

**CITY OF QUINCY, FLORIDA**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

**CITY OF QUINCY, FLORIDA  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024  
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**CITY OF QUINCY, FLORIDA  
LIST OF PRINCIPAL OFFICIALS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Freida Bass Prieto

Commissioner

Angela G. Sapp

Mayor

Dr. Robin Wood

Commissioner

Ronte R. Harris

Mayor Pro Tem

Dr. Beverly A. Nash

Commissioner

**CITY OF QUINCY, FLORIDA**

**FINANCIAL SECTION**

**SEPTEMBER 30, 2024**

### INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor, City Commissioners, and City Manager  
City of Quincy, Florida

#### Report on the Audit of the Financial Statements

##### Opinion

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 Quincy, Florida (the "City"), as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

##### Basis for Opinion

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

##### 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 known information that may raise substantial doubt shortly thereafter.

##### Auditor's Responsibilities for the Audit of the Financial Statements

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

control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

### **Required Supplementary Information**

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

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the

basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**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 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 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.

*Moran & Smith LLP*

Moran & Smith LLP

Tallahassee, Florida

January 13, 2026

**CITY OF QUINCY, FLORIDA  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

As management of the City of Quincy, Florida (the “City”), we offer readers of the City’s financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024.

**FINANCIAL HIGHLIGHTS**

- The City's net position as of September 30, 2024, was \$15,189,656 as compared to \$14,034,883 for fiscal year 2023, an increase of \$1,154,773. The City’s unrestricted net assets as of September 30, 2024, were negative \$10,304,120 compared to negative \$10,949,520 for fiscal year ended September 30, 2023.
- Governmental activities unrestricted net position was a negative \$13,120,389 as of September 30, 2024, versus negative \$13,322,980 as of September 30, 2023.
- The total revenues from all sources were \$28,936,466 for the fiscal year 2024 versus \$30,203,611 for the fiscal year 2023. Enterprise fund revenue decreased \$1,439,959, while governmental fund revenue increased \$172,814, in fiscal year 2024.
- The total cost of all City programs was \$27,781,693 for the fiscal year 2024 versus \$29,328,506 for the fiscal year 2023. Overall, there was a decrease of \$128,971 in expenses in the governmental funds and a decrease of expenses in the enterprise funds of \$1,417,842.
- During fiscal year 2024, the City's governmental and business activity total revenues exceeded expenses (change in net assets) by \$1,154,773 and the revenues exceeded expenses by \$875,105 for 2023. This is an increase of \$279,668.
- Total expenditures in the governmental funds of \$11,058,779, exceeded total revenues of \$7,036,931 by \$4,021,848, excluding net transfers of \$5,084,296 for fiscal year 2024, while total expenditures for fiscal year 2023 of \$11,187,750 exceeded total revenues of \$6,864,117 by \$4,323,633 excluding net transfers in the amount of \$5,523,491.
- The General Fund’s fund balance is \$1,145,463 for fiscal year 2024, compared to \$1,244,293 at the end of fiscal year 2023, a decrease of \$98,830.
- The City's total long-term debt is \$10,623,659 (not including liabilities related to OPEB or pension) as of September 30, 2024, representing a decrease of \$1,193,200 from \$11,816,859 as of September 30, 2023.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The annual report consists of a series of financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements**

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

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

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

**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, physical environment, transportation, economic environment, and culture and recreation. The business-type activities of the City include wastewater, electricity, water, gas, refuse, and landfill operations.

The government-wide financial statements can be found on pages 11-12 of this report.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into four categories: governmental funds, proprietary funds, internal service 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 government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains two major governmental funds, the General Fund and the CRA Fund, and two non-major governmental funds, the Confiscated Property Fund and the 2012 Refunding Bond Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for all funds.

The City adopts an annual appropriated budget for the major governmental funds. Budgetary comparison schedules have been provided for the general fund and CRA fund to demonstrate compliance with the budget.

**Proprietary Funds**

The City maintains six proprietary funds, three major and three nonmajor. Enterprise funds are used to report the same functions presented in the business-type activities in the government-wide financial statements. The City's six enterprise funds are to account for wastewater, electric, water, gas, refuse and landfill operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the wastewater, electric, and water operations (major funds) and gas, refuse and landfill operations (nonmajor funds).

**Internal Service Fund**

The Internal Service Fund is used as an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains one internal service fund to account for information technology services provided both to the governmental funds and to the enterprise funds. The amount of the allocation is based on an equal distribution of cost across all departments.

**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs and operations. The City maintains two major fiduciary funds, the Retirement Savings Plan Fund and the Police and Fire Pension Plan Fund.

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24-49 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary information, pension liability and other post-employment benefits liability. Required information can be found on pages 50-55 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$15,189,656 at the close of the most recent fiscal year.

Summary of the Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2024	2023	2024	2023	2024
<b>Assets:</b>						
Current & Other	\$ 4,925,237	\$ 5,051,239	\$ 11,435,188	\$ 11,790,877	\$ 16,360,425	\$ 16,842,116
Capital Assets, Net	9,463,369	9,362,488	19,308,993	18,497,860	28,772,362	27,860,348
<b>Total Assets</b>	<b>14,388,606</b>	<b>14,413,727</b>	<b>30,744,181</b>	<b>30,288,737</b>	<b>45,132,787</b>	<b>44,702,464</b>
Deferred Outflows of Resources	3,170,071	1,721,400	-	-	3,170,071	1,721,400
<b>Liabilities:</b>						
Current & Other	3,241,506	2,963,262	5,220,957	6,090,163	8,462,463	9,053,425
Long-term Debt	1,578,592	1,335,781	8,680,202	7,263,227	10,258,794	8,599,008
Net Pension Liability	2,141,694	640,387	-	-	2,141,694	640,387
OPEB Liability	7,173,366	6,036,998	-	-	7,173,366	6,036,998
<b>Total Liabilities</b>	<b>14,135,158</b>	<b>10,976,428</b>	<b>13,901,159</b>	<b>13,353,390</b>	<b>28,036,317</b>	<b>24,329,818</b>
Deferred Inflows of Resources	6,231,658	6,904,390	-	-	6,231,658	6,904,390
<b>Net Position:</b>						
Net Investment in Capital Assets	7,738,864	8,078,417	9,882,043	10,033,598	17,620,907	18,112,015
Restricted	2,775,977	3,296,281	4,587,519	4,085,480	7,363,496	7,381,761
Unrestricted	(13,322,980)	(13,120,389)	2,373,460	2,816,269	(10,949,520)	(10,304,120)
<b>Total Net Position</b>	<b>\$ (2,808,139)</b>	<b>\$ (1,745,691)</b>	<b>\$ 16,843,022</b>	<b>\$ 16,935,347</b>	<b>\$ 14,034,883</b>	<b>\$ 15,189,656</b>

**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

A large portion of the City's net position (119%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure), less any related debt used to acquire those assets that are still 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 its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$7,381,761, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

**Governmental Activities**

Governmental activities increased the City's net position by \$1,062,448 in the most recent fiscal year.

The key element of this change is an increase in tax and state shared revenues.

Summary of the Statement of Activities

	Governmental Activities		Business-type Activities		Total	
	2023	2024	2023	2024	2023	2024
<b>Revenues:</b>						
Program Revenue	\$ 1,355,312	\$ 842,414	\$ 23,241,411	\$ 21,842,736	\$ 24,596,723	\$ 22,685,150
Property Tax	1,700,181	1,905,722	-	-	1,700,181	1,905,722
Tax Increment	783,005	1,028,835	-	-	783,005	1,028,835
Utility Service Tax	263,744	271,537	-	-	263,744	271,537
Discretionary Sales Tax	795,656	802,972	-	-	795,656	802,972
Local Option Gas Tax	233,172	206,533	-	-	233,172	206,533
State Shared Revenues	1,558,111	1,590,822	-	-	1,558,111	1,590,822
Investment Earnings (Losses)	5,672	171,461	(57,973)	56,799	(52,301)	228,260
Miscellaneous	169,264	216,635	156,056	-	325,320	216,635
<b>Total Revenues</b>	<b>6,864,117</b>	<b>7,036,931</b>	<b>23,339,494</b>	<b>21,899,535</b>	<b>30,203,611</b>	<b>28,936,466</b>
<b>Program Expenses:</b>						
General Government	3,259,229	3,082,440	-	-	3,259,229	3,082,440
Public Safety	5,090,066	5,030,037	-	-	5,090,066	5,030,037
Physical Environment	228,277	224,671	-	-	228,277	224,671
Transportation	1,111,560	1,083,715	-	-	1,111,560	1,083,715
Economic Environment	616,918	888,217	-	-	616,918	888,217
Culture and Recreation	829,875	704,480	-	-	829,875	704,480
Interest on Long-term Debt	51,826	45,219	-	-	51,826	45,219
Business-type Activities	-	-	18,140,756	16,722,914	18,140,756	16,722,914
<b>Total Program Expenses</b>	<b>11,187,750</b>	<b>11,058,779</b>	<b>18,140,756</b>	<b>16,722,914</b>	<b>29,328,506</b>	<b>27,781,693</b>
<b>Excess (Deficit before Transfers)</b>	<b>(4,323,633)</b>	<b>(4,021,848)</b>	<b>5,198,738</b>	<b>5,176,621</b>	<b>875,105</b>	<b>1,154,773</b>
<b>Transfers</b>	<b>5,523,491</b>	<b>5,084,296</b>	<b>(5,523,491)</b>	<b>(5,084,296)</b>	<b>-</b>	<b>-</b>
<b>Change in Net Position</b>	<b>1,199,858</b>	<b>1,062,448</b>	<b>(324,753)</b>	<b>92,325</b>	<b>875,105</b>	<b>1,154,773</b>
<b>Net Position, Beginning</b>	<b>(4,007,997)</b>	<b>(2,808,139)</b>	<b>17,167,775</b>	<b>16,843,022</b>	<b>13,159,778</b>	<b>14,034,883</b>
<b>Net Position, Ending</b>	<b>\$(2,808,139)</b>	<b>\$(1,745,691)</b>	<b>\$ 16,843,022</b>	<b>\$ 16,935,347</b>	<b>\$ 14,034,883</b>	<b>\$ 15,189,656</b>

**CITY OF QUINCY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

**Business-Type Activities**

Business-type activities increased the City's net position by \$92,325 in the most recent fiscal year.

The key element of this change was the decrease in expenses and increase in investment earnings.

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

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

**Governmental Funds**

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

As of the end of the current fiscal year, the City's governmental funds reported an ending fund balance of \$2,718,215, an increase of \$466,839 in comparison with the prior year. (\$776,870) of this total amount constitutes unassigned fund balance. The general fund is the chief operating fund of the City.

**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 for the enterprise funds at the end of the year amounted to \$2,599,889. The total decrease in net position for the funds was \$12,477. Other factors concerning finances of the funds have already been addressed in the discussion of the City's business-type activities.

**GENERAL BUDGETARY HIGHLIGHTS**

The City amended their budget to account for grant revenue and tax revenue collected by the City. The City underspent their budget for the fiscal year.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounts to \$18,112,015 (net of accumulated depreciation and outstanding debt). This investment in capital assets includes land, buildings and systems, improvements, infrastructure, machinery and equipment, and lease assets. The City's net investment in capital assets increased by \$491,108 in the current year.

Additional information on the City's capital assets can be found in Note 6, on pages 34-35 of this report.

**CITY OF QUINCY, FLORIDA  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

**Long-Term Debt**

At the end of the current fiscal year, the City had long-term debt outstanding of \$17,301,044, which consisted of the following:

Summary of Outstanding Debt

	Governmental Activities	Business-type Activities	Total
Bonds Payable	\$ 1,031,000	\$ 7,498,434	\$ 8,529,434
Notes Payable	-	960,863	960,863
Capital Leases Payable	412,739	4,965	417,704
Landfill Closure	-	54,008	54,008
Compensated Absences	522,280	139,370	661,650
Net Pension Liability	640,387	-	640,387
OPEB Liability	6,036,998	-	6,036,998
Total	<u>\$ 8,643,404</u>	<u>\$ 8,657,640</u>	<u>\$17,301,044</u>

Additional information on the City’s long-term debt can be found in Note 7, on pages 36-39 of this report.

**ECONOMIC FACTORS AND MAJOR ACCOMPLISHMENTS**

**New Housing Options** – The City of Quincy completed some of the 200 new apartments and townhouses that began construction in the previous fiscal year. In an effort to support two of the new developments, the City received \$1.2 million in Rural Infrastructure Fund grants to add or extend necessary electrical infrastructure and an access road (South Spring Road extension). This project was substantially completed at 9/30/2024.

**Utilities Improvements** – The investment by the City is guided by the five-year capital improvements plan, which was revised this fiscal year. The capital improvements plan contains strategic elements to ensure that the City is continuously enhancing the electrical distribution system underground, improving the vegetation management program, restoring the SCDA, and outage management. Other activities related to the capital improvement plan include the following:

- Utilities staff completed the installation of power lines to the new, 80-unit apartment complex – The Arbours of Quincy.
- Utilities department completed a city-wide, customer backflow device inspection. This is the first time the City of Quincy observed 100% compliance. When customers refused to comply, a plumber was hired to complete the inspection, and the cost was charged to the customer.
- Utilities department completed the installation of a bypass pump for the Virginia Street lift station. All reporting requirements were met which included the water consumer confidence report, the Public Service Commission net metering report and storm hardening report, and the Federal report EIA-861.

**Utility Grants** – During the fiscal year ended September 30, 2024, the utilities department received three significant grants:

- \$150,000 grant from North Florida Water Management District for water meter replacement
- \$909,810 grant from Florida Department of Commerce for the extension of South Springs

**CITY OF QUINCY, FLORIDA  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Road and the utilities needed to serve future customers

- \$300,000 grant from Florida Department of Commerce for an engineering study to site a new wastewater treatment plant
- \$126,210 grant from the Florida Department of Environmental Protection to conduct comprehensive vulnerability assessment of the City’s susceptibility to flooding and develop a local mitigation strategy to address the findings

**Smart Grid** – The City has made significant strides in completing the installation of its Smart Grid, which will use digital technologies, sensors and software to better match the supply and demand of electricity in real time. The competency will help with minimizing costs and maintaining the stability and reliability of the grid. The roll out of the automated meter reading portion of the Smart Grid system is scheduled for fiscal year 2025 and into fiscal year 2026.

