FORT MYERS
CITY OF PALMS

Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025

City of Fort Myers, Florida

CITY OF

FORT MYERS FLORIDA

City of Palms

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2025

CITY OF FORT MYERS FLORIDA

City of Palms

Prepared by:
Financial Services Department

If you have any questions regarding this report call us at: (239)321-7147
Our mailing address is: 2200 Second Street, Fort Myers, FL 33901
You may also contact us through our website: https://fortmyers.gov/

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CITY OF FORT MYERS, FL

ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2025

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City of Fort Myers, Florida
FINANCIAL SERVICES ADMINISTRATION
PO Box 2217
Fort Myers, FL 33902-2217
239.321.7147

May 31, 2026

To the Honorable Mayor, Members of City Council, and Citizens of Fort Myers, Florida:

We are pleased to present to you the Annual Comprehensive Financial Report (ACFR) of the City of Fort Myers (City) for the fiscal year ended September 30, 2025. State law requires that a complete set of financial statements, presented in conformance with accounting principles generally accepted in the United States (GAAP), be audited by licensed, independent certified public accountants in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards* within nine months after the end of the fiscal year. This report has been published to fulfill those statutory requirements.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. We believe the data, as presented, is accurate in all material aspects and is presented in a manner designed to fairly set forth the financial position and results of operations of the City on a government-wide and fund basis. All disclosures necessary to ensure the reader gains an understanding of the City's financial activities have been included.

In compliance with the laws of the State of Florida, the City's financial statements have been audited by CBIZ CPAs P.C., a firm of licensed, independent certified public accountants. The independent auditor issued an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2025, are fairly presented in conformity with GAAP. The independent auditors' report is presented in front of the financial section of this report. Management's discussion and analysis (MD&A) immediately follow the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY

Geographic Location, Population, and History

Fort Myers, incorporated in 1886, is the oldest city in Lee County and serves as the county seat. Fort Myers is located on the lower west coast of Florida, midway between Tampa and Miami, and has a current population of approximately 102,060 residents. The City encompasses 48.82 total square miles, including waterways, and is bordered to the north and west by the Caloosahatchee River, which is part of the intercoastal waterway connecting the Atlantic Ocean and the Gulf of Mexico.

Fort Myers was originally established as a Seminole War Post in 1841 known as Fort Harvie, Fort Myers began transformation into a farming and cattle community in the late 1860's and 1870's. By the mid 1880's Fort Myers began developing a commercial core and gaining national notoriety for local recreational fishing.

In 1886, Fort Myers was incorporated and in 1887 Lee County was carved from Monroe County. Over time the original wooden buildings of downtown were replaced with masonry and brick buildings, many of which still exist today. 1924 marked the construction of a wooden bridge spanning the Caloosahatchee, aptly named the Edison Bridge, after our most famous winter resident. Although the boom times came and went throughout the years, Fort Myers grew to become the governmental, commercial, and social center of Southwest Florida.

Colonel Abraham Myers

Fort Myers roots back to the mid-19th century when it served as a military outpost during the Seminole Wars. The Fort Myers community was founded after the American Civil War by Captain Manuel A. Gonzalez on February 21, 1866. When the U.S. government abandoned the fort following the Civil War, Gonzalez sailed from Key West to establish the community. The City's name originates from the fort built in 1850 and named after Colonel Abraham Myers. Captain Gonzalez settled his family near the abandoned Fort Myers, where he began the area's first trading post. He traded tobacco, beads, and gunpowder, and sold otter, bobcat, and gator hide to the neighboring Seminole. Over the years, Fort Myers evolved from a military post into a thriving community.

The late 19th and early 20th centuries marked a significant period for Fort Myers with the arrival of winter residents, including inventors Thomas Edison and Henry Ford. Their influence is still visible today at the Edison and Ford Winter Estates, where visitors can explore historic homes, gardens, and laboratories. The Thomas Edison and Henry Ford Winter Estates offer tours of their exhibits, including a 15,000 square foot museum, twenty acres of historic gardens and a fully restored botanical laboratory where Thomas Edison, Henry Ford and Harvey Firestone worked side by side.

Fort Myers has a vibrant economy highlighted by the downtown economy of restaurants, high rise buildings, and county and federal courthouse operations. Popular downtown landmarks include The Collaboratory, Edison Theater, The Sidney & Berne Davis Art Center, Uncommon Friends Sculpture, and the Yacht Basin.

City Structure

The City is a home rule city operating under the Council-Manager form of government. Policy-making and legislative authority are vested in the governing council consisting of the mayor and six other members. The Mayor is elected at large, with one vote and no veto authority, and the six council members are elected by their respective wards. Council members serve four-year terms, with three members elected every two years. The Mayor is elected for a four-year term. The City Council is responsible for all policy-making functions of the government. The City Manager is responsible for the day-to-day administration of the City.

Types of Services

Municipal services provided to the citizens of Fort Myers include police and fire protection, water and sewer services, solid waste services, park and recreational facilities, street improvements, building permits and inspections, stormwater management, a yacht basin, a cemetery, parking garages, and an ice-skating community center. Additionally, the City offers two professionally designed 18-hole golf courses.

Component Unit

The City is financially responsible for the legally separate Community Redevelopment Agency of Fort Myers (CRA), which is included in the City's reporting entity and financial statements. The City Council comprises the Board of the CRA whose operations are considered part of the City's operations. Additional information on the CRA can be found in the notes to the financial statements (see Note 1, Section 2).

Budget Process

The City's budget is prepared by the City Manager and the Budget Division and is adopted by the City Council after two public hearings. The steps in the City's formal budget adoption process are established by state law.

Internal Controls

The City's Finance Department and City management are responsible for establishing and maintaining internal controls to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

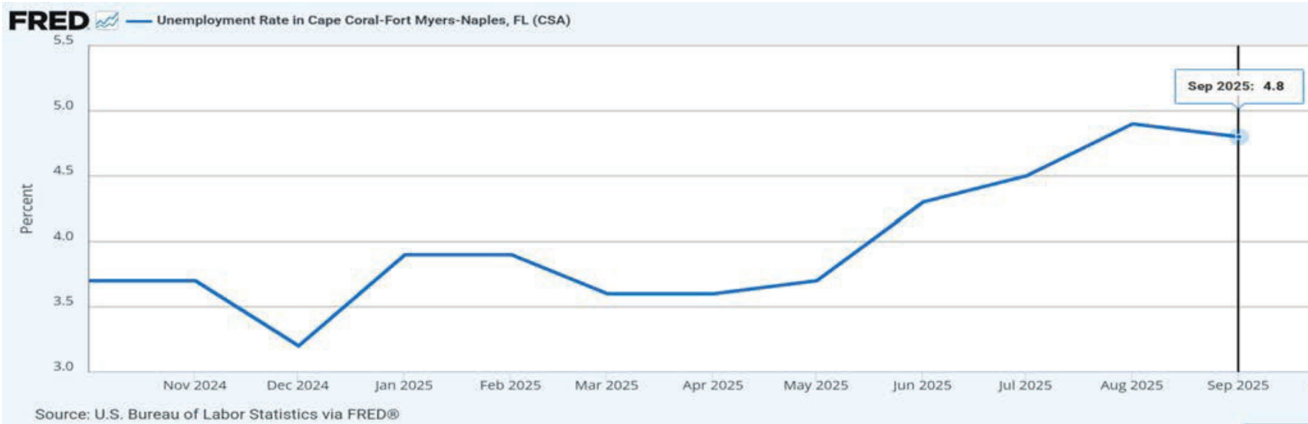
ECONOMIC CONDITION AND MAJOR INITIATIVES

Local Economy

The City is part of the Cape Coral-Fort Myers Metropolitan Statistical Area (MSA), with a 2024 population of 860,959. According to the data from U.S. Census Bureau's population estimates, Fort Myers's population is nearly 100,000 residents.

