

*City of
Safety Harbor
Florida*

*Annual Comprehensive
Financial Report*

FYE September 30, 2024

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City of Safety Harbor, Florida

Annual Comprehensive Financial Report

For the fiscal year ended September 30, 2024



Prepared by:
Finance Department

Victoria Gilley
Finance Director

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CITY OF SAFETY HARBOR, FLORIDA

September 30, 2024

CITY COMMISSION

Joe Ayoub, Mayor
Andy Steingold, Vice Mayor
Jacob Burnett
Nancy Besore
Carlos Diaz

CITY ADMINISTRATION

City Manager
Josh Stefancic

City Clerk
Rachael Telesca

City Attorney
Sarah Johnston

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CITY OF SAFETY HARBOR, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
SEPTEMBER 30, 2024

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INTRODUCTORY SECTION

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City of Safety Harbor Florida

HOME OF ESPIRITU SANTO MINERAL SPRINGS

750 Main Street ± Safety Harbor, Florida 34695 ± (727) 724-1555
FAX 724-1566

To the Honorable Mayor, Vice Mayor, Commissioners, and Citizens of the City of Safety Harbor:

The Comprehensive Annual Financial Report of the City of Safety Harbor, Florida for the fiscal year ended September 30, 2024, is hereby submitted in accordance with Florida Statutes Chapter 218.39 and Chapter 10.550 of the Rules of the Auditor General of the State of Florida.

This report has been compiled and prepared by the City's Finance Department. 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, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP (Generally Accepted Accounting Principles). 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.

CliftonLarsonAllen LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Safety Harbor's financial statements for the year ended September 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of the Government

The City of Safety Harbor (the "City"), incorporated on June 11, 1917, is located in the Tampa Bay area and is primarily a bedroom community with a limited amount of supporting commercial and industrial uses. The City is located halfway between the Tampa International Airport and Pinellas County Beaches; making it perfect for homeowners who travel often but want to share in the beauty of what Pinellas County has to offer. It currently occupies approximately 5 square miles and serves a population of approximately 17,072. The City of Safety Harbor is empowered to levy a property tax on real property located within its boundaries. The City is also empowered by State Statute to extend its corporate limits by annexation, which it has done from time to time.

The City operates under the Commission-Manager form of government. The City Commission is comprised of the Mayor and four Commissioners and is responsible for enacting ordinances, resolutions, and regulations governing the City as well as appointing members to various statutory and advisory boards, the City Manager, and the City Attorney. As chief administrative officer, the City Manager is responsible for enforcement of laws and ordinances and appoints and supervises the City's department heads.

The City provides a full range of municipal services normally associated with a municipality including fire protection, street construction and maintenance, planning, zoning and redevelopment, recreation and parks, library services, storm water management and general administrative services. Law enforcement service is provided via an annual contract with the Pinellas County Sheriff's Office. In addition, water, wastewater, solid waste, and stormwater services are provided under an enterprise fund concept with user charges set by the City Commission to ensure adequate coverage of operating expenses and payment of outstanding debt.

Local Economy

The City continues to take a guarded financial approach and monitors accounts very closely. The City budgets conservatively and in the current fiscal year has managed accordingly given the impact of a 7.7 percent increase in the City's property tax base and an unemployment rate for the local metropolitan area of 8.8 percent. Safety Harbor's advantage is the fact that the City has continued to experience an extremely sound fiscal condition, and as a result has been able to continue with planned expenditures. Two named storms impacted the area during fiscal year 2024, with a third named storm impacting the area in the beginning of fiscal year 2025. Moving forward, the impacts from the three storms will impact planning and budgeting for continuing recovery efforts.

Long-Term Financial Planning

Funding for operations and capital projects is derived from various sources, including user fees, state shared revenue, local option gas tax, Penny for Pinellas 1% sales tax, grants and contributions from state and local governments and investment returns. As sources decline or are no longer available over the next five years, the City cautiously prioritizes critical capital improvements considering the projects that are matched by grant funds and/or a dedicated funding source.

Relative to operations and economic conditions, in Fiscal Year 2024/2025, the City budgeted for a 4.62 percent increase in property taxable value and maintained the millage rate at 3.95 increasing budgeted ad valorem by \$392,260, consistent with City Commission's goal to maintain a low millage rate. Budgeted use of General Fund reserves reflected \$773,778 use of reserves. Citywide budgeted revenues, excluding transfers and debt proceeds, were assumed to increase by \$1,233,010 or 2.94% percent more than the prior years estimated year-end budget with budgeted appropriations excluding transfers increasing by \$3,172,355 or 6.46 percent.

Relevant Financial Policies

By resolution of the City Commission, the City must maintain a General Fund minimum reserve of seventeen (17) percent of General Fund expenditures of the prior years audited financial statements. Additionally, the resolution states that twenty (20) percent of General Fund operating expenditures, based on the current year's adopted budget, be committed for the specific purpose for use in the event of a major storm or other unforeseen disaster of a nonrecurring character, including environmental damage, flood, fire or tornado; provided that if federal or state funds are received to offset appropriations for such purposes, such monies shall be returned to the Stabilization Arrangement. If needed, replenishment of the stabilization arrangement will be from Unassigned Fund Balance over a period of five (5) years.

The City utilizes the modified accrual basis of accounting for all governmental fund types. Under this modified accrual basis, expenditures are generally recognized when the related liability is incurred. Revenues are recognized in the accounting period when they become measurable and available.

Accounting records for the City's proprietary funds, water, wastewater, solid waste, and stormwater, are maintained on an accrual basis with revenues being recognized when earned and expenses recognized when incurred.

Budgetary control is maintained at the departmental level. All purchase orders are compared to available line-item control accounts and if necessary, budgetary adjustments are made prior to issuing purchase orders. The City Manager is authorized to transfer any unencumbered appropriated balance or portion thereof between specific classifications of expenditures within a department. By Resolution, the City Commission may authorize the transfer of any unencumbered appropriated balance or portion thereof from one fund, office, or department to another.

Major initiatives

In preparing the Fiscal Year 2024/2025 Budget, the City identified several major programs and projects to continue to maintain the City's position of excellent service provision, financial performance, and quality of operational facilities. The Five-year Capital Improvements Plan (CIP) for FY 2024/2025 to FY 2028/2029 is \$68,391,240 million, of which \$13,150,540 million is appropriated in FY 2024/2025 and \$10,000,000 is currently unfunded. Proprietary fund infrastructure projects make up 49.5 percent of the \$68.4 million five-year budgets.

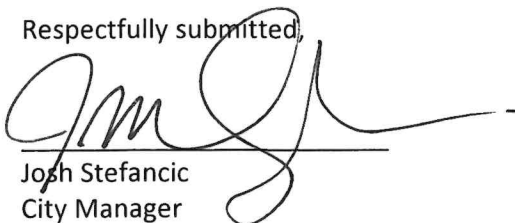
The City remains active with construction projects in water and wastewater main replacements. Capital project improvements are programmed in recreation, parks, library (construction), fire, building maintenance and streets. Construction of the second-floor library addition is underway in FY 2024 and is planned for completion in FY 2025. The second story will provide additional community meeting space and relocate first floor services, opening needed space for library programs and meeting rooms on the first floor.

In fiscal year 2024, the City Commission met for a Goal Setting Workshop. Main priority goals were identified as: increase customer satisfaction experience of the library; increase capacity of transient boaters at marina; review advisory boards and committee attendance policy; improve management of downtown parking plan; increase and update community development elements; increase employee protection; and increase and update public works and leisure service elements. Major projects planned to work toward these goals in 2024 include completion of the second-floor library addition, improvements to the children's division of the library, Waterfront Park Irrigation, Bishop and Mullet Creek improvements, ongoing maintenance and improvements in infrastructure, and continued improvements to Folly Farms. As supply issues related to COVID recovery resolve, the City also plans to replace large equipment to ensure services can continue to be delivered efficiently.

This preparation and submission of this report is due to the dedicated services of the Finance Department staff. We would like to express our sincere appreciation to all members of the department who contributed to the year-end close out process and document preparation. We would also like to express our appreciation to City departmental staff who provided a significant contribution by ensuring the accuracy and integrity of accounting information compiled and submitted throughout the entire year. Our sincerest appreciation is expressed for the City Commission's continued support and interest in the planning and conducting of the City's financial operations in a responsible manner.

We extend our gratitude to the Audit Committee for their continued support and high level of professionalism, and CliftonLarsonAllen LLP for their professionalism and expertise.

Respectfully submitted,



Josh Stefancic
City Manager



Matthew Converse
Finance Director

CITY OF SAFETY HARBOR



LIST OF PRINCIPAL OFFICIALS

September 30, 2024

CITY COMMISSION

Joe Ayoub, Mayor
Andy Steingold, Vice Mayor
Jacob Burnett
Nancy Besore
Carlos Diaz

City Manager

Josh Stefancic

City Clerk

Rachael Telesca

City Attorney

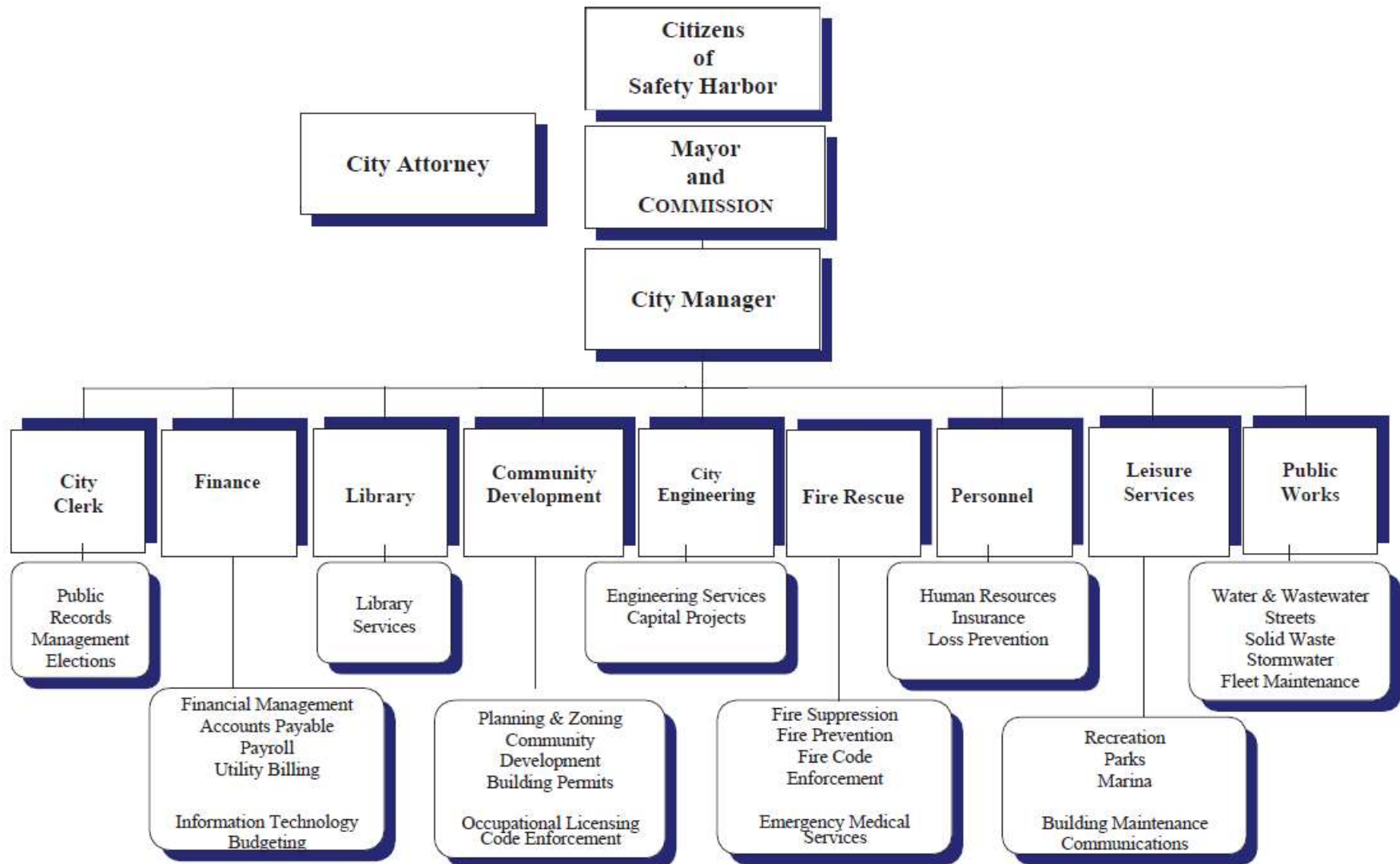
Sarah Johnston

EXECUTIVE MANAGEMENT STAFF

City Engineer
Interim Community Development Director
Finance Director
Fire Chief
Interim Human Resources Director
Leisure Services Director
Library Director
Public Works Director

Michelle Giuliani
Carol Stricklin
Victoria Gilley
Andrew Hawkins
Rachael Telesca
Andrea Norwood
Lisa Kothe
Renee Cooper

CITY OF SAFETY HARBOR ORGANIZATIONAL CHART





INDEPENDENT AUDITORS' REPORT

Honorable Mayor and
Members of the City Commission
City of Safety Harbor, Florida

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

Honorable Mayor and
Members of the City Commission
City of Safety Harbor, Florida

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Honorable Mayor and
Members of the City Commission
City of Safety Harbor, Florida

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Tampa, Florida
January 13, 2026

FINANCIAL SECTION

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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CITY OF SAFETY HARBOR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

The City of Safety Harbor's (the City) annual financial report presents management's discussion and analysis of the City's financial performance during the fiscal year that ended on September 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and the City's basic financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City of Safety Harbor exceeded its liabilities and deferred inflows on September 30, 2024, by \$123,448,781 (net position). Of this amount, \$47,631,575 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased over prior period by \$9,743,225 or 8.57 percent. Governmental net position increased by \$2,295.593 or 4.47 percent while business type net position increased by \$7,447,632 or 11.95 percent as of September 30, 2024.
- As of September 30, 2024, the City of Safety Harbor's governmental funds reported combined ending fund balances of \$20,916,672, a decrease of \$3,770,021 in comparison with the prior year. Of this total amount, committed, assigned and unassigned fund balances of \$17,545,004 or 83.88 percent.
- The City's total debt for revenue bonds and notes decreased by repayments of principal in the amount of \$1,222,960 during the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements' focus is on both the City as a whole (government-wide) and on the individual funds. Both perspectives (government-wide and individual funds) allow the user to address relevant questions, broaden the basis for comparison from year to year or government to government and enhance the City's accountability.

This discussion and analysis are intended to serve as an introduction to the City of Safety Harbor'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.

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's financial position and results of operations in a manner like a private-sector business.

The Statement of Net Position presents information on all the City's assets and deferred outflows, less liabilities, and deferred inflows, with the difference reported as *net position*. The focus of the Statement of Net Position is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental fund current economic resources (short-term spendable resources) with capital assets and long-term obligations. 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.

CITY OF SAFETY HARBOR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities, both governmental and business-type, that are supported by the government's general tax and other revenues. This is intended to summarize and simplify the user's analysis of the cost of basic governmental services as well as any subsidy in the business-type activities.

Both 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 includes general government; law enforcement, fire protection and building department, which provide public safety; physical environment; transportation, which includes activities associated with streetlights, streets, and sidewalks; library; and parks and recreation, which also includes Main Street events and marina activities. The business-type activities of the City include water and sewer, solid waste, and stormwater.

The government-wide financial statements include the City of Safety Harbor as a whole, as well as the component unit the Safety Harbor Community Redevelopment Agency (CRA). The CRA is reported within the general government activities.

Fund financial statements

A *fund* is a grouping of related accounts 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 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 governmentwide 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. The governmental funds' Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances provide reconciliations to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains fourteen individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Community Redevelopment Agency Fund, and Capital Projects Fund, which are considered to be major funds. Data from eleven of the governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds (Special Revenue and Debt Service Funds) is provided in the form of combining statements in this report.

The City adopts an annual appropriated budget for all funds. Budgetary comparison statements have been provided for all major and non-major governmental funds to demonstrate compliance with the budget.

CITY OF SAFETY HARBOR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

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 (drainage) operations.

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 City's water and sewer operations, solid waste operation and stormwater operation, all of which are considered major funds.

Internal service funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among a government's various functions. The City does not currently utilize internal service funds.

Fiduciary funds. *Fiduciary funds* are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City has one fiduciary fund to account for the firefighters' retirement benefit. The fund is with the Florida League of Cities, Florida Municipal Pension Trust Fund.

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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City's budgetary legal compliance for the General and Community Redevelopment Agency funds; the City's progress in funding the firefighters' pension obligation, general employee Florida Retirement System pension obligation; and the funding progress of the retiree health plan.

CITY OF SAFETY HARBOR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

GOVERNMENT WIDE FINANCIAL STATEMENT ANALYSIS

Statement of Net Position. Net position over time may serve as a useful indicator of a government's financial position. For the current year, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$123.4 million. The following table reflects the condensed Statement of Net Position compared to the prior year. Throughout this report, increases and decreases are reflected based on current year impacts. For more detailed information see the Statement of Net Position.

	Net Position								
	Governmental Activities			Business-Type Activities			Total Primary Government		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Assets									
Current and other assets	\$ 27,356,612	\$ 28,104,373	\$ 28,787,858	\$ 41,221,277	\$ 36,739,249	\$ 32,592,123	\$ 68,577,889	\$ 64,843,622	\$ 61,379,981
Capital Assets	33,410,275	28,488,953	26,918,229	40,897,178	39,344,646	37,447,877	74,307,453	67,833,599	64,366,106
Total Assets	60,766,887	56,593,326	55,706,087	82,118,455	76,083,895	70,040,000	142,885,342	132,677,221	125,746,087
Deferred Outflows	2,392,174	3,635,919	2,874,706	721,467	744,046	281,742	3,113,641	4,379,965	3,156,448
Liabilities									
Current and other liabilities	2,059,103	1,546,658	986,514	3,197,836	3,402,113	3,303,171	5,256,939	4,948,771	4,289,685
Long-term liabilities	3,858,411	4,536,128	3,261,611	9,311,502	10,575,226	11,094,587	13,169,913	15,111,354	14,356,198
Total Liabilities	5,917,514	6,082,786	4,248,125	12,509,338	13,977,339	14,397,758	18,426,852	20,060,125	18,645,883
Deferred Inflows	3,568,569	2,769,074	3,023,950	554,781	522,431	558,810	4,123,350	3,291,505	3,582,760
Net Position									
Net investment in capital assets	32,381,967	27,339,458	25,655,529	31,793,761	28,639,293	25,479,614	64,175,728	55,978,751	51,135,143
Restricted	6,492,335	5,364,468	5,876,424	5,012,681	4,871,621	4,652,292	11,505,016	10,236,089	10,528,716
Unrestricted	14,798,676	18,673,459	19,776,765	32,969,361	28,817,257	25,233,268	47,768,037	47,490,716	45,010,033
Total Net Position	<u>\$ 53,672,978</u>	<u>\$ 51,377,385</u>	<u>\$ 51,308,718</u>	<u>\$ 69,775,803</u>	<u>\$ 62,328,171</u>	<u>\$ 55,365,174</u>	<u>\$ 123,448,781</u>	<u>\$ 113,705,556</u>	<u>\$ 106,673,892</u>

The largest portion of the City's net position, 52.0 percent, reflects its net investment in capital assets (e.g., land, buildings, infrastructure improvements, and vehicles and equipment) less any related debt used to acquire those assets that remains outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Resources that are subject to external or enabling legislation that restricts how they may be used make up \$11.5 million (9.3 percent) of net position. The remaining balance of unrestricted net position or \$47.8 million (38.7 percent) may be used to meet the City's ongoing obligations to citizens and creditors.

On September 30, 2024, 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.

CITY OF SAFETY HARBOR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Statement of Activities. The following schedule compares the revenues and expenses for the current and two previous fiscal years. More detailed information can be found in the Statement of Activities.

	Changes in Net Position								
	Governmental Activities			Business-Type Activities			Total Primary Government		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
REVENUES									
Program revenues:									
Charges for services	\$ 2,028,658	\$ 1,851,872	\$ 1,639,859	\$ 18,170,208	\$ 18,133,545	\$ 17,399,991	\$ 20,198,866	\$ 19,985,417	\$ 19,039,850
Operating grants and contributions	1,884,843	1,581,555	1,501,049	7,717	12,238	-	1,892,560	1,593,793	1,501,049
Capital grants and contributions	963,882	42,556	3,574	-	-	-	963,882	42,556	3,574
General Revenues									
Property taxes	7,828,459	7,131,307	6,784,259	-	-	-	7,828,459	7,131,307	6,784,259
Utility taxes	2,917,072	3,195,103	3,084,868	-	-	-	2,917,072	3,195,103	3,084,868
Local business tax	132,987	139,061	131,022	-	-	-	132,987	139,061	131,022
Local option tax	2,814,899	2,822,696	2,774,708	-	-	-	2,814,899	2,822,696	2,774,708
Franchise fees	1,706,366	1,576,515	1,568,699	-	-	-	1,706,366	1,576,515	1,568,699
Sales tax	1,357,831	1,448,441	1,428,874	-	-	-	1,357,831	1,448,441	1,428,874
Intergovernmental	804,914	836,581	10,049,319	-	-	12,525	804,914	836,581	10,061,844
Investment income	1,526,311	398,955	(1,078,788)	2,458,710	535,155	(1,467,365)	3,985,021	934,110	(2,546,153)
Other	518,461	579,701	1,232,910	22,356	85,014	450,814	540,817	664,715	1,683,724
Gain on the sale of capital assets	243,538	47,688	-	45,853	15,800	53,666	289,391	63,488	53,666
Insurance recoveries	3,545	12,858	-	5,773	11,845	-	9,318	24,703	-
Total Revenues	24,731,766	21,664,889	29,120,353	20,710,617	18,793,597	16,449,631	45,442,383	40,458,486	45,569,984
EXPENSES									
Function/program activities									
Primary government:									
Governmental activities:									
General government	4,594,678	4,315,128	3,617,239	-	-	-	4,594,678	4,315,128	3,617,239
Law enforcement	1,736,395	1,612,409	1,532,963	-	-	-	1,736,395	1,612,409	1,532,963
Fire protection	4,755,203	5,003,702	4,261,405	-	-	-	4,755,203	5,003,702	4,261,405
Building department	371,206	347,809	343,934	-	-	-	371,206	347,809	343,934
Physical environment	532,903	507,205	467,169	-	-	-	532,903	507,205	467,169
Transportation	1,501,075	1,467,894	1,351,413	-	-	-	1,501,075	1,467,894	1,351,413
Library	1,606,569	1,560,315	1,517,358	-	-	-	1,606,569	1,560,315	1,517,358
Parks and recreation	5,612,200	5,134,883	4,506,518	-	-	-	5,612,200	5,134,883	4,506,518
Interest on long-term debt	25,944	30,917	20,430	-	-	-	25,944	30,917	20,430
Business-type activities:									
Water and sewer	-	-	-	10,594,914	9,232,770	9,022,523	10,594,914	9,232,770	9,022,523
Solid Waste	-	-	-	3,099,901	3,249,561	3,187,515	3,099,901	3,249,561	3,187,515
Stormwater	-	-	-	1,268,170	964,229	1,064,619	1,268,170	964,229	1,064,619
Total Expenses	20,736,173	19,980,262	17,618,429	14,962,985	13,446,560	13,274,657	35,699,158	33,426,822	30,893,086
Excess before contributions	3,995,593	1,684,627	11,501,924	5,747,632	5,347,037	3,174,974	9,743,225	7,031,664	14,676,898
Transfers	(1,700,000)	(1,615,960)	(1,799,640)	1,700,000	1,615,960	1,799,640	-	-	-
Changes in net position	2,295,593	68,667	9,702,284	7,447,632	6,962,997	4,974,614	9,743,225	7,031,664	14,676,898
Net position, beginning of year	51,377,385	51,308,718	41,606,434	62,328,171	55,365,174	50,390,560	113,705,556	106,673,892	91,996,994
Net position, end of year	\$ 53,672,978	\$ 51,377,385	\$ 51,308,718	\$ 69,775,803	\$ 62,328,171	\$ 55,365,174	\$ 123,448,781	\$ 113,705,556	\$ 106,673,892

Governmental activities. The net position for the City's governmental activities increased by \$2,292,761.

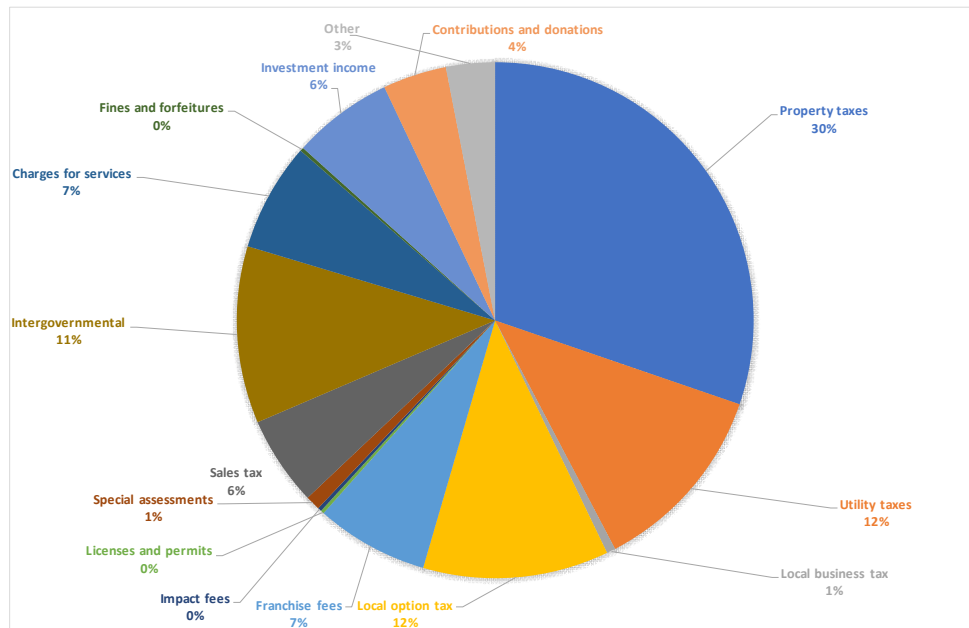
Total revenues for the City's governmental activities increased by \$3,066,877 (14.2 percent) over prior year.

Key elements are as follows:

- Program revenues increased by \$1,401,400.
- Charges for services increased by \$176,786. Of the total increase, building permit revenues increased by \$41,588, transportation revenues decreased by \$52,245, and recreation program increased by \$87,178.
- Operating grants and contributions increased by a net amount of \$303,288. Public safety revenue for Fire and EMS District taxes increased by 18.6 percent or \$242,765; general government revenue increased by \$102,505.

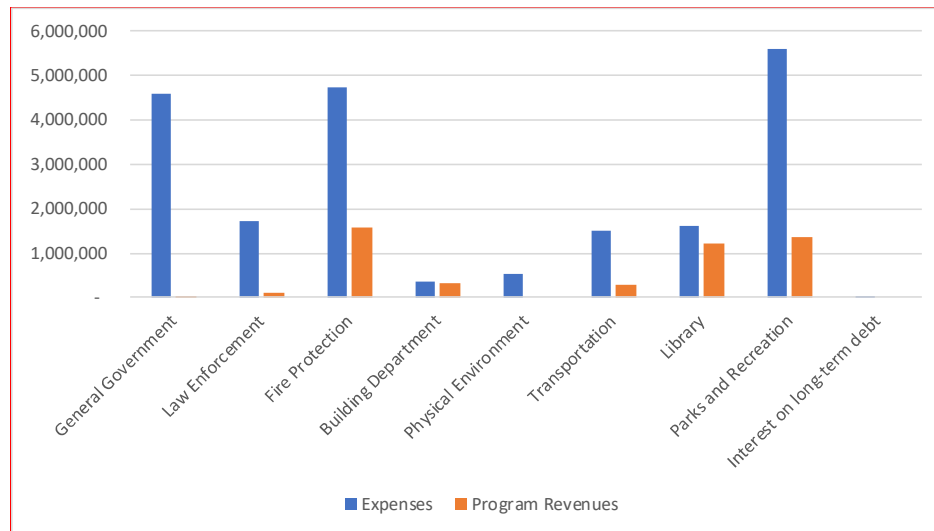
CITY OF SAFETY HARBOR, FLORIDA
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- Capital grants and contributions increased by \$921,326 mostly attributed to a library state grant and private donations for the library building expansion.
- General revenues increased by 6.4 percent or \$1,165,047.
 - Property tax revenue increased by \$697,152 (9.8 percent). Gross taxable values in the City increased by 7.7 percent over prior year. City taxable values in the Community Redevelopment District increased by 8.8 percent over prior year. The millage rate remained at 3.95 consistent with prior year.
 - Investment income and fair value adjustments increased by \$1,127,356 from prior year due to rising interest rates that increased the market value of mortgage related securities and bonds.
 - Franchise fees and gain on sale of capital assets increased by \$129,851 and \$195,850 respectively.
 - Utility taxes, local business tax, local option taxes, intergovernmental, and sales tax decreased by \$414,179 or 4.9 percent.



- Expenses for the City's governmental activities increased by \$755,911 or 3.8 percent. Key elements of the net increase are as follows:
 - General government, law enforcement, and parks and recreation came in over prior year by \$880,853. Fire Protection decreased by \$248,499 due to turnover in personnel. Interest on long-term debt decreased \$4,973.
 - Transportation, building department, physical environment, library, increased over prior year by \$128,530. The largest increase was in the library due to increased services.

CITY OF SAFETY HARBOR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024



Business-type activities. Business-type activities resulted in an increase in the City's net position by \$7,447,632.

Total revenues for the City's business-type activities increased by \$1,917,020 (10.2 percent) over prior year. Key elements are as follows:

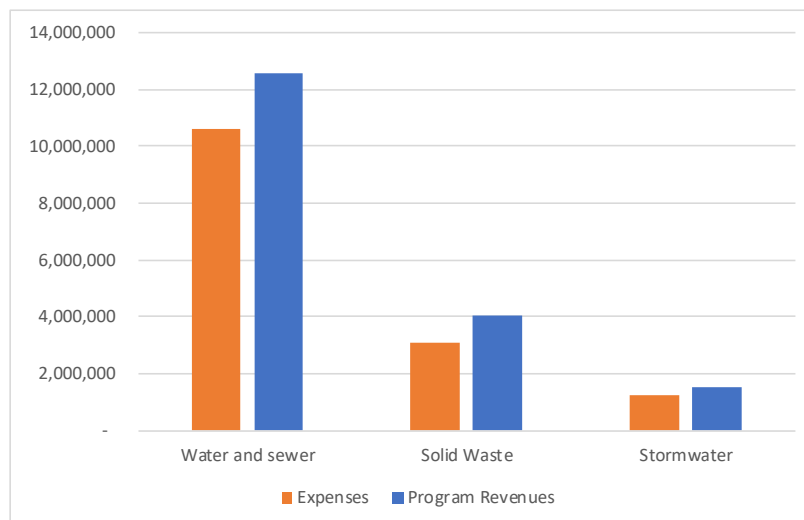
- Program revenues increased by \$32,142, which is a .2 percent increase.
 - Charges for services includes revenue for water, sewer, and stormwater.
 - The city completed a rate study for water, sewer, and stormwater in November of 2021. No rate changes were implemented, however, a new billing tier structure for water and sewer went into effect in January 2023. Additionally, miscellaneous fees were adjusted as of January 2024.
 - There were no rate changes to stormwater rates or tier structures in 2024. Stormwater operating revenue realized a slight decrease of \$1,759.
 - The city implemented the first year of a five-year rate change on January 1st of 2020. Solid waste operating revenue realized an increase of \$227,338.

CITY OF SAFETY HARBOR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

- General revenues increased by \$1,884,878.
 - Investment income and gain on the sale of capital assets increased by \$1,923,555 and \$30,053 respectively, which is consistent with economic conditions.
 - Other miscellaneous revenues and insurance recoveries decreased by \$68,730.