**Community Redevelopment Agency Grants (“CRA”)** – The CRA funded home repair grants to 15 homes for a total of \$120,000. These homes received individual grants up to \$10,000 for repairs including roof replacements and various repairs to kitchens and bathrooms.

**Parks and Recreation Center Renovations** – The City’s Public Works and Parks staff continued to make renovations to the Joe Ferrolito Recreation Center and the Campbell Kelly Center. These sites host the City’s recreation department and all indoor athletic events and activities. The facilities feature new sports and recreational programming of the City’s residents. The City has saved a considerable amount of money by using in-house employees to complete the majority of the work.

**Public Works Upgrades** – The public works department continues to address serious impairments in the City’s water drainage network. Numerous storm-drain installations or remediations eliminated massive flooding in low lying areas on the City’s southside. Upgrading drainage pipes in some areas from 48-inches to 60-inches was so impactful that several neighborhoods saw flooding completely eliminated.

**REQUEST FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Finance Department, at the City of Quincy, 404 West Jefferson Street, Quincy, Florida 32351-2328.

**CITY OF QUINCY, FLORIDA**  
**BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2024**

	<b>Primary Government</b>		<b>Total</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	
<b>Assets</b>			
Cash and Cash Equivalents	\$ 18,165	\$ 2,081,320	\$ 2,099,485
Investments	1,030,808	856,696	1,887,504
Accounts Receivable	18,016	2,749,813	2,767,829
Assessments Receivable	172,699	-	172,699
Due from Other Governments	571,577	140,991	712,568
Internal Balances	(318,719)	318,719	-
Prepaid Expenses	198,804	-	198,804
Inventory	-	1,557,858	1,557,858
Restricted Assets:			
Cash and Cash Equivalents	3,359,889	4,085,480	7,445,369
Capital Assets:			
Capital Assets, Not Being Depreciated	4,508,368	1,844,404	6,352,772
Capital Assets, Being Depreciated, Net	4,380,740	16,653,456	21,034,196
Right-of-Use Lease Asset, Being Amortized, Net	473,380	-	473,380
<b>Total Assets</b>	<b>14,413,727</b>	<b>30,288,737</b>	<b>44,702,464</b>
<b>Deferred Outflows of Resources</b>			
Deferred Outflows for OPEB	1,721,400	-	1,721,400
<b>Total Deferred Outflows of Resources</b>	<b>1,721,400</b>	<b>-</b>	<b>1,721,400</b>
<b>Liabilities</b>			
Accounts Payable and Accrued Expenses	726,796	3,179,343	3,906,139
Accrued Interest	-	73,874	73,874
Customer Deposits	-	1,391,231	1,391,231
Unearned Revenue	1,606,228	51,302	1,657,530
Accrued Compensated Absences, Current Portion	130,570	34,843	165,413
Bonds and Notes Payable, Current Portion	340,000	1,359,570	1,699,570
Lease Liability, Current Portion	159,668	-	159,668
Noncurrent Liabilities:			
Accrued Compensated Absences, Long Term	391,710	104,527	496,237
Bonds and Notes Payable, Long Term	691,000	7,104,692	7,795,692
Lease Liability, Long Term	253,071	-	253,071
Net Pension Liability	640,387	-	640,387
OPEB Liability	6,036,998	-	6,036,998
Landfill Closure Costs	-	54,008	54,008
<b>Total Liabilities</b>	<b>10,976,428</b>	<b>13,353,390</b>	<b>24,329,818</b>
<b>Deferred Inflows of Resources</b>			
Deferred Inflows for OPEB	6,003,412	-	6,003,412
Deferred Inflows for Pensions	900,978	-	900,978
<b>Total Deferred Inflows of Resources</b>	<b>6,904,390</b>	<b>-</b>	<b>6,904,390</b>
<b>Net Position</b>			
Net Investment in Capital and Right-of-Use Asset	8,078,417	10,033,598	18,112,015
Restricted for:			
Debt Payments	132,434	3,660,980	3,793,414
Public Safety	22,810	-	22,810
Community Redevelopment Agency	1,417,508	-	1,417,508
Grants	1,723,529	424,500	2,148,029
Unrestricted	(13,120,389)	2,816,269	(10,304,120)
<b>Total Net Position</b>	<b>\$ (1,745,691)</b>	<b>\$ 16,935,347</b>	<b>\$ 15,189,656</b>

See accompanying notes to Financial Statements

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

Functions/Programs	Expenses	Program Revenues			Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
<b>Governmental Activities:</b>							
General Government	\$ 3,082,440	\$ 626,944	\$ -	\$ 215,470	\$ (2,240,026)	\$ -	\$ (2,240,026)
Public Safety	5,030,037	-	-	-	(5,030,037)	-	(5,030,037)
Physical Environment	224,671	-	-	-	(224,671)	-	(224,671)
Transportation	1,083,715	-	-	-	(1,083,715)	-	(1,083,715)
Economic Environment	888,217	-	-	-	(888,217)	-	(888,217)
Culture and Recreation	704,480	-	-	-	(704,480)	-	(704,480)
Interest on Long-term Debt	45,219	-	-	-	(45,219)	-	(45,219)
<b>Total Governmental Activities</b>	<b>11,058,779</b>	<b>626,944</b>	<b>-</b>	<b>215,470</b>	<b>(10,216,365)</b>	<b>-</b>	<b>(10,216,365)</b>
<b>Business-Type Activities</b>							
Wastewater Fund	2,106,168	2,099,172	-	318,719	-	311,723	311,723
Electric Fund	10,602,252	14,549,675	-	-	-	3,947,423	3,947,423
Water Fund	1,237,690	1,892,548	-	-	-	654,858	654,858
Non-Major Funds	2,938,920	2,982,622	-	-	-	43,702	43,702
<b>Total Business-Type Activities</b>	<b>16,885,030</b>	<b>21,524,017</b>	<b>-</b>	<b>318,719</b>	<b>-</b>	<b>4,957,706</b>	<b>4,957,706</b>
<b>Total Primary Government</b>	<b>\$ 27,943,809</b>	<b>\$ 22,150,961</b>	<b>\$ -</b>	<b>\$ 534,189</b>	<b>(10,216,365)</b>	<b>4,957,706</b>	<b>(5,258,659)</b>

**General Revenues**

Taxes:		
Property Taxes		1,905,722
Tax Increment		1,028,835
Utility Service Tax		271,537
Discretionary Sales Surtax		802,972
Local Option Gas Tax		206,533
Sales Tax and Other Shared Revenues		1,590,822
Interest and Other Miscellaneous		388,096
<b>Transfers</b>		5,084,296
<b>Total General Revenues and Transfers</b>		<b>11,278,813</b>
<b>Change in Net Position</b>		<b>1,062,448</b>
<b>Net Position, Beginning of Year</b>		<b>(2,808,139)</b>
<b>Net Position, End of Year</b>		<b>\$ (1,745,691)</b>
		<b>\$ 16,935,347</b>
		<b>\$ 15,189,656</b>

See accompanying notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2024**

	<b>General Fund</b>	<b>CRA Fund</b>	<b>Non-Major Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 18,165	\$ -	\$ -	\$ 18,165
Investments	1,030,808	-	-	1,030,808
Accounts Receivable	18,016	-	-	18,016
Assessments Receivable	172,699	-	-	172,699
Due from Other Governments	571,577	-	-	571,577
Prepaid Expenses	198,804	-	-	198,804
Restricted Assets:				
Cash and Cash Equivalents	1,723,529	1,481,116	155,244	3,359,889
<b>Total Assets</b>	<b>3,733,598</b>	<b>1,481,116</b>	<b>155,244</b>	<b>5,369,958</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable and Accrued Expense	663,188	63,608	-	726,796
Due to Other Funds	318,719	-	-	318,719
Unearned Revenue	1,606,228	-	-	1,606,228
<b>Total Liabilities</b>	<b>2,588,135</b>	<b>63,608</b>	<b>-</b>	<b>2,651,743</b>
<b>Fund Balances</b>				
Nonspendable:				
Prepaid Expenses	198,804	-	-	198,804
Restricted for:				
Public Safety	-	-	22,810	22,810
Community Redevelopment Agency	-	1,417,508	-	1,417,508
Debt Service	-	-	132,434	132,434
Grants	1,723,529	-	-	1,723,529
Unassigned	(776,870)	-	-	(776,870)
<b>Total Fund Balances</b>	<b>1,145,463</b>	<b>1,417,508</b>	<b>155,244</b>	<b>2,718,215</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,733,598</b>	<b>\$ 1,481,116</b>	<b>\$ 155,244</b>	<b>\$ 5,369,958</b>

See accompanying notes to Financial Statements

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

**Total Fund Balances of Governmental Funds** \$ 2,718,215

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 governmental funds. 8,889,108

On the governmental fund statements, a net pension and OPEB liability and related deferred inflows/outflows are not due and payable in the current period and, therefore, are not reported in governmental funds.

Deferred Outflows Related to OPEB	1,721,400	
Deferred Inflows Related to Pensions	(900,978)	
Deferred Inflows Related to OPEB	(6,003,412)	
Net Pension Liability	(640,387)	
OPEB Liability	<u>(6,036,998)</u>	<u>(11,860,375)</u>

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

Bonds and Notes Payable	(1,031,000)	
Accrued Compensated Absences	<u>(522,280)</u>	<u>(1,553,280)</u>

Lease assets and liabilities are not due and payable in the current period and, therefore, are not reported in governmental funds.

Right-of-Use Lease Asset, Being Amortized, Net	473,380	
Lease Liability	<u>(412,739)</u>	<u>60,641</u>

**Total Net Position of Governmental Activities** \$ (1,745,691)

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

	<u>General Fund</u>	<u>CRA Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>				
Taxes	\$ 3,186,764	\$ -	\$ -	\$ 3,186,764
Tax Increment	-	1,028,835	-	1,028,835
Licenses and Permits	234,124	-	-	234,124
Intergovernmental Revenues	1,544,262	-	-	1,544,262
Charges for Services	626,944	-	-	626,944
Fines and Forfeitures	27,906	-	-	27,906
Interest Income	171,259	-	202	171,461
Miscellaneous Revenues	216,635	-	-	216,635
<b>Total Revenues</b>	<u>6,007,894</u>	<u>1,028,835</u>	<u>202</u>	<u>7,036,931</u>
<b>Expenditures</b>				
Current:				
General Government	3,040,645	-	-	3,040,645
Public Safety	4,959,001	-	-	4,959,001
Physical Environment	220,723	-	-	220,723
Transportation	1,069,769	-	-	1,069,769
Economic Environment	429,590	455,517	-	885,107
Culture and Recreation	696,300	-	-	696,300
Debt Service:				
Principal	159,407	-	327,000	486,407
Interest	13,745	-	31,474	45,219
Capital Outlay	573,379	-	-	573,379
<b>Total Expenditures</b>	<u>11,162,559</u>	<u>455,517</u>	<u>358,474</u>	<u>11,976,550</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(5,154,665)</u>	<u>573,318</u>	<u>(358,272)</u>	<u>(4,939,619)</u>
<b>Other Financing Sources (Uses)</b>				
Debt Proceeds	205,641	-	-	205,641
Sale of Asset	116,521	-	-	116,521
Transfers In	5,085,173	4,123	346,500	5,435,796
Transfers Out	(351,500)	-	-	(351,500)
<b>Total Other Financing Sources (Uses)</b>	<u>5,055,835</u>	<u>4,123</u>	<u>346,500</u>	<u>5,406,458</u>
<b>Net Change in Fund Balances</b>	(98,830)	577,441	(11,772)	466,839
<b>Fund Balances, Beginning of Year</b>	<u>1,244,293</u>	<u>840,067</u>	<u>167,016</u>	<u>2,251,376</u>
<b>Fund Balances, End of Year</b>	<u>\$ 1,145,463</u>	<u>\$ 1,417,508</u>	<u>\$ 155,244</u>	<u>\$ 2,718,215</u>

See accompanying notes to Financial Statements

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

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

Net Change in Fund Balances - Total Governmental Funds.	\$	466,839
<p>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 and reported as depreciation expense:</p>		
Expenditures for Capital Assets		464,186
Less: Current Year Depreciation		(434,851)
		29,335
<p>Amortization expense related to right-of-use lease assets does not require the use of current financial resources and therefore is not reported as an expenditure in the governmental funds.</p>		
		(130,216)
<p>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. This includes changes in:</p>		
Deferred Outflows Related to Pensions		56,299
Deferred Outflows Related to OPEB		(1,231,164)
Deferred Inflows Related to Pensions		(729,031)
Deferred Inflows Related to OPEB		(217,507)
Net Pension Liability		1,501,307
OPEB Liability		1,136,368
		516,272
<p>The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds.</p>		
Changes in Accrued Compensated Absences		(100,548)
Issuance of Debt		(205,641)
Bond and Note Repayment		327,000
Lease Repayment		159,407
		180,218
<b>Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b>1,062,448</b>

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF NET POSITION – PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2024**