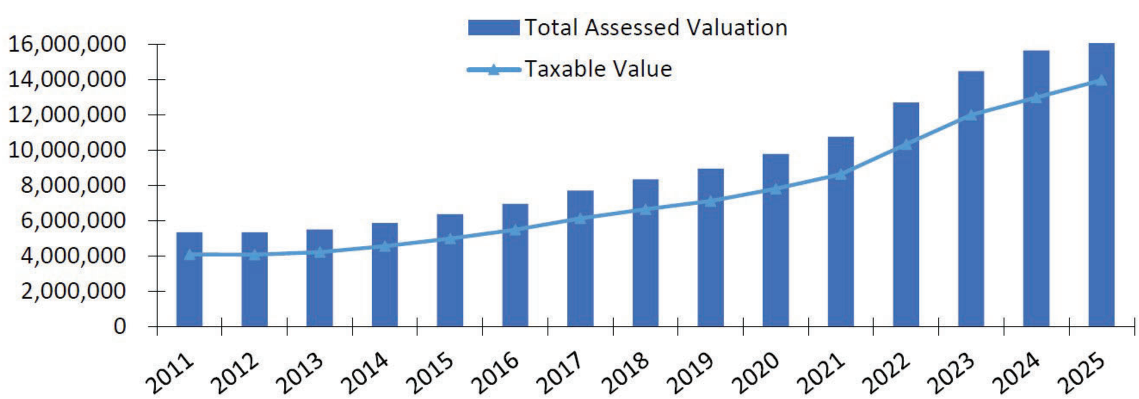
Located in the City limits, the Barbara B. Mann Performing Arts Hall, located on the campus of Florida South-Western State College, is an 1,874-seat facility that features the largest proscenium stage. The Mann Hall is host to prominent entertainers, dance performances, popular ensembles, and classical music concerts year-round. JetBlue Park, a state-of-the-art training ballpark and player development complex, provides the facilities for spring training for the Boston Red Sox. The City also showcases a variety of annual special events in the downtown river district, such as ArtFest, the Fort Myers Boat Show, Celtic Festival, and monthly Art and Music Walks. For outdoor enthusiasts, the area offers miles of freshwater and saltwater channels for boating and fishing; trails for biking, hiking and paddling, and golf courses, tennis courts and swimming pools.

The City's economy is centered on the retail, healthcare, and accommodation industries. Over 80% of adults in the City have graduated from high school, while 32% have completed a college education. The Cape Coral - Fort Myers MSA unemployment rate as of September 2025 is 4.8%, an increase from September 30, 2024 of 3.7%, per the U.S. Bureau of Labor Statistics.



Per the City's Annual Budget book, property values play a leading role in determining the strength of the City's tax base and represent 48.3% of total revenue for the General Fund. Total Assessed and Taxable values have continued to increase year after year since 2012. In 2025, total assessed valuations increased 8.3% over the prior year and taxable values increased 7.7% over the prior year.

Assessed and Taxable Values
Tax Years 2011-2025



Real estate indicators continued to be a bright spot for the region. Single-family building permits for the City had a year-over-year improvement of approximately 5.2% in 2025 compared to 2024. Fort Myers has a grocery cost index of 103 as opposed to the national average of 100 for the U.S. Putting the cost of groceries in Fort Myers slightly higher than the national average. To help make up for this cost, the area boast one of the nation's best airports, Southwest Florida International Airport, being cited as the friendliest, most convenient, and passenger friendly airports, as reported in various travel magazines and reports.

Major Initiatives

Beyond the need for the continued recovery from Hurricane Ian, there are challenges of growth management, structural balance in the budget, labor and supply constraints that are driving price escalations and inflation, affordable housing needs and resources for department staffing. Pressure on staffing resources in our Police Department is strong, in part due to the school resource officer program. The Police Department has developed a recruitment program called True Blue, aimed at filling out the many open positions, hoping to keep the community safe.

In recognition of the need to fund critical utility capital improvements, the City's 5-Year capital improvement budget slightly decreased from $928 million to $910 million. A plan for funding future years is currently taking place.

During the upcoming budget process, the City Council has a goal to continue reevaluating its Strategic Plan and reach consensus on the following Strategic Goals:

1) Build Economic Prosperity
2) Maintain a Safe, Livable, and Vibrant City
3) Continue to be Financially Sound
4) Develop Infrastructure

LONG-TERM FINANCIAL PLANNING

Planning

On an annual basis many long-term plans are reviewed and updated as needed, they are used in the budget development process and in decision-making, some of the plans are:

- Comprehensive Plan - Updated by Community Development – Planning Division, the Comprehensive Plan provides long-term direction to guide and control both development and redevelopment in the City as required under Florida Statutes. Further, the plan identifies level of service needs and deficiencies within plan elements which initiates capital improvement project requests for consideration in the Capital Plan to ensure concurrency. This plan can be viewed at: https://fortmyers.gov/1296/Planning

- Strategic Plan – Defines broad goals and objectives both short and long-term to be achieved by the City to ensure continuous and effective service delivery to its citizenry. This plan also establishes Departmental responsibilities for accountability of its execution as well as allocation of resources according to priorities. This plan is located in the annual budget document and can be found at: https://fortmyers.gov/1499/Budget

- General Fund Long-Term Financial Modeling & Sustainability Analysis – For several years in conjunction with budget development, consultants perform a review of the sufficiency of revenues collected in the City's General Fund versus projected cost requirements. This information is incorporated into an interactive model that provides a diagnostic, 10-year view of the City's finances. For the development of the fiscal year 2025 budget, the City did not engage consultants to perform this analysis. Instead, the budget staff performed similar analyses to ensure sustainability into the future. This plan is located in the annual budget document and can be found at: https://fortmyers.gov/1499/Budget

Capital Planning

The City's annual budget process includes the preparation of the five-year Capital Improvement Program (CIP), which typically includes the construction of infrastructure and municipal facilities as well as the acquisition of large or specialized equipment. The capital planning process is critical to the City's well-being because it provides the opportunity to take a planned and programmed approach to allocating financial resources in the most responsive and efficient manner necessary to meet the level of service identified in the City's Comprehensive Plan.

The CIP must be financially feasible - meaning sufficient revenues are available or will be available from committed funding sources and includes project costs and schedules over a 5-year period to meet the infrastructure needs of the City as well as the acquisition of large or specialized equipment.

Developed on an annual basis, the CIP provides for a planned and programmed approach to identifying capital investments. Investments include construction of infrastructure and municipal facilities as well as the acquisition of large or specialized equipment. This plan also incorporates needs and deficiencies identified in the Comprehensive Plan. This plan can be viewed at: https://fortmyers.gov/2067/Capital-Improvement-Program

Financial Policies

The City's financial policies compiled below set forth the basic framework for the overall fiscal management of the City. These policies are built upon the City's values of Accountability and Integrity as well as its Mission Statement to provide exceptional municipal services in a fiscally responsible manner. Development of the Strategic Plan continues and as warranted, the City will revise policies and procedures in the process to further growth and financial security. Operating independently of changing circumstances and conditions, the financial policies guide the decision-making process of the City Manager, Mayor, City Council and Administration. These policies provide guidelines for evaluating both current activities and proposals for future programs. These policies are:

- Budget Policy – Adopted by City Council by Resolution 2022-41
- Debt Policy – Adopted by City Council by Resolution 2008-34
- Accounts Receivable Write-off Policy – Adopted by City Council by Resolution 2001-10
- Emergency Contingency Policy – Adopted by City Council by Resolution 2023-78
- Fund Balance Policy – Adopted by City Council by Resolution 2023-79
- Investment Policy – Adopted by City Council by Resolution 2021-2
- Procurement Policy – Ordinance 3889 adopted 1/6/2020

Fund Balance

The Fund Balance Policy serves as a sound financial planning principle that is essential for government to maintain adequate levels of fund balance for the financial health of the city.

In accordance with the policy, the General Fund reserve target (unrestricted fund balance: the total of the committed, assigned, and unassigned components of fund balance) is 20% of the current year budgeted appropriations (including transfers). Other governmental funds of the City do not have specified fund balance targets but recommended levels of committed and/or assigned fund balance will be determined on a case-by-case basis, based on the needs of each fund, and as recommended by the City Manager and Financial Services Director, or designee, and approved by City Council.

The Water-Wastewater Fund, Solid Waste Fund and Stormwater Fund will strive to maintain unrestricted net assets equal to 25% of the budgeted annual operating expenses for the current year to provide approximately a 90-day reserve for operating expenses. The appropriate level of net assets in all enterprise and internal service funds, other than the Water-Wastewater Fund, Solid Waste Fund and Stormwater Fund, will be determined on a case-by-case basis due to the specific needs of the fund.

The unrestricted fund balance in the General Fund at year end was 36.0% of total General Fund budgeted appropriations. The unrestricted fund balance exceeds the minimum requirement of the goal set by the City Council for budgetary and planning purposes. Net assets for the Water-Wastewater, Solid Waste, and Stormwater funds net assets at the end of the fiscal year were 28.8%, 52.2%, and 49.3% respectively. The unrestricted net assets exceed the minimum requirement of the goal set by the City Council for budgetary and planning purposes.

Tax Abatements

The CRA determines the use of tax increment rebates and other incentives as necessary to encourage development within the CRA's redevelopment areas. The CRA Board of Commissioners are responsible for monitoring compliance with abatement agreements with the help of their Executive Director and staff.