Expenses, including operating and nonoperating, for the City's business-type activities increased by \$1,516,425, which is 11.3 percent. Key elements of the increase are as follows:

- Water and sewer expenses increased by \$1,362,144 which is 14.8 percent over prior year. Salaries and fringes and materials and supplies decreased by 2.3 and 21.4 percent, respectively. Depreciation and amortization increased in the amount of \$43,936 or 1.8 percent. Contractual and other services accounted for the largest increase of \$1,412,818 (30.2 percent) mostly due to the increase in cost for water and sewer purchases.
- Solid waste expenses decreased by \$149,660 or 4.6 percent under prior year. Of the net decrease, personnel services decreased by \$54,262 or 4.3 percent, materials and supplies decreased by \$51,424 or 18.1 percent, and depreciation and amortization showed the largest decrease of \$98,810 or 17.3 percent. Contractual and other services increased by \$55,369 of 4.9 percent.
- Stormwater expenses increased by \$303,941 or 31.5 percent over prior year. Salaries and fringes increased by 18.9 percent, due to continued efforts in filling position vacancies within the department. Materials and supplies increased by \$82,543 or 183.1 percent. Contractual and other services showed the largest increase of \$178,785 or 89.6 percent mostly attributed to an increase in engineering costs due to construction projects in the fiscal year. Depreciation and amortization decreased by \$24,272 or 6.8 percent.



CITY OF SAFETY HARBOR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

FUND FINANCIAL STATEMENT ANALYSIS

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. Unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of September 30, 2024, the City's governmental funds reported combined ending fund balances of \$20,916,672, a decrease of \$3,770,021 under prior year. Of this total amount, \$6,441,695 or 30.8 percent is unassigned and available for spending at the City's discretion. The remainder of fund balance, \$14,474,977 or 69.2 percent is either not in spendable form or restricted, committed, or assigned for specific purposes.

The **General Fund** is the chief operating fund of the City. On September 30, 2024, committed (emergency/stabilization) and unassigned fund balance was \$12,167,688. As a measure of the General Fund's liquidity, it may be useful to compare both non-spendable and restricted fund balance as well as unrestricted fund balance to total General Fund expenditures. Fund balance that is either non-spendable (advances from primary government and inventories and prepaids) or restricted for a specific purpose is 5.3 percent of total General Fund expenditures excluding transfers out, while committed and unassigned fund balance is 67.9 percent of total General Fund expenditures, excluding transfers out. The City Commission's desire of a minimum unassigned General Fund balance of the prior year's operating expenditures, including transfers out, is 17 percent (\$3,463,431). As of September 30, 2024, the City's unassigned fund balance exceeds this goal at 31.6 percent of prior year's operating expenditures.

General Fund balance decreased by \$1,383,107 in the current fiscal year. Key elements of the decrease are as follows:

- Revenues, including transfers in of \$255,740, total \$18,809,291, which is an increase of \$1,412,218 over prior year.
 - Ad valorem revenue increased by \$532,391, due to an increase in property values of 7.7 percent, driven by the increase in local real estate values with a millage rate of 3.95 consistent with prior year.
 - Utility taxes decreased over prior year by \$278,031 or 8.7 percent.
 - Franchise fees, licenses and permits, intergovernmental, investment income, charges for services and other revenues recognized a total increase of \$1,302,855 with the largest increase due to investment income.
 - All other categories of revenues decreased under prior year by \$144,997 or 8.6 percent, with the largest decreases in sales tax.

CITY OF SAFETY HARBOR, FLORIDA
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- Expenditures of \$20,215,791, including transfers out of \$2,293,650, reflect a net decrease of \$157,331 or .8 percent over prior year. Operating expenditures excluding capital outlay and transfers increased by \$1,415,152 or 8.6 percent.
 - General government, parks and recreation, fire protection, and law enforcement had increases of \$401,776, \$354,864, \$331,354, and \$122,796, respectively. Building Department, physical environment, transportation, and library increased a total of \$136,293. These increases reflect the increase in inflation and the continued gradual recovery of the City from COVID.
 - Capital outlay expenditures decreased by \$80,663 or 44.3 percent.
 - Transfers to other funds decreased by \$1,421,820 under prior year.

The **Community Redevelopment Agency (CRA)** fund balance is \$751,896 as of September 30, 2024. Revenue of \$1,872,547 is 63.0 percent over prior year. Contributions and donations for the building addition to the library in the amount of \$960,982 attributed to the increase. Expenditures of \$2,875,286, including a transfer of \$129,700 to the Capital Projects Fund to service debt on the acquisition of Baranoff Oak Park, are 134.9 percent higher than prior year's expenditures. Capital improvements including the second floor addition to the library totaled \$2,583,026. Facade and partnership incentive grants totaled \$43,028, special event holiday lighting totaled \$31,204, with other program expenditures of \$88,328. The details for all CRA activities are included in Note 10-Redevelopment Trust Fund within this document.

The **Capital Projects** fund balance is \$4,309,551 on September 30, 2024. Revenue of \$2,591,011 from the Penny for Pinellas sales tax (Penny) is \$1,254 (0.0.5 percent) under prior year. The Penny is eligible for capital infrastructure improvements as well as the servicing of debt. Current year capital improvements and acquisitions are \$2,600,548 (29.3 percent higher than prior year). The most significant capital outlays include Waterfront Park irrigation & turf improvements, addition of pickleball courts, and parks parking repaving.

More detail regarding the governmental funds can be found in the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance of this report.

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 of the Water and Sewer, Sanitation and Stormwater funds at the end of the year were \$20,737,735, \$5,564,806, and \$6,666,820, respectively. Cumulatively, the unrestricted net position for the enterprise funds increased by \$4,152,104 from prior year or by 14.4 percent. Water/Sewer increased by \$2,318,954, Sanitation increased by \$1,351,905, and Stormwater increased by \$481,245. Funds restricted for debt service increased by \$18,898 and capital projects increased by \$122,162. The total increase in net position current year is \$7,447,632.

Total operating and non-operating revenue in the proprietary funds increased by \$1,917,020 with investment income \$1,923,555 higher than prior year.

CITY OF SAFETY HARBOR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Total expenses in the City's proprietary funds increased by \$1,533,067 (11.6 percent) over prior year, excluding interest on debt. Cumulatively the total of all funds in each category including salaries and fringes, materials and supplies and depreciation and amortization decreased by \$113,905 while contractual and other services increased by \$1,646,972. Overall, salaries and fringes decreased by 0.8 percent under prior year, materials and supplies decreased by 1.4 percent, and depreciation/amortization decreased by 2.4 percent. Contracted services increased by 27.5 percent.

More detail regarding the proprietary funds can be found in the Statement of Net Position-Proprietary Funds and Statement of Revenues, Expenses, and Changes in Net Position-Proprietary Funds in this report.

General Fund Budgetary Highlights

During the current year, the total increase between adopted and final budget was \$603,228, with a final adopted General Fund budget of \$21,289,858, including budgeted reserve. Contracts and purchase orders in place on September 30, 2023, were moved forward to October 1, 2024, in the amount of \$416,578, which is included in the increase between adopted and final budget. For ACFR reporting purposes, contracts in place are included in the original budget.

More details regarding the General Fund Budget can be found on in the Budgetary Comparison Schedule for the General Fund in this report.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for governmental and business-type activities as of September 30, 2024, is \$74,307,452, net of accumulated depreciation. As reflected in the following schedule, the City's investment in capital assets increased in construction in progress, buildings, improvements other than buildings, and equipment for governmental activities, with the only decrease in land due to a sale of land. In business-type activities, improvements other than buildings and equipment increased with no change in land, and a decrease in construction in progress. The net increase in the City's investment in capital assets is \$6,473,853 over prior year.

Capital Assets									
	Governmental Activities			Business-Type Activities			Total Primary Government		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Land	\$ 10,683,166	\$ 10,906,856	\$ 9,993,940	\$ 606,548	\$ 606,548	\$ 606,548	\$ 11,289,714	\$ 11,513,404	\$ 10,600,488
Construction in progress	5,964,777	1,955,459	656,737	9,368,352	9,640,405	6,866,350	15,333,129	11,595,864	7,523,087
Buildings	6,115,342	6,088,315	6,082,044	343,689	343,689	343,689	6,459,031	6,432,004	6,425,733
Improvements other than buildings	37,678,338	35,379,306	35,694,676	58,957,697	54,712,560	52,922,567	96,636,035	90,091,866	88,617,243
Equipment	9,782,208	8,555,234	7,842,660	11,096,731	10,952,256	11,069,314	20,878,939	19,507,490	18,911,974
Right-to-Use leased equipment	81,187	81,187	20,476	36,471.00	36,471	13,164	117,658	117,658	33,640
Right-to-Use SBITA	-	-	-	130,757.00	130,757	-	130,757	130,757	-
Less:									
Accumulated Depreciation	36,894,744	34,477,404	33,372,304	39,643,067	37,078,040	34,373,755	76,537,811	71,555,444	67,746,059
Total	\$ 33,410,274	\$ 28,488,953	\$ 26,918,229	\$ 40,897,178	\$ 39,344,646	\$ 37,447,877	74,307,452	67,833,599	64,366,106

CITY OF SAFETY HARBOR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
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The following reconciliation summarizes the Changes in Capital Assets, which is presented in detail in Note 4 of the notes to the financial statements.

Changes in Capital Assets

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Beginning Balance	\$ 28,488,953	\$ 39,344,646
Additions	8,893,005	7,247,283
Depreciation	(2,591,373)	(3,272,639)
Disposals (net of depreciation)	(1,380,311)	(2,422,112)
Ending Balance	<u><u>\$ 33,410,274</u></u>	<u><u>\$ 40,897,178</u></u>

Long-term debt. As of fiscal year end, the City's outstanding long-term debt from revenue bonds and notes decreased by \$1,222,960. The Debt Service section in Note 6 – Long Term Liabilities of the notes to the financial statements provides details for the following summary.

	<u>2024</u>	<u>2023</u>	<u>Change</u>	<u>Percent Change</u>
Governmental Activities				
Purchase land for Barnoff Oak Park and land for a future Building Maintenane facility	\$ 612,300	\$ 752,700	\$ (140,400)	-18.7%
Refunding 2006 note for general government improvements	<u>114,965</u>	<u>137,144</u>	<u>(22,179)</u>	<u>-16.2%</u>
Governmental Activities Total	<u><u>\$ 727,265</u></u>	<u><u>\$ 889,844</u></u>	<u><u>\$ (162,579)</u></u>	<u><u>-34.8%</u></u>
Business-Type Activities				
Water and Sewer infrastructure improvements	\$ 6,168,180	\$ 6,720,140	\$ (551,960)	-8.2%
Refunding 2006 note for utility system improvements	<u>2,631,034</u>	<u>3,139,455</u>	<u>(508,421)</u>	<u>-16.2%</u>
Business-Type Activities Total	<u><u>\$ 8,799,214</u></u>	<u><u>\$ 9,859,595</u></u>	<u><u>\$ (1,060,381)</u></u>	<u><u>-24.4%</u></u>
Total Outstanding Debt	<u><u>\$ 9,526,479</u></u>	<u><u>\$ 10,749,439</u></u>	<u><u>\$ (1,222,960)</u></u>	<u><u>-59.2%</u></u>

CITY OF SAFETY HARBOR, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024

Economic Factors and Next Year's Budgets and Rates

- The State of Florida, by Constitution, does not have a state personal income tax and, therefore, the State operates primarily using sales, gasoline, and corporate income taxes. Local governments (cities, counties, and school boards) primarily rely on property and a limited array of permitted other taxes (sales, gasoline, utility services, etc.) and fees (franchise, occupational license, etc.) and limited state-shared revenues for their governmental activities.
- The unemployment rate for the Tampa-St. Petersburg-Clearwater Metropolitan area on September 30, 2024, was 3.6 percent compared to the prior year's 3.3 percent. This is consistent with Florida's unemployment rate of 3.5 percent and the national unemployment rate of 4.1 percent.
- Property values have continued to show recovery with an increase of 7.7 percent in assessed values moving into the 2025 budget cycle. The millage rate was held at 3.9500 budgeting for a General Fund ad valorem revenue increase of \$392,260.
- In FY 2025, \$773,778 was budgeted from General Fund reserves to balance the budget. Future years' Capital Improvements will require transfers from General Fund reserves to continue with programmed street improvements and other capital projects.
- A rate study for the Enterprise Funds was adopted by City Commission and implemented on January 1st of 2017. Effective October 1, 2018, water and wastewater increased by 11.5 percent, respectively, with a change in base charges and tiers. Stormwater increased by 3.0 percent with the equivalent residential unit (ERU) moving from \$10.61 in FY 2020 to \$10.93 in FY 2021. A rate study for Sanitation commenced in FY 2020 to address increasing rates and changes in the recycling market. Rates and charges for sanitation services increased 6.0 percent except for those charges for nonresidential (commercial) recycling fees in FY2021.
- As additional rate study was completed in FY 2022 for Enterprise funds. The purpose of this study was to evaluate the sufficiency of utility revenues to meet both current and projected financial requirements. This study reviewed and analyzed rates and rate structures for water, wastewater, and stormwater services. The study found that existing rates are sufficient to satisfy projections through FY 2027. Changes in tier structure for water rates and wastewater caps were recommended. Additionally, multiple miscellaneous charges and customer deposit fees were evaluated, and rates updated to match current costs for such services.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of and demonstrate accountability for the City of Safety Harbor's finances to users and interested parties, citizens, taxpayers, customers, investors, and creditors. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Director, City of Safety Harbor, 750 Main Street, Safety Harbor, Florida 34695, via the City's website (<http://www.cityofsafetyharbor.com>) or by phone at 727-724-1555.

BASIC FINANCIAL STATEMENTS

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CITY OF SAFETY HARBOR, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Assets	Governmental Activities	Business-Type Activities	Total
Current assets:			
Pooled cash and investments	\$ 21,195,276	\$ 33,454,885	\$ 54,650,161
Accounts receivable, net	684,095	1,764,202	2,448,297
Due from other governments	1,761,943	7,717	1,769,660
Inventories	167,888	236,255	404,143
Prepaid items	10,569	2,500	13,069
Restricted assets:			
Pooled cash and investments:			
Sinking fund	2,088	59,899	61,987
Customer deposits	79,214	683,138	762,352
Total current assets	23,901,073	36,208,596	60,109,669
Noncurrent assets:			
Restricted assets:			
Pooled cash and investments:			
Sinking fund	-	2,716,936	2,716,936
Capital projects	-	2,295,745	2,295,745
Capital assets:			
Non depreciable	16,647,943	9,974,900	26,622,843
Depreciable, net of accumulated depreciation/amortization	16,762,332	30,922,278	47,684,610
Net pension asset	3,455,539	-	3,455,539
Total noncurrent assets	36,865,814	45,909,859	82,775,673
Total assets	60,766,887	82,118,455	142,885,342
Deferred Outflows of Resources			
Deferred outflows of resources related to OPEB	1,497,876	599,150	2,097,026
Deferred outflows of resources related to pensions	894,298	122,317	1,016,615
Total deferred outflows of resources	2,392,174	721,467	3,113,641

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

CITY OF SAFETY HARBOR, FLORIDA
STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2024

Liabilities	Governmental Activities	Business-Type Activities	Total
Current liabilities:			
Accounts payable	1,086,986	985,893	2,072,879
Accrued liabilities	357,221	102,306	459,527
Customer deposits	79,214	-	79,214
Unearned revenue	209,128	-	209,128
Current liabilities, payable from restricted assets:			
Accrued interest payable	2,088	59,899	61,987
Customer deposits	-	683,138	683,138
Construction contracts payable	-	223,901	223,901
Current portion of long-term obligations	324,466	1,142,699	1,467,165
Total current liabilities	2,059,103	3,197,836	5,256,939
Noncurrent liabilities:			
Noncurrent portion of long-term obligations	1,387,140	8,046,055	9,433,195
Total other postemployment benefits	2,009,693	803,875	2,813,568
Net pension liability	461,578	461,572	923,150
Total noncurrent liabilities	3,858,411	9,311,502	13,169,913
Total liabilities	5,917,514	12,509,338	18,426,852
Deferred Inflows of Resources			
Deferred inflows of resources related to OPEB	558,560	223,424	781,984
Deferred inflows of resources related to pension	2,258,587	331,357	2,589,944
Intergovernmental	-	-	-
Lease related items	751,422	-	751,422
Total deferred inflows of resources	3,568,569	554,781	4,123,350
Net Position			
Net investment in capital assets	32,381,967	31,793,761	64,175,728
Restricted, net of payables from restricted assets:			
General government	1,170,630	-	1,170,630
Fire protection and public safety	29,406	-	29,406
Transportation programs	450,306	-	450,306
Library	101,784	-	101,784
Debt service	54,388	2,716,936	2,771,324
Capital projects	1,230,282	2,295,745	3,526,027
Pension Benefits	3,455,539	-	3,455,539
Unrestricted	14,798,676	32,969,361	47,768,037
Total net position	<u>\$ 53,672,978</u>	<u>\$ 69,775,803</u>	<u>\$ 123,448,781</u>

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

CITY OF SAFETY HARBOR, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Function/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	\$ 4,594,678	\$ 46,267	\$ 102,505	\$ -	\$ (4,445,906)	\$ -	\$ (4,445,906)
Law enforcement	1,736,395	7,205	-	-	(1,729,190)	-	(1,729,190)
Fire protection	4,755,203	17,150	1,547,177	-	(3,190,876)	-	(3,190,876)
Building department	371,206	302,788	-	-	(68,418)	-	(68,418)
Physical environment	532,903	-	-	-	(532,903)	-	(532,903)
Transportation	1,501,075	277,475	7,214	-	(1,216,386)	-	(1,216,386)
Library	1,606,569	16,450	227,947	960,982	(401,190)	-	(401,190)
Parks and recreation	5,612,200	1,361,323	-	2,900	(4,247,977)	-	(4,247,977)
Interest on long-term debt	25,944	-	-	-	(25,944)	-	(25,944)
Total governmental activities	<u>20,736,173</u>	<u>2,028,658</u>	<u>1,884,843</u>	<u>963,882</u>	<u>(15,858,790)</u>	<u>-</u>	<u>(15,858,790)</u>
Business-type activities:							
Water and sewer	10,594,914	12,600,065	-	-	-	2,005,151	2,005,151
Solid waste	3,099,901	4,026,008	7,717	-	-	933,824	933,824
Stormwater	<u>1,268,170</u>	<u>1,544,135</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,965</u>	<u>275,965</u>
Total business-type activities	<u>14,962,985</u>	<u>18,170,208</u>	<u>7,717</u>	<u>-</u>	<u>-</u>	<u>3,214,940</u>	<u>3,214,940</u>
Total primary government	<u>\$ 35,699,158</u>	<u>\$ 20,198,866</u>	<u>\$ 1,892,560</u>	<u>\$ 963,882</u>	<u>(15,858,790)</u>	<u>3,214,940</u>	<u>(12,643,850)</u>
General revenues:							
Taxes:							
Property taxes					7,828,459	-	7,828,459
Utility taxes					2,917,072	-	2,917,072
Local business tax					132,987	-	132,987
Local option tax					2,814,899	-	2,814,899
Franchise fees					1,706,366	-	1,706,366
Sales tax					1,357,831	-	1,357,831
Intergovernmental Unrestricted					804,914	-	804,914
Investment income					1,526,311	2,458,710	3,985,021
Other					518,461	22,356	540,817
Gain on the sale of capital assets					243,538	45,853	289,391
Transfers					(1,700,000)	1,700,000	-
Insurance recoveries					<u>3,545</u>	<u>5,773</u>	<u>9,318</u>
Total general revenues and transfers					<u>18,154,383</u>	<u>4,232,692</u>	<u>22,387,075</u>
Change in net position					2,295,593	7,447,632	9,743,225
Net position, beginning					<u>51,377,385</u>	<u>62,328,171</u>	<u>113,705,556</u>
Net position, ending					<u>\$ 53,672,978</u>	<u>\$ 69,775,803</u>	<u>\$ 123,448,781</u>

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

CITY OF SAFETY HARBOR, FLORIDA
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	General Fund	Community Redevelopment Agency Fund	Capital Projects Fund	Other Non- major Governmental Funds	Total Governmental Funds
Assets					
Pooled cash and investments	\$ 12,834,708	\$ 1,489,656	\$ 4,070,775	\$ 2,881,439	\$ 21,276,578
Receivables, net:					
Accounts receivable	614,715	3,546	7,575	58,259	684,095
Due from other governments	464,886	647,628	594,530	54,899	1,761,943
Inventories	167,888	-	-	-	167,888
Prepaid items	9,551	-	1,018	-	10,569
Advance to CRA	771,430	-	-	-	771,430
					-
Total assets	<u>\$ 14,863,178</u>	<u>\$ 2,140,830</u>	<u>\$ 4,673,898</u>	<u>\$ 2,994,597</u>	<u>\$ 24,672,503</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 360,184	\$ 119,475	\$ 364,387	\$ 242,940	\$ 1,086,986
Accrued liabilities	356,820	401	-	-	357,221
Customer deposits	69,327	-	-	9,887	79,214
Unearned revenue	206,066	-	-	3,062	209,128
Advance from Primary Government	-	771,430	-	-	771,430
Total liabilities	<u>992,397</u>	<u>891,306</u>	<u>364,387</u>	<u>255,889</u>	<u>2,503,979</u>
Deferred Inflows of Resources:					
Unavailable Revenue	2,802	497,628	-	-	500,430
Lease Related Items	751,422	-	-	-	751,422
Total Deferred Inflows of Resources	<u>754,224</u>	<u>497,628</u>	<u>-</u>	<u>-</u>	<u>1,251,852</u>
Fund Balances:					
Nonspendable:					
Advance from primary government	771,430	-	-	-	771,430
Inventories and prepaid items	177,439	-	1,018	-	178,457
Restricted for:					
General government	-	553,527	-	-	553,527
Fire protection	-	-	-	29,406	29,406
Transportation	-	-	-	450,306	450,306
Library	-	-	-	101,784	101,784
Debt service	-	-	-	56,476	56,476
Capital projects	-	-	1,230,282	-	1,230,282
Committed to:					
Emergency/disaster relief stabilization	4,257,972	-	-	-	4,257,972
Physical environment	-	-	-	264,879	264,879
Public safety	1,468,021	-	-	201,502	1,669,523
Assigned to:					
General government	-	198,369	-	-	198,369
Fire protection	-	-	-	10,400	10,400
Library	-	-	-	9,667	9,667
Parks and recreation	-	-	3,078,211	9,956	3,088,167
Public safety	-	-	-	15,019	15,019
Physical environment	-	-	-	80,394	80,394
Transportation	-	-	-	1,508,919	1,508,919
Unassigned:	6,441,695	-	-	-	6,441,695
Total fund balances	<u>13,116,557</u>	<u>751,896</u>	<u>4,309,511</u>	<u>2,738,708</u>	<u>20,916,672</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 14,863,178</u>	<u>\$ 2,140,830</u>	<u>\$ 4,673,898</u>	<u>\$ 2,994,597</u>	<u>\$ 24,672,503</u>

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

CITY OF SAFETY HARBOR, FLORIDA
RECONCILIATION OF THE BALANCE SHEET –
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Fund balances - total governmental funds	\$	20,916,672
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Amounts reported for governmental activities in the statement
of net position are different because:

Capital assets used in governmental activities are not financial resources and
therefore are not reported in the governmental funds.

Governmental capital assets			
Non depreciable	\$	16,647,943	
Depreciable		53,657,076	
Less, accumulated depreciation/amortization		<u>(36,894,744)</u>	33,410,275

The net pension asset related to governmental activities does not represent financial resources and is not reported in the funds.		3,455,539
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Deferred outflows of resources related to OPEB and net pension assets/(liabilities) do not have a current financial resources focus, and therefore are not recognized in the governmental fund statements.		2,392,174
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Accrued interest payable on long-term debt does not represent the current use of financial resources and is not reported as a liability in the governmental funds		(2,088)
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Deferred inflows of resources related to OPEB and net pension assets/(liabilities) and other post employee benefits do not have a current financial resources focus, and therefore are not recognized in the governmental fund statements		(2,817,147)
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the fund.		
Unavailable revenues - taxes		497,628
Unavailable revenues - Intergovernmental		2,802

Long-term liabilities are not due and payable in the current period
and, therefore, are not reported in the governmental funds.

Net pension liability	(461,578)		
Revenue notes	(727,265)		
Financed purchase	-		
Lease payable	(47,908)		
Compensated absences	(936,433)		
Other post employment benefits	<u>(2,009,693)</u>		<u>(4,182,877)</u>

Net position of governmental activities	\$	<u>53,672,978</u>
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The notes to the basic financial statements are an integral part of this statement.

CITY OF SAFETY HARBOR, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Community Redevelopment Agency Fund	Capital Projects Fund	Other Non- major Governmental Funds	Total Governmental Funds
Revenues:					
Property taxes	\$ 6,557,041	\$ 773,790	\$ -	\$ -	\$ 7,330,831
Utility taxes	2,917,072	-	-	-	2,917,072
Local business tax	132,987	-	-	-	132,987
Local option tax	-	-	2,591,011	223,888	2,814,899
Franchise fees	1,706,366	-	-	-	1,706,366
Licenses and permits	54,012	-	-	-	54,012
Impact fees	-	-	-	54,538	54,538
Special assessments	-	-	-	222,946	222,946
Sales tax	1,357,831	-	-	-	1,357,831
Intergovernmental	2,686,955	-	-	-	2,686,955
Charges for services	1,450,012	-	-	195,123	1,645,135
Fines and forfeitures	52,027	-	-	-	52,027
Investment income	897,097	137,775	254,777	236,662	1,526,311
Contributions and donations	-	960,982	-	2,900	963,882
Other	742,151	-	-	-	742,151
Total revenues	18,553,551	1,872,547	2,845,788	936,057	24,207,943
Expenditures:					
Current operating:					
General government	4,281,284	162,560	-	-	4,443,844
Public safety					
Law enforcement	1,732,044	-	-	-	1,732,044
Fire protection	4,493,044	-	-	-	4,493,044
Building department	331,611	-	-	30,859	362,470
Physical environment	497,314	-	-	23,223	520,537
Transportation	632,620	-	25,968	323,596	982,184
Culture and recreation					
Library	1,299,739	-	-	-	1,299,739
Parks and recreation	4,534,853	-	-	19,216	4,554,069
Capital outlay	101,463	2,583,026	2,600,548	2,451,347	7,736,384
Debt service:					
Principal retirement	16,743	-	-	357,579	374,322
Interest and other charges	1,426	-	-	24,984	26,410
Total expenditures	17,922,141	2,745,586	2,626,516	3,230,804	26,525,047
Excess (deficiency) of revenues over (under) expenditures	631,410	(873,039)	219,272	(2,294,747)	(2,317,104)
Other financing sources (uses):					
Transfers in	255,740	-	432,480	631,590	1,319,810
Transfers out	(2,293,650)	(129,700)	(513,980)	(82,480)	(3,019,810)
Sale of capital assets	19,848	-	-	223,690	243,538
Insurance recoveries	3,545	-	-	-	3,545
Total other financing sources (uses)	(2,014,517)	(129,700)	(81,500)	772,800	(1,452,917)
Net change in fund balances	(1,383,107)	(1,002,739)	137,772	(1,521,947)	(3,770,021)
Fund balances, beginning of year	14,499,664	1,754,635	4,171,739	4,260,655	24,686,693
Fund balances, end of year	\$ 13,116,557	\$ 751,896	\$ 4,309,511	\$ 2,738,708	\$ 20,916,672

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

CITY OF SAFETY HARBOR, 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, 2024

Net change in fund balances - total governmental funds \$ (3,770,021)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Expenditure for capital assets	\$ 7,736,384	
Less, current year depreciation and amortization	(2,591,372)	
Gain (loss) on disposal of assets	<u>(223,690)</u>	4,921,322

Debt issuances provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal on long-term debt is reported as an expenditure in governmental funds, but a reduction of long-term liabilities in the statement of net position.

Leases	-	
Principal payments on finance purchase	195,000	
Principal payments on notes	162,579	
Principal payment on leases	<u>16,743</u>	374,322

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the fund.

Unavailable revenues - Taxes	497,628
Unavailable revenues - Intergovernmental	2,802

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

Pension related amounts	245,553	
Accrued interest on long-term debt	466	
Compensated absences	162,150	
Other post employment benefits	<u>(138,629)</u>	269,540

Change in net position - governmental activities \$ 2,295,593

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

CITY OF SAFETY HARBOR, FLORIDA
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Water And Sewer Fund	Solid Waste Fund	Stormwater Fund	Total
Assets				
Current assets:				
Pooled cash and investments	\$ 20,355,172	\$ 6,149,332	\$ 6,950,381	\$ 33,454,885
Accounts receivable, net:				
Accounts receivable	1,310,238	321,652	132,312	1,764,202
Due from other governments	-	7,717	-	7,717
Inventories	236,255	-	-	236,255
Prepaid items	2,500	-	-	2,500
Restricted assets:				
Pooled cash and investments:				
Sinking fund	57,897	714	1,288	59,899
Customer deposits	628,151	54,987	-	683,138
Total current assets	22,590,213	6,534,402	7,083,981	36,208,596
Noncurrent assets:				
Restricted pooled cash and investments:				
Sinking fund	2,402,753	107,096	207,087	2,716,936
Capital projects	2,295,745	-	-	2,295,745
Capital assets:				
Nondepreciable	9,091,698	-	883,202	9,974,900
Depreciable, net of accumulated depreciation/amortization	25,405,070	1,352,793	4,164,415	30,922,278
Total noncurrent assets	39,195,266	1,459,889	5,254,704	45,909,859
Total assets	61,785,479	7,994,291	12,338,685	82,118,455
Deferred outflows of resources				
Deferred outflows of resources related to OPEB	342,372	213,982	42,796	599,150
Deferred outflows of resources related to pensions	-	91,738	30,579	122,317
Total deferred outflows of resources	342,372	305,720	73,375	721,467
Liabilities				
Current liabilities:				
Accounts payable	666,517	144,012	175,364	985,893
Accrued liabilities	63,278	26,689	12,339	102,306
Current liabilities, payable from restricted assets:				
Accrued interest payable	57,897	714	1,288	59,899
Customer deposits	628,151	54,987	-	683,138
Construction contracts and retainage payable	223,901	-	-	223,901
Current portion of long-term obligations:				
Compensated absences	14,398	6,549	2,245	23,192
Bonds and notes payable	944,173	47,491	85,657	1,077,321
Lease payable	5,660	214	214	6,088
SBITA payable	36,098	-	-	36,098
Total current liabilities	2,640,073	280,656	277,107	3,197,836
Noncurrent liabilities:				
Compensated absences	177,580	80,773	27,693	286,046
Other post employment benefits	459,358	287,099	57,418	803,875
Net pension liability	-	346,181	115,391	461,572
Bonds and notes payable	7,175,060	195,505	352,602	7,723,167
Lease payable	9,809	520	520	10,849
SBITA payable	25,993	-	-	25,993
Total noncurrent liabilities	7,847,800	910,078	553,624	9,311,502
Total liabilities	10,487,873	1,190,734	830,731	12,509,338
Deferred inflows of resources				
Deferred inflows of resources related to OPEB	127,671	79,794	15,959	223,424
Deferred inflows of resources related to pensions	-	248,518	82,839	331,357
Total deferred inflows of resources	127,671	328,312	98,798	554,781
Net position				
Net investment in capital assets	26,076,074	1,109,063	4,608,624	31,793,761
Restricted for:				
Debt service	2,402,753	107,096	207,087	2,716,936
Capital projects	2,295,745	-	-	2,295,745
Unrestricted	20,737,735	5,564,806	6,666,820	32,969,361
Total net position	\$ 51,512,307	\$ 6,780,965	\$ 11,482,531	\$ 69,775,803

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

CITY OF SAFETY HARBOR, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION – PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Water And Sewer Fund</u>	<u>Solid Waste Fund</u>	<u>Stormwater Fund</u>	<u>Total</u>
Operating revenues				
Charges for services	\$ 12,600,065	\$ 4,026,008	\$ 1,544,135	\$ 18,170,208
Intergovernmental	-	7,717	-	7,717
Other	13,520	8,836	-	22,356
Total operating revenues	<u>12,613,585</u>	<u>4,042,561</u>	<u>1,544,135</u>	<u>18,200,281</u>
Operating expenses				
Salaries, wages, and employee benefits	1,740,984	1,214,708	426,243	3,381,935
Materials and supplies	140,711	232,729	127,615	501,055
Contractual and other services	6,088,743	1,179,089	378,233	7,646,065
Depreciation and amortization	<u>2,472,190</u>	<u>470,157</u>	<u>330,293</u>	<u>3,272,640</u>
Total operating expenses	<u>10,442,628</u>	<u>3,096,683</u>	<u>1,262,384</u>	<u>14,801,695</u>
Operating income	<u>2,170,957</u>	<u>945,878</u>	<u>281,751</u>	<u>3,398,586</u>
Nonoperating revenue (expenses)				
Investment income	1,625,580	379,714	453,416	2,458,710
Interest and other charges	(152,286)	(3,218)	(5,786)	(161,290)
Insurance recoveries	5,773	-	-	5,773
Gain on the sale of capital assets	<u>43,158</u>	<u>2,525</u>	<u>170</u>	<u>45,853</u>
Total nonoperating revenue (expenses)	<u>1,522,225</u>	<u>379,021</u>	<u>447,800</u>	<u>2,349,046</u>
Transfers				
Transfers in	<u>1,700,000</u>	-	-	1,700,000
Transfers in	<u>1,700,000</u>	-	-	1,700,000
Change in net position	5,393,182	1,324,899	729,551	7,447,632
Net position - beginning of year	<u>46,119,125</u>	<u>5,456,066</u>	<u>10,752,980</u>	<u>62,328,171</u>
Net position - end of year	<u><u>\$ 51,512,307</u></u>	<u><u>\$ 6,780,965</u></u>	<u><u>\$ 11,482,531</u></u>	<u><u>\$ 69,775,803</u></u>