	Business-Type Activities					Internal Service Fund
	Enterprise Funds				Total Enterprise Funds	
	Major Funds			Non-Major Funds		
Waste water Fund	Electric Fund	Water Fund				
<b>Assets</b>						
<b>Current Assets</b>						
Cash and Cash Equivalents	\$ 447	\$ 413,998	\$ 1,047,505	\$ 381,791	\$ 1,843,741	\$ 237,579
Investments	-	428,671	428,025	-	856,696	-
Receivables	309,099	1,793,796	379,000	267,918	2,749,813	-
Due from Other Governments	20,704	84,339	17,974	17,974	140,991	-
Interfund Receivables (Payables)	598,662	(1,239,829)	479,943	479,943	318,719	-
Inverntory	48,872	1,069,450	353,860	85,676	1,557,858	-
<b>Total Current Assets</b>	<u>977,784</u>	<u>2,550,425</u>	<u>2,706,307</u>	<u>1,233,302</u>	<u>7,467,818</u>	<u>237,579</u>
<b>Noncurrent Assets</b>						
<b>Restricted Assets:</b>						
Restricted Cash and Cash Equivalents	204,104	2,776,286	664,150	440,940	4,085,480	-
<b>Total Restricted Assets</b>	<u>204,104</u>	<u>2,776,286</u>	<u>664,150</u>	<u>440,940</u>	<u>4,085,480</u>	<u>-</u>
<b>Capital Assets:</b>						
Land and Land Improvements	403,717	403,717	400,324	458,595	1,666,353	-
Work in Process	25,010	108,481	22,280	22,280	178,051	-
Property, Plant and Equipment (Accumulated Depreciation)	13,620,655 (6,968,722)	30,058,748 (21,298,513)	15,046,262 (14,055,144)	2,176,742 (1,946,499)	60,902,407 (44,268,878)	95,211 (75,284)
<b>Total Net Capital Assets</b>	<u>7,080,660</u>	<u>9,272,433</u>	<u>1,413,722</u>	<u>711,118</u>	<u>18,477,933</u>	<u>19,927</u>
<b>Total Assets</b>	<u>\$ 8,262,548</u>	<u>\$ 14,599,144</u>	<u>\$ 4,784,179</u>	<u>\$ 2,385,360</u>	<u>\$ 30,031,231</u>	<u>\$ 257,506</u>

See accompanying notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF NET POSITION – PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2024**

	Business-Type Activities					Internal Service Fund
	Enterprise Funds				Total Enterprise Funds	
	Major Funds		Water Fund	Non-Major Funds		
Waste water Fund	Electric Fund					
<b>Liabilities</b>						
<b>Current Liabilities</b>						
Accounts Payable	\$ 131,955	\$ 2,224,340	\$ 94,681	\$ 577,836	\$ 3,028,812	\$ 21,199
Accrued Liabilities	6,700	95,880	9,113	17,639	129,332	-
Accrued Interest	14,909	34,627	20,166	4,172	73,874	-
Unearned Revenue	-	51,302	-	-	51,302	-
Current Portion:						
Bonds Payable	611,696	356,935	289,988	31,129	1,289,748	-
Notes Payable	64,857	-	-	-	64,857	-
Lease Asset Liability	993	1,986	993	993	4,965	-
Compensated Absences Payable	2,659	21,281	2,272	8,631	34,843	-
<b>Total Current Liabilities</b>	<b>833,769</b>	<b>2,786,351</b>	<b>417,213</b>	<b>640,400</b>	<b>4,677,733</b>	<b>21,199</b>
<b>Noncurrent Liabilities</b>						
Customer Deposits	-	1,362,879	21,825	6,527	1,391,231	-
Long-term Portion:						
Bonds Payable	471,136	3,087,938	2,205,606	444,005	6,208,685	-
Notes Payable	896,007	-	-	-	896,007	-
Compensated Absences	7,976	63,843	6,816	25,892	104,527	-
Land Fill Closure Liability	-	-	-	54,008	54,008	-
<b>Total Noncurrent Liabilities</b>	<b>1,375,119</b>	<b>4,514,660</b>	<b>2,234,247</b>	<b>530,432</b>	<b>8,654,458</b>	<b>-</b>
<b>Total Liabilities</b>	<b>2,208,888</b>	<b>7,301,011</b>	<b>2,651,460</b>	<b>1,170,832</b>	<b>13,332,191</b>	<b>21,199</b>
<b>Net Position</b>						
Net Investment in Capital and Right of Use Assets	5,035,971	5,825,574	(1,082,865)	234,991	10,013,671	19,927
Restricted for:						
Debt	204,104	2,351,786	664,150	440,940	3,660,980	-
Grants	-	424,500	-	-	424,500	-
Unrestricted	813,585	(1,303,727)	2,551,434	538,597	2,599,889	216,380
<b>Total Net Position</b>	<b>6,053,660</b>	<b>7,298,133</b>	<b>2,132,719</b>	<b>1,214,528</b>	<b>16,699,040</b>	<b>236,307</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 8,262,548</b>	<b>\$ 14,599,144</b>	<b>\$ 4,784,179</b>	<b>\$ 2,385,360</b>	<b>\$ 30,031,231</b>	<b>\$ 257,506</b>

See accompanying notes to Financial Statements

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

	<b>Business-Type Activities</b>					
	<b>Enterprise Funds</b>					<b>Internal Service Fund</b>
	<b>Major Funds</b>			<b>Non-Major Funds</b>	<b>Total Enterprise Funds</b>	
<b>Waste water Fund</b>	<b>Electric Fund</b>	<b>Water Fund</b>				
<b>Operating Revenues</b>						
Charges for Services	\$ 2,099,172	\$ 13,653,047	\$ 1,810,718	\$ 2,642,875	\$ 20,205,812	\$ 304,631
Interfund Charges	-	789,803	81,745	7,052	878,600	-
Miscellaneous Revenues	-	106,825	85	20,960	127,870	7,104
<b>Total Operating Revenue</b>	<u>2,099,172</u>	<u>14,549,675</u>	<u>1,892,548</u>	<u>2,670,887</u>	<u>21,212,282</u>	<u>311,735</u>
<b>Operating Expenses</b>						
Purchase Power	-	7,240,682	-	575,037	7,815,719	-
Personnel Services	282,110	1,417,033	279,644	287,717	2,266,504	-
Contractual Service	917,450	153,460	365,520	1,596,594	3,033,024	76,314
Supplies	2,936	25,624	2,817	4,168	35,545	655
Repairs and Maintenance	41,260	164,652	14,918	5,427	226,257	-
Utility/Telephone	206,442	72,797	108,158	3,274	390,671	13,462
Shared Service	45,424	374,751	45,424	90,848	556,447	-
Depreciation	458,827	503,417	274,127	43,840	1,280,211	40,754
Other Expenses	111,952	429,171	82,986	58,409	682,518	105,702
IT- Support	9,500	151,631	9,500	28,500	199,131	-
<b>(Total Operating Expenses)</b>	<u>(2,075,901)</u>	<u>(10,533,218)</u>	<u>(1,183,094)</u>	<u>(2,693,814)</u>	<u>(16,486,027)</u>	<u>(236,887)</u>
<b>Operating Income</b>	<u>23,271</u>	<u>4,016,457</u>	<u>709,454</u>	<u>(22,927)</u>	<u>4,726,255</u>	<u>74,848</u>
<b>Non-Operating (Expenses)</b>						
Capital Grants	318,719	-	-	-	318,719	-
Interest Income	6,581	25,853	50,962	29,797	113,193	-
Interest Expenses	(30,267)	(69,034)	(54,596)	(8,219)	(162,116)	-
Investment Gains (Losses)	-	52,861	52,861	-	105,722	-
<b>Total Non-Operating Revenues (Expenses)</b>	<u>295,033</u>	<u>9,680</u>	<u>49,227</u>	<u>21,578</u>	<u>375,518</u>	<u>-</u>
<b>Income Before Transfers</b>	<u>318,304</u>	<u>4,026,137</u>	<u>758,681</u>	<u>(1,349)</u>	<u>5,101,773</u>	<u>74,848</u>
<b>Operating Transfers</b>						
Transfers In	169,000	-	-	111,500	280,500	5,000
Transfers Out	(279,053)	(4,139,541)	(647,465)	(303,737)	(5,369,796)	-
<b>Total Operating Transfers</b>	<u>(110,053)</u>	<u>(4,139,541)</u>	<u>(647,465)</u>	<u>(192,237)</u>	<u>(5,089,296)</u>	<u>5,000</u>
<b>Change in Net Position</b>	<u>208,251</u>	<u>(113,404)</u>	<u>111,216</u>	<u>(193,586)</u>	<u>12,477</u>	<u>79,848</u>
<b>Net Position, Beginning of Year</b>	5,845,409	7,411,537	2,021,503	1,408,114	16,686,563	156,459
<b>Net Position, End of Year</b>	<u>\$ 6,053,660</u>	<u>\$ 7,298,133</u>	<u>\$ 2,132,719</u>	<u>\$ 1,214,528</u>	<u>\$ 16,699,040</u>	<u>\$ 236,307</u>

See accompanying notes to Financial Statements

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

	<b>Wastewater Fund</b>	<b>Electric Fund</b>	<b>Water Fund</b>	<b>Non-Major Funds</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b>Cash Flows from Operating Activities</b>						
Cash Received from Customers and Others	\$ 1,975,471	\$ 14,663,920	\$ 1,961,282	\$ 2,543,934	\$ 21,144,607	\$ 311,735
Cash Paid to Employees	(284,395)	(1,445,403)	(365,520)	(287,717)	(2,383,035)	-
Cash Paid to Suppliers	(1,347,282)	(8,852,753)	(706,431)	(1,857,716)	(12,764,182)	(210,448)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>343,794</u>	<u>4,365,764</u>	<u>889,331</u>	<u>398,501</u>	<u>5,997,390</u>	<u>101,287</u>
<b>Cash Flows from Noncapital Financing Activities</b>						
Operating Transfers In	169,000	-	-	111,500	280,500	5,000
Operating Transfers Out	(279,053)	(4,139,541)	(647,465)	(303,737)	(5,369,796)	-
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<u>(110,053)</u>	<u>(4,139,541)</u>	<u>(647,465)</u>	<u>(192,237)</u>	<u>(5,089,296)</u>	<u>5,000</u>
<b>Cash Flows from Capital and Related Financing Activities</b>						
Grants	318,719	-	-	-	318,719	-
Principal Payments on Debt	(191,872)	(454,062)	(285,138)	(85,623)	(1,016,695)	-
Interest Payments on Debt	(30,267)	(69,034)	(54,596)	(8,219)	(162,116)	-
Purchase of Fixed Assets	(371,429)	(106,516)	(22,323)	(4,306)	(504,574)	(5,258)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<u>(274,849)</u>	<u>(629,612)</u>	<u>(362,057)</u>	<u>(98,148)</u>	<u>(1,364,666)</u>	<u>(5,258)</u>
<b>Cash Flows from Investing Activities</b>						
Interest Received	6,581	25,853	50,962	29,797	113,193	-
Investment Gains (Losses)	-	52,861	52,861	-	105,722	-
<b>Net Cash Provided from Investing</b>	<u>6,581</u>	<u>78,714</u>	<u>103,823</u>	<u>29,797</u>	<u>218,915</u>	<u>-</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(34,527)	(324,675)	(16,368)	137,913	(237,657)	101,029
<b>Cash and Cash Equivalents, Beginning of Year</b>	239,078	3,514,959	1,728,023	684,818	6,166,878	136,550
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 204,551</u>	<u>\$ 3,190,284</u>	<u>\$ 1,711,655</u>	<u>\$ 822,731</u>	<u>\$ 5,929,221</u>	<u>\$ 237,579</u>

See accompanying notes to Financial Statements

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

	<b>Wastewater Fund</b>	<b>Electric Fund</b>	<b>Water Fund</b>	<b>Non-Major Funds</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b><u>Included on the Accompanying Balance Sheet</u></b>						
<b><u>Under the Following Captions</u></b>						
Cash and Cash Equivalents	\$ 447	\$ 413,998	\$ 1,047,505	\$ 381,791	\$ 1,843,741	\$ 237,579
Restricted Assets:						
Cash and Cash Equivalents	204,104	2,776,286	664,150	440,940	4,085,480	-
<b>Total</b>	<b><u>\$ 204,551</u></b>	<b><u>\$ 3,190,284</u></b>	<b><u>\$ 1,711,655</u></b>	<b><u>\$ 822,731</u></b>	<b><u>\$ 5,929,221</u></b>	<b><u>\$ 237,579</u></b>
<b><u>Reconciliation of Operating Income (Loss) to Net Cash</u></b>						
<b><u>Provided by (Used in) Operating Activities</u></b>						
<b>Cash Flows from Operating Activities</b>						
Operating Income (Loss)	\$ 23,271	\$ 4,016,457	\$ 709,454	\$ (22,927)	\$ 4,726,255	\$ 74,848
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:						
Depreciation and Amortization	458,827	503,417	274,127	43,840	1,280,211	40,754
Changes in Assets - Decrease (Increase) and Liabilities - Increase (Decrease)						
Investments	-	(64,430)	(64,430)	-	(128,860)	-
Accounts Receivable	177,702	(114,245)	68,819	140,965	273,241	-
Interfund Receivable/(Payable)	(318,719)	-	-	-	(318,719)	-
Inventory	(11,746)	(234,301)	(63,667)	(8,266)	(317,980)	-
Accounts Payable	12,318	580,283	(38,340)	249,671	803,932	(14,011)
Accrued Liabilities	2,285	(28,370)	4,689	(4,358)	(25,754)	(304)
Customer Deposits	-	(296,275)	(1,038)	(1,336)	(298,649)	-
Compensated Absences	(144)	3,228	(283)	912	3,713	-
Landfill Closure Liability	-	-	-	(54,008)	(54,008)	-
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b><u>\$ 343,794</u></b>	<b><u>\$ 4,365,764</u></b>	<b><u>\$ 889,331</u></b>	<b><u>\$ 398,501</u></b>	<b><u>\$ 5,997,390</u></b>	<b><u>\$ 101,287</u></b>

See accompanying notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2024**

	<u>Retirement Savings Plan</u>	<u>Police and Firemen's Supplemental Pension Plan</u>	<u>Total</u>
<b>Assets</b>			
Current Assets			
Cash and Cash Equivalents	\$ 127,900	\$ 320,918	\$ 448,818
Investments	9,498,384	10,106,202	19,604,586
Receivables	289,084	14,021	303,105
Prepays	-	3,070	3,070
Total Current Assets	<u>9,915,368</u>	<u>10,444,211</u>	<u>20,359,579</u>
<b>Total Assets</b>	<u>9,915,368</u>	<u>10,444,211</u>	<u>20,359,579</u>
<b>Liabilities</b>			
Payables			
Refunds of Member Contributions	-	29,236	29,236
Administrative Expenses	-	14,687	14,687
Total Liabilities	<u>-</u>	<u>43,923</u>	<u>43,923</u>
<b>Net Position</b>			
Restricted for Pension Benefits	<u>9,915,368</u>	<u>10,400,288</u>	<u>20,315,656</u>
<b>Total Net Position</b>	<u>\$ 9,915,368</u>	<u>\$ 10,400,288</u>	<u>\$ 20,315,656</u>

See accompanying notes to Financial Statements

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

	<b>Retirement Savings Plan</b>	<b>Police and Firemen's Supplemental Pension Plan</b>	<b>Total</b>
<b>Additions</b>			
<b>Contributions</b>			
Plan Member	\$ 17,574	\$ 134,931	\$ 152,505
Employer	650,695	-	650,695
Other	73,272	-	73,272
<b>Total Contributions</b>	<u>741,541</u>	<u>134,931</u>	<u>876,472</u>
<b>Investment Income (Loss):</b>			
Net Realized and Unrealized Gain/Loss	1,673,453	1,639,184	3,312,637
Interest and Dividends	410,838	303,574	714,412
<b>Net Investment Income (Loss)</b>	<u>2,084,291</u>	<u>1,942,758</u>	<u>4,027,049</u>
<b>Total Additions</b>	<u>2,825,832</u>	<u>2,077,689</u>	<u>4,903,521</u>
<b>Deductions</b>			
Benefits Payments	1,368,351	835,497	2,203,848
Administrative Expenses	2,026	57,688	59,714
<b>Total Deductions</b>	<u>1,370,377</u>	<u>893,185</u>	<u>2,263,562</u>
<b>Change in Net Position</b>	1,455,455	1,184,504	2,639,959
<b>Net Position - Beginning of Year</b>	<u>8,459,913</u>	<u>9,215,784</u>	<u>17,675,697</u>
<b>Net Position - End of Year</b>	<u>\$ 9,915,368</u>	<u>\$ 10,400,288</u>	<u>\$ 20,315,656</u>

See accompanying notes to Financial Statements

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Reporting Entity**

The City of Quincy, Florida, (the “City”) is a municipality, which operates under a Commission-City Manager form of government established on November 19, 1828, pursuant to a Special Act of the State of Florida Legislature. The City provides municipal services to its residents, including general government, public safety, public works, culture and recreation, economic environment, cemetery, and engineering. The City also provides electric, water, sewer (wastewater), gas, refuse collection, and a landfill.