The CRA is a very effective economic development tool, which is done through the proper management of operations while utilizing studies, plans, and guidance documents. Some of these documents are:

- CRA Redevelopment Plans per its different segments: https://fortmyerscra.com/about-us/redevelopment-plans/
- Audit and budget plans: https://fortmyerscra.com/about-us/financials/
- Tax Abatement Rebate Program Guidelines (includes objectives, purpose, and incentive options): https://fortmyerscra.com/incentives/increment-rebate-program/

Tax abatement participation from Lee County is budgeted along with transfer's in from the General Fund of CRA annual funds. Property tax increment abatement expenditures are budgeted per CRA district. The City's strategic priorities of Economic Prosperity are met using tax abatements, with the objective of expanding and diversifying the local economy using the CRA's tax abatement incentive.

Some of the benefits anticipated due to the abatements are the increase of housing stock, providing hotel support to the downtown convention center, improvement of downtown buildings, increase of commercial activity, addition of low-moderate income housing options, and the increase of workforce housing.

The City makes tax abatement payments after determining that program requirements are met. The following table summarizes rebates for projects completed.

Table 1: Summary of Rebates for Completed Projects - Benefits

Project Name (Developer)	Purpose*	Property Tax Abatements Paid				
		FY 2021 & Prior	FY 2022	FY 2023	FY 2024	FY 2025
The Banyan (fka: Hotel Indigo): Laxmi Lodging	Development of Project	$ 1,420,455	$ 388,042	$ 409,578	$ 430,106	$ 453,881
David Plummer (McGregor-Clifford, LLC.)	Development of Project	11,760	5,553	7,044	8,836	10,967
Grand Central Fort Myers, LLC.	Development of Project	422,474	858,205	1,278,842	1,687,179	2,076,000
Luminary Hotel (MainSail, Fort Myers LLLP.)	Development of Project	-	221,984	424,244	620,064	813,077
West End of City Walk (City Walk Fort Myers, LLC.)	Development of Project	-	-	550,000	1,100,000	1,650,000
Royal Palm Gardens Apartments, LLLP.: Jones Walker Palm Gardens Apartments	Development of Project	-	11,323	25,331	37,744	55,361
Edison Grand (2500 Edwards Drive Owner, LLC)	Development of Project	-	120,334	308,915	514,229	749,595
Silver Hills at Fort Myers Phase I (ESH Fort Myers, LLC)	Development of Project	-	-	-	563,094	1,011,368
Hampton Inn by Hilton (HBH FTM Hotel, LLC.)	Development of Project	-	-	-	-	109,269

**Please see footnote #22 in the Notes to the Financial Statement for details of tax abatement and purpose of each one.*

In order to avoid duplicating efforts, a more detailed discussion about tax abatements can be found in the notes to the financial statements (see Note 21). Additional information on this can be obtained by contacting the CRA through their webpage at https://fortmyerscra.com/ or by requesting it through an email at fmcra@fortmyers.gov.

Credit Ratings

Due to a healthy financial position and ample tax base, the City's credit ratings are line with Florida cities who rely primarily on property tax revenues and sales taxes, and to a lesser extent, on a variety of other user fees.

On June 7, 2024, Fitch Ratings upgraded the rating from AA- to AA on the City's outstanding non-ad valorem revenue bonds and maintained the rating outlook as stable. Previously, on July 12, 2022, Fitch affirmed the A+ rating on the City's outstanding utility system refunding and revenue bonds and the rating outlook is stable. On October 28, 2022, Standard and Poor's affirmed its AA credit rating on the City's capital improvement revenue bonds and the outlook on all ratings is stable. Moody's upgraded non-ad valorem debt of forty-one Florida issuers, including the City, on January 25, 2023, concluding a review that was initiated on November 3, 2022 in conjunction with the release of the new US Cities and Counties Methodology.

AWARDS AND ACKNOWLEDGEMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ended September 30, 2024. This was the thirty-sixth consecutive year that the City has achieved this prestigious award. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for the preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report that satisfies both generally accepted accounting principles and applicable program requirements.

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

Acknowledgements

The preparation of this report represents a significant effort by the Finance Department. Their continuing effort toward improving the accounting and financial reporting systems improves the quality of information reported to the City Council, State and Federal Agencies, and the citizens and investors in the City. We sincerely appreciate and commend them for their contributions.

Appreciation is also extended to our external auditors for their assistance and to the Mayor, City Council Members, and department heads for the vital role they have played in enabling the City to remain fiscally responsible to the citizens of Fort Myers.

Respectfully,

Marty K. Lawing
City Manager

Christine Tenney, CGFO
Director of Financial Services

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

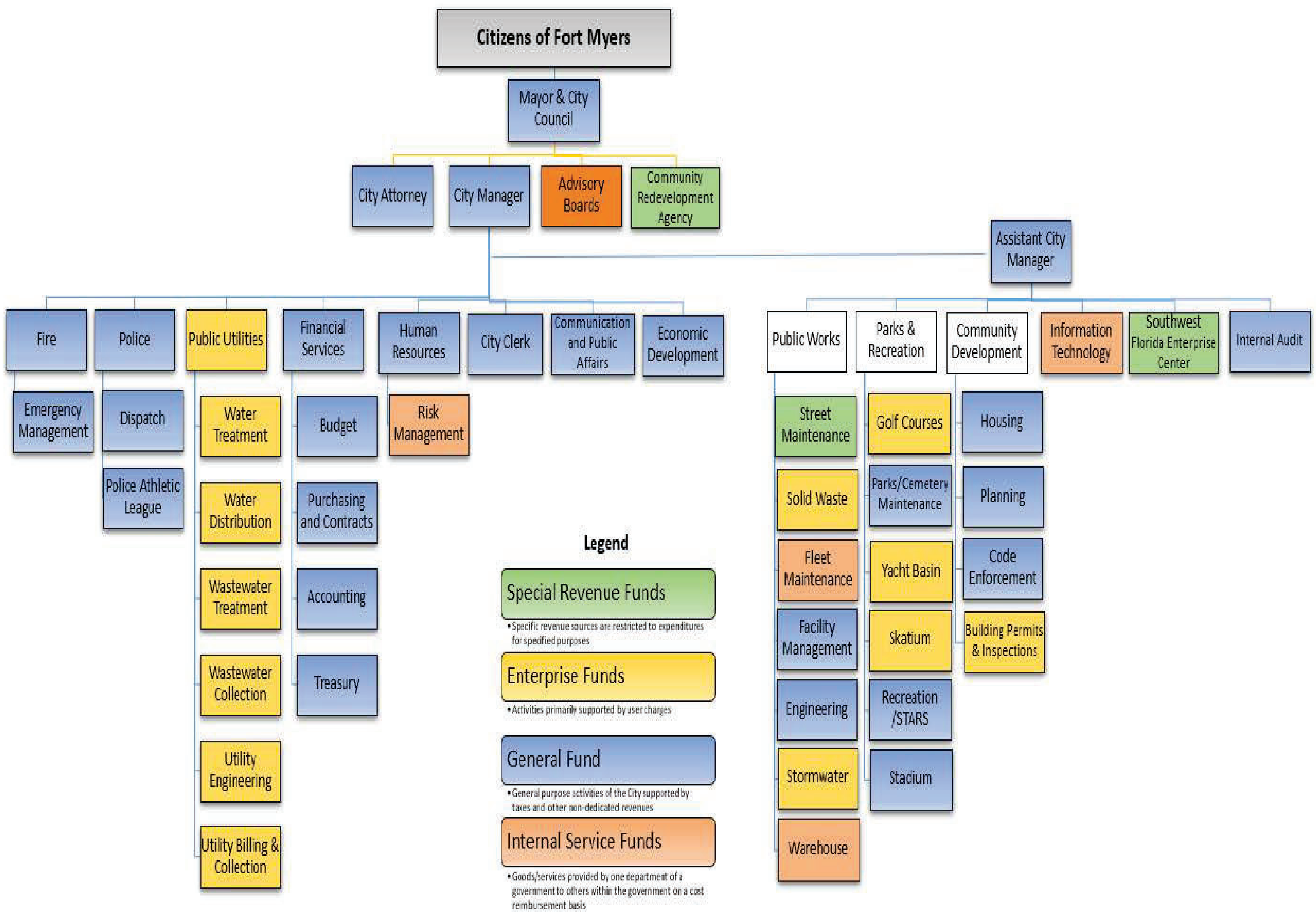
City of Fort Myers
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Executive Director/CEO

Organizational Chart



The above chart depicts the functions of the City of Fort Myers.
As a Component unit of the city, the Community Redevelopment Agency (CRA) is shown for informational purposes only.