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

CITY OF SAFETY HARBOR, FLORIDA
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Water And Sewer Fund	Solid Waste Fund	Stormwater Fund	Total
Cash flows from operating activities:				
Cash received from customers	\$ 12,640,558	\$ 3,990,056	\$ 1,536,908	\$ 18,167,522
Other operating and intergovernmental revenue	13,520	21,074	-	34,594
Cash paid to suppliers for goods and services	(6,018,599)	(1,551,969)	(343,047)	(7,913,615)
Cash payments to and for the benefit of employees	(1,909,716)	(1,185,015)	(384,417)	(3,479,148)
Cash provided by operating activities	<u>4,725,763</u>	<u>1,274,146</u>	<u>809,444</u>	<u>6,809,353</u>
Cash flows from capital and related financing activities:				
Transfers in	1,700,000	-	-	1,700,000
Insurance recoveries	5,773	-	-	5,773
Principal payments on long-term debt and leases and SBITAs	(972,488)	(47,175)	(84,897)	(1,104,560)
Interest payments on long-term debt and leases and SBITAs	(158,062)	(3,356)	(6,035)	(167,453)
Proceeds from the sale of capital assets	43,158	2,525	170	45,853
Acquisition and construction of capital assets	(4,478,035)	(391,511)	(452,993)	(5,322,539)
Cash provided/(used) by capital and related financing activities	<u>(3,859,654)</u>	<u>(439,517)</u>	<u>(543,755)</u>	<u>(4,842,926)</u>
Cash flows from investing activity:				
Interest and dividends on investments	1,628,238	376,673	449,054	2,453,965
Cash used by investing activities	<u>1,628,238</u>	<u>376,673</u>	<u>449,054</u>	<u>2,453,965</u>
Net increase (decrease) in pooled cash and investments	2,494,347	1,211,302	714,743	4,420,392
Pooled cash and investments at beginning of year	<u>23,245,371</u>	<u>5,100,827</u>	<u>6,444,013</u>	<u>34,790,211</u>
Pooled cash and investments at end of year	<u>\$ 25,739,718</u>	<u>\$ 6,312,129</u>	<u>\$ 7,158,756</u>	<u>\$ 39,210,603</u>

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

CITY OF SAFETY HARBOR, FLORIDA
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Water And Sewer Fund	Solid Waste Fund	Stormwater Fund	Total
Reconciliation of cash and investments to Statement of Net Position:				
Total unrestricted pooled cash and investments	\$ 20,355,172	\$ 6,149,332	\$ 6,950,381	\$ 33,454,885
Total restricted pooled cash and investments	<u>5,384,546</u>	<u>162,797</u>	<u>208,375</u>	<u>5,755,718</u>
Total pooled cash and investments	<u>\$ 25,739,718</u>	<u>\$ 6,312,129</u>	<u>\$ 7,158,756</u>	<u>\$ 39,210,603</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 2,170,957	\$ 945,878	\$ 281,751	\$ 3,398,586
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	2,472,190	470,157	330,293	3,272,640
Change in operating assets and liabilities:				
Decrease (increase) in accounts receivable	5,597	(35,952)	(7,227)	(37,582)
Decrease (increase) in due from other governments	-	4,521	-	4,521
Decrease (increase) in inventories	(23,830)	-	-	(23,830)
Decrease (increase) in deferred outflows	27,048	25,760	(30,230)	22,578
Increase (decrease) in accounts payable	234,685	(140,151)	162,801	257,335
Increase (decrease) in pension and other accrued liabilities	(202,096)	(76,248)	18,218	(260,126)
Increase (decrease) in deferred inflows	(87,150)	79,234	40,267	32,351
Increase (decrease) in customer deposits	34,896	-	-	34,896
Increase (decrease) in OPEB	79,201	(3,064)	21,427	97,564
Increase (decrease) in accumulated unused compensated absences	<u>14,265</u>	<u>4,011</u>	<u>(7,856)</u>	<u>10,420</u>
Net cash provided by operating activities	<u>\$ 4,725,763</u>	<u>\$ 1,274,146</u>	<u>\$ 809,444</u>	<u>\$ 6,809,353</u>
Non cash investing, capital, and financing activities:				
Construction contracts payable at year end	\$ 223,901	\$ -	\$ -	\$ 223,901
Change in fair value of investments	505,489	114,188	134,920	754,597

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

CITY OF SAFETY HARBOR, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2024

	Pension Trust Fund
Assets	
Cash and cash equivalents:	
Money market	\$ 250,227
Investments, at fair value:	
Equity securities	12,386,209
U.S. Treasury Bonds, Notes and Bills	5,236,883
Total investments	<u>17,623,092</u>
Accounts receivable	24,116
Total assets	<u>17,897,435</u>
Net position	
Restricted for pension benefits	16,629,846
Restricted for pension benefits - Share Plan	<u>1,267,589</u>
Total net position	<u><u>\$ 17,897,435</u></u>

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

CITY OF SAFETY HARBOR, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	<u>Pension Trust Fund</u>
Additions	
Contributions:	
State	\$ 192,085
City	353,829
Employees	<u>144,638</u>
Total contributions	690,552
Investment income:	
Interest earnings and net decrease in the fair value of investments	<u>2,908,928</u>
 Total additions	 <u>3,599,480</u>
 Deductions	
Administrative expenses	57,973
Distributions	<u>131,630</u>
 Total deductions	 <u>189,603</u>
 Change in net position	 3,409,877
 Net position - beginning of year	 <u>14,487,558</u>
 Net position - end of year	 <u><u>\$ 17,897,435</u></u>

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS

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CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The City of Safety Harbor, Florida (the City) is a political subdivision of the state of Florida. The City was originally incorporated on June 11, 1917, and in 1982, the citizens of the City ratified the current City Charter (the Charter). The Charter provides for a Commission-Manager form of government. The City was created under legal authority of Chapter 61-2735, laws of Florida, which was subsequently amended by and adopted as ordinance No. 92-36 on December 21, 1992, and passed at referendum on March 9, 1993. The government of the City is operated by the authority of the powers granted by its Charter, as limited by the State Legislature. The City provides a full complement of municipal services, except for certain education, health, and welfare services, which are administered by other governmental entities.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as applicable to governmental units, in accordance with the Governmental Accounting Standards Board (GASB). The more significant accounting policies established under GAAP and used by the City are discussed below.

The Reporting Entity

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may or may not be financially accountable, and, as such, be included in the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Management has determined that the Community Redevelopment Agency is the only organization that should be included in the City's financial statements as a blended component unit.

Blended Component Unit

The Community Redevelopment Agency (CRA) was created in 1992 pursuant to Chapter 163.356, Florida Statutes, City Ordinance 92-24, and City Resolutions 92-25 and 92-26. The City Commission serves as the CRA Board and there is a financial benefit or burden relationship between the City and the CRA. Although legally separate, the CRA is appropriately blended as a special revenue fund type component unit into the primary government. Separate financial statements are prepared for the CRA. Requests for additional information should be addressed to the Finance Director, City of Safety Harbor, 750 Main Street, Safety Harbor, Florida 34695, via the City's website <http://www.cityofsafetyharbor.com>).

The City includes advisory boards and commissions within the City in its financial statements in circumstances where the City selects the governing authority, designates management, has the ability to influence operations, and has accountability for fiscal matters of the advisory boards and commissions.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole, excluding fiduciary activities, such as employee pension plans. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in a whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the function's program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services, which report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions, which finance annual operating activities; and (3) capital grants and contributions, which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues. As a general rule, interfund accounts and transactions are eliminated.

Fund Financial Statements

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for nonmajor funds.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied.

The government-wide financial statements are presented on the accrual basis of accounting. The government funds in the fund financial statements are presented on a modified accrual basis of accounting.

All proprietary funds are maintained on the accrual basis of accounting with revenues being recognized when earned and expenses recognized when incurred. Operating revenues and expenses of the proprietary funds are defined revenues or expenses related to the provision of the applicable service. Non-operating revenues and expenses include items unrelated to the provision of services.

Under the modified accrual basis, revenues are recognized in the accounting period when they become measurable and available. Revenues are generally considered available when they are received in cash (unless legally restricted to some future period) or when earned and expected to be collected soon enough after yearend to pay liabilities of the current period (i.e., within 60 days of the end of the current fiscal period). Revenues which are susceptible to accrual are as follows: water, sewer and solid waste collection revenue, state revenue sharing, franchise fees, local infrastructure tax, and intergovernmental grants.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Expenditures are recognized at the time the fund liability is incurred, if measurable. Interest and principal payments on general long-term debt and compensated absences are recognized when paid. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

Measurement Focus

The governmental fund measurement focus (in the fund financial statements) is based on determination of financial position and changes in financial position rather than on net income. The proprietary fund measurement focus is on the determination of operating income, changes in net position, and cash flows similar to businesses in the private sector.

Fund Accounting

To ensure observance of limitations and restrictions on the use of the available resources, the financial records and accounts are maintained in accordance with the principles of fund accounting. The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, deferred inflows and outflows of resources, fund equity, revenues and expenditures or expenses.

The fund financial statements are presented to emphasize the major funds of the City. GASB Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, sets forth criteria for the determination of major funds. The general fund is always a major governmental fund. Based on the criteria of GASB No. 34, community redevelopment agency and capital projects funds are also considered major governmental funds. The combined total of nonmajor funds is reflected as other governmental funds. For the business-type activities, the water and sewer, solid waste, and stormwater funds are considered major funds. There are no other business-type activity funds for consideration. The fund financial statements are prepared on the modified accrual basis for governmental activities and the accrual basis for business-type activities.

Governmental Fund Types

Governmental fund types are as follows:

- General Fund – accounts for and reports for all financial resources not accounted for in another fund.
- Community Redevelopment Agency – accounts for and reports the proceeds of property tax revenue restricted for financing or refinancing community redevelopment pursuant to the City's adopted community redevelopment plan.
- Capital Projects Fund – accounts for and reports financial resources that are restricted, committed or assigned to expenditure for capital outlay.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Proprietary Fund Types

Proprietary fund types are as follows:

- Water and Sewer – accounts for the provision of water and sewer services to the residents of the City and some county residents. All activities necessary to the provision of these services are accounted for in this fund, including, but not limited to, administration and system maintenance.
- Solid Waste – accounts for the provision of solid waste removal service to the residents of the City. All activities necessary to the provision of this service are accounted for in this fund.
- Stormwater Utility Fund – accounts for the provision of stormwater and drainage services to the City and some County residents. All activities necessary to the provision of this service are accounted for in this fund.

Fiduciary Fund Type

- Fiduciary fund includes the pension trust fund. The measurement focus of the pension trust fund is similar to proprietary funds. Trust funds are used to account for assets held by the City in a trustee capacity. The City reports the Retirement Plan for the Firefighters of the City of Safety Harbor as a pension trust fund.

Interfund Activity

Interfund activity is reported as loans, services provided reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements to a fund for payments initially made, but which are applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reduction of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are treated as transfers. Interfund services provided and used are not eliminated in the process of consolidation. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide statements.

Budgets and Budgetary Accounting

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

- a. At least thirty days prior to October 1, the Budget Officer submits to the City Commission an operating budget and an explanatory message. The budget message contains an outline of the proposed financial policies for the fiscal year: (1) identifies any important changes from the current year in revenue items or appropriations, (2) lists pending funding, (3) presents a complete program and financial plan for the appropriation of expenditures, and (4) presents anticipated revenues and revenue sources.
- b. Public hearings are conducted by the City Commission as required by state and federal law to obtain taxpayer comments on the proposed budget.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

- c. The budget is adopted by a majority of all members of the City Commission not later than three days before October 1.
- d. The City Manager is authorized to transfer budgeted amounts between line items within a department; however, any revisions that alter the total expenditures of any department must be approved by the City Commission.
- e. Budgets for the general, special revenue, debt service, and capital projects funds are adopted on a basis consistent with GAAP. Budgeted amounts are, as originally adopted or as amended, in accordance with City Ordinance.

Section 7.28 of the City's Code of Ordinances prohibits the expenditure of any money or the incurrence of any liability in excess of the amounts appropriated for these general classifications of expenditures: personal services, contractual and other services, materials and supplies, capital outlay, and debt service.

During the current year, the following funds had an incurrence of expenditures in excess of the appropriated amounts:

- General Fund – capital outlay and debt service
- Community Redevelopment Agency Fund – Personnel Services
- Parkland Fund – Contractual and Other Services and Debt Service
- Water and Sewer Fund – Contractual and Other Services

Appropriations for outstanding authorized encumbrances are automatically re-appropriated on October 1 of the new budget year without any further action by City Commission per Section 7.13 of City Code. However, it is management's policy to request City Commission re-appropriate unexpended or unencumbered appropriations in the succeeding year's budget.

Pooled Cash and Investments

The City utilizes a consolidated cash pool to account for cash and investments of all City funds other than those which are required by ordinance to be physically segregated. The consolidated cash pool concept allows each participating fund to benefit from the economies of scale and improved yield which are inherent to a larger investment pool. Formal accounting records detail the individual equities of the participating funds.

Investments in U.S. government agencies, collateralized mortgage obligations and mortgage-backed securities are recorded at fair value, as determined by quoted market prices. If quoted market prices are not available, fair values are estimated on the basis of dealer quotes, pricing models, or quoted prices for instruments with similar characteristics. Florida PRIME, operated by the Florida State Board of Administration, currently meets all of the necessary GASB 79 criteria to elect to measure all of the investments in Florida PRIME at amortized cost; therefore, are valued at amortized cost.

Cash Equivalents

For purposes of the statement of cash flows, the proprietary funds consider pooled cash and investments to be cash equivalents since the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Receivables

Utility (water and sewer, solid waste, and stormwater) operating revenues are generally recognized on the basis of cycle billings rendered monthly. The City recognizes as revenue the estimated unbilled consumption as of September 30. The City has recorded an allowance for potentially uncollectible water and sewer, solid waste, and stormwater billings. The City's General Fund includes \$3,517,982 in code enforcement lien receivables, of which approximately 98.5% (\$3,465,212) has been recorded as uncollectable.

Property Taxes

Under Florida Law, the assessment of all properties and the collection of all City property taxes are consolidated in the offices of the Pinellas County Property Appraiser and the Pinellas County Tax Collector. The laws of the State regulating tax assessments are also designed to assure a consistent property valuation method statewide. Florida Statutes permit cities to levy property taxes at a rate of up to 10 mills. The millage rate in effect for the fiscal year ended September 30, 2024, was 3.9500.

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

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

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Pinellas County Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Currently a lien is placed on the property. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount. Delinquent taxes on real property bear interest up to 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by Pinellas County.

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

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Inventories and Prepaids

Inventories are stated at cost (determined on the first-in, first-out method). Equipment and office supply inventories in the governmental funds are accounted for by the purchase method where inventories are recorded as expenditures when they are acquired. The unused balance is reclassified from expenditure to inventory at year end, and a portion of fund balance is considered nonspendable for the balance of these inventories on hand at year-end. Fuel inventory in the governmental funds is accounted for by the consumption method, where inventories are recorded as expenditures when used.

The following is the breakdown in governmental fund inventories on September 30, 2024:

Equipment supplies	\$	36,113
Fuel supplies		131,775
	\$	<u>167,888</u>

Certain advance payments to vendors, i.e., insurance premiums, reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and individual fund financial statements. The cost of these items are recorded as expenditures when consumed rather than when purchased. Prepaid items are equally offset by non-spendable fund balance and are not available for spending even though they are a component of net current assets.

Capital Assets

The City's property, plant, equipment, right-to-use leased equipment, subscription-based technology arrangements, and infrastructure with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. The City maintains infrastructure asset records consistent with all other capital assets. Proprietary capital assets are also reported in their respective fund financial statements. Donated assets are stated at acquisition value on the date donated. Acquisition value represents the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at acquisition date. The City generally capitalizes assets with a cost of \$5,000 or more. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets, including those of component units, are depreciated/amortized using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation/amortization are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

The estimated useful lives of the various classes of depreciable assets are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	10 - 50
Infrastructure	5 - 50
Machinery and equipment	3 - 15

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Subscription-based Information Technology Arrangements (SBITA) assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation and sick leave maximum limits vary depending on an employee's class of service, hire date, etc. but generally vacation cannot exceed 280 hours and sick leave cannot exceed 1,800 hours. Upon separation from the City, an eligible employee is paid for all vacation time not exceeding their maximum limit and from one-quarter to one-half of accumulated unused sick leave not exceeding the sick leave maximum limit, i.e., sick leave payout is 900 hours for an employee with a 1,800-hour maximum limit. The City accrues for all earned, but unused vacation pay up to the maximum limit and the portion of unused sick leave estimated to be payable upon retirement. The current portion of compensated absences is the amount estimated to be used in the following year. For governmental activities, compensated absences are liquidated within the governmental fund where the vacation and/or sick are earned.

Long-Term Obligations

In the government-wide financial statements and proprietary fund type financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums, discounts, and deferred outflows of resources or deferred inflows of resources are amortized over the life of the related debt using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of bond premiums or discounts.

In the separate fund financial statements, governmental fund types recognize bond premiums and discounts as other financing sources. Premiums received on issuance of debt are reported as other financing sources while discounts on issuance of debt are reported as other financing uses. Issuance costs, whether or not withheld from the actual issuance of debt received, are reported as debt service expenditures.

Postretirement Health and Life Insurance Benefits

The City makes healthcare insurance available for eligible retirees through the City's group health insurance plan, which covers both active and retired members. Retirees pay the full cost of healthcare insurance, which is a single, blended premium rate that is used for both active employees and retired members.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Unearned Revenue

The government-wide financial statements as well as in governmental, proprietary, and fiduciary fund financial statements, can report as unearned revenue resources that have been received but not yet earned.

Recreation, library, and special events revenues received but not yet earned total \$209,128.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represent 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 deferred outflows of resources reported in the City's statement of net position pertain to one or more of the City's pension plans: the Florida Retirement System Pension Plan, the Retiree Health Insurance Subsidy Program, and the Firefighters' Pension Plan. These amounts will be recognized as increases in pension expense in future years.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represent 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 deferred inflows of resources reported in the City's statement of net position pertain to one or more of the City's pension plans: the Florida Retirement System Pension Plan, the Retiree Health Insurance Subsidy Program, and the Firefighters' Pension Plan. These amounts will be recognized as reductions in pension expense in future years. The statement of net position and governmental funds balance sheet also report a deferred inflow of resources related to leases. The lease related deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus any payments received at or before the start of the lease term that relates to future periods, less any lease incentives paid to, or on behalf of the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

Fund Balances

Governmental funds

The City Commission established and adopted by resolution a fund balance policy consistent with the Government Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The City's policy identifies the classification of fund balances as follows:

- Non-spendable fund balance cannot be spent because it is not in spendable form, legally or contractually required to be maintained intact or is not yet available for spending. The City reports inventories and prepaids as fund balance amounts that are not in spendable form.
- Restricted fund balance is restricted for specific purposes that are either externally imposed by creditors, grantors or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The City's Special Revenue fund balance policy accounts for the following funds as restricted:

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Public Safety Fund

The Public Safety fund is used to account for and report the proceeds of impact fee revenue *restricted* for public safety related capital improvements limited to facilities, vehicles, and equipment for firefighting and fire protection services and for emergency medical services. The Public Safety fund is restricted per Pinellas County Resolution Number 09-38, Chapter 62, Pinellas County Code, and Section 163.31801, Florida Statutes.

Street Improvement Fund

The Street Improvement fund is used to account for and report the proceeds of the local option gas tax restricted to transportation expenditures per Section 336.025, Florida Statutes, as may be amended.

Library Impact Fee Fund

The Library Impact Fee fund is used to account for and report the proceeds of library impact fee funds *restricted* for financing of capital and resource expansion of the City's Library in accordance with standards established by the Florida Library Association. The Library Impact Fee Fund is restricted per Section 163.31801, Florida Statutes, as may be amended.

Street Assessment Fund

The Street Assessment fund is used to account for and report the proceeds of special assessment revenue *restricted* for financing capital improvements for streets pursuant to Section 170.01, Florida Statutes, as may be amended.

Community Redevelopment Agency Fund

The Community Redevelopment Agency fund is used to account for, and report proceeds of revenue *restricted* for financing or refinancing community redevelopment pursuant to Section 163.370, Florida Statutes, as may be amended.

Capital Projects Fund

The Capital Projects fund is used to account for and report the proceeds of the local government infrastructure (Penny for Pinellas) discretionary sales tax that is *restricted* for the purpose of capital outlay, including the acquisition or construction of new facilities and other capital assets, pursuant to Section 212.055(2), Florida Statutes, as may be amended.

Street Lighting Fund

The Street Lighting Fund is used to account for the proceeds of special assessment revenue *restricted* to expenditure for street lighting services and facilities charges pursuant to Section 170.201, Florida Statutes, as may be amended.

Debt Service Fund

The Debt Service fund is used to account for and report resources that are *restricted* to expenditure for principal and interest of debt service pursuant to bond covenants.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

- In the event the City no longer expects that a substantial portion of Special Revenue Fund inflows will be derived from restricted or committed revenue sources, the City may discontinue reporting these funds as a Special Revenue Fund and report the funds remaining as resources in the General Fund.
- Committed fund balance may only be used for specific purposes as imposed by formal action of the City Commission, which is the highest level of decision-making authority. Commitments of fund balance may only be removed or changed by taking the same type of action formally used to commit the amount, which is by resolution.

Marina Fund

The Marina fund is used to account for and report the proceeds from marina slip rentals that are *committed* for the specific purpose of marina expenditures, including operating, maintenance and capital outlay and improvements.

City Tree Bank Fund

The City Tree Bank fund is used to account for and reports the proceeds from fines and mitigation for tree removal fees collected in lieu of replacing protected trees that are *committed* for the specific purpose of purchasing trees for use on city property or for use in a City sponsored reforestation program within the City limits; for the payment of fees by the City to a landscape professional or certified arborist for educating City Staff or the general public with regard to tree protection and preservation; or, for such other services or programs deemed to further the intent of Article X, Section 153.07(F) of the City of Safety Harbor Land Development Code.

Stabilization Arrangement

Commitment of general fund balance may be made by the City Commission by authorizing resolution for such purposes including, but not limited to, a) meeting future obligations resulting from a natural disaster; b) accumulating resources pursuant to a stabilization arrangement; and/or c) setting aside amounts for specific projects. Once a fund balance has been committed, the City Commission may only change the classification upon duly adopted resolution. The City maintains at a minimum, a fund balance of twenty (20) percent of General Fund operating expenditures based on the current year's adopted budget, including amendments thereto, committed for the specific purpose for use in the event of a major storm or other unforeseen disaster of a nonrecurring character, including environmental damage, flood, fire or tornado; provided that if federal or state funds are received to offset appropriations for such purposes, such monies shall be returned to the Stabilization Arrangement. Replenishment of the stabilization arrangement will be from Unassigned Fund Balance over a period of five (5) years. On September 30, 2024, the fund balance committed for stabilization is \$4,257,972.

Fire Engine Purchase Agreement

On January 17, 2023, City commission signed a purchase agreement with Ten-8 Fire and Safety, LLC for a fire ladder truck to replace an aging unit. The current timeline for building and delivering the apparatus is four years, with delivery expected in 2026. While the cost of the project is budgeted in the City's FY25/26 Capital Improvement Plan, the City commission committed \$1,468,021 City of Safety Harbor reserves beginning in fiscal year 2024 to secure funding until project completion.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

- Assigned fund balance is established by City Commission or City Management, the City Manager, and is intended to be used for specific purposes, which are neither considered restricted nor committed. The subsequent year's budgeted fund balance shall be assigned by the City Commission and/or City Management (the City Manager) as set forth in the annual budget, and any amendments thereto, to appropriate a portion of existing unassigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount not to exceed the projected excess of estimated expenditures over estimated revenues, transfers, and other financing sources.
- Unassigned fund balance is the residual classification for the general fund that has not been assigned to other funds and has not been restricted, committed, or assigned to a specific purpose within the general fund. The City Commission adopted a resolution whereby there shall be a targeted minimum unassigned fund balance of two months or seventeen (17) percent of General Fund operating expenditures based on the prior year's audited financial statements. This minimum unassigned fund balance shall be in addition to all other categories of unrestricted fund balances.

The spending order of fund balances as established by the City is to first spend restricted amounts when both restricted and unrestricted fund balances are available, unless there are legal restrictions that prohibit such action, such as grant agreements that require a dollar match. Additionally, when expenditures are incurred for purposes for which unrestricted fund balances could be used, the City shall first spend committed fund balance, followed by assigned fund balance, and then unassigned fund balance.

Restrictions on Net Position (Proprietary and Government-Wide)

Net position represents the difference between assets and liabilities. The net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. The net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. All net position not reported as net investment in capital assets or restricted net position, is reported as unrestricted net position.

Fiduciary Fund Type

Fiduciary net position is used to indicate that a portion of net position that is not available for appropriation or expenditure or are legally segregated for a specified future use.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2 – DEPOSITS AND INVESTMENTS:

Equity in Pooled Cash and Investments

On September 30, 2024, the carrying amount of the City's deposits with financial institutions, excluding fiduciary funds, was \$6,539,825 and the bank account balance was \$7,534,258. The City's cash deposits were fully insured by federal depository insurance or by collateral held by the City's agent pursuant to the Public Depository Security Act of the State of Florida. This act establishes a multiple financial institution collateral pool in which all financial institutions holding public deposits pledge a pool of collateral against all public deposits they collectively hold. In the event of a default or insolvency by a qualified public depository, any loss not covered by deposit insurance or the proceeds from the sale of securities pledged by the defaulting depository is covered by an assessment against the other qualified public depositories of the same type as the depository in default. The assessment is based upon the average share of the public fund deposits held by each of these depositories during the previous 12 months in relation to total public deposits held by all depositories of the same type during the same period.

<u>Pooled Cash and Investments</u>	Carrying Amount	% of Portfolio	Weighted average maturity (years)	Credit Rating
<u>Cash and cash equivalents</u>				
Cash on hand	\$ 1,481	-	n/a	n/a
Cash in bank	6,539,825	-	n/a	n/a
Total cash and cash equivalents	6,541,306	10.81%		
<u>Investments</u>				
Certificates of Deposit	4,062	0.01%	0.80	AAA
Money Markets	2,658,423	4.40%	0.00	AAAm
SBA Florida PRIME	21,498,372	35.54%	1.00	AAAm
Federal Home Loan Mortgage ARM FHLMC	1,134,324	1.88%	2.96	AAA
Federal Home Loan Mortgage CMO FHLMC	3,498,362	5.78%	1.93	AAA
Federal Home Loan Mortgage MBS FHLMC	1,624,652	2.69%	4.89	AAA
Government National Mortgage Association ARM GNMA	76,662	0.13%	4.55	AAA
Government National Mortgage Association CMO GNMA	9,086,266	15.02%	2.88	AAA
Government National Mortgage Association MBS GNMA	1,041,285	1.72%	3.66	AAA
Federal National Mortgage Association ARM FNMA	8,797	0.01%	2.63	AAA
Federal National Mortgage Association CMO FNMA	5,884,580	9.73%	2.56	AAA
Federal National Mortgage Association MBS FNMA	6,828,409	11.29%	2.57	AAA
Federal Home Loan Bank Agency	601,681	0.99%	0.00	AAA
Total investments	53,945,875			
Total pooled cash and investments	\$ 60,487,181	100.00%		

Equity in Pooled Investments

Custodial Risk

Custodial credit risk is the risk that a government will not be able to recover deposits or the value of investments in the event of the failure of a depository financial institution or a third party holding the investments' securities. All investments are held in the name of the City and all-time deposits are maintained with qualified public depositories, as previously discussed.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2 – DEPOSITS AND INVESTMENTS (continued):

Credit Risk

Credit quality risk results from potential default of investments that are not financially sound. Florida Statutes (166.261 and 218.415) and the City's investment policy authorize the City to invest surplus public funds in:

- The Local Government Surplus Funds Trust Fund;
- Direct obligations of the United States Government;
- Obligations guaranteed by the U.S. Government as to principal and interest;
- Interest bearing time deposits or savings accounts:
 - In banks organized under the laws of Florida,
 - In national banks organized under the laws of the United States and doing business and situated in the state of Florida,
 - In savings and loan associations which are under the state of Florida's supervision and in federal savings and loan associations located in Florida and organized under federal law and federal supervision;
 - Financial institution must be approved as a qualified public depository by the State of Florida, Department of Insurance and Treasurer;
- Obligations of the Federal Home Loan Mortgage Corporation; Federal Home Loan Mortgage Corporation Participation Certificates; Obligations of the Federal Home Loan Banks or its district banks; Obligations guaranteed by the Government National Mortgage Association.

The City does not have a policy with respect to credit rating limitations beyond the types of authorized investments.

The City is a participant in the State of Florida State Board of Administration (SBA) Local Government Surplus Funds Trust Fund (Florida PRIME). The SBA Florida PRIME, with a current Standard & Poor's rating of AAAm. The SBA is authorized to administer and invest Florida PRIME consistent with Chapter 215.47, Florida Statutes. Florida PRIME meets all the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost, which approximates fair value. The weighted average days to maturity on September 30, 2024, was 39 days. The investment policy of Florida PRIME is to manage the dollar weighted average maturity to 74 days or less.

On September 30, 2024, the fair value of the City's investments in Florida PRIME was \$21,498,372 with no liquidity restrictions.

Qualifying local government investment pools in the state of Florida must comply with applicable Florida statutory requirements. Chapter 218.409(8)(a), Florida Statutes, states that the principal balance within an LGIP trust fund is subject to withdrawal at any time. 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 in the 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, the Investment Advisory Council, and the Participant Local Government Advisory Council.

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

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2 – DEPOSITS AND INVESTMENTS (continued):

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

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to the quantity of the government's investment in a single user. Pursuant to the City's investment policy, the City diversifies its portfolio to control risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific instrument and/or class of instruments. This is accomplished by limiting investments to avoid over concentration from a specific issuer or business sector, limiting investments in securities that have higher credit risk, investing in securities with varying maturities, and continuously investing in readily available funds.

The following table shows the City's level of investment in each financial instrument issuer as a percentage of total investments along with the maximum allowed concentration by investment type.