The City is also a part of the Capital Trust Authority, Inc. (the “Authority”) which was incorporated on June 6, 2022, under the laws of the State of Florida, as a not-for-profit corporation. The Authority was created as a result of an interlocal agreement between the City of Gulf Breeze, Florida and the City, with three initial directors appointed by the City Council of Gulf Breeze, Florida. The purpose of the Authority is to relieve the burdens of governments by assisting in the financing, acquisition, construction, development, equipping, maintenance operation, and/or promotion of certain facilities, intangibles, and capital projects.

**Blended Component Unit**

The City’s Community Redevelopment Agency (the “CRA”) serves all the citizens of the City and is governed by a Board of Directors made up of the City Commission. The CRA was established to prevent the development or spread of slums and blight, reduce and prevent crime, and for the provision of affordable housing. The CRA is reported as a major special revenue fund.

The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government’s operations. Thus, blended component assets are appropriately presented as funds of the primary government.

**Basis of Presentation – Government-wide Financial Statements**

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Basis of Presentation – Fund Financial Statements**

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

The City reports the following major governmental funds:

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

**CRA Fund** – The CRA Fund accounts for the for all restricted incremental tax revenue contributed by Gadsden County and the City for the City’s Community Redevelopment Agency.

The City reports the following non-major governmental funds:

**Confiscated Property Fund** – The Confiscated Property Fund is a special revenue fund that accounts for revenues derived from specific sources and are required by law or regulation to be reported in a separate fund.

**Debt Service Fund** – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

The City reports the following major proprietary funds:

**Water Fund** – The Water Fund accounts for the activities of the City’s water distribution operations.

**Electric Fund** – The Electric Fund accounts for the activities of the City’s electric distribution operations.

**Wastewater** – The Wastewater accounts for the activities of the City’s sewer operations.

The City reports the following non-major proprietary funds:

**Gas Fund** – The Gas Fund accounts for the activities of the City’s gas distribution operations.

**Refuse Fund** – The Refuse Fund accounts for the operations and maintenance of the City’s refuse system.

**Landfill Fund** – The Landfill Fund accounts for the operations and maintenance of the City’s landfill activities.

**Internal Service Fund** – The Internal Service Fund accounts for allocated costs internally among the City’s various functions. It also accounts for accumulated assets and liabilities of the discontinued operations related to “Net Quincy”.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Additionally, the City reports the following fiduciary funds:

**Retirement Savings Plan** – The Retirement Savings Plan Fund of the City is used to account for assets held in a trustee capacity or as an agent for qualified City employees.

**Police and Firemen’s Supplemental Pension Plan** – The Police and Firemen’s Supplemental Pension Plan of the City is used to account for assets held in a trustee capacity or as an agent for qualified police and fireman.

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

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

**Measurement Focus and Basis of Accounting**

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

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grants, other intergovernmental revenues, charges for services, licenses and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to a future period, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

**Budgetary Information – Budgetary Basis of Accounting**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and the CRA fund.

The appropriated budget is prepared by fund, function and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the commission. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

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

**Deposits and Investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the City to invest in direct obligations of the U.S. Treasury, Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to Florida Interlocal Cooperation Act of 1969. SEC registered money market funds with the highest credit quality rating, and savings and CD accounts in state-certified public depositories.

Investments for the City are reported at fair value.

**Inventory and Prepaid Expenses**

All inventories are valued at cost using the first in/first-out (FIFO) method. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

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

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Use of Estimates**

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

**Restricted Assets**

Certain resources are set aside for debt reserves, customer deposits, and other purposes. These resources are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants, ordinances, or regulations.

**Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. For financial reporting purposes, capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. For financial reporting purposes, infrastructure assets are defined by the government as assets with an initial cost of more than \$15,000 (amount not rounded) acquired after September 30, 2003, and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of business-type activities is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. Other property, plant and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	10-40 Years
Public Domain Infrastructure	30-50 Years
System Infrastructure	10-50 Years
Equipment, Vehicles, Furniture and Fixtures	3-10 Years

**Leases**

The City has leases for vehicles and office equipment. The City determines the arrangement of the lease at inception. The City recognizes intangible right-of-use ("ROU") assets and corresponding lease liabilities for all leases that are not considered short-term. ROU assets represent the City's right to use an underlying asset for the lease term and lease liabilities represent the City's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Long-term Obligations**

In the government-wide financial statements, long term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and business-type activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the bond premium discount. Bond issuance costs are expensed when incurred, with the exception of bond insurance, which is amortized over the term of the related debt.

**Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation pay and sick pay are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**Net Position Flow Assumption**

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

**Fund Balance Flow Assumption**

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

**Fund Balance Policies**

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

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

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)**

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

**Deferred Outflows/Inflows of Resources**

In addition to assets and liabilities, the statement of financial position will, if required, report a separate section for deferred outflows of resources and deferred inflows of resources respectfully. These separate financial statement elements, deferred outflows/inflows or resources, represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow/inflow of resources (expense/expenditure or revenue) until then. Currently, the only items in this category consists of deferred amounts related to pensions and other postemployment benefits (“OPEB”).

**Property Taxes**

Property taxes are billed and collected for the City by the County Tax Collector according to Florida Statute under the following calendar:

Lien Date:	January 1
Levy Date:	October 1
Due Date:	November 1
Delinquency Date:	April 1, of the following year

**Proprietary Funds and Operating and Nonoperating Revenues and Expenses**

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

**NOTE 2 – DEPOSITS AND INVESTMENTS**

At year end, the carrying amount of the City’s cash and cash equivalents was \$2,099,485 and the total of the bank balances was \$2,036,597. The City’s carrying amount of restricted cash and cash equivalents, exclusive of externally managed portfolio, was \$7,445,369 and the total of the bank balances was \$7,403,635. The bank balances were covered by Federal depository insurance or by collateral held by the City’s custodial bank which is pledged to a state trust fund that provides security for amounts held in excess of FDIC coverage in accordance with the Florida Security for Deposits Act Chapter 280, Florida Statutes.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 2 – DEPOSITS AND INVESTMENTS (Continued)**

The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and saving associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

**Investments**

Following are the investments, credit ratings and maturities of the City’s governmental and business-type activities at September 30, 2024:

	<u>Carrying Amount</u>	<u>Credit Rating</u>	<u>Maturity</u>
Certificates of Deposit	\$ 23,216	N/A	< 180 days
Externally Managed Portfolio: Level Four	1,864,288	N/A	N/A
Total Investment	<u>\$ 1,887,504</u>		

As of September 30, 2024, the value of the General Employees’ Retirement Savings Plan’s investment with their respective credit ratings, were as follows:

	<u>Carrying Amount</u>	<u>Credit Rating</u>	<u>Maturity</u>
Externally Managed Portfolio: American Funds	\$ 9,498,384	N/A	N/A
Total Externally Managed Portfolio	<u>\$ 9,498,384</u>		

General Employees’ Pension Funds are invested with American Funds which is considered a mutual fund.

As of September 30, 2024, the value of the City’s deposits and investments in the Police and Fire Supplemental activities, with their respective credit ratings, were as follows:

	<u>Cost Amount</u>	<u>Carrying Amount</u>	<u>Credit Rating</u>	<u>Maturity</u>
Externally Managed Portfolio				
Cash and Equivalents:				
Salem Trust-515	\$ 320,918	\$ 320,918	N/A	N/A
Mutual Funds:				
Fixed Income	1,680,210	1,680,210	AAA	N/A
Equity	7,268,661	7,268,661	AAA	N/A
Pooled Funds:				
Real Estate	1,157,331	1,157,331	AAA	N/A
Total Externally Managed Portfolio	<u>\$ 10,427,120</u>	<u>\$ 10,427,120</u>		

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 2 – DEPOSITS AND INVESTMENTS (Concluded)**

*Credit Risk-* The City’s Investment Policy limits credit risk by restricting authorized investments to the following: Local Government Surplus Funds Trust Fund, State direct obligations of the United States or its agencies and instrumentalities, direct obligations of states and municipalities, repurchase agreements, commercial paper, bankers’ acceptances, and money market mutual funds.

*Interest Rate Risk-* Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of investments. The City manages interest rate risk by setting the range of duration for the City’s portfolio as .5 years to 2.5 years, with a five-year average of 1.5 years. The effective duration of investments is listed in the preceding table.

*Custodial Credit Risk-* Custodial credit risk is the risk that, in the event of a bank failure or the failure of the counterparty, the government’s deposits may not be returned to it, or may not be able to recover the value of its investments that are in the possession of an outside party. The City generally utilizes third party custodians to help manage custodial credit risk. Custodians are primarily bank trust departments, insurance companies, and brokerage firms.

*Concentration of Credit Risk-* The City’s investment policy requires diversification of investments in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. All of the City’s investments are in external investment pools.

**NOTE 3 - RECEIVABLES**

In the General Fund, due from other governments consists of state shared revenues and grant revenues for expenses incurred and not yet reimbursed. Accounts receivable consists of monthly utility billings. All utility billings are expected to be collected within one year (short-term). The City considers all short-term receivables to be fully collectible based on historical collections; therefore, no allowance for doubtful accounts has been recorded. Due from other governments, in the proprietary funds, consist of grant revenues for expenses incurred and not yet reimbursed.

The City’s accounts receivable consisted of the following at September 30, 2024:

	<u>Accounts</u> <u>Receivable</u>	<u>Due from Other</u> <u>Governments</u>	<u>Total</u> <u>Receivables</u>
Fund:			
General	\$ 18,016	\$ 571,577	\$ 589,593
Wastewater	309,099	20,704	329,803
Electric	1,793,796	84,339	1,878,135
Water	379,000	17,974	396,974
Gas	72,384	17,974	90,358
Refuse	195,534	-	195,534
Total	<u>\$ 2,767,829</u>	<u>\$ 712,568</u>	<u>\$ 3,480,397</u>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 4 – INTERFUND TRANSFERS, LOANS, AND ADVANCES**

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

	Interfund Receivables	Interfund Payables
Governmental Funds:		
<u>General Fund</u>	\$ -	\$ 318,719
Business-type Funds:		
<u>Wastewater</u>	798,662	200,000
<u>Electric</u>	200,000	1,439,829
<u>Water</u>	479,943	-
<u>Gas</u>	479,943	-
<b>Total</b>	<b>\$ 1,958,548</b>	<b>\$ 1,958,548</b>

Transfers are used to remove revenues between funds to reflect the activities of the fund with the primary government. The primary government accounts for activities such as budgetary authorizations, subsidies, or matching funds for various grant programs and reimbursements to the general fund for services provided to other funds.