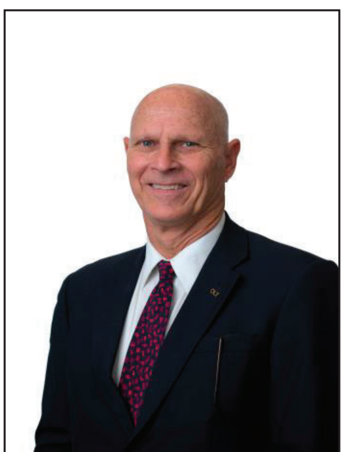
List of Elected Officials

Mayor
Kevin B. Anderson

Ward 1
Teresa Watkins Brown

Ward 2
Diana Giraldo

Ward 3
Terolyn Watson



Ward 4
Liston Bochette, III

Ward 5
Fred Burson

Ward 6
Darla Bonk

Fort Myers, FL Location Map

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FINANCIAL SECTION

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CBIZ CPAs P.C.

201 East Kennedy Boulevard
Suite 1500
Tampa, FL 33602

P: 813.397.4800

Independent Auditors' Report

To the Honorable Mayor, Members of City Council, Audit Committee and City Manager
City of Fort Myers, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fort Myers, Florida (the "City"), as of and for the fiscal year ended September 30, 2025, 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, based on our audit and the report of the other auditors, 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, 2025, 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.

We did not audit the financial statements of the Fort Myers Community Redevelopment Agency (the "CRA"), a component unit of the City, which represents 4%, 11% and 2%, respectively, of the assets, net position and revenues of the governmental activities and 2%, 2% and 3%, respectively, of the assets, fund balance/net position and revenues/additions of the aggregate remaining fund information as of September 30, 2025. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the CRA, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages B1 through B17, the budgetary comparison data on pages E1 through E3, the pension schedules on pages E4 through E16, and the other postemployment benefits plan schedules on page E17 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Tampa, Florida
May 28, 2026

The City of Fort Myers (City) Management Discussion & Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and current known facts. Please read this in conjunction with the City's financial statements beginning on page C1, and the letter of transmittal, which can be found beginning on page i of this report.

The MD&A provides an overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2025. It is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activities, (c) identify changes in the City's financial position, (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

It should be noted that the Independent Auditor's Report describes the auditor's association with the various sections of this report and that all the additional information from the website and other City sources are unaudited and have not been updated for events that may have occurred subsequent to the issuance of this report.

FINANCIAL HIGHLIGHTS:

- The combined total assets at $1.31 billion, plus deferred outflows of resources totaling $23.77 million, exceeded combined total liabilities of $688.76 million and deferred inflows of $49.77 million at the close of the fiscal year by $600.38 million (net position).
    - Of this amount, $59.03 million represents unrestricted net position, which may be used to meet the government's future obligations to citizens and creditors.
- The government's net position increased by $101.67 million, or 20.4% from prior year, which comprises an increase in governmental activities of $35.59 million and an increase in business-type activities of $66.08 million.
- At the fund level, the Governmental funds fund balances are $141.03 million.
    - Approximately $23.84 million is in unassigned fund balance, and the remainder is nonspendable, restricted, committed, or assigned for open contracts, programs, debt, etc.
- At the fund level, the Governmental funds combined ending fund balances increased by $11.11 million, or 8.6% from the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide financial statements.

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

There are two (2) Government-wide Financial Statements:

1) The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

2) 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 for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental activities (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 government-wide financial statements reflect three (3) distinct activities:

1) **Governmental activities:** reflect the City's basic services, including general government, community and economic development, planning and zoning, police, fire, public works, and parks and recreation.

2) **Business-type activities:** these activities include a water and wastewater utility, solid waste collection, building permits and inspections, stormwater management, golf courses, a yacht basin, downtown parking garages, and a Skatium (ice-skating recreational facility).

3) **Component Unit:** The government-wide financial statements include not only the City itself (known as the primary government), but also the Community Redevelopment Agency, a legally separate entity for which the City is financially responsible. Financial information for this blended component unit is included in the governmental-type funds as a non-major special revenue fund.

The government-wide financial statements can be found on pages C1 – C3 of this report.

Fund Financial Statements

The fund financial statements provide more detailed information about the most significant funds, not the City as a whole. 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 the funds of the City can be divided into three categories: (1) governmental funds, (2) proprietary funds, and (3) fiduciary funds.

***(1) Governmental funds*.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating 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. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to the government-wide statements in order to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty-five individual governmental funds, they consist of: (1) 5 major: General, FEMA Disaster Grant, debt service, and two capital projects, (2) 19 special revenue, and (3) 1 permanent government fund type. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, and the Revenue Bonds and Notes, Transportation Capital Projects, and General Capital Projects funds, which are considered to be major funds. Data from the other twenty governmental funds are combined into a single, aggregated presentation titled Other Governmental Funds. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the Combining Statements and Schedules section of this report.

The City adopts an annual appropriated budget for most of the governmental funds with the exception of: Law Enforcement Equipment, FEMA Disaster Grant, Public Private Parking, East Riverdale Community Center, Patron of the Palms, and the permanent fund Ned Fould's Police Award Fund. A budgetary comparison schedule has been provided for the General Fund and the other major funds of Revenue Bonds and Notes, Transportation Capital Projects, and General Capital Projects funds. These reports are located in the Required Supplementary Information section of this report.

The basic governmental fund financial statements can be found beginning on page C4 of this report.

***(2) Proprietary funds*.** The City maintains two different types of proprietary funds: Enterprise Funds and Internal Service Funds.

Enterprise Funds: are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains nine individual enterprise funds (2 major, and 7 nonmajor enterprise fund type) and uses them to account for its Water and Wastewater Operations, Solid Waste Operations, Building Permits and Inspections, Stormwater Management, Fort Myers Country Club, Eastwood Golf Course, the Yacht Basin, Downtown Parking Garages, and the Skatium.

Internal Service Funds: are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses five separate internal service funds to account for its Health Insurance Self-Funding, Fleet Maintenance, Information Technology Services, Public Works Warehouse, and Risk Management Program. Due to all of these services predominantly benefiting governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water-Wastewater Fund and the Solid Waste Fund, both of which are considered to be major funds of the City. The remaining enterprise funds are combined into a single, aggregated presentation titled "Other Enterprise

Funds". The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the nonmajor enterprise funds and the internal service funds are provided in the form of combining statements in the Combining Statements and Schedules section of this report.

The basic proprietary fund financial statements can be found beginning on page C8 of this report.

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

The City maintains two different types of fiduciary funds: pension trust funds and custodial funds. Pension trust funds are used to report resources held in trust for retirees and beneficiaries covered by each plan. The three pension trust funds are: 1) the General Employees' Pension Plan, 2) the Police Officers' Retirement System, and 3) the Firefighters' Retirement System. Custodial funds report resources held by the City in a custodial capacity for another local government. The three custodial funds are: 1) the Regional Park Impact Fee Fund, which accounts for regional park impact fees collected and sent to Lee County; 2) the Emergency Medical Services (EMS) Impact Fee Fund, which accounts for the EMS impact fees collected and sent to Lee County, and 3) the School Board Impact Fee Fund, which accounts for school impact fees collected and sent to Lee County.

The fiduciary fund financial statements can be found on pages C14 and C15 of this report.

***Notes to the financial statements*.** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page D1 of this report.

***Other information*.** In addition to the basic financial statements and accompanying notes, this report also presents Required Supplementary Information (RSI) concerning the budget to actual data for the General Fund and certain information for the City's pension plans and other postemployment benefits (OPEB) to its employees. Required supplementary information can be found beginning on page E1 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds and internal service funds are presented immediately following the required supplementary information on the budgetary comparison schedule, pensions and OPEB. This includes a comparison of budgeted to actual results, per budgeted nonmajor fund. The combining and individual fund statements and schedules can be found beginning on page F1 of this report.

Statistical information presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information indicates about the City's overall financial health, this information is not audited. The statistical section found beginning on page G2 of this report.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

This section focuses on the net position and changes in net position of the City's governmental activities and business-type activities presented in the Government-wide Statement of Net Position and Statement of Activities.

Statement of Net Position Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City, at the close of the most recent fiscal year, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $600.38 million.