Investment Types	Concentration at Fair Value	Percentage Pooled Investments	Maximum Portfolio Composition per Investment Policy
Certificates of Deposit	\$ 4,062	0.01%	20.00%
Money Markets	2,658,423	4.93%	10.00%
SBA Florida PRIME	21,498,372	39.85%	25.00%
US/Government Agencies			
Federal Home Loan Mortgage ARM FHLMC	1,134,324	2.10%	
Federal Home Loan Mortgage MBS FHLMC	1,624,652	3.01%	
Government National Mortgage Association ARM GNMA	76,662	0.14%	
Government National Mortgage Association MBS GNMA	1,041,285	1.93%	
Federal National Mortgage Association ARM FNMA	8,797	0.02%	
Federal National Mortgage Association MBS FNMA	6,828,409	12.66%	
Federal Home Loan Bank Agency	601,681	1.12%	
Total US/Government Agencies	11,315,810	20.98%	75.00%
Collateralized Mortgage Obligations (CMO's)			
Federal Home Loan Mortgage CMO FHLMC	3,498,362	6.48%	
Government National Mortgage Association CMO GNMA	9,086,266	16.84%	
Federal National Mortgage Association CMO FNMA	5,884,580	10.91%	
Total Collateralized Mortgage Obligations (CMO's)	18,469,208	34.23%	75.00%
	<u>\$ 53,945,875</u>	<u>100.00%</u>	

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Pursuant to the City's investment policy, the City manages exposure to declines in fair value caused by rising interest rates by not investing in securities having a maturity date of more than five years from the date of purchase. Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five (5) years if the maturity of such investments is made to coincide as nearly as practical with the expected use of the funds. Investment maturities are also laddered (staggered) throughout the year so that a portion of investments mature monthly, which further reduces exposure to declines in fair value. In addition, it is the City's practice to hold all investments until maturity, therefore, decline in fair value, if any, caused by rising interest rates are recognized for accounting purposes, but are never realized. Maturities of the City's investment portfolio are displayed in the table below.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2 – DEPOSITS AND INVESTMENTS (continued):

Investment Types	Fair Value	0 to 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years	More than 4 Years
Certificates of Deposit	\$ 4,062	\$ 4,062	\$ -	\$ -	\$ -	\$ -
Money Markets	2,658,423	2,658,423	-	-	-	-
SBA Florida PRIME	21,498,372	21,498,372	-	-	-	-
Federal Home Loan Mortgage ARM FHLMC	1,134,324	-	-	-	-	1,134,324
Federal Home Loan Mortgage CMO FHLMC	3,498,362	-	-	86,798	40,753	3,370,811
Federal Home Loan Mortgage MBS FHLMC	1,624,652	-	29,682	-	76,848	1,518,122
Government National Mortgage Association ARM GNMA	76,662	-	-	-	-	76,662
Government National Mortgage Association CMO GNMA	9,086,266	-	-	-	-	9,086,266
Government National Mortgage Association MBS GNMA	1,041,285	-	-	-	-	1,041,285
Federal National Mortgage Association ARM FNMA	8,797	-	-	-	-	8,797
Federal National Mortgage Association CMO FNMA	5,884,580	-	-	17,128	-	5,867,452
Federal National Mortgage Association MBS FNMA	6,828,409	611	23,980	210,125	444,676	6,149,017
Federal Home Loan Bank Agency	601,681	601,681	-	-	-	-
	<u>\$ 53,945,875</u>	<u>\$ 24,763,149</u>	<u>\$ 53,662</u>	<u>\$ 314,051</u>	<u>\$ 562,277</u>	<u>\$ 28,252,736</u>

City's Firefighter Pension Plan Deposit and Investments

The City participates in the Florida Municipal Pension Trust Fund which invests assets in the Florida Municipal Investment Trust (FMIvT). The FMIvT is a Local Government Investment Pool (LGIP) administered by the Florida League of Cities for the Firefighters' Pension Plan. The FMIvT is an authorized investment under Section 163.01, Florida Statutes used to invest surplus and pension funds. The FMIvT is governed by a Board of Trustees consisting of the president and second vice president of the Florida League of Cities, two representatives who are appointed from the Florida Municipal Insurance Trust and up to three members who are elected officials of governmental entities actively participating in the FMIvT.

Credit Risk

Credit risk exists when there is a possibility the issuer, or other counterparty to an investment, may be unable to fulfill its obligations. The FMIvT is considered an external investment pool for GASB reporting requirements. The City is a participating employer in the FMPTF and has a beneficial interest in shares of the FMIvT portfolio – 401(a) Defined Benefit/OPEB. The City's investment is a beneficial interest in the FMIvT 401(a) Defined Benefit/OPEB portfolio, not the individual securities held in the portfolio.

The credit risk for FMIvT funds in the portfolio is as follows:

	Firefighters Pension Plan Fitch Rating
Fixed Income Fund:	
FMIvT Broad Market High Quality Bond Fund	AAf/S4
FMIvT Core Plus Fixed Income Fund	Not Rated
Investments, at fair value:	
FMIvT Diversified Large Cap Equity Portfolio	Not Rated
FMIvT Diversified Small to Mid Cap Equity Portfolio	Not Rated
FMIvT International Equity Portfolio	Not Rated
FMIvT Core Real Estate Portfolio	Not Rated

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2 – DEPOSITS AND INVESTMENTS (continued):

Concentration of Credit Risk

Safety of investment principal is the foremost objective of the City's investment program. Diversification of investments is practiced to reduce the chances of losses from individual securities exceeding gains from the entire portfolio. The following table reflects the portfolio's underlying funds, level of investment in each financial instrument and investment by issuer as a percentage of total investment:

	Firefighters Pension Plan	
	Portfolio	Amount in
	Allocation	Trust as of
		September 30,
		2024
Cash and cash equivalents:		
Money Market	1.40%	\$ 250,227
Investments, at fair value:		
Broad Market HQ Bond Fund	14.40%	2,573,758
Core Plus Fixed Income	14.90%	2,663,125
Diversified Large Cap	24.90%	4,450,456
Diversified Small to Mid Cap	14.50%	2,591,631
International Blend	20.50%	3,664,030
Core Real Estate	9.40%	1,680,092
Total		<u>\$ 17,873,319</u>

Interest Rate Risk

Through its investment policy and guidelines, the FMIvT manages its exposure to fair value losses arising from increasing interest rates by limiting the modified duration of certain bond funds as follows:

	Fire Pension Investment Pool (FMIvT)	
	Modified	Weighted
Fixed Income Fund	Duration in Years	Average Maturity (WAM) in Years
FMIvT Broad Market High Quality Bond Fund	5.10	7.10
FMIvT Core Plus Fixed Income Fund	6.24	6.66

Fair Value Measurement

The City and the Firefighters' Pension Plan categorize fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Investments are reported at fair value other than those using Net Asset Value (NAV) or amortized cost. 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. Fair value determination, other than those measured using the NAV as a practical expedient, are made based upon a hierarchy that prioritizes the inputs to valuation techniques. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2 – DEPOSITS AND INVESTMENTS (continued):

Level 1 – Inputs are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability, and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The City had the following recurring fair value measurements comprised of investments as of September 30, 2024:

	2024			
	Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
	Fair Value	(Level 1)	(Level 2)	(Level 3)
Investment by Fair Value Level				
U.S. Government Agency Securities	\$ 1,219,783	\$ -	\$ 1,219,783	\$ -
Collateralized Mortgage Obligations	19,070,889	-	19,070,889	-
Mortgage-backed Securities	9,494,346	-	9,494,346	-
Total Investments Measured at Fair Value	\$ 29,785,018	\$ -	\$ 29,785,018	\$ -
Investments Measured at				
Amortized Cost				
Money Market Mutual Fund	2,658,423			
Certificates of Deposit - Non-negotiable	4,062			
SBA Florida PRIME	21,498,372			
Total Investments Measured at Cost	\$ 24,160,857			
Total Investments	\$ 53,945,875			

Debt securities classified as Level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets. The pricing methodology involves the use of evaluation models such as matrix pricing, which is based on the securities' relationship to benchmark quoted prices.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2 – DEPOSITS AND INVESTMENTS (continued):

The Firefighters' Pension Plan had the following recurring fair value measurements comprised of investments as of September 30, 2024:

	2024			
	Fair Value Measurements Using			
	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs	
	Fair Value	(Level 1)	(Level 2)	(Level 3)
Investment by Fair Value Level				
External Investment Pool:				
FMIvT funds:				
Broad Market HQ Bond Fund	\$ 2,573,758	\$ -	\$ 2,573,758	\$ -
Core Plus Fixed Income	2,663,125	-	-	2,663,125
Diversified Large Cap	4,450,456	-	4,450,456	-
Diversified Small to Mid Cap	2,591,631	-	2,591,631	-
International Blend	3,664,030	-	3,664,030	-
Core Real Estate	1,680,092	-	-	1,680,092
Total Investments Measured at Fair Value	\$ 17,623,092	\$ -	\$ 13,279,875	\$ 4,343,217

FMIVT Broad Market High Quality Bond Fund

This fund invests mainly in US government and agency securities, asset-backed securities and corporate bonds and notes. The underlying securities have observable Level 1 quoted pricing inputs or observable Level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted. The City reports these shares as Level 2 since the value is based on market-corroborated data.

FMIVT Core Plus Fixed Income Fund

This fund invests in a single underlying fund, the Amundi Institutional Multi-Sector Fixed Income Portfolio, LLC. Shares of the fund are not publicly quoted. The underlying fund invests in a variety of financial instruments, including equity investments, asset-backed securities, debt securities, swaps, forward exchange contracts, credit-linked notes, escrow accounts, and litigation trusts for both U.S. and foreign companies and governments. The City reports shares of this fund as Level 3, since the value is based on unobservable inputs.

FMIVT Diversified Large Cap Equity Portfolio

This portfolio invests mainly in domestic stocks and in a single underlying fund, the Intech U.S. Broad Equity Plus Fund, LLC (Intech Fund), shares of which are not publicly quoted. Most of the underlying securities have observable Level 1 quoted pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). The value of the portfolio's shares of the Intech Fund investment is determined based on the net asset value provided by the Intech Fund, which was calculated in accordance with generally accepted accounting principles. While most of the underlying asset values are based on quoted market prices, the net asset value of the portfolio is not publicly quoted. The City reports these shares as Level 2 since the value is based on market-corroborated data.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2 – DEPOSITS AND INVESTMENTS (continued):

FMIvT Diversified Small to Mid-Cap Equity Portfolio

This portfolio invests mainly in domestic stocks. The majority of the underlying securities have observable Level 1 quoted pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted market prices, the net asset value of the portfolio is not publicly quoted. The City reports these shares as Level 2 since the value is based on market-corroborated data.

FMIvT International Equity Portfolio

This portfolio invests in two underlying funds, the Ninety One International Dynamic Equity Fund, LLC (Ninety One Fund) and the Wells Capital Management Emerging Market Large/Mid Cap Fund, LLC (Wells Fund), shares of which are not publicly quoted. Both Funds invest in stocks sold on U.S. and international exchanges, all of which have observable Level 1 quoted pricing inputs. The value of the shares of the Ninety One Fund and the Wells Fund investment is determined based on the net asset value provided by the Funds, which was calculated in accordance with generally accepted accounting principles. The City reports these shares as Level 2 since the value is based on market-corroborated data.

FMIvT Core Real Estate Fund

This portfolio invests in a single underlying fund, the Morgan Stanley Prime Property Fund (Morgan Stanley Fund), shares of which are not publicly quoted. The Morgan Stanley Fund invests in core real estate in the U.S. The value of the Morgan Stanley Fund investments was determined based on quarterly real estate appraisals, which were calculated in accordance with generally accepted accounting principles. The City reports these shares as Level 3 since the value is based on unobservable inputs.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 3 – RECEIVABLES:

Receivables on September 30, 2024, for the City's governmental and enterprise funds, including the applicable allowances for uncollectible accounts are as follows:

	Interest	Utility Taxes & Franchise Fees	Liens	Special Assessments	Accounts	Total Gross Receivables	Less: Allowance for Uncollectibles	Net Total Receivables
Governmental activities								
General fund	\$ 23,087	\$ 354,947	\$ 3,529,952	\$ -	\$ 171,941	\$ 4,079,927	\$ (3,465,212)	\$ 614,715
Community Redevelopment Agency	3,546	-	-	-	-	3,546	-	3,546
Capital Projects	7,575	-	-	-	-	7,575	-	7,575
Non-major governmental funds	5,865	-	-	20,206	32,188	58,259	-	58,259
Gross receivables	40,073	354,947	3,529,952	20,206	204,129	4,149,307	-	684,095
Less: allowance for uncollectibles	-	-	-	-	-	-	(3,465,212)	-
Net total receivables governmental activities	\$ 40,073	\$ 354,947	\$ 3,529,952	\$ 20,206	\$ 204,129	\$ 4,149,307	\$ (3,465,212)	\$ 684,095
Business-type activities								
Water and sewer utility	\$ 37,647	\$ -	\$ 322,574	\$ 24,213	\$ 1,106,400	\$ 1,490,834	\$ (180,596)	\$ 1,310,238
Solid waste utility	9,575	-	64,207	-	307,744	381,526	(59,874)	321,652
Stormwater utility	11,314	-	28,169	-	116,129	155,612	(23,300)	132,312
Gross receivables	58,536	-	414,950	24,213	1,530,273	2,027,972	-	1,764,202
Less: allowance for uncollectibles	-	-	-	-	-	-	(263,770)	-
Net total receivables business-type activities	\$ 58,536	\$ -	\$ 414,950	\$ 24,213	\$ 1,530,273	\$ 2,027,972	\$ (263,770)	\$ 1,764,202

Due from Other Governments

The following amounts were due from other governments as of September 30, 2024.

Fund	Name of Government	Revenue Source	Amount
Governmental Funds			
General	State of Florida	Half-Cent Sales Tax	\$ 193,421
General	State of Florida	Alcoholic Beverage Tax	12,528
General	State of Florida	Court Fines and Costs	381
General	State of Florida	Ian Reimbursement	98,505
General	State of Florida	Firefighters' Supplemental Compensation	6,711
General	State of Florida	Communications Services Tax	149,112
General	State of Florida	Motor Fuel Tax Rebate	1,413
General	State of Florida	Mobile Home Licensing Fees	11
General	State of Florida	Pinellas County Fire Garage Door Reimbursement	2,804
Total General Fund			464,886
Community Redevelopment Agency Fund	Pinellas County	County Ad Valorem Tax	497,628
Community Redevelopment Agency Fund	State of Florida	Division of Library and Info Sevices Contruction Grant	150,000
Total Community Redevelopment Agency Fund			647,628
Capital Projects Fund	Pinellas County	Local Government Infrastructure Tax	594,530
Total Capital Projects Fund			594,530
Street Improvement	State of Florida	Local Option Gas Tax	54,899
Total Street Improvement Fund			54,899
Total governmental funds			1,761,943
Proprietary Funds			
Solid Waste	Pinellas County	Recycling Grant	7,717
Total proprietary funds			\$ 7,717

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 – CAPITAL ASSETS:

The following is a summary of changes in capital assets on September 30, 2024:

	Balance September 30, 2023	Additions	Disposals	Balance September 30, 2024
Governmental activities:				
Nondepreciable assets:				
Land	\$ 10,906,856	\$ -	\$ 223,690	\$ 10,683,166
Construction in progress	1,955,459	5,165,939	1,156,621	5,964,777
Total Nondepreciable Assets	12,862,315	5,165,939	1,380,311	16,647,943
Depreciable assets:				
Buildings	6,088,315	27,027	-	6,115,342
Infrastructure	35,379,306	2,324,155	25,123	37,678,338
Equipment and Vehicles	8,555,234	1,375,884	148,910	9,782,208
Right-to-Use Leased Equipment	81,187	-	-	81,187
Total Depreciable Assets	50,104,042	3,727,066	174,033	53,657,075
Less, accumulated depreciation/amortization for:				
Buildings	4,128,059	157,536	-	4,285,595
Infrastructure	24,960,005	1,594,343	25,123	26,529,225
Equipment and Vehicles	5,372,414	822,528	148,910	6,046,032
Right-to-Use Leased Equipment	16,926	16,966	-	33,892
Total accumulated depreciation/amortization	34,477,404	2,591,373	174,033	36,894,744
Total Depreciable, Net of Accumulated Depreciation/Amortization	15,626,638	1,135,693	-	16,762,331
Governmental activities capital assets, net	<u>\$ 28,488,953</u>	<u>\$ 6,301,632</u>	<u>\$ 1,380,311</u>	<u>\$ 33,410,274</u>
Business-type activities:				
Nondepreciable assets:				
Land	606,548	-	-	606,548
Construction in progress	9,640,405	2,150,059	2,422,112	9,368,352
Total Nondepreciable Assets	10,246,953	2,150,059	2,422,112	9,974,900
Depreciable assets:				
Buildings	343,689	-	-	343,689
Infrastructure	54,712,560	4,245,137	-	58,957,697
Equipment and Vehicles	10,952,256	852,087	707,612	11,096,731
Right-to-Use Leased Equipment	36,471	-	-	36,471
SBITA	130,757	-	-	130,757
Total Depreciable Assets	66,175,733	5,097,224	707,612	70,565,345
Less, accumulated depreciation/amortization for:				
Buildings	339,183	12,892	-	352,075
Infrastructure	28,432,036	2,311,256	-	30,743,292
Equipment and Vehicles	8,262,841	903,837	707,612	8,459,066
Right-to-Use Leased Equipment	10,220	8,024	-	18,244
SBITA	33,760	36,630	-	70,390
Total accumulated depreciation/amortization	37,078,040	3,272,639	707,612	39,643,067
Total Depreciable, Net of Accumulated Depreciation/Amortization	29,097,693	1,824,585	-	30,922,278
Business-type activities Capital assets, net	<u>\$ 39,344,646</u>	<u>\$ 3,974,644</u>	<u>\$ 2,422,112</u>	<u>\$ 40,897,178</u>

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 – CAPITAL ASSETS (continued):

Depreciation and amortization expense was charged to governmental functions as follows:

	Amount
General government	\$ 272,350
Law enforcement	389
Fire protection	388,833
Building department	645
Physical environment	-
Transportation	520,475
Library	305,594
Parks and recreation	1,103,086
Total depreciation expense	<u>\$ 2,591,372</u>

Depreciation and amortization expense for the Water and Sewer Fund, Solid Waste Fund, and the Stormwater Fund is \$2,472,190, \$470,157, and \$330,293, respectively.

Construction projects actively underway as of September 30, 2024, were as follows:

Project	Spent to Date	Remaining Commitment
<u>Governmental Activities</u>		
Street Resurfacing Program	\$ 2,058,986	\$ 401,144
Basin Decking Replacement	110,433	54,567
Clearwater Joint Use Agreement	50,000	-
SHCP Field #5 Improvements	2,983	-
Folly Nest Structural Improvements	62,400	-
Folly Parking Trench Drain	125,644	79,968
Replace Fishing Pier Shelter	129,029	54,336
Parks Security Cameras	42,497	32,503
Folly Farms Barn	96,686	28,610
Library 2nd Floor Meeting Room Addition	2,307,422	1,761,590
LED Lighting	18,680	-
Total Governmental Activities	<u>\$ 5,004,760</u>	<u>\$ 2,412,718</u>
<u>Business-Type Activities</u>		
Watershed Management Plan	\$ 148,810	\$ 52,200
Pipe Relining	\$ 146,449	13,551
2nd Sreet South at 6th Ave. Intersection Improvements	\$ 94,342	1,455
Seminole Park & Maple Way Water Line Replacement	222,366	129,278
MLK, Cedar St., Pine St. water main replacement-Survey and Design	256,927	78,418
Replace existing radio frequency meters	2,838	79,968
Master Lift Station Repair Pump #2	1,077,632	53,430
Elm St./Pine St. Gravity Sewer Replacement-Design	245,012	78,201
Huntington Lift Station Rebuild-Design	2,462,381	30,719
South Green Springs Subdivision Reline Sewer Main	2,431,100	-
Harbor Woods Lift Station Repair	56,758	-
Total Business-Type Activities	<u>\$ 7,144,615</u>	<u>\$ 517,220</u>

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 5 – INTERFUND TRANSFERS AND BALANCES:

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

Transfers to funds:	
General Fund	\$ 255,740
Community Redevelopment Agency	-
Capital Projects Fund	432,480
Street Improvement Fund	400,000
Marina Fund	36,000
Debt Service	187,940
Street Lighting Fund	7,650
Stormwater Fund	-
Water and Sewer Fund	1,700,000
Solid Waste Fund	-
Total transfers to	<u>\$ 3,019,810</u>
Transfers from funds:	
General Fund	\$ 2,293,650
Community Redevelopment Agency	129,700
Capital Projects Fund	513,980
Debt Service fund	82,480
Total transfers from	<u>\$ 3,019,810</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs and capital projects accounted for in the funds in accordance with budgetary authorizations.

In addition to transfers, the General Fund has a long-term advance to the Redevelopment Fund with an outstanding balance of \$771,429 as of September 30, 2024. The principal amount is due starting in fiscal year 2024 based on a repayment plan that matures in fiscal year 2030. The purpose of this advance was to provide the necessary funding to the Redevelopment Fund in order to purchase land to be used for parking in the Community Redevelopment District. The interfund activity is eliminated in the basic Government-Wide financial statement.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – LONG-TERM LIABILITIES:

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

				Amount Due		
	Balance Sep 30, 2023	Increases	Decreases	Balance Sep 30, 2024	Within One Year	Long Term Debt
Governmental Activities						
Direct borrowings:						
Revenue Note, Series 2018	\$ 752,700	\$ -	\$ 140,400	\$ 612,300	\$ 145,300	\$ 467,000
Refunding Capital Revenue Note, Series 2021	137,144	-	22,179	114,965	22,457	92,508
Total direct borrowings	889,844	-	162,579	727,265	167,757	559,508
Finance Purchase (Real Property)	195,000	-	195,000	-	-	-
Lease Payable	64,651	-	16,743	47,908	16,244	31,664
Compensated absences	1,098,583	31,542	193,692	936,433	140,465	795,968
Governmental activities total	2,248,078	31,542	568,014	1,711,606	324,466	1,387,140
Business-Type Activities						
Direct borrowings:						
Water and Sewer Revenue Note, Series 2018	6,720,140	-	551,960	6,168,180	563,100	5,605,080
Refunding Capital Revenue Note, Series 2021	3,139,455	-	508,421	2,631,034	514,243	2,116,791
Total direct borrowings	9,859,595	-	1,060,381	8,799,214	1,077,343	7,721,871
Lease Payable	26,292	-	8,081	18,211	7,362	10,849
SBITA Payable	98,189	-	36,098	62,091	34,835	27,256
Compensated absences	298,818	28,719	18,299	309,238	23,193	286,045
Business-type activities totals	10,282,894	28,719	1,122,859	9,188,754	1,142,733	8,046,021
Total all activities	\$ 12,530,972	\$ 60,261	\$ 1,690,873	\$ 10,900,360	\$ 1,467,200	\$ 9,433,160

Accrued compensated absences, pension and OPEB are liquidated in the funds that incur the respective liabilities, which are the General fund and Enterprise funds.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – LONG-TERM LIABILITIES (continued):

DEBT SERVICE

2018 Revenue Note – On November 8, 2018, the City issued a \$1,395,500 Revenue Note, Series 2018, at a fixed interest rate of 3.430% with Capital One Public Funding, LLC, which matures on March 1, 2028. The note was issued for the acquisition of two parcels of land within the city to be used for parkland and a building maintenance facility. Debt service payments are made semi-annually. The note repayment is payable solely from and secured by pledged non-ad valorem revenues budgeted, appropriated, and deposited in the debt service fund for purposes of payment.

2018 Revenue Note

Description	Interest Rate and Dates	Final Maturity	Original Amounts Issued	Outstanding at September 30, 2024
Non Ad Valorem	3.43%			
Revenue Refunding Bond	3/1; 9/1	3/1/2028	\$ 1,395,500	\$ 612,300

2018 Water and Sewer Infrastructure Improvements – On December 20, 2018, the City issued a \$8,663,200 Water and Sewer Revenue Note, Series 2018, at a fixed interest rate of 3.360% with Central State Bank, N.A., which matures on November 1, 2033. Upon original issuance, the note was initially a non-revolving line of credit allowing the city to draw up to \$8,663,200 at any one time, or through a series of draws through October 31, 2019. The city issued a series of draws through September 30, 2019, in the amount of \$2,093,422, with the final draw of \$6,569,778 on October 31, 2019. The note was issued to finance various infrastructure improvements for the City's water and sewer system. Debt service payments are made semi-annually. Payment of the loan is from pledged revenues of the net revenues of the water and sewer system. On September 13, 2021, the City reissued the 2018 Water and Sewer Note to lower the interest rate to 1.99% and thus create a net present value savings of \$606,153. There was no economic gain or loss on the transaction. There were no changes to the maturity date or any other terms.

2018 Water and Sewer Infrastructure Improvements

Description	Interest Rate and Dates	Final Maturity	Original Amounts Issued	Outstanding at September 30, 2024
Non Ad Valorem	1.99%			
Revenue Refunding Bond	11/1; 5/11	11/1/2023	\$ 8,663,200	\$ 6,168,180

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – LONG-TERM LIABILITIES (continued):

2021 Refunding Capital Improvement Revenue Note – On October 8, 2021, the city issued a \$4,296,700 refunding note at a fixed rate of 1.15% with Sterling National Bank, which matures on July 1, 2029. The note was issued to refund the 2006 Capital Improvement Revenue Note. Debt service payments are made semiannually. The note contains a provision that in the event of default, interest on the Note may be included in gross income for federal income tax purposes retroactively to the date of issuance. Acceleration of the payment of principal of and interest on the Note shall not be a remedy hereunder in the case of an Event of Default.

The Revenue Note consists of the following:

2021 Refunding Capital Improvement Revenue Note				
Description	Interest Rate and Dates	Final Maturity	Original Amounts Issued	Outstanding at September 30, 2024
Non Ad Valorem Revenue Refunding Bond	1.15% 1/1; 7/1	7/1/2029	<u>\$ 4,296,700</u>	<u>\$ 2,745,999</u>

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – LONG-TERM LIABILITIES (continued):

DEBT SERVICE

	Governmental Activities			Business - Type Activities				
	Land Purchase	Capital Improvements	Total	Water & Sewer Capital Improvements ⁽¹⁾	Stormwater Capital Improvements	Water & Sewer Capital Improvements	Solid Waste Capital Improvements	Total
Issue Date	2019	2021		2019	2021	2021	2021	
Retirement Date	2028	2029		2034	2029	2029	2029	
Debt at Issuance	\$ 1,395,500	\$ 385,198	\$ 9,967,698	\$ 8,663,200	\$ 1,425,296	\$ 6,393,426	\$ 796,080	\$ 18,778,002
Outstanding								
Principal	\$ 612,300	\$ 114,965	\$ 727,265	\$ 6,168,180	\$ 438,259	\$ 1,949,780	\$ 242,995	\$ 8,799,214
Interest Rate	3.4300%	1.1500%		1.9900%	1.1500%	1.1500%	1.1500%	
<u>Annual Debt Service</u>								
2025	\$ 163,810	\$ 23,778	\$ 187,588	\$ 680,244	\$ 90,698	\$ 403,514	\$ 50,289	\$ 1,224,745
2026	163,839	23,780	187,619	680,186	90,702	403,533	50,291	1,224,713
2027	163,791	23,778	187,569	680,201	90,696	403,503	50,288	1,224,687
2028	163,761	23,778	187,539	680,165	90,693	403,492	50,286	1,224,636
2029	-	23,845	23,845	680,172	90,700	403,524	50,290	1,224,687
2029-2033	-	-	-	3,401,091	-	-	-	3,401,091
2034	-	-	-	-	-	-	-	-
	<u>\$ 655,201</u>	<u>\$ 118,959</u>	<u>\$ 774,160</u>	<u>\$ 6,802,059</u>	<u>\$ 453,490</u>	<u>\$ 2,017,566</u>	<u>\$ 251,444</u>	<u>\$ 9,524,559</u>

DEBT SERVICE REQUIREMENTS

The annual debt service requirements for the governmental activities long-term debt as of September 30, 2024, are as follow:

Year Ending September 30,	Series 2021, Capital Improvement Revenue Note		
	Principal	Interest	Total
2025	\$ 22,457	\$ 1,321	\$ 23,778
2026	22,717	1,063	23,780
2027	22,976	802	23,778
2028	23,240	538	23,778
2029	23,575	270	23,845
2030 - 2034	-	-	-
Total debt service	<u>\$ 114,965</u>	<u>\$ 3,994</u>	<u>\$ 118,959</u>

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – LONG-TERM LIABILITIES (continued):

Year Ending September 30,	Series 2018, Revenue Note		
	Principal	Interest	Total
2025	\$ 145,300	\$ 18,510	\$ 163,810
2026	150,400	13,439	163,839
2027	155,600	8,191	163,791
2028	161,000	2,761	163,761
2029	-	-	-
Total debt service	<u>\$ 612,300</u>	<u>\$ 42,901</u>	<u>\$ 655,201</u>

The annual debt service requirements for the business-type activities long-term debt as of September 30, 2024, are as follow:

Year Ending September 30,	Series 2021, Capital Improvement Revenue Note		
	Principal	Interest	Total
2025	\$ 514,243	\$ 30,258	\$ 544,501
2026	520,183	24,344	544,527
2027	526,124	18,362	544,486
2028	532,160	12,311	544,471
2029	538,324	6,191	544,515
2030 - 2034	-	-	-
Total debt service	<u>\$ 2,631,034</u>	<u>\$ 91,466</u>	<u>\$ 2,722,500</u>

Year Ending September 30,	Series 2018, Water and Sewer Revenue Note		
	Principal	Interest	Total
2025	\$ 563,100	\$ 117,144	\$ 680,244
2026	574,360	105,826	680,186
2027	585,920	94,281	680,201
2028	597,660	82,505	680,165
2029	609,680	70,492	680,172
2030 - 2034	3,237,460	163,631	3,401,091
2035	-	-	-
Total debt service	<u>\$ 6,168,180</u>	<u>\$ 633,879</u>	<u>\$ 6,802,059</u>

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – LONG-TERM LIABILITIES (continued):

Finance Obligation

On February 1, 2013, the City entered into a financed-purchase agreement with the School Board of Pinellas County, Florida for property located at 0 Elm Street, Safety Harbor, which is the site of the former Secondary School that was demolished in 2009. The financed-purchase term is fifty (50) years for a purchase price of \$250,000 and requires annual installments of \$5,000 with no annual interest rate. The City paid the property in full and simultaneously sold it on in April 25, 2024.

Lease Liability

The City leases equipment for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2028 and have no renewal options.

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

Governmental Activities

	<u>Principal</u>	<u>Interest</u>
2025	\$ 16,244	\$ 1,003
2026	13,853	634
2027	14,203	283
2028	3,608	15
Total minimum lease payments	<u>\$ 47,908</u>	<u>\$ 1,935</u>

Business Type Activities

	<u>Principal</u>	<u>Interest</u>
2025	\$ 7,362	\$ 363
2026	4,747	217
2027	4,867	97
2028	1,235	5
Total minimum lease payments	<u>\$ 18,211</u>	<u>\$ 682</u>

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 – LONG-TERM LIABILITIES (continued):

Subscription-Based Information Technology Arrangements

The City has entered into subscription based-information technology arrangements (SBITAs) that expire at various dates through 2028.

As of September 30, 2024, SBITA assets and the related accumulated amortization totaled \$130,757 and \$70,390, respectively.

The future subscription payments under SBITA agreements are as follows:

	<u>Business Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 34,835	\$ 1,055
2026	11,487	525
2027	11,777	235
2028	3,992	12
Total minimum SBITA payments	<u>\$ 62,091</u>	<u>\$ 1,827</u>

NOTE 7 – PENSION PLANS:

The City currently contributes to three defined benefit plans, two of which are no longer available to incoming employees. The Florida Retirement System Plan along with its Retiree Health Insurance Subsidy are both multiple employer cost sharing plans. These two plans are no longer offered to incoming full-time general employees. The Safety Harbor Firefighter's Pension Fund is a single employer defined benefit plan and is still offered to full-time firefighters employed with the City. The Florida Retirement System defined benefit plans were replaced with a defined contribution plan currently offered to all full-time general employees. Each of the City's pension plans are administered by a third party.

A. Florida Retirement System

Plan Description

The City contributes to the Florida Retirement System (FRS), a cost-sharing multiple employer Public Employees Retirement System (PERS) defined benefit pension plan controlled by the State Legislature and administered by the Florida Department of Administration and Division of Retirement and covers twenty-seven percent of all the City's full-time employees. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, health insurance subsidy, and survivor benefits to plan members and beneficiaries, respectively. The FRS was established in 1970 by Chapter 121, Florida Statutes. Changes to the law can be made only by an act of the Florida Legislature. Rules governing the operations and administration of the System may be found in Chapter 60S of the Florida Administrative Code. A comprehensive annual financial report of the Florida Retirement System, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website: www.dms.myflorida.com/workforce_operations/retirement/publications.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 – PENSION PLANS (continued):

There are over 1,000 participating employers served by the FRS and Retiree Health Insurance Subsidy (HIS) defined benefit plans. Since January of 1996, the FRS pension plan has been closed to new entrants. The number of years of creditable service required to vest for enrolled employees is determined by the employee's membership class. Employees vest after completing 10 years of creditable service apart from the senior management class which vests after completion of 7 years of creditable service. This plan includes an early retirement option which allows members who are vested but have not reached the normal retirement age or date to take a benefit reduction for each year the retirement date precedes the normal retirement age.

Deferred Retirement Option Program (DROP)

The FRS pension plan allows eligible members to participate in the Deferred Retirement Option Program (DROP). This program allows members to retire and continue working, drawing both salary and retirement benefits during participation in this program, up to 8 years.

