new growth represents 1.9% and existing property values increased 12.49%) compared to a 31.98% increase experienced in the latest complete fiscal year, 2023. The City maintained the same property tax rate from fiscal year 2023 of 7.325%.
- The City implemented an increase in water and wastewater rates for the next fiscal year to adjust for changes in the consumer price index.

During the current fiscal year, fund balance in the General Fund increased by \$7,189,972 to a total fund balance of \$46,727,884.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all of those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Director of Finance, City of Sanford, P.O. Box 1788, Sanford, Florida 32772-1788.

This page intentionally left blank.



CITY OF
SANFORD
FLORIDA

BASIC FINANCIAL STATEMENTS

CITY OF SANFORD, FLORIDA

Statement of Net Position

September 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Airport Authority
Assets				
Cash and cash equivalents	\$ 69,341,874	\$ 29,696,405	\$ 99,038,279	\$ 30,445,288
Investments	66,603,865	71,094,669	137,698,534	-
Accounts receivable, net	4,645,079	7,330,284	11,975,363	681,561
Leases receivable	1,290,399	1,008,925	2,299,324	7,361,288
Due from other governments	1,864,704	11,691,004	13,555,708	571,548
Internal balances	(1,395,525)	1,395,525	-	-
Inventories	244,951	32,874	277,825	-
Prepaid expenses	756,821	31,389	788,210	765,619
Restricted investments - airport authority	-	-	-	3,687,635
Equity interest in joint venture	62,705	-	62,705	-
Capital assets:				
Nondepreciable	9,294,031	60,429,726	69,723,757	57,631,292
Depreciable, net	117,240,908	161,170,644	278,411,552	187,696,226
Right to use assets	961,683	145,853	1,107,536	97,153
Total assets	<u>270,911,495</u>	<u>344,027,298</u>	<u>614,938,793</u>	<u>288,937,610</u>
Deferred outflows of resources				
Deferred outflows related to pensions	14,460,972	2,808,869	17,269,841	2,889,154
Deferred outflows related to OPEB	1,983,535	633,195	2,616,730	12,255
Total deferred outflows of resources	<u>16,444,507</u>	<u>3,442,064</u>	<u>19,886,571</u>	<u>2,901,409</u>
Liabilities				
Accounts payable	4,076,526	4,537,936	8,614,462	1,915,507
Accrued liabilities	1,841,502	615,603	2,457,105	366,665
Retainage payable	-	959,991	959,991	-
Due to other governments	265,603	18,765	284,368	-
Unearned revenue	7,086,149	227,818	7,313,967	614,761
Customer deposits	6,800	2,079,935	2,086,735	-
Noncurrent liabilities:				
Due within one year	5,809,539	4,881,946	10,691,485	2,291,000
Due in more than one year	70,060,327	59,479,028	129,539,355	32,415,334
Total liabilities	<u>89,146,446</u>	<u>72,801,022</u>	<u>161,947,468</u>	<u>37,603,267</u>
Deferred inflows of resources				
Deferred inflows related to pensions	1,111,519	420,040	1,531,559	280,637
Deferred inflows related to OPEB	3,110,222	1,053,340	4,163,562	71,419
Deferred inflows related to leases	1,263,826	974,333	2,238,159	7,361,288
Total deferred inflows of resources	<u>5,485,567</u>	<u>2,447,713</u>	<u>7,933,280</u>	<u>7,713,344</u>
Net position				
Net investment in capital assets	118,583,305	168,548,625	287,131,930	221,514,625
Restricted for:				
Debt service	-	924,383	924,383	-
System expansion	4,607,539	10,736,140	15,343,679	-
Transportation	19,664,256	-	19,664,256	-
Downtown redevelopment	5,305,073	-	5,305,073	-
Building inspections	8,673,511	-	8,673,511	-
Passenger facility charges	-	-	-	3,687,635
Other purposes	1,519,052	-	1,519,052	-
Unrestricted	34,371,253	92,011,479	126,382,732	21,320,148
Total net position	<u>\$ 192,723,989</u>	<u>\$ 272,220,627</u>	<u>\$ 464,944,616</u>	<u>\$ 246,522,408</u>

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

CITY OF SANFORD, FLORIDA

**Balance Sheet
Governmental Funds
September 30, 2023**

	General Fund	Local Option Gas Tax Fund	ARPA Grant Fund	2023 Construction Fund	Sanford CRA Fund	Nonmajor Governmental Funds
Assets						
Cash and cash equivalents	\$ 18,473,514	\$ 1,021,769	\$ 2,699,580	\$ 14,421,371	\$ 2,136,238	\$ 24,310,705
Investments	27,378,610	1,515,165	4,003,166	-	3,167,794	21,234,428
Accounts receivable, net	3,543,062	9,860	24,868	-	21,068	159,075
Leases receivable	1,290,399	-	-	-	-	-
Due from other governments	920,858	100,301	-	-	-	843,545
Due from other funds	385,068	-	-	-	-	-
Inventories	188,156	-	-	-	-	56,795
Prepaid items	86,341	2,470	-	-	7,470	34,885
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	\$ 52,266,008	\$ 2,649,565	\$ 6,727,614	\$ 14,421,371	\$ 5,332,570	\$ 46,639,433
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Liabilities						
Accounts payable	\$ 1,589,854	\$ 133,930	\$ 131	\$ 126,923	\$ 11,058	\$ 2,214,631
Accrued liabilities	1,774,562	-	-	-	8,969	54,822
Due to other funds	-	-	-	-	-	7,568
Due to other governments	255,368	-	-	-	-	10,235
Unearned revenues	493,203	-	6,511,430	-	-	81,516
Customer deposits	6,800	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	4,119,787	133,930	6,511,561	126,923	20,027	2,368,772
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Deferred Inflows of Resources						
Unavailable revenue	154,511	-	-	-	-	105,346
Deferred inflows related to leases	1,263,826	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	1,418,337	-	-	-	-	105,346
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances						
Nonspendable:						
Inventory	188,156	-	-	-	-	56,795
Prepaid items	86,341	2,470	-	-	7,470	34,885
Long-term receivable	58,114	-	-	-	-	-
Restricted for:						
Downtown redevelopment	-	-	-	-	5,305,073	-
Building inspections	-	-	-	-	-	8,673,511
Transportation	-	2,513,165	-	-	-	17,151,091
Law enforcement	-	-	-	-	-	464,833
Assistance programs	-	-	216,053	-	-	353,046
System expansion	-	-	-	-	-	4,607,539
Capital replacements	-	-	-	-	-	485,120
Committed for:						
Cemetery purposes	-	-	-	-	-	130,928
Capital replacements	-	-	-	-	-	93,762
Assigned for:						
Debt service	-	-	-	-	-	1,172,310
Capital replacements	-	-	-	14,294,448	-	11,005,829
Other	2,182,821	-	-	-	-	-
Unassigned/(Deficit)	44,212,452	-	-	-	-	(64,334)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	46,727,884	2,515,635	216,053	14,294,448	5,312,543	44,165,315
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows of resources, and fund balances	\$ 52,266,008	\$ 2,649,565	\$ 6,727,614	\$ 14,421,371	\$ 5,332,570	\$ 46,639,433
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

(continued)

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

CITY OF SANFORD, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2023
(Continued)

	Total Governmental Funds
Assets	
Cash and cash equivalents	\$ 63,063,177
Investments	57,299,163
Accounts receivable, net	3,757,933
Leases receivable	1,290,399
Due from other governments	1,864,704
Due from other funds	385,068
Inventories	244,951
Prepaid items	131,166
	<u>128,036,561</u>
Total assets	<u>\$ 128,036,561</u>
Liabilities	
Accounts payable	\$ 4,076,527
Accrued liabilities	1,838,353
Due to other funds	7,568
Due to other governments	265,603
Unearned revenues	7,086,149
Customer deposits	6,800
	<u>13,281,000</u>
Total liabilities	<u>13,281,000</u>
Deferred Inflows of Resources	
Unavailable revenue	259,857
Deferred inflows related to leases	1,263,826
Total deferred inflows of resources	<u>1,523,683</u>
Fund balances	
Nonspendable:	
Inventory	244,951
Prepaid items	131,166
Long-term receivable	58,114
Restricted for:	
Downtown redevelopment	5,305,073
Building inspections	8,673,511
Transportation	19,664,256
Law enforcement	464,833
Assistance programs	569,099
System expansion	4,607,539
Capital replacements	485,120
Committed for:	
Cemetery purposes	130,928
Capital replacements	93,762
Assigned for:	
Debt service	1,172,310
Capital replacements	25,300,277
Other	2,182,821
Unassigned/(Deficit)	44,148,118
	<u>113,231,878</u>
Total fund balances	<u>113,231,878</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 128,036,561</u>

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

CITY OF SANFORD, FLORIDA
Reconciliation of the Balance Sheet to
the Statement of Net Position
September 30, 2023

Fund Balances - Total Governmental Funds (page 23)		\$ 113,231,878
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Nondepreciable capital assets	\$ 9,294,031	
Depreciable capital assets	281,356,481	
Less: Accumulated depreciation	(164,115,573)	
Right-to-use assets	1,867,156	
Less: Accumulated amortization	<u>(905,473)</u>	127,496,622
<p>Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.</p>		
		259,857
<p>Equity interest in joint venture is not a financial resource and therefore not reported in the funds.</p>		
		62,705
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.</p>		
Governmental note payable	(19,909,768)	
Financed purchase agreements	(1,700,019)	
Leases	(183,619)	
SBITAs	(809,906)	
Accrued interest payable	(3,149)	
Compensated absences	<u>(2,821,236)</u>	(25,427,697)
<p>On the government fund statements, a net pension liability/asset is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's proportionate share of the net pension liability/asset of the cost-sharing defined benefit pension plans in which the City participates is reported as a noncurrent liability/asset. Additionally deferred outflows and deferred inflows related to pensions are also reported in accordance with GASB Statement No. 68.</p>		
Net pension liability	(36,138,113)	
Deferred outflows related to pensions	14,460,972	
Deferred inflows related to pensions	<u>(1,111,519)</u>	(22,788,660)
<p>The net other post employment benefits obligation is not recorded as a liability in the governmental funds balance sheet.</p>		
OPEB liability	(11,029,160)	
Deferred outflows related to OPEB	1,983,535	
Deferred inflows related to OPEB	<u>(3,110,222)</u>	(12,155,847)
<p>Internal service funds are used by management to account for the cost of health insurance, long-term disability, and life insurance. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.</p>		
		12,045,131
Net Position of Governmental Activities (page 21)		<u><u>\$ 192,723,989</u></u>

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

This page intentionally left blank.

CITY OF SANFORD, FLORIDA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2023

	General Fund	Local Option Gas Tax Fund	ARPA Grant Fund	2023 Construction Fund	Sanford CRA Fund	Nonmajor Governmental Funds
Revenues						
Property taxes	\$ 32,109,948	\$ -	\$ -	\$ -	\$ 1,834,679	\$ -
Utility taxes	9,841,452	-	-	-	-	-
Franchise fees	6,631,504	-	-	-	-	-
Business taxes	749,372	-	-	-	-	-
Permits and fees	374,182	-	-	-	-	1,305,260
Intergovernmental	9,066,186	1,229,806	5,109,000	-	-	14,505,493
Charges for services	4,576,799	-	-	-	-	65,376
Investment earnings	2,107,027	85,921	184,993	304,386	86,632	1,637,705
Fines and forfeitures	171,746	-	-	-	-	138,750
Service assessments	-	-	-	-	-	497,595
Miscellaneous	297,010	-	-	-	-	31,228
Total revenues	<u>65,925,226</u>	<u>1,315,727</u>	<u>5,293,993</u>	<u>304,386</u>	<u>1,921,311</u>	<u>18,181,407</u>
Expenditures						
Current:						
General government	8,659,525	-	139,228	208,274	-	1,034,250
Public safety	31,891,673	-	-	-	-	3,424,308
Physical environment	313,046	-	-	-	-	174,716
Transportation	2,482,889	865,044	-	-	-	972,120
Economic environment	334,338	-	-	-	883,522	1,048,167
Human services	130,037	-	198,548	-	-	2,260,507
Culture and recreation	7,661,981	-	-	-	-	21,191
Debt service:						
Principal	447,166	-	-	-	-	1,093,650
Interest	2,245	-	-	-	-	597,069
Capital outlay:						
General government	-	-	-	-	-	383,524
Public safety	-	-	-	142,118	-	2,388,985
Physical environment	-	-	-	-	-	13,291
Transportation	-	47,711	-	13,339	-	1,620,251
Culture and recreation	179,433	-	-	-	-	572,077
Total expenditures	<u>52,102,333</u>	<u>912,755</u>	<u>337,776</u>	<u>363,731</u>	<u>883,522</u>	<u>15,604,106</u>
Excess of revenues over expenditures	<u>13,822,893</u>	<u>402,972</u>	<u>4,956,217</u>	<u>(59,345)</u>	<u>1,037,789</u>	<u>2,577,301</u>
Other financing sources (uses)						
Financed purchase agreements	-	-	-	-	-	947,441
SBITAs	557,045	-	-	-	-	748,471
Transfers in	-	-	-	-	3,717,715	6,240,261
Transfers out	(7,190,276)	-	(4,771,224)	(82,146)	-	(3,717,715)
Proceeds from sale of assets	310	-	-	-	-	60,673
Bond Issuance	-	-	-	13,410,217	-	5,769,783
Premium on bonds	-	-	-	1,025,722	-	-
Payment to escrow for refunding debt	-	-	-	-	-	(6,270,000)
Total other financing sources (uses)	<u>(6,632,921)</u>	<u>-</u>	<u>(4,771,224)</u>	<u>14,353,793</u>	<u>3,717,715</u>	<u>3,778,914</u>
Net change in fund balances	<u>7,189,972</u>	<u>402,972</u>	<u>184,993</u>	<u>14,294,448</u>	<u>4,755,504</u>	<u>6,356,215</u>
Fund balances						
Beginning of year	<u>39,537,912</u>	<u>2,112,663</u>	<u>31,060</u>	<u>-</u>	<u>557,039</u>	<u>37,809,100</u>
End of year	<u>\$ 46,727,884</u>	<u>\$ 2,515,635</u>	<u>\$ 216,053</u>	<u>\$ 14,294,448</u>	<u>\$ 5,312,543</u>	<u>\$ 44,165,315</u>

(continued)

CITY OF SANFORD, FLORIDA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2023
(Continued)

	Total Governmental Funds
Revenues	
Property taxes	\$ 33,944,627
Utility taxes	9,841,452
Franchise fees	6,631,504
Business taxes	749,372
Permits and fees	1,679,442
Intergovernmental	29,910,485
Charges for services	4,642,175
Investment earnings	4,406,664
Fines and forfeitures	310,496
Service assessments	497,595
Miscellaneous	328,238
Total revenues	92,942,050
Expenditures	
Current:	
General government	10,041,277
Public safety	35,315,981
Physical environment	487,762
Transportation	4,320,053
Economic environment	2,266,027
Human services	2,589,092
Culture and recreation	7,683,172
Debt service:	
Principal	1,540,816
Interest	599,314
Capital outlay:	
General government	383,524
Public safety	2,531,103
Physical environment	13,291
Transportation	1,681,301
Culture and recreation	751,510
Total expenditures	70,204,223
Excess of revenues over expenditures	22,737,827
Other financing sources (uses)	
Financed purchase agreements	947,441
SBITAs	1,305,516
Transfers in	9,957,976
Transfers out	(15,761,361)
Proceeds from sale of assets	60,983
Bond Issuance	19,180,000
Premium on bonds	1,025,722
Payment to escrow for refunding debt	(6,270,000)
Total other financing sources (uses)	10,446,277
Net change in fund balances	33,184,104
Fund balances	
Beginning of year	80,047,774
End of year	\$ 113,231,878

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

CITY OF SANFORD, FLORIDA
Reconciliation to the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2023

Net Change in Fund Balances - Total Governmental Funds (page 27)		\$ 33,184,104
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays and leased assets as expenditures. However, in the Statement of Activities, the cost of these assets is depreciated over their estimated useful lives and reported as depreciation expense.		
Expenditures for capital assets	\$ 5,360,730	
Less: Current year depreciation	(12,551,646)	
Expenditures for SBITA right-to-use	1,305,516	
Less: Current year amortization	<u>(722,160)</u>	(6,607,560)
In the Statement of Activities, only the loss on the sale/disposal of the capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.		
		200,691
Contributed assets reported at acquisition value.		
		190,636
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
		(4,324,480)
Debt proceeds are reported as a source of financing in the governmental funds. Debt proceeds are not reported as revenues in the Statement of Activities, but rather are reported as liabilities in the Statement of Net Position.		
Financed purchase agreements	(947,441)	
SBITAs	(1,305,516)	
Bond issuance	(19,180,000)	
Bond premium	<u>(1,025,722)</u>	(22,458,679)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
		7,810,816
Some expenses in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Bond premium amortization	170,954	
Change in long-term compensated absences	(5,540)	
Change in accrued interest payable	(1,307)	
Change in equity in joint venture	(6,951)	
Change in post employment benefits obligation	<u>1,558,245</u>	1,715,401
Government funds report contributions to defined benefit pension plans as expenditures. However, in the Statement of Activities, the amount contributed to defined pension plans reduces future net pension liability and is reported as part of deferred outflows of resources.		
		3,830,493
In the Statement of Activities, pension expense is recorded for the City's proportionate share of collective pension expense of the cost-sharing defined benefit plans and all of the pension expense of single employer defined pension plans in which the City participates. Also included in pension expense are amounts required to be amortized in accordance with GASB Statement No. 68.		
		(12,542,702)
Internal service funds are used by management to account for the cost of health insurance, long-term disability, and life insurance. The net revenue of certain activities of internal service funds is reported with governmental activities.		
		3,439,483
Change in Net Position of Governmental Activities (page 21)		<u><u>\$ 4,438,203</u></u>

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

CITY OF SANFORD, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2023

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water / Sewer Utility Fund	Stormwater Utility Fund	Solid Waste Utility Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Assets						
Current assets:						
Cash and cash equivalents	\$ 17,466,235	\$ 10,958,888	\$ 304,456	\$ 966,826	\$ 29,696,405	\$ 6,278,698
Investments	38,558,193	16,250,763	-	2,228,514	57,037,470	9,304,702
Accounts receivable, net	5,623,885	384,984	1,304,800	16,615	7,330,284	57,801
Leases receivable	1,008,925	-	-	-	1,008,925	-
Insurance receivable	-	-	-	-	-	829,345
Due from other governments	11,665,663	25,341	-	-	11,691,004	-
Inventories	-	-	-	32,874	32,874	-
Prepaid items	9,529	195	-	21,665	31,389	625,655
Restricted investments for customer deposits	1,886,051	-	176,854	17,030	2,079,935	-
Restricted investments for debt service	924,383	316,741	-	-	1,241,124	-
Restricted investments for system expansion	10,736,140	-	-	-	10,736,140	-
Total current assets	87,879,004	27,936,912	1,786,110	3,283,524	120,885,550	17,096,201
Noncurrent assets:						
Capital assets:						
Nondepreciable	54,232,414	5,507,096	-	690,216	60,429,726	-
Depreciable, net	138,588,723	21,304,015	28,632	1,249,274	161,170,644	93,600
Lease asset	12,987	293	591	131,982	145,853	-
Total noncurrent assets	192,834,124	26,811,404	29,223	2,071,472	221,746,223	93,600
Total assets	280,713,128	54,748,316	1,815,333	5,354,996	342,631,773	17,189,801
Deferred outflows of resources						
Deferred outflows related to other post employment benefits	527,965	94,987	10,243	-	633,195	-
Deferred outflows related to pensions	2,352,218	391,162	65,489	-	2,808,869	-
Total deferred outflows of resources	2,880,183	486,149	75,732	-	3,442,064	-
Liabilities						
Current liabilities:						
Accounts payable	3,363,144	238,490	687,610	248,692	4,537,936	-
Accrued liabilities	425,544	183,632	6,427	-	615,603	-
Compensated absences	213,976	11,397	144	-	225,517	-
Claims payable	-	-	-	-	-	2,777,575
Retainage payable	891,175	68,816	-	-	959,991	-
Due to other funds	-	-	-	377,500	377,500	-
Due to other governments	4,827	-	-	13,938	18,765	-
Unearned revenues	227,818	-	-	-	227,818	-
Leases payable - current	12,735	287	579	58,172	71,773	-
Loans payable - current	3,908,763	675,893	-	-	4,584,656	-
Liabilities payable from restricted assets:						
Customer deposits	1,886,051	-	176,854	17,030	2,079,935	-
Total current liabilities	10,934,033	1,178,515	871,614	715,332	13,699,494	2,777,575
Noncurrent liabilities:						
Loans payable	39,584,441	6,054,125	-	-	45,638,566	-
Lease payable	-	-	-	73,895	73,895	-
Claims payable	-	-	-	-	-	500,470
Compensated absences	362,672	13,644	60	-	376,376	-
Pensions payable	8,325,721	1,297,932	200,413	-	9,824,066	-
Other postemployment benefits	2,946,480	562,324	57,321	-	3,566,125	-
Total noncurrent liabilities	51,219,314	7,928,025	257,794	73,895	59,479,028	500,470
Total liabilities	62,153,347	9,106,540	1,129,408	789,227	73,178,522	3,278,045
Deferred inflows of resources						
Deferred inflows related to other post employment benefits	863,563	172,524	17,253	-	1,053,340	-
Deferred inflows related to pensions	354,218	59,033	6,789	-	420,040	-
Deferred inflows related to leases	974,333	-	-	-	974,333	-
Total deferred inflows of resources	2,192,114	231,557	24,042	-	2,447,713	-
Net position						
Net investment in capital assets	146,715,491	19,870,660	28,644	1,933,830	168,548,625	93,600
Restricted for debt service	924,383	-	-	-	924,383	-
Restricted for system expansion	10,736,140	-	-	-	10,736,140	-
Unrestricted	60,871,836	26,025,708	708,971	2,631,939	90,238,454	13,818,156
Total net position	\$ 219,247,850	\$ 45,896,368	\$ 737,615	\$ 4,565,769	270,447,602	\$ 13,911,756

Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.

1,773,025

Net position of business-type activities

\$272,220,627

CITY OF SANFORD, FLORIDA
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2023

	Business-Type Activities - Enterprise Funds				Governmental Activities	
	Water / Sewer Utility Fund	Stormwater Utility Fund	Solid Waste Utility Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Operating revenues						
Charges for sales/services	\$ 32,737,705	\$ 5,987,947	\$ 7,511,998	\$ 2,811,481	\$ 49,049,131	\$ 13,416,513
Miscellaneous	126,956	8,885	1,074	127,155	264,070	542,630
Total operating revenues	<u>32,864,661</u>	<u>5,996,832</u>	<u>7,513,072</u>	<u>2,938,636</u>	<u>49,313,201</u>	<u>13,959,143</u>
Operating expenses						
Personnel services	10,309,794	1,545,449	215,818	9,261	12,080,322	117,804
Materials and supplies	9,831,588	681,142	10,865	1,430,609	11,954,204	325,451
Intragovernmental services	1,979,722	548,287	208,486	-	2,736,495	-
Contractual services	2,767,054	109,318	6,900,843	1,104,816	10,882,031	924,924
Claims and insurance	-	-	-	-	-	8,574,026
Depreciation	5,747,725	1,535,679	2,380	1,034,662	8,320,446	3,520
Amortization	16,045	362	730	56,760	73,897	-
Total operating expenses	<u>30,651,928</u>	<u>4,420,237</u>	<u>7,339,122</u>	<u>3,636,108</u>	<u>46,047,395</u>	<u>9,945,725</u>
Operating income (loss)	<u>2,212,733</u>	<u>1,576,595</u>	<u>173,950</u>	<u>(697,472)</u>	<u>3,265,806</u>	<u>4,013,418</u>
Nonoperating revenues (expenses)						
Investment earnings	2,514,600	1,033,563	13,054	52,779	3,613,996	519,210
Interest expense	(711,301)	(128,894)	(34)	(2,326)	(842,555)	-
Operating grants	12,066	12,512	-	-	24,578	-
Capital recovery fees	3,801,239	-	-	-	3,801,239	-
Total nonoperating revenues (expenses)	<u>5,616,604</u>	<u>917,181</u>	<u>13,020</u>	<u>50,453</u>	<u>6,597,258</u>	<u>519,210</u>
Income (loss) before contributions, grants, extraordinary gain (loss), and transfers	7,829,337	2,493,776	186,970	(647,019)	9,863,064	4,532,628
Capital contributions and grants	4,316,581	-	-	-	4,316,581	-
Transfers in	4,781,955	71,415	-	950,015	5,803,385	-
Change in net position	16,927,873	2,565,191	186,970	302,996	19,983,030	4,532,628
Net position - beginning	<u>202,319,977</u>	<u>43,331,177</u>	<u>550,645</u>	<u>4,262,773</u>		<u>9,379,128</u>
Total net position - ending	<u>\$ 219,247,850</u>	<u>\$ 45,896,368</u>	<u>\$ 737,615</u>	<u>\$ 4,565,769</u>		<u>\$ 13,911,756</u>

Some amounts reported for business-type activities in the statement of activities are different because the net revenues (expense) of certain internal services funds are reported with business-type activities.

1,096,666
\$21,079,696

CITY OF SANFORD, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2023

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water / Sewer Utility Fund	Stormwater Utility Fund	Solid Waste Utility Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Cash flows from operating activities:						
Receipts from customers and users	\$ 30,167,450	\$ 5,981,600	\$ 7,525,228	\$ 2,913,475	\$ 46,587,753	\$ -
Receipts from interfund charges for risk management	-	-	-	-	-	13,770,460
Payments to suppliers	(11,020,920)	(648,543)	(6,845,321)	(2,628,153)	(21,142,937)	(10,181,403)
Payments to employees	(9,458,949)	(1,430,078)	(194,461)	(9,261)	(11,092,749)	(117,804)
Payments for interfund services used	(1,979,722)	(548,287)	(208,486)	-	(2,736,495)	-
Net cash provided by (used for) operating activities	<u>7,707,859</u>	<u>3,354,692</u>	<u>276,960</u>	<u>276,061</u>	<u>11,615,572</u>	<u>3,471,253</u>
Cash flows from noncapital financing activities:						
Operating grant receipts	12,066	12,512	-	-	24,578	-
Transfers to other funds	-	-	-	-	-	-
Transfers from other funds	4,781,955	71,415	-	950,015	5,803,385	-
Net cash provided by (used for) noncapital financing activities	<u>4,794,021</u>	<u>83,927</u>	<u>-</u>	<u>950,015</u>	<u>5,827,963</u>	<u>-</u>
Cash flows from capital and related financing activities:						
Repayment of lease/notes payable	(3,714,124)	(676,265)	(745)	(57,354)	(4,448,488)	-
Principal paid on capital debt	-	-	-	-	-	-
Issuance of lease debt	-	-	-	-	-	-
Interest paid	(711,302)	(128,895)	(34)	(2,327)	(842,558)	-
Proceeds of note payable	2,617,625	-	-	-	2,617,625	-
Purchase of capital assets	(12,692,170)	(3,101,916)	-	(610,527)	(16,404,613)	-
Purchase of lease assets	-	-	-	-	-	-
Developers fees	3,801,239	-	-	-	3,801,239	-
Capital contributions and grants	733,442	-	-	-	733,442	-
Proceeds from sales of capital assets	14,534	-	-	-	14,534	-
Net cash used for capital and related financing activities	<u>(9,950,756)</u>	<u>(3,907,076)</u>	<u>(779)</u>	<u>(670,208)</u>	<u>(14,528,819)</u>	<u>-</u>
Cash flows from investing activities:						
Investment income earned on operating funds	2,514,600	1,033,564	13,054	52,779	3,613,997	519,210
Net cash provided by investing activities	<u>2,514,600</u>	<u>1,033,564</u>	<u>13,054</u>	<u>52,779</u>	<u>3,613,997</u>	<u>519,210</u>
Net increase in cash and cash equivalents	5,065,724	565,107	289,235	608,647	6,528,713	3,990,463
Cash and cash equivalents at beginning of year	64,505,278	26,961,285	192,075	2,603,723	94,262,361	11,592,937
Cash and cash equivalents at end of year	<u>\$ 69,571,002</u>	<u>\$ 27,526,392</u>	<u>\$ 481,310</u>	<u>\$ 3,212,370</u>	<u>\$ 100,791,074</u>	<u>\$ 15,583,400</u>
Reconciliation to cash and pooled investments per Statement of Net Position:						
Cash	\$ 17,466,235	\$ 10,958,888	\$ 304,456	\$ 966,826	\$ 29,696,405	\$ 6,278,698
Investments	38,558,193	16,250,763	-	2,228,514	57,037,470	9,304,702
Restricted investments, current	13,546,574	316,741	176,854	17,030	14,057,199	-
	<u>\$ 69,571,002</u>	<u>\$ 27,526,392</u>	<u>\$ 481,310</u>	<u>\$ 3,212,370</u>	<u>\$ 100,791,074</u>	<u>\$ 15,583,400</u>

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

CITY OF SANFORD, FLORIDA
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended September 30, 2023

	Business-Type Activities - Enterprise Funds					Governmental
						Activities
	Water / Sewer Utility Fund	Stormwater Utility Fund	Solid Waste Utility Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	\$ 2,212,733	\$ 1,576,595	\$ 173,950	\$ (697,472)	3,265,806	\$ 4,013,418
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	5,747,725	1,535,679	2,380	1,034,662	8,320,446	3,520
Amortization	16,045	362	730	56,760	73,897	-
Changes in deferred inflows/outflows	(296,581)	(36,380)	(3,063)	-	(336,024)	-
Changes in assets and liabilities:						
Accounts receivable	562,352	(3,028)	7,645	(12,739)	554,230	(26,307)
Insurance receivable	-	-	-	-	-	(162,376)
Due from other governments	(2,159,806)	(12,204)	-	-	(2,172,010)	-
Prepays	24	675	-	6,022	6,721	(228,927)
Due from other funds	-	-	-	-	-	-
Inventories	-	-	-	(12,067)	(12,067)	-
Customer deposits	91,558	-	4,511	(355)	95,714	-
Accounts payable	1,422,573	72,426	66,387	(87,201)	1,474,185	-
Retainage payable	163,703	68,816	-	-	232,519	-
Claims payable	-	-	-	-	-	(128,075)
Accrued liabilities	87,705	1,755	(1,556)	-	87,904	-
OPEB liability	(67,132)	(11,334)	(1,266)	-	(79,732)	-
Pension liability	1,126,853	161,330	27,242	-	1,315,425	-
Due to other funds	-	-	-	-	-	-
Due to other governments	(8,578)	-	-	(11,549)	(20,127)	-
Unearned revenue	(182,390)	-	-	-	(182,390)	-
Net cash provided by (used for) operating activities	<u>\$ 8,716,784</u>	<u>\$ 3,354,692</u>	<u>\$ 276,960</u>	<u>\$ 276,061</u>	<u>\$ 12,624,497</u>	<u>\$ 3,471,253</u>
Noncash investing, capital, and financing activities:						
Contributions of capital assets	\$ 3,583,139	\$ -	\$ -	\$ -	\$ 3,583,139	\$ -
Decrease in fair value of investments	414,510	165,847	599	8,196	589,152	77,339

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

CITY OF SANFORD, FLORIDA
Statement of Net Position
Fiduciary Funds
September 30, 2023

	Pension Trust Funds
Assets	
Investments, at fair value:	
Cash and Cash Equivalents	\$ 2,394,009
US government obligations	5,857,714
Mortgage & asset backed securities	6,109,114
Corporate debt	1,993,132
Mutual funds	36,298,909
Equity securities	25,613,723
Real estate	16,599,284
Accrued investment income	83,298
Prepaid items	5,597
Total assets	94,954,780
Liabilities	
Accounts payable	121,274
Net position	
Net position restricted for pensions	\$ 94,833,506

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

CITY OF SANFORD, FLORIDA
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended September 30, 2023

	Pension Trust Funds
Additions	
Contributions:	
Employer	\$ 2,686,509
Plan members	488,054
Total contributions	3,174,563
Investment earnings (losses):	
Interest & dividends	1,997,729
Net increase in fair value of investments	5,526,507
Total investment earnings	7,524,236
Investment expenses	(514,489)
Net investment earnings	7,009,747
Total additions	10,184,310
Deductions	
Benefit payments	4,899,318
Refund of contributions	238,402
Administrative expenses	186,822
Total deductions	5,324,542
Change in net position	4,859,768
Net position restricted for pensions	
Beginning of year	89,973,738
End of year	\$ 94,833,506

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

**NOTES TO THE
FINANCIAL STATEMENTS**

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies

The City of Sanford, Florida (the “City”), is a political subdivision located in Seminole County of the State of Florida, established pursuant to Article VIII, section 2(a) of the Constitution of the State of Florida. The legislative branch of the City is composed of a five-member elected Commission, including a City-wide elected Mayor. The City Commission is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Commission-appointed City Manager. The accounting policies of the City conform to accounting principles generally accepted in the United States of America, as applicable to governments, as established by the Governmental Accounting Standards Board. The following is a summary of the more significant policies.