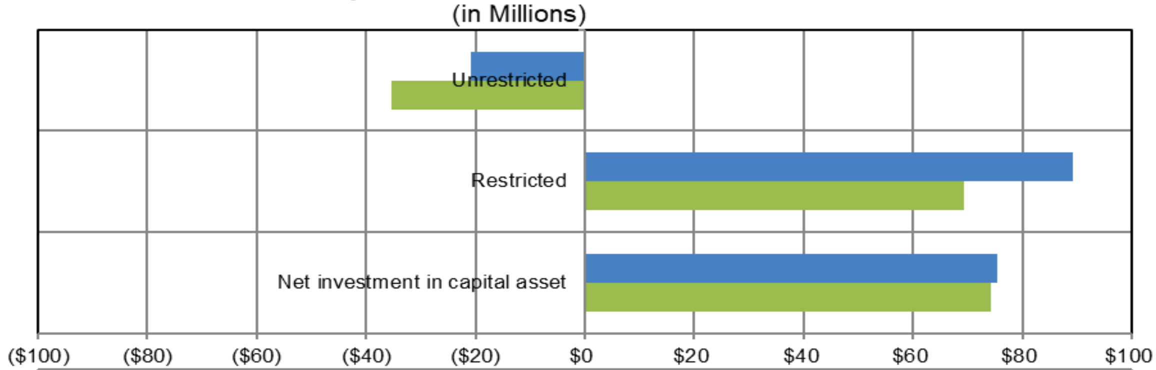
City of Fort Myers, Florida
Summary of Net Position

Table 1 – Dollars in Millions	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and other assets	$ 217.75	$ 206.34	$ 224.41	$ 258.44	$ 442.16	$ 464.78
Capital assets	243.90	227.21	629.08	563.65	872.98	790.86
Total assets	461.65	433.55	853.49	822.09	1,315.14	1,255.64
Deferred Outflow of Resources	19.35	24.53	4.42	6.40	23.77	30.93
Liabilities						
Long-term liabilities	228.86	290.33	347.28	382.96	576.14	673.29
Other liabilities	67.49	31.59	45.13	47.65	112.62	79.24
Total liabilities	296.35	321.92	392.41	430.61	688.76	752.53
Deferred Inflow of Resources	40.80	27.91	8.97	7.42	49.77	35.33
Net Position						
Net Invested in capital assets, net of related debt	75.43	74.23	302.23	239.32	377.66	313.55
Restricted	89.33	69.26	74.35	58.45	163.68	127.71
Unrestricted	(20.92)	(35.24)	79.96	92.69	59.04	57.45
Total net position	$ 143.84	$ 108.25	$ 456.54	$ 390.46	$ 600.38	$ 498.71

The largest portion of the City's net position, $377.66 million, or 62.9%, reflects its investment in capital assets (e.g., land, buildings, equipment, vehicles and infrastructure), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

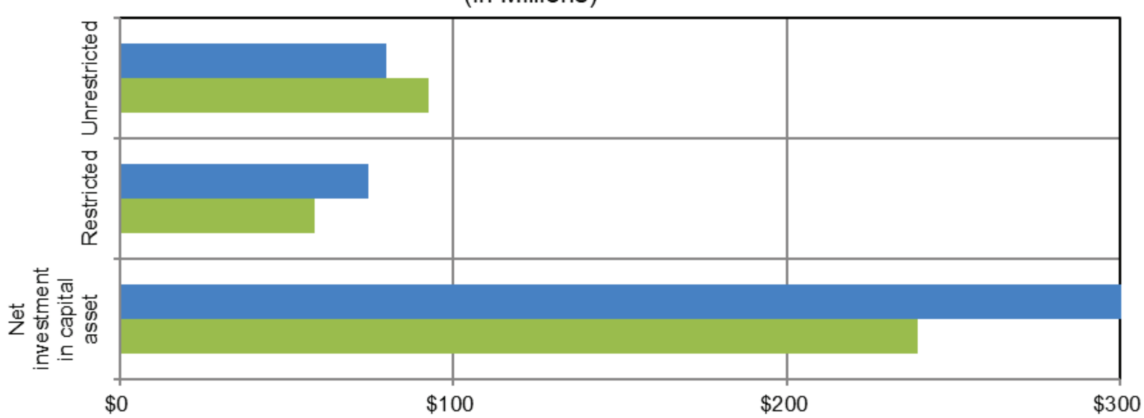
Restricted net position represents resources of $163.68 million that are subject to external restrictions on how they may be used. Restrictions related to capital projects represent 14.1% of the total restricted net position and reflect the City's commitment to providing services and resources to its citizens. The remaining balance of $59.04 million is unrestricted and usually may be used to meet the City's ongoing obligations to its citizens and creditors.

Net Position - Governmental Activities
September 30, 2025 and 2024
(in Millions)



	Net investment in capital asset	Restricted	Unrestricted
2025	$75.43	$89.33	$(20.92)
2024	$74.23	$69.26	$(35.24)

Net Position - Business-Type Activities
September 30, 2025 and 2024
(in Millions)



	Net investment in capital asset	Restricted	Unrestricted
2025	$302.23	$74.35	$79.96
2024	$239.32	$58.45	$92.69

The government's net position increased by $101.67 million, or 20.39%, which comprises an increase in governmental activities of $35.59 million and an increase in business-type activities of $66.08 million. The major reasons for these increases are discussed in the following section, which describes the results of the revenue and expense operations for governmental and business-type activities.

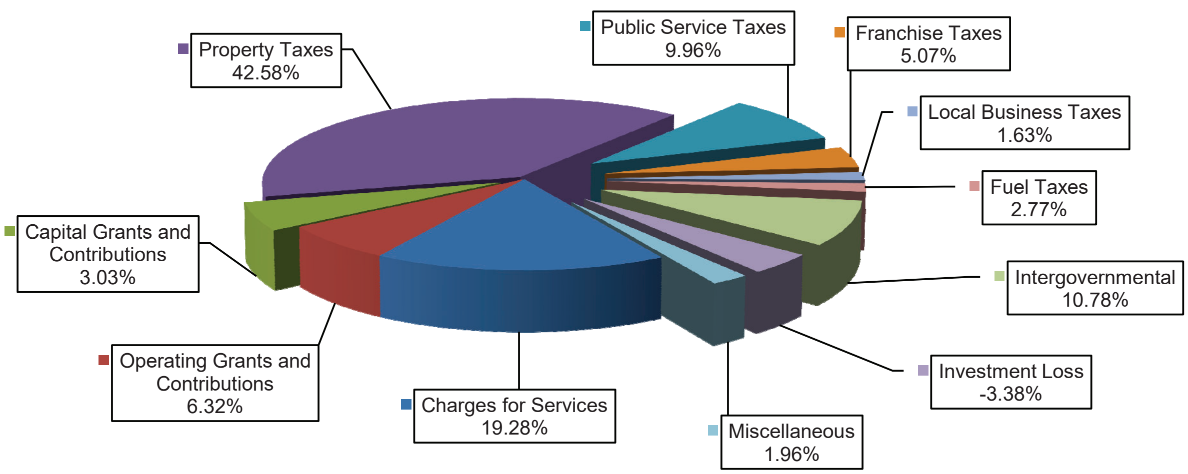
Statement of Activities Analysis

City of Fort Myers, Florida Summary of Changes in Net Position						
Table 2 – Dollars in Millions	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues:						
Charges for services	$ 37.24	$ 33.17	$ 186.15	$ 159.60	$ 223.39	$ 192.77
Operating grants and contributions	15.24	13.16	-	-	15.24	13.16
Capital grants and contributions	11.81	13.93	2.36	4.81	14.17	18.74
General Revenues:						
Property tax	85.50	80.44	-	-	85.50	80.44
Other taxes	35.02	33.66	-	-	35.02	33.66
Other	31.81	35.14	9.00	14.93	40.81	50.07
Total Revenues	216.62	209.50	197.51	179.34	414.13	388.84
Expenses:						
General governmental	34.40	25.50	-	-	34.40	25.50
Police	66.66	65.24	-	-	66.66	65.24
Fire	30.66	32.21	-	-	30.66	32.21
Protective inspections	1.93	1.92	-	-	1.93	1.92
Physical environment	10.17	10.02	-	-	10.17	10.02
Transportation	13.72	5.60	-	-	13.72	5.60
Economic development	8.13	8.37	-	-	8.13	8.37
Culture and recreation	13.74	16.26	-	-	13.74	16.26
Interest on long term debt	6.15	5.88	-	-	6.15	5.88
Water-Wastewater	-	-	85.23	100.67	85.23	100.67
Solid waste	-	-	22.45	17.98	22.45	17.98
Building permits & inspections	-	-	4.55	5.03	4.55	5.03
Stormwater	-	-	5.26	4.93	5.26	4.93
Golf courses	-	-	5.50	5.30	5.50	5.30
Yacht basin	-	-	0.13	0.18	0.13	0.18
Downtown parking garages	-	-	1.93	1.61	1.93	1.61
Skatium	-	-	1.85	1.87	1.85	1.87
Total Expenses	185.56	171.00	126.90	137.57	312.46	308.57
Increase (decrease) in net position before transfers	31.06	38.50	70.61	41.77	101.67	80.27
Transfers	4.53	13.10	(4.53)	(13.10)	-	-
Increase (decrease) in net position	35.59	51.60	66.08	28.67	101.67	80.27
Net position - beginning of year, as originally stated	108.25	56.65	390.46	361.79	498.71	418.44
Net position - restatement (note 17)	-	-	-	-	-	-
Net position - beginning of year, as restated	108.25	56.65	390.46	361.79	498.71	418.44
Net position - ending	$ 143.84	$ 108.25	$ 456.54	$ 390.46	$ 600.38	$ 498.71