Benefits Provided

The monthly benefit an employee receives is dependent upon the years of creditable service, percentage value of each year of creditable service and average final compensation. Average final compensation is the average of the five highest fiscal years of salary earned during covered employment. The total percentage value of the benefit received is determined by calculating the total value of all service, based on the retirement plan and/or class the employee belonged to when the service credit was earned.

Benefits received by retirees and beneficiaries are increased by a cost-of-living adjustment each July which is based on the June benefit amount. The cost-of-living adjustment (COLA) for retirements or DROP participation effective prior to August 1, 2011, is 3 percent per year. The COLA calculation for retirements with effective retirement dates or DROP begin dates on or after August 1, 2011, is calculated by dividing pre-July 2011 service credit by total service credit at retirement and multiplying by 3 percent.

Contributions

Presently, the System requires a 3.00% contribution from covered members in the regular, special risk and senior management classes. The City is required to contribute an actuarially determined rate. The employer's contribution rates are based upon employees' gross earnings and are effective from July 1 thru June 30. The rates effective for July 1, 2024, thru June 30, 2025, are regular employees, 13.63%; special risk, 32.79%; senior management, 34.52%; and DROP, 21.13%. The rates effective for July 1, 2023, thru June 30, 2024, are: regular employees, 13.57%; special risk, 32.67%; senior management, 34.52%; and DROP, 21.13%. The contribution requirements of the City are established by and may be amended by the State Legislature. The City's contributions to the System for the fiscal year ending September 30, 2024, was \$106,048 equal to the required contribution for this year.

Pension Costs

On September 30, 2024, the City reported a liability of \$723,296 for its proportionate share of the FRS pension plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The City's proportion of the net pension liability was based on contributions made by the city to FRS during the measurement period relative to the total employer contributions made to FRS by all participating employers. On June 30, 2024, the City's proportion was .001869722%, which was a decrease of 0.000907545% from the proportion measured as of June 30, 2023.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 – PENSION PLANS (continued):

The City recognized a pension expense of \$(65,335) for its proportionate share on September 30, 2024. The proportionate share of deferred outflows of resources and deferred inflows of resources were as follows:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 73,072	\$ -
Changes in Actuarial Assumptions	99,134	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	48,074
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	39,286	414,775
City Contributions Subsequent to the Measurement Date	23,774	-
Total	<u>\$ 235,266</u>	<u>\$ 462,849</u>

A total of \$23,774 was reported as deferred outflows of resources because of contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the year ending September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending September 30	Amount
2025	\$ (138,271)
2026	41,218
2027	(78,541)
2028	(65,961)
2029	(9,802)
Thereafter	-

Investments

Investment management of assets contributed and held on behalf of the Florida Retirement System is provided by the State Board of Administration. Accounting and administration of benefits and contributions, commissions, actuarial studies and proposal rules and regulations for the administration of the FRS is provided by the Florida Division of Retirement. The State Legislature is responsible for setting contribution and benefit levels and providing the statutory guidance for the administration of the FRS. Plan target allocation as of June 30, 2024, was as follows:

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 – PENSION PLANS (continued):

Investment Category	Target Allocations	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.1%
Fixed Income	29.0%	5.7%	5.6%	3.9%
Global Equity	45.0%	8.6%	7.0%	18.2%
Real Estate	12.0%	8.1%	6.8%	16.6%
Private Equity	11.0%	12.4%	8.8%	28.4%
Strategic Investments	2.0%	6.6%	6.2%	8.7%
Totals	100.0%			
Assumed Inflation - mean			2.4%	1.5%

Actuarial Methods and Assumptions: Total pension liability was determined by actuarial valuation as of July 1, 2024, using the following actuarial assumptions:

Florida Retirement System	
Valuation date	7/1/2024
Measurement date	6/30/2024
Inflation	2.40%
Salary increases (including inflation)	3.50%
Mortality	PUB2010 base table varies by member category and sex, projected generationally with Scale MP-2021
Actuarial cost method	Individual Entry Age
Investment rate of return	6.70%

The actuarial assumptions that determined the total pension liability as of June 30, 2024, were based on the results of an actuarial experience study for the period July 1, 2018 – June 30, 2023.

*The municipal bond rate used to determine total pension liability did not change from the prior year.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 – PENSION PLANS (continued):

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability calculated using the current discount rate of 6.70%, along with what the net pension liability would be if the discount rate used was 1-percentage-point lower (5.70 percent) and 1-percentage-point higher (7.70 percent).

	1% Decrease 5.70%	Current Rate 6.70%	1% Increase 7.70%
FRS Net Pension Liability	\$ 68,045,037,966	\$ 38,684,702,966	\$ 14,089,194,966
City's proportion of net pension liability	1,272,253	723,296	263,429

Amounts presented were determined as of June 30

B. Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the HIS Program.

Plan Benefits

The Program provides a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.50. The minimum payment is \$45, and the maximum payment is \$225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state administered retirement systems must provide proof of eligible health insurance coverage, which may include Medicare.

Contributions

The HIS plan is funded by required contributions from FRS participating employers set by the Florida Legislature. Employer contributions are a percentage of gross compensation for active FRS members. The City is required to contribute an actuarially determined rate. The contribution requirements of the City are established by and may be amended by the State Legislature. Pursuant to Section 112.363, Florida Statutes, for the plan fiscal year ended June 30, 2024, the contribution rate was 2.00 percent of gross compensation. The City's contribution to the HIS plan for fiscal year ending September 30, 2024, was \$11,151, equal to the required contribution for this year.

Pension Costs

On September 30, 2024, the City reported a liability of \$199,854 for its proportionate share of the HIS pension plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The City's proportion of the net pension liability was based on contributions made by the city during the measurement period relative to the total employer contributions made by all participating employers. On June 30, 2024, the City's proportion was .001332274%, which was a decrease of 0.000678169% from the same as the proportion measured as of June 30, 2023.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 – PENSION PLANS (continued):

The City recognized a pension expense in the amount of \$(65,237) for its proportionate share on September 30, 2024. The proportionate share of deferred outflows of resources and deferred inflows of resources were as follows:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 1,930	\$ 384
Changes in Actuarial Assumptions	3,537	23,660
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	72
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	1,497	175,748
City Contributions Subsequent to the Measurement Date	2,405	-
Total	<u>\$ 9,369</u>	<u>\$ 199,864</u>

A total of \$2,405 was reported as deferred outflows of resources as a result of contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the year ending September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending September 30	Amount
2025	\$ (58,639)
2026	(45,008)
2027	(33,071)
2028	(28,240)
2029	(21,992)
Thereafter	(5,950)

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 – PENSION PLANS (continued):

Actuarial Assumptions

Valuations for the HIS program are performed biennially. Total pension liability was determined by actuarial valuation using the following assumptions:

	HIS Pension Plan Assumptions
Valuation date	7/1/2024
Measurement date	6/30/2024
Inflation	2.40%
Salary increases (including inflation)	3.50%
Mortality	Generational PUB-2010 with Projection Scale MP-2021
Actuarial cost method	Individual Entry Age
Municipal Bond Rate*	3.93%

*The municipal bond rate used to determine total pension liability increased from 3.65% to 3.93%

The actuarial assumptions that determined the total pension liability as of June 30, 2024, were based on the results of an actuarial experience study for the period July 1, 2018 – June 30, 2023.

The discount rate used to measure the total pension liability was 3.93% for the HIS Plan. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the municipal bond index.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 – PENSION PLANS (continued):

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability calculated using the current discount rate of 3.93 percent, along with what the net pension liability would be if the discount rate used was 1-percentage-point lower (2.93 percent) and 1-percentage-point higher (4.93 percent).

	1% Decrease 2.93%	Current Rate 3.93%	1% Increase 4.93%
HIS Net Pension Liability	\$ 17,076,684,221	\$ 15,000,976,846	\$ 13,277,804,250
City's proportion of net pension liability (asset)	227,508	199,854	176,897

Amounts presented were determined as of June 30

C. Defined Contribution Plan

The City contributes to one defined contribution plan for employees starting after January 1, 1996 (Opt-Out Plan). Plan provisions and contributions are established by City Resolution. The plan is administered by ICMA Retirement Corporation, now known as Mission Square. Plan investments are recorded at fair value. The Opt-Out Plan is fully vested upon completion of five or more years of service. The City contributes 8% of participants' earnings to the 401(a) plan accounts for general employees. Employees are not permitted to contribute to this plan. Employer contributions are recognized in the period that the contributions are due. The City contribution to the 401(a) plan accounts for general employees was \$493,994 for the year ended September 30, 2024. For the City Manager, retirement participation is in a 401(a) plan with Mission Square with a 12.5% City contribution. The total plan contribution for fiscal year 2024 for the City Manager was \$32,024.

D. Firefighters' Pension Plan

Plan Description

Plan Administration. The City of Safety Harbor Firefighter Pension Fund (Firefighters Plan) has been established to conform to the Retirement Trust Fund provisions of Chapter 175 of Florida Statutes, as modified by local ordinance. The Firefighter's Plan is a single employer defined benefit plan, which is administered by the Board of Trustees, which was established by local ordinance and covers all firefighters employed by the City of Safety Harbor.

The Board of Trustees is composed of five members. Two members are appointed by City Commission, two are elected by plan members and one is elected by the Board of Trustees and appointed by the City Commission.

The Firefighters Plan issues a stand-alone financial report each year that contains information about the plan's fiduciary net position. The plan's fiduciary net position has been determined on the same basis used by the pension plan and is equal to the fair value of assets calculated under the accrual basis of accounting. This report is available to the public at the plan's administrative office: Retirement Department, Florida League of Cities, Inc., P.O. Box 1757, Tallahassee, FL 32302 or calling (800) 342-8112.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 – PENSION PLANS (continued):

Plan Membership. On September 30, 2024, pension plan membership consists of the following:

Membership Classification	Number of Plan Members
Inactive plan members or beneficiaries currently receiving benefits	3
Inactive plan members entitled to but not yet receiving benefits	9
Active plan members	27
	<u>39</u>

Benefits Provided. The Firefighters Plan provides retirement, disability, and pre-retirement death benefits. Retirement benefits for plan members are calculated as 3 percent of average earnings (highest 5 years of pensionable earnings out of last 10 years) times the members' years of service. Disability benefits are calculated as 42 percent of average earnings or result of retirement pension formula, whichever is largest. The minimum disability benefit is calculated as 2 percent of average earnings times the years of service. Pre-retirement death benefits are calculated as 50 percent of pensionable earnings. Normal retirement for plan members is 55 years of age with 10 years of service or any age with at least 25 years of service. Early retirement is available to plan members 50 years of age with at least 10 years of service. Early retirement pension is reduced by 3 percent for each year by which the early retirement date precedes the normal retirement date. Plan members become 100 percent vested after 10 years of service. Benefit terms provide for annual cost-of-living adjustments of 2 percent per annum.

Contributions. Plan members are required to contribute 1 percent of their annual covered salary. The City's contribution to the fund is determined by actuarial valuation. The City is required to contribute an amount equal to the minimum required contribution as a percentage of covered payroll. The employee contribution requirement may be amended by City ordinance, but the employer contribution requirement is subject to State minimums. The City's contribution of \$350,746 for 2024 is reflected in the departmental expenditures section of the General Fund. The state of Florida levies a tax on property, casualty and auto insurance premiums, the proceeds of which are distributed to the Plan.

Pension Expense and Deferred Outflows and Inflows of Resources. On September 30, 2024, the City reported a net pension asset of \$3,455,539. The net pension asset was measured as of September 30, 2024, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of October 1, 2023. The City recognized pension expense of \$400,196 on September 30, 2024. Deferred outflows of resources and deferred inflows of resources were as follows:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	\$ -	\$ 686,974
Differences Between Expected and Actual Economic Experience	191,396	1,061,863
Changes in Actuarial Assumptions	580,584	178,394
Total	<u>\$ 771,980</u>	<u>\$ 1,927,231</u>

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 – PENSION PLANS (continued):

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

<u>Year Ending September 30</u>	<u>Amount</u>
2025	\$ (141,032)
2026	136,195
2027	(424,668)
2028	(385,382)
2029	(94,760)
Thereafter	(245,604)

Investment Policy. The Plan's policy regarding the allocation of invested assets is established and may be amended by the Florida League of Cities. The primary investment objective is long-term capital and income growth consistent with capital conservation. Consistent returns and avoiding extreme fair value volatility is emphasized. Plan target allocation as of September 30, 2024, was as follows:

<u>Investment Category</u>	<u>Target Allocations</u>
Core Bonds	15%
Core Plus	15%
U.S. Large Cap Equity	25%
U.S. Small Cap Equity	14%
Non U.S. Equity	21%
Core Real Estate	10%
Total or Weighted Arithmetic Average	<u>100%</u>

For the year ended September 30, 2024, the long-term investment rate of return assumption was 4.38%. The money-weighted rate of return, which expresses investment performance, net of investment expense, adjusted for the changing amounts invested, was 19.840% for the year ended September 30, 2024.

Net Pension Liability (Asset)

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

Total pension liability	\$ 13,174,306
Plan fiduciary net position	<u>(16,629,845)</u>
City's net pension liability (asset)	<u>\$ (3,455,539)</u>
Plan fiduciary net position as a percentage of total pension liability	-126.23%

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 – PENSION PLANS (continued):

Actuarial Methods and Assumptions: Total pension liability was determined by actuarial valuation as of October 1, 2023, using the following actuarial assumptions:

<u>Firefighters Pension Plan</u>	
Valuation date	10/1/2023
Measurement date	9/30/2024
Actuarial cost method	Aggregate Cost**
Asset valuation method	Fair value
Discount rate*	7.00% per annum
Salary increases	4.50% per annum
Cost of living increases	2.00% per annum

Mortality Basis: Selected PUB-2010 Mortality Tables with generational improvements in mortality using Scale MP-2018.

*The discount rate of 7.00% was used to discount all future benefit payments (2.62% per annum is attributable to long-term inflation).

**Because the aggregate actuarial cost method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funded progress is prepared using the entry age normal cost method and is intended to serve as a surrogate for the funded status of the plan.

Rate of Return: The long-term expected real rate of return on plan asset classes as of September 30, 2024, are as follows:

<u>Investment Category</u>	<u>Long-Term Expected Real Rate of Return</u>	
Core Bonds	1.60%	per annum
Core Plus	2.10%	per annum
US Large Cap Equity	4.60%	per annum
US Small Cap Equity	5.50%	per annum
Non-US Equity	6.70%	per annum
Core Real Estate	5.00%	per annum
Total or Weighted Arithmetic Average	4.38%	per annum

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 – PENSION PLANS (continued):

Changes in Net Pension Liability:

	Changes in Net Pension Liability		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balance as of September 30, 2023	\$ 11,978,714	\$ (13,429,460)	\$ (1,450,746)
Changes due to:			
Service Cost	703,131	-	703,131
Expected Interest Growth	877,036	(956,471)	(79,435)
Unexpected Investment Income	-	(1,767,023)	(1,767,023)
Demographic Experience	(252,945)	-	(252,945)
Employer Contributions	-	(350,746)	(350,746)
Employee Contributions	-	(144,638)	(144,638)
State Contributions	-	(171,110)	(171,110)
Benefit Payments & Refunds	(131,630)	131,630	-
Administrative Expenses	-	57,973	57,973
Assumption Changes	-	-	-
Balance as of September 30, 2024	<u>\$ 13,174,306</u>	<u>\$ (16,629,845)</u>	<u>\$ (3,455,539)</u>

Sensitivity of the net pension liability (asset) to changes in the discount rate: The following presents the net pension asset calculated using the current discount rate of 7.00 percent, along with what the net pension liability would be if the discount rate used was 1-percentage-point lower (6.00 percent) and 1- percentage-point higher (8.00 percent).

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 7 – PENSION PLANS (continued):

	1% Decrease 6.00%	Current Rate 7.00%	1% Increase 8.00%
Total pension liability	\$ 15,360,239	\$ 13,174,306	\$ 11,440,696
Fiduciary net position	(16,629,845)	(16,629,845)	(16,629,845)
Net pension liability (asset)	<u>\$ (1,269,606)</u>	<u>\$ (3,455,539)</u>	<u>\$ (5,189,149)</u>

E. Summary

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

	Firefighters Plan	FRS Plan	HIS Plan	Total
Description				
Net Pension Asset	\$3,455,539	\$ -	\$ -	\$ 3,455,539
Net Pension Liability	-	723,296	199,854	923,150
Deferred Outflows of Resources Related to Pensions	771,980	235,266	9,369	1,016,615
Deferred Inflows of Resources Related to Pensions	1,927,231	462,849	199,864	2,589,944
Pension Expense	400,196	(65,335)	(65,237)	269,624

F. Firefighters' Pension Plan – Share Plan

Plan Description

In accordance with Chapter 175, Section 351(6) of Florida Statutes, the Firefighters Plan has a defined contribution plan component (Share Plan) which provides special benefits to firefighters enrolled in the defined benefit plan. This Share Plan is funded solely by State of Florida Chapter 175 premium tax monies allocated to the plan. There is no employer or employee contributions. Since 1999 annual premium tax proceeds have been set aside for extra benefits and in fiscal year 2014, City Commission adopted a resolution allowing firefighters enrolled in the Firefighters Plan a share of these proceeds based on years of service until retirement. Normal vesting in this plan occurs after 10 years of employment. The Share Plan balance as of September 30, 2024, is \$1,267,589. The Share Plan balance is reported in the City's fiduciary trust fund financial statements.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8 – DEFERRED COMPENSATION PLAN:

The City offers an optional deferred compensation plan, created in accordance with Internal Revenue Code Section 457, to all employees in addition to pension plans. Under the provisions of Internal Revenue Code Section 457, *Deferred Compensation Plans*, and GASB Statement No. 32, *Accounting and Financial Reporting for IRS Code Section 457 Deferred Compensation Plans*, all assets and income of the plan are held in trust for the exclusive benefit of participants. Accordingly, the assets and liabilities of the plan are not reported within the City's financial statements on September 30, 2024.

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB):

Plan Description

The City operates a single-employer retiree benefit plan (the "Plan") that provides certain healthcare related benefits to retirees and certain other employees. The City is required by section 112.0801, Florida Statutes, to allow retirees and certain other former employees to continue to participate in the City's fully insured plan.

Benefits Provided

Retirees are fully responsible for payment of their insurance premiums, and the City generally does not contribute toward this payment. However, retirees pay for the cost of this benefit at a single, blended premium rate that the City uses for both active employees and retirees. The difference between the amount the retiree is required to pay at the implicitly subsidized premium rates and the actual cost to the City meets the definition of OPEB.

Plan Membership. On September 30, 2024, pension plan membership consists of the following:

Membership Classification	Number of Plan Members
Inactive plan members or beneficiaries currently receiving benefits	17
Inactive plan members entitled to but not yet receiving benefits	0
Active plan members	220
	<u>237</u>

Contributions

The required contribution by the City is based on pay-as-you-go financing requirements. Retirees must contribute an amount equal to 100% of the applicable health insurance premium as determined by the carrier. The City has no legal or contractual obligation to make contributions to a qualified trust to fund OPEB.

Total OPEB Liability

The City's OPEB Liability was measured as of September 30, 2024, and was determined by an actuarial valuation as of September 30, 2023.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued):

Actuarial Assumptions

Total OPEB liability was determined by actuarial valuation using the following actuarial assumptions:

Other Postemployment Benefit Plan

Discount rate 4.09% per annum (BOY)
 3.81% per annum (EOY)
 Source: Bond Buyer 20-Bond GO Index

Salary increases 3.00% per annum

Healthcare cost trend rates The health care cost trend assumptions are used to project the cost of healthcare in future years. The following annual trends are applied on a select and ultimate basis. Select trends are reduced 0.30% each year for ten years, and 0.10% thereafter until reaching the ultimate trend rate.

Expense Type	Select	Ultimate
Pre-Midicate Medical and Rx Benefits	7.75%	4.00%
Medicare Benefits	6.75%	4.00%
Stop Loss Fees	7.75%	4.00%
Administration Fees	4.00%	4.00%

Mortality PUB-2010 headcount weighted base mortality table, projected generationally using Scale MP-2021, applied on a gender-specific and job class basis (teacher, safety, or general, as applicable).

Changes The discount rate was updated from 4.09% to 3.81%.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued):

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing 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.

This actuarial valuation involves estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined in the valuation are subject to constant revision as actual experience are compared with past expectations and new estimates are made about the future. The schedule of changes in the City's net OPEB liability, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information and shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

Discount Rate Liability

The discount rate used to measure total OPEB Liability was 3.81%. This rate is based on the Bond Buyer 20-GO Index as of the measurement date.

Changes on Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance as of October 01, 2023	\$ 2,630,504
Changes due to:	
Service cost	145,252
Interest cost	110,223
Differences between expected and actual experience	-
Changes in assumptions or other inputs	89,243
Benefit payment	<u>(161,654)</u>
Net change in total OPEB Liability	<u>183,064</u>
Balance as of September 30, 2024	<u>\$ 2,813,568</u>

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued):

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability calculated using the current discount rate of 3.81%, along with what the total OPEB liability would be if the discount rate used was 1-percentage-point lower (2.81 percent) and 1-percentage-point higher (4.81 percent).

	1% Decrease 2.81%	Current Rate 3.81%	1% Increase 4.81%
Total OPEB liability	\$ 3,151,000	\$ 2,813,568	\$ 2,533,000

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates: The following presents the total OPEB liability calculated using the current healthcare cost trend rate of 7.75 percent graded down to 4.00 percent, along with what the total OPEB liability would be if the healthcare cost trend rate used was 1-percentage-point lower (6.75 percent graded down to 3.00 percent) and 1-percentage-point higher (8.75 percent graded down to 5.00 percent).

	1% Decrease 6.75% graded down to 3.00%	Trend Rate 7.75% graded down to 4.00%	1% Increase 8.75% graded down to 5.00%
Total OPEB liability	\$ 2,482,000	\$ 2,813,568	\$ 3,225,000

OPEB Costs – For the year ended September 30, 2024, the City recognized OPEB contra-expense of \$163,617. In addition, the City reported OPEB deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,421,929	\$ (310,724)
Changes of assumptions/inputs	675,098	(471,260)
Total	\$ 2,097,027	\$ (781,984)

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued):

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2025	\$ 69,797
2026	69,797
2027	69,797
2028	69,796
2029	70,015
Thereafter	965,841

NOTE 10 – REDEVELOPMENT TRUST FUND:

Pursuant to Florida Statute 163.387, the schedule below provides a summary of the sources of deposits into, and the amount and purpose of withdrawals from, the Redevelopment Trust Fund (Community Redevelopment Agency Fund) for the fiscal year ended September 30, 2024.

	<u>Deposits</u>	<u>Withdrawals</u>
Sources of deposits:		
Ad valorem taxes from Pinellas County	\$ 773,790	-
Library Construction Grant - State	300,000	
Donations	660,982	
Interest and investment income	137,775	-
Purpose of withdrawals:		
Personal services	-	65,915
Public Art	-	13,973
District fees	-	1,045
Facade and partnership incentives	-	43,028
Creative Arts Pinellas Study	-	726
Special Event Holiday Lighting	-	31,204
Streetscaping - benches, trash cans, planter, ballasts	-	6,280
CRA Banners	-	389
Buildings - Library 2nd Story Expansion	-	2,583,026
Transfer to Series 2018 Debt for Baranoff Oak	-	129,700
Totals	<u>\$ 1,872,547</u>	<u>\$ 2,875,286</u>

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 11 – RISK MANAGEMENT:

The City is a member of Public Risk Management (PRM), a local government liability risk pool. PRM administers insurance activities relating to property, general, automobile, and public officials' liability, employees' health, and auto physical damage. PRM absorbs losses up to a specified amount annually and purchases excess and other specific coverages from third-party carriers. PRM assesses each member their pro rata share of the estimated amount required to meet current year losses and operating expenses. If total member assessments (premiums) do not produce sufficient funds to meet its obligations, PRM can make additional limited assessments. Losses, if any, in excess of PRM's ability to assess its members would revert back to the member that incurred the loss. No additional assessments were levied by PRM to the City for the fiscal year ended September 30, 2024. The City had no significant reductions in insurance coverage during the fiscal year ended September 30, 2024. In addition, there have been no settlements that exceeded the City's insurance coverage in any of the past three fiscal years.

The City is a defendant in various legal actions that, in the opinion of management, will not have a significant effect on the financial position or results of operations of the City.

NOTE 12 – STATE AND FEDERAL GRANT CONTINGENCIES:

Grant monies received and disbursed by the City are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the City does not believe that such disallowance, if any, would have a material effect on the financial position of the City.

NOTE 13 – LEASES – LESSOR

The City, acting as lessor, leases cell tower property under a long-term, non-cancelable lease agreement. The leases expires in 2061 and contain no renewal options. During the year ended September 30, 2024, the City recognized \$20,540 and \$0 in lease revenue and interest revenue, respectively, pursuant to this contract.

Since this lease was prepaid by the lessee, there is no total future minimum lease payments to be received under the lease agreement.

NOTE 14 – SUBSEQUENT EVENTS

The City evaluated events that occurred subsequent to September 30, 2024 and determined that Hurricane Helene, which made landfall on September 26, 2024 and Hurricane Milton, which made landfall on October 9, 2024 qualify as subsequent events. Although Hurricane Helene occurred within the fiscal year, the extent of the damage was not yet determined. The City had significant recovery costs, including emergency response, infrastructure repairs, cleanup efforts, and damage to the pier and marina. At this time, recovery is estimated to have cost the City approximately \$6.5 million, with an estimated additional cost of up to \$1 million as recovery continues. Significant cost recoveries from Federal and State assistance and insurance are expected.

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUND – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Property taxes	\$ 7,211,800	\$ 7,211,800	\$ 6,557,041	\$ (654,759)
Utility taxes	3,167,460	3,167,460	2,917,072	(250,388)
Local business tax	130,000	130,000	132,987	2,987
Franchise fees	1,710,100	1,710,100	1,706,366	(3,734)
Licenses and permits	44,660	44,660	54,012	9,352
Sales tax	1,500,000	1,500,000	1,357,831	(142,169)
Intergovernmental	2,562,560	2,562,560	2,686,955	124,395
Charges for services	1,477,940	1,477,940	1,450,012	(27,928)
Fines and forfeitures	32,100	32,100	52,027	19,927
Investment income	150,000	150,000	897,097	747,097
Sale of capital assets	60,000	60,000	19,848	(40,152)
Insurance recoveries	20,000	20,000	3,545	(16,455)
Transfers in from other funds	384,310	384,310	255,740	128,570
Other	650,480	650,480	742,151	91,671
Amounts available for appropriation	<u>19,116,410</u>	<u>19,116,410</u>	<u>18,832,684</u>	<u>(26,586)</u>
Charges to appropriations (outflows):				
General Government:				
City Commission	204,910	663,022	471,703	191,319
City Manager	301,150	305,050	402,154	(97,104)
City Clerk	205,150	207,350	200,790	6,560
Elections	6,100	6,100	4,631	1,469
Finance	330,350	340,628	303,914	36,714
Human Resources	519,290	532,738	443,411	89,327
Community Development	364,600	364,721	357,701	7,020
City Attorney	196,010	196,010	154,464	41,546
Nondepartmental	530,660	544,001	565,771	(21,770)
Maintenance	835,190	854,410	814,215	40,195
Nonoperating	562,530	562,530	562,530	-
Total general government	<u>4,055,940</u>	<u>4,576,560</u>	<u>4,281,284</u>	<u>295,276</u>
Public Safety:				
Law enforcement	1,732,050	1,732,052	1,732,044	8
Fire protection	4,507,330	4,551,230	4,493,044	58,186
Building department	347,410	419,123	331,611	87,512
Total public safety	<u>6,586,790</u>	<u>6,702,405</u>	<u>6,556,699</u>	<u>145,706</u>
Physical environment	515,770	523,870	497,314	26,556
Transportation	860,400	906,361	632,620	273,741
Culture and recreation:				
Library	\$ 1,355,190	\$ 1,371,282	\$ 1,299,739	\$ 71,543
Parks and recreation	4,926,990	4,814,535	4,534,853	279,682
Total culture and recreation	<u>6,282,180</u>	<u>6,185,817</u>	<u>5,834,592</u>	<u>351,225</u>

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUND – GENERAL FUND (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Capital outlay	91,900	101,194	101,463	(269)
Debt Service:				
Principal Retirement	-	-	16,743	(16,743)
Interest and other charges	-	-	1,426	(1,426)
Total Debt Services	-	-	18,169	(18,169)
Transfers out to other funds	2,293,650	2,293,651	2,293,650	1
Total charges to appropriations	<u>20,686,630</u>	<u>21,289,858</u>	<u>20,215,791</u>	<u>1,074,067</u>
Excess (deficiency) of resources over (under) charges to appropriations	(1,570,220)	(2,173,448)	(1,383,107)	(1,100,653)
Appropriated fund balance	<u>1,570,220</u>	<u>2,173,448</u>	<u>-</u>	<u>(2,173,448)</u>
Deficiency of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,383,107)</u>	<u>\$ (3,274,101)</u>

Explanation of differences between budgetary
inflows and GAAP revenues:

Actual amounts (budgetary basis) available for appropriation
 from the budgetary comparisons schedule

\$ 18,832,684

Differences - budget to GAAP

Sale of capital assets are inflows of budgetary resources
 but are not resources for financial reporting purposes

19,848

Insurance recoveries are inflows of budgetary resources
 but are not resources for financial reporting purposes

3,545

Transfers from other funds are inflows of budgetary resources
 but are not resources for financial reporting purposes

255,740

Total revenues as reported on the statement of revenues,
 expenditures and changes in fund balances governmental funds

\$ 18,553,551

Explanation of differences between budgetary
outflows and GAAP revenues:

Actual amounts (budgetary basis) charges to appropriations
 per the budgetary comparisons schedule

\$ 20,215,791

Differences - budget to GAAP

Transfers to other funds are outflows of budgetary resources
 but are not expenditures for financial reporting purposed

2,293,650

Total expenditures as reported on the statement of revenues
 expenditures and changes in fund balances governmental funds

\$ 17,922,141

Notes:

1. For information relating to the City's budgeting process, refer to Note 1 - Summary of Significant Accounting Policies.