A. Reporting Entity

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Blended Component Unit

The City of Sanford Community Redevelopment Agency - The City of Sanford Community Redevelopment Agency (the “Sanford CRA”) pursuant to Section 163.356, Florida Statutes, was established by City Ordinance No. 3282 and County Ordinance No. 95-R-246. The only currently active project, the Lake Monroe Waterfront and Downtown District, was established in 1996 by an interlocal agreement with Seminole County.

The Sanford CRA is comprised of a five-member board. Three members are nominated and appointed by the City Commission, and two members are nominated by the Board of County Commissioners of Seminole County and appointed by the City Commission. The City and Seminole County provide tax increment revenue to the Sanford CRA to be used for payment of infrastructure improvement projects and debt service on loans.

Due to the appointment of the board in addition to the financial support provided by the City, management has determined the Sanford CRA meets the criteria to be included as a component unit. Financial records for the Sanford CRA are maintained by the City and City staff is responsible for the day-to-day operation of the Sanford CRA. Due to the component unit existing to exclusively benefit the primary government the CRA is considered a blended component unit. The CRA benefits the primary government by providing funds for infrastructure improvements to roadways and police patrol throughout the downtown and these are the main uses of revenues. The Sanford CRA is reported as a major special revenue fund and separate financial statements are also prepared for the CRA and are available on the City's website.

Discretely Presented Component Unit

The Sanford Airport Authority - The Sanford Airport Authority (the “Airport Authority”) was established under Florida Statutes, Chapter 71-924, and Resolution No. 1315 of the City Commission. The City Commission appoints all members of the Board of Directors of the Airport Authority and approves the Airport Authority’s annual operating budget, as well as any budget adjustments or amendments. The exclusion of the Airport Authority as a component unit is believed to be misleading and therefore management has determined the Airport Authority should be reported as a discretely presented component unit. Separate financial statements are available for the Airport Authority. These reports can be obtained by contacting the Airport Authority at 1200 Red Cleveland Boulevard, Sanford, FL 32773.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

All financial statement notes for the Airport Authority are omitted from this report since separate financial statements are available. The notes to the Airport Authority statements should be used as an integral part to interpreting the financial statements of this component unit.

Related Organizations

The City Commission is responsible for appointing a voting majority of the governing board for the Sanford Housing Authority ("Authority"), which makes the Authority a related organization. However, the Authority is not considered a component unit since it is not financially accountable to or fiscally dependent on the City.

Joint Venture

The City of Sanford participates in a joint venture known as SanGroup, LLC, formed for the purpose to acquire, hold, lease and maintain the Christian Prison Ministry (CPM) Property until completion of the remediation of contamination on the site from a gasification plant, sell or otherwise dispose of the CPM Property, unless the advisory committee otherwise determines, and to do such other things and engage in any other activities that the members determine to be necessary, convenient, or incidental to any of the foregoing purposes. The members of the joint venture are Atlanta Gas Light Company, Florida Power & Light Company, Florida Power Corporation (subsequently Duke Energy), and the City of Sanford with interests of 23.6032%, 16.3374%, 45.0482%, and 15.0112% respectively. The joint venture's advisory committee is composed of one representative from each member organization and has voting rights equal to their interests. The City of Sanford has an equity interest in equity of the joint venture. This interest has been reported using the equity method of accounting. Separate financial statements for this joint venture are available from SanGroup, LLC at 550 South Tryon Street DEC41A, Charlotte, NC 28202. At September 30, 2023, this joint venture had total assets of \$437,494 and total equity of \$437,494.

B. Basis of Presentation - Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary 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 nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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 City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer and stormwater functions 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

B. Basis of Presentation - Government-wide Financial Statements (continued)

segment. 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, (2) operating grants and contributions that are restricted to meeting the operational requirements of a particular function or segment, and (3) capital grants and contributions, including special assessments, that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

C. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City’s funds, including its fiduciary funds and blended component units. 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 City adopts an annual appropriated budget for its General, Special Revenue, Debt Service, Capital Projects and Enterprise Funds, except for the State Pension Contributions Fund, NSP Grant Fund, the Golf Course Fund, and the Marina Fund. Budgetary comparison schedules have been provided for the General and Special Revenue funds to demonstrate compliance with the budget and are presented as required supplementary information.

The City reports the following major governmental funds:

The *General Fund* is the City’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Local Option Gas Tax Fund* accounts for the allocation of the 6-cent local option gas tax collected in Seminole County.

The *ARPA Grant Fund* accounts for the grant funds related to the American Rescue Plan Act.

The *2023 Construction Fund*, a capital project fund, accounts for the funds related to the issuance of new debt for capital projects.

The *Sanford Community Redevelopment Agency Fund* accounts for financial resources related the economic development of the Lake Monroe Waterfront and Downtown Sanford. The fund is a blended component unit of the City. The funds include tax increment revenue, which is legally restricted and expended to support the City’s redevelopment in the designated community redevelopment area. Expenditures are for capital and non-capital projects.

The City reports the following major enterprise funds:

The *Water and Sewer Fund* accounts for the activities of the City’s water plants, sewage treatment plants, water distribution system, sewage pumping stations and collection systems.

The *Stormwater Fund* accounts for the operation of the City’s stormwater management utility.

The *Solid Waste Fund* accounts for the operation of the City’s solid waste management.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

C. Basis of Presentation - Fund Financial Statements (continued)

The *Internal Service Fund* accounts for risk management services (including claims for workers' compensation, general liability, and property damage) provided to departments of the City on a cost-reimbursement basis. The City has (1) internal service fund.

The *Pension Trust Funds* are used to account for assets held by the City in a trustee capacity. The City has two (2) pension trust funds: the *Police Officers' Retirement System Fund* and the *Firefighters' Retirement System Fund*.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to 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 the 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.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these 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 the 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.

D. Measurement Focus and Basis of Accounting

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

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

The governmental fund financial statements are reported using the *current financial 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 65 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 capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise fees, state shared revenues, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

D. Measurement Focus and Basis of Accounting (continued)

considered to be susceptible to accrual as revenue of the current period. 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 65 days of year-end except property taxes which is limited to 60 days). All other revenue items are considered to be measurable and available only when cash is received by the City.

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

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, stormwater fund, solid waste fund, golf course fund, and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

E. Cash, Cash Equivalents, and Investments

Cash and cash equivalent are considered to be cash on hand, demand deposits and short-term investment with original maturities of three months or less from the date of acquisition. The City presents all investments at fair value.

F. Receivables

(1) Property Taxes Receivable - Under Florida law, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the Seminole County Property Appraiser (the "Property Appraiser") and Seminole County Tax Collector (the "Tax Collector"). The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method statewide. State Statutes permit municipalities to levy property taxes at a rate up to ten (10) mills. The millage rate assessed by the City for the fiscal year ended September 30, 2023 was 7.325 mills.

All real and tangible personal property taxes are due and payable on November 1 of each year, or as soon thereafter as the assessment roll is certified by the Property Appraiser (levy date). The Tax Collector mails to each property owner on the assessment roll a notice of the taxes due. The Tax Collector also collects the taxes for the City. Taxes may be paid upon receipt of such notice from the Tax Collector, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent on April 1 of the year following the year in which taxes were assessed.

Prior to May 1 of each year, immediately following the year of assessment, the Tax Collector advertises a list of delinquent personal property taxpayers. Warrants are issued directing seizure and sale of the personal property of the taxpayer if the delinquent personal property taxes are not paid. On or before June 1 (lien date) of the year following the year in which taxes were assessed, tax certificates are sold on all real estate parcels with outstanding real property taxes. These parcels are advertised once a week for four (4) weeks prior to the tax certificate sale.

City property tax revenues are recognized when levied to the extent that they result in current receivables. If material, delinquent taxes receivable that are measurable, but not available as of the end of the fiscal year, are

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

F. Receivables (continued)

reflected as deferred revenues. The deferred revenues are recognized as revenue in the fiscal year they become measurable and available as net current assets.

(2) Accounts Receivable – Accounts receivable for water and sewer, stormwater and solid waste services are shown net of an allowance for uncollectible accounts. Accounts receivable in excess of 180 days and 85 percent of accounts receivable in excess of 90 days comprise the allowance for uncollectible accounts. The unbilled portion of water and sewer revenues is accrued at year-end based upon a proration of the billing cycle based on read dates of meters. The unbilled portion of solid waste revenue is accrued at year-end based upon the period in which collection service is provided.

(3.) Leases Receivable - The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the leases.

G. 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 (consumption method).

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.

H. Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Constructed or purchased assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at the acquisition value on the date of donation. The threshold for capitalization of assets is \$5,000 for financial reporting purposes. Costs of maintenance and repairs that do not add to the value of assets or extend their useful lives are not capitalized.

Interest incurred during the construction phase of capital assets of enterprise funds is included as part of the capitalized value of the assets constructed. The amount of interest capitalized depends on the specific circumstances. This year, State Revolving Fund loans were drawn upon to finance water and sewer improvements. There was not any capitalized interest for this fiscal year.

All capital assets, except land and construction in progress, are depreciated using the straight-line method over the following estimated useful lives:

<u>Classification</u>	<u>Years</u>
Buildings and improvements	10 - 60
Water and Sewer System	40 - 60
Stormwater Management System	40 - 60
Equipment	3 - 20
Infrastructure	30 - 40
Irrigation rights	25

Gains or losses on disposal of capital assets are included as income in the period of disposal.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

I. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused paid time off (PTO), with the exception of police union employees who accumulate earned but unused vacation and sick pay benefits. The City records the vested portion of accumulated, unused compensated absences at year-end based on each employee's accumulated unused hours and rate of pay, including the City's share of Social Security and Medicare taxes and retirement benefits. All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. Unearned Revenues

Unearned revenues presented on governmental fund financial statements represents revenues collected (therefore available) but not applicable to the current reporting period (therefore unearned), primarily related to business tax receipts applicable to the City's next fiscal year. Unearned revenue presented on the proprietary fund financial statements represents advance collection of funds for services to be provided in future reporting periods, consisting primarily of an advance payment for an expenditure-driven intergovernmental agreement. Unearned revenues on the government-wide financial statement are the same as those reported on the governmental and proprietary statements.

K. Debt Issuance Costs and Bond Discounts

In the government-wide financial statements, and proprietary fund types in the fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount and refunding gains/losses. Bond issuance costs are reported expensed during the current period.

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

L. Post Employment Benefits Other than Pensions

The City pays health and life insurance premiums of retirees if they meet certain eligibility requirements. The City records the cost of this plan on a "pay-as-you-go" basis. This results in current insurance payments being recorded as expenditures or expenses in the financial statements in the period the insurance is paid. It is the City's policy to pay these premiums on a monthly basis in the period the insurance services were provided.

M. Net Position

The government-wide and business-type activities fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- *Net investment in capital assets* – This category groups all capital assets including infrastructure into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributed to the acquisition, construction or improvement of these assets reduce the balance in this category.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

- *Restricted net position* – This category presents external restrictions imposed by creditors, grantors, or laws and regulations of other governments.
- *Unrestricted net position* – This category presents the net position of the City, not restricted for any purpose.

N. 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 City itself can establish limitations on 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 City Commission. The City Commission is the highest level of decision-making authority for the City that can, by adoption of a resolution or an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution or ordinance remains in place until a similar action is taken (the adoption of another resolution or ordinance) to remove or revise the limitation. In the State of Florida, both a resolution and ordinance are equally binding and have equal power in creating laws.

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. Assignments of fund balance reflect tentative plans by management that may be subject to change and may be removed by informal action of the City Commission. The City Commission is the official governing body authorized to assign fund balance, however, there is not a formal policy. The City Commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in 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 nonspendable fund balance includes items that cannot be spent because they are not in spendable form, such as long term portions of receivables, inventories, prepaid items. Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation. Residual net resources are reported as unassigned fund balance and are the excess of nonspendable, restricted, committed, and assigned fund balance. The General Fund is the only fund that reports a positive unassigned fund balance amount as all other governmental funds are setup for a specific purpose, however, all other governmental funds may report a negative unassigned fund balance.

O. 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 City only has two items that qualify for reporting in this category. They are the *deferred outflows related to pensions* and the *deferred outflows related to OPEB* reported in the government-wide statement of net position. A deferred outflow related to pensions is an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years. Details on the composition of the deferred outflows related to pensions are further discussed in Note 11. A deferred outflow related to OPEB is an aggregate

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

of items related to OPEB as calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)*. The deferred outflows related to OPEB will be recognized as either OPEB expense or a reduction in the net pension liability in future reporting years. Details on the composition of the deferred outflows related to OPEB are further discussed in Note 12.

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. The City has only four items, which qualify for reporting as deferred inflows of resources.

The first item reported as deferred inflows of resources is the *deferred inflows related to pensions*, and is reported in the government-wide statement of net position. The deferred inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred inflows related to pensions will be recognized as a reduction to pension expense in future reporting years. Details on the composition of the deferred outflows related to pensions are further discussed in Note 11.

The second item reported as deferred inflows of resources is the *deferred inflows related to OPEB*, and is reported in the government-wide statement of net position. The deferred inflows related to OPEB are an aggregate of items related to OPEB as calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for OPEB*. The deferred inflows related to OPEB will be recognized as a reduction to OPEB expense in future reporting years. Details on the composition of the deferred outflows related to OPEB are further discussed in Note 12.

The third item reported as deferred inflows of resources is the *deferred inflows related to leases*. The deferred inflows related to leases are an aggregate of items calculated in accordance with GASB Statement No. 87, *Leases*. The deferred inflows related to this item will be recognized as rent revenue in future years.

The fourth and final deferred inflow of resources arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

P. Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g. 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's policy to consider restricted net position to have been depleted before unrestricted – net position is applied.

Q. Pensions / Net Pension Liability

In the government-wide financial statements as well as the proprietary fund financial statements, net pension liability represents the City's proportionate share of the net pension liability of the cost-sharing pension in which it participates. This proportionate amount represents a share of the present value of projected benefit payments to be provided through the cost-sharing pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the cost-sharing plan's fiduciary net

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

position. The government-wide financial statements also contain the net pension liability of both of the single employer pension plans in which the City participates.

The City participates in both the Florida Retirement System (FRS) defined benefit pension plan and the Health Insurance Subsidy Program (HIS) defined benefit plan administered by Florida Division of Retirement (collectively, FRS/HIS) as well as two single-employer pension plans for fire (Chapter 175, Florida Statutes) and police (Chapter 185, Florida Statutes).

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the FRS/HIS and additions to/deductions from FRS/HIS's fiduciary net position have been determined on the same basis as they are reported by FRS/HIS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

R. Fund Balance Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the 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.

S. Encumbrances

Encumbrance accounting is employed in the governmental funds. Under this method, purchase orders, contracts, memoranda of understanding, and other commitments outstanding at year-end do not constitute expenditures or liabilities. GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, provides additional guidance on the classification within the fund balances section of amounts that have been encumbered. Encumbrances of balances within the governmental funds are classified as committed, restricted or assigned and are included in the respective functional categories. These encumbrances are not separately classified in the financial statements and are summarized as follows:

General Fund	\$ 626,697
Building Inspection Fund	47,834
Local Option Gas Tax Fund	350,000
Fire Impact Fee Fund	2,939
ARPA Fund	11,888
Local Option Sales Tax Fund	624,773
Recreation Impact Fee Fund	5,500
9th Cent Sales Tax Fund	175,000
Catalyst Fund	2,250
2023 Bond Construction Fund	821,466
Capital Replacement Fund	1,638,474
	<u>\$ 4,306,821</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 1 - Summary of Significant Accounting Policies (continued)

T. Minimum Fund Balance Policy

The City Commission has informally set policy to provide for a 14% minimum fund balance policy for the General Fund based on budgeted expenditures; this amount is currently reported as unassigned and totals \$9,651,190 of the 2024 adopted budget.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 2 - Stewardship, Compliance, and Accountability

A. Budgets and Budgetary Accounting

The following procedures are used to establish the budgetary data reflected in the financial statements:

(1) On or before July 1 of each year, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1.

(2) Public hearings are conducted to obtain taxpayer comments.

(3) Prior to October 1, the budget is legally enacted through passage of a resolution.

(4) Formal budgetary integration is employed as a management control device during the year for all funds which have a legally adopted budget, including the General Fund, Sanford Community Redevelopment Agency, Building Inspection Fund, ARPA Fund, Local Option Gas Tax Fund, Local Option Sales Tax Fund, Law Enforcement Trust Fund, Police Education Fund, Cemetery Fund, LIHEAP Grant Fund, Police Impact Fee Fund, Fire Impact Fee Fund, Recreation Impact Fee Fund, CDBG Grant Fund, Public Art Commission Fund, 9th Cent Sales Tax Fund, Debt Service Fund, Capital Recovery Fee Fund, Capital Replacement Fund, Catalyst Fund, Water and Sewer Fund, Solid Waste Fund, and Stormwater Fund. The City does not prepare a budget for the Premium Tax Trust Fund, NSP Grant Fund, Golf Course Fund, or the Marina Fund.

(5) Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

(6) The City Manager is authorized by the City Commission to transfer budgeted funds less than \$50,000 within and/or between functions and/or departments of a fund without limit of the number of transactions. At any time during the fiscal year, the City Manager may transfer part or all of any unencumbered appropriation among programs within and/or between functions and/or departments. The classification detail at which expenditures may not legally exceed appropriations is at the fund level and the Commission must approve all items that change a funds total budget. The City's budget is adopted by the fund level.

(7) While all appropriations and encumbrances lapse at year-end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

(8) Supplemental appropriations beyond those for which the City Manager is authorized must be approved by the City Commission. There were a number of such supplemental appropriations made during the fiscal year.

B. Deficit Fund Equity

The CDBG Grant Fund, and NSP Grant Fund had deficit fund balances of \$(61,117), and \$(3,217) respectively, as of September 30, 2023. These fund deficits are due to timing issues with grants unavailable at the end of the fiscal year, and the City will be reimbursed by the appropriate parties in 2024.

C. Budget Overage

The Debt Service Fund incurred principal and interest payments in excess of the budget due to the bond refunding and issue of the new 2023 Construction Bonds.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 3 - Deposits and Investments

The fair value of the City's deposits and investments as of September 30, 2023 is as follows:

	Carrying Value
Governmental and Business-type Activities:	
Bank Deposits	\$ 10,081,643
Local Government Surplus Funds Trust	88,956,637
Investment Accounts	137,698,534
Total Governmental and Business-type Activities	236,736,814
Pension Trust Funds:	
Cash	29,742
Money Market Funds	2,364,267
US Government Obligations	5,857,714
Mortgage/Asset Backed Securities	6,109,114
Corporate Debt	1,993,132
Mutual Funds	36,298,909
Equity	25,613,723
Real Estate	16,599,284
Total Pension Trust Funds	94,865,885
Total Primary Government	\$ 331,602,699
Classified as:	
Government-Wide Statement of Net Position:	
Cash and cash equivalents	\$ 99,038,280
Investments	123,641,335
Restricted investments	14,057,199
Statement of Fiduciary Net Position:	
Cash and cash equivalents	2,394,009
Investments	92,471,876
	\$ 331,602,699

Governmental and Business-type Activities Deposits & Investments

The City Charter, Florida Statutes, and bond resolutions authorize the City to invest in direct obligations of the United States of America, obligations of federal agencies and instrumentalities of the United States of America, certificates of deposit, money market mutual funds, and the Florida State Board of Administration's (SBA) Local Government Surplus Funds Trust Fund. Such investments are stated at amortized cost, which approximates fair value, and are not rated as to credit quality. Investments other than the Local Government Surplus Funds Trust Fund are stated at fair value. The Local Government Surplus Funds Trust Fund is governed by Ch. 19-7 of the Florida Administrative Code, which identifies the Rules of the State Board of Administration. These rules provide guidance and establish the general operating procedures for the administration of the Local Government Surplus Funds Trust Fund. Additionally, the Office of the Auditor General performs the operational audit of the activities and investments of the State Board of Administration. The Local Government Surplus Funds Trust Fund is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for a 2a-7-like fund. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 3 - Deposits and Investments (continued)

Governmental and Business-type Activities Deposits & Investments (continued)

Deposits and investments of the Pension Trust Funds are held separately from those of other City funds and an independent investment manager and custodial bank handles all such investments.

As of September 30, 2023, the City's Governmental and Business-type investment portfolio is composed of the following investments:

Investment Type	Type	Moody's Credit Rating	Fair Value	Weighted Average Investment Maturities (in Years)	
				Less Than 1	1 - 5
Bank Deposits	Cash	NR*	\$ 10,081,643	\$ 10,081,643	\$ -
State Board of Administration	LGIP	**	74,652,250	74,652,250	-
Florida Star	LGIP	**	14,304,386	14,304,386	-
U.S. Treasury Bonds/Notes	Fixed Income	Aaa	55,806,380	24,361,563	31,444,817
Federal Agency Bonds	Fixed Income	Aaa	42,159,340	5,355,248	36,804,092
Asset Backed Securities	Fixed Income	Aaa	3,725,792	-	3,725,792
Asset Backed Securities	Fixed Income	NR*	1,803,397	-	1,803,397
Government Backed Securities	Fixed Income	Aa	1,906,387	518,934	1,387,453
Government Backed Securities	Fixed Income	Aaa	1,782,433	1,782,433	-
Government Backed Securities	Fixed Income	NR*	1,275,407	-	1,275,407
Variable Note	Fixed Income	Aaa	1,222,020	1,222,020	-
Corporate Debt	Fixed Income	A	8,416,078	5,654,340	2,761,738
Corporate Debt	Fixed Income	A-	8,402,622	2,183,993	6,218,629
Corporate Debt	Fixed Income	A+	8,481,154	-	8,481,154
Corporate Debt	Fixed Income	AA-	1,970,836	1,027,879	942,957
Corporate Debt	Fixed Income	AA	746,689	-	746,689
Total Portfolio			<u>\$ 236,736,814</u>	<u>\$ 141,144,689</u>	<u>\$ 95,592,125</u>

The City categorizes its fair value measurements within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application* with the exception for the position in the Florida State Board of Administration's investment Pool as it qualify's as a 2a7-like pool and is reported at the net asset value per share. 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 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs and are valued using the asset-class-based

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 3 - Deposits and Investments (continued)

Governmental and Business-type Activities Deposits & Investments (continued)

matrix; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of September 30, 2023:

<u>Investments by fair value level</u>	Amount	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Uninvested Cash	\$ 10,081,643	\$ 10,081,643	\$ -	\$ -
Corporate Bonds	28,017,379	-	28,017,379	-
Federal Agency Bonds	42,159,340	-	42,159,340	-
Government Backed Securities	4,964,227	-	4,964,227	-
US Government Bonds	55,806,380	-	55,806,380	-
Asset Backed Securities	5,529,189	-	5,226,406	302,783
Variable Amount Note	1,222,020	-	1,222,020	-
Total Portfolio	<u>\$ 147,780,178</u>	<u>\$ 10,081,643</u>	<u>\$ 137,395,752</u>	<u>\$ 302,783</u>

Other Investments

Florida PRIME	\$ 74,652,250
Florida STAR	14,304,386
Total other investments	<u>88,956,636</u>
Total Investments	<u>\$ 236,736,814</u>

Interest Rate Risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to no longer than 2.5 years, and at all times 25% of the portfolio shall mature within one year. For purposes of meeting this limitation, variable rate securities shall be measured on the basis of the period elapsed between interest reset dates. No investment shall be made in an instrument with a stated final maturity longer than 5 years.

Florida PRIME uses a weighted average days to maturity (WAM). A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

Florida PRIME, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the monies in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest monies entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, and the investment Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days." As of June 30, 2023, there were no redemption fees or maximum

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 3 - Deposits and Investments (continued)

Governmental and Business-type Activities Deposits & Investments (continued)

transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Credit Risk. It is the city's policy to limit its investments to US Treasury Obligations, Federal Agency Securities, Federal Instrumentality Securities, Repurchase Agreements with Primary Dealers reporting to the Federal Reserve Bank of New York and that have a nationally recognized statistical rating organization (NSRO) rating of A or A-1, commercial paper with a NSRO rating of A-1, P-1 or if the issuer has senior debt a rating of at least A or A2, corporate securities with a NSRO of at least A, A2, intergovernmental investment pools and a NSRO rating of AAAm, Aaa, State of Florida Local Government Surplus Funds Trust, money market funds with a NSRO rating of AA Af, money market funds with a rating of AA Am, Aaam, certificates of deposit, and guaranteed investment contracts. All NSRO ratings can be equivalent to those in the policy.

Custodial Credit Risk - Bank Deposits. Bank deposits are insured by the FDIC up to \$250,000. Amounts in excess of \$250,000 are secured by the Public Deposits Trust Fund maintained by the Treasurer of the State of Florida. The Trust Fund is a multiple financial institution pool with the ability to assess its members' financial institutions for collateral shortfalls if a member fails. For this reason, deposits are considered substantially insured.

Custodial Credit Risk - Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments. To mitigate this risk, the City's investment policy requires that the Finance Director utilize one or more banks in providing third-party safekeeping and custodial services for the City, and that a City-approved Safekeeping Agreement be executed with each custodian. The purchase and sale of securities and repurchase agreement transactions must be settled on a delivery versus payment basis. Ownership of all securities is required to be perfected in the name of the City, and sufficient evidence to title must be consistent with modern investment, banking, and commercial practices.

Concentration of Credit Risk. The investment portfolio policy of the City has the objective of structuring investments so as to not allow the following caps to be exceeded:

Allowed Securities With Credit Exposure as a Percentage of Total Investments	
Type of Investment	Percentage of Total
U.S. Treasury Obligations	100%
Federal Agency Securities	100%
Federal Instrumentality Securities	100%
Repurchase Agreements	100%
Commercial Paper (limited to 5% in one issuer)	20%
Corporate Securities (limited to 5% in one issuer)	20%
Intergovernmental Investment Pools	30%
State of Florida Local Government Surplus Funds Trust Fund	30%
Money Market Mutual Funds	100%
Time Certificates of Deposit (limited to 5% in one issuer)	20%
Guaranteed Investment Contract	100%

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 3 - Deposits and Investments (continued)

Pension Trust Fund Investments

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Real estate assets are reported at fair value utilizing an income approach to valuation. An independent investment manager and custodial bank handles all pension investments and check-writing duties. No investments in loan to, or leases with, any parties related to the pension plans have been made. The city commission establishes and amends the investment policy. The following was the adopted asset allocation policy for both the police and fire pension plans as of September 30, 2023:

<u>Asset Class</u>	<u>Target Allocation</u>
Large cap equity	30%
Mid cap equity	10%
Small cap equity	10%
Foreign equity	15%
Real estate	15%
Fixed income	20%
Total	<u>100%</u>

Credit Risk and Concentration of Credit Risk. Investment guidelines limit cash and cash equivalents to U.S. Government obligations, certificates of deposit, and repurchase agreements with major money center banks, commercial paper rated A-1 by Standard & Poor's or P-1 by Moody's. Equity securities are limited to issues of U.S. corporations with a rating by a major rating service in one of the three highest classifications, limited to fifty percent (50%) of the fund's assets overall for the police officers and fifty-five percent (55%) for the firefighters, and limited to five percent (5%) of the equity portfolio value invested in any single corporation.

In addition, the police officers' and firefighters' plans require fixed income securities to comprise a minimum fifty percent (50%) for police and fifty-five percent (55%) for fire of the total assets at cost with a limit to any single corporation of five percent (5%) of the total bond portfolio. The fixed income portfolio is limited to U.S. Government and U.S. Government Agency bonds, and/or bonds issued by U.S. corporations. No investment in any one organization exceeds five percent (5%) or more of plan net assets.

Interest Rate Risk. The City manages its interest rate risk exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than ten years.

Money-Weighted Rate of Return. For the year ended September 30, 2023 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, for the police officers' and firefighters' plans were 8.89% and 6.60% respectively.