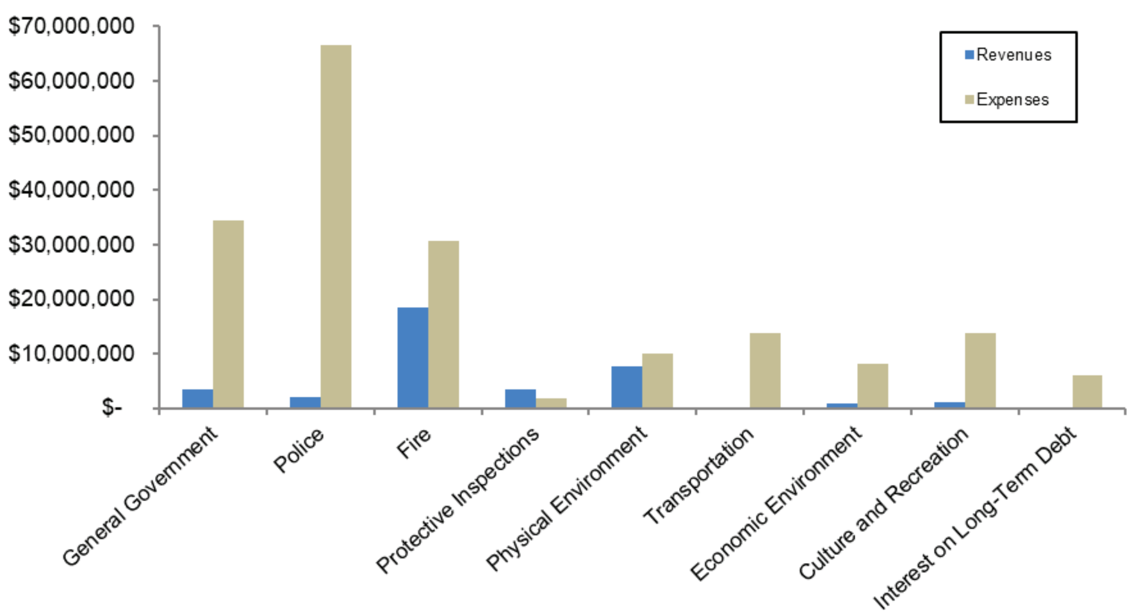
Governmental Activities. During the current fiscal year, net position for governmental activities increased by $35.59 million, or 32.9%, from the prior fiscal year. Revenues increased by $7.12 million, or 3.4%, from the prior fiscal year. The major reason for this change is due to:

- Property tax general revenues increased by $5.06 million, or 6.3%, due to the increase in assessed property values and increase in development.

Revenues by Source - Governmental Activities



Expenses and Program Revenues - Governmental Activities

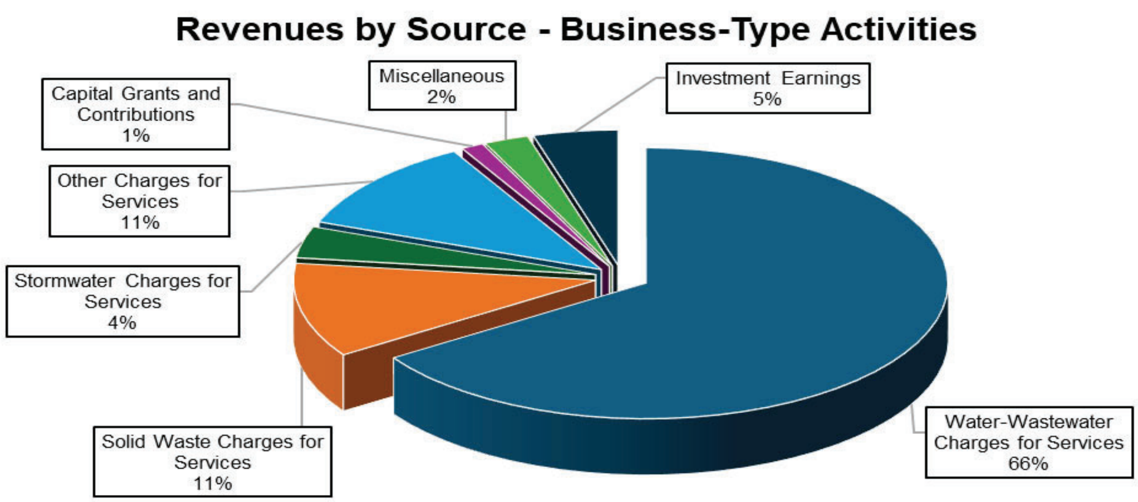


Governmental expenses increased by $14.56 million, or 8.5%, from the prior fiscal year. The major reason for this change is due to:

- General government expenses increased by $8.90 million mainly due to asset purchases such as the lease of an ERP system (ORACLE) of $2.7 million, land acquisition for a fire station of $2.06 million, and purchase of police vehicles of $1.39 million.
- Transportation expenses increased by $8.12 million mainly due to asset purchases and improvements, such as street overlays of $2.2 million, Challenger Road of $1.45 million, and McGregor Boulevard pavers of $1.2 million.

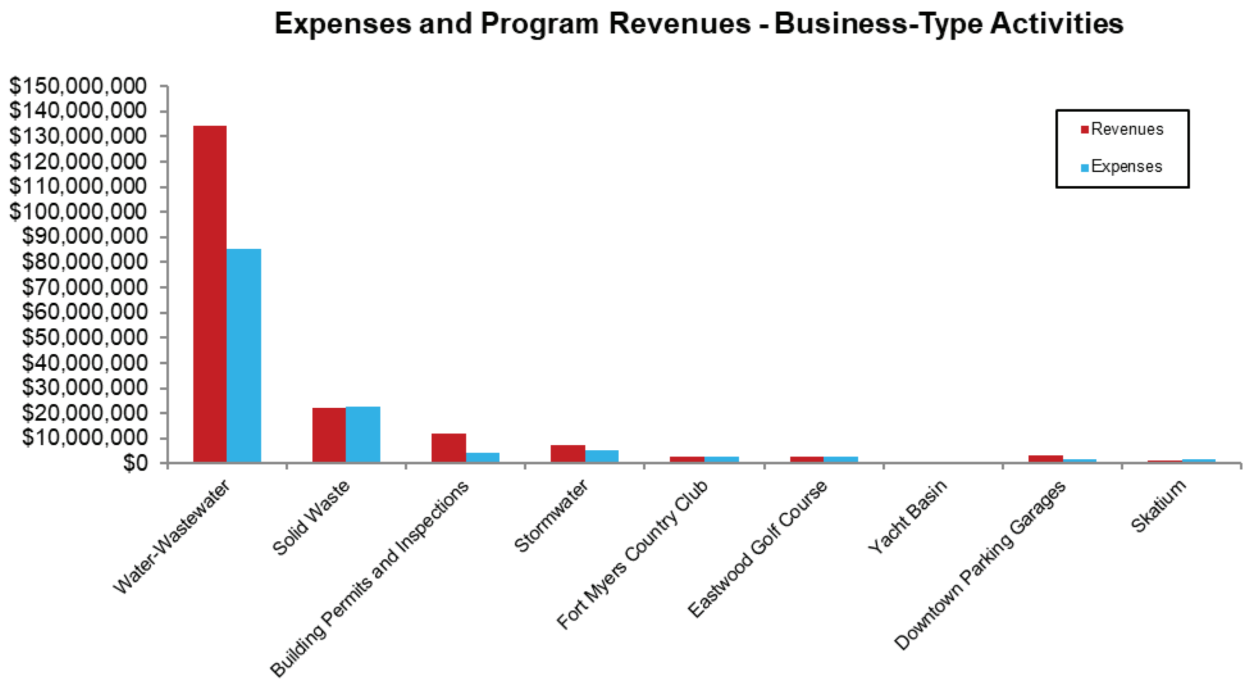
Business-type Activities. During the current fiscal year, net position for business-type activities increased by $66.08 million, or 16.9%, from the prior fiscal year. Revenues increased by $18.17 million, or 10.1%, from the prior fiscal year. The major reason for this change is due to:

- Charges for services increased due to an increase of $16.82 million in revenue charged to Lee County per our interlocal agreement, where they pay the City for a percentage of sewer fees and capital projects.