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUND – COMMUNITY REDEVELOPMENT AGENCY FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Property taxes	\$ 1,273,830	\$ 1,273,830	\$ 773,790	\$ (500,040)
Investment income	8,000	8,000	137,775	129,775
Contributions and donations	-	-	960,982	960,982
Transfers In	-	-	-	-
Amounts available for appropriation	<u>1,281,830</u>	<u>1,281,830</u>	<u>1,872,547</u>	<u>590,717</u>
Charges to appropriations (outflows):				
General Government	237,880	259,730	162,560	97,170
Capital outlay	-	3,044,626	2,583,026	461,600
Transfers out to other funds	<u>258,270</u>	<u>258,270</u>	<u>129,700</u>	<u>128,570</u>
Total charges to appropriations	<u>496,150</u>	<u>3,562,626</u>	<u>2,875,286</u>	<u>687,340</u>
Excess (deficiency) of resources over (under) charges to appropriations	785,680	(2,280,796)	(1,002,739)	1,278,057
Appropriated fund balance	<u>(785,680)</u>	<u>2,280,796</u>	<u>-</u>	<u>(2,280,796)</u>
Deficiency of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,002,739)</u>	<u>\$ (1,002,739)</u>

Notes:

Actual amounts (budgetary basis) available for
appropriations from the budgetary comparisons
schedule

\$ 1,872,547

Differences - budget to GAAP

Transfers from other funds are inflows of
budgetary resources but are not resources
for financial reporting purposed

-

Total revenues as reported on the statement
of revenues, expenditures and changes in
fund balances governmental funds

\$ 1,872,547

Explanation of differences between budgetary
outflows and expenditures determined in
accordance with GAAP:

Actual amounts (budgetary basis) charges to
appropriations per the budgetary comparisons
schedule

\$ 2,875,286

Differences - budget to GAAP

Transfers to other funds are outflows of
budgetary resources but are not expenditures
for financial reporting purposed

129,700

Total expenditures as reported on the statement
of revenues, expenditures and changes in
fund balances governmental funds

\$ 2,745,586

CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –
FLORIDA RETIREMENT SYSTEM PENSION PLAN¹
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability	0.000018697%	0.002777267%	0.003514073%	0.003243011%	0.003184306%	0.003993798%	0.005466957%	0.006937320%	0.010163558%	0.011264343%
City's proportionate share of the net pension liability	\$ 723,296	\$ 1,106,672	\$ 1,307,518	\$ 244,993	\$ 1,380,125	\$ 1,375,408	\$ 1,646,675	\$ 2,052,013	\$ 2,566,306	\$ 1,454,941
Plan fiduciary net position as a percentage of the total pension liability (asset)	84%	83%	83%	96%	79%	83%	84%	84%	85%	92%
City's covered payroll	\$ 563,837	\$ 795,782	\$ 868,501	\$ 834,946	\$ 879,658	\$ 1,107,117	\$ 1,402,897	\$ 1,704,511	\$ 2,319,170	\$ 2,451,390
City's proportionate share of the net pension liability (asset) as a percentage of covered payroll	128%	139%	151%	29%	157%	124%	117%	120%	111%	59%

1 Amounts presented for each fiscal year were determined as of June 30

CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF THE CITY'S CONTRIBUTIONS –
FLORIDA RETIREMENT SYSTEM PENSION PLAN¹
LAST TEN FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$ 106,048	\$ 118,539	\$ 151,824	\$ 127,709	\$ 110,825	\$ 114,958	\$ 147,506	\$ 170,230	\$ 247,855	\$ 274,634
Contributions in relation to the statutorily required contribution	<u>(106,048)</u>	<u>(118,539)</u>	<u>(151,824)</u>	<u>(127,709)</u>	<u>(110,825)</u>	<u>(114,958)</u>	<u>(147,506)</u>	<u>(170,230)</u>	<u>(247,855)</u>	<u>(274,634)</u>
Annual contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 557,399	\$ 697,195	\$ 874,115	\$ 831,412	\$ 870,509	\$ 1,025,472	\$ 1,321,018	\$ 1,586,879	\$ 2,282,984	\$ 2,416,414
City's contributions as a percentage of covered payroll	19%	17%	17%	15%	13%	11%	11%	11%	11%	11%

¹ Amounts presented for each fiscal year were determined as of June 30

CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –
HEALTH INSURANCE SUBSIDY PENSION PLAN¹
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability	0.001332274%	0.002010443%	0.002383184%	0.002358448%	0.002532575%	0.003291212%	0.004272498%	0.005347533%	0.007417542%	0.008084719%
City's proportionate share of the net pension liability	\$ 199,854	\$ 319,285	\$ 252,417	\$ 289,299	\$ 309,223	\$ 368,254	\$ 452,206	\$ 571,783	\$ 864,484	\$ 824,514
Plan fiduciary net position as a percentage of the total pension liability (asset)	5%	4%	5%	4%	3%	3%	2%	2%	1%	1%
City's covered payroll	\$ 563,837	\$ 795,782	\$ 868,501	\$ 834,946	\$ 879,658	\$ 1,107,117	\$ 1,402,897	\$ 1,704,511	\$ 2,319,170	\$ 2,451,390
City's proportionate share of the net pension liability as a percentage of covered payroll	35%	40%	29%	35%	35%	33%	32%	34%	37%	34%

1 Amounts presented for each fiscal year were determined as of June 30

CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF THE CITY'S CONTRIBUTIONS –
HEALTH INSURANCE SUBSIDY PENSION PLAN¹
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 11,151	\$ 11,926	\$ 14,684	\$ 13,634	\$ 14,453	\$ 16,910	\$ 21,810	\$ 26,348	\$ 38,020	\$ 30,905
Contributions in relation to the statutorily required contribution	(11,151)	(11,926)	(14,684)	(13,634)	(14,453)	(16,910)	(21,810)	(26,348)	(38,020)	(30,905)
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 557,399	\$ 697,195	\$ 874,115	\$ 831,412	\$ 870,509	\$ 1,025,472	\$ 1,321,018	\$ 1,586,879	\$ 2,282,984	\$ 2,416,414
City's contributions as a percentage of covered payroll	2%	2%	2%	2%	2%	2%	2%	2%	2%	1%

1 Amounts presented for each fiscal year were determined as of June 30

**CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF CONTRIBUTIONS –
FIREFIGHTERS’ RETIREMENT FUND
LAST TEN FISCAL YEARS**

Year ending September 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:										
Changes due to:										
Service Cost	\$ 703,131	\$ 620,892	\$ 591,236	\$ 608,221	\$ 562,872	\$ 473,494	\$ 490,136	\$ 436,960	\$ 338,895	\$ 190,271
Expected Interest Growth	877,036	779,799	723,891	649,367	542,297	510,843	449,280	390,035	239,563	320,285
Demographic Experience	(252,945)	21,237	(414,593)	(14,154)	310,761	(577,812)	(20,193)	(307,493)	(5,117)	(201,410)
Benefit Payments & Refunds	(131,630)	(99,748)	(97,792)	(102,278)	(91,426)	(20,757)	(3,498)	-	(5,142)	-
Changes in Benefit Terms	-	-	-	-	182,301	-	-	-	-	-
Assumption Changes	-	-	-	(26,090)	-	-	-	273,806	1,484,984	(562,306)
Net Change in Total Pension Liability	1,195,592	1,322,180	802,742	1,115,066	1,506,805	385,768	915,725	793,308	2,053,183	(253,160)
Total Pension Liability-Beginning	\$ 11,978,714	\$ 10,656,534	\$ 9,853,792	\$ 8,738,726	\$ 7,231,921	\$ 6,846,153	\$ 5,930,428	\$ 5,137,120	\$ 3,083,937	\$ 3,337,097
Total Pension Liability-Ending	\$ 13,174,306	\$ 11,978,714	\$ 10,656,534	\$ 9,853,792	\$ 8,738,726	\$ 7,231,921	\$ 6,846,153	\$ 5,930,428	\$ 5,137,120	\$ 3,083,937
Fiduciary Net Position:										
Changes due to:										
Expected Interest Growth	\$ (956,471)	\$ (855,235)	\$ (959,828)	\$ (777,786)	\$ (699,572)	\$ (634,095)	\$ (557,899)	\$ (461,895)	\$ (399,621)	\$ (491,498)
Unexpected Investment Income	(1,767,023)	(196,421)	2,804,314	(1,386,148)	21,003	140,107	(43,156)	(426,077)	(64,282)	580,202
Employer Contributions	(350,746)	(325,699)	(301,752)	(442,796)	(482,530)	(530,342)	(512,791)	(497,252)	(389,600)	(403,688)
Employee Contributions	(144,638)	(134,031)	(118,722)	(77,463)	(42,044)	(16,657)	(15,181)	(14,270)	(12,244)	(10,861)
State Contributions	(171,110)	(1,807)	(112,568)	(111,899)	-	-	-	-	-	-
Benefit Payments & Refunds	131,630	99,748	97,792	102,278	91,426	20,757	3,498	-	5,142	-
Administrative Expenses	57,973	46,804	50,813	42,705	41,183	37,053	38,673	30,224	24,690	19,650
Net Change in Fiduciary Net Position	(3,200,385)	(1,366,641)	1,460,049	(2,651,109)	(1,070,534)	(983,177)	(1,086,856)	(1,369,270)	(835,915)	(306,195)
Plan Fiduciary Net Position-Beginning	(13,429,460)	(12,062,819)	(13,522,868)	(10,871,759)	(9,801,225)	(8,818,048)	(7,731,192)	(6,361,922)	(5,526,007)	(5,219,812)
Plan Fiduciary Net Position-Ending (b)	\$ (16,629,845)	\$ (13,429,460)	\$ (12,062,819)	\$ (13,522,868)	\$ (10,871,759)	\$ (9,801,225)	\$ (8,818,048)	\$ (7,731,192)	\$ (6,361,922)	\$ (5,526,007)
City's Net Pension Liability/(Asset)	(3,455,539)	(1,450,746)	(1,406,285)	(3,669,076)	(2,133,033)	(2,569,304)	(1,971,895)	(1,800,764)	(1,224,802)	(2,442,070)
Plan Fiduciary Net Position as a percentage of Total Pension Liability/(Asset)	-126%	-112%	-113%	-137%	-124%	-136%	-129%	-130%	-124%	-179%
Covered Payroll	\$ 2,013,514	\$ 1,803,394	\$ 1,733,508	\$ 1,720,479	\$ 1,584,365	\$ 1,488,212	\$ 1,541,067	\$ 1,367,798	\$ 1,133,154	\$ 1,062,547
City's Net Pension Liability/(Asset) as a percentage of Covered Payroll	-172%	-80%	-81%	-213%	-135%	-173%	-128%	-132%	-108%	-230%

*Amounts presented as of September 30

**State Contributions separated out from Employer Contributions starting with fiscal year 2021.

CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF CONTRIBUTIONS –
FIREFIGHTERS' RETIREMENT FUND
LAST TEN FISCAL YEARS

<u>Year Ended September 30,</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions Recognized By the Plan</u>	<u>Contribution Excess (Deficiency)</u>	<u>Covered Payroll</u>	<u>Contributions Recognized as a % of Covered Payroll</u>
	(a)	(b)	(b-a)	(d)	(b/d)
2024	\$ 553,962	\$ 521,856	(32,106)	\$ 2,013,514	25.92%
2023	463,079	327,506	(135,573)	1,803,394	18.16%
2022	426,014	414,320	(11,694)	1,733,508	23.90%
2021	548,552	554,695	6,143	1,720,479	32.24%
2020	490,099	482,530	(7,569)	1,584,365	30.46%
2019	544,685	530,342	(14,343)	1,488,212	35.64%
2018	510,920	512,791	1,871	1,541,067	33.28%
2017	393,136	497,252	104,116	1,367,798	36.35%
2016	337,319	389,600	52,281	1,133,154	34.38%
2015	235,025	403,688	168,663	1,062,547	37.99%

CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF INVESTMENT RETURNS –
FIREFIGHTERS' RETIREMENT FUND
LAST TEN FISCAL YEARS

<u>Year Ended September 30,</u>	<u>Money-Weighted Rate of Return</u>
2024	19.840%
2023	8.475%
2022	13.37%
2021	19.20%
2020	6.67%
2019	5.98%
2018	8.20%
2017	4.39%
2016	7.91%
2015	-0.05%

CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

Year ending September 30,	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:							
Changes due to:							
Service Cost	\$ 145,252	\$ 12,549	\$ 17,186	\$ 105,885	\$ 103,667	\$ 82,391	\$ 77,955
Expected Interest Growth	110,223	22,871	16,791	31,255	28,064	47,770	46,189
Unexpected Investment Income	-	-	-	-	-	-	-
Demographic Experience	-	1,548,482	-	(334,629)	(91,102)	94,100	-
Employer Contributions	-	-	-	-	-	-	-
Employee Contributions	-	-	-	-	-	-	-
Benefit Payments & Refunds	(161,654)	(134,222)	(60,431)	(63,998)	(55,927)	(51,698)	(74,401)
Administrative Expenses	-	-	-	-	-	-	-
Changes in Benefit Terms	-	-	-	-	-	-	-
Assumption Changes	89,243	557,342	(106,063)	(369,153)	166,389	(214,592)	-
Net Change in Total OPEB Liability	183,064	2,007,022	(132,517)	(630,640)	151,091	(42,029)	49,743
Total OPEB Liability/(Asset)-Beginning	\$ 2,630,504	\$ 623,482	\$ 755,999	\$ 1,386,639	\$ 1,235,548	\$ 1,277,577	\$ 1,227,834
Total OPEB Liability/(Asset)-Ending	<u>\$ 2,813,568</u>	<u>\$ 2,630,504</u>	<u>\$ 623,482</u>	<u>\$ 755,999</u>	<u>\$ 1,386,639</u>	<u>\$ 1,235,548</u>	<u>\$ 1,277,577</u>
Net OPEB Liability/(Asset) (a) + (b)	2,813,568	2,630,504	623,482	755,999	1,386,639	1,235,548	1,277,577
Covered Employee Payroll	\$ 7,580,731	\$ 6,861,469	\$ 7,427,000	\$ 7,211,087	\$ 6,589,674	\$ 6,816,718	\$ 6,752,698
Total OPEB Liability/(Asset) as a percentage of Covered Employee	37%	38%	8%	10%	21%	18%	19%

Note: Amounts presented as of September 30

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

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2024

Firefighters' Pension Plan

Actuarial assumptions and methods.

The amounts reported for the year ended September 30, 2024, are based on the October 1, 2023 actuarial valuation.

Discount rate: 7.00% per annum

Salary increases: 4.50% per annum

Cost-of-living increases: 2.00% per annum

Mortality basis: For non-retired participants, sex-distinct rate as set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year (pre-retirement mortality); for non-disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Healthy Retiree Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year; for disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table (80% general employee rates plus 20% public safety employee rates), with full generational improvements in mortality using Scale MP -2018.

Retirement: Retirement is assumed to occur at the most valuable retirement age.

Future Contributions: Contributions from the employer and employees are assumed to be made as legally required.

Changes: No assumptions were changed since the prior measurement date.

Other Postemployment Benefits Plan

Actuarial assumptions and methods.

The amounts reported for the year ended September 30, 2024, are based on the September 30, 2023 actuarial valuation.

Discount rate: 4.09% per annum (BOY)
3.81% per annum (EOY)
Source: Bond Buyer 20-Bond GO Index

Salary increases: 3.00% per annum

Mortality basis: PUB-2010 headcount weighted base mortality table, projected generationally using Scale MP-2021, applied on a gender-specific and job class basis (teacher, safety, or general, as applicable).

All other underlying census data, actuarial assumptions, methods, and plan provisions used to determine the results presented herein are the same as those used in the FYE 2023 GASB 75 Valuation Report dated February 3, 2025.

Per capital cost assumptions such as claims, retiree contributions, and administrative fees, etc. are assumed to increase by the underlying trend rates in the prior valuation.

See Independent Auditors' Report.

CITY OF SAFETY HARBOR, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2024

Other Postemployment Benefits Plan (continued)

The net liability change since the prior year is an increase of \$183,000. The discount rate change and passage of time were the causes of the increase.

See Independent Auditors' Report.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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CITY OF SAFETY HARBOR, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds											Debt Service	Total Governmental Funds
	Public Safety Impact Fee	Street Improvement Fund	Street Assessment	Marina Boat Basin	City Tree Bank	Multimodal Impact Fees	Library Impact Fee	Law Enforcement Trust Fd	Street Lighting Fund	Parkland Fund	Total Special Revenue Funds		
Assets													
Pooled cash and investments	\$ 39,724	\$ 1,430,732	\$ 38,409	\$ 331,620	\$ 215,920	\$ 555,089	\$ 111,272	\$ 298	\$ 56,043	\$ 45,856	\$ 2,824,963	\$ 56,476	\$ 2,881,439
Receivables, net:													
Accounts receivable	82	3,599	1,109	32,774	303	894	179	-	19,209	110	58,259	-	58,259
Due from other governments	-	54,899	-	-	-	-	-	-	-	-	54,899	-	54,899
Total assets	<u>\$ 39,806</u>	<u>\$ 1,489,230</u>	<u>\$ 39,518</u>	<u>\$ 364,394</u>	<u>\$ 216,223</u>	<u>\$ 555,983</u>	<u>\$ 111,451</u>	<u>\$ 298</u>	<u>\$ 75,252</u>	<u>\$ 45,966</u>	<u>\$ 2,938,121</u>	<u>\$ 56,476</u>	<u>\$ 2,994,597</u>
Liabilities and Fund Balances													
Liabilities:													
Accounts payable	\$ -	\$ 179,987	\$ -	\$ 6,325	\$ -	\$ -	\$ -	\$ -	\$ 20,618	\$ 36,010	\$ 242,940	\$ -	\$ 242,940
Customer deposits	-	-	-	9,887	-	-	-	-	-	-	9,887	-	9,887
Unearned revenue	-	-	153	2,909	-	-	-	-	-	-	3,062	-	3,062
Total liabilities	-	179,987	153	19,121	-	-	-	-	20,618	36,010	255,889	-	255,889
Fund Balances:													
Restricted for:													
Fire protection	29,406	-	-	-	-	-	-	-	-	-	29,406	-	29,406
Transportation	-	356,307	39,365	-	-	-	-	-	54,634	-	450,306	-	450,306
Library	-	-	-	-	-	-	101,784	-	-	-	101,784	-	101,784
Debt service	-	-	-	-	-	-	-	-	-	-	-	56,476	56,476
Committed to:													
Physical environment	-	-	-	264,879	-	-	-	-	-	-	264,879	-	264,879
Public safety	-	-	-	-	201,502	-	-	-	-	-	201,502	-	201,502
Assigned to:													
Fire protection	10,400	-	-	-	-	-	-	-	-	-	10,400	-	10,400
Library	-	-	-	-	-	-	9,667	-	-	-	9,667	-	9,667
Parks and recreation	-	-	-	-	-	-	-	-	-	9,956	9,956	-	9,956
Public safety	-	-	-	-	14,721	-	-	298	-	-	15,019	-	15,019
Physical environment	-	-	-	80,394	-	-	-	-	-	-	80,394	-	80,394
Transportation	-	952,936	-	-	-	555,983	-	-	-	-	1,508,919	-	1,508,919
Total fund balances	<u>39,806</u>	<u>1,309,243</u>	<u>39,365</u>	<u>345,273</u>	<u>216,223</u>	<u>555,983</u>	<u>111,451</u>	<u>298</u>	<u>54,634</u>	<u>9,956</u>	<u>2,682,232</u>	<u>56,476</u>	<u>2,738,708</u>
Total liabilities and fund balances	<u>\$ 39,806</u>	<u>\$ 1,489,230</u>	<u>\$ 39,518</u>	<u>\$ 364,394</u>	<u>\$ 216,223</u>	<u>\$ 555,983</u>	<u>\$ 111,451</u>	<u>\$ 298</u>	<u>\$ 75,252</u>	<u>\$ 45,966</u>	<u>\$ 2,938,121</u>	<u>\$ 56,476</u>	<u>\$ 2,994,597</u>

CITY OF SAFETY HARBOR, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds										Total Special Revenue Funds	Debt Service	Total Governmental Funds
	Public Safety Impact Fee	Street Improvement Fund	Street Assessment	Marina Boat Basin	City Tree Bank	Multimodal Impact Fees	Library Impact Fee	Law Enforcement Trust Fd	Street Lighting Fund	Parkland Fund			
Revenues:													
Local option tax	\$ -	\$ 223,888	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 223,888	\$ -	\$ 223,888
Impact fees	4,417	-	-	-	-	30,453	6,033	-	-	13,635	54,538	-	54,538
Special assessments	-	-	3	-	-	-	-	-	222,943	-	222,946	-	222,946
Charges for services	-	24,075	-	73,542	97,506	-	-	-	-	-	195,123	-	195,123
Investment income	3,203	139,851	2,471	22,736	11,768	34,763	6,965	18	4,348	4,266	230,389	6,273	236,662
Contributions and donations	-	-	-	-	-	-	-	-	-	2,900	2,900	-	2,900
Total revenues	7,620	387,814	2,474	96,278	109,274	65,216	12,998	18	227,291	20,801	929,784	6,273	936,057
Expenditures:													
Current operating:													
Public safety													
Building department	-	-	-	-	30,859	-	-	-	-	-	30,859	-	30,859
Physical environment	-	-	-	23,223	-	-	-	-	-	-	23,223	-	23,223
Transportation	-	72,457	-	-	-	-	-	-	251,139	-	323,596	-	323,596
Culture and recreation													
Parks and recreation	-	-	-	-	-	-	-	-	-	19,216	19,216	-	19,216
Capital outlay	24,634	2,239,398	-	87,908	-	-	-	-	-	99,407	2,451,347	-	2,451,347
Debt service:													
Principal retirement	-	-	-	-	-	-	-	-	-	195,000	195,000	162,579	357,579
Interest and other charges	-	-	-	-	-	-	-	-	-	-	-	24,984	24,984
Total expenditures	24,634	2,311,855	-	111,131	30,859	-	-	-	251,139	313,623	3,043,241	187,563	3,230,804
Excess (deficiency) of revenues over (under) expenditures	(17,014)	(1,924,041)	2,474	(14,853)	78,415	65,216	12,998	18	(23,848)	(292,822)	(2,113,457)	(181,290)	(2,294,747)
Other financing sources (uses):													
Transfers in	-	400,000	-	36,000	-	-	-	-	7,650	-	443,650	187,940	631,590
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(82,480)	(82,480)
Sale of capital assets	-	-	-	-	-	-	-	-	-	223,690	223,690	-	223,690
Total other financing sources (uses)	-	400,000	-	36,000	-	-	-	-	7,650	223,690	667,340	105,460	772,800
Net change in fund balances	(17,014)	(1,524,041)	2,474	21,147	78,415	65,216	12,998	18	(16,198)	(69,132)	(1,446,117)	(75,830)	(1,521,947)
Fund balances, beginning of year	56,820	2,833,284	36,891	324,126	137,808	490,767	98,453	280	70,832	79,088	4,128,349	132,306	4,260,655
Fund balances, end of year	\$ 39,806	\$ 1,309,243	\$ 39,365	\$ 345,273	\$ 216,223	\$ 555,983	\$ 111,451	\$ 298	\$ 54,634	\$ 9,956	\$ 2,682,232	\$ 56,476	\$ 2,738,708

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS – PUBLIC SAFETY FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	Variance with Final Budget Positive (Negative)
Resources (inflows):				
Impact fees	\$ 700	\$ 700	\$ 4,417	\$ 3,717
Investment income	<u>2,000</u>	<u>2,000</u>	<u>3,203</u>	<u>1,203</u>
Amounts available for appropriation	<u>2,700</u>	<u>2,700</u>	<u>7,620</u>	<u>4,920</u>
Charges to appropriations (outflows):				
Capital outlay	<u>26,000</u>	<u>26,000</u>	<u>24,634</u>	<u>1,366</u>
Total charges to appropriations	<u>26,000</u>	<u>26,000</u>	<u>24,634</u>	<u>1,366</u>
Excess (deficiency) of resources over (under) charges to appropriations	(23,300)	(23,300)	(17,014)	6,286
Appropriated fund balance	<u>23,300</u>	<u>23,300</u>	<u>-</u>	<u>(23,300)</u>
Deficiency of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (17,014)</u>	<u>\$ (17,014)</u>

There were no differences between budgetary inflows (outflows) and GAAP revenues (expenditures).

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS – STREET IMPROVEMENT FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	Variance with Final Budget Positive (Negative)
Resources (inflows):				
Local option tax	\$ 233,500	\$ 233,500	\$ 223,888	\$ (9,612)
Charges for services	5,000	5,000	24,075	19,075
Investment income	10,000	10,000	139,851	129,851
Transfers in from other funds	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>-</u>
Amounts available for appropriation	<u>648,500</u>	<u>648,500</u>	<u>787,814</u>	<u>139,314</u>
Charges to appropriations (outflows):				
Transportation	153,450	164,501	72,457	92,044
Capital outlay	<u>142,000</u>	<u>2,350,229</u>	<u>2,239,398</u>	<u>110,831</u>
Total charges to appropriations	<u>295,450</u>	<u>2,514,730</u>	<u>2,311,855</u>	<u>202,875</u>
Excess (deficiency) of resources over (under) charges to appropriations	353,050	(1,866,230)	(1,524,041)	342,189
Appropriated fund balance	<u>(353,050)</u>	<u>1,866,230</u>	<u>-</u>	<u>(1,866,230)</u>
Excess of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,524,041)</u>	<u>\$ (1,524,041)</u>
Notes:				
Explanation of differences between budgetary inflows and GAAP revenues:				
Actual amounts (budgetary basis) available for appropriations from the budgetary comparisons schedule			\$ 787,814	
Differences - budget to GAAP				
Transfers from other funds are inflows of budgetary resources but are not resources for financial reporting purposed			<u>400,000</u>	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances governmental funds			<u>\$ 387,814</u>	

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS – STREET ASSESSMENT FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Special Assessments	\$ -	\$ -	\$ 3	\$ 3
Investment income	-	-	2,471	2,471
	<hr/>	<hr/>	<hr/>	<hr/>
Amounts available for appropriation	\$ -	\$ -	\$ 2,474	\$ 2,474
Charges to appropriations (outflows):				
Total charges to appropriations	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of resources over (under) charges to appropriations	-	-	2,474	2,474
	<hr/>	<hr/>	<hr/>	<hr/>
Appropriated fund balance	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Deficiency of resources under charges to appropriations	\$ -	\$ -	\$ 2,474	\$ 2,474
	<hr/>	<hr/>	<hr/>	<hr/>

There were no differences between budgetary inflows (outflows) and GAAP revenues (expenditures).

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS – MARINA BOAT BASIN FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Charges for services	\$ 71,990	\$ 71,990	\$ 73,542	\$ 1,552
Investment income	3,000	3,000	22,736	19,736
Transfers in from other funds	<u>36,000</u>	<u>36,000</u>	<u>36,000</u>	<u>-</u>
Amounts available for appropriation	<u>110,990</u>	<u>110,990</u>	<u>132,278</u>	<u>21,288</u>
Charges to appropriations (outflows):				
Physical environment	38,150	38,150	23,223	14,927
Capital outlay	<u>-</u>	<u>151,597</u>	<u>87,908</u>	<u>63,689</u>
Total charges to appropriations	<u>38,150</u>	<u>189,747</u>	<u>111,131</u>	<u>78,616</u>
Excess (deficiency) of resources over (under) charges to appropriations	72,840	(78,757)	21,147	99,904
Appropriated fund balance	<u>(72,840)</u>	<u>78,757</u>	<u>-</u>	<u>(78,757)</u>
Excess of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,147</u>	<u>\$ 21,147</u>
Explanation of differences between budgetary inflows and GAAP revenues:				
Actual amounts (budgetary basis) available for appropriations from the budgetary comparisons schedule			\$ 132,278	
Differences - budget to GAAP				
Transfers from other funds are inflows of budgetary resources but are not resources for financial reporting purposed			<u>36,000</u>	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances governmental funds			<u>\$ 96,278</u>	

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS – CITY TREE BANK FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Charges for services	20,000	20,000	97,506	77,506
Investment income	2,000	2,000	11,768	9,768
Amounts available for appropriation	<u>22,000</u>	<u>22,000</u>	<u>109,274</u>	<u>87,274</u>
Charges to appropriations (outflows):				
Building Department	<u>29,400</u>	<u>57,394</u>	<u>30,859</u>	<u>26,535</u>
Total charges to appropriations	<u>29,400</u>	<u>57,394</u>	<u>30,859</u>	<u>26,535</u>
Excess (deficiency) of resources over (under) charges to appropriations	(7,400)	(35,394)	78,415	113,809
Appropriated fund balance	<u>7,400</u>	<u>35,394</u>	<u>-</u>	<u>(35,394)</u>
Excess of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,415</u>	<u>\$ 78,415</u>

There were no differences between budgetary inflows (outflows) and GAAP revenues (expenditures).

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS – MULTIMODAL IMPACT FEE FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Impact fees	\$ 5,000	\$ 5,000	\$ 30,453	\$ 25,453
Investment income	6,000	6,000	34,763	28,763
Amounts available for appropriation	<u>11,000</u>	<u>11,000</u>	<u>65,216</u>	<u>54,216</u>
Charges to appropriations (outflows):				
Capital outlay	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total charges to appropriations	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of resources over (under) charges to appropriations	(389,000)	11,000	65,216	54,216
Appropriated fund balance	<u>389,000</u>	<u>(11,000)</u>	<u>-</u>	<u>11,000</u>
Excess of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,216</u>	<u>\$ 65,216</u>

There were no differences between budgetary inflows (outflows) and GAAP revenues (expenditures).

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS – LIBRARY IMPACT FEE FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Impact fees	\$ 700	\$ 700	\$ 6,033	\$ 5,333
Investment income	1,000	1,000	6,965	5,965
Amounts available for appropriation	<u>1,700</u>	<u>1,700</u>	<u>12,998</u>	<u>11,298</u>
Charges to appropriations (outflows):				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total charges to appropriations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of resources over (under) charges to appropriations	1,700	1,700	12,998	11,298
Appropriated fund balance	<u>(1,700)</u>	<u>(1,700)</u>	<u>-</u>	<u>1,700</u>
Excess of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,998</u>	<u>\$ 12,998</u>

There were no differences between budgetary inflows (outflows) and GAAP revenues (expenditures).

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS – LAW ENFORCEMENT TRUST FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Investment income	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18</u>	<u>\$ 18</u>
Amounts available for appropriation	<u>-</u>	<u>-</u>	<u>18</u>	<u>18</u>
Charges to appropriations (outflows):				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total charges to appropriations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of resources over (under) charges to appropriations	<u>-</u>	<u>-</u>	<u>18</u>	<u>18</u>
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18</u>	<u>\$ 18</u>

There were no differences between budgetary inflows (outflows) and GAAP revenues (expenditures).

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS – STREET LIGHTING FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Special Assessments	\$ 225,000	\$ 225,000	\$ 222,943	\$ (2,057)
Investment income	1,800	1,800	4,348	2,548
Transfers in from other funds	7,650	7,650	7,650	-
Amounts available for appropriation	<u>234,450</u>	<u>234,450</u>	<u>234,941</u>	<u>491</u>
Charges to appropriations (outflows):				
Transportation	<u>273,420</u>	<u>273,420</u>	<u>251,139</u>	<u>22,281</u>
Total charges to appropriations	<u>273,420</u>	<u>273,420</u>	<u>251,139</u>	<u>22,281</u>
Excess (deficiency) of resources over (under) charges to appropriations	(38,970)	(38,970)	(16,198)	22,772
Appropriated fund balance	<u>38,970</u>	<u>38,970</u>	<u>-</u>	<u>(38,970)</u>
Excess of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (16,198)</u>	<u>\$ (16,198)</u>

Notes:

Explanation of differences between budgetary
inflows and GAAP Revenues:

Actual amounts (budgetary basis) available for
appropriations from the budgetary comparisons
schedule

\$ 234,941

Differences - budget to GAAP

Transfers from other funds are inflows of
budgetary resources but are not resources
for financial reporting purposed

7,650

Total revenues as reported on the statement
of revenues, expenditures and changes in
fund balances governmental funds

\$ 227,291

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS – PARKLAND FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Impact fees	\$ 96,600	\$ 96,600	\$ 13,635	\$ (82,965)
Investment income	2,300	2,300	4,266	1,966
Contributions and donations	-	1,000	2,900	1,900
Amounts available for appropriation	<u>98,900</u>	<u>99,900</u>	<u>20,801</u>	<u>(79,099)</u>
Charges to appropriations (outflows):				
Parks and recreation	15,000	12,964	19,216	(6,252)
Capital outlay	132,000	125,300	99,407	25,893
Capital lease principal	-	-	195,000	(195,000)
Total charges to appropriations	<u>147,000</u>	<u>138,264</u>	<u>313,623</u>	<u>(175,359)</u>
Other Financing Sources (Uses)				
Sale of capital assets	-	-	223,690	(223,690)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>223,690</u>	<u>(223,690)</u>
Excess (deficiency) of resources over (under) charges to appropriations	(48,100)	(38,364)	(69,132)	(30,768)
Appropriated fund balance	<u>48,100</u>	<u>38,364</u>	<u>-</u>	<u>(38,364)</u>
Excess of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (69,132)</u>	<u>\$ (69,132)</u>

There were no differences between budgetary inflows (outflows) and GAAP revenues (expenditures).