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

Transfers Out	Transfers In								Total
	General	CRA	Debt Service	Internal Service	Wastewater	Gas	Refuse	Landfill	
General	\$ -	\$ -	\$ 346,500	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 351,500
Wastewater	234,053	-	-	-	-	-	45,000	-	279,053
Electric	3,924,918	4,123	-	-	144,000	5,500	61,000	-	4,139,541
Water	622,465	-	-	-	25,000	-	-	-	647,465
Gas	303,737	-	-	-	-	-	-	-	303,737
	<b>\$ 5,085,173</b>	<b>\$ 4,123</b>	<b>\$ 346,500</b>	<b>\$ 5,000</b>	<b>\$ 169,000</b>	<b>\$ 5,500</b>	<b>\$ 61,000</b>	<b>\$ 45,000</b>	<b>\$ 5,721,296</b>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 5 – INVENTORY**

Inventory at September 30, 2024, consists of the following:

Wastewater	\$ 48,872
Electric	1,069,450
Water	353,860
Gas	85,676
Total Inventory	<u>\$ 1,557,858</u>

**NOTE 6 – CAPITAL ASSETS**

	<b>Balance September 30, 2023</b>	<b>Increase</b>	<b>Decrease</b>	<b>Balance September 30, 2024</b>
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 4,617,561	\$ -	\$ (109,193)	\$ 4,508,368
Total Capital Assets, Not Being Depreciated	<u>4,617,561</u>	<u>-</u>	<u>(109,193)</u>	<u>4,508,368</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	5,828,990	-	-	5,828,990
Improvements other than Buildings	11,058,291	-	-	11,058,291
Infrastructure	9,227,406	219,970	-	9,447,376
Machinery and Equipment	9,339,638	167,552	(7,328)	9,499,862
Total Capital Assets, Being Depreciated	<u>35,454,325</u>	<u>387,522</u>	<u>(7,328)</u>	<u>35,834,519</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(5,828,990)	-	-	(5,828,990)
Improvements other than Buildings	(11,058,291)	-	-	(11,058,291)
Infrastructure	(6,709,565)	(86,605)	-	(6,796,170)
Machinery and Equipment	(7,429,409)	(348,246)	7,328	(7,770,327)
Total Accumulated Depreciation	<u>(31,026,255)</u>	<u>(434,851)</u>	<u>7,328</u>	<u>(31,453,778)</u>
Total Capital Assets, Being Depreciated, Net	<u>4,428,070</u>	<u>(47,329)</u>	<u>-</u>	<u>4,380,741</u>
Right-of-Use Lease Assets, Being Amortized:				
Office Equipment	46,492	-	-	46,492
Vehicles	532,262	185,857	-	718,119
Less Accumulated Amortization	(161,016)	(130,216)	-	(291,232)
Total Right-of-Use Lease Assets, Being Amortized, Net	<u>417,738</u>	<u>55,641</u>	<u>-</u>	<u>473,379</u>
<b>Total Governmental Capital Assets, Net</b>	<u><b>\$ 9,463,369</b></u>	<u><b>\$ 395,834</b></u>	<u><b>\$ (116,521)</b></u>	<u><b>\$ 9,362,488</b></u>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 6 – CAPITAL ASSETS (Concluded)**

	<b>Balance September 30, 2023</b>	<b>Increase</b>	<b>Decrease</b>	<b>Balance September 30, 2024</b>
<b>Business-Type Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 1,666,353	\$ -	\$ -	\$ 1,666,353
Construction in Progress	-	178,051	-	178,051
<b>Total Capital Assets, Not Being Depreciated</b>	<b>1,666,353</b>	<b>178,051</b>	<b>-</b>	<b>1,844,404</b>
Capital Assets, Being Depreciated				
Buildings	28,001,504	-	-	28,001,504
Utility, Plant Equipment and Improvements	21,314,441	122,491	(140,991)	21,295,941
Infrastructure	4,386,002	328,702	-	4,714,704
Equipment and Other	6,933,232	21,579	-	6,954,811
<b>Total Capital Assets, Being Depreciated</b>	<b>60,635,179</b>	<b>472,772</b>	<b>(140,991)</b>	<b>60,966,960</b>
Less Accumulated Depreciation for:				
Buildings	(22,251,808)	(742,157)	-	(22,993,965)
Utility, Plant Equipment and Improvements	(15,272,006)	(524,146)	-	(15,796,152)
Equipment and Other	(5,484,053)	(39,333)	-	(5,523,386)
<b>Total Accumulated Depreciation</b>	<b>(43,007,867)</b>	<b>(1,305,636)</b>	<b>-</b>	<b>(44,313,503)</b>
<b>Total Capital Assets, Being Depreciated, Net</b>	<b>17,627,312</b>	<b>(832,864)</b>	<b>(140,991)</b>	<b>16,653,457</b>
Right-of-Use Lease Assets, Being Amortized:				
Office Equipment	38,320	-	-	38,320
Less Accumulated Amortization	(22,992)	(15,328)	-	(38,320)
<b>Total Right-of-Use Lease Assets, Being Amortized, Net</b>	<b>15,328</b>	<b>(15,328)</b>	<b>-</b>	<b>-</b>
<b>Total Business-Type Capital Assets, Net</b>	<b>\$ 19,308,993</b>	<b>\$ (670,141)</b>	<b>\$ (140,991)</b>	<b>\$ 18,497,861</b>

**Depreciation/amortization expense was charged to governmental functions as follows:**

General Government	\$ 171,471
Public Safety	278,981
Transportation	54,770
Culture and Recreation	32,126
Economic Environment	12,214
Physical Environment	15,505
<b>Total</b>	<b>\$ 565,067</b>

**Depreciation/amortization expense was charged to the proprietary funds as follows:**

Wastewater	\$ 464,699
Electric	530,633
Water	277,960
Gas	33,960
Refuse	13,712
<b>Total</b>	<b>\$ 1,320,964</b>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 7 – LONG-TERM LIABILITIES**

Long-term liability activity for the governmental and business-type activities for the year ended September 30, 2024, was as follows:

<b><u>Governmental Activities:</u></b>	<b>September 30,</b>	<b>Additions</b>	<b>Reductions</b>	<b>September 30,</b>	<b>Due Within</b>
	<b>2023</b>			<b>2024</b>	<b>One</b>
					<b>Year</b>
<b>Bonds:</b>					
Capital Improvement Refunding Revenue Bond 2012	\$ 1,358,000	\$ -	\$ 327,000	\$ 1,031,000	\$ 340,000
<b>Capitalized Leases:</b>					
Lease Liability - Vehicles	356,032	205,641	150,180	411,493	158,422
Lease Liability - Office Equipment	10,473	-	9,227	1,246	1,246
<b>Compensated Absences</b>	421,732	100,548	-	522,280	130,570
<b>Net Pension Liability</b>	2,141,694	-	1,501,307	640,387	-
<b>Other Post Employment Benefits Liability</b>	7,173,366	-	1,136,368	6,036,998	-
<b>Total Governmental Activities Long-term Liabilities</b>	<b>\$ 11,461,297</b>	<b>\$ 306,189</b>	<b>\$ 3,124,082</b>	<b>\$ 8,643,404</b>	<b>\$ 630,238</b>
 <b><u>Business-Type Activities:</u></b>					
<b>Bonds:</b>					
Utility Revenue Refunding Series 2020A Bonds	\$ 2,843,928	\$ -	\$ 413,136	\$ 2,430,792	\$ 421,733
Utility Revenue Refunding Series 2020C Bonds	1,563,001	-	150,239	1,412,762	153,426
Utility Series 2021 Bond	3,890,432	-	235,552	3,654,880	239,456
<b>Notes Payable:</b>					
State Revolving Loan - Project No. 200100	267,490	-	24,041	243,449	24,332
State Revolving Loan - Project No. 641090	222,835	-	13,259	209,576	13,544
State Revolving Loan - Project No. 200114 (Solar Array)	527,511	-	19,673	507,838	26,981
Capital City Bank Loan - Digger Truck	101,823	-	101,823	-	-
<b>Capitalized Leases:</b>					
Lease Liability - Office Equipment	9,929	-	4,964	4,965	4,965
<b>Estimated Landfill Closure and Post Closure</b>	108,016	-	54,008	54,008	54,008
<b>Compensated Absences</b>	135,657	4,140	427	139,370	34,843
<b>Total Business-Type Activities Long-term Liabilities</b>	<b>\$ 9,670,622</b>	<b>\$ 4,140</b>	<b>\$ 1,017,122</b>	<b>\$ 8,657,640</b>	<b>\$ 973,288</b>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 7 – LONG-TERM LIABILITIES (Continued)**

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

	<u>September 30,</u> <u>2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>September 30,</u> <u>2024</u>
<b><u>Business-Type Activities:</u></b>				
<b>Electric Fund:</b>				
Utility Revenue Refunding Series 2020A Bonds	\$ 1,421,964	\$ -	\$ 206,568	\$ 1,215,396
Utility Revenue Series 2021	2,373,164	-	143,686	2,229,478
Lease Liability - Office Equipment	3,971	-	1,985	1,986
Capital City Bank Loan - Digger Truck	101,823	-	101,823	-
Compensated Absences	81,896	3,228	-	85,124
<b>Total Long-term Liabilities: Electric Fund</b>	<u>3,982,818</u>	<u>3,228</u>	<u>454,062</u>	<u>3,531,984</u>
<b>Water Fund:</b>				
Utility Revenue Refunding Series 2020A Bonds	710,982	-	103,284	607,698
Utility Revenue Refunding Series 2020C Bonds	1,563,001	-	150,239	1,412,762
Utility Revenue Series 2021	505,756	-	30,622	475,134
Lease Liability - Office Equipment	1,986	-	993	993
Compensated Absences	9,371	-	283	9,088
<b>Total Long-term Liabilities: Water Fund</b>	<u>2,791,096</u>	<u>-</u>	<u>285,421</u>	<u>2,505,675</u>
<b>Wastewater Fund:</b>				
Utility Revenue Refunding Series 2020A Bonds	710,982	-	103,284	607,698
Utility Revenue Series 2021	505,756	-	30,622	475,134
State Revolving Loan - Project No. 200100	267,490	-	24,041	243,449
State Revolving Loan - Project No. 641090	222,835	-	13,259	209,576
State Revolving Loan - Project No. 200114 (Solar Array)	527,511	-	19,673	507,838
Lease Liability - Office Equipment	1,986	-	993	993
Compensated Absences	10,779	-	144	10,635
<b>Total Long-term Liabilities: Wastewater Fund</b>	<u>2,247,339</u>	<u>-</u>	<u>192,016</u>	<u>2,055,323</u>
<b>Gas Fund:</b>				
Utility Revenue Series 2021	505,756	-	30,622	475,134
Lease Liability - Office Equipment	1,986	-	993	993
Compensated Absences	28,399	120	-	28,519
<b>Total Long-term Liabilities: Gas Fund</b>	<u>536,141</u>	<u>120</u>	<u>31,615</u>	<u>504,646</u>
<b>Landfill Fund:</b>				
Compensated Absences	5,212	792	-	6,004
Estimated Landfill Closure and Post Closure	108,016	-	54,008	54,008
<b>Total Long-term Liabilities: Landfill Fund</b>	<u>113,228</u>	<u>792</u>	<u>54,008</u>	<u>60,012</u>
<b>Total Business-type Activities Long-term Liabilities</b>	<u>\$ 9,670,622</u>	<u>\$ 4,140</u>	<u>\$ 1,017,122</u>	<u>\$ 8,657,640</u>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 7 – LONG-TERM LIABILITIES (Continued)**

**Governmental Activities**

**Revenue Bond**

The City issues bonds where it pledges income derived from tax funds remitted by the State of Florida. Amounts outstanding at the end of the current fiscal year related to these bond issues in prior years totaled \$1,031,000.

\$4,507,000 Capital Improvement and Refunding Revenue Bond, Series 2012, dated December 28, 2012, and payable in annual installments ranging from \$224,000 to \$349,000 through June 1, 2027, plus interest at 2.3%.

**Business-type Activities**

**Revenue Bonds**

The City issues bonds where it pledges income derived from the acquired or constructed assets to pay debt service. Amounts outstanding at the end of the current fiscal year related to these bonds issued in prior years totaled \$7,498,434.

\$4,114,071 Utility Revenue Refunding Bond, Series 2020A, payable in semi-annual installments ranging from \$80,574 to \$232,533 through October 1, 2029, plus interest at 2.07%, collateralized by a first lien on net revenues of the utility system. The amount outstanding at September 30, 2024, was \$2,430,792.

\$2,045,254 Utility Revenue Refunding Bond, Series 2020C, payable in semi-annual installments ranging from \$50,000 to \$90,262 through December 15, 2032, plus interest at 2.00%, collateralized by a first parity lien on net revenues of the utility system. The amount outstanding at September 30, 2024, was \$1,412,762.

\$4,342,007.83, Utility Revenue Refunding Bond, Series 2021, payable in semi-annual installments ranging from \$114,437 to \$389,178 through October 1, 2032, plus interest at 1.65%, collateralized by a first parity lien on net revenues of the utility system. The amount outstanding at September 30, 2024, was \$3,654,880.

**State Revolving Loan Notes**

The City receives state revolving loan notes from the Florida Department of Environmental Protection to construct, repair or upgrade their water and wastewater facilities. Amounts outstanding at the end of the current fiscal year related to these loans totaled \$960,863.

\$527,511, WW200114 Solar Array Loan, payable in semi-annual installments of \$14,879, starting April 15, 2024, which includes a fee of \$52,751 which represents 2.00% of the loan. The total amount of the loan was \$2,637,553 and of that amount \$2,110,042 was forgiven by a grant. The loan is collateralized by revenues from the operations of the water and sewer systems. The amount outstanding at September 30, 2024, was \$507,838.

\$480,291, CW200100 Construction Loan, payable in semi-annual installments of \$13,602, which includes interest and fees, through March 15, 2034. The loan is collateralized by revenues from the operations of the water and sewer systems. The amount outstanding at September 30, 2024, was \$243,449.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 7 – LONG-TERM LIABILITIES (Concluded)**

\$365,753, CW641090, Clean Water Improvement Loan, payable in semi-annual installments of \$8,978, through November 15, 2037, plus interest of 1.07%. The loan is collateralized by revenues from the operations of the water and sewer systems. The amount outstanding at September 30, 2024, was \$209,576.

**Line of Credit**

\$300,000, Capital City Bank Equipment Line of Credit dated July 14, 2024, payable in annual installments through July 14, 2024, plus interest at 1.95%. The line of credit was paid off at September 30, 2024.

**Debt Service Requirements**

Annual debt service requirements to maturity for the City’s bonds and notes payable, other than the liability for accumulated vacation and sick leave, is as follows:

Year Ending September 30,	Bonds and Notes Payable			
	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 340,000	\$ 23,713	\$ 879,472	\$ 146,534
2026	342,000	15,893	896,055	129,950
2027	349,000	8,027	912,966	113,040
2028	-	-	930,210	95,795
2029	-	-	947,795	78,211
2030-2034	-	-	3,594,528	143,628
2035-2039	-	-	195,146	16,488
2040-2043	-	-	103,125	9,717
Total	<u>\$ 1,031,000</u>	<u>\$ 47,633</u>	<u>\$ 8,459,297</u>	<u>\$ 733,363</u>

**NOTE 8 – LEASES**

The City has leases in effect for vehicles and office equipment through 2028. The leases are considered right-of-use assets of the City. The City assumed interest rates for the leases between 2.75% and 4.25%, based on the City’s expected borrowing rate at the time.