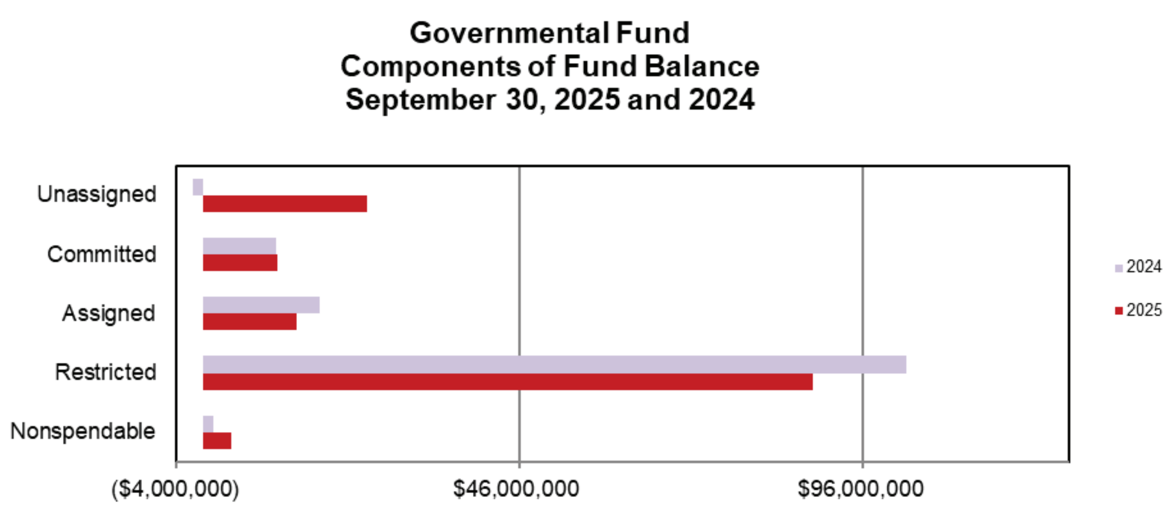
Business-type expenses decreased by $10.66 million, or -7.8%, from the prior fiscal year. The major reason for this change is due to:

- Water-wastewater expenses decreased by $15.44 million, or -15.3%, mainly due to the prior year's increased cost of related to wastewater treatment plant mixer, motor, and belt press repairs which were not needed this fiscal year.



FUND LEVEL FINANCIAL ANALYSIS

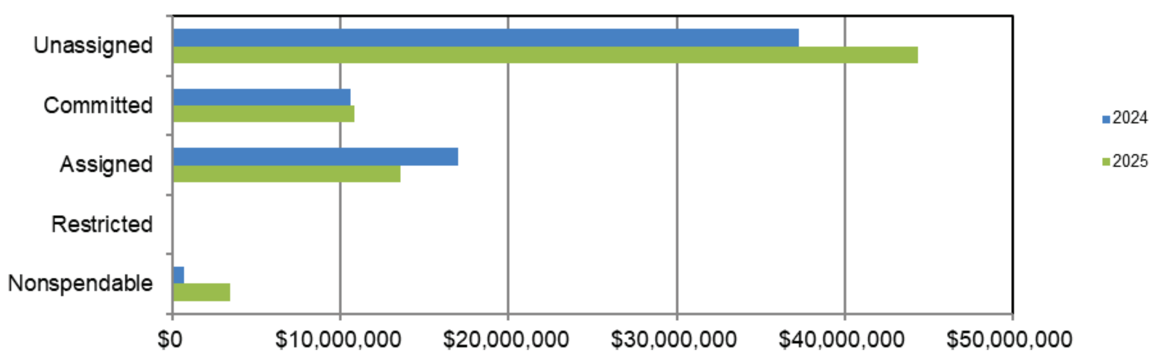
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.



Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance that has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by City Council.

At the end of the fiscal year, the City's governmental funds reported combined fund balances of $141.03 million, an increase of $11.11 million, or 8.6%, in comparison with the prior year. Approximately 16.9% of this amount, $23.84 million, constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable, restricted, committed or assigned to indicate that it is 1) not in spendable form, $4.16 million, 2) restricted for particular purposes, $88.62 million, 3) committed for particular purposes, $10.82 million, or 4) assigned for particular purposes, $13.59 million.

General Fund
Components of Fund Balance
September 30, 2025 and 2024



The General Fund is the primary operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was $44.38 million, while total fund balance increased to $72.19 million. The fund balance of the City's General Fund increased $6.67 million, or 10.2%, during the current fiscal year.

General Fund revenues increased by $8.04 million, or 4.7%, from the prior fiscal year. The major reason for this change is due to:

- Tax revenue increased by $6.04 million, or 5.5%, mainly due to property tax revenue increasing by $7.6 million from prior fiscal year due to growth in taxable property within the city limits of Fort Myers.

General Fund expenditures increased by $8.43 million, or 5.9%, from the prior fiscal year. The major reason for this change is due to:

- General government expenditures increased by $2.18 million, or 12.3% due an increase in personnel costs related to salary increases and added personnel
- Fire department expenditures increased by $1.94 million, or 5.7% due to payroll and related charges
- Physical environment department expenditures increased by $1.26 million, or 12.8% due to payroll and related charges
- Culture and recreation department expenditures increased by $1.02 million, or 19.3% due to payroll and related charges

For the major fund of FEMA Disaster Grant, the fund balance decreased $6.41 million, or 45.6%, during the current fiscal year. FEMA Disaster Grant revenues decreased by $3.72 million, or -54.5%, from the prior fiscal year. The major reason for this change is due to:

- Intergovernmental revenue decreased by $3.96 million, or -59.6%, mainly due to a different and less damaging hurricane funding earned (Hurricane Milton vs Hurricane Ian)

FEMA Disaster Grant expenditures increased by $5.25 million, or 122.9%, from the prior fiscal year. The major reason for this change is due to:

- Police operational expenditures increased by $1.50 million, or 316.1% due to Hurricane Milton requiring public safety proactive operations

For the major fund of Revenue Bonds and Notes, the fund balance decreased by $7.19 million, or -30.0%, during the current fiscal year. Revenues increased by $496 thousand, or 4.4%, from the prior fiscal year. The major reason for this change is due to:

- Mainly consists of proceeds from the Line of Credit used to fund capital projects.

Revenue Bonds and Notes fund expenditures decreased by $7.19 million, or -30.0%. The major reason for this change is due to:

- Principal debt expenditures decreased by $7.4 million, or -40.6%. This expenditure decrease is mainly due to the payment of Line of Credit balance during last fiscal year that did not take place this current fiscal year.

For the major fund of Transportation Capital Projects, the fund balance increased $9.02 million, or 19.5%, during the current fiscal year. Revenues increased by $3.47 million, or 36.5%, from the prior fiscal year. The major reason for this change is due to:

- Road impact fee revenues increased by $3.94 million, or 106.6%. This was mainly due to a new major development coming to the city and paying relevant fees.

Transportation Capital Projects fund expenditures decreased by $327 thousand, or -3.1%. The major reason for this change is due to:

- Capital asset expenditures decreased by $1.25 million, or -12.0%. This expenditure decrease mainly consists of street overlay project expenditures in this fiscal year being $2.2 million less than last fiscal year.

For the major fund of General Capital Projects, the fund balance decreased $6.75 million, or 257.9%, during the current fiscal year. Revenues increased by $474 thousand, or 19.4%, from the prior fiscal year. The major reason for this change is due to:

- A new grant from Fl Dept of Economic Opportunity was received.

General Capital Projects fund expenditures increased by $3.16 million, or 17.5%. The major reason for this change is due to:

- A new ERP system (Oracle software) was paid, in the amount of $3.278 million.

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

Unrestricted net position of the Water-Wastewater Fund at the end of the year amounted to $51.26 million, and total growth in net position for the year was $57.19 million. Revenues increased by $16.14 million, or 12.0%, from the prior fiscal year. The major reason for this change is due to:

- Increase of $6.82 million in the revenue charged to Lee County per our interlocal agreement, where they pay the City for a percentage of sewer fees and capital projects.

Water-Wastewater expenses decreased by $21.95 million, or -19.0%, from the prior fiscal year. The major reason for this change is due to:

- Major repairs and maintenance expenses last year for belt press machines at the wastewater treatment plants were not needed to the same extent this year, reducing this category of expenses by $16.12 million, or -58.2%.
- Transfers out expenses decreased by $6.51 million, or -43.0%, mainly due to last year's transfer of funds to the General Fund to pay for their line of credit related to the energy efficiency project was not needed this year.

Unrestricted net position of the Solid Waste Fund at the end of the year amounted to $12.88 million, and total growth in net position for the year was negative $753 thousand. Revenues increased by $481 thousand, or 2.1%, from the prior fiscal year. The major reason for this change is due to:

- Charges for services increased by $751 thousand, or 3.5%, mainly due to garbage and trash service charge revenue growth.