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS – DEBT SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Investment income	\$ -	\$ -	\$ 6,273	\$ 6,273
Transfers in from other funds	<u>187,940</u>	<u>187,940</u>	<u>187,940</u>	<u>-</u>
Amounts available for appropriation	<u>187,940</u>	<u>187,940</u>	<u>194,213</u>	<u>6,273</u>
Charges to appropriations (outflows):				
Principal retirement	155,260	155,263	162,579	(7,316)
Interest and other charges	34,350	34,350	24,984	9,366
Transfers out to other funds	<u>82,480</u>	<u>82,480</u>	<u>82,480</u>	<u>-</u>
Total charges to appropriations	<u>189,610</u>	<u>189,613</u>	<u>270,043</u>	<u>2,050</u>
Excess (deficiency) of resources over (under) charges to appropriations	(1,670)	(1,673)	(75,830)	(74,157)
Appropriated fund balance	<u>1,670</u>	<u>1,673</u>	<u>-</u>	<u>(1,673)</u>
Excess of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (75,830)</u>	<u>\$ (75,830)</u>

Notes:

Explanation of differences between budgetary
inflows and GAAP Revenues:

Actual amounts (budgetary basis) available for
appropriations from the budgetary comparisons
schedule

\$ 194,213

Differences - budget to GAAP

Transfers from other funds are inflows of
budgetary resources but are not resources
for financial reporting purposes

187,940

Total revenues as reported on the statement
of revenues, expenditures and changes in
fund balances governmental funds

\$ 6,273

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS – DEBT SERVICE FUND
YEAR ENDED SEPTEMBER 30, 2024

Explanation of differences between budgetary
outflows and expenditures determined in
accordance with GAAP:

Actual amounts (budgetary basis) charges to
appropriations per the budgetary comparisons
schedule

\$ 270,043

Differences - budget to GAAP

Transfers to other funds are outflows of
budgetary resources but are not expenditures
for financial reporting purposed

82,480

Total expenditures as reported on the statement
of revenues, expenditures and changes in
fund balances governmental funds

\$ 187,563

CITY OF SAFETY HARBOR, FLORIDA
BUDGETARY COMPARISON SCHEDULE
MAJOR GOVERNMENTAL FUND – CAPITAL PROJECTS FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (inflows):				
Local option tax	\$ 2,704,500	\$ 2,704,500	\$ 2,591,011	\$ (113,489)
Intergovernmental	4,650	4,650	-	(4,650)
Investment income	15,000	15,000	254,777	239,777
Transfers in from other funds	432,480	432,480	432,480	-
Amounts available for appropriation	<u>3,156,630</u>	<u>3,156,630</u>	<u>3,278,268</u>	<u>121,638</u>
Charges to appropriations (outflows):				
Transportation	25,000	27,500	25,968	1,532
Capital outlay	4,778,000	2,745,585	2,600,548	145,037
Transfers out to other funds	<u>513,980</u>	<u>513,980</u>	<u>513,980</u>	<u>-</u>
Total charges to appropriations	<u>5,316,980</u>	<u>3,287,065</u>	<u>3,140,496</u>	<u>146,569</u>
Excess (deficiency) of resources over (under) charges to appropriations	(2,160,350)	(130,435)	137,772	268,207
Appropriated fund balance	<u>2,160,350</u>	<u>130,435</u>	<u>-</u>	<u>(130,435)</u>
Excess of resources under charges to appropriations	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 137,772</u>	<u>\$ 137,772</u>
Explanation of differences between budgetary inflows and GAAP revenues:				
Actual amounts (budgetary basis) available for appropriation from the budgetary comparisons schedule			\$ 3,278,268	
Differences - budget to GAAP				
Transfers from other funds are inflows of budgetary resources but are not resources for financial reporting purposes			<u>432,480</u>	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances governmental funds			<u>\$ 2,845,788</u>	
Explanation of differences between budgetary outflows and GAAP revenues:				
Actual amounts (budgetary basis) charges to appropriations per the budgetary comparisons schedule			\$ 3,140,496	
Differences - budget to GAAP				
Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes			<u>513,980</u>	
Total expenditures as reported on the statement of revenues expenditures and changes in fund balances governmental funds			<u>\$ 2,626,516</u>	

OTHER SUPPLEMENTAL SCHEDULES

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CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES – ACTUAL AND BUDGET
FIRE DISTRICT AND EMERGENCY MEDICAL SERVICES SUB-FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Actual Amounts				Total Amounts	Variance Favorable (Unfavorable)
	Fire Budget	City Amounts	Fire District Amounts	EMS Amounts		
Revenue:						
Municipality - City of						
Safety Harbor	\$ 3,085,944	\$ 2,988,321	\$ -	\$ -	\$ 2,988,321	\$ (97,623)
EMS District funds	1,177,520	-	-	1,176,933	1,176,933	(587)
EMS District funds ^a	11,220	(10,000)	-	10,000	-	(11,220)
Safety Harbor Fire District	164,830	-	153,957	-	153,957	(10,873)
State Excise Pass Thru	113,100	192,085	-	-	192,085	78,985
Total revenues	<u>4,552,614</u>	<u>3,170,406</u>	<u>153,957</u>	<u>1,186,933</u>	<u>4,511,296</u>	<u>(41,318)</u>
Expenditures:						
Personnel services	3,891,860	2,529,530	153,957	1,169,530	3,853,017	38,843
Contractual/other services	345,115	226,336	-	79,187	305,523	39,592
State Excise Passing Thru	113,100	192,085	-	-	192,085	(78,985)
Station/Overhead allowable costs ^a	-	(10,000)	-	10,000	-	-
Materials and supplies	201,157	82,042	-	77,472	159,514	41,643
Capital outlay	1,382	1,157	-	-	1,157	225
Total expenditures	<u>4,552,614</u>	<u>3,021,150</u>	<u>153,957</u>	<u>1,336,189</u>	<u>4,511,296</u>	<u>41,318</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ 149,256</u>	<u>\$ -</u>	<u>\$ (149,256)</u>	<u>\$ -</u>	<u>\$ -</u>

^a Reference Emergency Medical Services ALS First Responder Agreement October 1, 2022, Article VII, Section 701(g)

See Independent Auditors' Report.

CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES – ACTUAL AND BUDGET
LIBRARY SUB-FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Actual Amounts				Variance
	Library Budget	City Amounts	Cooperative Amounts	Total Amounts	Favorable (Unfavorable)
Revenue:					
Municipality - City of Safety Harbor	\$ 1,205,294	\$ 1,132,617	\$ -	\$ 1,132,617	\$ (72,677)
Intergovernmental	262,000	-	227,947	227,947	(34,053)
Total revenues	1,467,294	1,132,617	227,947	1,360,564	(106,730)
Expenditures:					
Personnel services	1,085,800	899,485	138,449	1,037,934	47,866
Contractual/other services	261,066	217,588	-	217,588	43,478
Materials and supplies	24,416	15,544	-	15,544	8,872
Capital outlay	96,012	-	89,498	89,498	6,514
Total expenditures	1,467,294	1,132,617	227,947	1,360,564	106,730
Excess of revenues over expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

See Independent Auditors' Report.

CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF OPERATIONS – ACTUAL AND BUDGET
WATER AND SEWER FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Budget</u>	<u>Budgetary Basis Actual</u>	<u>Variance Positive (Negative)</u>
OPERATING REVENUES			
Charges for Services	\$ 12,751,470	\$ 12,600,065	\$ (151,405)
Other	16,000	13,520	(2,480)
Total operating revenue	<u>12,767,470</u>	<u>12,613,585</u>	<u>(153,885)</u>
OPERATING EXPENSES			
Salaries, wages, and employee benefits	2,161,220	1,740,984	420,236
Materials and supplies	293,810	140,711	153,099
Contractual and other services	5,695,490	6,088,743	(393,253)
Capital outlay	5,016,000	3,980,661	1,035,339
Total operating expenses	<u>13,166,520</u>	<u>11,951,099</u>	<u>1,215,421</u>
Operating income (loss)	<u>(399,050)</u>	<u>662,486</u>	<u>1,061,536</u>
NONOPERATING INCOME (EXPENSES)			
Investment income	196,500	1,625,580	1,429,080
Interest and other charges	170,160	(152,286)	(322,446)
Insurance recoveries	-	5,773	5,773
Gain on the sale of capital assets	17,500	43,158	25,658
Debt service principal retirement	913,580	-	(913,580)
Total nonoperating income (expenses)	<u>1,297,740</u>	<u>1,522,225</u>	<u>224,485</u>
TRANSFERS			
Transfers in	2,060,150	1,700,000	(360,150)
TRANSFERS IN	<u>2,060,150</u>	<u>1,700,000</u>	<u>(360,150)</u>
Income (loss) before appropriated net position	2,958,840	3,884,711	925,871
Appropriated net position	<u>(2,958,840)</u>	<u>-</u>	<u>2,958,840</u>
Changes in net position	<u>\$ -</u>	3,884,711	<u>\$ 3,884,711</u>
Adjustments to reconcile to combining statement of revenues, expenses, and changes in net position - proprietary funds			
Depreciation and amortization		(2,472,190)	
Capital outlay		<u>3,980,661</u>	
Change in net position GAAP basis		<u>\$ 5,393,182</u>	

See Independent Auditors' Report.

CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF OPERATIONS – ACTUAL AND BUDGET
SOLID WASTE FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Budget</u>	<u>Budgetary Basis Actual</u>	<u>Variance Positive (Negative)</u>
OPERATING REVENUES			
Charges for Services	\$ 3,799,950	\$ 4,026,008	\$ 226,058
Intergovernmental	12,000	7,717	(4,283)
Other	8,500	8,836	336
Total operating revenue	<u>3,820,450</u>	<u>4,042,561</u>	<u>222,111</u>
OPERATING EXPENSES			
Salaries, wages, and employee benefits	1,574,330	1,214,708	359,622
Materials and supplies	333,970	232,729	101,241
Contractual and other services	1,290,440	1,179,089	111,351
Capital outlay	505,000	391,519	113,481
Total operating expenses	<u>3,703,740</u>	<u>3,018,045</u>	<u>685,695</u>
Operating income (loss)	<u>116,710</u>	<u>1,024,516</u>	<u>907,806</u>
NONOPERATING INCOME (EXPENSES)			
Investment income	35,000	379,714	344,714
Interest and other charges	3,870	(3,218)	(7,088)
Gain on the sale of capital assets	40,000	2,525	(37,475)
Total nonoperating income (expenses)	<u>78,870</u>	<u>379,021</u>	<u>300,151</u>
Income (loss) before appropriated net position	195,580	1,403,537	1,207,957
Appropriated net position	<u>(195,580)</u>	<u>-</u>	<u>195,580</u>
Changes in net position	<u>\$ -</u>	1,403,537	<u>\$ 1,403,537</u>
Adjustments to reconcile to combining statement of revenues, expenses, and changes in net position - proprietary funds			
Depreciation and amortization		(470,157)	
Capital outlay		<u>391,519</u>	
Change in net position GAAP basis		<u>\$ 1,324,899</u>	

See Independent Auditors' Report.

CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF OPERATIONS – ACTUAL AND BUDGET
STORMWATER FUND
YEAR ENDED SEPTEMBER 30, 2024

	<u>Budget</u>	<u>Budgetary Basis Actual</u>	<u>Variance Positive (Negative)</u>
OPERATING REVENUES			
Charges for Services	\$ 1,550,000	\$ 1,544,135	\$ (5,865)
Total operating revenue	<u>1,550,000</u>	<u>1,544,135</u>	<u>(5,865)</u>
OPERATING EXPENSES			
Salaries, wages, and employee benefits	451,610	426,243	25,367
Materials and supplies	143,780	127,616	16,164
Contractual and other services	425,550	378,233	47,317
Capital outlay	<u>1,849,000</u>	<u>452,991</u>	<u>1,396,009</u>
Total operating expenses	<u>2,869,940</u>	<u>1,385,083</u>	<u>1,484,857</u>
Operating income (loss)	<u>(1,319,940)</u>	<u>159,052</u>	<u>1,478,992</u>
NONOPERATING INCOME (EXPENSES)			
Investment income	25,000	453,416	428,416
Interest and other charges	6,980	(5,786)	(12,766)
Gain on the sale of capital assets	<u>-</u>	<u>170</u>	<u>170</u>
Total nonoperating income (expenses)	<u>31,980</u>	<u>447,800</u>	<u>415,820</u>
Income (loss) before appropriated net position	(1,287,960)	606,852	1,894,812
Appropriated net position	<u>1,287,960</u>	<u>-</u>	<u>(1,287,960)</u>
Changes in net position	<u>\$ -</u>	606,852	<u>\$ 606,852</u>
Adjustments to reconcile to combining statement of revenues, expenses, and changes in net position - proprietary funds			
Depreciation and amortization		(330,293)	
Capital outlay		<u>452,992</u>	
Change in net position GAAP basis		<u>\$ 729,551</u>	

See Independent Auditors' Report.

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STATISTICAL SECTION

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CITY OF SAFETY HARBOR, FLORIDA
STATISTICAL SECTION

This section of the City's CAFR presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the City's overall financial health. This information has not been audited by the independent auditor.

Contents

Financial Trends

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

- Schedule 1 Net Position by Component
- Schedule 2 Changes in Net Position
- Schedule 3 Program Revenues by Function/Program
- Schedule 4 Fund Balances of Governmental Funds
- Schedule 5 Changes in Fund Balances of Governmental Funds

Revenue Capacity

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

- Schedule 6 Assessed Value and Estimated Actual Value of Taxable Property
- Schedule 7 Direct and Overlapping Property Tax Rates
- Schedule 8 Principal Taxpayers - Real Property
- Schedule 9 Principal Taxpayers - Personal Property
- Schedule 10 Property Tax Levies and Collections

Debt Capacity

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

- Schedule 11 Ratios of Outstanding Debt by Type
- Schedule 12 Legal Debt Margin Information
- Schedule 13 Direct and Overlapping Governmental Activities Debt
- Schedule 14 Pledged Revenue Coverage - Governmental Activities
- Schedule 15 Pledged Revenue Coverage - Business-Type Activities

CITY OF SAFETY HARBOR, FLORIDA
STATISTICAL SECTION

Demographic and Economic Information

These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.

Schedule 16 Demographic and Economic Statistics

Schedule 17 Principal Employers

Operating Information

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

Schedule 18 Full-time Equivalent City Government Employees by Function

Schedule 19 Operating Indicators by Function

Schedule 20 Capital Asset Statistics by Function

Sources: Unless otherwise noted, the information in this section is derived from the City's annual comprehensive financial reports for the relevant year.

SCHEDULE 1
CITY OF SAFETY HARBOR, FLORIDA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2024	2023	2022	2021	2020	2019	2018*	2017	2016	2015
Governmental Activities										
Net investment in capital assets	\$ 32,381,967	\$ 27,339,458	\$ 25,655,529	\$ 26,175,658	\$ 25,839,181	\$ 24,716,131	\$ 22,559,405	\$ 22,503,388	\$ 20,413,796	\$ 18,705,536
Restricted	6,492,335	5,364,468	5,876,424	6,012,532	1,201,497	1,738,084	2,499,538	2,113,838	2,158,213	2,175,369
Unrestricted	14,798,676	18,673,459	19,776,765	9,418,244	11,950,569	10,160,392	8,957,190	8,562,317	9,981,724	10,212,509
Total governmental activities net position	<u>\$ 53,672,978</u>	<u>\$ 51,377,385</u>	<u>\$ 51,308,718</u>	<u>\$ 41,606,434</u>	<u>\$ 38,991,247</u>	<u>\$ 36,614,607</u>	<u>\$ 34,016,133</u>	<u>\$ 33,179,543</u>	<u>\$ 32,553,733</u>	<u>\$ 31,093,414</u>
Business-type Activities										
Net investment in capital assets	\$ 31,793,761	\$ 28,639,293	\$ 25,479,614	\$ 23,116,018	\$ 19,116,813	\$ 24,816,184	\$ 22,904,068	\$ 19,839,464	\$ 19,967,583	\$ 19,179,343
Restricted	5,012,681	4,871,621	4,652,292	4,606,106	16,232,120	11,332,008	10,321,373	10,568,422	10,231,976	10,538,939
Unrestricted	32,969,361	28,817,257	25,233,268	22,668,436	9,949,715	4,547,404	4,280,845	5,370,298	4,144,658	4,083,783
Total business-type activities net position	<u>\$ 69,775,803</u>	<u>\$ 62,328,171</u>	<u>\$ 55,365,174</u>	<u>\$ 50,390,560</u>	<u>\$ 45,298,648</u>	<u>\$ 40,695,596</u>	<u>\$ 37,506,286</u>	<u>\$ 35,778,184</u>	<u>\$ 34,344,217</u>	<u>\$ 33,802,065</u>
Primary Government										
Net investment in capital assets	\$ 64,175,728	\$ 55,978,751	\$ 51,135,143	\$ 49,291,676	\$ 44,955,994	\$ 49,532,315	\$ 45,463,473	\$ 42,342,852	\$ 40,381,379	\$ 37,884,879
Restricted	11,505,016	10,236,089	10,528,716	10,618,638	17,433,617	13,070,092	12,820,911	12,682,260	12,390,189	12,714,308
Unrestricted	47,768,037	47,490,716	45,010,033	32,086,680	21,900,284	14,707,796	13,238,035	13,932,615	14,126,382	14,296,292
Total primary government net position	<u>\$ 123,448,781</u>	<u>\$ 113,705,556</u>	<u>\$ 106,673,892</u>	<u>\$ 91,996,994</u>	<u>\$ 84,289,895</u>	<u>\$ 77,310,203</u>	<u>\$ 71,522,419</u>	<u>\$ 68,957,727</u>	<u>\$ 66,897,950</u>	<u>\$ 64,895,479</u>

*Restated

Note: The City implemented GASB 68 in 2015. Financial data restated in 2014 for comparative purposes.

The City implemented GASB 85 in 2018. Financial data restated in 2018 for comparative purposes.

SCHEDULE 2
CITY OF SAFETY HARBOR, FLORIDA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses										
Governmental activities:										
General government	\$ 4,594,678	\$ 4,315,128	\$ 3,617,239	\$ 3,506,083	\$ 3,283,817	\$ 3,454,214	\$ 3,180,590	\$ 3,257,408	\$ 2,965,594	\$ 2,808,975
Law enforcement	1,736,395	1,612,409	1,532,963	1,453,856	1,427,226	1,359,740	1,313,651	1,277,859	1,260,699	1,213,281
Fire protection	4,755,203	5,003,702	4,261,405	3,958,157	4,011,958	4,096,325	3,881,364	4,000,144	3,942,197	3,585,085
Building department	371,206	347,809	343,934	588,892	690,456	548,162	542,380	484,448	390,407	334,862
Physical environment	532,903	507,205	467,169	445,092	460,790	501,629	500,711	491,636	467,017	374,898
Transportation	1,501,075	1,467,894	1,351,413	1,415,505	1,318,193	1,306,846	1,318,998	1,594,249	1,614,526	1,851,031
Library	1,606,569	1,560,315	1,517,358	1,345,498	1,396,194	1,593,137	1,577,190	1,542,784	1,498,730	1,461,672
Parks and recreation	5,612,200	5,134,883	4,506,518	4,231,580	4,025,073	4,050,804	3,740,028	3,545,138	3,274,817	3,006,095
Interest and other charges on long-term debt	25,944	30,917	20,430	71,516	80,545	150,009	54,488	146,190	119,243	239,418
Total governmental activities expenses	20,736,173	19,980,262	17,618,429	17,016,179	16,694,252	17,060,866	16,109,400	16,339,856	15,533,230	14,875,317
Business-type activities:										
Water and wastewater	10,594,914	9,232,770	9,022,523	8,764,856	8,601,867	9,214,092	8,423,410	8,287,692	8,235,173	7,701,878
Solid waste	3,099,901	3,249,561	3,187,515	2,968,009	3,007,606	2,917,406	2,807,743	2,861,263	2,586,702	2,546,132
Stormwater	1,268,170	964,229	1,064,619	929,468	981,637	910,440	1,166,631	1,043,174	1,050,346	936,715
Total business-type activities expenses	14,962,985	13,446,560	13,274,657	12,662,333	12,591,110	13,041,938	12,397,784	12,192,129	11,872,221	11,184,725
Total primary government expenses	\$ 35,699,158	\$ 33,426,822	\$ 30,893,086	\$ 29,678,512	\$ 29,285,362	\$ 30,102,804	\$ 28,507,184	\$ 28,531,985	\$ 27,405,451	\$ 26,060,042
Program Revenues (see Schedule 3)										
Governmental activities:										
Charges for services:										
General government	\$ 46,267	\$ 58,792	\$ 24,732	\$ 28,434	\$ 134,716	\$ 145,743	\$ 122,823	\$ 153,275	\$ 78,602	\$ 77,093
Law enforcement	7,205	8,052	11,970	6,854	10,441	17,052	15,384	17,262	13,442	11,412
Fire protection	17,150	12,250	13,600	17,375	12,820	54,650	85,787	31,425	31,567	9,450
Building department	302,788	261,200	163,561	487,883	483,373	811,984	532,923	322,968	250,257	222,337
Physical environment	-	-	-	-	-	215,135	53,485	252,343	39,435	46,166
Transportation	277,475	225,230	238,359	269,280	264,817	453,586	261,768	283,183	282,396	275,797
Library	16,450	12,203	15,048	23,600	22,423	47,934	41,169	55,144	51,460	42,663
Parks and recreation	1,361,323	1,274,145	1,172,589	856,380	964,841	802,000	885,164	813,304	798,929	895,477
Operating grants and contributions	1,884,843	1,581,555	1,501,049	1,629,871	1,648,240	1,740,458	1,419,324	1,296,499	1,287,503	1,255,345
Capital grants and contributions	963,882	42,556	3,574	56,173	39,200	163,842	73,297	335,104	868,643	693,263
Total governmental activities program revenues	4,877,383	3,475,983	3,144,482	3,375,850	3,580,871	4,452,384	3,491,124	3,560,507	3,702,234	3,529,003
Business-type activities:										
Charges for services:										
Water and wastewater	\$ 12,600,065	12,788,981	12,258,195	12,303,062	11,470,343	10,135,847	9,331,647	8,585,590	7,461,978	7,149,079
Solid waste	4,026,008	3,798,670	3,596,994	3,419,589	3,134,459	2,989,087	2,955,565	2,954,431	2,923,310	2,894,957
Stormwater	1,544,135	1,545,894	1,544,802	1,544,164	1,501,379	1,447,489	1,399,020	1,149,837	1,012,228	1,000,016
Operating grants and contributions	7,717	12,238	-	-	8,388	76,627	5,884	55,231	32,934	-
Capital grants and contributions	-	-	-	-	-	1,145	56,908	-	-	-
Total business-type activities program revenues	18,177,925	18,145,783	17,399,991	17,266,815	16,114,569	14,650,195	13,749,024	12,745,089	11,430,450	11,044,052
Total primary government program revenues	\$ 23,055,308	\$ 21,621,766	\$ 20,544,473	\$ 20,642,665	\$ 19,695,440	\$ 19,102,579	\$ 17,240,148	\$ 16,305,596	\$ 15,132,684	\$ 14,573,055

SCHEDULE 2
CITY OF SAFETY HARBOR, FLORIDA
CHANGES IN NET POSITION, CONTINUED
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net (Expense)/Revenue										
Governmental activities	\$ (15,858,790)	\$ (16,504,279)	\$ (14,473,947)	\$ (13,640,329)	\$ (13,113,381)	\$ (12,608,482)	\$ (12,618,276)	\$ (12,779,349)	\$ (11,830,996)	\$ (11,346,314)
Business-type activities	3,214,940	4,699,223	4,125,334	4,604,482	3,523,459	1,608,257	1,351,241	552,960	(441,771)	(140,673)
Total primary government net expense	<u>\$ (12,643,850)</u>	<u>\$ (11,805,056)</u>	<u>\$ (10,348,613)</u>	<u>\$ (9,035,847)</u>	<u>\$ (9,589,922)</u>	<u>\$ (11,000,225)</u>	<u>\$ (11,267,035)</u>	<u>\$ (12,226,389)</u>	<u>\$ (12,272,767)</u>	<u>\$ (11,486,987)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 7,828,459	\$ 7,131,307	\$ 6,784,259	\$ 6,345,780	\$ 5,723,956	\$ 5,257,349	\$ 4,913,710	\$ 4,571,161	\$ 4,390,452	\$ 4,193,398
Utility taxes	2,917,072	3,195,103	3,084,868	2,566,340	2,521,486	2,436,400	2,324,144	2,288,535	2,322,071	2,423,913
Local business tax	132,987	139,061	131,022	145,664	141,507	144,019	149,597	140,393	141,389	162,446
Local option tax	2,814,899	2,822,696	2,774,708	2,419,622	2,211,086	2,307,990	2,215,907	2,113,583	2,082,591	2,039,692
Franchise fees	1,706,366	1,576,515	1,568,699	1,474,949	1,473,793	1,502,259	1,416,403	1,315,493	1,347,753	1,462,318
Sales tax	1,357,831	1,448,441	1,428,874	1,288,238	1,090,262	1,150,183	1,125,671	1,078,525	1,151,421	1,018,441
Intergovernmental	804,914	836,581	10,049,319	793,692	595,815	628,185	611,561	593,293	568,087	554,343
Investment income	1,526,311	398,955	(1,078,788)	(7,195)	363,095	623,432	(58,532)	42,800	228,367	260,606
Other	518,461	579,701	1,232,910	1,228,426	1,369,021	1,157,139	1,273,426	1,261,376	1,059,184	968,183
Gain on sale of capital assets	243,538	47,688	-	-	-	-	-	-	-	-
Insurance recoveries	3,545	12,858	-	-	-	-	-	-	-	-
Transfers	<u>(1,700,000)</u>	<u>(1,615,960)</u>	<u>(1,799,640)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>120,800</u>
Total governmental activities	<u>18,154,383</u>	<u>16,572,946</u>	<u>24,176,231</u>	<u>16,255,516</u>	<u>15,490,021</u>	<u>15,206,956</u>	<u>13,971,887</u>	<u>13,405,159</u>	<u>13,291,315</u>	<u>13,204,140</u>
Business-type activities:										
Intergovernmental	-	-	12,525	12,570	-	-	-	-	-	-
Investment income	2,458,710	535,155	(1,467,365)	(16,365)	611,328	830,015	(107,028)	62,990	289,499	322,693
Other	22,356	85,014	450,814	468,664	457,347	697,159	656,820	750,612	656,365	706,309
Proceeds from sale of capital assets	45,853	15,800	53,666	22,561	10,918	53,879	35,888	67,405	38,059	23,794
Insurance recoveries	5,773	11,845	-	-	-	-	-	-	-	-
Transfers	<u>1,700,000</u>	<u>1,615,960</u>	<u>1,799,640</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(120,800)</u>
Total business-type activities	<u>4,232,692</u>	<u>2,263,774</u>	<u>849,280</u>	<u>487,430</u>	<u>1,079,593</u>	<u>1,581,053</u>	<u>585,680</u>	<u>881,007</u>	<u>983,923</u>	<u>931,996</u>
Total primary government	<u>\$ 22,387,075</u>	<u>\$ 18,836,720</u>	<u>\$ 25,025,511</u>	<u>\$ 16,742,946</u>	<u>\$ 16,569,614</u>	<u>\$ 16,788,009</u>	<u>\$ 14,557,567</u>	<u>\$ 14,286,166</u>	<u>\$ 14,275,238</u>	<u>\$ 14,136,136</u>
Change in Net Position										
Governmental activities	\$ 2,295,593	\$ 68,667	\$ 9,702,284	\$ 2,615,187	\$ 2,376,640	\$ 2,598,474	\$ 1,353,611	\$ 625,810	\$ 1,460,319	\$ 1,857,826
Business-type activities	<u>7,447,632</u>	<u>6,962,997</u>	<u>4,974,614</u>	<u>5,091,912</u>	<u>4,603,052</u>	<u>3,189,310</u>	<u>1,936,921</u>	<u>1,433,967</u>	<u>542,152</u>	<u>791,323</u>
Total primary government	<u>\$ 9,743,225</u>	<u>\$ 7,031,664</u>	<u>\$ 14,676,898</u>	<u>\$ 7,707,099</u>	<u>\$ 6,979,692</u>	<u>\$ 5,787,784</u>	<u>\$ 3,290,532</u>	<u>\$ 2,059,777</u>	<u>\$ 2,002,471</u>	<u>\$ 2,649,149</u>

SCHEDULE 3
CITY OF SAFETY HARBOR, FLORIDA
PROGRAM REVENUES BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Function/Program										
Governmental activities:										
General government	\$ 46,267	\$ 58,792	\$ 24,732	\$ 28,434	\$ 134,716	\$ 145,743	\$ 122,823	\$ 153,275	\$ 83,602	\$ 87,093
Law enforcement	109,710	8,052	11,970	6,854	10,441	17,052	15,384	19,535	13,442	11,412
Fire protection	1,564,327	1,339,018	1,241,108	1,405,910	1,397,706	1,521,128	1,280,284	1,181,764	1,103,427	1,099,660
Building department	302,788	261,200	163,561	487,883	483,373	811,984	536,239	322,968	250,257	222,337
Physical environment	-	8,500	-	-	-	215,135	53,485	252,343	39,435	46,166
Transportation	284,689	231,597	244,232	274,682	270,061	458,678	266,711	337,114	290,095	281,295
Library	1,205,379	274,479	262,716	257,534	263,708	319,602	252,737	216,339	257,791	251,109
Parks and recreation	1,364,223	1,294,345	1,196,163	914,553	1,020,866	963,062	963,461	1,077,169	1,664,185	1,529,931
Total governmental activities program revenues	<u>4,877,383</u>	<u>3,475,983</u>	<u>3,144,482</u>	<u>3,375,850</u>	<u>3,580,871</u>	<u>4,452,384</u>	<u>3,491,124</u>	<u>3,560,507</u>	<u>3,702,234</u>	<u>3,529,003</u>
Business-type activities:										
Water and wastewater	12,600,065	12,788,981	12,258,195	12,303,062	11,470,343	10,196,879	9,324,805	8,623,997	7,464,998	7,149,079
Solid waste	4,033,725	3,810,908	3,596,994	3,419,589	3,142,847	3,004,682	2,968,291	2,972,346	2,952,133	2,894,957
Stormwater	1,544,135	1,545,894	1,544,802	1,544,164	1,501,379	1,448,634	1,455,928	1,148,746	1,013,319	1,000,016
Total business-type activities program revenues	<u>18,177,925</u>	<u>18,145,783</u>	<u>17,399,991</u>	<u>17,266,815</u>	<u>16,114,569</u>	<u>14,650,195</u>	<u>13,749,024</u>	<u>12,745,089</u>	<u>11,430,450</u>	<u>11,044,052</u>
Total primary government program revenues	<u>\$ 23,055,308</u>	<u>\$ 21,621,766</u>	<u>\$ 20,544,473</u>	<u>\$ 20,642,665</u>	<u>\$ 19,695,440</u>	<u>\$ 19,102,579</u>	<u>\$ 17,240,148</u>	<u>\$ 16,305,596</u>	<u>\$ 15,132,684</u>	<u>\$ 14,573,055</u>

SCHEDULE 4
CITY OF SAFETY HARBOR, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Nondisposable	\$ 177,439	\$ 77,948	\$ 101,960	\$ 54,664	\$ 37,106	\$ 47,227	\$ 56,861	\$ 49,054	\$ 55,115	\$ 70,326
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	5,725,993	4,460,926	3,806,935	3,406,014	3,090,454	3,094,602	3,105,626	2,959,770	3,277,514	2,941,837
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	6,441,695	9,060,790	13,439,249	6,706,315	6,950,539	5,572,409	4,121,377	4,686,532	5,043,036	4,835,512
Total general fund	<u>\$ 12,345,127</u>	<u>\$ 13,599,664</u>	<u>\$ 17,348,144</u>	<u>\$ 10,166,993</u>	<u>\$ 10,078,099</u>	<u>\$ 8,714,238</u>	<u>\$ 7,283,864</u>	<u>\$ 7,695,356</u>	<u>\$ 8,375,665</u>	<u>\$ 7,847,675</u>
All Other Governmental Funds										
Nondisposable	\$ 1,018	\$ 1,018	\$ 756,324	\$ 683,944	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	2,421,781	3,916,276	4,473,146	2,370,508	1,220,924	1,770,480	2,539,831	793,526	2,219,447	2,247,003
Committed	466,381	401,321	467,994	244,212	234,938	270,368	305,950	136,495	1,101,979	1,865,060
Assigned	4,910,935	5,868,414	2,803,336	2,271,070	2,367,665	1,810,263	2,092,446	1,178,449	1,158,634	1,181,291
Unassigned	-	-	-	-	-	-	-	(351,469)	-	-
Total all other governmental funds	<u>\$ 7,800,115</u>	<u>\$ 10,187,029</u>	<u>\$ 8,500,800</u>	<u>\$ 5,569,734</u>	<u>\$ 3,823,527</u>	<u>\$ 3,851,111</u>	<u>\$ 4,938,227</u>	<u>\$ 1,757,001</u>	<u>\$ 4,480,060</u>	<u>\$ 5,293,354</u>