The principal and interest requirements to maturity of the lease liabilities as of September 30, 2024, are as follows:

Year Ending September 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 159,668	\$ 15,764	\$ 4,965	\$ 137
2026	133,167	15,611	-	-
2027	94,310	11,915	-	-
2028	25,594	4,004	-	-
Total	<u>\$ 412,739</u>	<u>\$ 47,294</u>	<u>\$ 4,965</u>	<u>\$ 137</u>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 9 – CONTINGENCIES AND COMMITMENTS**

**Electric Purchase Contract**

During the fiscal year 2017, the City had purchase power contract with the U.S. Department of Energy, Southern Power Administration (SEPA) and with Florida Power and Light (FP&L). Under the terms of these contracts, in the given month, the City purchased 8,400 kilowatts of its capacity from SEPA and the remainder of its capacity from FP&L. The City’s contract with SEPA is an ongoing contract which can be terminated by either party by giving two-year advance notice. The City entered into an eight-year agreement with Florida Power and Light beginning January 1, 2016. For the year ended September 30, 2024, the City purchased electric capacity totaling \$7,240,682.

**Gas Supply Contract**

The City has an existing gas supply contract with the Municipal Gas Authority of Georgia (the “Authority”) through December 31, 2025. Under the terms of the original contract including supplemental contracts, the Authority is obligated to establish a fair and non-discriminatory pricing mechanism designed to recover all of the costs for such services and maintain, to the extent practical, relative comparative pricing in a manner consistent in the industry. The City must establish, maintain and collect rates and charges, to be able to pay all amounts payable to the Authority including but not limited to (a) cost of gas supplies provided to the City and costs allocated to the City under the Annual Authority Budget and Project Cost Projections; and (b) all other lawful charges against the City’s gas revenue. In addition, the City is obligated not to suspend or discontinue any payments provided in the contract, until all obligations of the Authority for the furtherance of providing services to the City, have been fully paid. For the year ended September 30, 2024, the City purchased gas totaling \$575,037.

**Grant Programs**

The City participates in a number of federal and state grant programs. These programs are subject to financial and compliance audits by the grantors or their respective representatives. The possible disallowance of any item charged to the program or request for the return of any unexpended funds cannot be determined at this time. No provision for any liability that may result has been made in the financial statements.

**Litigation**

The City is involved in pending lawsuits. Although the outcome of these lawsuits is not presently determined, in the opinion of management and the City’s Attorney, potential claims from litigation against the City which are not covered by insurance, would not materially affect the financial position of the City.

**Accounting for Municipal Landfill Closure and Post Closure Care Costs**

At September 30, 2024, the City’s total liability for landfill closure and post-closure care costs was approximately \$54,008. The City was notified by Florida Department of Environmental Protection (FDEP) that the Quincy-Byrd Landfill was determined to be closed.

The current liability is based on annual monitoring costs of \$54,008 for a period of one year. The liability was reduced by the annual monitoring expenses estimated. The City is required by state and federal laws and regulations to make annual deposits in an interest-bearing escrow account to cover one year of post closure care costs of \$54,008. As of September 30, 2024, cash deposited in the escrow account was \$54,008.

**CITY OF QUINCY, FLORIDA  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2024**

**NOTE 9 – CONTINGENCIES AND COMMITMENTS (Concluded)**

**Permit to Operate Sewer System**

The City is operating its Sewer System under a permit from the Florida Department of Environmental Protection (FL0029033-Major). This permit is issued under the provisions of Chapter 403, Florida Statutes (F.S.), and applicable rules of the Florida Administrative Code (F.A.C.) and constitutes authorization to discharge to waters of the state under the National Pollutant Discharge Elimination System. The permit is accompanied by an Administrative Order, pursuant to paragraphs 403.088(2)(e) and (f), Florida Statutes.

Compliance with Administrative Order, AO058NWD is a specific requirement of the permit. The City filed a one hundred and eighty (180) day permit renewal application before the August 19, 2017, sewer permit expiration date to continue to operate the sewer facilities. The City’s 180-day permit renewal application provides an automatic extension to continue operations of the Sewer System facility, until the five (5) year renewal permit is issued.

**NOTE 10 – RETIREMENT SAVINGS PLAN**

The Retirement Savings Plan (RSP) of the City is a defined contribution pension plan established to provide benefits to employees upon retirement. The City is required to contribute an amount equal to 12% of the base pay of each eligible employee. Plan provisions and contribution requirements are established and may be amended by the City. During the fiscal year September 30, 2024, the City contributed \$650,695 for eligible employees.

The Plan Manager for the Retirement Savings Plan allowed employees to take out loans against their retirement. For the year ended September 30, 2024, these loans are shown as a receivable in the amount of \$289,084.

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS**

**Plan Description**

The City of Quincy’s Retiree Health Care Plan (Plan) is a single employer defined benefit postemployment health care plan that covers eligible retired employees of the City. The Plan, which is administered by the City, allows employees who retire and meet retirement eligibility requirements under one of the City’s retirement plans to continue medical insurance coverage as a participant in the City’s plan. For purposes of applying Paragraph 4 under Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the Plan does not meet the requirements for an OPEB plan administered through a trust.

**Employees Covered by Benefit Terms**

At September 30, 2023, the following employees were covered by the benefit terms:

Inactive Plan Members, or Beneficiaries Currently Receiving Benefits	28
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	109
	137

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**Benefits Provided**

The City pays 100% of the retiree’s monthly medical premium before and after age 65. The retiree must pay the full premium for eligible dependent coverage. Retirees are covered for their lifetime and eligible dependents are also covered for their lifetime as long as they continue to pay the premium.

Retirees participating in the dental insurance plans offered by the City are required to contribute 100% of the Active premiums. As such, the projected employee premiums for the dental program are assumed to cover the entire cost of the program.

**Total OPEB Liability**

Measurement date – September 30, 2023

Measurement period for OPEB expense – October 1, 2022 to September 30, 2023

Reporting period – October 1, 2023 through September 30, 2024

The City’s Total OPEB Liability was measured as of September 30, 2023.

**Actuarial Assumptions**

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2023, using the following actuarial assumptions:

Inflation Rate	2.50%
Salary Increase Rate(s)	4.00%
Discount Rate	4.87%
Initial Trend Rate	7.50%
Ultimate Trend Rate	4.00%
Years to Ultimate	51

All morality rates were based on the Pub-2010 mortality tables. All mortality rates are those outlined in Milliman’s July 1, 2023 Florida Retirement System (FRS) valuation report.

**Discount Rate**

Given the City’s decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 4.87%. The high-quality municipal bond rate was based on the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices nearest the measurement date. The S&P Municipal Bond Index with a maturity rate of 20 years. Eligible bonds must be rated at least AA by Standard and Poor’s Ratings Services, Aa2 by Moody’s or AA by Fitch. If there are multiple ratings, the lowest rating is used.

**CITY OF QUINCY, FLORIDA  
NOTES TO BASIC FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024**

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

**CHANGE IN TOTAL OPEB LIABILITY**

	Increases and (Decreases) in Total OPEB Liability
Reporting Period Ending September 30, 2023	\$ 7,173,366
Changes for the Year:	
Service Cost	435,384
Interest	356,002
Differences between Expected and Actual Experience	(416,653)
Changes of Assumptions	(1,216,873)
Changes of Benefit Terms	-
Contributions – Employer	-
Benefit Payments	(294,228)
Other Changes	-
Net Changes	(1,136,368)
Reporting Period Ending September 30, 2024	\$ 6,036,998

Differences Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation of September 30, 2023.

Changes in Assumptions reflect a change in the discount rate from 4.77% for the reporting period ended September 30, 2023, to 4.87% for the reporting period ended September 30, 2024. Also reflected as assumption changes are updated health care costs and premiums and updated retirement rates for general employees.

**Sensitivity of the Total OPEB Liability to changes in the Discount Rate**

The following presents the Total OPEB Liability of the City, as well as what the City’s Total OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease 3.87%	Current Discount Rate 4.87%	1% Increase 5.87%
Total OPEB Liability (Asset)	\$ 6,949,043	\$ 6,036,998	\$ 5,300,216

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 11 – OTHER POSTEMPLOYMENT BENEFITS (Concluded)**

**Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates**

The following presents the Total OPEB Liability of the City, as well as what the City's Total OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease 3.00%-6.00%	Healthcare Cost Trend Rates 4.00%-7.00%	1% Increase 5.00%-8.00%
Total OPEB Liability (Asset)	\$ 5,232,897	\$ 6,036,998	\$ 7,057,143

**OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB**

For the year ended September 30, 2024, the city will recognize OPEB expense of \$95,393.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 594,180
Changes in Assumptions	1,436,177	5,409,232
Employer Contributions Subsequent to the Measurement Date	285,223	-
<b>Total</b>	<b>\$ 1,721,400</b>	<b>\$ 6,003,412</b>

Amounts reported as Deferred Outflows or Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30,	
2025	\$ (699,243)
2026	\$ (699,239)
2027	\$ (606,590)
2028	\$ (526,146)
2029	\$ (526,146)
Thereafter	\$ (1,509,871)

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 12 – POLICE AND FIREMEN’S SUPPLEMENTAL PENSION PLAN**

**Plan Description**

The Plan is a single-employer defined benefit plan administered by the Plan’s Board of Trustees comprised of: Five Members, two of whom, unless prohibited by law shall be legal residents of the municipality, who shall be appointed by the legislative body of the City and one Member of the Board shall be a police officer as defined in Florida Statutes 185.02 and one Member shall be a firefighter as defined in Florida Statutes 175.032, respectively, elected by a majority of the active firefighters and police officers who are Members of the plan. The fifth Member shall be chosen by a majority of the previous four Members as provided herein, and such person’s name shall be submitted to the legislative body of the City.

Full time employees who are classified as Police Officers or Firefighters participate as a condition of employment.

**Benefits Provided**

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

**Benefit Changes**

No benefit changes have been reflected since the prior year.

Members as of October 1, 2023, valuation date:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	39
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	23
Active Plan Members	39
	101

**Actuarial Assumptions**

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2023, updated to September 30, 2024, using the following actuarial assumptions:

Inflation		2.50%
Salary Increases	Service Based	
Discount Rate		6.70%
Investment Rate of Return		6.70%

**Mortality Rate**

Healthy Active Lives:

- Female – PubS.H-2010 for Employees, set forward one year
- Male – PubS.H-2010 (Below Median) for Employees, set forward one year.

Healthy Retiree Lives:

- Female – PubS.H-2010 (Below Median) for Health Retirees, set forward one year.

Beneficiary Lives:

- Female – PubG.H-2010 (Below Median) for Healthy Retirees.
- Male – PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

Disabled Lives:

- 80% PubG.H-2010 for Disabled Retirees/20% PubS.H-2010 for Disabled Retirees.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 12 – POLICE AND FIREMEN’S SUPPLEMENTAL PENSION PLAN (Continued)**

All rates for health lives are projected generationally with Mortality Improvement Scale MP-2018.

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman’s July 1, 2021, FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

**Changes in Assumptions**

Total Pension Liability as of September 30, 2024, measurement date reflects no assumption changes.

**Development of Discount Rate**

The projection of cash flows used to determine the Discount Rate assumed that current Plan Member contributions will be made at the current contribution rate and that Sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the Member rate.

Based on those assumptions, the Pension Plan’s Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments (6.70%) was applied to all periods of projected benefit payments to determine the Total Pension Liability.

No projected benefit payments were discounted using a high-quality municipal bond rate of 4.06%. The high-quality municipal bond rate was based on the daily rate closest to, but not later than the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index.

The single equivalent Discount Rate was 6.70%.

**Support for Long-Term Expected Rate of Return**

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 12 – POLICE AND FIREMEN’S SUPPLEMENTAL PENSION PLAN (Continued)**

Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan’s target asset allocation as of September 30, 2024, as provided by Mariner, are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return <sup>(1)</sup>
Domestic Equity	50.00%	7.50%
International Equity	15.00%	8.50%
Fixed Income (Non-Core)	5.00%	2.50%
Real Estate	10.00%	4.50%
Cash	3.00%	2.50%
Domestic Fixed Income	17.00%	2.50%
Total	<u>100%</u>	

Inflation rate of the investment advisor was 2.50%.

**Concentrations**

The Plan did not hold investment in any one organization that represents 5 percent or more of the Pension Plan’s fiduciary net position.

**Schedule of Changes in Net Pension Liability**

Measurement Date	9/30/2024
Reporting Period Ending	<u>9/30/2024</u>
<b>Total Pension Liability</b>	
Service Cost	\$ 211,601
Interest	747,139
Share Plan Allocation	-
Changes of Benefit Terms	-
Experience Gains/Losses	(440,046)
Changes of Assumptions	-
Benefit Payments	<u>(835,497)</u>
<b>Net Change in Total Pension Liability</b>	(316,803)
<b>Total Pension Liability - Beginning</b>	<u>11,357,478</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 11,040,675</u>
<b>Plan Fiduciary Net Position</b>	
Contributions - Employer	\$ -
Contributions - State	-
Contributions - Employee	134,931
Net Investment Income	1,942,758
Benefit Payments	(835,497)
Administrative Expense	<u>(57,688)</u>
<b>Net Change in Plan Fiduciary Net Position</b>	1,184,504
<b>Plan Fiduciary Net Position - Beginning</b>	<u>9,215,784</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>10,400,288</u>
<b>Net Pension Liability (Asset) (a) - (b)</b>	<u>\$ 640,387</u>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 12 – POLICE AND FIREMEN’S SUPPLEMENTAL PENSION PLAN (Concluded)**

**Sensitivity of the Net Pension liability to Changes in the Discount Rate**

	1% Decrease	Current Discount Rate	1% Increase
	5.70%	6.70%	7.70%
Sponsor’s Net Pension Liability	\$1,876,040	\$640,387	\$(387,358)

**Pension Plan Fiduciary Net Position**

Detailed information about the Pension Plan’s Fiduciary Net Position is available in a separately issued Plan financial report.

For the year ended September 30, 2024, the sponsor has recognized a Pension expense/(income) of (\$326,442).