With the exception of real estate investments that are valued at net asset value, the pension funds categorize their fair value measurements within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. 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 pension funds use 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.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 3 - Deposits and Investments (continued)

Pension Trust Fund Investments (continued)

Assets or liabilities are classified into one of three levels. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The pension funds have the following recurring fair value measurements as of September 30, 2023:

	Total Fair Value 9/30/2023	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Investments by fair value level</u>				
Cash Equivalents	\$ 2,394,009	\$ 2,394,009	\$ -	\$ -
US Government Obligations	5,857,714	1,476,731	4,380,983	-
Mortgage/Asset Backed Securities	6,109,114	-	6,109,114	-
Corporate Bonds	1,993,132	-	1,993,132	-
Common Stock	24,424,556	24,424,556	-	-
Foreign Stock	1,189,167	1,189,167	-	-
Mutual Funds - Fixed Income	2,213,634	2,213,634	-	-
Mutual Funds - Equity	30,096,550	30,096,550	-	-
Sundry Assets	3,988,725	-	-	3,988,725
Total investments by fair value level	<u>78,266,601</u>	<u>61,794,647</u>	<u>12,483,229</u>	<u>3,988,725</u>
<u>Investments measured at the net asset value (NAV)</u>				
Real Estate Funds	16,599,284	-	-	-
Total investments measured at the NAV	<u>16,599,284</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments measured at fair value	<u>\$ 94,865,885</u>	<u>\$ 61,794,647</u>	<u>\$ 12,483,229</u>	<u>\$ 3,988,725</u>

The pension funds have US Government obligations, mortgage/asset backed securities as well as corporate bonds categorized as level 2 assets. Level 2 asset inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, interest rates and yield curves observable at commonly quoted intervals; implied volatilities; credit spread, and market-corroborated inputs. The pension funds have four different investments in real estate that are measured at net asset value. The police and fire pension funds both have \$2,604,690 and \$1,856,985 respectively in the ASB and this investment requires a 30-day notice for withdrawal requests and are honored on a quarterly basis. In the event of an exit que, withdrawal requests will be honored on a pro rata basis on fund cash flows. The police and fire funds both have \$3,163,700 and \$4,195,825 respectively in Intercontinental and this investment will process withdrawal requests on the last day of the calendar quarter following the quarter in which notice was received. In the event of a redemption que, redemption requests will be accommodated each calendar quarter on a pro rata basis as the fund's liquid assets permit. The police pension fund has \$1,850,403 invested in FIA and this investment is an illiquid, long-term investment. Investment capital will be returned at the end of the product's investment period that is in approximately 37 years. The police pension fund has \$2,928,225 invested in Ceres and this investment allows withdrawals once per year with a request deadline of September 30. Redemption requests made by that date will be distributed before the end of February of the following year.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 3 - Deposits and Investments (continued)

Pension Trust Fund Investments (continued)

Defined-Benefit Pension Plan investments were as follows at September 30, 2023:

Investment Type	Type	Moody's Credit Quality Rating	Fair Value	Weighted Average Investment Maturities (in Years)			
				Less Than 1	1 - 5	6 - 10	More than 10
Police Pension:							
Cash	Cash	NR*	\$ -	\$ -	\$ -	\$ -	\$ -
Money Market Funds	Money Market	NR*	1,305,148	1,085,466	219,682	-	-
Money Market Funds	Money Market	Aaa	14,867	14,867	-	-	-
US Government Obligations	Fixed Income	Aaa	2,688,473	1,032,949	-	809,372	846,152
Mortgage/Asset Backed	Fixed Income	NR*	2,887,850	-	-	-	2,887,850
Corporate Debt	Fixed Income	A1	478,483	-	-	478,483	-
Corporate Debt	Fixed Income	A2	-	-	-	-	-
Corporate Debt	Fixed Income	A3	390,834	-	-	390,834	-
Total Police Pension			<u>7,765,655</u>	<u>2,133,282</u>	<u>219,682</u>	<u>1,678,689</u>	<u>3,734,002</u>
Firefighters' Pension:							
Cash	Cash	NR*	29,742	\$ 29,742	\$ -	\$ -	\$ -
Money Market Funds	Money Market	NR*	1,030,699	1,030,699	-	-	-
Money Market Funds	Money Market	Aaa	13,553	-	13,553	-	-
US Government Obligations	Fixed Income	Aaa	3,169,241	-	437,994	1,922,721	808,526
Mortgage/Asset Backed	Fixed Income	NR*	3,221,264	-	-	-	3,221,264
Corporate Debt	Fixed Income	A1	513,774	-	-	513,774	-
Corporate Debt	Fixed Income	A2	106,378	-	-	106,378	-
Corporate Debt	Fixed Income	A3	503,663	-	-	503,663	-
Total Firefighters' Pension			<u>8,588,314</u>	<u>1,060,441</u>	<u>451,547</u>	<u>3,046,536</u>	<u>4,029,790</u>
Total Pension Investments			<u>\$ 16,353,969</u>	<u>\$ 3,193,723</u>	<u>\$ 671,229</u>	<u>\$ 4,725,225</u>	<u>\$ 7,763,792</u>

* Not Rated

Investment Income

The City maintains cash and investment pools that are available for use by all funds, except those whose cash and investments must be segregated due to bond covenants or other legal restrictions, and the Pension Trust Funds. Investment earnings from this internal pooling are allocated to the respective funds based on the sources of funds invested.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 3 - Deposits and Investments (continued)

Investment Income (continued)

Investment income for the year ended September 30, 2023 consisted of the following:

	General	ARPA	2023 Bond Construction	Local Option Gas Tax	Sanford CRA Fund	Nonmajor Govern- mental Funds	Proprietary Funds
	Fund	Fund	Fund	Fund	Fund	Funds	Funds
Interest income	\$ 1,751,757	\$ 184,993	\$ 304,386	\$ 72,708	\$ 72,106	\$ 1,425,373	\$ 3,466,714
Net increase (decrease) in fair value of investments	355,270	-	-	13,213	14,526	212,332	666,492
Investment earnings/(losses)	<u>\$ 2,107,027</u>	<u>\$ 184,993</u>	<u>\$ 304,386</u>	<u>\$ 85,921</u>	<u>\$ 86,632</u>	<u>\$ 1,637,705</u>	<u>\$ 4,133,206</u>

Note 4 - Receivables

The following is a detailed listing of receivables by type and fund at September 30, 2023:

	Primary Government	
	Governmental Activities	Business-type Activities
Receivables:		
Accounts Billed	\$ 70,759	\$ 4,093,111
Unbilled Receivables	-	4,481,264
Investment Income	383,739	263,191
Code Enforcement	20,060,046	-
Other Miscellaneous	6,978,604	1,239,058
Gross Receivables	<u>27,493,148</u>	<u>10,076,624</u>
Less: Allowance for Uncollectibles	<u>21,557,670</u>	<u>1,737,415</u>
	<u>\$ 5,935,478</u>	<u>\$ 8,339,209</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 5 - Capital Assets

During the year ended September 30, 2023, the following changes in governmental activities capital assets occurred:

	Balance October 1, 2022	Additions	Reductions/ Transfers	Balance September 30, 2023
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 6,464,501	\$ 178,010	\$ 70,000	\$ 6,712,511
Construction in progress	5,658,750	2,357,026	(5,434,256)	2,581,520
Total capital assets, not being depreciated	<u>12,123,251</u>	<u>2,535,036</u>	<u>(5,364,256)</u>	<u>9,294,031</u>
Capital assets, being depreciated:				
Buildings	81,163,277	45,630	679,092	81,887,999
Machinery and equipment	25,958,162	2,780,063	(813,219)	27,925,006
Infrastructure	166,628,623	-	4,914,853	171,543,476
Intangible RTU Assets:				
Leased Buildings	29,483	-	-	29,483
Leased Equipment	478,491	-	-	478,491
Leased Land	65,628	-	(11,962)	53,666
Subscription-Based IT Arrangements	-	1,305,516	-	1,305,516
Total capital/intangible assets, being depreciated/amortized	<u>274,323,664</u>	<u>4,131,209</u>	<u>4,768,764</u>	<u>283,223,637</u>
Less accumulated depreciation for:				
Buildings	45,788,955	2,891,657	(91,328)	48,589,284
Machinery and equipment	19,534,338	1,900,126	(889,810)	20,544,654
Infrastructure	87,221,772	7,759,863	-	94,981,635
Less accumulated amortization for:				
Leased Building	7,076	7,076	-	14,152
Leased Equipment	-	182,058	-	182,058
Leased Land	13,720	26,796	(5,681)	34,835
Subscription-Based IT Arrangements	168,198	506,230	-	674,428
Total accumulated depreciation/amortization	<u>152,734,059</u>	<u>13,273,806</u>	<u>(986,819)</u>	<u>165,021,046</u>
Total capital/intangible assets, being depreciated/amortized, net	<u>121,589,605</u>	<u>(9,142,597)</u>	<u>5,755,583</u>	<u>118,202,591</u>
Governmental activities capital assets, net	<u>\$ 133,712,856</u>	<u>\$ (6,607,561)</u>	<u>\$ 391,327</u>	<u>\$ 127,496,622</u>

Governmental activities depreciation/amortization expense was charged to functions/programs as follows:

General government	\$ 4,369,540
Public safety	1,888,170
Physical environment	13,115
Transportation	5,649,100
Economic environment	254,300
Human services	2,658
Culture and recreation	1,096,923
	<u>\$ 13,273,806</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 5 - Capital Assets (continued)

During the year ended September 30, 2023, the following changes in business-type activities capital assets occurred:

	Balance September 30, 2022	Additions	Reductions/ Transfers	Balance September 30, 2023
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 7,557,596	\$ 380,987	\$ -	\$ 7,938,583
Construction in progress	40,811,958	14,236,663	(2,557,478)	52,491,143
Total capital assets, not being depreciated	<u>48,369,554</u>	<u>14,617,650</u>	<u>(2,557,478)</u>	<u>60,429,726</u>
Capital assets, being depreciated:				
Buildings	41,506,565	11,336	139,948	41,657,849
Water and sewer system	177,104,422	3,583,139	1,156,132	181,843,693
Stormwater management	32,043,094	-	919,012	32,962,106
Machinery and equipment	17,023,504	1,775,628	16,460	18,815,592
Infrastructure	2,904,767	-	36,189	2,940,956
Intangible RTU Assets:				
Leased Equipment	<u>275,336</u>	<u>-</u>	<u>-</u>	<u>275,336</u>
Total capital assets, being depreciated/amortized	<u>270,857,688</u>	<u>5,370,103</u>	<u>2,267,741</u>	<u>278,495,532</u>
Less accumulated depreciation for:				
Buildings	26,491,674	2,398,812	-	28,890,486
Water and sewer system	56,089,857	2,761,624	-	58,851,481
Stormwater management	12,500,239	1,182,480	-	13,682,719
Machinery and equipment	12,188,326	1,014,934	(289,737)	12,913,523
Infrastructure	1,734,212	977,131	-	2,711,343
Less accumulated amortization for:				
Leased Equipment	<u>55,587</u>	<u>73,896</u>	<u>-</u>	<u>129,483</u>
Total accumulated depreciation/amortization	<u>109,059,895</u>	<u>8,408,877</u>	<u>(289,737)</u>	<u>117,179,035</u>
Total capital assets, being depreciated/amortized, net	<u>161,797,793</u>	<u>(3,038,774)</u>	<u>2,557,478</u>	<u>161,316,497</u>
Business-type activities capital assets, net	<u>\$ 210,167,347</u>	<u>\$ 11,578,876</u>	<u>\$ -</u>	<u>\$ 221,746,223</u>

Business-type activities depreciation/amortization expense was charged to functions/programs as follows:

Water and sewer	\$ 6,824,364
Stormwater	1,515,020
Solid Waste	2,380
Golf course	67,113
	<u>\$ 8,408,877</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 6 - Long-Term Debt

A. Changes in Long-Term Debt

Changes in long-term debt for the year ended September 30, 2023 are summarized as follows:

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities.

Compensated absences have been liquidated using the City's General Fund, LIHEAP Grant Fund, Building Inspection Fund, CRA Fund, Water and Sewer Fund, Stormwater Fund and Solid Waste Fund. The entire claims liability is reported in the risk management internal service fund and will be liquidated by that fund. Accrued clean-up and long-term care costs are liquidated by the General Fund. Other postemployment benefits are liquidated by the General Fund, Water and Sewer Fund, Wastewater Fund, and Stormwater Fund. Net pension liability is liquidated using the General Fund, Sanford CRA, Water and Sewer Fund, Wastewater Fund, and Stormwater Fund.

	Balance October 1, 2022	Additions	Reductions	Balance September 30, 2023	Long-term Portion	Due Within One Year
Governmental activities:						
Notes payable (Direct placement)	\$ 6,270,000	\$ 19,180,000	\$ (6,395,000)	\$ 19,055,000	\$ 18,740,000	\$ 315,000
Plus bond premium	-	1,025,722	(170,954)	854,768	683,814	170,954
Other post employment benefits	11,299,888	-	(270,728)	11,029,160	11,029,160	-
Net pension liability	32,946,846	8,934,360	(5,743,093)	36,138,113	36,138,113	-
Compensated absences	2,815,696	3,224,144	(3,218,604)	2,821,236	1,655,424	1,165,812
Claims payable	3,406,120	9,573,914	(9,701,989)	3,278,045	500,470	2,777,575
SBITAs	-	1,305,516	(495,610)	809,906	295,624	514,282
Financed purchase agreements	1,464,610	947,441	(712,032)	1,700,019	973,829	726,190
Leases	391,793	-	(208,174)	183,619	43,893	139,726
Governmental activity long-term liabilities	<u>\$ 58,594,953</u>	<u>\$ 44,191,097</u>	<u>\$ (26,916,184)</u>	<u>\$ 75,869,866</u>	<u>\$ 70,060,327</u>	<u>\$ 5,809,539</u>
Business-type activities:						
SRF loans (Direct borrowing)	\$ 51,979,240	\$ 2,617,625	\$ (4,373,643)	\$ 50,223,222	\$ 45,638,566	\$ 4,584,656
Other post employment benefits	3,645,857	-	(79,732)	3,566,125	3,566,125	-
Net pension liability	8,508,641	1,491,963	(176,538)	9,824,066	9,824,066	-
Leases	220,515	-	(74,847)	145,668	73,895	71,773
Compensated absences	537,042	882,605	(817,754)	601,893	376,376	225,517
Business-type activity long-term liabilities	<u>\$ 64,891,295</u>	<u>\$ 4,992,193</u>	<u>\$ (5,522,514)</u>	<u>\$ 64,360,974</u>	<u>\$ 59,479,028</u>	<u>\$ 4,881,946</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 6 - Long-Term Debt (continued)

B. Governmental Activities - Capital Improvement Revenue Bond

On May 1, 2023, the City issued \$19,180,000 of Capital Improvement Revenue Bonds, Series 2023 for the purpose of a current refunding all of the City's outstanding Sales Tax Revenue Note, Series 2012, which were issued for the construction of a public safety complex to include a fire, police, and Emergency Operations Center (EOC) and to fund capital improvements throughout the City. The bond bears interest at 3.98%, payable semiannually on April 1 and October 1. Principal payments are due and payable on October 1 of each fiscal year beginning October 1, 2023 through October 1, 2052. The 2023 bonds are secured by all non-ad valorem revenues and was issued at a premium of \$1,025,722. The 2023 Capital Improvement Revenue Bonds will mature as follows:

Fiscal Year Ending September 30,	Capital Improvement Revenue Bonds, Series 2023		Total Debt
	Principal	Interest	Service
2024	\$ 315,000	\$ 850,750	\$ 1,165,750
2025	330,000	835,000	1,165,000
2026	345,000	818,500	1,163,500
2027	365,000	801,250	1,166,250
2028	385,000	783,000	1,168,000
2029-2033	2,220,000	3,608,000	5,828,000
2034-2038	2,835,000	2,994,500	5,829,500
2039-2043	3,600,000	2,219,050	5,819,050
2044-2048	4,435,000	1,391,200	5,826,200
2049-2052	4,225,000	430,800	4,655,800
	<u>\$ 19,055,000</u>	<u>\$ 14,732,050</u>	<u>\$ 33,787,050</u>

C. Bonds, Notes & Loans Payable

The 2023 Bond Refunding:

The 2023 Bonds refunded the Sales Tax Refunding Revenue Note, Series 2012 on May 1, 2023. The 2012 bonds had \$6,270,000 outstanding in principal and \$732,063 in future interest payments upon redemption. The 2023 bonds were undertaken with \$19,180,000 payable in principal and \$15,089,133 payable in interest for a net difference of \$27,267,070 due over the new extended term to October 2052 vs October 2028. of the 2012 refunding bonds. The premium on this refunding was \$1,025,722.

The City has revenue bonds and notes outstanding at September 30, 2023. The revenue notes and bonds under governmental activities are secured by several pledged revenue sources. The following is a summary schedule of these long-term obligations of the City and their impact on those present and future pledged revenue sources:

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 6 - Long-Term Debt (continued)

C. Bonds, Notes & Loans Payable (continued)

	<u>Purpose of Issue</u>	<u>Revenue Pledged</u>	<u>Amount Issued</u>
Governmental Activities			
Revenue Notes:			
Sales Tax Note, Series 2012	Public safety complex	Sales tax revenues	\$ 15,050,000
Revenue Bonds:			
Capital Improvement Revenue Bonds, Series 2023	Public safety complex and Capital Improvements	Non-Ad Valorem Revenue	19,180,000
Financed purchase agreements:			
City National	Police vehicles	N/A	184,725
U.S. Bancorp Government	Police vehicles	N/A	481,457
U.S. Bancorp Government	Police vehicles	N/A	745,000
Truist	Police vehicles	N/A	824,000
Cogent Bank	Police vehicles	N/A	947,441
Total Governmental Activities:			<u>\$ 37,412,623</u>
Business-type Activities			
Water/Sewer Utility Debt:			
State Revolving Fund Loans:			
CS120586220	Wastewater pollution control facilities	Net revenues of water and sewer system	7,403,173
WW586250	Sanford south water resource center, Phase I	Net revenues of water and sewer system	19,367,124
DW5906010	Drinking water system improvements	Net revenues of water and sewer system	6,599,510
WW590100	Sewer Restoration of underground pipe and Manhole Rehabilitation	Net revenues of water and sewer system	2,622,385
WW590101	Sewer Restoration of underground pipe and Manhole Rehabilitation	Net revenues of water and sewer system	205,020
DW590110	Drinking water system improvements	Net revenues of water and sewer system	455,247
DW590120	AMR Water Replacement and pre-chlorinated water pipe bursting	Net revenues of water and sewer system	12,887,771
WW590130	Water Treatment facility rehabilitation	Net revenues of water and sewer system	986,973
WW590131	Biological nutrient removal improvements	Net revenues of water and sewer system	18,189,734
WW590150	Water Treatment facility construction	Net revenues of water and sewer system	9,668,759
WW590191	Drinking Water facility construction	Net revenues of water and sewer system	511,323
WW590192	Drinking Water facility construction	Net revenues of water and sewer system	9,720,259
Total Water/Sewer Utility Debt			<u>88,617,278</u>
Stormwater Utility Debt:			
State Revolving Fund Loans:			
SWG12058624P	Stormwater management	Net revenue of the stormwater system	4,623,557
SW586260	Stormwater management	Net revenue of the stormwater system	2,612,309
SW586261	Stormwater management	Net revenue of the stormwater system	452,818
SW590140	Stormwater management	Net revenue of the stormwater system	509,302
SW590141	Stormwater management	Net revenue of the stormwater system	4,854,629
Total Stormwater Utility Debt			<u>13,052,615</u>
Total Business-type Activities:			<u>\$ 101,669,893</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 6 - Long-Term Debt (continued)

C. Bonds, Notes & Loans Payable (continued)

	<u>Amount O/S and/or Pledged</u>	<u>Interest Rate</u>	<u>Debt Service as Portion of Revenue Pledged</u>	<u>Total Debt Service Paid</u>	<u>Annual Pledged Revenues</u>
Governmental Activities					
Revenue Notes:					
Sales Tax Note, Series 2012	\$ -	3.25%	0.00%	\$ 6,270,000	\$ 4,965,126
Revenue Bonds:					
Capital Improvement Revenue Bonds, Series 2023	\$ 19,055,000	3.98%	0.37%	\$ 125,000	\$ 33,815,278
Financed purchase agreements:					
City National	-	2.85%	N/A	36,260	N/A
U.S. Bancorp Government	62,298	1.99%	N/A	122,752	N/A
Truist	282,799	0.980%	N/A	186,238	N/A
Truist	573,004	1.85%	N/A	201,259	N/A
Cogent	781,918	4.30%	N/A	165,523	N/A
Total Governmental Activities:	<u>\$ 20,755,019</u>			<u>\$ 7,107,032</u>	
Business-type Activities					
Water/Sewer Utility Debt:					
State Revolving Fund Loans:					
CS120586220	\$ -	3.34% - 3.55%	1.40%	\$ 146,741	\$ 10,491,103
WW586250	4,053,117	2.42%- 2.48%	10.45%	1,096,472	10,491,103
DW5906010	-	3.55%	2.03%	213,056	10,491,103
WW590100	1,145,464	2.65%	1.30%	136,344	10,491,103
WW590101	87,807	2.28%	0.10%	10,620	10,491,103
DW590110	200,931	2.71%	0.23%	23,855	10,491,103
DW590120	6,092,109	1.98% - 2.66%	5.36%	561,926	10,491,103
WW590130	738,175	2.63% - 2.87%	0.42%	44,269	10,491,103
WW590131	12,922,487	1.43%-2.16%	8.72%	914,620	10,491,103
WW590150	8,131,075	.58%-1.09%	4.72%	494,788	10,491,103
WW590191	401,780	1.04%	0.52%	55,055	10,491,103
WW590192	9,720,259	0.05%	0.00%	-	10,491,103
Total Water/Sewer Utility Debt	<u>43,493,204</u>			<u>3,697,746</u>	
Stormwater Utility Debt:					
State Revolving Fund Loans:					
SWG12058624P	1,146,735	2.52%-2.90%	8.60%	267,756	3,112,636
SW586260	1,150,798	2.80%	4.37%	136,095	3,112,636
SW586261	204,721	2.28%	0.74%	23,077	3,112,636
SW590140	306,765	2.63%	0.63%	19,563	3,112,636
SW590141	3,920,999	1.05-1.18%	7.37%	229,406	3,112,636
Total Stormwater Utility Debt	<u>6,730,018</u>			<u>675,897</u>	
Total Business-type Activities:	<u>\$ 50,223,222</u>			<u>\$ 4,373,643</u>	

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 6 - Long-Term Debt (continued)

D. Financed Purchase Agreements

The City has entered into several financed purchase agreements detailed below.

On June 10, 2019 the City entered into an agreement with a local finance company to finance the acquisition of police vehicles. The agreement has a 4-year fixed term at 2.85% and calls for quarterly payments of \$12,260. The aggregate cost and accumulated depreciation of the governmental activities machinery & equipment asset acquired through the finance lease are \$184,725 and \$145,317, respectively, as of September 30, 2023.

On January 30, 2020 the City entered into an agreement with a local finance company to finance the acquisition of police vehicles. The agreement has a 4-year fixed term at 1.994% and calls for quarterly payments of \$31,382. The aggregate cost and accumulated depreciation of the governmental activities machinery & equipment asset acquired through the finance lease are \$481,457 and \$206,648, respectively, as of September 30, 2023.

On March 1, 2021 the City entered into an agreement with a local finance company to finance the acquisition of police vehicles. The agreement has a 4-year fixed term at .98% and calls for quarterly payments of \$47,538. The aggregate cost and accumulated depreciation of the governmental activities machinery & equipment asset acquired through the finance lease are \$745,000 and \$384,606, respectively, as of September 30, 2023.

On April 14, 2022 the City entered into an agreement with a local finance company to finance the acquisition of police vehicles. The agreement has a 4-year fixed term at 1.85% and calls for quarterly payments of \$53,548. The aggregate cost and accumulated depreciation of the governmental activities machinery & equipment asset acquired through the finance lease are \$824,000 and \$307,615, respectively, as of September 30, 2023.

On December 15, 2022 the City entered into an agreement with a local finance company to finance the acquisition of police vehicles. The agreement has a 4-year fixed term at 4.30% and calls for quarterly payments of \$64,770. The aggregate cost and accumulated depreciation of the governmental activities machinery & equipment asset acquired through the finance lease are \$947,441 and \$192,291, respectively, as of September 30, 2023.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2023, were as follows:

<u>Year ending September 30,</u>	Financed Leases		
	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 684,497	\$ 41,693	\$ 726,190
2025	542,688	25,662	568,350
2026	408,752	10,973	419,725
2027	64,082	688	64,770
	<u>\$ 1,700,019</u>	<u>\$ 79,016</u>	<u>\$ 1,779,035</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 6 - Long-Term Debt (continued)

E. Accrued Clean-up and Long-Term Care Costs

The City is obligated to provide a share of clean-up costs in connection with the alleged release of hazardous substances and/or pollutants, as a result of the former operation of a manufactured gas plant during the 1880's until the year 1952. This obligation was formalized during 1992, when the City and five utility companies entered into a Cost Sharing Agreement providing for all parties to equally share in the funding of contamination assessment activities in an effort to evaluate potential soil and groundwater impacts, all in accordance with, and approved by, the U.S. Environmental Protection Agency. Terms of the agreement call for the City to be responsible for 13.7612% of the cost of cleaning up soil and groundwater at the site. There will also be an evaluation of surface water sediments at the site that could potentially result in additional costs, and actual costs may differ due to inflation, changes in technology, changes in laws and regulations, or determinations made by the Florida Department of Environmental Protection. Each of the parties must approve specific actions taken under the agreement. All amounts are based on what it would cost in current dollars.

The cost of clean-up activities has been estimated by an engineer to be \$20 million, of which the City has no current responsibility. This has been presented as accrued clean-up costs for governmental activities.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 7 - Loans Payable - Enterprise Funds (continued)

State Revolving Fund Loan SW586261 payable, \$452,818 authorized, \$452,818 drawn for planning and design for downtown drainage, payable in 40 equal semiannual installments, including interest at 2.28%, on June 15 and December 15 of each year.	204,721
State Revolving Fund Loan SW590140 payable, \$509,302 authorized, \$509,302 drawn for planning and design for drainage, payable in 40 equal semiannual installments, including interest at 2.63%, on February 15 and August 15 of each year.	306,765
State Revolving Fund Loan SW590141 payable, \$5,847,753 authorized, \$4,854,629 drawn for planning and design for drainage, payable in 40 equal semiannual installments, including interest at 1.18% on \$4,554,300, 1.05% on \$1,293,453 on November 15 and May 15 of each year.	3,920,999
Subtotal primary Government: Stormwater	<u>\$ 6,730,018</u>

Primary Government: Water and Sewer:

State Revolving Fund Loan WW586250 payable, \$19,367,124 authorized, \$19,367,124 drawn for construction of wastewater pollution control facilities of South Water Resource Center, payable in 40 semiannual installments, including interest at 2.42% on \$18,520,336 and 2.48% on \$982,324, on February 15 and August 15 of each year.	4,053,117
State Revolving Fund Loan WW590100 payable, \$2,622,385 authorized, \$2,622,385 drawn for sewer restoration of underground pipe and manhole rehabilitation payable in 40 semiannual installments, including interest at 2.65% on December 15 and June 15 of each year.	1,145,464
State Revolving Fund Loan WW590101 payable, \$205,020 authorized, \$205,020 drawn for restoration of underground pipe and manhole rehabilitation, payable in 40 equal semiannual installments, including interest at 2.28%, on June 15 and December 15 of each year.	87,807
State Revolving Fund Loan DW590110 payable, \$455,247 authorized, \$455,247 drawn for pre-chlorinated water pipe bursting, payable in 40 equal semiannual installments, including interest at 2.71%, on March 15 and September 15 of each year.	200,931
State Revolving Fund Loan DW590120 payable, \$17,105,683 authorized, \$12,887,771 drawn for meter replacements and pre-chlorinated water pipe bursting auxiliary plant looping, payable in 40 equal semiannual installments, including interest at 1.98% to 2.66%, on February 15 and August 15 of each year.	6,092,109
State Revolving Fund Loan WW590130 payable, \$986,973 authorized, \$986,973 drawn for construction of wastewater transmission, collection, reuse, and treatment facilities, payable in 20 equal semiannual installments, including interest at 2.63% to 2.87%, on April 15 and October 15 of each year.	738,175
State Revolving Fund Loan WW590131 payable, \$18,395,032 authorized, \$18,189,734 drawn for construction of biological nutrient removal improvements, payable in 40 equal semiannual installments, including interest at 2.28% on April 15 and October 15 of each year.	12,922,487
State Revolving Fund Loan WW590150 payable, \$10,401,065 authorized, \$9,646,823 drawn for construction of wastewater pollution control facilities, payable in 40 equal semiannual installments, including interest at .545% to 1.09%, on February 15 and August 15 of each year.	8,131,075

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 7 - Loans Payable - Enterprise Funds (continued)

State Revolving Fund Loan WW590191 payable, \$587,650 authorized, \$511,322 drawn for construction of Treatment Plant facilities plans, payable in 20 equal semiannual installments, including interest at 1.04%, on January 15 and July 15 of each year.

401,780

State Revolving Fund Loan WW590192 payable, \$21,421,000 authorized, \$7,124,570 drawn for construction of Treatment Plant facilities plans, payable in 20 equal semiannual installments, including interest at .05%, on February 15 and August 15 of each year.

9,720,259

Subtotal Primary Government : Water and Sewer

43,493,204

Total loans payable

\$ 50,223,222

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 7 - Loans Payable - Enterprise Funds (continued)

Required principal and interest deposits for State Revolving Fund (SRF) loans are presented as part of restricted assets for debt service on the statement of net position. SRF Loan payments for the first years are based upon the full loan amount available, not the monies actually drawn to date. After completion of the project, a final loan dollar amount is established and a final loan payment/amortization schedule is established. Maturity schedules for those loans that have final loan payment/amortization schedules are as follows (loans DW590131, WW590150, WW590191, and WW590192 are not closed out and do not have a final loan payment/amortization schedule at September 30, 2023):

Fiscal Year Ending September 30,	SRF SWG12058624P		
	Principal	Interest	Total
2024	\$ 275,116	\$ 29,462	\$ 304,578
2025	282,682	21,895	304,577
2026	290,457	14,120	304,577
2027	298,480	6,093	304,573
	<u>\$ 1,146,735</u>	<u>\$ 71,570</u>	<u>\$ 1,218,305</u>
Fiscal Year Ended September 30,	SRF Loan SW586260		
	Principal	Interest	Total
2024	\$ 139,932	\$ 31,250	\$ 171,182
2025	143,878	27,304	171,182
2026	147,935	23,247	171,182
2027	152,106	19,076	171,182
2028-2031	566,947	32,190	599,137
	<u>\$ 1,150,798</u>	<u>\$ 133,067</u>	<u>\$ 1,283,865</u>
Fiscal Year Ended September 30,	SRF Loan SW586261		
	Principal	Interest	Total
2024	\$ 23,606	\$ 4,534	\$ 28,140
2025	24,147	3,993	28,140
2026	24,701	3,439	28,140
2027	25,268	2,872	28,140
2028	25,847	2,293	28,140
2029-2031	81,152	3,268	84,420
	<u>\$ 204,721</u>	<u>\$ 20,399</u>	<u>\$ 225,120</u>
Fiscal Year Ended September 30,	SRF Loan SW590140		
	Principal	Interest	Total
2024	\$ 20,081	\$ 7,938	\$ 28,019
2025	20,613	7,406	28,019
2026	21,158	6,861	28,019
2027	21,718	6,301	28,019
2028	22,293	5,726	28,019
2029-2032	95,234	16,844	112,078
2033-2036	105,668	6,409	112,077
	<u>\$ 306,765</u>	<u>\$ 57,485</u>	<u>\$ 364,250</u>
Fiscal Year Ended September 30,	SRF Loan SW590141		
	Principal	Interest	Total
2024	\$ 232,102	\$ 45,278	\$ 277,380
2025	234,830	42,550	277,380
2026	237,590	39,790	277,380
2027	240,383	36,997	277,380
2028	243,209	34,171	277,380
2029-2032	1,259,604	127,296	1,386,900
2033-2037	1,335,399	51,502	1,386,901
2038-2039	137,882	808	138,690
	<u>\$ 3,920,999</u>	<u>\$ 378,392</u>	<u>\$ 4,299,391</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 7 – Loans Payable - Enterprise Funds (continued)

Fiscal Year Ended September 30,	SRF Loan WW586250		
	Principal	Interest	Total
2024	\$ 1,123,281	\$ 91,719	\$ 1,215,000
2025	1,150,746	64,254	1,215,000
2026	1,178,883	36,117	1,215,000
2027	600,207	7,293	607,500
	<u>\$ 4,053,117</u>	<u>\$ 199,383</u>	<u>\$ 4,252,500</u>

Fiscal Year Ended September 30,	SRF Loan WW590100		
	Principal	Interest	Total
2024	\$ 139,981	\$ 29,434	\$ 169,415
2025	143,715	25,700	169,415
2026	147,549	21,866	169,415
2027	151,485	17,930	169,415
2028	155,526	13,889	169,415
2028-2031	407,208	16,329	423,537
	<u>\$ 1,145,464</u>	<u>\$ 125,148</u>	<u>\$ 1,270,612</u>

Fiscal Year Ended September 30,	SRF Loan WW590101		
	Principal	Interest	Total
2024	\$ 10,863	\$ 1,941	\$ 12,804
2025	11,112	1,692	12,804
2026	11,367	1,437	12,804
2027	11,628	1,176	12,804
2028	11,894	909	12,803
2028-2031	30,943	1,066	32,009
	<u>\$ 87,807</u>	<u>\$ 8,221</u>	<u>\$ 96,028</u>

Fiscal Year Ended September 30,	SRF Loan DW590110		
	Principal	Interest	Total
2024	\$ 24,506	\$ 5,280	\$ 29,786
2025	25,174	4,612	29,786
2026	25,861	3,925	29,786
2027	26,567	3,219	29,786
2028	27,292	2,494	29,786
2028-2031	71,531	2,934	74,465
	<u>\$ 200,931</u>	<u>\$ 22,464</u>	<u>\$ 223,395</u>

Fiscal Year Ended September 30,	SRF Loan DW590120		
	Principal	Interest	Total
2024	\$ 575,990	\$ 148,042	\$ 724,032
2025	590,408	133,624	724,032
2026	605,187	118,845	724,032
2027	620,338	103,694	724,032
2028	635,870	88,162	724,032
2029-2033	3,064,316	193,830	3,258,146
	<u>\$ 6,092,109</u>	<u>\$ 786,197</u>	<u>\$ 6,878,306</u>

Fiscal Year Ended September 30,	SRF Loan WW590130		
	Principal	Interest	Total
2024	\$ 45,394	\$ 20,862	\$ 66,256
2025	46,706	19,550	66,256
2026	48,056	18,200	66,256
2027	49,445	16,811	66,256
2028	50,874	15,382	66,256
2029-2033	277,299	53,981	331,280
2034-2037	220,401	12,910	233,311
	<u>\$ 738,175</u>	<u>\$ 157,696</u>	<u>\$ 895,871</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 8 - Landlord Leases

The City is the lessor on numerous building and land leases. The land leases are generally noncancelable leases ranging from ten to seventy-five (10 - 75) years. The City leases seven pieces of land which are used for a cell tower, a restaurant, boat slips, cattle, an assisted living facility, and an equipment building. All improvements to the parcels belong to the tenants. The city also leases several buildings one of which is for a boys and girls club and the remainder are low-rent agreements, usually with nonprofit agencies offering public services. The total rental income for 2023 was \$136,154 which includes both inflows recognized as well as the low-rent agreements.

Note 9 - Leases/SBITAs

Leases

The City has seven leases for equipment, land, and buildings which include copiers, a postage machine, vehicles, office space, vmware, golf carts, and a lot used for parking of which none of these will revert to the City at the close of the lease.

The building lease has a discount rate of .529% and a remaining balance of \$15,331 and will expire October 31, 2023.

The land leases have a discount rate of .743% and a remaining balance of \$18,832 and will expire June 13, 2024.