SCHEDULE 5
CITY OF SAFETY HARBOR, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues										
Property taxes	\$ 7,330,831	\$ 7,131,307	\$ 6,784,259	\$ 6,345,780	\$ 5,723,956	\$ 5,257,349	\$ 4,913,710	\$ 4,571,161	\$ 4,390,452	\$ 4,193,398
Utility taxes	2,917,072	3,195,103	3,084,868	2,566,340	2,521,486	2,436,400	2,324,144	2,288,535	2,322,071	2,423,913
Local business tax	132,987	139,061	131,022	145,664	141,507	144,019	149,597	140,393	141,389	162,446
Local option tax	2,814,899	2,822,696	2,774,708	2,419,622	2,211,086	2,307,990	2,215,907	2,113,583	2,082,591	2,039,692
Franchise fees	1,706,366	1,576,515	1,568,699	1,474,949	1,473,793	1,502,259	1,416,403	1,315,493	1,347,753	1,462,318
Licenses and permits	54,012	29,632	39,542	350,358	456,010	546,706	356,505	313,308	244,417	219,997
Impact fees	54,538	2,123	19,184	42,116	231,593	434,211	98,772	282,018	66,932	42,030
Special assessments	222,946	222,256	223,008	246,751	248,548	246,398	246,527	246,399	246,523	247,516
Sales tax	1,357,831	1,448,441	1,428,874	1,288,238	1,090,262	1,150,183	1,125,671	1,078,525	1,151,421	1,018,441
Intergovernmental	2,686,955	2,440,492	11,530,367	2,421,563	2,201,862	2,435,214	2,005,369	2,087,631	1,938,918	1,844,722
Charges for services	1,645,135	1,497,523	1,250,771	973,115	893,524	1,394,621	1,403,501	1,124,691	947,888	1,021,620
Fines and forfeitures	52,027	100,340	107,355	77,466	64,109	17,052	15,384	84,544	40,328	49,232
Investment income	1,526,311	398,955	(1,078,788)	(7,195)	363,094	623,432	(58,527)	42,800	228,367	260,606
Contributions and donations	963,882	20,200	23,574	58,173	81,393	91,271	93,813	137,265	24,387	648,229
Other	742,151	604,820	1,232,910	1,228,428	1,369,021	1,072,235	1,156,235	1,139,320	1,064,184	978,183
Total revenues	24,207,943	21,629,464	29,120,353	19,631,368	19,071,244	19,659,340	17,463,011	16,965,666	16,237,621	16,612,343
Expenditures										
General government	4,443,844	4,060,468	3,307,055	3,210,402	2,964,213	3,175,775	2,937,077	3,019,755	2,683,451	2,505,098
Law enforcement	1,732,044	1,609,248	1,530,279	1,449,252	1,366,127	1,355,163	1,312,142	1,277,165	1,260,277	1,211,298
Fire protection	4,493,044	4,161,690	4,153,098	3,959,526	3,684,135	3,964,948	3,881,238	3,814,412	3,716,483	3,703,257
Building department	362,470	330,269	340,787	618,725	676,660	532,507	519,765	477,770	386,078	360,833
Physical environment	520,537	499,303	457,318	435,476	460,197	493,901	491,378	476,995	469,248	390,432
Transportation	982,184	968,306	877,917	988,027	928,641	934,366	973,410	1,093,147	1,096,530	1,324,730
Library	1,299,739	1,261,549	1,206,317	1,081,667	1,111,312	1,307,317	1,330,932	1,278,687	1,204,159	1,187,566
Parks and recreation	4,554,069	4,213,354	3,654,909	3,402,146	3,220,158	3,370,197	3,347,990	3,078,040	2,799,249	2,570,983
Capital outlay	7,736,384	3,987,539	1,161,635	1,594,462	2,265,258	4,476,774	1,357,742	2,605,597	2,025,945	2,058,101
Debt service										
Finance Obligation	-	-	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Principal retirement	374,322	181,228	476,963	987,693	959,752	937,728	303,141	1,254,309	746,860	722,400
Interest and other charges	26,410	31,370	44,475	63,891	93,514	157,906	65,287	156,332	129,645	167,784
Total expenditures	26,525,047	21,304,324	17,210,753	17,796,267	17,734,967	20,711,582	16,525,102	18,537,209	16,522,925	16,207,482
Excess (deficiency) of revenues over (under) expenditures	(2,317,104)	325,140	11,909,600	1,835,101	1,336,277	(1,052,242)	937,909	(1,571,543)	(285,304)	404,861
Other Financing Sources (Uses)										
Transfers in	1,319,810	3,418,190	1,668,851	2,302,460	2,016,250	\$ 2,206,153	1,743,553	1,610,096	1,158,780	2,662,020
Transfers out	(3,019,810)	(5,034,150)	(3,468,491)	(2,302,460)	(2,016,250)	(2,206,153)	(1,743,553)	(1,610,096)	(1,158,780)	(2,541,220)
Lease	-	68,023	-	-	-	-	-	-	-	-
Gain on sale of capital assets	243,538	47,688	-	-	-	-	-	-	-	-
Insurance recoveries	3,545	12,858	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	179,786	-	-	1,395,500	-	-	-	-
Payments to refunded note escrow	-	-	(177,529)	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,452,917)	(1,487,391)	(1,797,383)	-	-	1,395,500	-	-	-	120,800
Net change in fund balances	\$ (3,770,021)	\$ (1,162,251)	\$ 10,112,217	\$ 1,835,101	\$ 1,336,277	\$ 343,258	\$ 937,909	\$ (1,571,543)	\$ (285,304)	\$ 525,661
Debt service as a percentage of noncapital expenditures	2.13%	1.23%	3.25%	6.52%	6.84%	6.78%	8.89%	6.08%	6.33%	6.55%

SCHEDULE 6
CITY OF SAFETY HARBOR, FLORIDA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Fiscal Year	Tax Year	Direct Rate	Estimated Actual Value			Exemptions ^a			Taxable Assessed Value			Total	Total Direct Tax Rate
			Real Property	Personal Property	Centrally Assessed Property	Real Property	Personal Property	Centrally Assessed Property	Real Property	Personal Property	Centrally Assessed Property		
2024	2023	3.9500	\$ 2,641,341,538	\$ 129,453,349	\$ 865,122	\$ 629,176,738	\$ 71,362,775	\$ 75,295	\$ 2,012,164,800	\$ 58,090,574	\$ 789,827	\$ 2,071,045,201	3.9500
2023	2022	3.9500	2,467,116,079	131,736,988	863,391	603,792,906	72,685,609	68,882	1,863,323,173	59,051,379	794,509	1,923,169,061	3.9500
2022	2021	3.9500	2,272,699,370	117,318,675	881,875	567,597,390	63,675,345	79,521	1,705,101,980	53,643,330	802,354	1,759,547,663	3.9500
2021	2020	3.9500	2,068,085,614	102,791,337	795,702	542,349,271	54,790,783	77,548	1,525,736,343	48,000,554	718,154	1,574,455,051	3.9500
2020	2019	3.9500	1,951,334,197	93,439,896	792,601	522,055,998	46,721,064	81,585	1,429,278,199	46,718,832	711,016	1,476,708,047	3.9500
2019	2018	3.9500	1,808,313,627	92,176,036	716,344	490,208,700	45,892,913	78,633	1,318,104,927	46,283,123	637,711	1,365,025,761	3.9500
2018	2017	3.9500	1,717,274,331	89,681,666	745,210	465,654,538	45,625,521	95,548	1,251,619,793	44,056,145	649,662	1,296,325,600	3.9500
2017	2016	3.9500	1,617,262,554	80,152,457	718,032	453,337,192	35,535,741	90,822	1,163,925,362	44,616,716	627,210	1,209,169,288	3.9500
2016	2015	4.0479	1,470,927,244	77,370,817	677,057	445,683,442	35,182,791	82,188	1,025,243,802	42,188,026	594,869	1,068,026,697	4.0479
2015	2014	4.0479	1,416,453,116	80,194,102	660,616	440,330,500	37,192,041	76,876	976,122,616	43,002,061	583,740	1,019,708,417	4.0479

Source: Pinellas County Property Appraiser Revised Recapitulation of the Ad Valorem Assessment Rolls of Safety Harbor, Form DR-403V 2024 Roll (dated 05/16/25)

SCHEDULE 7
CITY OF SAFETY HARBOR, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years

Fiscal Year	Taxable Year	Direct Rate	Overlapping Rates					Total
		City of Safety Harbor Operating	Pinellas County	School District	Emergency Medical Services ^a	Transit District ^a	Other ^b	
2024	2023	3.9500	4.666	5.822	0.8050	0.7342	1.0359	17.0131
2023	2022	3.9500	4.740	5.963	0.8780	0.7500	1.177	17.4580
2022	2021	3.9500	5.130	6.325	0.9160	0.7500	1.246	18.3170
2021	2020	3.9500	5.2760	6.4270	0.9160	0.7500	1.2640	18.5830
2020	2019	3.9500	5.2760	6.5840	0.9160	0.7500	1.2770	18.7530
2019	2018	3.9500	5.2760	6.7270	0.9160	0.7500	1.2930	18.9120
2018	2017	3.9500	5.2760	7.0090	0.9160	0.7500	1.3100	19.2110
2017	2016	3.9500	5.2760	7.3180	0.9160	0.7500	1.3070	19.5170
2016	2015	4.0479	5.2760	7.7700	0.9160	0.7310	1.3250	20.0659
2015	2014	4.0479	5.2760	7.8410	0.9160	0.7310	1.3420	20.1539

Source: Pinellas County Tax Collector's Office

^a Emergency Medical Services and Transit District assessed on Real Property only.

^b Other includes:

Juvenile Welfare Board

Southwest Florida Water Management District

SCHEDULE 8
CITY OF SAFETY HARBOR, FLORIDA
PRINCIPAL TAXPAYERS – REAL PROPERTY
Current Year and Ten Years Ago

Taxpayer	2024		2015	
	Taxable Assessed Valuation	Percentage of City Taxable Assessed Valuation	Taxable Assessed Valuation	Percentage of City Taxable Assessed Valuation
Safety Harbor Property Holdings, LLC	\$ 21,400,000	1.06%	\$ -	0.00%
Preedom Land Trust	\$ 21,697,000	1.08%	\$ 13,467,680	1.38%
Adelphia 4 LLC	\$ 20,854,091	1.04%	\$ -	0.00%
E C A Elle Northwood Partners LLC	\$ 11,200,000	0.56%	\$ -	0.00%
Leisure Associates Ltd Partnership	\$ 10,900,000	0.54%	\$ 6,090,590	0.62%
Baycare Properties, LLC	\$ 9,922,250	0.49%	\$ -	0.00%
Northwood Pinellas, LLC	\$ 9,575,000	0.48%	\$ 6,940,000	0.71%
201 Main Street LLC	\$ 8,714,952	0.43%	\$ -	0.00%
Leverkusen Land LLC	\$ 8,640,674	0.43%	\$ -	0.00%
Marlin Safety Harbor Property Co. LLC	\$ 7,100,000	0.35%	\$ -	0.00%
ARHC CSCLWFL01 LLC	\$ -	0.00%	\$ 4,815,100	0.49%
Mease Hospital Inc	\$ -	0.00%	\$ 15,151,500	1.55%
SHS Resort LLC	\$ -	0.00%	\$ 15,084,991	1.55%
Northwood Oaks LLC	\$ -	0.00%	\$ 9,850,000	1.01%
Safety Harbor Multifamily Partners LLC	\$ -	0.00%	\$ 5,015,900	0.51%
GCCFC 2005-GG5 McMullen Booth LLC	\$ -	0.00%	\$ -	0.00%
Health Care Property Inv Inc	\$ -	0.00%	\$ 5,383,504	0.55%
Safety Harbo INV Properties	\$ -	0.00%	\$ 4,950,000	0.51%
	<u>\$ 130,003,967</u>	<u>6.46%</u>	<u>\$ 86,749,265</u>	<u>8.89%</u>
Total Taxable Assessed Value	<u>\$ 2,012,713,349</u>		<u>\$ 976,122,616</u>	

Source: Pinellas County Property Appraiser

Note: Pinellas County Property Apprasier 2024 Top Ten Taxpayers - Real Property (Final)

SCHEDULE 9
CITY OF SAFETY HARBOR, FLORIDA
PRINCIPAL TAXPAYERS – PERSONAL PROPERTY
Current Year and Ten Years Ago

Taxpayer	2024		2015	
	Taxable Assessed Valuation	Percentage of City Taxable Assessed Valuation	Taxable Assessed Valuation	Percentage of City Taxable Assessed Valuation
Duke Energy Florida	\$ 14,433,044	24.85%	\$ 8,837,856	20.55%
Mastercut Tool Corp	\$ 7,532,517	12.97%	\$ 4,909,546	11.42%
Florida Gas Transmission	\$ 3,332,866	5.74%	\$ 3,495,895	8.13%
Frontier Communications	\$ 2,707,218	4.66%	\$ -	0.00%
Spectrum Sunshine State LLC	\$ 2,123,726	3.66%	\$ -	0.00%
Countryside Cancer Center	\$ 1,713,377	2.95%	\$ -	0.00%
Safety Harbor Yard Waster Transfer LLC	\$ 1,509,908	2.60%		0.00%
Safety Harbor Resort & Spa	\$ 1,361,769	2.34%	\$ -	0.00%
Countryside Surgi-Center	\$ 1,037,090	1.79%	\$ 842,029	1.96%
AT&T Mobility	\$ 800,521	1.38%	\$ -	0.00%
Bright House Networks LLC	\$ -	0.00%	\$ 2,682,307	6.24%
Verizon Florida LLC	\$ -	0.00%	\$ 1,767,630	4.11%
Angelica Textile Services	\$ -	0.00%	\$ 1,461,151	3.40%
Safety Harbor Resort and Spa	\$ -	0.00%	\$ 864,528	2.01%
JP Morgan Chase Bank	\$ -	0.00%	\$ 832,387	1.94%
Diagnostic Clinic Medical Group	\$ -	0.00%	\$ 829,548	1.93%
	<u>\$ 36,552,036</u>	<u>62.92%</u>	<u>\$ 26,522,877</u>	<u>61.68%</u>
Total Taxable Assessed Value	<u>\$ 58,090,574</u>		<u>\$ 43,002,061</u>	

Source: Pinellas County Property Appraiser

Note: Pinellas County Property Appraiser 2024 Top Ten Taxpayers - Tangible Personal Property (Final)

SCHEDULE 10
CITY OF SAFETY HARBOR, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year	Taxable Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy ^a		Delinquent Tax Collections ^b	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2024	2023	\$ 8,180,629	\$ 6,557,040	80.15%	\$ 3,830	\$ 6,560,870	80.20%
2023	2022	6,602,710	6,024,650	91.25%	9,528	6,034,178	91.39%
2022	2021	5,908,010	5,462,427	92.46%	75,139	5,537,566	93.73%
2021	2020	5,553,790	5,105,491	91.93%	5,608	5,111,099	92.03%
2020	2019	5,391,852	4,816,836	89.34%	4,523	4,821,360	89.42%
2019	2018	5,120,486	4,693,889	91.67%	639	4,694,528	91.68%
2018	2017	4,776,219	4,419,680	92.54%	21,524	4,441,204	92.99%
2017	2016	4,467,829	4,138,275	92.62%	13,386	4,151,661	92.92%
2016	2015	4,323,266	4,012,278	92.81%	8,072	4,020,350	92.99%
2015	2014	4,127,679	3,840,246	93.04%	15,908	3,856,154	93.42%

Sources: City of Safety Harbor Finance Department; Pinellas County Tax Collector's Office

^a Discounts are allowed for early payment: 4% for November, 3% for December, 2% for January and 1% for February. No discount is allowed for payment in March. Payments must be made by March 31 to avoid becoming delinquent.

SCHEDULE 11
CITY OF SAFETY HARBOR, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Debt as a Ratio to Personal Income ^a	Debt per Capita ^a
	Public	Capital	Leases and	Water and	Capital	Leases, SBITA, and			
	Improvement Revenue Bonds	Improvement Revenue Note	Financed Purchases ^b	Wastewater Refunding Bond	Improvement Revenue Note	Financed Purchases ^b			
2024	\$ -	\$ 727,265	\$ 47,908	\$ 6,168,180	\$ 2,631,034	\$ 80,302	\$ 9,654,689	0.93%	571.2834
2023	-	889,844	259,651	6,720,140	3,139,455	124,481	11,133,571	1.40%	608
2022	-	1,047,374	215,326	7,261,200	3,642,126	9,774	12,175,800	1.42%	665
2021	315,000	1,196,929	205,000	7,909,300	4,065,234	-	13,691,463	1.68%	759
2020	620,000	1,879,622	210,000	8,536,500	4,499,248	-	15,745,370	2.02%	874
2019	920,000	2,539,371	215,000	2,578,422	4,918,892	-	11,171,685	1.47%	620
2018	1,210,000	1,791,509	220,000	640,000	5,324,265	-	9,185,774	1.21%	509
2017	1,495,000	1,809,650	225,000	790,000	5,739,147	-	10,058,797	1.49%	571
2016	1,775,000	2,783,958	230,000	935,000	6,135,453	-	11,859,411	1.88%	679
2015	2,050,000	3,255,818	235,000	1,075,000	6,520,665	-	13,136,483	2.07%	753

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

^a See Schedule 16 for personal income and population data

SCHEDULE 12
CITY OF SAFETY HARBOR, FLORIDA
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

There are no limitations placed upon the amount of debt which the City of Safety Harbor may issue by either the City's Charter or Code of Ordinance or by State Statute; however, the City Commission has traditionally practiced conservative debt issuance.

SCHEDULE 13
CITY OF SAFETY HARBOR, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of September 30, 2024

Government Unit	Debt Outstanding	Applicable to City of Safety Harbor	
		Percent ^a	Amount
Bonded Debt:			
Pinellas County School Board ^b	\$ -	1.37%	\$ -
Pinellas County ^b	-	1.55%	-
Leases and Subscription Based Information Technology Arrangements:			
Pinellas County School Board ^b	3,225,958	1.37%	44,250
Pinellas County ^b	<u>35,618,000</u>	1.55%	<u>553,455</u>
Total Overlapping Debt	\$ 38,843,958		\$ 597,705
Total Direct Debt ^c			<u>727,265</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 1,324,970</u>
Total Direct and Overlapping Governmental Activities Debt Per Capita ^d			<u>\$ 78</u>

Source: Pinellas County, Florida

^a Applicable net debt percentage is based on ratio of City to County-wide taxable values for tax year 2024.

^b Obtained from the Pinellas County School Board and Pinellas County fiscal year 2024 ACFR.
The City of Safety Harbor is not responsible for the debt of the County or the School Board.

^c The City of Safety Harbor currently does not have any general obligation bonded debt.

^d 2024 permanent Safety Harbor population is estimated at 16,900.

SCHEDULE 14
CITY OF SAFETY HARBOR, FLORIDA
PLEDGED-REVENUE COVERAGE – GOVERNMENTAL ACTIVITIES
Last Ten Fiscal Years

Governmental Activities							
Fiscal Year	Gross Revenues ^a	Operating Expenses ^b	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2024	\$ 14,842,298	\$ 10,506,372	\$ 4,335,926	\$ 167,757	\$ 19,831	\$ 187,588	23.11
2023	\$ 13,794,797	\$ 9,650,446	\$ 4,144,351	\$ 162,602	\$ 24,987	\$ 187,589	22.09
2022	\$ 21,948,928	\$ 8,866,643	\$ 13,082,285	\$ 157,551	\$ 29,972	\$ 187,523	69.76
2021	\$ 12,664,073	\$ 8,383,964	\$ 4,280,109	\$ 465,752	\$ 42,589	\$ 508,341	8.42
2020	\$ 12,503,587	\$ 7,903,774	\$ 4,599,813	\$ 987,691	\$ 63,892	\$ 1,051,583	4.37
2019	\$ 13,121,302	\$ 8,143,281	\$ 4,978,021	\$ 959,752	\$ 93,513	\$ 1,053,265	4.73
2018	\$ 11,791,319	\$ 7,925,975	\$ 3,865,344	\$ 810,735	\$ 76,688	\$ 887,423	4.36
2017	\$ 11,378,861	\$ 7,950,654	\$ 3,428,207	\$ 1,254,309	\$ 156,332	\$ 1,410,641	2.43
2016	\$ 11,190,207	\$ 7,521,407	\$ 3,668,800	\$ 746,860	\$ 129,645	\$ 876,505	4.19
2015	\$ 11,143,161	\$ 7,319,171	\$ 3,823,990	\$ 722,400	\$ 167,784	\$ 890,184	4.30

Note: The City's bond coverage, per the bond covenants, is 1.50%.

^a Gross revenues include general fund and capital project revenues, less ad valorem.

SCHEDULE 15
CITY OF SAFETY HARBOR, FLORIDA
PLEDGED-REVENUE COVERAGE – BUSINESS-TYPE ACTIVITIES
Last Ten Fiscal Years

Business-type Activities								
Fiscal Year	Gross Revenues ^a	Operating Expenses Less Depreciation ^b	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage	
				Principal	Interest	Total		
2024	\$ 22,357,047	\$ 11,529,055	\$ 10,827,992	\$ 1,077,343	\$ 147,402	\$ 1,224,745		8.84
2023	\$ 20,381,519	\$ 9,916,842	\$ 10,464,677	\$ 1,060,358	\$ 164,343	\$ 1,224,701		8.54
2022	\$ 18,195,605	\$ 9,729,043	\$ 8,466,562	\$ 1,043,709	\$ 180,999	\$ 1,224,708		6.91
2021	\$ 17,731,684	\$ 9,404,165	\$ 8,327,519	\$ 1,097,459	\$ 236,175	\$ 1,333,634		6.24
2020	\$ 17,174,856	\$ 9,563,347	\$ 7,611,509	\$ 1,061,447	\$ 430,349	\$ 1,491,796		5.10
2019	\$ 16,099,597	\$ 10,597,306	\$ 5,502,291	\$ 1,031,344	\$ 464,134	\$ 1,495,478		3.68
2018	\$ 14,236,024	\$ 10,318,787	\$ 3,917,237	\$ 560,531	\$ 198,438	\$ 758,969		5.16
2017	\$ 13,503,460	\$ 10,058,446	\$ 3,445,014	\$ 541,326	\$ 194,822	\$ 736,148		4.68
2016	\$ 12,343,380	\$ 9,798,220	\$ 2,545,160	\$ 525,211	\$ 209,229	\$ 734,440		3.47
2015	\$ 11,750,361	\$ 9,205,579	\$ 2,544,782	\$ 514,522	\$ 223,980	\$ 738,502		3.45

Note: The City's bond coverage, per the bond covenants, is 1.25%.

^a Gross revenues include charges for services, interest income, and other revenue.

SCHEDULE 16
CITY OF SAFETY HARBOR, FLORIDA
DEMOGRAPHICS AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population ^a	Estimated Personal Income ^b	Per Capita Personal Income ^c	Median Age ^d	Public School Enrollment ^e	Unemployment Rate ^f
2024	16,900	\$ 1,033,874,400	\$ 61,176	49	1,631	3.3%
2023	18,304	\$ 793,826,176	\$ 43,369	47.7	1,631	3.8%
2022	18,304	\$ 860,471,040	\$ 47,010	47.7	1,724	2.6%
2021	18,028	\$ 816,686,428	\$ 45,301	48.0	1,827	3.9%
2020	18,016	\$ 781,335,904	\$ 43,369	48.0	1,881	6.0%
2019	18,031	\$ 758,762,511	\$ 42,081	47.5	1,882	2.6%
2018	17,844	\$ 702,429,060	\$ 39,365	49.3	2,073	3.0%
2017	17,606	\$ 674,521,072	\$ 38,312	51.4	2,073	3.4%
2016	17,454	\$ 632,498,052	\$ 36,238	50.8	2,073	4.7%
2015	17,454	\$ 635,744,496	\$ 36,424	48.6	2,073	6.4%

Sources:

^a World Population Review

^b Estimated personal income is calculated by multiplying population by per capita personal income.

^c World Population Review

^d World Population Review

^e U.S. News and World Report: Safety Harbor Elementary/Middle

SCHEDULE 17
CITY OF SAFETY HARBOR, FLORIDA
PRINCIPAL EMPLOYERS

Employer ^a	Employees ^a	Percentage of Total City Employment
Mease Countryside Hospital	1,000	11.18%
Bay to Bay Properties LLC	200	2.24%
Jacobsen Homes	200	2.24%
Safety Harbor Resort & Spa	200	2.24%
Angelica Corporation	150	1.68%
Safety Harbor Middle School	143	1.60%
Medsource Travelers	121	1.35%
Consulate Health Care	131	1.46%
Master Cut Tool Corp	97	1.08%
Safety Harbor Elementary School	99	1.11%
Total Employed Population ^b	8,945	

^a Source: AtoZ Databases, current data.

^b Pinellas County Economic Development, Safety Harbor 2024.

SCHEDULE 19
CITY OF SAFETY HARBOR, FLORIDA
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public Safety										
Fire Control and EMS										
Inspections	-	-	-	-	-	-	715	715	715	715
Investigations	-	-	-	-	-	-	22	22	22	20
Fire responses	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EMS responses	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Building Department										
Building permits issued	380	375	330	2,082	3,039	3,268	3,054	2,762	1,903	1,924
Occupational licenses issued	980	960	1,125	963	1,125	1,177	1,177	1,166	1,212	1,246
Stormwater										
Storm drain/pipe cleaned (miles)	0.85	3.81	0.85	3.82	0.81	0.63	0.69	0.85	0.37	0.36
Ditches/creeks cleaned (miles)	26.50	20.50	26.50	26.50	26.29	5.34	7.11	7.83	15.00	13.81
Water										
Customer accounts	7,280	7,426	7,684	7,389	7,684	8,053	7,560	8,320	7,560	7,477
Average daily water consumption in millions of gallons	1.23	1.32	1.32	1.32	1.39	1.38	1.44	1.55	1.39	1.38
Wastewater										
Customer accounts	8,068	8,447	8,068	8,418	8,068	9,023	8,955	8,942	8,942	8,918
Average daily sewage flow in millions of gallons	1.52	1.52	1.52	1.52	1.53	1.47	1.52	1.61	1.53	1.52
Sanitation (solid waste)										
Refuse collected (tons)	12,000	12,250	11,000	11,637	11,249	11,077	11,361	11,493	12,544	11,309
Recyclables collected (tons)	2,055	3,990	3,990	3,284	3,499	3,636	3,606	3,835	3,484	3,396
Streets										
Streets swept (curb miles)	920	920	920	920	920	920	920	920	920	918
Curb/gutter/sidewalks replaced (cubic yds)	130	150	160	155	152	156	156	257	163	270
Pothole repairs (asphalt tons)	70	100	100	125	42	192	73	25	1299*	32
Culture and Recreation										
Recreation - Persons listed in programs										
Trips	1,368	1,200	1,200	703	1,037	1,943	2,087	1,919	2,324	2,400
Classes	47,064	29,817	25,978	27,041	22,493	31,237	31,363	31,505	30,362	34,100
Camps/After-school	24,898	21,326	18,013	19,344	15,596	17,606	29,158	30,166	25,989	27,397
Special events	13,204	8,240	4,329	7,474	3,749	2,423	1,336	1,740	3,201	3,558
Parks - Acres maintained	130.89	130.57	130.57	130.57	129.20	125.43	123.93	123.89	123.89	123.89
Library circulation	262,000	225,000	240,000	221,442	211,696	241,875	237,775	239,756	248,686	273,568
Library registered borrowers	16,950	18,200	18,200	18,139	16,753	19,275	16,053	15,156	14,140	14,844

* 1,285 tons of asphalt was used to repair Streets Department roadways resulting from damage caused by Hurricane Hermine.

Source: City of Safety Harbor Annual Budget, Fiscal Years 2015 - 2024

N/A - Information not available

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REGULATORY REPORTS

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

Honorable Mayor and
Members of the City Commission
City of Safety Harbor, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Safety Harbor, Florida (the City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated January 13, 2026.

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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2024-001 and 2024-002 that we consider to be material weaknesses.

Honorable Mayor and
Members of the City Commission
City of Safety Harbor, Florida

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

City of Safety Harbor, Florida's Response to Findings

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



CliftonLarsonAllen LLP

Tampa, Florida
January 13, 2026



MANAGEMENT LETTER

Honorable Mayor and
Members of the City Commission
City of Safety Harbor, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Safety Harbor, Florida (the City), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated January 13, 2026.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 13, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Findings reported in the prior year's audit have been corrected excepted as noted in the Schedule of Findings and Responses.

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. Information regarding the specific legal authority for the entity is contained in Note 1 to the financial statements.

Honorable Mayor and
Members of the City Commission
City of Safety Harbor, 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 has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, our recommendation is include in the accompanying schedule of findings and responses as 2024-003.

Property Assessed Clean Energy (PACE) Programs

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires the City include a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes operated within the City's geographical boundaries during the fiscal year under audit. A PACE program did not operate within the City's geographical boundaries during the fiscal year under audit.

Special District Component Units

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

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Community Redevelopment Agency of the City of Safety Harbor, Florida reported their required information in their audit report.

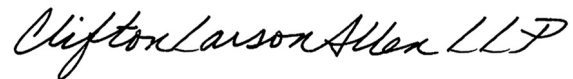
Honorable Mayor and
Members of the City Commission
City of Safety Harbor, Florida

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

Purpose of this Letter

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Tampa, Florida
January 13, 2026

**CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2024**

CURRENT YEAR FINDINGS

2024-001 – Bank Reconciliations

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: The City's bank accounts were not completely reconciled to the general ledger in a timely manner.

Criteria or Specified Requirement: The City's management is responsible for establishing and maintaining internal controls over cash transactions. Timely preparation of complete and accurate bank reconciliations is key to maintaining adequate control over receipts, disbursements, and other transactions.

Effect: Not completely and accurately reconciling pooled cash accounts could result in errors, including the misstatement of pooled cash or other general ledger accounts, and can provide an opportunity for fraud. Delays in reconciling accounts also results in inefficiency due to the additional time needed to research and resolve differences.

Cause: Due to staffing constraints throughout fiscal year 2024, the bank reconciliations were not completed in a timely manner.

Reported in Prior Year: This finding was reported in prior years as 2022-001 and 2023-001.

Recommendation: Management should consider developing a checklist of internal controls and procedures which tracks the completion of key processes and reconciliations for monthly and fiscal year-end closing. That checklist should be monitored to identify any gaps or deficiencies in the control environment and take appropriate corrective actions.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding. The continued deficiency is a result of the prior year, as bank reconciliations must be completed consecutively to ensure accuracy. New processes are in place to ensure the bank reconciliations were being completed. Finance is now fully staffed and management does not expect to have this deficiency moving forward.

**CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2024**

2024-002 – Material Adjustments

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

Condition: A material error was detected in the City's account balances during our audit. As a result, a material adjustment was proposed to correct the account balances

Criteria or Specified Requirement: Management is responsible for establishing and maintaining internal control over recording of the City's transactions to ensure balances are reported in accordance with GAAP.

Effect: The payroll accrual and payroll expenses accounts were understated.

Cause: The last payroll period was properly accrued.

Repeat Finding: This is not a repeat finding.

Recommendation: The year-end close process should include procedures all payroll periods that should be accrued based on when the expense is incurred.

Views of Responsible Officials and Planned Corrective Actions: The oversight was due to the 2024 storm season, as the City was in storm recovery mode at year-end and one of the accrual entries for payroll was overlooked. Moving forward our year-end closing process will include additional procedures to review amounts received after year-end to ensure expense is recognized in the correct period.

**CITY OF SAFETY HARBOR, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2024**

2024-003 – Budgets

Type of Finding:

- Budgetary Compliance

Condition: Testing of compliance with budgetary requirements identified that the City's expenditures exceeded the final budget by classification as noted below.

Criteria or Specified Requirement: Section 7.28 of the City's Code of Ordinances prohibits the expenditure of any money or the incurrence of any liability in excess of the amounts appropriated for these general classifications of expenditures: personal services, contractual and other services, materials and supplies, capital outlay, and debt service. If there are any changes in expenditures or revenues during the fiscal year, the budget must be amended to reflect these changes. The adopted budget must regulate expenditures, ensuring that the total appropriations for expenditures and reserves do not exceed the amount available.

Effect: The City is not in compliance with the budgetary requirements.

Cause: The budget was not amended for increases in expenditures for the following funds and expenditure classifications:

- General Fund – Capital Outlay and Debt Service
- Community Redevelopment Agency Fund (CRA) – Personnel Services
- Parkland Fund – Contractual and Other Services and Debt Service
- Water and Sewer Fund – Contractual and Other Services

Repeat Finding: This was not a finding in the prior year.

Recommendation: Budgets should be monitored and amended when needed, within the time period allowed by statute, to ensure that the City does not incur expenditures in excess of budgeted amounts.

Views of Responsible Officials and Planned Corrective Actions: Management concurs with the finding. The 2024 storm season contributed to this deficiency, as the City was in storm recovery mode at and in the months following year-end resulting in the inability to complete a year end true-up amendment timely. Moving forward, we will continue monitoring and amending the budget as needed when incurring expenditures in excess of budgeted amounts they pertain to this new accounting standard.



INDEPENDENT ACCOUNTANTS' REPORT

Honorable Mayor and
Members of the City Commission
City of Safety Harbor, Florida

We have examined the City of Safety Harbor, Florida's (the City), compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investments of public funds, during the year ended September 30, 2024.

This report is intended solely for the information and use of the City and the Auditor General, state of Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Tampa, Florida
January 13, 2026