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

**Schedule of Deferred Outflows and Deferred Inflows**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experiences	\$ -	\$ 220,023
Change of Assumptions	-	-
Net Difference between Projected and Actual Earnings on Pension		
Plan Investment	-	680,955
Total	\$ -	\$ 900,978

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year ended September 30:	
2025	\$ (365,752)
2026	\$ 72,651
2027	\$ (337,737)
2028	\$ (270,140)
2029	\$ -
Thereafter	\$ -

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 13 – FUND BALANCES**

As of September 30, 2024, fund balances of the governmental funds are classified as follows:

- *Nonspendable* – amounts that cannot be spent either because they are in nonspendable form (i.e. prepaid expenses and inventory) or because they are legally or contractually required to be maintained intact.
- *Restricted* – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- *Committed* – amounts that can be used only for specific purposes determined by a formal action of the City Commission. The City Commission is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by City Commission.
- *Assigned* – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.
- *Unassigned* – all other spendable amounts.

**NOTE 14 – RISK MANAGEMENT**

It is the policy of the City to purchase insurance for the risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City obtained general liability insurance at a cost it considered to be economically justifiable. The government pays an annual premium for its general insurance coverage to Florida League of Cities, Inc.

**NOTE 15 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through January 13, 2026, the date the financial statements were available to be issued and concluded that there are no other subsequent events warranting presentation or disclosure in the financial statements.

**CITY OF QUINCY, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2024**

**CITY OF QUINCY, FLORIDA**  
**OTHER POSTEMPLOYMENT BENEFITS**  
**SCHEDULE OF CHANGES IN THE OPEB LIABILITY AND RELATED RATIOS**  
**YEAR ENDED SEPTEMBER 30, 2024**  
(Last 10 Fiscal Years)

Reporting Period Ending Measurement Date	9/30/2024 9/30/2023	9/30/2023 9/30/2022	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 10/1/2019	9/30/2018 10/2/2019
<b>Total OPEB Liability</b>							
Service Cost	\$ 435,384	\$ 744,210	\$ 879,629	\$ 576,456	\$ 400,395	\$ 445,352	\$ 502,595
Interest	356,002	245,121	248,285	303,432	339,029	304,021	265,592
Changes of Benefit Terms	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(416,653)	-	(91,318)	-	(293,150)	-	-
Changes of Assumptions	(1,216,873)	(3,021,374)	(2,119,761)	2,251,336	6,434	(723,993)	(833,873)
Benefit Payments	(294,228)	(273,700)	(318,728)	(296,491)	(231,207)	(213,094)	(195,949)
Net Change in Total OPEB Liability	(1,136,368)	(2,305,743)	(1,401,893)	2,834,733	221,501	(187,714)	(261,635)
Total OPEB Liability - Beginning	7,173,366	9,479,109	10,881,002	8,046,269	7,824,768	8,012,482	8,274,117
Total OPEB Liability - Ending	\$ 6,036,998	\$ 7,173,366	\$ 9,479,109	\$ 10,881,002	\$ 8,046,269	\$ 7,824,768	\$ 8,012,482
Covered Payroll	\$ 4,952,957	\$ 4,819,214	4,633,860	4,571,882	4,396,040	3,602,887	3,602,887
City's total OPEB Liability as a Percentage of Covered Payroll	121.89%	148.85%	204.56%	238.00%	183.03%	217.18%	222.39%

**Notes to Schedule:**

*Differences Between Expected and Actual Experience:* Differences Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of September 30, 2023.

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

Fiscal Year Ending September 30, 2024:	4.87%
Fiscal Year Ending September 30, 2023:	4.77%
Fiscal Year Ending September 30, 2022:	2.43%
Fiscal Year Ending September 30, 2021:	2.14%
Fiscal Year Ending September 30, 2020:	3.58%
Fiscal Year Ending September 30, 2019:	4.18%
Fiscal Year Ending September 30, 2018:	3.64%

Also reflected as assumption changes are updated health care costs and premiums and updated retirement rates for General employees.

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

**CITY OF QUINCY, FLORIDA**  
**POLICE AND FIREMEN'S SUPPLEMENTAL PENSION PLAN**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**YEAR ENDED SEPTEMBER 30, 2024**  
(Last 10 Fiscal Years)

Measurement Date	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
<b>Total Pension Liability</b>										
Service Cost	\$ 211,601	\$ 191,370	\$ 154,163	\$ 101,416	\$ 83,529	\$ 81,950	\$ 91,547	\$ 97,154	\$ 81,748	\$ 79,756
Interest	747,139	768,040	788,018	795,933	776,192	776,543	776,987	743,912	706,961	707,360
Share Plan Allocation	-	9,986	3,873	10,052	10,102	-	-	-	-	-
Changes of Benefit Terms	-	-	-	-	-	(544)	-	-	-	-
Differences Between Expected and Actual Experience	(440,046)	(460,691)	(45,438)	(215,824)	506,141	(73,448)	(58,733)	307,201	28,822	(139,070)
Changes of Assumptions	-	-	591,694	-	(170,735)	102,628	251,771	-	344,566	-
Benefit Payments, including Refunds of Employee Contributions	(835,497)	(846,290)	(875,711)	(829,769)	(788,259)	(719,893)	(726,417)	(705,357)	(696,094)	(614,276)
<b>Net Change in Total Pension Liability</b>	<b>(316,803)</b>	<b>(337,585)</b>	<b>616,599</b>	<b>(138,192)</b>	<b>416,970</b>	<b>167,236</b>	<b>335,155</b>	<b>442,910</b>	<b>466,003</b>	<b>33,770</b>
<b>Total Pension Liability - Beginning</b>	<b>11,357,478</b>	<b>11,695,063</b>	<b>11,078,464</b>	<b>11,216,656</b>	<b>10,799,686</b>	<b>10,632,450</b>	<b>10,297,295</b>	<b>9,854,385</b>	<b>9,388,382</b>	<b>9,354,612</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 11,040,675</b>	<b>\$ 11,357,478</b>	<b>\$ 11,695,063</b>	<b>\$ 11,078,464</b>	<b>\$ 11,216,656</b>	<b>\$ 10,799,686</b>	<b>\$ 10,632,450</b>	<b>\$ 10,297,295</b>	<b>\$ 9,854,385</b>	<b>\$ 9,388,382</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer	-	306,406	651,970	442,864	355,241	518,900	320,186	332,291	324,161	173,276
Contributions - State	-	127,573	115,347	127,705	228,920	-	104,390	101,068	100,511	196,371
Contributions - Employee	134,931	134,169	115,509	83,537	64,841	62,268	64,854	69,532	74,620	64,890
Net Investment Income	1,942,758	905,556	(1,323,553)	1,705,172	684,394	349,524	703,177	957,394	286,861	(96,294)
Benefit Payments, including Refunds of Employee Contributions	(835,497)	(846,290)	(875,711)	(829,769)	(788,259)	(719,893)	(726,417)	(705,357)	(696,094)	(614,276)
Administrative Expense	(57,688)	(43,756)	(51,527)	(36,521)	(40,698)	(37,542)	(32,323)	(31,832)	(38,392)	(31,320)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>1,184,504</b>	<b>583,658</b>	<b>(1,367,965)</b>	<b>1,492,988</b>	<b>504,439</b>	<b>173,257</b>	<b>433,867</b>	<b>723,096</b>	<b>51,667</b>	<b>(307,353)</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>9,215,784</b>	<b>8,632,126</b>	<b>10,000,091</b>	<b>8,507,103</b>	<b>8,001,834</b>	<b>7,828,577</b>	<b>7,394,710</b>	<b>6,671,614</b>	<b>6,619,947</b>	<b>6,927,300</b>
<b>Adjustment to Beginning of the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>830</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 10,400,288</b>	<b>\$ 9,215,784</b>	<b>\$ 8,632,126</b>	<b>\$ 10,000,091</b>	<b>\$ 8,507,103</b>	<b>\$ 8,001,834</b>	<b>\$ 7,828,577</b>	<b>\$ 7,394,710</b>	<b>\$ 6,671,614</b>	<b>\$ 6,619,947</b>
<b>Net Pension Liability (Asset) (a) - (b)</b>	<b>\$ 640,387</b>	<b>\$ 2,141,694</b>	<b>\$ 3,062,937</b>	<b>\$ 1,078,373</b>	<b>\$ 2,709,553</b>	<b>\$ 2,797,852</b>	<b>\$ 2,803,873</b>	<b>\$ 2,902,585</b>	<b>\$ 3,182,771</b>	<b>\$ 2,768,435</b>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	94.20%	81.14%	73.81%	90.27%	75.84%	74.09%	73.63%	71.81%	67.70%	70.51%
Covered Employee Payroll	\$ 1,799,095	\$ 1,788,807	\$ 1,540,128	\$ 1,113,828	\$ 864,548	\$ 830,241	\$ 864,717	\$ 931,955	\$ 1,023,306	\$ 867,717
Net Pension Liability as a percentage of Covered Employee Payroll	35.59%	119.73%	198.88%	96.82%	313.41%	336.99%	324.25%	311.45%	311.03%	319.05%

**CITY OF QUINCY, FLORIDA**  
**POLICE AND FIREMEN'S SUPPLEMENTAL PENSION PLAN**  
**SCHEDULE OF CONTRIBUTIONS**  
**YEAR ENDED SEPTEMBER 30, 2024**  
(Last 10 Fiscal Years)

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
9/30/2024	\$ 356,719	\$ -	\$ 356,719	\$ 1,799,095	0%
9/30/2023	\$ 340,075	\$ 423,993	\$ (83,918)	\$ 1,788,807	23.70%
9/30/2022	\$ 411,796	\$ 763,444	\$ (351,648)	\$ 1,540,128	49.57%
9/30/2021	\$ 440,560	\$ 560,517	\$ (119,957)	\$ 1,113,828	50.32%
9/30/2020	\$ 574,060	\$ 574,060	\$ -	\$ 864,548	66.40%
9/30/2019	\$ 518,900	\$ 518,900	\$ -	\$ 830,241	62.50%
9/30/2018	\$ 424,576	\$ 424,576	\$ -	\$ 864,717	49.10%
9/30/2017	\$ 433,359	\$ 433,359	\$ -	\$ 931,955	46.50%
9/30/2016	\$ 424,672	\$ 424,672	\$ -	\$ 1,023,306	41.50%
9/30/2015	\$ 369,647	\$ 369,647	\$ -	\$ 867,717	42.60%

**Notes to Schedule:**

The Actuarially Determined Contribution is calculated using a October 1, 2022 valuation date.

The interest rate is 6.70%.

Methods and assumptions used to determine contribution rates can be found in the October 1, 2022 Actuarial Valuation for the City of Quincy Police Officers' and Firefighters' Retirement Plan prepared by Foster & Foster Actuaries and Consultants.

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL – GENERAL FUND**  
**YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 3,770,805	\$ 3,770,805	\$ 3,186,764	\$ (584,041)
Licenses and Permits	248,007	248,007	234,124	(13,883)
Intergovernmental Revenues	1,275,263	4,477,454	1,544,262	(2,933,192)
Charges for Services	134,682	134,682	626,944	492,262
Fines and Forfeitures	59,579	59,579	27,906	(31,673)
Interest Income	2,148	2,148	171,259	169,111
Miscellaneous Revenues	96,297	96,297	216,635	120,338
<b>Total Revenues</b>	<u>5,586,781</u>	<u>8,788,972</u>	<u>6,007,894</u>	<u>(2,781,078)</u>
<b>Expenditures</b>				
Current:				
General Government	3,021,701	3,059,686	3,040,645	19,041
Public Safety	5,469,896	5,475,599	4,959,001	516,598
Physical Environment	1,791,494	1,793,762	220,723	1,573,039
Transportation	-	-	1,069,769	(1,069,769)
Economic Environment	-	2,949,428	429,590	2,519,838
Culture and Recreation	618,034	618,105	696,300	(78,195)
Debt Service:				
Principal	358,234	358,234	159,407	198,827
Interest	-	-	13,745	(13,745)
Capital Outlay	-	215,753	573,379	(357,626)
<b>(Total Expenditures)</b>	<u>(11,259,359)</u>	<u>(14,470,567)</u>	<u>(11,162,559)</u>	<u>3,308,008</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(5,672,578)</u>	<u>(5,681,595)</u>	<u>(5,154,665)</u>	<u>526,930</u>
<b>Other Financing Sources (Uses)</b>				
Debt Proceeds	-	-	205,641	205,641
Sale of Asset	-	-	116,521	116,521
Operating Transfers in	5,272,557	5,272,557	5,085,173	(187,384)
Operating Transfers out	-	-	(351,500)	(351,500)
<b>Total Other Financing Sources (Uses)</b>	<u>5,272,557</u>	<u>5,272,557</u>	<u>5,055,835</u>	<u>(538,884)</u>
<b>Net Change in Fund Balance</b>	(400,021)	(409,038)	(98,830)	310,208
<b>Fund Balance, Beginning of Year</b>	<u>400,021</u>	<u>409,038</u>	<u>1,244,293</u>	<u>835,255</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,145,463</u>	<u>\$ 1,145,463</u>

**CITY OF QUINCY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL – CRA FUND**  
**YEAR ENDED SEPTEMBER 30, 2024**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Tax Increment	\$ 1,033,366	\$ 1,033,366	\$ 1,028,835	\$ (4,531)
<b>Total Revenues</b>	<u>1,033,366</u>	<u>1,033,366</u>	<u>1,028,835</u>	<u>(4,531)</u>
<b>Expenditures</b>				
Current:				
Economic Environment	1,033,366	1,033,366	455,517	577,849
<b>(Total Expenditures)</b>	<u>1,033,366</u>	<u>1,033,366</u>	<u>455,517</u>	<u>(577,849)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>573,318</u>	<u>573,318</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	4,123	4,123
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>4,123</u>	<u>4,123</u>
<b>Net Change in Fund Balance</b>	<u>-</u>	<u>-</u>	<u>577,441</u>	<u>577,441</u>
<b>Fund Balance, Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>840,067</u>	<u>840,067</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,417,508</u>	<u>\$ 1,417,508</u>

**CITY OF QUINCY, FLORIDA**  
**NOTES TO BUDGET AND ACTUAL SCHEDULES**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2024**

**NOTE 1 -REPORTING REQUIREMENTS**

Chapter 166, Florida Statutes, requires that all municipalities prepare, approve, adopt and execute an annual budget for such funds as may be required by law or by sound financial practices and generally accepted accounting principles. The budgets control the levy and the expenditures of money for City purposes for the ensuing fiscal year. The budgeting process is based on estimates of revenues and expenditures. The City budgets are prepared on a modified-accrual basis or accrual basis of accounting in accordance with generally accepted accounting principles.