The five equipment leases have discount rates ranging from .529% to 1.425% and a cumulative balance of \$149,456 and will expire between July 23, 2024 and January 28, 2026.

SBITAs

The three SBITAs have discount rates ranging from 0%.82 to and a cumulative balance of \$791,936 and will expire between October 2023 and January 2026.

The future minimum lease/SBITA obligations and the net present value of these minimum lease payments as of September 30, 2023, were as follows:

Year Ending September 30,	Leases Governmental Activities	Business-type Activities
2024	\$ 639,520	73,427
2025	289,791	59,679
2026	52,828	15,678
Total minimum lease payments	982,139	148,784
Less: Amount representing interest costs	(172,233)	(3,116)
Present value of minimum lease payments	\$ 809,906	145,668

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 9 - Leases/SBITAs (continued)

Year Ending September 30,	SBITAs	Governmental Activities
2024		\$ 516,770
2025		243,824
2026		52,918
Total minimum lease payments		813,512
Less: Amount representing interest costs		(3,606)
Present value of minimum lease payments		<u>809,906</u>

Note 10 - Interfund Accounts and Transfers

Individual fund interfund receivables and payables at September 30, 2023 consist of the following:

Fund	Due From Other Funds	Due To Other Funds
General Fund	\$ 385,068	\$ -
Nonmajor Governmental Funds:		
CDBG Grant Fund	-	4,431
LIHEAP Grant Fund	-	3,137
Marina Fund	-	377,500
	<u>\$ 385,068</u>	<u>\$ 385,068</u>

The interfund receivable and payable of \$377,500 represents a loan from the General Fund to the Marina Fund to finance the purchase of improvements. The purchase and the advance were approved by the City Commission on August 8, 2022. The remainder of the amounts represent short-term loans for cash deficiencies.

Interfund transfers for the fiscal year ended September 30, 2023 consisted of the following:

Fund	Transfers In	Transfers Out
General Fund	\$ -	\$ 7,190,276
Sanford CRA Fund	3,717,715	-
Bond Construction Fund	-	82,146
ARPA Fund	-	4,771,224
Nonmajor Governmental Funds:		
CDBG Fund	202,080	-
Cemetery Fund	108,431	-
Debt Service Fund	1,993,966	-
Public Art Commission	112,000	-
9th Cent Sales Tax Fund	1,346,570	-
Catalyst Fund	4,954	3,717,715
Capital Project Fund	2,472,260	-
Total Nonmajor Governmental Funds	6,240,261	3,717,715
Water/Sewer Utility Fund	\$ 4,781,955	\$ -
Stormwater Utility Fund	71,415	-
Nonmajor Marina Fund	508,749	-
Nonmajor Golf Course Fund	441,266	-
	<u>\$ 15,761,361</u>	<u>\$ 15,761,361</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 10 - Interfund Accounts and Transfers (continued)

The interfund transfer to the CRA from the Catalyst Fund for \$3,717,715 was for the reimbursement of funds transferred to the Catalyst Fund per the interlocal agreement that was rescinded by the Commission. The \$108,431 transfer to the Cemetery fund from the General fund was to cover operating expenditures since this fund is now reliant on the General Fund. The \$1,993,966 transfer to the Debt Service Fund from the General Fund is to pay the debt service costs related to the operating leases and the bonds for the Public Safety complex and Capital Improvements City-wide. The \$71,415 transfer from the Bond Construction Fund to the Stormwater Fund and the \$10,731 transfer to the Water/Sewer Fund was for the new Public Works Building. The transfers of \$4,771,224 ARPA fund into the Water/Sewer Fund were for the pipelining project using ARPA funds. The \$202,080 transfer into the CDBG fund from the General Fund was for costs not covered by the grant. The \$112,000 transfer from the General Fund to the Public Art Commission Fund is a general transfer for the installation of public art. The transfer from the General Fund to the 9th Cent Sales Tax Fund was to transfer the remaining balance of these restricted funds to their own Special revenue Fund for separation purposes. The transfers into the Marina and Golf Course funds from the general fund were to cover operating costs and capital expenditures.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 - Pension Plans

City of Sanford Pension Plans, September 30, 2023

	FRS				
	FRS	HIS	Police	Fire	Totals
Pension liability	\$ 27,871,463	\$ 9,811,780	\$ 4,889,231	\$ 3,389,705	\$ 45,962,179
Deferred Outflows	8,594,800	1,484,902	2,687,281	4,502,858	17,269,841
Deferred Inflows	86,188	875,462	-	569,909	1,531,559
Pension Expense	3,532,556	3,569,872	3,394,672	2,360,186	12,857,286

A. Florida Retirement System

The City contributes to the Florida Retirement System (FRS); a multiple-employer, cost-sharing, defined-benefit pension plan administered by the State of Florida, for the City’s authorized permanent, full-time and part-time employees, (police and fire joined 10/1/17 and the current employees could join or remain with their plans and all new hires must join). Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any state-administered retirement system in paying the costs of health insurance. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 12, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. State Statutes, authorizes the State to establish and amend all plan provisions. The State of Florida issues a publicly available report that includes financial statements and required supplementary information for FRS. The report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000.

(1) Plan Description - The FRS offers a choice between a defined-benefit plan and a defined-contribution plan (“Investment Plan”). The Investment Plan provides for vesting after one year of creditable service. Under this plan, the employer makes contributions to a participant’s account, and the participant directs where the contributions are invested among the plan’s investment funds. Upon termination, vested participants receive amounts accumulated in their investment accounts. The defined-benefit plan members are eligible for retirement after vesting, which occurs at six (6) years of creditable service for regular members enrolled prior to July 1, 2011 and eight (8) years of creditable service if enrolled on or after July 1, 2011. Normal retirement age is attained at the earlier of thirty (30) or (33) years of creditable service, regardless of age, or retirement at age sixty-two (62) or (65) with at least (6) or (8) years of creditable service if enrolled prior to July 1, 2011 or on or after July 1, 2011 respectively. Early retirement may be taken any time after vesting; however, there is a five percent (5%) benefit reduction for each year prior to normal retirement age. Members are also eligible for in-line-of-duty or regular disability benefits if permanently disabled and unable to work. Benefits are computed on the basis of age, average final compensation, and service credit.

The HIS Pension Plan provides insurance subsidy payments to persons who are retired under a state-administered retirement system, or a beneficiary who is a spouse or financial dependent entitled to receive benefits under a state-administered retirement system except those individuals who are pension recipients under Section 121.40, 237.08(18)(a) and 250.22, Florida Statutes, or recipients of health insurance coverage under Section 110.1232, Florida Statutes or any other special pension or relief act are not eligible for such pension payments. A person is deemed retired from a state-administered retirement system when he or she terminated employment with all employers participating in the Florida Retirement System and (1) for a member of the FRS investment plan, the

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 - Pension Plans (continued)

A. Florida Retirement System (continued)

participant meets the age or service requirements to qualify for normal retirement per Section 121.021(29), Florida Statutes and meets the definition of retiree in Section 121.4501(2), Florida Statutes or (2) for a member of the FRS defined benefit pension plan or any employee who maintains creditable service under the pension plan and the investment plan, the member begins drawing retirement benefits from the pension plan. Any person retiring on or after July 1, 2001, as a member of the Florida Retirement System, including a member of the investment plan, must satisfy the vesting requirements for his or her membership class under the pension plan as administered under Chapter 121, Florida Statutes. Any person retiring due to disability must qualify for a regular or in-line-of-duty disability benefit per provisions under Chapter 112, Florida Statutes.

The HIS Pension Plan provides monthly payment assistance to retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Department of Management Services, Division of Retirement. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare. Terms of the benefits provided by the plan may be amended only by the State Legislature with a change in the Statutes governing the Plan.

(2) Contributions - The FRS has nine (9) classes of membership. Only three (3) classes are applicable to the City's eligible employees. These three (3) classes, with descriptions and weighted average contribution rates in effect during the period ended September 30, 2023, are as follows (contribution rates are in agreement with the actuarially determined rates, each including an additional 1.66% health insurance subsidy contribution):

Regular Class - Members not qualifying for other classes (12.235% from 10/01/22 to 9/30/23). Fourteen (14) employees were in DROP - Deferred Retirement Option Program (19.2325% from 10/01/22 to 9/30/23).

Senior Management Class - Members eligible for this class include the City Manager and Department Heads. The rate is 32.3075% from 10/1/22 to 9/30/23.

Special Risk – Members eligible for this class includes police officers, firefighters, the City's Crime Scene Technicians, and the Evidence Technician. The rate is 29.04% from 10/1/22 to 9/30/23.

The HIS Pension Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2023, the contribution rate was 1.66% of payroll pursuant to Section 112.363, Florida Statutes. There are no employee contributions required for the HIS Pension Plan. HIS Pension Plan contributions are deposited in a separate trust fund from which HIS payments are authorized.

The contribution requirements of the City are established and may be amended by the State. The plan became contributory for employees as of July 1, 2011, with passage of SB2100 during the 2011 legislation with a contribution of 3%. The City's contributions to FRS and HIS plans for the years ended September 30, 2021, 2022 and 2023 were, \$3,187,171, \$3,632,943, and \$4,535,724 respectively, and equal the required contributions for each year.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 - Pension Plans (continued)

A. Florida Retirement System (continued)

(3) Pension Liabilities and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At September 30, 2023, the City reported a liability of \$27,871,462 for its proportionate share of the FRS Pension Plan net pension liability and \$9,811,780 for its proportionate share of the HIS Pension Plan net pension liability. The net pension liabilities were measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The City's proportionate share of the net pension liabilities were based on accrued retirement contributions for employers that were members of the FRS Pension Plan during the fiscal year ended June 30, 2023. At June 30, 2023, the City's proportionate share was .0699 percent and 0.0618 percent which was a change of .00002 and .0035 percent from its proportionate share of .0675 and 0.05582 percent measured as of June 30, 2023 for both the FRS and HIS plans respectively.

For the year ended September 30, 2023, the City recognized pension expense of \$3,532,556 for the FRS Pension Plan and \$3,569,872 for the HIS Pension Plan. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to these plans from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,616,890	\$ -	\$ 143,638	\$ 23,030
Changes in assumptions	1,816,893	-	257,949	850,224
Net difference between projected and actual earnings on pension plan investments	3,232,880	-	5,067	-
Changes in proportion and differences between City contributions and proportionate share of contributions	-	86,188	957,467	2,208
Contributions subsequent to the measurement date	928,137	-	120,781	-
Total	<u>\$ 8,594,800</u>	<u>\$ 86,188</u>	<u>\$ 1,484,902</u>	<u>\$ 875,462</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 - Pension Plans (continued)

A. Florida Retirement System (continued)

The deferred outflows of resources related to FRS \$928,137 and HIS \$120,781 resulting from City contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported for the Plans as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

FRS		HIS	
Fiscal Year Ending September 30,	Amount Recognized	Fiscal Year Ending September 30,	Amount Recognized
2024	\$ 1,033,122	2024	\$ 85,382
2025	(409,318)	2025	51,767
2026	6,199,203	2026	86,130
2027	588,873	2027	168,937
2028	168,594	2028	89,488
Thereafter	-	Thereafter	6,955

(4) Actuarial Assumptions - The total pension liability for the both the FRS and HIS Pension Plans was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below:

	FRS	HIS
Valuation date	7/01/2023	7/01/2023
Measurement date	6/30/2023	6/30/2023
Actuarial cost method	Individual Entry Age	Individual Entry Age
Discount rate	6.70%	3.65%
Municipal bond rate	N/A	3.65%
Long-term expected rate of return, net of investment expense	6.70%	N/A
Inflation rate	2.40%	2.40%
Salary increase, including inflation	3.25%	3.25%
Mortality	PUB-2010 base table projected generationally with Scale MP-2018	PUB-2010 base table projected generationally with Scale MP-2018

The actuarial assumptions that determined the total pension liability of the FRS and HIS Pension Plans as of June 30, 2023, were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

(5) Discount Rate - The discount rate used to measure the total pension liability for the FRS Pension Plan disclosed above is based on a projection of cash flows that assumed that employee contributions will be made at the current contribution rate and that contributions from participating members will be made at statutorily required rates, actuarially determined. Based on those assumptions, the FRS Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return of pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 - Pension Plans (continued)

A. Florida Retirement System (continued)

The discount rate for calculation the total pension liability for the HIS Pension plan is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS pension Plan is essentially funded on a pay-as-you-go funding structure, a municipal bond rate of 3.65% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index).

(6) Long-Term Expected Rate of Return - To develop an analytical basis for the selection of the long-term expected rate of return assumption for the FRS Pension Plan, the 2023 FRS Actuarial Assumptions conference reviews long-term assumptions developed by multiple contracted capital market assumptions teams. The table below shows resulting assumptions for each of the asset classes in which the plan was invested based on the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The expected real rate of return is presented in arithmetic means.

The HIS pension plan is essentially funded on a pay-as-you-go basis. As such, there is no assumption for a long-term expected rate of return on a portfolio, no assumptions for cash flows into and out of the pension plan, or assumed asset allocation. Investments are reported at fair value.

Asset Class	Target Allocation	Long-Term Arithmetic Expected Real Rate of Return
Cash	1.00%	2.60%
Fixed income	19.80%	4.40%
Global equity	54.00%	8.80%
Real Estate (Property)	10.30%	7.40%
Private Equity	11.10%	12.00%
Strategic investments	3.80%	6.20%
Total	100.00%	

(7) Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability of the FRS and HIS Pension Plans calculated using the discount rate of 6.70 percent and 3.65 percent respectively. Also presented is what the City's proportionate share of the FRS Pension Plan net pension 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 rate:

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 - Pension Plans (continued)

A. Florida Retirement System (continued)

FRS Plan	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
City's proportionate share of the net pension liability	\$ 47,610,133	\$ 27,871,463	\$ 11,357,202
HIS Plan	1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
City's proportionate share of the net pension liability	\$ 11,193,710	\$ 9,811,780	\$ 8,666,253

(8) Allocation of Pension Related Amounts to Proprietary Funds – Pension related amounts have been allocated to the City’s Water/Sewer, Stormwater, and Wastewater Utility Enterprise Funds as well as the City’s blended component unit (Sanford CRA). This allocation was made based on the contributions to the FRS by each fund.

B. Police Officers’ and Firefighters’ Retirement Systems

The City participates in the closed Police Officers’ and Firefighters’ Retirement Systems. Each plan is a single-employer, defined-benefit pension plan for the sole benefit of the Police Officers' and Firefighters' of the City. The Police Officers’ and Firefighters’ boards both consist of five trustees, of which two are legal residents of the City of Sanford and appointed by the city commission and two of whom shall be members of the system, who shall be elected by a majority of the members of the two systems. The fifth trustee shall be chosen by a majority of the previous four trustees. The board of trustees may make benefit and contribution change recommendations to the city commission for consideration.

(1) Plan Description - A member’s normal retirement date shall be the first day of the month coincident with, or the next following attainment of age fifty-five (55) for police officers and firefighters, and the completion of ten (10) years of credited service or the completion of twenty-five (25) years of credited service.

A member may retire on their normal retirement date or on the first day of any month thereafter, and each member shall become 100% vested in their accrued benefit on the member’s normal retirement date.

Normal retirement under the system is retirement from employment with the City on or after the normal retirement date. The monthly retirement benefit shall equal (3.50% for service up to September 30, 2017 and 3% for service after September 30, 2017) and 3.08% of average final compensation, defined as the highest five (5) years of salary paid during the last ten (10) years of covered employment, for each year of credited service for police officers and firefighters, respectively.

Members are eligible to participate in the deferred retirement option program (DROP) on the earlier of age 55 with 10 years of credited service or 25 years of credited service for the police officers and firefighter plans respectively. Participation in this program for both plans may not exceed 60 months and the rate of return is the actual net rate of investment return (total return net of brokerage commissions, management

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 - Pension Plans (continued)

B. Police Officers' and Firefighters' Retirement Systems (continued)

fees and transaction costs) credited each fiscal quarter. The DROP balance as of September 30, 2023 is \$592,950 and \$401,266 in the police officers and firefighter plans respectively.

In addition, all of the City's pension plans provide death and disability benefits. These benefits and other requirements are established and amended by State Statute and City ordinance.

(2) Contributions - The City's funding policy provides for actuarially determined periodic contributions to the plans. The required contributions include normal costs (after deducting expected employee contributions, if applicable) and the amount of the additional unfunded obligations, amortized over thirty (30) years, created due to increases in plan benefits. Employer contribution rates are determined using the entry age normal actuarial cost method. The City contributed \$643,780 and \$856,037 to the Police Officers' and Firefighters' Retirement Systems, respectively, during the year ended September 30, 2023. The police officers are required to contribute 6.1% of their gross compensation and the firefighters are required to contribute seven (7%) of their base pay compensation (an additional five percent (5%) is paid by the City) for the fire and police employees, and if the employee terminates prior to vesting, this amount is returned to the employee for firefighters hired before July 1, 1999 and all police officer (regardless of date of hire). Both of the plans also receive contributions from the state for insurance premium refunds 1.85% for firefighters and .85% for police officers. The state contributions are not based on covered payroll. The City is required to contribute the remaining amount necessary to pay the annual normal (current year's) cost plus an amount sufficient to fund any unfunded accrued liability over fifteen (15) years for police officers and fifteen (15) years for firefighters. Funding policy was established and may be amended by City Ordinances.

(3) Plan Membership - At September 30, 2023, membership of each plan consisted of the following:

	Police Officers	Firefighters
Inactive plan members or beneficiaries currently receiving benefits	89	53
Inactive plan members entitled to but not yet receiving benefits	24	5
Active plan members	48	49
Total	161	107

(4) Pension Liabilities, Pension Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to Pensions.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 – Pension Plans (continued)

B. Police Officers’ and Firefighters’ Retirement Systems (continued)

The components of the net pension liability of the City at September 30, 2023 were as follows:

Police Officers' Plan:

Total pension liability	\$ 57,963,078
Plan fiduciary net position	<u>(53,073,847)</u>
City's net pension liability/(asset)	<u>\$ 4,889,231</u>
Plan fiduciary net position as a percentage of the total pension liability/(asset)	91.56%

Firefighters' Plan:

Total pension liability	\$ 45,225,243
Plan fiduciary net position	<u>(41,835,538)</u>
City's net pension liability/(asset)	<u>\$ 3,389,705</u>
Plan fiduciary net position as a percentage of the total pension liability/(asset)	92.50%

The changes in the net pension liability of the police and firefighters pension plans for fiscal year 2023 are as follows:

Police Officers' Retirement Trust Fund
Changes in Net Pension Liability

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/(asset) (a-b)
Balances at 9/30/2022	\$ 56,451,307	\$ 50,462,851	\$ 5,988,456
Changes for the year:			
Service cost	731,711	-	731,711
Interest	3,666,722	-	3,666,722
Difference between Expected and Actual Experience	366,590	-	366,590
Changes of assumptions	-	-	-
Contribution Buy Back	-	-	-
Contributions - Employer	-	643,780	(643,780)
Contributions-State	-	672,756	(672,756)
Contributions-Employee	-	223,512	(223,512)
Net investment income	-	4,394,915	(4,394,915)
Benefit payments, including refunds of employee contributions	(3,253,252)	(3,253,252)	-
Administrative Expense	-	(70,715)	70,715
Net Changes	<u>1,511,771</u>	<u>2,610,996</u>	<u>(1,099,225)</u>
Balance at September 30, 2023	<u>\$ 57,963,078</u>	<u>\$ 53,073,847</u>	<u>\$ 4,889,231</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 – Pension Plans (continued)

B. Police Officers’ and Firefighters’ Retirement Systems (continued)

	Firefighters' Pension Trust Fund		
	Changes in Net Pension Liability		
	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability/(asset)
	(a)	(b)	(a-b)
Balance at 9/30/2022	\$ 43,757,257	\$ 39,566,945	\$ 4,190,312
Changes for the year:			
Service cost	747,839	-	747,839
Interest	2,788,023	-	2,788,023
Change in Excess State Money	-	-	-
Differences between Expected and Actual Experience	(183,408)	-	(183,408)
Changes of assumptions	-	-	-
Changes of benefit terms	-	-	-
Contributions - Employer	-	856,037	(856,037)
Contributions-State	-	514,193	(514,193)
Contributions-Employee	-	264,542	(264,542)
Net investment income	-	2,590,835	(2,590,835)
Benefit payments, including refunds of employee contributions	(1,884,468)	(1,884,468)	-
Administrative Expense	-	(72,546)	72,546
Net Changes	<u>1,467,986</u>	<u>2,268,593</u>	<u>(800,607)</u>
Balance at September 30, 2023	<u>\$ 45,225,243</u>	<u>\$ 41,835,538</u>	<u>\$ 3,389,705</u>

For the year ended September 30, 2023, the City recognized pension expense of \$2,078,136 and \$989,956 for the police and firefighters pension plans. On September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to these plans from the following sources:

	<u>Police Officers' Plan</u>		<u>Firefighters' Plan</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 482,915	\$ -	\$ 2,756	\$ 569,909
Changes in assumptions	-	-	1,364,858	-
Net difference between projected and actual earnings on pension plan investments	2,204,366	-	3,135,244	-
Total	<u>\$ 2,687,281</u>	<u>\$ -</u>	<u>\$ 4,502,858</u>	<u>\$ 569,909</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 - Pension Plans (continued)

B. Police Officers' and Firefighters' Retirement Systems (continued)

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

Police Officers' Plan		Firefighters' Plan	
Fiscal Year	Amount	Fiscal Year	Amount
Ending September 30,	Recognized	Ending September 30,	Recognized
2024	\$ 812,792	2024	\$ 967,752
2025	403,498	2025	921,413
2026	1,695,638	2026	2,057,556
2027	(224,647)	2027	(13,772)
2028	-	2028	-
Thereafter	-	Thereafter	-

(5) Costs of administering the police officers' and firefighters' pension plans are financed through investment earnings.

(6) The following is a summary of actuarial methods and significant actuarial assumptions used in the latest actuarial valuations:

	Police Officers	Firefighters
Valuation date	10/01/2023	10/01/2023
Measurement date	10/01/2023	10/01/2023
Actuarial cost method	Entry Age Normal	Entry Age Normal
Discount rate	6.60%	6.40%
Amortization method	New UAAL	New UAAL
Amortization period	15 years	15 years
Asset valuation method	4-year smoothed fair	4-year smoothed fair
Actuarial Assumptions:		
Investment rate of return	6.60%	6.40%
Projected salary increase (including both cost of living and merit)	4.75%	Service based
Inflation rate	2.58%	2.58%
Postretirement benefit increases	0.00%	0.00%

Mortality assumptions for both the police officers' and firefighters' pension plans used the PUBS.H-2010 (Below Median for Active Lives set forward one year, PUBS.H-2010 for Healthy Retirees, set forward one year, PUBS.H-2010 for Female Beneficiary Lives and set back one year for Male Beneficiary Lives, and 80% PubG.H-2010 for Disables Retirees/20% PubS.H-2010 for Disables Retirees All rates are projected generationally with Mortality Improvement Scale MP-2018.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 - Pension Plans (continued)

B. Police Officers' and Firefighters' Retirement Systems (continued)

(7) 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 both the police officers' and firefighters' pension plan's target asset allocation as of September 30, 2023 are summarized in the following table:

Fire Pension		Police Pension	
Asset Class	Long Term Expected Real Rate of Return	Asset Class	Long Term Expected Real Rate of Return
Large cap equity	8.13%	Large cap equity	8.01%
Mid cap equity	8.30%	Mid cap equity	8.30%
Small cap equity	6.81%	Small cap equity	6.81%
Foreign equity	4.84%	Foreign equity	4.84%
Real estate	5.93%	Real estate	5.68%
Fixed income	0.41%	Fixed income	0.41%

(8) The discount rate used to measure the total pension liability for the police officers' plan was 6.60% and 6.40% for the firefighters' plan. 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.

The following presents the net pension liability of the City:

Police Officers' Plan:	1% Decrease 5.60%	Current Discount Rate 6.60%	1% Increase 7.60%
Sponsor's Net Pension Liability/(asset)	\$ 11,632,292	\$ 4,889,231	\$ (750,184)
Firefighters' Plan:	1% Decrease 5.40%	Current Discount Rate 6.40%	1% Increase 7.40%
Sponsor's Net Pension Liability/(asset)	\$ 9,036,690	\$ 3,389,705	\$ (1,282,861)

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 - Pension Plans (continued)

B. Police Officers' and Firefighters' Retirement Systems (continued)

Pension Trust Fund Financial Statements

The plans do not issue separate financial statements. Financial statements for the Police Officers' Retirement System and Firefighters' Retirement System at September 30, 2023 and for the year then ended are as follows:

**Combining Statement of Net Pension
Fiduciary Funds
September 30, 2023**

	Police Officers' Retirement System	Firefighters' Retirement System	Total
Assets			
Cash and cash equivalents with trustee	\$ 1,320,015	\$ 1,073,994	\$ 2,394,009
Investments, at fair value:			
US government obligations	2,688,473	3,169,241	5,857,714
Mortgage & asset backed securities	2,887,850	3,221,264	6,109,114
Corporate debt	869,317	1,123,815	1,993,132
Mutual funds	21,696,773	14,602,136	36,298,909
Equity securities	13,037,459	12,576,264	25,613,723
Real estate	10,546,474	6,052,810	16,599,284
Accrued investment income	39,149	44,149	83,298
Prepaid items	1,866	3,731	5,597
Total assets	<u>53,087,376</u>	<u>41,867,404</u>	<u>94,954,780</u>
Liabilities			
Accounts payable	<u>61,720</u>	<u>59,554</u>	<u>121,274</u>
Net position			
Net position restricted for pensions	<u>\$ 53,025,656</u>	<u>\$ 41,807,850</u>	<u>\$ 94,833,506</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 11 - Pension Plans (continued)

B. Police Officers' and Firefighters' Retirement Systems (continued)

Pension Trust Fund Financial Statements (continued)

Combining Statement of Changes in Net Position
Fiduciary Funds

For the Year Ended September 30, 2023

	<u>Police Officers' Retirement System</u>	<u>Firefighters' Retirement System</u>	<u>Total</u>
Additions			
Contributions:			
Employer	\$ 1,316,279	\$ 1,370,230	\$ 2,686,509
Plan members	223,512	264,542	488,054
Total contributions	<u>1,539,791</u>	<u>1,634,772</u>	<u>3,174,563</u>
Investments earnings (losses):			
Interest & dividends	977,994	1,019,735	1,997,729
Net decrease in fair value of investments	3,749,713	1,776,794	5,526,507
Total investment earnings	4,727,707	2,796,529	7,524,236
Investment expenses	(321,379)	(193,110)	(514,489)
Net investment earnings	4,406,328	2,603,419	7,009,747
Total additions	<u>5,946,119</u>	<u>4,238,191</u>	<u>10,184,310</u>
Deductions			
Benefit payments	3,154,582	1,744,736	4,899,318
Refund of contributions	98,670	139,732	238,402
Administrative expenses	93,163	93,659	186,822
Total deductions	<u>3,346,415</u>	<u>1,978,127</u>	<u>5,324,542</u>
Change in net position	2,599,704	2,260,064	4,859,768
Net position restricted for pensions			
Beginning of year	50,425,953	39,547,785	89,973,738
End of year	<u>\$ 53,025,657</u>	<u>\$ 41,807,849</u>	<u>\$ 94,833,506</u>

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 12 - Post Employment Benefits Other than Pensions

The City’s defined benefit OPEB plan provides OPEB for all general and public safety employees of the City. The plan is a single-employer defined benefit OPEB plan administered by the City. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

(1) Plan Description - The City’s resolutions and ordinances allow employees who have retired to continue their life and health insurance benefits, and a portion of the cost as determined by City management, is paid by the City. The City pays the health insurance benefits for employees hired after October 1, 1991 but before October 1, 2002, retiring, with twenty-five (25) or more years of service up to age sixty-five (65) at the same level of funding as current employees. The City pays the health benefits of employees who retired prior to October 1, 1991, for the remainder of their lives. The City pays the life insurance benefits for retired employees who retired after October 1, 1991, with the level of the benefit being delineated as \$3,000 term life.

The City has chosen pay-as-you-go funding, but is recording the liability in the government-wide financial statements. The self-insurance plan pays premiums to an insurance company that maintains no assets or liabilities in the name of the City or on the City’s behalf. This plan does not issue stand-alone financial statements.

(2) Employees covered by benefit terms - At September 30, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive employees*	246
Active employees**	497
Total	743

*Inactive counts include retirees with life insurance only.

**Active counts include those with health care coverage and those without.

(3) Total OPEB Liability – The City’s total OPEB liability of \$14,595,285 was measured as of September 30, 2023, and was determined by an interim actuarial valuation as of that date.

(4) Actuarial assumptions and other inputs – Projections of benefits for financial reporting purposes are based on the substantive plan (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 actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The total OPEB liability in the September 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method:

The entry age normal % of salary cost method was used to determine all liabilities, with the liability for each active employee assumed to accrue over their working lifetime based on elapsed time from their date of hire until retirement.

Inflation Rate:

3.25% per year

Investment Return (Discount Rate):

4.77% as of September 30, 2022 and 4.87% as of September 30, 2023. The discount rate was based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 12 - Post Employment Benefits Other than Pensions (continued)

(4) Actuarial assumption and other inputs (continued)

Health Care Cost Trend Rates:

The cost of covered medical services has been assumed to increase in accordance with the following rates, compounded annually:

<u>Year</u> / <u>Increase</u>	<u>Year</u> / <u>Increase</u>	<u>Year</u> / <u>Increase</u>
2024 7.00%	2027 5.50%	2030 4.50%
2025 6.50%	2028 5.00%	and
2026 6.00%	2029 4.50%	after

Retiree Contributions:

Retirees hired after October 1, 2002 and electing post-employment healthcare coverage have been assumed to make monthly contributions equal to the premium charged to active employees plus the amount paid by the City for active employees. Retirees hired prior to October 1, 2002 and retiring after September 30, 1991 with at least 25 years of City service are assumed to pay the same amount that current employees pay. Retirees retiring before October 1, 1991 with at least 25 years of service do not contribute to the cost of their health insurance. Contribution rates are set by the City during the yearly budget process.

Payroll Growth:

3.25% per annum for general employees and 5% for public safety (used for amortization purposes only)

Mortality Rates:

Public Safety: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021

Non Public Safety: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2010

Surviving Spouses: SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021

Disabled Retirees: SOA Pub-2010 Disabled Headcount Weighted Mortality Table fully generational using Scale MP-2021

(5) Summary of Benefits -

Other Post-Employment Benefits (OPEBs)

The City of Sanford provides optional post-employment healthcare and life insurance coverage to eligible individuals.

Eligible Individuals:

Employees of the City who are eligible for retirement or disability retirement under the Florida Retirement System (FRS), the City of Sanford Police Officer's Retirement System (SPRS), or the City of Sanford Firefighter's Retirement System (SFRS) may elect to participate in the City-sponsored health insurance plan (medical and prescription drug). All eligible employees receive \$3,000 of life insurance coverage.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 12 - Post Employment Benefits Other than Pensions (continued)

(6) Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/2022	\$ 14,945,745
Changes for the year:	
Service cost	216,305
Interest	698,262
Change in assumptions	(109,793)
Differences between expected and actual experience	(96,016)
Benefit payments	(1,059,218)
Net changes	(350,460)
Balance at 9/30/2023	\$ 14,595,285

There have been no substantive plan provision changes.

(7) Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate of 4.87%.

OPEB discount rate	1% Decrease 3.87%	Current Discount Rate 4.87%	1% Increase 5.87%
Total OPEB liability	\$ 15,755,695	\$ 14,595,285	\$ 13,566,212

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 12 - Post Employment Benefits Other than Pensions (continued)

(8) Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates.

OPEB health care discount rate	1% Decrease "(6.0% decreasing to 3.5%) <u> </u>	Healthcare Cost Trend Rates "(7.0% decreasing to 4.5%) <u> </u>	1% Increase "(8.0% decreasing to 5.5%) <u> </u>
Total OPEB liability	\$ 13,444,126	\$ 14,595,285	\$ 15,908,095

(9) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows or Resources Related to OPEB— For the year ended September 30, 2023, the City recognized an OPEB expense of \$2,017,164. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,479,962	\$ 1,778,756
Changes in assumptions	136,768	2,384,806
Total	<u>\$ 2,616,730</u>	<u>\$ 4,163,562</u>

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

Fiscal Year Ending September 30,	Amount Recognized
2024	\$ (1,009,297)
2025	(435,028)
2026	(212,796)
2027	110,289
2028	-
Thereafter	-

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 13 - Deferred Compensation Plan

The City offers its employees three deferred compensation plans, created in accordance with Internal Revenue Code Section 457. The City’s main plan is offered to all employees. The second plan was opened as an additional plan that is only offered to Firefighters. The plans permit employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen non-reimbursed emergency. The other deferred compensation plan is a 401(a) and is offered to all employees with no employer contributions.

It is the opinion of management that the City has no liability for losses under the plans, but does have the duty of due care that would be required of an ordinary prudent investor in overall program oversight. Since the City has no control over these assets, other than periodically testing the market to retain or replace the 457 third-party administrator, these assets are not reflected in the City’s financial statements.

Note 14 - Risk Management

The City accounts for its risk management activities in an internal service fund that includes self-insurance programs for workers’ compensation, general liability, property, auto, and employee healthcare. The City has made the decision to retain up to \$200,000 per incident relating to workers’ compensation. Coverage in excess of \$200,000 per incident for workers’ compensation has been purchased from an outside carrier. All other liability and property damage insurance is obtained through insurance carriers with a \$25,000 deductible for general liability claims per occurrence and an aggregate stop loss that varies by line-of-coverage for all types of claims for fiscal year 2023. Employee healthcare exposure is subject to aggregate maximum limitations. There have been no significant reductions in insurance coverage from the prior year. No settlements have exceeded the City’s insurance coverage for each of the past five (5) fiscal years.

The City utilizes the expertise of the plan administrator in determining the liability for claims incurred and other related costs on a claim-by-claim basis. The determination includes consideration of non-incremental claims adjustment expenditures. The changes in the City’s claims liability during the years ended September 30, 2022 and 2023 were as follows:

	Balance at Fiscal Year Beginning	Current Year Claims and Changes in Estimates	Current Year Claim Payments	Balance at Fiscal Year End
2021-2022	\$ 4,163,133	\$ 8,960,334	\$ (9,717,347)	\$ 3,406,120
2022-2023	3,406,120	9,573,914	(9,701,989)	3,278,045

Note 15 - Commitments and Contingencies

- A. Various lawsuits and claims arising in the ordinary course of the City’s operations are pending against the City. While the ultimate effect of such litigation cannot be ascertained at this time, management believes, based on the advice of legal counsel, that there will be no material effect on the City’s financial position and/or that the City has sufficient insurance coverage to cover any claims.
- B. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. If any expenditures are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the City. In the opinion of management, any such adjustments would not be significant.
- C. The City has various construction contracts outstanding in the Governmental Funds and Enterprise Funds, commitments of which amount to \$18,782,392 at September 30, 2023.

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 16 – Net Investment in Capital Assets Calculation

The elements of this calculation are as follows:

	Governmental Activities	Business-type Activities
Capital assets:		
Non depreciable	\$ 9,294,031	\$ 60,429,726
Depreciable, net	117,240,908	161,170,644
Right of use asset, net	961,683	145,853
	127,496,622	221,746,223
Debt related to capital assets:		
Accounts/Retainage payable	731,377	2,828,708
Loans	19,909,768	50,223,222
Financed purchase agreements	1,700,019	-
Leases	183,619	145,668
SBITAs	809,906	-
	23,334,689	53,197,598
Difference	104,161,933	168,548,625
Unspent debt proceeds	14,421,372	-
Invested in capital assets	\$ 118,583,305	\$ 168,548,625

Note 17 – Tax Abatements

The City of Sanford and the Downtown CRA enters into property tax abatement agreements with local businesses under the Article VII, Section (3)(c), *Constitution of the State of Florida*, as implemented by Section 196.1955, *Florida Statutes*, local governments may provide for ad valorem tax exemptions for a variety of economic development purposes. Localities may grant abatements for up to ten years for up to 100% of the assessed value of all improvements to real property made by or for the use of a new business and of all tangible personal property of such new business, or up to 100% of the assessed value of all added improvements to real property made to facilitate the expansion of an existing business and of the net increase in all tangible personal property acquired to facilitate such expansion of an existing business, provided that the improvements to real property are made or the tangible personal property is added or increased on or after the day the ordinance approving the tax abatement is enacted. The City adopted an ordinance allowing for up to \$2,000,000 in abatements over ten years and applicants would be entitled initially up to 100%, but such abatement awarded shall not be more than an average over the awarded time frame of 50%. If it is determined that a business was not in fact entitled to a tax abatement in any year for which the business received an exemption, the City, Property Appraiser or tax collector or any other governmental agency shall be entitled to recover all taxes not paid on tangible personal property as a result of the exemption, plus interest at the maximum rate allowed by law, plus all costs of collection, including, without limitation, reasonable attorney’s fees.

For the fiscal year ended September 30, 2023, there were no abated property taxes under this program, but the City of Sanford did have four outstanding agreements as follows:

On May 19, 2021, the City entered into an agreement with Transit Properties LLC to develop a mixed-use development consisting of 294 multi-family units and a commercial outparcel of 1.96 acres. This development will serve the City by providing a transit oriented development (TOD) adjacent to our SunRail stop. TOD development provides for more efficient use of the SunRail system while simultaneously allowing residents the opportunity to easily access mass transit. The agreement allows for ad valorem tax abatements at 70% of an amount equal to the sums paid in ad valorem taxes that have been duly paid to the City the first five years in which the incentivized development is placed on the tax rolls on Seminole County; 50% of an amount equal to the sums paid in ad

CITY OF SANFORD, FLORIDA
Notes to Financial Statements, Year Ended September 30, 2023

Note 10 - Interfund Accounts and Transfers (continued)

valorem taxes that have been duly paid to the City during the second five years in which the incentivized development is placed on the tax rolls of Seminole County.

On June 8, 2020 the City entered into an agreement with San Leon LLC to develop a mixed use development in the City's downtown district. The agreement allows for ad valorem tax abatements at 100% of an amount equal to the sums paid in ad valorem taxes that have been duly paid to the City the first five years in which the incentivized development is placed on the tax rolls on Seminole County.

On May 8, 2017, the City entered into an agreement with a developer to develop land in the City's downtown district via Ordinance 4403. The project is known as the Catalyst Site. This agreement allows for ad valorem tax abatements at 50% of the total annual tax increment revenues generated from development of property cited in the development agreement for tax years through 2025 as well as expenditures by the City for foundation enhancement preparation up to \$4,000,000, relocation of water lines \$392,000, sewer lines \$1,070,000, and power lines \$350,000, \$5,200,000 for streetscape identified in the CRA plan that will be within the Catalyst Site's foot print. For the fiscal year ended September 30, 2023, the City of Sanford and the Downtown CRA did not have abated property taxes but did expend \$2,764 on the agreed upon expenditures for the development of the Catalyst Site.

On July 11, 2016, the City entered into an agreement with Allegiant Airlines that is effective for ad valorem tax years 2017 through 2026 and allows for a 100% tax abatement. The City also provided a Qualified Target Industry (QTI) award to Allegiant in the amount not to exceed \$5,500 that would be paid once the qualifying factors of job creation has been met.

Note 18 – New Accounting pronouncements

The GASB has issued Statement of Governmental Accounting Standards No. 96, *Subscription-Based Information Technology Arrangement*. This statements objective is to improve accounting and financial reporting by state and local governments for subscription-based information technology and arrangements. As required by the standard, the City of Sanford, Florida implemented this standard for fisa year ended September 30, 2023.

**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF SANFORD, FLORIDA
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 31,670,670	\$ 31,670,670	\$ 32,109,948	\$ 439,278
Utility taxes	8,336,540	8,336,540	9,841,452	1,504,912
Franchise fees	5,113,115	5,113,115	6,631,504	1,518,389
Business taxes	582,086	582,086	749,372	167,286
Permits and fees	15,068	15,068	374,182	359,114
Intergovernmental	8,716,361	8,971,483	9,066,186	94,703
Charges for services	3,044,625	3,369,625	4,576,799	1,207,174
Investment earnings	67,921	67,921	2,107,027	2,039,106
Fines and forfeitures	202,169	202,169	171,746	(30,423)
Miscellaneous	263,343	263,343	297,010	33,667
Total revenues	<u>58,011,898</u>	<u>58,592,020</u>	<u>65,925,226</u>	<u>7,333,206</u>
Expenditures				
Current:				
General government	9,099,456	9,778,642	8,659,525	1,119,117
Public safety	32,894,332	33,279,156	31,891,673	1,387,483
Physical environment	426,944	520,269	313,046	207,223
Transportation	1,694,567	3,768,372	2,482,889	1,285,483
Economic environment	601,751	631,751	334,338	297,413
Human services	144,423	134,310	130,037	4,273
Culture and recreation	7,645,650	8,625,904	7,661,981	963,923
Debt service:				
Principal	-	-	447,166	(447,166)
Interest	-	-	2,245	(2,245)
Capital outlay:				
Culture and recreation	-	91,708	179,433	(87,725)
Total expenditures	<u>52,507,123</u>	<u>56,830,112</u>	<u>52,102,333</u>	<u>4,727,779</u>
Excess of revenues over expenditures	<u>5,504,775</u>	<u>1,761,908</u>	<u>13,822,893</u>	<u>12,060,985</u>
Other financing sources (uses)				
Leases	-	-	557,045	557,045
Transfers out	(4,604,110)	(14,320,026)	(7,190,276)	7,129,750
Proceeds from sale of assets	-	-	310	310
Total other financing uses	<u>(4,604,110)</u>	<u>(14,320,026)</u>	<u>(6,632,921)</u>	<u>7,687,105</u>
Net change in fund balances	<u>900,665</u>	<u>(12,558,118)</u>	<u>7,189,972</u>	<u>19,748,090</u>
Fund balances				
Beginning of year	-	-	39,537,912	39,537,912
Prior carryforward	-	12,727,717	-	(12,727,717)
Future carryforward	(900,665)	(169,599)	-	169,599
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,727,884</u>	<u>\$ 46,727,884</u>

Note: This schedule is prepared on the basis of Generally Accepted Accounting Principles.

CITY OF SANFORD, FLORIDA
Local Option Gas Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 1,108,440	\$ 1,108,440	\$ 1,229,806	\$ 121,366
Investment earnings	-	-	85,921	85,921
Total revenues	<u>1,108,440</u>	<u>1,108,440</u>	<u>1,315,727</u>	<u>207,287</u>
Expenditures				
Transportation	903,860	930,372	865,044	65,328
CO_Transportation	610,000	640,000	47,711	592,289
Total expenditures	<u>1,513,860</u>	<u>1,570,372</u>	<u>912,755</u>	<u>657,617</u>
Net change in fund balances	<u>(405,420)</u>	<u>(461,932)</u>	<u>402,972</u>	<u>864,904</u>
Fund balances				
Beginning of year	-	-	2,112,663	2,112,663
Prior carryforward	425,734	482,246	-	(482,246)
Future carryforward	(20,314)	(20,314)	-	20,314
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,515,635</u>	<u>\$ 2,515,635</u>

Note: This schedule is prepared on the basis of Generally Accepted Accounting Principles.

CITY OF SANFORD, FLORIDA
ARPA Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 14,220,430	\$ 5,109,000	\$ (9,111,430)
Investment earnings	-	-	184,993	184,993
Total revenues	-	14,220,430	5,293,993	(8,926,437)
Expenditures				
General government	-	176,904	139,228	37,676
Human services	-	386,000	198,548	187,452
Public safety	-	3,835	-	3,835
Total expenditures	-	566,739	337,776	228,963
Excess (deficiency) of revenues over (under) expenditures	-	13,653,691	4,956,217	(8,697,474)
Other financing sources (uses)				
Transfers out	-	(13,653,691)	(4,771,224)	8,882,467
Total other financing sources	-	(13,653,691)	(4,771,224)	8,882,467
Net change in fund balances	-	-	184,993	184,993
Fund balances				
Beginning of year	-	-	31,060	31,060
End of year	\$ -	\$ -	\$ 216,053	\$ 216,053

Note: This schedule is prepared on the basis of Generally Accepted Accounting Principles.

CITY OF SANFORD, FLORIDA
Sanford CRA Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 1,881,434	\$ 1,881,434	\$ 1,834,679	\$ (46,755)
Investment earnings	-	-	86,632	86,632
Total revenues	<u>1,881,434</u>	<u>1,881,434</u>	<u>1,921,311</u>	<u>39,877</u>
Expenditures				
Current:				
Economic environment	1,212,907	1,702,066	883,522	818,544
Capital outlay:				
Total expenditures	<u>1,212,907</u>	<u>1,702,066</u>	<u>883,522</u>	<u>818,544</u>
Excess (deficiency) of revenues over (under) expenditures	<u>668,527</u>	<u>179,368</u>	<u>1,037,789</u>	<u>858,421</u>
Other financing sources (uses)				
Transfers in	-	2,980,617	3,717,715	737,098
Transfers out	<u>(725,527)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>(725,527)</u>	<u>2,980,617</u>	<u>3,717,715</u>	<u>737,098</u>
Net change in fund balances	<u>(57,000)</u>	<u>3,159,985</u>	<u>4,755,504</u>	<u>1,595,519</u>
Fund balances				
Beginning of year	-	-	557,039	557,039
Prior carryforward	57,000	546,159	-	(546,159)
Future carryforward	-	(3,706,144)	-	3,706,144
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,312,543</u>	<u>\$ 5,312,543</u>

Note: This schedule is prepared on the basis of Generally Accepted Accounting Principles.

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2023

Schedule of Changes in Net Pension Liability and Related Ratios

Police Officers' Retirement Trust Fund										
	9/30/2023	9/30/2022	9/30/2021	9/30/2020	09/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total Pension Liability										
Service cost	\$ 731,711	\$ 765,514	\$ 755,714	\$ 773,251	\$ 794,900	\$ 780,283	\$ 1,103,531	\$ 1,146,830	\$ 1,138,827	\$ 1,188,045
Interest	3,666,722	3,549,225	3,490,692	3,396,162	3,248,998	3,261,533	3,239,054	3,177,614	3,119,988	3,003,659
Change in excess state money	-	-	-	-	-	-	(1,623,181)	187,342	163,247	142,542
Change in benefit terms	-	-	-	-	-	-	(607,513)			
Differences between Expected and Actual										
Experience	366,590	715,562	530,028	439,728	887,614	51,766	(608,510)	(1,113,615)	(596,272)	-
Change of assumptions	-	-	2,298,855	(272,717)	-	3,225,876	-	1,038,360	-	-
Contribution Buy Back	-	-	-	67,200	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(3,253,252)	(3,179,244)	(3,172,696)	(2,898,626)	(2,716,410)	(3,291,827)	(2,949,734)	(2,661,451)	(3,192,534)	(2,090,399)
Net change in total pension liability	1,511,771	1,851,057	3,902,593	1,504,998	2,215,102	4,027,631	(1,446,353)	1,775,080	633,256	2,243,847
Total pension liability- beginning	56,451,307	54,600,250	50,697,657	49,192,659	46,977,557	42,949,926	44,396,279	42,621,199	41,987,943	39,744,096
Total pension liability - ending (a)	\$ 57,963,078	\$ 56,451,307	\$ 54,600,250	\$ 50,697,657	\$ 49,192,659	\$ 46,977,557	\$ 42,949,926	\$ 44,396,279	\$ 42,621,199	\$ 41,987,943
Plan Fiduciary Net Position										
Contributions - employer	643,780	358,598	895,864	938,624	1,189,748	1,268,270	1,860,016	1,817,484	1,902,187	2,176,438
Contributions-state	672,756	565,122	516,201	514,980	450,032	431,259	38,389	363,691	339,596	318,891
Contributions-employee	223,512	226,061	235,575	248,010	246,351	266,694	326,564	312,694	296,080	292,092
Net investment income	3,271,679	3,784,110	3,409,017	2,478,526	75,018	3,395,500	5,054,852	3,885,477	538,151	3,978,010
Pension Plan investments	1,123,236	(9,601,426)	7,071,685	-	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(3,253,252)	(3,179,244)	(3,172,696)	(2,831,426)	(2,716,410)	(3,291,827)	(2,949,734)	(2,661,451)	(3,192,534)	(2,090,399)
Administrative expense	(70,715)	(80,199)	(57,184)	(55,656)	(61,337)	(86,161)	(76,649)	(70,378)	(79,842)	(63,751)
Net change in plan fiduciary net position	2,610,996	(7,926,978)	8,898,462	1,293,058	(816,598)	1,983,735	4,253,438	3,647,517	(196,362)	4,611,281
Plan fiduciary net position - beginning	50,462,851	58,389,829	49,491,367	48,198,309	49,014,907	47,031,172	42,432,734	38,785,217	38,981,579	34,370,299
Plan fiduciary net position - ending (b)	\$ 53,073,847	\$ 50,462,851	\$ 58,389,829	\$ 49,491,367	\$ 48,198,309	\$ 49,014,907	\$ 46,686,172	\$ 42,432,734	\$ 38,785,217	\$ 38,981,580
Net pension liability/(asset) - ending (a) - (b)	\$ 4,889,231	\$ 5,988,456	\$ (3,789,579)	\$ 1,206,290	\$ 994,350	\$ (2,037,350)	\$ (3,736,246)	\$ 1,963,545	\$ 3,835,982	\$ 3,006,363
Plan fiduciary net position as a percentage of the total pension liability	91.56%	89.39%	106.94%	97.62%	97.98%	104.34%	108.70%	95.58%	91.00%	92.84%
Covered payroll	\$ 3,095,105	\$ 3,252,658	\$ 3,439,508	\$ 3,610,410	\$ 3,646,676	\$ 3,881,447	\$ 5,622,360	\$ 5,598,252	\$ 6,162,354	\$ 5,379,770
Net pension liability as a percentage of covered payroll	157.97%	184.11%	-110.18%	33.41%	27.27%	-52.49%	-66.45%	35.07%	62.25%	55.88%

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2023

Schedule of Changes in Net Pension Liability and Related Ratios

	Firefighters' Pension Trust Fund									
	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Total Pension Liability										
Service cost	\$ 747,839	\$ 860,372	\$ 778,185	\$ 711,672	\$ 706,209	\$ 694,207	\$ 719,369	\$ 711,620	\$ 710,735	\$ 724,668
Interest	2,788,023	2,733,047	2,698,769	2,677,479	2,605,737	2,528,587	2,539,282	2,421,237	2,324,478	2,193,825
Change in excess state money	-	-	-	(134,215)	134,215	-	(1,142,947)	99,482	105,525	110,275
Change in benefit terms	-	131,236	-	-	(14,409)	-	-	-	-	-
Differences between Expected and Actual										
Experience	(183,408)	5,513	(767,867)	(626,033)	(48,942)	326,650	(517,380)	(388,476)	(217,912)	-
Change of assumptions	-	526,532	1,814,552	1,878,862	949,461	-	578,666	752,874	-	-
Benefit payments, including refunds of employee contributions	(1,884,468)	(1,835,279)	(1,926,933)	(1,781,785)	(2,499,477)	(2,603,631)	(2,214,104)	(1,854,776)	(1,362,609)	(1,180,194)
Net change in total pension liability	1,467,986	2,421,421	2,596,706	2,725,980	1,832,794	945,813	(37,114)	1,741,961	1,560,217	1,848,574
Total pension liability- beginning	43,757,257	41,335,836	38,739,130	36,013,150	34,180,356	33,234,543	33,271,657	31,524,696	29,964,479	28,115,905
Total pension liability - ending (a)	\$ 45,225,243	\$ 43,757,257	\$ 41,335,836	\$ 38,739,130	\$ 36,013,150	\$ 34,180,356	\$ 33,234,543	\$ 33,266,657	\$ 31,524,696	\$ 29,964,479
Plan Fiduciary Net Position										
Contributions - employer	856,037	804,762	885,246	937,823	1,169,697	1,198,581	1,218,852	1,137,284	1,178,825	1,228,369
Contributions-state	514,193	392,048	379,222	343,087	302,901	275,810	278,787	268,168	274,211	278,961
Contributions-employee	264,542	242,317	247,885	258,240	257,497	263,961	267,482	253,690	247,193	244,226
Net investment income	2,521,973	3,119,785	10,032,301	3,607,855	709,334	3,389,529	3,740,487	2,399,441	628,563	2,376,477
Pension Plan investments	68,862	(10,585,902)	-	-	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(1,884,468)	(1,835,279)	(1,926,933)	(1,781,785)	(2,499,477)	(2,603,631)	(2,214,104)	(1,854,776)	(1,362,609)	(1,180,194)
Administrative expense	(72,546)	(76,676)	(62,367)	(51,378)	(60,501)	(63,906)	(67,365)	(61,121)	(50,686)	(48,585)
Net change in plan fiduciary net position	2,268,593	(7,938,945)	9,555,354	3,313,842	(120,549)	2,460,344	3,224,139	2,142,686	915,497	2,899,254
Plan fiduciary net position - beginning	39,566,945	47,505,890	37,950,536	34,636,694	34,757,243	32,296,899	29,072,760	26,930,074	26,014,577	23,115,323
Plan fiduciary net position - ending (b)	\$ 41,835,538	\$ 39,566,945	\$ 47,505,890	\$ 37,950,536	\$ 34,636,694	\$ 34,757,243	\$ 32,296,899	\$ 29,072,760	\$ 26,930,074	\$ 26,014,577
Net pension liability/(asset) - ending (a) - (b)	\$ 3,389,705	\$ 4,190,312	\$ (6,170,054)	\$ 788,594	\$ 1,376,456	\$ (576,887)	\$ 937,644	\$ 4,193,897	\$ 4,594,622	\$ 3,949,902
Plan fiduciary net position as a percentage of the total pension liability	92.50%	90.42%	114.93%	97.96%	96.18%	101.69%	97.18%	87.39%	85.43%	86.82%
Covered payroll	\$ 3,779,161	\$ 3,461,671	\$ 3,541,208	\$ 3,691,188	\$ 3,676,484	\$ 3,770,876	\$ 3,861,980	\$ 3,583,344	\$ 3,884,379	\$ 3,488,942
Net pension liability as a percentage of covered payroll	89.69%	121.05%	-174.24%	21.36%	37.44%	-15.30%	24.28%	117.04%	118.28%	113.21%

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2023

Schedule of Contributions

Police Officers' Retirement Trust Fund

	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Actuarially determined contribution	\$ 710,169	\$ 534,947	\$ 529,684	\$ 667,926	\$ 1,101,296	\$ 768,526	\$ 1,613,617	\$ 1,959,388	\$ 2,006,273	\$ 2,307,921
Contributions in relation to the actuarially determined contributions	820,129	534,947	1,412,065	1,453,604	1,366,097	1,444,619	2,036,365	1,993,833	2,078,536	2,352,787
Contribution deficiency (excess)	\$ (109,960)	\$ -	\$ (882,381)	\$ (785,678)	\$ (264,801)	\$ (676,093)	\$ (422,748)	\$ (34,445)	\$ (72,263)	\$ (44,866)
Covered payroll	\$ 3,095,105	\$ 3,252,658	\$ 3,439,508	\$ 3,610,410	\$ 3,646,676	\$ 3,881,447	\$ 5,622,360	\$ 5,598,252	\$ 6,162,534	\$ 5,379,770
Contributions as a percentage of covered payroll	26.50%	16.45%	41.05%	40.26%	37.46%	37.22%	36.22%	35.62%	33.73%	43.73%

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Funding method	Entry age normal actuarial cost method.
Amortization method	UAAL
Remaining amortization period	15 Years
Actuarial asset method	Each year, the prior actuarial value of assets is brought forward utilizing the historical geometric four-year average market value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below market value of assets
Inflation	3% per year.
Salary increases	4.75% per year until the assumed retirement age.
Investment rate of return	6.60% per year, compounded annually, net of investment related expenses.
Payroll increases	0.00% per year.
Retirement age	Earlier of 1) age 55 and 10 years of service or 2) the completion of 25 years of service, regardless of age. Members who are eligible to retire on the valuation date are assumed to retire one year later.
Early retirement	Commencing with the earliest early retirement age (45), accrued benefit is reduced 3.0% for each year that early retirement precedes normal retirement.
Termination rates	See table below.
Disability rates	See table below.
Mortality	Healthy Active Lives: PubS.H-2010 (Below Median) for Employees, set forward one year., Healthy Retiree Lives: PubS.H-2010, set forward one year, Beneficiary Lives: PubS.H-2010 and set forward one year for males, Disabled Lives: 80% PubG.H-2010 / 20% PubS.H-2010.

Termination rate table:		% terminating	Disability rate table:		% becoming disabled
Service	during the year		Age	during the year	
0	10.0%		20	0.26%	
1-4	8.0%		25	0.26%	
5-9	6.5%		30	0.29%	
10-14	5.0%		35	0.33%	
15-19	4.0%		40	0.61%	
20+	2.0%		45	1.09%	
			50	2.15%	
			55	4.46%	
			60	8.06%	
			65	13.99%	

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2023

Schedule of Contributions

Firefighters Retirement Trust Fund

	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Actuarially determined contribution	\$ 1,024,723	\$ 932,360	\$ 825,101	\$ 874,812	\$ 1,040,445	\$ 1,138,804	\$ 1,274,453	\$ 1,279,254	\$ 1,313,653	\$ 1,381,622
Contributions in relation to the actuarially determined contributions	1,024,723	973,448	1,053,932	1,106,509	1,338,383	1,367,267	1,387,538	1,305,970	1,347,511	1,397,055
Contribution deficiency (excess)	\$ -	\$ (41,088)	\$ (228,831)	\$ (231,697)	\$ (297,938)	\$ (228,463)	\$ (113,085)	\$ (26,716)	\$ (33,858)	\$ (15,433)
Covered payroll*	\$ 3,779,161	\$ 3,461,671	\$ 3,541,208	\$ 3,691,188	\$ 3,676,484	\$ 3,770,876	\$ 3,861,980	\$ 3,583,344	\$ 3,884,379	\$ 3,488,942
Contributions as a percentage of covered payroll	27.12%	28.12%	29.76%	29.98%	36.40%	36.26%	35.93%	36.45%	34.69%	40.04%

*For Fiscal years 2013 and 2014, the Covered Payroll figures were based on Pensionable Salary.

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Funding method	Entry age normal actuarial cost method.
Amortization method	UAAL
Remaining amortization period	15 years.
Actuarial asset method	Each year, all assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.
Inflation	3% per year.
Salary increases	Service based
Investment rate of return	6.40% per year, compounded annually, net of investment related expenses.
Payroll increases	None.
Retirement age	Earlier of 1) age 55 and 10 years of service or 2) the completion of 25 years of service, regardless of age. Members who are eligible to retire on the valuation date are assumed to retire one year later.
Early retirement	Commencing with the earliest early retirement age (45) and ten years of credited service, accrued benefit is reduced 3.0% for each year that early retirement precedes normal retirement.
Termination rates	See table below.
Disability rates	See table below.
Mortality	Healthy Active Lives: PubS.H-2010 (Below Median) for Employees, set forward one year., Healthy Retiree Lives: PubS.H-2010, set forward one year, Beneficiary Lives: PubS.H-2010 and set forward one year for males, Disabled Lives: 80% PubG.H-2010 / 20% PubS.H-2010.

Termination rate table:	% terminating during the year	Disability rate table:	% becoming disabled during the year
Service		Age	
0-4	7.50%	20	0.15%
5-9	7.50%	25	0.15%
10+	2.00%	30	0.20%
		35	0.25%
		40	0.35%
		45	0.50%
		50	0.90%
		55	1.80%
		60	4.50%
		65	11.10%

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the year Ended September 30, 2023
Schedule of Investment Returns

Police Officers' Retirement Trust Fund

	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Annual money-weighted rate of return net of investment expense	8.90%	-10.27%	20.72%	5.51%	0.28%	7.44%	12.11%	10.29%	1.55%	11.54%

Firefighters' Retirement Trust Fund

	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>	<u>9/30/2015</u>	<u>9/30/2014</u>
Annual money-weighted rate of return net of investment expense	6.60%	-15.83%	26.84%	10.63%	2.12%	10.75%	13.14%	9.37%	2.56%	10.23%

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended September 30, 2023

Schedule of Contributions

Florida Retirement System (FRS) Defined Benefit Pension Plan*

Fiscal Year Ending September 30,	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	Covered Payroll	FRS Contributions as a Percentage of Covered Payroll
2023	\$ 4,123,064	\$ 4,123,064	\$ -	\$ 18,583,026	22.19%
2022	3,275,042	3,275,042	-	16,362,161	20.02%
2021	2,855,554	2,855,554	-	15,886,839	17.97%
2020	2,514,565	2,514,565	-	15,647,852	16.07%
2019	2,158,353	2,158,353	-	14,856,614	14.53%
2018	1,783,775	1,783,775	-	13,903,098	12.83%
2017	1,007,807	1,007,807	-	10,891,291	9.25%
2016	924,730	924,730	-	11,039,794	8.38%
2015	956,675	956,675	-	10,563,626	9.06%
2014	951,268	951,268	-	10,510,158	9.05%

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

Fiscal Year Ending September 30,	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	Covered Payroll	FRS Contributions as a Percentage of Covered Payroll
2023	\$ 412,660	\$ 412,660	\$ -	\$ 24,859,062	1.66%
2022	357,901	357,901	\$ -	21,560,327	1.66%
2021	331,617	331,617	-	19,976,913	1.66%
2020	320,500	320,500	-	19,307,248	1.66%
2019	303,161	303,161	-	18,262,704	1.66%
2018	276,522	276,522	-	16,657,964	1.66%
2017	217,687	217,687	-	13,113,679	1.66%
2016	219,392	219,392	-	13,216,360	1.66%
2015	171,823	171,823	-	12,634,018	1.36%
2014	153,359	153,359	-	12,622,134	1.22%

Schedules in the Required Supplementary information section are intended to show information for ten years, additional years' information will be displayed as it becomes available.

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended September 30, 2023

Schedule of Proportionate Share of the Net Pension Liability

Florida Retirement System (FRS) Defined Benefit Pension Plan*

Fiscal Year Ending September 30,	Plan Sponsor Measurement Date June 30,	Proportion of the FRS Net Pension Liability	Proportion Share of the FRS Net Pension Liability	Covered Payroll	Proportion Share of the FRS Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2023	2023	0.0699%	\$ 27,871,462	\$ 18,390,731	151.55%	82.38%
2022	2022	0.0675%	25,107,411	16,324,892	153.80%	82.89%
2021	2021	0.0655%	4,951,419	15,760,487	31.42%	96.40%
2020	2020	0.0661%	28,661,855	15,491,376	185.02%	78.85%
2019	2019	0.0601%	20,713,542	14,621,429	141.67%	82.61%
2018	2018	0.0489%	14,740,543	13,118,012	112.37%	84.26%
2017	2017	0.0329%	9,749,451	10,719,595	90.95%	83.89%
2016	2016	0.0341%	8,610,651	10,628,100	81.02%	84.88%
2015	2015	0.0366%	4,726,347	10,607,035	44.56%	92.00%
2014	2014	0.0377%	2,300,637	10,492,145	21.93%	96.09%

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

Fiscal Year Ending September 30,	Plan Sponsor Measurement Date June 30,	Proportion of the HIS Net Pension Liability	Proportion Share of the HIS Net Pension Liability	Covered Payroll	Proportion Share of the HIS Net Pension Liability as a Percentage of Covered Payroll	HIS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2023	2023	0.0618%	\$ 9,811,779	\$ 24,553,648	39.96%	4.12%
2022	2022	0.0582%	6,169,305	23,141,290	26.66%	4.81%
2021	2021	0.0555%	6,810,314	19,662,827	34.64%	3.56%
2020	2020	0.0550%	6,721,124	19,133,434	35.13%	3.00%
2019	2019	0.0533%	5,966,912	17,863,960	33.40%	2.63%
2018	2018	0.0480%	5,081,713	15,687,897	32.39%	2.15%
2017	2017	0.0404%	4,317,365	12,882,164	33.51%	1.64%
2016	2016	0.0412%	4,799,917	12,714,027	37.75%	0.97%
2015	2015	0.0418%	4,258,567	12,695,445	33.54%	0.50%
2014	2014	0.0424%	3,968,425	12,610,125	31.47%	0.99%

Schedules in the Required Supplementary information section are intended to show information for ten years, additional years' information will be displayed as it becomes available.