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

1. Prior to August 15, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are held to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance.
4. Budgetary control is maintained at the department and fund level, with Finance Department providing support to departments in the administration of their budget. In accordance with the City's budget transfer policy, the City Manager is authorized to transfer budgeted amounts within any fund or function; however, the City Commission must approve any supplemental appropriations or revisions that amend the total expenditures of any fund. All budgets are on a basis consistent with accounting principles generally accepted in the United States of America.
5. Budget amounts are as originally adopted, or as amended in accordance with City ordinances. The accompanying financial statements incorporate the original budget ordinance and all amendments thereto.
6. All annual appropriations lapse at fiscal year-end.

**CITY OF QUINCY, FLORIDA**  
**COMBINING FUND FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**CITY OF QUINCY, FLORIDA  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2024**

	<b>Special Revenue Confiscated Property Fund</b>	<b>Debt Service 2012 Refunding Bond</b>	<b>Total Non-Major Governmental Funds</b>
<b>Assets</b>			
Cash and Cash Equivalent	\$ -	\$ -	\$ -
Investments	-	-	-
Receivables	-	-	-
Assessment Receivables (Net)	-	-	-
Due from Other Governments	-	-	-
Restricted Assets:			
Cash and Cash Equivalent	22,810	132,434	155,244
<b>Total Assets</b>	<b>22,810</b>	<b>132,434</b>	<b>155,244</b>
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	-	-	-
Accrued Expenses	-	-	-
Due to Other Governments	-	-	-
<b>Total Liabilities</b>	-	-	-
<b>Fund Balances</b>			
Nonspendable:			
Advances to Other Funds	-	-	-
Restricted for:			
Law Enforcement	22,810	-	22,810
Debt Service	-	132,434	132,434
Unassigned	-	-	-
<b>Total Fund Balances</b>	<b>22,810</b>	<b>132,434</b>	<b>155,244</b>
 <b>Total Liabilities and Fund Balances</b>	<b>\$ 22,810</b>	<b>\$ 132,434</b>	<b>\$ 155,244</b>

**CITY OF QUINCY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total Combined</u>
	<u>Confiscated Property Fund</u>	<u>2012 Refunding Bond</u>	<u>Non-Major Funds</u>
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Tax Increment	-	-	-
Licenses and Permits	-	-	-
Intergovernmental Revenues	-	-	-
Charges for Services	-	-	-
Fines and Forfeitures	-	-	-
Interest Income	202	-	202
<b>Total Revenues</b>	<u>202</u>	<u>-</u>	<u>202</u>
<b>Expenditures</b>			
General Government	-	-	-
Public Safety	-	-	-
Physical Environment	-	-	-
Transportation	-	-	-
Economic Environment	-	-	-
Culture and Recreation	-	-	-
Debt Service:			
Principal	-	327,000	327,000
Interest	-	31,474	31,474
Capital Outlay	-	-	-
<b>(Total Expenditures)</b>	<u>-</u>	<u>358,474</u>	<u>358,474</u>
<b>(Deficiency) Excess of Revenues (Under)</b>			
<b>Over Expenditures</b>	<u>202</u>	<u>(358,474)</u>	<u>(358,272)</u>
<b>Other Financing Sources (Uses)</b>			
Debt Proceeds	-	-	-
Transfers In	-	346,500	346,500
Transfers Out	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>346,500</u>	<u>346,500</u>
<b>Net Change in Fund Balances</b>	202	(11,974)	(11,772)
<b>Fund Balances, Beginning of Year</b>	<u>22,608</u>	<u>144,408</u>	<u>167,016</u>
<b>Fund Balances, End of Year</b>	<u>\$ 22,810</u>	<u>\$ 132,434</u>	<u>\$ 155,244</u>

**CITY OF QUINCY, FLORIDA**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2024**

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Total Non-Major Funds</b>
	<b>Non-Major Funds</b>			
	<b>Gas Fund</b>	<b>Refuse Fund</b>	<b>Landfill Fund</b>	
<b>Assets</b>				
<b>Current Assets:</b>				
Cash and Cash Equivalents	\$ 94	\$ 222,126	\$ 159,571	\$ 381,791
Investments	-	-	-	-
Receivables	72,384	195,534	-	267,918
Due from Other Governments	17,974	-	-	17,974
Interfund Receivables (Payables)	479,943	-	-	479,943
Inventory	85,676	-	-	85,676
<b>Total Current Assets</b>	<b>656,071</b>	<b>417,660</b>	<b>159,571</b>	<b>1,233,302</b>
<b>Noncurrent Assets</b>				
<b>Restricted Assets:</b>				
Restricted Cash and Cash Equivalents	386,932	-	54,008	440,940
<b>Total Restricted Assets</b>	<b>386,932</b>	<b>-</b>	<b>54,008</b>	<b>440,940</b>
<b>Capital Assets:</b>				
Land and Land Improvements	403,717	-	54,878	458,595
Work in Process	22,280	-	-	22,280
Property, Plant and Equipment (Accumulated Depreciation)	1,554,092 (1,378,688)	137,121 (82,282)	485,529 (485,529)	2,176,742 (1,946,499)
<b>Total Net Capital Assets</b>	<b>601,401</b>	<b>54,839</b>	<b>54,878</b>	<b>711,118</b>
<b>Total Assets</b>	<b>\$ 1,644,404</b>	<b>\$ 472,499</b>	<b>\$ 268,457</b>	<b>\$ 2,385,360</b>

**CITY OF QUINCY, FLORIDA**  
**COMBINING STATEMENT OF NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2024**

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Total Non-Major Funds</b>
	<b>Non-Major Funds</b>			
	<b>Gas Fund</b>	<b>Refuse Fund</b>	<b>Landfill Fund</b>	
<b>Liabilities</b>				
<b>Current Liabilities:</b>				
Accounts Payable	\$ 91,971	\$ 484,899	\$ 966	\$ 577,836
Accrued Expenses	16,094	44	1,501	17,639
Accrued Interest	4,172	-	-	4,172
Unearned Revenue	-	-	-	-
Current Portion:				
Bonds Payable	31,129	-	-	31,129
Notes Payable	-	-	-	-
Lease Asset Liability	993	-	-	993
Compensated Absences	7,130	-	1,501	8,631
<b>Total Current Liabilities</b>	<b>151,489</b>	<b>484,943</b>	<b>3,968</b>	<b>640,400</b>
<b>Noncurrent Liabilities:</b>				
Customer Deposits	6,527	-	-	6,527
Long Term Portion:				
Bonds Payable	444,005	-	-	444,005
Notes Payable	-	-	-	-
Compensated Absences	21,389	-	4,503	25,892
Land Fill Closure Liability	-	-	54,008	54,008
<b>Total Noncurrent Liabilities</b>	<b>471,921</b>	<b>-</b>	<b>58,511</b>	<b>530,432</b>
<b>Total Liabilities</b>	<b>623,410</b>	<b>484,943</b>	<b>62,479</b>	<b>1,170,832</b>
<b>Net Position</b>				
Net Investment in Capital Assets	125,274	54,839	54,878	234,991
Restricted for:				
Debt Service	386,932	-	54,008	440,940
Unrestricted	508,788	(67,283)	97,092	538,597
<b>Total Net Position</b>	<b>1,020,994</b>	<b>(12,444)</b>	<b>205,978</b>	<b>1,214,528</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 1,644,404</b>	<b>\$ 472,499</b>	<b>\$ 268,457</b>	<b>\$ 2,385,360</b>

**CITY OF QUINCY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**NON-MAJOR PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Total Non-Major Funds</b>
	<b>Gas Fund</b>	<b>Refuse Fund</b>	<b>Landfill Fund</b>	
<b>Operating Revenues</b>				
Charges for Services	\$ 1,135,296	\$ 1,458,893	\$ 48,686	\$ 2,642,875
Interfund Charges	7,052	-	-	7,052
Miscellaneous Revenue	20,960	-	-	20,960
<b>Total Operating Revenue</b>	<u>1,163,308</u>	<u>1,458,893</u>	<u>48,686</u>	<u>2,670,887</u>
<b>Operating Expenses</b>				
Purchase Power	575,037	-	-	575,037
Personnel Services	225,454	-	62,263	287,717
Contractual Services	22,123	1,573,110	1,361	1,596,594
Supplies	4,168	-	-	4,168
Repairs and Maintenance	5,427	-	-	5,427
Utility/Telephone	3,274	-	-	3,274
Shared Service	45,424	45,424	-	90,848
Depreciation	30,128	13,712	-	43,840
Other Expenses	58,409	-	-	58,409
IT-Support	9,500	9,500	9,500	28,500
<b>(Total Operating Expenses)</b>	<u>(978,944)</u>	<u>(1,641,746)</u>	<u>(73,124)</u>	<u>(2,693,814)</u>
<b>Operating Income</b>	<u>184,364</u>	<u>(182,853)</u>	<u>(24,438)</u>	<u>(22,927)</u>
<b>Non-Operating Revenues (Expenses)</b>				
Capital Grants	-	-	-	-
Interest Income	16,637	6,580	6,580	29,797
Interest Expense	(8,219)	-	-	(8,219)
Investment Gains and Losses	-	-	-	-
<b>Total Non-Operating Revenues (Expenses)</b>	<u>8,418</u>	<u>6,580</u>	<u>6,580</u>	<u>21,578</u>
<b>Income Before Transfers</b>	<u>192,782</u>	<u>(176,273)</u>	<u>(17,858)</u>	<u>(1,349)</u>
<b>Operating Transfers</b>				
Transfers In	5,500	61,000	45,000	111,500
Transfers Out	(303,737)	-	-	(303,737)
<b>Total Operating Transfers</b>	<u>(298,237)</u>	<u>61,000</u>	<u>45,000</u>	<u>(192,237)</u>
<b>Change in Net Position</b>	<u>(105,455)</u>	<u>(115,273)</u>	<u>27,142</u>	<u>(193,586)</u>
<b>Net Position, Beginning of Year</b>	1,126,449	102,829	178,836	1,408,114
<b>Net Position, End of Year</b>	<u>\$ 1,020,994</u>	<u>\$ (12,444)</u>	<u>\$ 205,978</u>	<u>\$ 1,214,528</u>

**CITY OF QUINCY, FLORIDA**

**COMPLIANCE SECTION**

**SEPTEMBER 30, 2024**

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

To the Honorable City Council,  
City of Quincy, 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 the *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 Quincy, 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) to determine the 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control over financial reporting, listed below, that we consider to be a material weakness:

**2024-001 – Accounting Records Not Maintained in Accordance with U.S. GAAP**

**Criteria:** A key element of financial reporting is the ability of management to select and apply the appropriate accounting principles to prepare the accounting records in accordance with generally accepted accounting principles.

**Condition:** It was noted during the audit that material adjusting entries to various accounts were needed to be in accordance with generally accepted accounting principles.

**Cause:** Failure to apply appropriate accounting principles.

**Effect:** Failure to apply appropriate accounting principles caused various accounts to be materially misstated.

**Recommendation:** We recommend that management implement policies and procedures to ensure that all accrual entries are made and accounts are reconciled prior to the start of the audit.

**View of Responsible Official:** See Management's Corrective Action Plan.

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

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Moran & Smith LLP*

Moran & Smith LLP  
Tallahassee, Florida  
January 13, 2026

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

To the Honorable City Council,  
City of Quincy, Florida:

We have examined the City of Quincy, Florida (the "City") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2024. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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 specific 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 our examination provides a reasonable basis for our opinion.

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

In our opinion, the City complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024.

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

*Moran & Smith LLP*

Moran & Smith LLP  
Tallahassee, Florida  
January 13, 2026

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

To the Honorable City Council,  
City of Quincy, Florida:

**Report on the Financial Statements**

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

**Auditor’s Responsibility**

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

**Other Reporting Requirements**

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on 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 significant findings and recommendations made in the preceding annual financial audit report. There were no audit findings or recommendations identified in the preceding annual financial report.

**Official Title and Legal Authority**

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

**Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7) Rules of the Auditor General, requires that we report 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 identification of the specific conditions met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

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

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, the City of Quincy, Florida is required to provide a statement as to whether PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the City's geographical boundaries during the fiscal year under audit. A PACE Program was not operating within the City's geographical boundaries during the fiscal year ending September 30, 2024.

#### **Special District Component Units**

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

#### **Specific Information**

The Required reporting items in accordance with Section 218.39(3)(c), Florida Statutes for the City of Quincy Community Redevelopment Agency (the CRA) have been reported in the separately issued audited financial statements of the CRA.

#### **Additional Matters**

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. In connection with our audit, we had no such findings.

#### **Management'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 letter titled Management's Corrective Action Plan, as listed in the table of contents. The City's response was not subject to the auditing procedures applied in the other audit of the financial statements and accordingly, we express no opinion on it.

**Purpose of the 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.

*Moran & Smith LLP*

Moran & Smith LLP  
Tallahassee, Florida  
January 13, 2026



404 W. Jefferson Street

Quincy, Florida 32351  
850-618-1884

DATE: January 9, 2026

Corrective Action Plan

**2024-001 – Accounting Records Not Maintained in Accordance with U.S. GAAP**

**Criteria:** A key element of financial reporting is the ability of management to select and apply the appropriate accounting principles to prepare the accounting records in accordance with generally accepted accounting principles.

**Condition:** It was noted during the audit that material adjusting entries to various accounts were needed to be in accordance with generally accepted accounting principles.

**Cause:** Failure to apply appropriate accounting principles.

**Effect:** Failure to apply appropriate accounting principles caused various accounts to be materially misstated.

**Recommendation:** We recommend that management implement policies and procedures to ensure that all accrual entries are made and accounts are reconciled prior to the start of the audit.

**Management's Response:** The City's Finance Director resigned prior to the fiscal year under audit, and the position remained vacant for several months during that fiscal year. Subsequent to fiscal year-end, the City appointed a new Finance Director who has implemented enhanced policies and procedures to ensure that all accounting functions operate effectively and in compliance with U.S. GAAP.

Best,

A handwritten signature in blue ink that reads "Roger Milton". The signature is written in a cursive style and is positioned above the printed name.

Roger Milton  
City Manager  
City of Quincy

Email address: RMilton@myquincy.net