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2023

Schedule of Changes in Net OPEB Liability and Related Ratios

	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability						
Service cost	\$ 216,305	\$ 311,964	\$ 364,211	\$ 375,844	\$ 399,293	\$ 533,774
Interest	698,262	346,395	395,395	629,498	860,472	904,284
Change of benefit terms	-	-	-	-	-	625,295
Change in assumptions	(109,793)	(2,811,242)	(25,299)	(1,230,490)	820,598	1,138,728
Differences between Expected and Actual Experience	(96,016)	3,719,942	(1,913,225)	(102,878)	(4,266,237)	(6,317,994)
Benefit payments*	(1,059,218)	(1,121,833)	(721,285)	(949,975)	(931,270)	(923,474)
Net change in total OPEB liability	(350,460)	445,226	(1,900,203)	(1,278,001)	(3,117,144)	(4,039,387)
Total OPEB liability - beginning	14,945,745	14,500,519	16,400,722	17,678,723	20,795,867	24,835,254
Total OPEB liability - ending (a)	\$ 14,595,285	\$ 14,945,745	\$ 14,500,519	\$ 16,400,722	\$ 17,678,723	\$ 20,795,867
Covered-employee payroll	31,383,985	26,003,886	26,775,687	25,094,610	24,576,016	23,801,468
Total OPEB liability as a percentage of covered employee payroll	46.5%	57.5%	54.2%	65.4%	71.9%	87.4%
*The benefit payment shown above is based on actual pay-go.						

Notes to Schedule

Change in Assumptions Discount rate changed from 4.77% to 4.87% causing a decrease in liabilities.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Schedules in the Required Supplementary information section are intended to show information for ten years, additional years' information will be displayed as it becomes available.

CITY OF SANFORD, FLORIDA

Combining Nonmajor Governmental Funds

Special Revenue Funds are used to account for and report revenues from specific taxes or other earmarked revenue sources which, by law, are designated to finance particular functions or activities of government. The City has the following Special Revenue Funds:

Building Inspection Fund – To account for the activities related to administering and enforcing building regulations in the City.

Local Option Sales Tax Fund – To account for the City’s share of distributions related to the local government infrastructure surtax. Monies are used to fund transportation projects.

Law Enforcement Trust Fund – To account for proceeds obtained through forfeiture of confiscated and unclaimed property through court judgment. The proceeds are to be used solely for law enforcement purposes, with emphasis given to community policing activities, training & law enforcement operations.

Police Education Fund – To account for the portion of fines on certain violations, per statute, to fund continuing education for police officers.

Cemetery Fund – To account for certain funds set aside to be used for capital improvements and perpetual care of a local cemetery.

Insurance Premium Tax Trust Fund – To account for intergovernmental revenue from the State that is transferred to the Police and Fire Pension funds.

LIHEAP Fund – To account for grants received by the City as a sub grantee; grant proceeds are utilized to provide home energy assistance to qualifying Seminole County residents.

Recreation Facilities Impact Fees Fund, Fire Public Safety Facilities Impact Fees Fund, and Police Public Safety Facilities Impact Fees Funds – To account for impact fees collected by the City to be used solely for the expansion or acquisition of capital facilities or equipment made necessary by the new construction from which the fees were collected or for principal payments (including sinking fund payments) on bonds to expand or acquire such facilities or equipment.

CDBG Grant Fund - To account for grants received by the City that are related to the Community Development Block Grant.

NSP Grant Fund – To account for grants received by the City that are related to the Neighborhood Stabilization Program Grant.

Public Art Commission Fund – To account for funds dedicated for public art throughout the City.

9th Cent Sales Tax Fund – To account for the portion of the State Revenue Sharing Funds dedicated for Transportation Infrastructure.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources and for payment of principal, interest and related costs on Special Facilities Revenue Bonds and capital leases.

Capital Projects Fund

The Capital Projects Funds are used to account for and report financial resources earmarked for the replacement of capital equipment, acquisition or construction of major capital facilities, and other project-oriented activities (other than those financed by proprietary funds):

Capital Recovery Fee Fund – To account for funds collected as a surcharge on recreation fees for the maintenance and improvement of recreation facilities.

Catalyst Site Fund – To account for funds set aside for downtown development.

Capital Project Fund – To account for funds set aside for new capital projects.



CITY OF
SANFORD
FLORIDA

CITY OF SANFORD, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023

	Special Revenue Funds						
	Building Inspection Fund	Local Option Sales Tax Fund	Law Enforcement Trust Fund	Police Education Fund	Cemetery Fund	LIHEAP Grant Fund	Police Impact Fee Fund
Assets							
Cash and cash equivalents	\$ 3,760,916	\$ 6,355,847	\$ 143,337	\$ 41,546	\$ -	\$ 329,695	\$ -
Investments	5,537,815	9,424,986	212,552	61,608	146,283	-	1,612,671
Accounts receivable, net	35,166	62,681	1,451	395	-	175	185
Due from other governments	-	340,203	3,322	622	-	297,980	-
Inventories	-	-	-	-	-	-	-
Prepaid items	160	-	-	-	-	-	-
Total assets	\$ 9,334,057	\$ 16,183,717	\$ 360,662	\$ 104,171	\$ 146,283	\$ 627,850	\$ 1,612,856
Liabilities							
Accounts payable	\$ 123,309	\$ 966,955	\$ -	\$ -	\$ 15,355	\$ 263,688	\$ -
Accrued liabilities	41,871	-	-	-	-	7,979	-
Due to other funds	-	-	-	-	-	3,137	-
Due to other governments	10,086	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-
Total liabilities	175,266	966,955	-	-	15,355	274,804	-
Deferred Inflows of Resources							
Unavailable revenue	-	27,044	-	-	-	-	-
Total deferred inflows of resources	-	27,044	-	-	-	-	-
Fund balances							
Nonspendable:							
Inventory	-	-	-	-	-	-	-
Prepaid items	160	-	-	-	-	-	-
Restricted for:							
Building inspections	8,673,511	-	-	-	-	-	-
Transportation	-	15,189,718	-	-	-	-	-
Law enforcement	-	-	360,662	104,171	-	-	-
Assistance programs	-	-	-	-	-	353,046	-
System expansion	-	-	-	-	-	-	1,612,856
Capital replacements	485,120	-	-	-	-	-	-
Committed for:							
Cemetery purposes	-	-	-	-	130,928	-	-
Capital replacements	-	-	-	-	-	-	-
Assigned for:							
Debt service	-	-	-	-	-	-	-
Capital replacements	-	-	-	-	-	-	-
Unassigned/(Deficit)	-	-	-	-	-	-	-
Total fund balances	9,158,791	15,189,718	360,662	104,171	130,928	353,046	1,612,856
Total liabilities, deferred inflows of resources, and fund balances	\$ 9,334,057	\$ 16,183,717	\$ 360,662	\$ 104,171	\$ 146,283	\$ 627,850	\$ 1,612,856

Special Revenue Funds

Fire Impact Fee Fund	Recreation Impact Fee Fund	CDBG Grant Fund	NSP Grant Fund	Public Art Commission Fund	9th Cent Sales Tax Fund	Total Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ 63,827	\$ 787,037	\$ 11,482,205
1,304,513	1,689,929	-	76,985	-	1,167,086	21,234,428
-	355	-	453	-	7,250	108,111
-	-	164,903	-	-	-	807,030
-	-	-	-	-	-	-
-	-	-	-	-	-	160
<u>\$ 1,304,513</u>	<u>\$ 1,690,284</u>	<u>\$ 164,903</u>	<u>\$ 77,438</u>	<u>\$ 63,827</u>	<u>\$ 1,961,373</u>	<u>\$ 33,631,934</u>
\$ 114	\$ -	\$ 144,900	\$ -	\$ 15,020	\$ -	\$ 1,529,341
-	-	4,972	-	-	-	54,822
-	-	4,431	-	-	-	7,568
-	-	149	-	-	-	10,235
-	-	-	80,655	-	-	80,655
<u>114</u>	<u>-</u>	<u>154,452</u>	<u>80,655</u>	<u>15,020</u>	<u>-</u>	<u>1,682,621</u>
-	-	71,568	-	-	-	98,612
-	-	71,568	-	-	-	98,612
-	-	-	-	-	-	-
-	-	-	-	-	-	160
-	-	-	-	-	-	8,673,511
-	-	-	-	-	1,961,373	17,151,091
-	-	-	-	-	-	464,833
-	-	-	-	-	-	353,046
1,304,399	1,690,284	-	-	-	-	4,607,539
-	-	-	-	-	-	485,120
-	-	-	-	-	-	130,928
-	-	-	-	48,807	-	48,807
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(61,117)	(3,217)	-	-	(64,334)
<u>1,304,399</u>	<u>1,690,284</u>	<u>(61,117)</u>	<u>(3,217)</u>	<u>48,807</u>	<u>1,961,373</u>	<u>31,850,701</u>
<u>\$ 1,304,513</u>	<u>\$ 1,690,284</u>	<u>\$ 164,903</u>	<u>\$ 77,438</u>	<u>\$ 63,827</u>	<u>\$ 1,961,373</u>	<u>\$ 33,631,934</u>

CITY OF SANFORD, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023
(Continued)

	Debt Service Fund		Capital Project Funds			Total Nonmajor Governmental Funds
	Debt Service Fund	Capital Project Fund	Capital Recovery Fee Fund	Catalyst Fund	Total Capital Projects	
Assets						
Cash and cash equivalents	\$ 1,164,500	\$ 11,618,692	\$ 45,308	\$ -	\$ 11,664,000	\$ 24,310,705
Investments	-	-	-	-	-	21,234,428
Accounts receivable, net	7,810	43,145	9	-	43,154	159,075
Due from other governments	-	36,515	-	-	36,515	843,545
Inventories	-	56,795	-	-	56,795	56,795
Prepaid items	-	34,725	-	-	34,725	34,885
Total assets	\$ 1,172,310	\$ 11,789,872	\$ 45,317	\$ -	\$ 11,835,189	\$ 46,639,433
Liabilities						
Accounts payable	\$ -	\$ 685,289	\$ 1	\$ -	\$ 685,290	\$ 2,214,631
Accrued liabilities	-	-	-	-	-	54,822
Due to other funds	-	-	-	-	-	7,568
Due to other governments	-	-	-	-	-	10,235
Unearned revenues	-	500	361	-	861	81,516
Total liabilities	-	685,789	362	-	686,151	2,368,772
Deferred Inflows of Resources						
Unavailable revenue	-	6,734	-	-	6,734	105,346
Total deferred inflows of resources	-	6,734	-	-	6,734	105,346
Fund balances						
Nonspendable:						
Inventory	-	56,795	-	-	56,795	56,795
Prepaid items	-	34,725	-	-	34,725	34,885
Restricted for:						
Building inspections	-	-	-	-	-	8,673,511
Transportation	-	-	-	-	-	17,151,091
Law enforcement	-	-	-	-	-	464,833
Assistance programs	-	-	-	-	-	353,046
System expansion	-	-	-	-	-	4,607,539
Capital replacements	-	-	-	-	-	485,120
Committed for:						
Cemetery purposes	-	-	-	-	-	130,928
Capital replacements	-	-	44,955	-	44,955	93,762
Assigned for:						
Debt service	1,172,310	-	-	-	-	1,172,310
Capital replacements	-	11,005,829	-	-	11,005,829	11,005,829
Unassigned/(Deficit)	-	-	-	-	-	(64,334)
Total fund balances	1,172,310	11,097,349	44,955	-	11,142,304	44,165,315
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,172,310	\$ 11,789,872	\$ 45,317	\$ -	\$ 11,835,189	\$ 46,639,433

(Continued)



CITY OF
SANFORD
FLORIDA

CITY OF SANFORD, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2023

	Special Revenue Funds						
	Building Inspection Fund	Local Option Sales Tax Fund	Law Enforcement Trust Fund	Police Education Fund	Cemetery Fund	Insurance Premium Tax Fund	LIHEAP Grant Fund
Revenues							
Permits and fees	\$ 1,305,260	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	4,866,911	-	-	-	1,186,949	2,407,779
Charges for services	-	1,600	-	-	63,776	-	-
Investment earnings	354,766	513,574	10,324	3,630	2,336	-	-
Fines and forfeitures	-	-	131,229	7,521	-	-	-
Service assessments	-	-	-	-	-	-	-
Miscellaneous	30,633	-	595	-	-	-	-
Total revenues	<u>1,690,659</u>	<u>5,382,085</u>	<u>142,148</u>	<u>11,151</u>	<u>66,112</u>	<u>1,186,949</u>	<u>2,407,779</u>
Expenditures							
Current:							
General government	-	-	-	-	-	-	-
Public safety	2,020,284	-	28,699	88	-	1,186,949	-
Physical environment	-	-	-	-	174,716	-	-
Transportation	-	970,752	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	2,260,507
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	3,852	-	-	-	-	-	11,010
Interest	137	-	-	-	-	-	272
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	41,474	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-	-
Transportation	-	1,549,531	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total expenditures	<u>2,065,747</u>	<u>2,520,283</u>	<u>28,699</u>	<u>88</u>	<u>174,716</u>	<u>1,186,949</u>	<u>2,271,789</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(375,088)</u>	<u>2,861,802</u>	<u>113,449</u>	<u>11,063</u>	<u>(108,604)</u>	<u>-</u>	<u>135,990</u>
Other financing sources (uses)							
Financed purchase agreements	-	-	-	-	-	-	-
SBITAs	-	-	-	-	-	-	-
Transfers in	-	-	-	-	108,431	-	-
Transfers out	-	-	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-	-	-
Bond Issuance	-	-	-	-	-	-	-
Payment to escrow for refunding debt	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,431</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(375,088)</u>	<u>2,861,802</u>	<u>113,449</u>	<u>11,063</u>	<u>(173)</u>	<u>-</u>	<u>135,990</u>
Fund balances							
Beginning of year	9,533,879	12,327,916	247,213	93,108	131,101	-	217,056
End of year	<u>\$ 9,158,791</u>	<u>\$ 15,189,718</u>	<u>\$ 360,662</u>	<u>\$ 104,171</u>	<u>\$ 130,928</u>	<u>\$ -</u>	<u>\$ 353,046</u>

Special Revenue Funds

Police Impact Fee Fund	Fire Impact Fee Fund	Recreation Impact Fee Fund	CDBG Grant Fund	NSP Grant Fund	Public Art Commission Fund	9th Cent Sales Tax Fund	Total Special Revenue
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,305,260
-	-	-	1,105,367	128	-	616,171	10,183,305
-	-	-	-	-	-	-	65,376
56,807	50,650	56,835	-	-	-	-	1,048,922
-	-	-	-	-	-	-	138,750
104,172	103,810	283,274	-	-	-	-	491,256
-	-	-	-	-	-	-	31,228
<u>160,979</u>	<u>154,460</u>	<u>340,109</u>	<u>1,105,367</u>	<u>128</u>	<u>-</u>	<u>616,171</u>	<u>13,264,097</u>
-	-	-	-	-	63,193	-	63,193
2,089	20,182	-	-	-	-	-	3,258,291
-	-	-	-	-	-	-	174,716
-	-	-	1,048,039	128	-	1,368	972,120
-	-	-	-	-	-	-	1,048,167
-	-	-	-	-	-	-	2,260,507
-	-	1,379	-	-	-	-	1,379
-	-	-	2,221	-	-	-	17,083
-	-	-	79	-	-	-	488
-	-	-	-	-	-	-	-
-	181,480	-	-	-	-	-	222,954
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,549,531
-	-	27,808	-	-	-	-	27,808
<u>2,089</u>	<u>201,662</u>	<u>29,187</u>	<u>1,050,339</u>	<u>128</u>	<u>63,193</u>	<u>1,368</u>	<u>9,596,237</u>
158,890	(47,202)	310,922	55,028	-	(63,193)	614,803	3,667,860
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	202,080	-	112,000	1,346,570	1,769,081
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	202,080	-	112,000	1,346,570	1,769,081
158,890	(47,202)	310,922	257,108	-	48,807	1,961,373	5,436,941
1,453,966	1,351,601	1,379,362	(318,225)	(3,217)	-	-	26,413,760
<u>\$ 1,612,856</u>	<u>\$ 1,304,399</u>	<u>\$ 1,690,284</u>	<u>\$ (61,117)</u>	<u>\$ (3,217)</u>	<u>\$ 48,807</u>	<u>\$ 1,961,373</u>	<u>\$ 31,850,701</u>

CITY OF SANFORD, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2023
(Continued)

	Debt Service		Capital Projects			Total Nonmajor Governmental Funds
	Debt Service Fund	Capital Project Fund	Capital Recovery Fee Fund	Catalyst Fund	Total Capital Projects	
Revenues						
Permits and fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,305,260
Intergovernmental	-	4,322,188	-	-	4,322,188	14,505,493
Charges for services	-	-	-	-	-	65,376
Investment earnings	125,518	352,313	1,533	109,419	463,265	1,637,705
Fines and forfeitures	-	-	-	-	-	138,750
Service assessments	-	-	6,339	-	6,339	497,595
Miscellaneous	-	-	-	-	-	31,228
Total revenues	125,518	4,674,501	7,872	109,419	4,791,792	18,181,407
Expenditures						
Current:						
General government	-	968,256	37	2,764	971,057	1,034,250
Public safety	-	166,017	-	-	166,017	3,424,308
Physical environment	-	-	-	-	-	174,716
Transportation	-	-	-	-	-	972,120
Economic environment	-	-	-	-	-	1,048,167
Human services	-	-	-	-	-	2,260,507
Culture and recreation	-	19,812	-	-	19,812	21,191
Debt service:						
Principal	837,032	239,535	-	-	239,535	1,093,650
Interest	591,034	5,547	-	-	5,547	597,069
Capital outlay:						
General government	-	383,524	-	-	383,524	383,524
Public safety	-	2,166,031	-	-	2,166,031	2,388,985
Physical Environment	-	13,291	-	-	13,291	13,291
Transportation	-	70,720	-	-	70,720	1,620,251
Culture and recreation	-	544,269	-	-	544,269	572,077
Total expenditures	1,428,066	4,577,002	37	2,764	4,579,803	15,604,106
Excess (deficiency) of revenues over (under) expenditures	(1,302,548)	97,499	7,835	106,655	211,989	2,577,301
Other financing sources (uses)						
Financed purchase agreements	-	947,441	-	-	947,441	947,441
SBITAs	-	748,471	-	-	748,471	748,471
Transfers in	1,993,966	2,472,260	-	4,954	2,477,214	6,240,261
Transfers out	-	-	-	(3,717,715)	(3,717,715)	(3,717,715)
Proceeds from sale of assets	-	60,673	-	-	60,673	60,673
Bond Issuance	5,769,783	-	-	-	-	5,769,783
Payment to escrow for refunding debt	(6,270,000)	-	-	-	-	(6,270,000)
Total other financing sources (uses)	1,493,749	4,228,845	-	(3,712,761)	516,084	3,778,914
Net change in fund balances	191,201	4,326,344	7,835	(3,606,106)	728,073	6,356,215
Fund balances						
Beginning of year	981,109	6,771,005	37,120	3,606,106	10,414,231	37,809,100
End of year	\$ 1,172,310	\$ 11,097,349	\$ 44,955	\$ -	\$ 11,142,304	\$ 44,165,315

(Continued)

CITY OF SANFORD, FLORIDA
2023 Construction Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 304,386	\$ 304,386
Total revenues	-	-	304,386	304,386
Expenditures				
General government	-	-	208,274	(208,274)
Public safety	-	871,575	142,118	729,457
Transportation	-	-	13,339	(13,339)
Culture and recreation	-	123,313	-	123,313
Total expenditures	-	994,888	363,731	631,157
Excess (deficiency) of revenues over (under) expenditures	-	(994,888)	(59,345)	935,543
Other financing sources (uses)				
Transfers in	-	518,000	-	(518,000)
Transfers out	-	-	(82,146)	(82,146)
Bond Issuance	-	-	13,410,217	13,410,217
Premium on bonds	-	476,888	1,025,722	548,834
Total other financing sources	-	994,888	14,353,793	13,358,905
Net change in fund balances	-	-	14,294,448	14,294,448
Fund balances				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ 14,294,448	\$ 14,294,448

Note: This schedule is prepared on the basis of Generally Accepted Accounting Principles.

CITY OF SANFORD, FLORIDA
Building Inspection Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Permits and fees	\$ 3,521,277	\$ 3,521,277	\$ 1,305,260	\$ (2,216,017)
Investment earnings	-	-	354,766	354,766
Miscellaneous	50,000	50,000	30,633	(19,367)
Total revenues	<u>3,571,277</u>	<u>3,571,277</u>	<u>1,690,659</u>	<u>(1,880,618)</u>
Expenditures				
Current:				
Public safety	1,873,958	2,340,714	2,020,284	320,430
Principal	-	-	3,852	(3,852)
Interest	-	-	137	(137)
Capital outlay:				
Public safety	37,000	152,780	41,474	111,306
Total expenditures	<u>1,910,958</u>	<u>2,493,494</u>	<u>2,065,747</u>	<u>427,747</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,660,319</u>	<u>1,077,783</u>	<u>(375,088)</u>	<u>(1,452,871)</u>
Other financing sources (uses)				
Transfers in	-	64,350	-	(64,350)
Total other financing sources (uses)	<u>-</u>	<u>64,350</u>	<u>-</u>	<u>(64,350)</u>
Net change in fund balances	<u>1,660,319</u>	<u>1,142,133</u>	<u>(375,088)</u>	<u>(1,517,221)</u>
Fund balances				
Beginning of year	-	-	9,533,879	9,533,879
Prior carryforward	9,221	527,407	-	(527,407)
Future carryforward	(1,669,540)	(1,669,540)	-	1,669,540
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,158,791</u>	<u>\$ 9,158,791</u>

CITY OF SANFORD, FLORIDA
Local Option Sales Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 3,878,944	\$ 3,878,944	\$ 4,866,911	\$ 987,967
Charges for services	-	-	1,600	1,600
Investment earnings	-	-	513,574	513,574
Total revenues	<u>3,878,944</u>	<u>3,878,944</u>	<u>5,382,085</u>	<u>1,503,141</u>
Expenditures				
Current:				
Transportation	662,000	655,000	970,752	(315,752)
Capital outlay:				
Transportation	4,305,000	6,534,750	1,549,531	4,985,219
Total expenditures	<u>4,967,000</u>	<u>7,189,750</u>	<u>2,520,283</u>	<u>4,669,467</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,088,056)</u>	<u>(3,310,806)</u>	<u>2,861,802</u>	<u>6,172,608</u>
Net change in fund balances	<u>(1,088,056)</u>	<u>(3,310,806)</u>	<u>2,861,802</u>	<u>6,172,608</u>
Fund balances				
Beginning of year	-	-	12,327,916	12,327,916
Prior carryforward	2,811,060	5,033,810	-	(5,033,810)
Future carryforward	(1,723,004)	(1,723,004)	-	1,723,004
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,189,718</u>	<u>\$ 15,189,718</u>

CITY OF SANFORD, FLORIDA
Law Enforcement Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ 300	\$ 300	\$ 10,324	\$ 10,024
Fines and forfeitures	5,000	5,000	131,229	126,229
Miscellaneous	1,000	1,000	595	(405)
Total revenues	<u>6,300</u>	<u>6,300</u>	<u>142,148</u>	<u>135,848</u>
Expenditures				
Current:				
Public safety	29,500	61,534	28,699	32,835
Capital outlay:				
Total expenditures	<u>29,500</u>	<u>61,534</u>	<u>28,699</u>	<u>32,835</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(23,200)</u>	<u>(55,234)</u>	<u>113,449</u>	<u>168,683</u>
Net change in fund balances	<u>(23,200)</u>	<u>(55,234)</u>	<u>113,449</u>	<u>168,683</u>
Fund balances				
Beginning of year	-	-	247,213	247,213
Prior carryforward	23,200	55,234	-	(55,234)
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 360,662</u>	<u>\$ 360,662</u>

CITY OF SANFORD, FLORIDA
Police Education Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 3,630	\$ 3,630
Fines and forfeitures	10,000	10,000	7,521	(2,479)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>11,151</u>	<u>1,151</u>
Expenditures				
Current:				
Public safety	45,000	45,000	88	44,912
Total expenditures	<u>45,000</u>	<u>45,000</u>	<u>88</u>	<u>44,912</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,000)</u>	<u>(35,000)</u>	<u>11,063</u>	<u>46,063</u>
Net change in fund balances	<u>(35,000)</u>	<u>(35,000)</u>	<u>11,063</u>	<u>46,063</u>
Fund balances				
Beginning of year	-	-	93,108	93,108
Prior carryforward	<u>35,000</u>	<u>35,000</u>	<u>-</u>	<u>(35,000)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 104,171</u>	<u>\$ 104,171</u>

CITY OF SANFORD, FLORIDA
Cemetery Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 74,670	\$ 74,670	\$ 63,776	\$ (10,894)
Investment earnings	-	-	2,336	2,336
Total revenues	<u>74,670</u>	<u>74,670</u>	<u>66,112</u>	<u>(8,558)</u>
Expenditures				
Current:				
Physical environment	136,670	237,560	174,716	62,844
Capital Outlay:				
Total expenditures	<u>136,670</u>	<u>237,560</u>	<u>174,716</u>	<u>62,844</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(62,000)</u>	<u>(162,890)</u>	<u>(108,604)</u>	<u>54,286</u>
Other financing sources (uses)				
Transfers in	<u>62,000</u>	<u>150,422</u>	<u>108,431</u>	<u>(41,991)</u>
Total other financing sources (uses)	<u>62,000</u>	<u>150,422</u>	<u>108,431</u>	<u>(41,991)</u>
Net change in fund balances	<u>-</u>	<u>(12,468)</u>	<u>(173)</u>	<u>12,295</u>
Fund balances				
Beginning of year	-	-	131,101	131,101
Prior carryforward	-	12,468	-	(12,468)
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 130,928</u>	<u>\$ 130,928</u>

CITY OF SANFORD, FLORIDA
LIHEAP Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 1,430,208	\$ 3,557,711	\$ 2,407,779	\$ (1,149,932)
Total revenues	<u>1,430,208</u>	<u>3,557,711</u>	<u>2,407,779</u>	<u>(1,149,932)</u>
Expenditures				
Current:				
Human services	1,430,208	3,557,711	2,260,507	1,297,204
Principal	-	-	11,010	(11,010)
Interest	-	-	272	(272)
Total expenditures	<u>1,430,208</u>	<u>3,557,711</u>	<u>2,271,789</u>	<u>1,285,922</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>135,990</u>	<u>135,990</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>135,990</u>	<u>135,990</u>
Fund balances				
Beginning of year	-	-	217,056	217,056
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 353,046</u>	<u>\$ 353,046</u>

CITY OF SANFORD, FLORIDA
Police Impact Fee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 56,807	\$ 56,807
Service assessments	400,000	400,000	104,172	(295,828)
Total revenues	<u>400,000</u>	<u>400,000</u>	<u>160,979</u>	<u>(239,021)</u>
Expenditures				
Current:				
Public safety	39,000	39,000	2,089	36,911
Capital outlay:				
Public safety	157,656	157,656	-	157,656
Total expenditures	<u>196,656</u>	<u>196,656</u>	<u>2,089</u>	<u>194,567</u>
Excess (deficiency) of revenues over (under) expenditures	<u>203,344</u>	<u>203,344</u>	<u>158,890</u>	<u>(44,454)</u>
Net change in fund balances	<u>203,344</u>	<u>203,344</u>	<u>158,890</u>	<u>(44,454)</u>
Fund balances				
Beginning of year	-	-	1,453,966	1,453,966
Future carryforward	(203,344)	(203,344)	-	203,344
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,612,856</u>	<u>\$ 1,612,856</u>

CITY OF SANFORD, FLORIDA
Fire Impact Fee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 50,650	\$ 50,650
Service assessments	400,000	400,000	103,810	(296,190)
Total revenues	<u>400,000</u>	<u>400,000</u>	<u>154,460</u>	<u>(245,540)</u>
Expenditures				
Current:				
Public safety	-	14,692	20,182	(5,490)
Capital outlay:				
Public safety	864,692	1,189,739	181,480	1,008,259
Total expenditures	<u>864,692</u>	<u>1,204,431</u>	<u>201,662</u>	<u>1,002,769</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(464,692)</u>	<u>(804,431)</u>	<u>(47,202)</u>	<u>757,229</u>
Other financing sources (uses)				
Transfers out	-	(546,720)	-	546,720
Total other financing sources (uses)	<u>-</u>	<u>(546,720)</u>	<u>-</u>	<u>546,720</u>
Net change in fund balances	<u>(464,692)</u>	<u>(1,351,151)</u>	<u>(47,202)</u>	<u>1,303,949</u>
Fund balances				
Beginning of year	-	-	1,351,601	1,351,601
Prior carryforward	464,692	1,351,151	-	(1,351,151)
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,304,399</u>	<u>\$ 1,304,399</u>

CITY OF SANFORD, FLORIDA
Recreation Impact Fee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 56,835	\$ 56,835
Service assessments	500,000	500,000	283,274	(216,726)
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>340,109</u>	<u>(159,891)</u>
Expenditures				
Current:				
Culture and recreation	-	-	1,379	(1,379)
Capital outlay:				
Culture and recreation	-	875,308	27,808	847,500
Total expenditures	<u>-</u>	<u>875,308</u>	<u>29,187</u>	<u>846,121</u>
Excess (deficiency) of revenues over (under) expenditures	<u>500,000</u>	<u>(375,308)</u>	<u>310,922</u>	<u>686,230</u>
Net change in fund balances	<u>500,000</u>	<u>(375,308)</u>	<u>310,922</u>	<u>686,230</u>
Fund balances				
Beginning of year	-	-	1,379,362	1,379,362
Prior carryforward	-	875,308	-	(875,308)
Future carryforward	(500,000)	(500,000)	-	500,000
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,690,284</u>	<u>\$ 1,690,284</u>

CITY OF SANFORD, FLORIDA
CDBG Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 766,370	\$ 2,171,016	\$ 1,105,367	\$ (1,065,649)
Total revenues	<u>766,370</u>	<u>2,171,016</u>	<u>1,105,367</u>	<u>(1,065,649)</u>
Expenditures				
Current:				
Economic environment	766,370	2,171,016	1,048,039	1,122,977
Principal	-	-	2,221	(2,221)
Interest	-	-	79	(79)
Total expenditures	<u>766,370</u>	<u>2,171,016</u>	<u>1,050,339</u>	<u>1,120,677</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>55,028</u>	<u>55,028</u>
Other financing sources (uses)				
Transfers in	-	-	202,080	202,080
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>202,080</u>	<u>202,080</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>257,108</u>	<u>257,108</u>
Fund balances				
Beginning of year	-	-	(318,225)	(318,225)
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (61,117)</u>	<u>\$ (61,117)</u>

CITY OF SANFORD, FLORIDA
Public Art Commission Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures				
General government	\$ 112,000	\$ 112,000	\$ 63,193	\$ 48,807
Total expenditures	<u>112,000</u>	<u>112,000</u>	<u>63,193</u>	<u>48,807</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(112,000)</u>	<u>(112,000)</u>	<u>(63,193)</u>	<u>48,807</u>
Other financing sources (uses)				
Transfers in	112,000	112,000	112,000	-
Total other financing sources (uses)	<u>112,000</u>	<u>112,000</u>	<u>112,000</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>48,807</u>	<u>48,807</u>
Fund balances				
Beginning of year	-	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,807</u>	<u>\$ 48,807</u>

CITY OF SANFORD, FLORIDA
9th Cent Sales Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Final	Variance with Final Budget - Positive Actual	(Negative)
Revenues			
Intergovernmental	\$ 353,430	\$ 616,171	\$ 262,741
Total revenues	<u>353,430</u>	<u>616,171</u>	<u>262,741</u>
Expenditures			
Transportation	-	1,368	(1,368)
Capital outlay:			
Transportation	1,700,000	-	1,700,000
Total expenditures	<u>1,700,000</u>	<u>1,368</u>	<u>1,698,632</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,346,570)</u>	<u>614,803</u>	<u>1,961,373</u>
Other financing sources (uses)			
Transfers in	1,346,570	1,346,570	-
Total other financing sources (uses)	<u>1,346,570</u>	<u>1,346,570</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>1,961,373</u>	<u>1,961,373</u>
Fund balances			
Beginning of year	-	-	-
End of year	<u>\$ -</u>	<u>\$ 1,961,373</u>	<u>\$ 1,961,373</u>

CITY OF SANFORD, FLORIDA
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 125,518	\$ 125,518
Total revenues	<u>-</u>	<u>-</u>	<u>125,518</u>	<u>125,518</u>
Expenditures				
Debt service:				
Principal	1,764,614	1,764,614	837,032	927,582
Interest	229,352	229,352	591,034	(361,682)
Total expenditures	<u>1,993,966</u>	<u>1,993,966</u>	<u>1,428,066</u>	<u>565,900</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,993,966)</u>	<u>(1,993,966)</u>	<u>(1,302,548)</u>	<u>691,418</u>
Other financing sources (uses)				
Transfers in	1,993,966	1,993,966	1,993,966	-
Bond Issuance	-	-	5,769,783	5,769,783
Payment to escrow for refunding debt	-	-	(6,270,000)	(6,270,000)
Total other financing sources (uses)	<u>1,993,966</u>	<u>1,993,966</u>	<u>1,493,749</u>	<u>(500,217)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>191,201</u>	<u>191,201</u>
Fund balances				
Beginning of year	-	-	981,109	981,109
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,172,310</u>	<u>\$ 1,172,310</u>

CITY OF SANFORD, FLORIDA
Capital Project Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 196,561	\$ 4,322,188	\$ 4,125,627
Investment earnings	22,000	22,000	352,313	330,313
Total revenues	<u>22,000</u>	<u>218,561</u>	<u>4,674,501</u>	<u>4,455,940</u>
Expenditures				
Current:				
General government	236,000	563,604	968,256	(404,652)
Public safety	30,000	296,967	166,017	130,950
Culture and recreation	-	303,982	19,812	284,170
Principal	-	-	239,535	(239,535)
Interest	-	-	5,547	(5,547)
Capital outlay:				
General government	574,600	1,157,953	383,524	774,429
Public safety	1,535,512	3,748,122	2,166,031	1,582,091
Physical Environment	34,000	350,954	13,291	337,663
Transportation	185,000	697,457	70,720	626,737
Culture and recreation	675,473	1,634,473	544,269	1,090,204
Total expenditures	<u>3,270,585</u>	<u>8,753,512</u>	<u>4,577,002</u>	<u>4,176,510</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,248,585)</u>	<u>(8,534,951)</u>	<u>97,499</u>	<u>8,632,450</u>
Other financing sources (uses)				
Leases	947,441	947,441	1,695,912	748,471
Transfers in	2,301,144	2,500,980	2,472,260	(28,720)
Proceeds from sale of assets	-	-	60,673	60,673
Total other financing sources (uses)	<u>3,248,585</u>	<u>3,448,421</u>	<u>4,228,845</u>	<u>780,424</u>
Net change in fund balances	<u>-</u>	<u>(5,086,530)</u>	<u>4,326,344</u>	<u>9,412,874</u>
Fund balances				
Beginning of year	-	-	6,771,005	6,771,005
Prior carryforward	-	5,086,530	-	(5,086,530)
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,097,349</u>	<u>\$ 11,097,349</u>

CITY OF SANFORD, FLORIDA
Capital Recovery Fee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 1,533	\$ 1,533
Service assessments	6,437	6,437	6,339	(98)
Total revenues	<u>6,437</u>	<u>6,437</u>	<u>7,872</u>	<u>1,435</u>
Expenditures				
Current:				
General government	-	-	37	(37)
Capital outlay:				
Total expenditures	<u>-</u>	<u>-</u>	<u>37</u>	<u>(37)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,437</u>	<u>6,437</u>	<u>7,835</u>	<u>1,398</u>
Net change in fund balances	<u>6,437</u>	<u>6,437</u>	<u>7,835</u>	<u>1,398</u>
Fund balances				
Beginning of year	-	-	37,120	37,120
Future carryforward	<u>(6,437)</u>	<u>(6,437)</u>	<u>-</u>	<u>6,437</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,955</u>	<u>\$ 44,955</u>

CITY OF SANFORD, FLORIDA
Catalyst Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ -	\$ -	\$ 109,419	\$ 109,419
Total revenues	<u>-</u>	<u>-</u>	<u>109,419</u>	<u>109,419</u>
Expenditures				
Current:				
General government	-	-	2,764	(2,764)
Capital outlay:				
Economic environment	-	8,577,013	-	8,577,013
Total expenditures	<u>-</u>	<u>8,577,013</u>	<u>2,764</u>	<u>8,574,249</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(8,577,013)</u>	<u>106,655</u>	<u>8,683,668</u>
Other financing sources (uses)				
Transfers in	-	8,577,013	4,954	(8,572,059)
Transfers out	<u>-</u>	<u>(2,980,617)</u>	<u>(3,717,715)</u>	<u>(737,098)</u>
Total other financing sources (uses)	<u>-</u>	<u>5,596,396</u>	<u>(3,712,761)</u>	<u>(9,309,157)</u>
Net change in fund balances	<u>-</u>	<u>(2,980,617)</u>	<u>(3,606,106)</u>	<u>(625,489)</u>
Fund balances				
Beginning of year	-	-	3,606,106	3,606,106
Prior carryforward	<u>-</u>	<u>2,980,617</u>	<u>-</u>	<u>(2,980,617)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SANFORD, FLORIDA
Statement of Net Position
Non Major Proprietary Funds
September 30, 2023

	Business-Type Activities - Enterprise Funds		
	Mayfair Golf Course Fund	Marina Fund	Total Enterprise Funds
Assets			
Current assets:			
Cash and cash equivalents	\$ 141,257	\$ 825,569	\$ 966,826
Investments	2,025,891	202,623	2,228,514
Accounts receivable, net	-	16,615	16,615
Inventories	32,874	-	32,874
Prepaid items	1,540	20,125	21,665
Restricted investments for customer deposits	-	17,030	17,030
Total current assets	<u>2,201,562</u>	<u>1,081,962</u>	<u>3,283,524</u>
Noncurrent assets:			
Capital assets:			
Nondepreciable	535,181	155,035	690,216
Depreciable, net	429,226	820,048	1,249,274
Lease asset	131,982	-	131,982
Total noncurrent assets	<u>1,096,389</u>	<u>975,083</u>	<u>2,071,472</u>
Total assets	<u>3,297,951</u>	<u>2,057,045</u>	<u>5,354,996</u>
Liabilities			
Current liabilities:			
Accounts payable	98,692	150,000	248,692
Due to other funds	-	377,500	377,500
Due to other governments	8,563	5,375	13,938
Total current liabilities	<u>107,255</u>	<u>532,875</u>	<u>640,130</u>
Noncurrent liabilities:			
Leases payable - current	58,172	-	58,172
Customer deposits	-	17,030	17,030
Lease payable	73,895	-	73,895
Total noncurrent liabilities	<u>132,067</u>	<u>17,030</u>	<u>149,097</u>
Total liabilities	<u>239,322</u>	<u>549,905</u>	<u>789,227</u>
Net position			
Net investment in capital assets	960,222	973,608	1,933,830
Unrestricted / (deficit)	2,098,407	533,532	2,631,939
Total net position	<u>\$ 3,058,629</u>	<u>\$ 1,507,140</u>	<u>\$ 4,565,769</u>

CITY OF SANFORD, FLORIDA
Statement of Revenues, Expenses and Changes in Fund Net Position
Non Major Proprietary Funds
For the Year Ended September 30, 2023

	Business-Type Activities - Enterprise Funds		
	Mayfair Golf Course Fund	Marina Fund	Total Enterprise Funds
Operating revenues			
Charges for sales/services	\$ 1,792,070	\$ 1,019,411	\$ 2,811,481
Miscellaneous	85,090	42,065	127,155
Total operating revenues	1,877,160	1,061,476	2,938,636
Operating expenses			
Personnel services	1,558	7,703	9,261
Materials and supplies	905,442	525,167	1,430,609
Contractual services	707,879	396,937	1,104,816
Depreciation	67,113	967,549	1,034,662
Amortization	56,760	-	56,760
Total operating expenses	1,738,752	1,897,356	3,636,108
Operating income (loss)	138,408	(835,880)	(697,472)
Nonoperating revenues (expenses)			
Investment earnings	52,779	-	52,779
Interest expense	(2,326)	-	(2,326)
Total nonoperating revenues (expenses)	50,453	-	50,453
Income (loss) before contributions, grants, extraordinary gain (loss), and transfers	188,861	(835,880)	(647,019)
Transfers in	508,749	441,266	950,015
Change in net position	697,610	(394,614)	302,996
Net position - beginning	2,361,019	1,901,754	4,262,773
Total net position - ending	\$ 3,058,629	\$ 1,507,140	\$ 4,565,769

CITY OF SANFORD, FLORIDA
Statement of Cash Flows
Non Major Proprietary Funds
For the Year Ended September 30, 2023

	Business-Type Activities - Enterprise Funds		
	Mayfair Golf Course Fund	Marina Fund	Total Enterprise Funds
Cash flows from operating activities:			
Receipts from customers and users	\$ 1,864,867	\$ 1,048,608	\$ 2,913,475
Receipts from interfund charges for risk management	-	-	-
Payments to suppliers	(1,771,597)	(856,556)	(2,628,153)
Payments to employees	(1,558)	(7,703)	(9,261)
Payments for interfund services used	-	-	-
Net cash provided by (used for) operating activities	<u>91,712</u>	<u>184,349</u>	<u>276,061</u>
Cash flows from noncapital financing activities:			
Operating grant receipts	-	-	-
Transfers to other funds	-	-	-
Transfers from other funds	508,749	441,266	950,015
Net cash provided by (used for) noncapital financing activities	<u>508,749</u>	<u>441,266</u>	<u>950,015</u>
Cash flows from capital and related financing activities:			
Repayment of notes payable	-	-	-
Principal paid on capital debt	(57,354)	-	(57,354)
Issuance of lease debt	-	-	-
Interest paid	(2,327)	-	(2,327)
Proceeds of note payable	-	-	-
Purchase of capital assets	(104,433)	(506,094)	(610,527)
Purchase of lease assets	-	-	-
Developers fees	-	-	-
Capital contributions and grants	-	-	-
Proceeds from sales of capital assets	-	-	-
Net cash used for capital and related financing activities	<u>(164,114)</u>	<u>(506,094)</u>	<u>(670,208)</u>
Cash flows from investing activities:			
Investment income earned on operating funds	52,779	-	52,779
Net cash provided by investing activities	<u>52,779</u>	<u>-</u>	<u>52,779</u>
Net increase in cash and cash equivalents	489,126	119,521	608,647
Cash and cash equivalents at beginning of year	<u>1,678,022</u>	<u>925,701</u>	<u>2,603,723</u>
Cash and cash equivalents at end of year	<u>\$ 2,167,148</u>	<u>\$ 1,045,222</u>	<u>\$ 3,212,370</u>
Reconciliation to cash and pooled investments per Statement of Net Position:			
Cash	\$ 141,257	\$ 825,569	\$ 966,826
Investments	2,025,891	202,623	2,228,514
Restricted investments, current	-	17,030	17,030
	<u>\$ 2,167,148</u>	<u>\$ 1,045,222</u>	<u>\$ 3,212,370</u>

CITY OF SANFORD, FLORIDA
Statement of Cash Flows (Continued)
Non Major Proprietary Funds
For the Year Ended September 30, 2023

	Business-Type Activities - Enterprise Funds		
	Mayfair	Marina	Total
	Golfcourse Fund	Fund	Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 138,408	\$ (835,880)	(697,472)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	67,113	967,549	1,034,662
Amortization	56,760	-	56,760
Changes in deferred inflows/outflows	-	-	-
Changes in assets and liabilities:			
Accounts receivable	(226)	(12,513)	(12,739)
Insurance receivable	-	-	-
Due from other governments	-	-	-
Prepays	(1,540)	7,562	6,022
Due from other funds	-	-	-
Inventories	(12,067)	-	(12,067)
Customer deposits	-	(355)	(355)
Accounts payable	(158,330)	71,129	(87,201)
Retainage payable	-	-	-
Claims payable	-	-	-
Accrued liabilities	-	-	-
OPEB liability	-	-	-
Pension liability	-	-	-
Due to other funds	-	-	-
Due to other governments	1,594	(13,143)	(11,549)
Unearned revenue	-	-	-
Net cash provided by (used for) operating activities	\$ 91,712	\$ 184,349	\$ 276,061
Noncash investing, capital, and financing activities:			
Contributions of capital assets	\$ -	\$ -	\$ -
Increase in fair value of investments	8,196	-	8,196
Capitalized interest on capital debt	-	-	-

STATISTICAL SECTION (UNAUDITED):

Statistical schedules differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These schedules reflect social data, economic data, and financial trends of the City of Sanford, Florida.

**CITY OF SANFORD, FLORIDA
STATISTICAL SECTION CONTENTS
For The Year Ended September 30, 2023**

The Statistical Section of the Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information indicates about the City’s overall financial health. Below is a summary of the components and purpose for the tables provided herein.

	<u>Pages</u>
<u>Financial Trends</u>	
These schedules contain trend information to help the reader understand how the City’s financial performance and financial position have changed over time.	134-139
<u>Revenue Capacity</u>	
These schedules contain information to help the reader assess the City’s most significant local revenue source – property taxes.	140-143
<u>Debt Capacity</u>	
These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt, the ability to issue additional debt in the future, and related historical trend data.	144-152
<u>Demographic and Economic Information</u>	
These schedules contain demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	153-155
<u>Operating Information</u>	
These schedules contain service levels and capital asset data to help the reader understand how the information in the City’s financial report relates to the services the City provides to its citizens and visitors.	156-159

**Schedule 1
CITY OF SANFORD, FLORIDA**

**NET POSITION BY COMPONENT
(accrual basis of accounting)**

Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental activities				
Net investment in capital assets	\$ 111,151,923	\$ 111,351,524	\$ 108,240,437	\$ 107,019,238
Restricted	7,575,856	8,228,377	11,433,666	12,778,199
Unrestricted	<u>25,964,838</u>	<u>14,281,759</u>	<u>16,702,639</u>	<u>22,132,870</u>
Total governmental activities net position	<u>\$ 144,692,617</u>	<u>\$ 133,861,660</u>	<u>\$ 136,376,742</u>	<u>\$ 141,930,307</u>
Business-type activities				
Net investment in capital assets	\$ 114,654,748	\$ 117,122,656	\$ 118,789,153	\$ 123,109,213
Restricted	5,619,365	6,398,053	6,672,392	8,270,058
Unrestricted	<u>32,858,374</u>	<u>34,875,110</u>	<u>40,223,179</u>	<u>44,558,164</u>
Total business-type activities net position	<u>\$ 153,132,487</u>	<u>\$ 158,395,819</u>	<u>\$ 165,684,724</u>	<u>\$ 175,937,435</u>
Primary government				
Net investment in capital assets	\$ 225,806,671	\$ 228,474,180	\$ 227,029,590	\$ 230,128,451
Restricted	13,195,221	14,626,430	18,106,058	21,048,257
Unrestricted	<u>58,823,212</u>	<u>49,156,869</u>	<u>56,925,818</u>	<u>66,691,034</u>
Total primary government net position	<u>\$ 297,825,104</u>	<u>\$ 292,257,479</u>	<u>\$ 302,061,466</u>	<u>\$ 317,867,742</u>

Note: Fiscal years prior to 2014 have not been restated due to GASB 65.
Fiscal years prior to 2015 have not been restated due to GASB 68.
Fiscal years prior to 2018 have not been restated due to GASB 75.

2018	2019	2020	2021	2022	2023
\$ 115,080,348	\$ 124,702,281	\$ 125,350,272	\$ 127,123,740	\$ 125,236,817	\$ 118,583,305
17,692,591	20,690,716	20,716,585	25,770,562	28,828,132	39,769,431
17,020,123	17,598,983	17,531,867	29,100,643	34,220,837	34,371,253
<u>\$ 149,793,062</u>	<u>\$ 162,991,980</u>	<u>\$ 163,598,724</u>	<u>\$ 181,994,945</u>	<u>\$ 188,285,786</u>	<u>\$ 192,723,989</u>
\$ 125,624,478	\$ 130,413,989	\$ 1,433,368,189	\$ 154,658,860	\$ 155,866,824	\$ 168,548,625
10,757,914	12,632,963	12,068,097	18,592,671	12,321,743	11,660,523
44,585,248	51,376,585	58,372,594	61,599,427	82,952,364	92,011,479
<u>\$ 180,967,640</u>	<u>\$ 194,423,537</u>	<u>\$ 1,503,808,880</u>	<u>\$ 234,850,958</u>	<u>\$ 251,140,931</u>	<u>\$ 272,220,627</u>
\$ 240,704,826	\$ 255,116,270	\$ 1,558,718,461	\$ 281,782,600	\$ 281,103,641	\$ 287,131,930
28,450,505	33,323,679	32,784,682	44,363,233	41,149,875	51,429,954
61,605,371	68,975,568	75,904,461	90,700,070	117,173,201	126,382,732
<u>\$ 330,760,702</u>	<u>\$ 357,415,517</u>	<u>\$ 1,667,407,604</u>	<u>\$ 416,845,903</u>	<u>\$ 439,426,717</u>	<u>\$ 464,944,616</u>

Schedule 2
CITY OF SANFORD, FLORIDA

CHANGES IN NET POSITION
(accrual basis of accounting)

Last Ten Fiscal Years
(dollar amounts expressed in thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Expenses</u>				
Governmental activities:				
General government	\$ 4,948	\$ 5,989	\$ 6,259	\$ 6,524
Public safety	25,271	24,402	25,129	21,357
Transportation	4,802	6,243	7,013	8,480
Physical environment	503	(24)	479	712
Economic environment	2,300	2,265	3,251	3,478
Human services	998	1,165	774	806
Culture and recreation	5,535	5,774	4,885	5,115
Interest on long-term debt	480	445	418	391
Total governmental activities expenses	<u>44,837</u>	<u>46,259</u>	<u>48,208</u>	<u>46,863</u>
Business-type activities:				
Water and sewer	16,629	19,969	20,920	19,886
Stormwater	2,454	2,584	2,679	2,636
Solid waste	5,441	5,485	5,594	5,722
Golf Course	1,377	1,314	1,265	1,278
Marina	-	-	-	-
Total business-type activities expenses	<u>25,901</u>	<u>29,352</u>	<u>30,458</u>	<u>29,522</u>
Total primary government expenses	<u>70,738</u>	<u>75,611</u>	<u>78,666</u>	<u>76,385</u>
<u>Program revenues</u>				
Governmental activities:				
Charges for services:				
General government	391	165	547	630
Public safety	2,530	2,886	3,389	4,015
Transportation	83	1	1	29
Physical environment	60	68	63	74
Economic environment	-	-	-	-
Culture and recreation	377	374	334	308
Operating grants and contributions	3,893	6,247	6,229	67,000
Capital grants and contributions	5,503	2,330	2,020	1,090
Total governmental activities program revenues	<u>12,837</u>	<u>12,071</u>	<u>12,583</u>	<u>73,146</u>
Business-type activities:				
Charges for services	33,192	35,071	35,270	37,676
Operating grants and contributions	25	-	-	-
Capital grants and contributions	2,375	2,184	1,411	1,855
Total business-type activities program revenues	<u>35,592</u>	<u>37,255</u>	<u>36,681</u>	<u>39,531</u>
Total primary government program revenues	<u>48,429</u>	<u>49,326</u>	<u>49,264</u>	<u>112,677</u>
<u>Net (expense) / revenue</u>				
Governmental activities	(32,000)	(34,188)	(35,625)	26,283
Business-type activities	<u>9,691</u>	<u>7,903</u>	<u>6,223</u>	<u>10,009</u>
Total primary government net expense	<u>(22,309)</u>	<u>(26,285)</u>	<u>(29,402)</u>	<u>36,292</u>

(Continued)

	2018	2019	2020	2021	2022	2023
\$	7,611	\$ 6,945	\$ 7,673	\$ 7,564	\$ 11,437	\$ 14,112
	27,719	30,265	32,076	29,654	33,414	40,430
	8,034	8,303	8,660	8,762	8,701	9,913
	393	478	449	472	479	466
	2,500	1,677	1,614	1,824	2,059	2,392
	902	899	1,093	1,950	2,555	2,611
	6,363	7,236	7,535	6,728	7,843	8,847
	365	335	309	281	259	601
	<u>53,887</u>	<u>56,138</u>	<u>59,409</u>	<u>57,235</u>	<u>66,747</u>	<u>79,372</u>
	20,869	21,656	22,084	22,708	24,410	30,455
	2,605	2,887	3,763	3,462	4,009	4,368
	5,998	6,132	6,271	6,465	6,956	7,332
	1,320	1,456	1,278	1,478	2,174	1,741
	-	-	-	-	297	1,897
	<u>30,792</u>	<u>32,131</u>	<u>33,396</u>	<u>34,113</u>	<u>37,846</u>	<u>45,793</u>
	<u>84,679</u>	<u>88,269</u>	<u>92,805</u>	<u>91,348</u>	<u>104,593</u>	<u>125,165</u>
	765	1,121	1,336	854	1,807	1,602
	6,203	4,867	4,949	6,683	6,432	5,680
	2	1	1	-	-	-
	93	53	66	495	1,253	366
	-	-	-	142	-	-
	342	378	220	327	424	419
	13,167	8,791	6,112	8,397	10,394	12,841
	12,575	10,447	1,050	10,106	5,386	5,164
	<u>33,147</u>	<u>25,658</u>	<u>13,734</u>	<u>27,004</u>	<u>25,696</u>	<u>26,072</u>
	36,272	39,348	40,030	42,468	42,037	49,049
	423	131	35	28	-	25
	3,419	490	7,051	5,892	4,266	4,317
	<u>40,114</u>	<u>39,969</u>	<u>47,116</u>	<u>48,388</u>	<u>46,303</u>	<u>53,391</u>
	<u>73,261</u>	<u>65,627</u>	<u>60,850</u>	<u>75,392</u>	<u>71,999</u>	<u>79,463</u>
	(20,740)	(30,480)	(45,675)	(30,231)	(41,051)	(53,300)
	9,322	7,838	13,720	14,275	8,457	7,598
	<u>(11,418)</u>	<u>(22,642)</u>	<u>(31,955)</u>	<u>(15,956)</u>	<u>(32,594)</u>	<u>(45,702)</u>

Schedule 2
CITY OF SANFORD, FLORIDA

CHANGES IN NET POSITION
(accrual basis of accounting)

Last Ten Fiscal Years
(dollar amounts expressed in thousands)

(Continued)

	2014	2015	2016	2017
<u>General revenues and other changes in net position</u>				
Governmental activities:				
Property tax	\$ 15,871	\$ 16,478	\$ 19,107	\$ 19,955
Other taxes	18,024	18,381	18,586	19,053
Unrestricted investment earnings	153	193	432	267
Gain on sale of capital assets	-	-	-	-
Miscellaneous	137	359	39	112
Transfers in (out)	335	153	(23)	184
Total governmental activities	34,520	35,564	38,141	39,571
Business-type activities:				
Unrestricted investment earnings	128	181	350	294
Capital recovery fee	-	-	-	-
Miscellaneous	247	131	692	133
Transfers in (out)	(335)	(140)	23	(184)
Total business-type activities	40	172	1,065	243
Total primary government	34,560	35,736	39,206	39,814
<u>Change in net position</u>				
Governmental activities	332	(61)	4,124	39,571
Business-type activities	7,943	6,395	11,074	243
Total government	\$ 8,275	\$ 6,334	\$ 15,198	\$ 39,814

Note: Fiscal years prior to 2014 have not been restated due to GASB 65.

Fiscal years prior to 2015 have not been restated due to GASB 68.

Fiscal years prior to 2018 have not been restated due to GASB 75.

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	20,991	\$ 22,632	\$ 24,990	\$ 27,217	\$ 29,278	\$ 33,945
	19,790	19,795	19,572	21,041	17,660	25,584
	507	1,772	1,883	108	(1,628)	3,791
	-	-	-	-	-	-
	3,587	592	300	321	157	221
	(208)	(1,111)	(465)	(60)	(4,023)	(5,803)
	<u>44,667</u>	<u>43,680</u>	<u>46,280</u>	<u>48,627</u>	<u>41,444</u>	<u>57,738</u>
	513	1,982	1,742	143	(2,079)	3,614
	-	2,401	2,586	6,098	6,098	3,801
	153	124	871	466	531	264
	208	1,111	465	60	4,023	5,803
	<u>874</u>	<u>5,618</u>	<u>5,664</u>	<u>6,767</u>	<u>8,573</u>	<u>13,482</u>
	<u>45,541</u>	<u>49,298</u>	<u>51,944</u>	<u>55,394</u>	<u>50,017</u>	<u>71,220</u>
	23,927	13,200	605	18,396	393	4,438
	10,196	13,456	19,384	21,042	17,030	21,080
\$	<u>34,123</u>	<u>\$ 26,656</u>	<u>\$ 19,989</u>	<u>\$ 39,438</u>	<u>\$ 17,423</u>	<u>\$ 25,518</u>

Schedule 3
CITY OF SANFORD, FLORIDA

FUND BALANCES, GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

LAST TEN FISCAL YEARS
(dollar amounts expressed in thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General fund				
Nonspendable	\$ 295	\$ 343	\$ 358	\$ 435
Restricted	-	-	-	-
Assigned	1,788	346	380	209
Unassigned	<u>14,726</u>	<u>16,728</u>	<u>19,597</u>	<u>21,600</u>
Total general fund	<u>\$ 16,809</u>	<u>\$ 17,417</u>	<u>\$ 20,335</u>	<u>\$ 22,244</u>
All other governmental funds				
Nonspendable	\$ 4	\$ 14	\$ 1	\$ 20
Restricted	8,095	8,812	11,715	13,268
Committed	322	317	312	289
Assigned	4,565	4,441	4,820	4,527
Unassigned	<u>(2,481)</u>	<u>(312)</u>	<u>(113)</u>	<u>(69)</u>
Total all other government funds	<u>\$ 10,505</u>	<u>\$ 13,272</u>	<u>\$ 16,735</u>	<u>\$ 18,035</u>

2018	2019	2020	2021	2022	2023
\$ 511	\$ 441	\$ 403	\$ 381	\$ 310	\$ 332
-	-	-	-	-	-
344	614	325	726	1,528	2,183
<u>23,821</u>	<u>25,291</u>	<u>28,003</u>	<u>33,281</u>	<u>37,701</u>	<u>44,212</u>
<u>\$ 24,676</u>	<u>\$ 26,346</u>	<u>\$ 28,731</u>	<u>\$ 34,388</u>	<u>\$ 39,539</u>	<u>\$ 46,727</u>
\$ 20	\$ 176	\$ 202	\$ 645	\$ 794	\$ 102
18,152	20,691	20,717	25,771	28,828	34,128
167	1,579	1,554	3,045	168	5,866
10,211	10,532	1,384	11,064	11,041	26,473
<u>488</u>	<u>(4,271)</u>	<u>5,964</u>	<u>(354)</u>	<u>(321)</u>	<u>(64)</u>
<u>\$ 29,038</u>	<u>\$ 28,707</u>	<u>\$ 29,821</u>	<u>\$ 40,171</u>	<u>\$ 40,510</u>	<u>\$ 66,505</u>

Schedule 4
CITY OF SANFORD, FLORIDA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

Last Ten Fiscal Years
(dollar amounts expressed in thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenues						
Taxes	\$ 28,687	\$ 28,693	\$ 31,279	\$ 32,292	\$ 34,439	\$ 36,268
Licenses and permits	715	1,709	1,917	2,361	3,217	2,494
Intergovernmental revenues	12,455	15,858	15,051	13,897	19,010	21,863
Charges for services	2,063	2,181	2,465	2,723	3,411	2,658
Fines and forfeitures	233	289	218	269	285	231
Impact fees	209	212	236	496	1,424	672
Interest earnings	147	182	443	339	635	2,120
Miscellaneous revenues	268	485	171	233	3,692	677
Total revenues	<u>44,777</u>	<u>49,609</u>	<u>51,780</u>	<u>52,610</u>	<u>66,113</u>	<u>66,983</u>
Expenditures						
Current:						
General government	4,742	5,595	5,527	5,582	7,135	6,481
Public safety	23,463	23,061	23,393	24,715	26,539	27,822
Transportation	2,132	2,036	2,223	3,693	488	451
Physical environment	485	493	504	448	2,985	3,076
Economic environment	2,119	2,066	2,150	2,206	2,262	1,447
Human services	984	1,143	747	790	877	891
Culture and recreation	4,468	4,499	4,541	4,883	5,057	6,030
Debt service:						
Principal	1,447	1,522	1,435	1,363	1,301	1,299
Interest and fiscal charges	480	446	418	391	365	335
Capital outlay	10,029	6,325	5,356	6,035	6,079	17,339
Total Expenditures	<u>50,349</u>	<u>47,186</u>	<u>46,294</u>	<u>50,106</u>	<u>53,088</u>	<u>65,171</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,572)</u>	<u>2,423</u>	<u>5,486</u>	<u>2,504</u>	<u>13,025</u>	<u>1,812</u>
Other Financing Sources (Uses)						
Financed purchase agreements	519	531	551	489	301	185
Leases	-	-	-	-	-	-
SBITAs	-	-	-	-	-	-
Transfers in	7,013	4,819	4,573	4,262	4,573	6,823
Transfers (out)	(6,678)	(4,460)	(4,514)	(4,078)	(4,777)	(7,934)
Proceeds from sale of property	31	62	285	302	312	453
Payment to escrow for refunding debt	-	-	-	-	-	-
Bond issuance	-	-	-	-	-	-
Premium on bonds	-	-	-	-	-	-
Total other financing sources (uses)	<u>885</u>	<u>952</u>	<u>895</u>	<u>975</u>	<u>409</u>	<u>(473)</u>
Net change in fund balances	<u>\$ (4,687)</u>	<u>\$ 3,375</u>	<u>\$ 6,381</u>	<u>\$ 3,479</u>	<u>\$ 13,434</u>	<u>\$ 1,339</u>
Debt service as a percentage of noncapital expenditures	<u>4.78%</u>	<u>4.82%</u>	<u>4.53%</u>	<u>3.98%</u>	<u>3.54%</u>	<u>3.42%</u>

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	38,481	\$ 41,264	\$ 44,599	\$ 51,167
	1,905	3,708	2,663	1,679
	14,769	26,866	20,558	29,910
	3,043	3,946	5,806	4,642
	413	374	305	310
	453	1,289	1,180	498
	2,201	132	(2,025)	4,407
	385	602	294	328
	<u>61,650</u>	<u>78,181</u>	<u>73,380</u>	<u>92,941</u>
	6,935	7,427	7,905	10,041
	29,395	29,850	31,397	35,316
	408	466	515	488
	3,088	3,213	3,194	4,320
	1,298	1,595	1,694	2,266
	1,092	1,944	2,603	2,589
	6,265	5,723	6,164	7,683
	1,178	1,301	1,533	1,541
	309	281	257	599
	<u>8,431</u>	<u>10,885</u>	<u>10,522</u>	<u>5,361</u>
	<u>58,399</u>	<u>62,685</u>	<u>65,784</u>	<u>70,204</u>
	3,251	15,496	7,596	22,737
	481	745	824	947
	-	-	574	-
	-	-	-	1,306
	17,214	20,661	13,005	9,958
	(17,679)	(21,125)	(17,124)	(15,761)
	231	277	615	61
	-	-	-	(6,270)
	-	-	-	19,180
	-	-	-	1,026
	<u>247</u>	<u>558</u>	<u>(2,106)</u>	<u>10,447</u>
\$	<u>3,498</u>	\$ <u>16,054</u>	\$ <u>5,490</u>	\$ <u>33,184</u>
	<u>2.98%</u>	<u>3.05%</u>	<u>3.24%</u>	<u>3.30%</u>

**Schedule 5
CITY OF SANFORD, FLORIDA**

ASSESSED AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years
(dollar amounts are expressed in thousands)

Fiscal Year	Assessed Values			Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Real Property	Personal Property	Total					
2014	\$ 2,927,584	373,378	\$ 3,300,962	\$(462,780)	\$ 2,838,182	6.825	\$ 2,331,001	82.13%
2015	3,151,978	380,205	3,532,183	(585,036)	2,947,147	6.825	2,449,935	83.13%
2016	3,474,534	404,224	3,878,758	(775,062)	3,103,696	7.325	2,630,757	84.76%
2017	3,637,149	400,372	4,037,521	(798,181)	3,239,340	7.325	2,757,920	85.14%
2018	3,826,960	406,633	4,233,593	(847,728)	3,385,865	7.325	2,896,239	85.54%
2019	4,224,120	445,986	4,670,106	(994,620)	3,675,486	7.325	3,149,865	85.70%
2020	4,700,758	449,479	5,150,237	(1,110,040)	4,040,197	7.325	3,452,772	85.46%
2021	5,047,701	459,224	5,506,925	(1,159,429)	4,347,496	7.325	3,743,885	86.12%
2022	5,547,236	465,819	6,013,055	(1,300,468)	4,712,587	7.325	4,079,142	86.56%
2023	6,828,455	539,024	7,367,479	(1,976,511)	5,390,968	7.325	4,693,429	87.06%

Source: Seminole County Property Appraiser

Note: Property is reassessed each year by the Seminole County Property Appraiser.
Tax rates are per \$1,000 of assessed valuation.

Note: This table has been corrected to match the information provided by the Seminole County Property Appraisers office.

**Schedule 6
CITY OF SANFORD, FLORIDA**

DIRECT AND OVERLAPPING PROPERTY TAX RATES*

**Last Ten Fiscal Years
(Per \$1,000 of Assessed Taxable Value)**

Fiscal Year	City of Sanford, Florida	Seminole County		St. Johns River Water Mgmt. Dist.	Total
		Operating millage	School Board		
2014	6.825	4.875	8.361	0.328	20.389
2015	6.825	4.875	7.897	0.316	19.913
2016	7.325	4.875	7.849	0.302	20.351
2017	7.325	4.875	7.557	0.289	20.046
2018	7.325	4.875	6.313	0.256	18.769
2019	7.325	4.875	6.133	0.241	18.574
2020	7.325	4.875	6.133	0.215	18.548
2021	7.325	4.875	5.934	0.229	18.363
2022	7.325	4.875	5.825	0.229	18.254
2023	7.325	4.875	5.460	0.197	17.857

*Operating millage only source unless otherwise presented.

Source: Seminole County Property Appraiser.

**Schedule 7
CITY OF SANFORD, FLORIDA**

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer Name	Fiscal Year 2023			Fiscal Year 2014		
	Taxable Value	Percent of Total Taxable Value	Rank	Taxable Value	Percent of Total Taxable Value	Rank
Florida Power & Light Co	\$ 96,927,484	2.37%	1	\$ 46,644,984	2.04%	2
CRLP Twin Lakes LLC	58,740,117	1.44%	2	32,708,949	1.43%	4
Solstice Loop Holdings LLC	55,839,174	1.37%	3			
Lake Edge Apartments LLC	54,060,802	1.32%	4	31,876,981	1.39%	5
Vue on Lake Monroe	48,779,164	1.19%	5			
Bre Piper MF Westlake FL LLC	43,261,841	1.06%	6			
SPU8 FB Seminole JV Prop LLC	42,523,028	1.04%	7			
Solara Apartments Owner LLC	42,197,212	1.03%	8			
Seminole Mall Realty Holding LLC	40,182,492	0.98%	9			
Wal-Mart Stores East LP	37,429,435	0.92%	10	31,622,975	1.38%	6
Seminole Town Center LP				73,530,770	3.21%	1
Central Florida Regional Hospital				33,988,106	1.48%	3
Westlake Sanford Assoc LLC				26,864,650	1.17%	7
WRI Seminole II LLC				25,923,568	1.13%	8
Bellsouth Telecommunication INC				18,550,150	0.81%	9
Stonebrook Orlando Apts LLC				18,251,950	0.80%	10

Source: Seminole County Property Appraiser - 2021 Top Ten Taxpayer for Sanford and City of Sanford FY 2022 ACFR

**Schedule 8
CITY OF SANFORD, FLORIDA**

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year	Total Tax Levy (1)	Current Tax Collections (2)	Percent of Levy Collected	Delinquent Tax Collections (3)	Total Tax Collections	Total Collections as a Percent of Current Levy
2014	\$ 15,333,309	\$ 14,709,466	95.9%	\$ 44,317	\$ 14,753,783	96.2%
2015	16,079,053	15,473,136	96.2%	53,718	15,526,854	96.6%
2016	18,594,286	17,946,522	96.5%	17,510	17,964,032	96.6%
2017	18,561,128	18,739,174	101.0%	29,006	18,768,180	101.1%
2018	20,474,478	19,741,400	96.4%	11,956	19,753,356	96.5%
2019	22,260,587	21,234,990	95.4%	59,244	21,294,234	95.7%
2020	24,436,137	22,401,004	91.7%	31,916	22,432,920	91.8%
2021	26,600,140	25,706,262	96.6%	43,452	25,749,714	96.8%
2022	28,928,335	27,658,623	95.6%	16,208	27,674,831	95.7%
2023	33,229,425	32,090,477	96.6%	19,471	32,109,948	96.6%

Source: (1) Total assessed value times millage rate; tax levies prior to 2013 have been corrected from previous years CAFRs.

(2) Includes general fund 001-0000-311.10-00

(3) Includes general fund 001-0000-311.20-00

Note: Years 2014-2018 and 2020-2021 have been corrected to reflect correct information via the Seminole County Property Appraisers office.

**Schedule 9
CITY OF SANFORD, FLORIDA**

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year	Governmental-type Activities				Business-type Activities		
	Special Facilities Revenue Bonds	Public Safety Complex Revenue Bonds	CRA Bank Loan	Financed Purchase Agreements	Utility System Revenue Notes	State Revolving Fund Loans	Stormwater System Revenue Bonds
2014	\$ -	\$ 12,960,000	\$ 225,000	\$ 1,192,447	\$ 14,720,000	\$ 39,807,828	\$ -
2015	-	12,215,000	-	1,170,776	12,975,000	43,601,820	-
2016	-	11,445,000	-	1,057,538	11,165,000	49,356,037	-
2017	-	10,650,000	-	978,584	9,280,000	52,654,250	-
2018	-	9,830,000	-	798,657	7,325,000	56,344,418	-
2019	-	8,980,000	-	534,157	5,295,000	55,363,430	-
2020	-	8,105,000	-	712,913	3,190,000	53,887,473	-
2021	-	7,200,000	-	1,061,921	1,005,000	51,678,075	-
2022	-	6,270,000	-	391,793	-	51,979,240	-
2023	-	19,055,000	-	1,700,019	-	50,223,222	-

Sources: Population data from the Office of Economic and Demographic Research, Florida Population Estimates of Counties and Municipalities, Bureau of Economic.
Business Research (BEBR) @ the University of Florida. Personal income data the U.S. Department of Commerce Bureau of Economic Analysis.

Debt limitation: There are no legal debt limits for Florida municipalities.

Total Primary Government	Sanford Personal Income	Percentage of Personal Income	Per Capita
\$ 68,905,275	\$ 2,386,109,874	2.9%	1,199
69,962,596	2,378,761,400	2.9%	1,241
73,023,575	2,211,604,736	3.3%	1,230
73,562,834	2,585,576,817	2.8%	1,276
74,298,075	2,727,351,614	2.7%	1,272
70,172,587	2,954,858,907	2.4%	1,259
65,895,386	3,114,028,357	2.1%	1,165
60,944,996	3,313,015,314	1.8%	965
58,641,033	3,326,890,208	1.8%	928
71,161,860	4,008,728,842	1.8%	1,058

**Schedule 10
CITY OF SANFORD, FLORIDA**

PLEDGED REVENUE COVERAGE

Last Ten Fiscal Years

Proprietary Funds								
Water and Sewer Revenue Bonds								
Fiscal Year	Gross Revenues (1), (5)	Water System Development Charges (7)	Operating Expenses (2)	Net Available For Debt Service	Debt Service Requirements (3)		Coverage	
					Principal	Interest		
2014	\$ 22,570,956	\$ 536,916	\$ 12,509,032	\$ 10,598,840	\$ 1,470,000	\$ 624,789	5.06	
2015	23,710,035	620,429	14,759,306	9,571,158	1,745,000	569,664	4.14	
2016	24,522,417	833,080	14,791,336	10,564,161	1,810,000	501,945	4.57	
2017	25,925,613	1,262,084	16,475,549	10,712,148	1,885,000	431,891	4.62	
2018	24,069,532	3,216,696	16,139,681	11,146,547	1,955,000	416,745	4.70	
2019	27,656,617	2,400,876	16,401,102	13,656,391	2,030,000	344,534	5.75	
2020	27,726,796	2,586,030	16,054,248	14,258,578	2,105,000	249,052	6.06	
2021	28,547,726	6,097,812	16,049,191	18,596,347	2,185,000	150,043	7.96	
2022	26,244,497	5,358,518	18,293,121	13,309,894	1,005,000	47,271	12.65	
2023	-	-	-	-	-	-	-	

Water and Sewer State Revolving Loans								
Fiscal Year	Gross Revenues (1)	Less: Operating Expenses (2)*	Net Available For Debt Service	Debt Service Requirements (4)		Coverage		
				Principal	Interest			
2014	\$ 22,570,956	\$ 14,603,821	\$ 7,967,135	\$ 2,381,877	\$ 597,388	2.67		
2015	23,710,035	17,073,970	6,636,065	2,410,939	565,114	2.23		
2016	24,522,417	17,103,281	7,419,136	2,300,903	575,379	2.58		
2017	25,925,613	18,792,440	7,133,173	2,332,799	794,761	2.28		
2018	24,069,532	18,511,426	5,558,106	3,414,129	458,891	1.44		
2019	27,656,617	18,775,636	8,880,981	3,385,491	910,300	2.07		
2020	27,726,796	18,408,300	9,318,496	3,262,030	862,914	2.26		
2021	28,547,726	18,384,234	10,163,492	3,877,793	835,495	2.16		
2022	26,244,497	19,345,392	6,899,105	3,999,959	752,720	1.45		
2023	35,379,260	24,888,158	10,491,102	3,714,124	711,302	2.37		

General Government					
Sales Tax Note					
Fiscal Year	Half-Cent Sales Tax	Debt Service Requirements (4)		Coverage	
		Principal	Interest		
2014	\$ 3,400,139	\$ 720,000	\$ 444,600	2.92	
2015	3,564,749	745,000	421,200	3.06	
2016	3,714,761	770,000	396,988	3.18	
2017	3,860,271	795,000	371,963	3.31	
2018	4,048,497	820,000	346,125	3.47	
2019	3,716,479	850,000	319,475	3.18	
2020	3,857,320	875,000	291,850	3.31	
2021	4,350,235	905,000	263,413	3.72	
2022	4,949,079	930,000	234,000	4.25	
2023	4,965,126	6,270,000	181,569	0.77	

Proprietary Funds					
Stormwater Revenue Bonds					
Stormwater Revenues	Less: Operating Expenses (2)	Net Available For Debt Service	Debt Service Requirements (4)		Coverage
			Principal	Interest	
\$ -	\$ -	\$ -	\$ -	\$ -	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

Stormwater State Revolving Loans					
Stormwater Revenues	Less: Operating Expenses (2)*	Net Available For Debt Service	Debt Service Requirements (4)		Coverage
			Principal	Interest	
\$ 4,474,837	\$ 1,641,644	\$ 2,833,193	\$ 334,549	\$ 166,650	5.65
4,774,373	1,678,762	3,095,611	343,733	157,392	6.18
5,121,169	1,746,804	3,374,365	353,171	148,494	6.73
5,451,109	1,760,504	3,690,605	531,716	155,325	5.37
5,647,313	1,863,116	3,784,197	388,885	140,029	7.15
5,784,842	1,875,154	3,909,688	554,555	273,004	4.72
5,881,675	2,153,194	3,728,481	536,102	269,002	4.63
6,113,297	1,829,048	4,284,249	647,064	157,913	5.32
5,806,916	2,192,453	3,614,463	661,306	143,597	4.49
5,996,832	2,884,196	3,112,636	676,265	128,895	3.86

General Government
CRA Note

Fiscal Year	CRA Ad Valorem Taxes	Debt Service Requirements (4)		Coverage (6)
		Principal	Interest	
2014	\$ 1,117,433	\$ 215,000	\$ 15,397	4.85
2015	951,384	225,500	7,853	4.08
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-

- (1) Gross revenues from water and sewer charges for services, plus interest income and service charges.
- (2) Total operating expenses exclusive of depreciation, amortization of intangibles and non-recurring costs.
- (3) Includes principal and interest of revenue bonds only. Does not include debt defeasance transactions.
- (4) Includes principal and interest only.
- (5) Does not include pledged public service taxes which are allowable revenues to meet extended covenant requirements.
- (6) There is no provision in bonds for covenant coverage.
- (7) No more than 14.00% of debt service can be paid from Water System Development Charges and no more than 30.30% of debt service can be paid from Sewer System Development Charges.

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

Source: City of Sanford Finance Department.

**Schedule 11
CITY OF SANFORD, FLORIDA**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
September 30, 2023**

<u>Jurisdiction</u>	<u>Total Debt Outstanding</u>	<u>Percentage Applicable to City of Sanford</u>	<u>Amount Applicable to City of Sanford</u>
Governmental unit			
General obligation debt			
Seminole County Government	\$ -	11.1%	\$ -
Seminole County School Board	-	11.6%	-
Other debt			
Seminole County Government			
Revenue bonds	94,667,000	11.1%	10,484,958
Seminole County School Board			
State education bonds	4,634,549	11.6%	535,678
Certificates of participation	125,522,748	11.6%	<u>14,508,378</u>
Subtotal, overlapping debt			25,529,014
City direct debt			<u>20,938,638</u>
Total direct and overlapping debt			<u><u>\$ 46,467,652</u></u>

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

Percentage applicable for overlapping debt is based on City's total taxable value as a percentage of Seminole County's total assessed value.

Sources: Seminole County Finance Department - the information provided is based on the 9/30/2022 ACFR.
Seminole County School Board - the information provided is based on the 6/30/2022 ACFR
Seminole County Property Appraiser - the information provided is based on the 10/01/2022 Ad Valorem Assessment Roll

**Schedule 12
CITY OF SANFORD, FLORIDA**

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Population (1)	Per Capita Personal Income (2)	Personal Income (2)	Public School Enrollment (3)	Unemployment Rate (4)
2014	55,509	\$ 42,986	\$ 2,386,109,874	13,788	5.4%
2015	56,900	41,806	2,378,761,400	13,671	5.0%
2016	57,248	38,632	2,211,604,736	13,724	4.3%
2017	57,839	44,703	2,585,576,817	14,003	3.0%
2018	58,994	46,231	2,727,351,614	16,629	2.9%
2019	60,243	49,049	2,954,858,907	15,264	2.6%
2020	61,051	51,007	3,114,028,357	16,560	6.5%
2021	62,038	53,403	3,313,015,314	17,857	4.4%
2022	63,172	52,664	3,326,890,208	20,289	2.7%
2023	67,282	59,581	4,008,728,842	-	2.6%

Source: (1) Office of Economic and Demographic Research
Florida Population Estimates for Counties and Municipalities - April 1, 2022
Bureau of Economic and Business Research (BEBR) @ the University of Florida

(2) U.S. Department of Commerce, Bureau of Economic Analysis

(3) Seminole County School Board
Fiscal Year 2015 includes prekindergarten thru 12th grade enrollments.

(4) United States Department of Labor, Bureau of Labor Statistics
Local Area Unemployment Statistics Map - Seminole County

**Schedule 13
CITY OF SANFORD, FLORIDA**

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

<u>Employer</u>	<u>Fiscal Year 2022/2023</u>		<u>Fiscal Year 2013/2014</u>	
	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>
Seminole County Public Schools**	1,732	1	1,341	2
Seminole State College	1,526	2	1,808	1
Seminole County Government***	1,375	3	1,293	4
Seminole County Sheriff****	1,308	4	1,334	3
Central Florida Regional Hospital***	1,100	5	1,128	5
City of Sanford	578	6	513	7
CPH Engineers	417	7	*	*
Seminole Toyota	305	8	*	*
Waste Pro	290	9	*	*
Walmart Stores - Sanford	241	10	671	6
Orlando Sanford International Airport***	*	*	504	8
Benada Aluminum Products	*	*	166	9
Wayne Densch	*	*	128	10
Total	8,872		8,886	

* Data not available

** SCPS Sanford Elementary, Middle, High Schools and the Education Support Center

***Seminole County Government - FY 2021 ACFR Countywide FTEs

**** Sanford Airport Authority (full and part-time), TBI, HMS, Alpha, Hudson, SSP, Avis/Budget, Dollar/Thrifty, Alamo/Enterprise, Hertz, Canteen Vending, Smart Carte, Advantage

***** Seminole County Sheriff FY 2022 Annual Report

Source: Informal survey and research conducted by City of Sanford Finance Department

**Schedule 14
CITY OF SANFORD, FLORIDA**

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	<u>2014</u>	<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>
General Government:										
City Manager	10.33	9.33	9.33	7.15	8.73	8.74	8.49	7.18	11.40	12.40
Community Improvement	9.14	9.00	9.00	9.00	9.00	9.50	9.40	6.15	6.15	7.65
City Clerk	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Human Resources	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.50	4.50
Finance/IT	17.33	17.47	17.47	18.47	17.47	17.47	17.47	17.47	18.47	22.47
Planning/Development	8.00	8.00	8.00	8.00	9.00	9.15	9.15	10.69	23.85	26.35
CRA	-	-	-	-	-	-	3.78	3.78	3.78	3.78
Public Safety:										
Police	149.95	149.95	149.95	149.95	149.95	152.95	157.95	157.95	161.95	163.95
Fire	91.64	91.55	80.87	82.15	94.37	95.71	86.05	86.05	86.05	98.05
Public Works	83.25	84.25	84.25	82.35	81.90	73.75	81.50	55.00	55.00	57.00
Utilities	103.50	104.00	103.50	105.50	108.73	109.13	111.63	109.85	109.85	111.35
Recreation	32.80	32.80	33.30	32.80	32.80	40.55	34.80	67.30	68.30	70.80
Total	<u>512.94</u>	<u>513.35</u>	<u>502.67</u>	<u>502.37</u>	<u>518.95</u>	<u>523.95</u>	<u>527.22</u>	<u>528.42</u>	<u>552.30</u>	<u>581.30</u>

Source: City of Sanford Budgets 2013-2022
City of Sanford Financial Services Department

**Schedule 15
CITY OF SANFORD, FLORIDA**

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Building Inspections</u>				
All permits issued**	2,749	3,630	3,614	4,409
Building permits issued**	1,464	2,257	2,058	2,565
Inspections completed**	7,165	7,525	8,592	9,835
Re-inspections completed**	946	1,206	1,537	1,587
<u>Law Enforcement</u>				
Physical arrests	3,134**	3,137	3,041	3,926
DUI arrests	40	53	65	60
Traffic violations	15,173**	17,903	16,358	10,663
Traffic crashes	2,019	2,593	4,539	1,930
Total calls received by agency	137,298	128,309	127,543	122,610
Dispatched calls requiring police service (based on calendar year figures)	102,516	92,124	92,583	75,826
<u>Fire</u>				
Emergency responses	9,571	9,880	10,516	10,021
Number of actual fires suppressed	94	56	242	255
Number of commercial building inspections	1,942	2,204	2,145	1,996
Number of school inspections***	14	29	25	27
Number of investigations	30	23	30	30
<u>Planning & Engineering</u>				
Paved streets (miles)	160.64	160.64	160.64	160.64
Unpaved streets (miles)	0.38	0.38	0.38	0.38
<u>Public Works</u>				
Street resurfacing (miles)	7.80	5.90	13.70	20.95
Other street repairs (# of potholes, etc.)	200	202	200	89

* Data not available

** Data corrected for previous years.

*** includes daycares only - no longer inspect schools

Note: Indicators are not available for the general government function.

Source: Various City Departments

2018	2019	2020	2021	2022	2023
6,113	4,409	4,986	4,699	5,758	5,452
6,113	4,409	4,986	4,699	5,758	2,789
20,613	12,301	14,749	21,292	19,085	17,756
3,460	3,114	3,036	3,940	4,073	5,006
2,704	3,579	3,143	2,045	2,273	1,904
34	49	39	37	38	54
21,554	7,702	11,086	16,175	11,343	9,288
2,091	1,770	1,810	2,302	2,276	2,234
150,225	133,416	83,664	120,185	117,715	108,590
120,022	78,163	118,789	89,023	85,018	74,128
10,746	10,739	11,041	12,630	13,395	14,429
198	188	188	165	161	56
1,449	1,460	1,324	1,665	1,413	1,392
26	26	26	26	32	34
30	29	41	35	45	49
160.64	160.64	160.64	160.64	163.96	164.00
0.38	0.38	0.38	0.38	3.32	0.04
12.13	10.11	14.65	14.65	10.30	12.40
105	141	110	110	-	158

**Schedule 16
CITY OF SANFORD, FLORIDA**

CAPITAL ASSET STATISTICS BY FUNTION/PROGRAM

Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Transportation</u>				
Miles of streets	161.02	161.02	161.02	161.02
<u>Public Safety</u>				
Number of Fire Stations	3	3	3	3
Number of Firefighters and Officers	79	77	75	74
Number of Police Stations*	1	1	1	1
Number of Sworn Officers	129	124	124	132
<u>Municipal Water System</u>				
Number of Customers	15,654	15,908	16,065	16,226
Average Daily Consumption	6.193 MGD	6.391 MGD	6.424 MGD	5.959 MGD
Plant Capacity - All Plants	14.688 MGD	14.688MGD	14.688 MGD	14.688 MGD
Deep Wells	16	17	17	19
Number of Fire Hydrants		1,400	1,418	1,464
<u>Municipal Sewer System</u>				
Number of Customers	14,634	14,864	15,012	15,162
Treatment Facility Capacity	9.3 MGD	10.3 MGD	10.3 MGD	10.3 MGD
Annual Average Flow	6.788 MGD	6.600 MGD	6.263 MGD	6.329 MGD
<u>Municipal Stormwater System</u>				
Number of Customers	14,354	14,582	14,743	14,882
<u>Building Permits Issued**</u>				
	2,749	3,630	2,058	2,565
<u>Recreation & Culture</u>				
Number of Regional Parks	1	1	1	1
Number of Neighborhood Parks	36	29	28	28
Park Area - number of acres	350	350	129	133
Number of Museums	1	1	1	1
Number of Books	3,630	3,630	3,630	3,680

* # of police stations include: (1) Public Safety Complex, previous remote location offices

** Data corrected for previous years.

Source: Various City Departments

2018	2019	2020	2021	2022	2023
161.02	161.02	161.02	161.02	161.02	164.00
3	3	3	3	3	3
75	75	75	79	79	84
1	1	1	1	1	1
132	135	140	140	145	145
16,710	17,169	16,710	17,553	18,743	19,119
6.193 MGD	6.435 MGD	6.193 MGD	7.00 MGD	7.57 MGD	8.00 MGD
14.688 MGD	14.688 MGD	14.688 MGD	14.688 MGD	14.688 MGD	14.688 MGD
19	19	19	17	16	16
1,475	1,475	1,475	1,578	1,611	1,637
15,633	16,074	15,633	16,215	17,307	17,649
10.3 MGD	10.3 MGD	10.3 MGD	10.3 MGD	10.3 MGD	10.3 MGD
6.330 MGD	6.330 MGD	6.330 MGD	7.575 MGD	7.575 MGD	7.800 MGD
15,390	15,702	16,758	16,068	16,363	17,649
6,113	4,409	4,986	4,699	6,287	2,789
1	1	1	1	1	3
28	28	28	28	27	27
133	133	133	133	229	229
1	1	1	1	1	1
3,680	3,680	3,680	2,576	2,580	2,590



CITY OF
SANFORD
FLORIDA

COMPLIANCE SECTION:

This section contains the following subsections:

- INDEPENDENT AUDITORS' REPORT OF INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
- INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE
- SCHEDULE OF FINDINGS AND QUESTIONED COSTS
- SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
- NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
- INDEPENDENT ACCOUNTANT'S REPORT
- INDEPENDENT AUDITOR'S MANAGEMENT LETTER



Certified Public Accountants

**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***

The Honorable Mayor and
Members of the City Commission
City of Sanford, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sanford, Florida (the “City”) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements and have issued our report thereon dated March 29, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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 a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

The Honorable Mayor and
Members of the City Commission
City of Sanford, Florida

Report on Compliance and Other Matters

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

Pursuant to provisions of Chapter 10.550, *Rules of the Auditor General*, we reported certain matters to management of the City in a separate management letter and Independent Accountant's Report dated March 29, 2024.

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.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 29, 2024



Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

The Honorable Mayor and
Members of the City Commission
City of Sanford, Florida

Report on Compliance for Each Major Federal Programs

Opinion

We have audited the compliance of the City of Sanford, Florida (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Programs

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

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

Responsibility of Management for Compliance

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

The Honorable Mayor and
Members of the City Commission
City of Sanford, Florida

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal program is not modified with respect to these matters.

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

Report on Internal Control over Compliance

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

The Honorable Mayor and
Members of the City Commission
City of Sanford, Florida

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2023-001 that we consider to be a significant deficiency.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated March 29, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis, as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 29, 2024

CITY OF SANFORD, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2023

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

<u>Type of Auditor's Report Issued:</u>	Unmodified Opinion	
Internal control over financial reporting:		
• Material weakness(es) identified?	___ Yes	_X_ No
• Significant deficiency(ies) identified?	___ Yes	_X_ None reported
Noncompliance material to financial statements noted?	___ Yes	_X_ No

Federal Awards

Internal control over major federal programs:		
• Material weakness(es) identified?	___ Yes	_X_ No
• Significant deficiency(ies) identified?	_X_ Yes	___ None reported

Type of report issued on compliance for major federal programs:

Any audit findings disclosed that are required to be reported in accordance with 200.516 of the Uniform Guidance?	_X_ Yes	___ No
---	---------	--------

Unmodified Opinion

Identification of Major Federal Programs:

Assistance Listing

<u>Number</u>	<u>Name of Federal Program</u>
14.218	Community Development Block Grant
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

Federal	\$750,000
Auditee qualified as low-risk auditee?	_X_ Yes ___ No

CITY OF SANFORD, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)

For the Year Ended September 30, 2023

SECTION II - FINDINGS RELATED TO THE FINANCIAL STATEMENT AUDIT, AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

None reported.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION REPORTED IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Finding Number: 2023-001
AL Number: 14.218
AL Program Title: Community Development Block Grant
Compliance Requirement: Special Tests and Provisions – Environmental Reviews
Federal Agency: U.S. Department of Housing and Urban Development
Type of Finding: Significant Deficiency and Noncompliance

Criteria:

Projects funded by Community Development Block Grants (AL 14.218) must have an environmental review unless they meet criteria specified in the regulations that would exempt or exclude them from environmental certification requirements.

Condition:

During our testing, we noted a project where an environmental review was not performed as required.

Cause:

Grant program managers did not ensure that all environmental reviews were performed for applicable projects.

Effect:

Not performing an environmental review could result in a project not meeting the terms of the grant and a subsequent loss of grant funding.

Recommendation:

We recommend that the City implement a process that ensures all projects funded by Community Development Block Grants have environmental reviews performed.

Views of responsible officials and planned corrective action:

City Management takes grant compliance very seriously and corrective action has been taken. The City has created a checklist encompassing all grant-related tasks, and an Environmental Review Record (ERR) is part of that checklist and will be completed for every property and program.

SECTION IV - PRIOR YEAR AUDIT FINDINGS

None reported.

City of Sanford Florida
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2023

<u>Federal Grantor/Pass-Through Grantor Program Title</u>	<u>Assistance Listing Number</u>	<u>Grant Number / Pass Through Grantor's Number</u>	<u>Reimbursable Expenditures</u>	<u>Expenditures Passed Through to Subrecipients</u>
U.S. Department of Housing and Urban Development				
Neighborhood Stabilization Program	14.218	B-11-MN-12-0035	128	
Community Development Block Grant	14.218	B-20-MC-12-0057	917,160	
Total Department of Housing and Urban Development			<u>917,288</u>	
U.S. Department of Justice				
DEA Officer Reimbursement	16.580	DEA Orlando	12,086	
Bulletproof Vest Grant - FY 2020	16.607	2020BUBX20023477	33	
COVID19 - Cares Act Provider Relief Fund BJA FY 2020	16.034	2020-VD-BX-0755	1,200	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-0235-JAGX	39,844	
Public Safety Partnership and Community Policing	16.710	15JCOPS-22-GG-04795-PPSE	31,621	
Total Department of Justice			<u>84,784</u>	
Office of National Drug Control Policy				
Passed through Seminole County Sheriff's Office				
High Intensity Drug Trafficking Areas Program	95.001	G21CF008A	8,239	
Total Office of National Drug Control Policy			<u>8,239</u>	
U.S. Department of Health and Human Services				
Passed through Florida Department of Economic Opportunity				
LIHEAP Low Income Home Energy Assistance Program (2023)	93.568	17EA-OF-06-69-02-028	278,794	
LIHEAP Low Income Home Energy Assistance Program (2022)	93.568	17EA-OF-06-69-02-028	1,095,686	
LIHEAP Low Income Home Energy Assistance Program (2021)	93.568	17EA-OF-06-69-02-028	16,709	
LIHWAP Low Income Home Water Assistance Program (2021)	93.499	17EA-OF-06-69-02-028	83,710	
COVID19 - LIHEAP ARP Supplement	93.568	17EA-OF-06-69-02-028	796,440	
Total Department of Health and Human Services			<u>2,271,339</u>	
U.S. Department of Homeland Security				
Passed through Florida Department of Emergency Management				
Hurricane Matthew Declaration	97.036	FEMA-4283-DR-FL17-PA-U5-06-69-02-14 0	55,093	
Hurricane Ian Declaration	97.036	FEMA-4337-DR-FL17-PA-00-06-69-01-381	193,927	
Total Department of Homeland Security			<u>249,020</u>	
U.S. Department of Treasury				
Passed through Florida Department of Emergency Management				
COVID19 - American Rescue plan Coronavirus Local Fiscal Recovery Fund	21.027	1505-0271	5,109,000	198,548
Total Department of Treasury			<u>5,109,000</u>	<u>198,548</u>
U.S. Environmental Protection Agency				
Passed through Florida Department of Environmental Protection				
State Revolving Fund Loan	66.468	DW590192	2,595,689	
Total Department of Environmental Protection			<u>2,595,689</u>	
Total Expenditure of Federal Awards			<u>\$ 11,235,359</u>	<u>\$ 198,548</u>

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

City of Sanford, Florida
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2023

Note 1 – Reporting Entity

For reporting entity purposes, the Schedule of Expenditures of Federal Awards include only the activities of the City of Sanford’s primary government and not the Airport Authority which is presented as a discretely presented component unit.

Note 2 – Summary of Significant Accounting Policies

The accounting policies and presentation of the Schedule of Expenditures of Federal Awards are in accordance with accounting principles generally accepted in the United States of America as applicable to governmental organizations.

Note 3 – State Revolving Fund Loans

For State Revolving Fund loans listed on the Schedule of Expenditures of Federal Awards, the City had the following loan balances outstanding at September 30, 2023.

<u>Program Title</u>	<u>Federal AL Number</u>	<u>Grant Number</u>	<u>Total Outstanding</u>
State Revolving Fund	66.468	WW590192	\$ 9,720,259

Note 4 – Indirect Cost Rate

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



INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor and
Members of the City Commission
City of Sanford, Florida

We have examined the compliance of the City of Sanford, Florida (the "City") with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2023. 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 AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 29, 2024



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Mayor and
Members of the City Commission
City of Sanford, Florida

Report on the Financial Statements

We have audited the basic financial statements of the City of Sanford, Florida (the City) as of and for the year ended September 30, 2023, and have issued our report thereon dated March 29, 2024.

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; Title 2 *U.S. Code of Federal Regulations, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance); 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 an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards in Accordance with the Uniform Guidance; Schedule of Findings and Questioned Costs; and our Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 29, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

The Honorable Mayor and
Members of the City Commission
City of Sanford, Florida

Financial Condition and Management

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

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

Special District Component Units

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

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the City of Sanford Community Redevelopment Agency (the CRA), a dependent special district of the City, reported:

- a) The total number of CRA employees compensated in the last pay period of the CRA's fiscal year as 0.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the CRA's fiscal year as 0.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- e) Each construction project with a total cost of at least \$65,000 approved by the CRA that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as \$0.
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes as \$489,159.

Specific information of the Sanford Airport Authority, a dependent special district of the City of Sanford, that is required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, is reported in the Sanford Airport Authority's management letter for the fiscal year ended September 30, 2023.

The Honorable Mayor and
Members of the City Commission
City of Sanford, Florida

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not 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 Mayor, City Commission, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
March 29, 2024

This page intentionally left blank.