Solid Waste expenses increased by $4.57 million, or 23.8%, from the prior fiscal year. The major reason for this change is due to:

- Rental expenses increased by $3.35 million, or 111.1%, mainly due to a change in how purchases of Solid Waste truck replacements are accounted for. Beginning in 2025, the trucks are budgeted and paid for in the Fleet Maintenance internal service fund and then charged back to the department as part of the Fleet (Rental) Charges.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original Budget Compared to Final Budget. The differences in the General Fund between the original budget and the final (amended) budget reflect a net positive effect of $58.36 million. Both budgeted revenues and appropriations/expenditures increased by $29.18 million. The significant changes are as follows:

Revenues:
- $15.49 million increase in budgeted Miscellaneous revenues recognize the intended use of available fund balance for capital projects, Affordable Housing Trust Fund, Cemetery Trust Fund, SWFL Enterprise Center Fund, and Land Acquisition Fund.
- $5.03 million increase in budgeted Intergovernmental revenues recognize FDOT grant awarded for land acquisition.
- $1.56 million increase in budgeted Installment purchase proceeds for Police Department vehicles.
- $3.99 million increase in budgeted Transfer In using Line of Credit for Land Acquisition.

Expenditures:
- $10.98 million increase in budgeted General government includes increase for Land Acquisition expense.
- $8.47 million increase in transfers out for Capital project funding.

Final Budget Compared to Actual Results. The differences in the general fund between the final budgeted activity and actual results reflect a negative effect of 5.98 million in expenditures over revenues. Actual revenues are $17.06 million less than final budgeted revenues. Actual appropriations/expenditures are $11.08 million less than final budgeted appropriations/ expenditures.

Revenues:
- Miscellaneous revenues were short by $17.62 million, this is due to funds budgeted to use available fund balance with no actual revenues required.

Expenditures:
- Actual expenditures for general government were $4.69 million less than budgeted primarily driven by savings in Legal and the Financial Services departments from standard operational savings.
- Actual expenditures for economic environment were $3.11 million less than budgeted primarily driven by savings for rental assistance programs where expenditures did not take place this fiscal year.
- Actual expenditures for transfers out were $5.33 million less than budgeted primarily driven by capital project funding activities that were not yet required to be funded.

CAPITAL & LEASE ASSETS AND DEBT & LEASE OBLIGATION ADMINISTRATION

Capital and Lease Assets. The City's capital assets for its governmental and business-type activities as of September 30, 2025, amounts to $872.98 million (net of accumulated depreciation). The total increase in the City's capital assets for the current fiscal year was $82.12 million, or 10.4% (governmental activities increase by $16.69 million and business-type activities increased by $65.43 million).

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

- Governmental activities increased by $16.69 million with 36 projects identified as having current year construction in progress, this category grew by $18.2 million. The main projects associated with this is due to:
  - Training field replacement for public safety activities, of $2.56 million
  - Police public safety building construction activities in the amount of $3.35 million
  - Fire station number 14 construction activities in the amount of $1.79 million
  - Larchmont avenue street improvements in the amount of $1.97 million

- Business-type activities increased by $65.43 million mainly due to:
  - South waste water treatment plant facility completed in the amount of $59.26 million

City of Fort Myers, Florida
Capital and Lease Assets
(Net of Depreciation)

Table 3- Dollars in millions	Governmental Activities		Business-Type Activities		Total	
Non Depreciable	2025	2024	2025	2024	2025	2024
Land	$ 45.42	$ 42.33	$ 3.49	$ 2.88	$ 48.91	$ 45.21
Antiques and exhibits	0.25	0.25	-	-	0.25	0.25
Construction in progress	38.49	20.28	141.54	123.73	180.03	144.01
Intangibles-easements	4.72	4.72	0.61	0.61	5.33	5.33
Depreciable & Amortizable						
Intangibles-software	0.01	-	-	-	0.01	-
Buildings	50.05	53.05	104.87	49.33	154.92	102.38
Improvements and Infrastructure	86.99	91.50	24.78	26.60	111.77	118.10
Equipment	12.91	12.82	16.97	16.62	29.88	29.44
Utility Systems	-	-	335.84	342.57	335.84	342.57
Right to Use Lease Equipment	0.01	0.02	0.48	0.80	0.49	0.82
Right to Use Lease Real Estate	1.99	0.94	0.47	0.51	2.46	1.45
SBITAs	3.06	1.30	0.03	-	3.09	1.30
Total capital assets	$243.90	$ 227.21	$ 629.08	$563.65	$872.98	$790.86

Additional information on the City's capital assets can be found in Note 8 beginning on page D50 of this report.

Long-term debt & Lease Obligation Administration. At the end of the current fiscal year, the City had total bonded debt and loans payable outstanding of $492.44 million, a decrease of $7.57 million, or -1.5%. Governmental Activities total debt outstanding increased by $7.59 million, or 4.8%. Business-Type Activities decreased by $15.16 million, or -4.4%.

City of Fort Myers, Florida
Bonded Debt and Loans Payable

Table 4 - Dollars in millions (not including unamortized activity)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenue Bonds	$ 90.12	$ 95.17	$ -	$ -	$ 90.12	$ 95.17
Utility Revenue Bonds	-	-	286.82	298.37	286.82	298.37
Finance Purchase Obligations	8.54	7.09	-	-	8.54	7.09
Leases Payable*	4.75	2.33	1.04	1.35	5.79	3.68
Notes and Loans	61.82	53.05	39.35	42.65	101.17	95.70
Total long-term debt	$ 165.23	$ 157.64	$ 327.21	$ 342.37	$ 492.44	$ 500.01

**GASB 87 and 96 leases*

The key factors to the changes in the City's total debt outstanding were:

- The governmental activities notes and loans increased by 8.77 million, or 16.5% due to the continued drawdown of funds from the line of credit for capital projects.
- Business-type revenue bonds decreased $11.55 million, or -3.9%, due to the standard payment of outstanding debt.

Additional information on the City's long-term debt can be found in Note 15 beginning on page D81 of this report and in the City's Continuing Disclosure Report, published separately and can be downloaded by visiting the City's website at https://www.cityftmyers.com/1529/Bondholders-Report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The following economic factors currently affect the City and were considered in developing the 2025-2026 fiscal year (FY) budget.

- The City lowers its millage rate by .0255 mills from 6.5255 to 6.5000, which is slightly above the rolled back rate of 6.4475 mills. This represents the 10th consecutive year of reductions to the millage rate. Compared to neighboring taxing jurisdictions, this rate is considered relatively high leaving it a challenge for future revenue generation through millage rate increases.
- The fire assessment recovers 41.5% of the Fire Department budget. This fee revenue pays for fire rescue response, while alleviating full reliance on the General Fund for funding such service.
- Water and sewer fees budget is based on the FY2025 projected collections and included a 5% rate increase. Consultants, Stantec, through an analysis of all utility fees, recommended the adjustments to support the robust utility capital improvement program.
- Stormwater assessment fee revenue is projected to total $7.6 million, from $7.4 million, an increase of 2% due to growth. There is no change in the assessment rate.

- During the development of the capital improvement program, it was evident that construction, materials, and labor prices have escalated due in part to material shortages and inflation. This in turn created a very high dollar amount for projects included in the 5-Year CIP.
- The cost of borrowing funds for capital improvement projects remains high, impacting debt service payments in future year budgets for new debt.
- Both General Union and International Union of Police Associations (IUPA) Police Union contracts expired September 30,2025 and were under negotiations during the development of the FY2026 budget.
- Southwest Florida Professional Firefighters & Paramedics (SFPFP) Fire Union employees receive a market increase of 2.5%, plus a step advancement that equates to 3% in FY2026.
- The City undertook an independent salary and benefits study to ensure that employee compensation remains fair, competitive, and reflective of regional market conditions. The implementation of the study is still in progress. Like many organizations, the City is navigating the challenges of a changing employment market and the effects of inflation, both of which place upward pressure on wages. Ensuring competitive pay that supports the recruitment and retention of talented employees remains a central focus of the City's commitment to providing high-quality public service.
- The FY2026 Budget adds twenty-seven positions as the City continues to grow and address departmental service level needs.
- Pension costs for all 3 City pension plans include a ($1,260,771) decrease in the City's Contribution. This amount includes a ($2,245,300) decrease for the Police Officers' Plan, $1,485,600 increase for the Firefighter's Plan, and a ($501,071) decrease for the General Employees' Plan.
- On March 9, 2018, the Marjory Stoneman Douglas High School Public Safety Act was signed into state law promoting school safety, requiring a school resource officer in every school in the state. The City has an agreement with the Lee County School Board placing officers in the schools to comply with this law. For the 2025-2026 school year, a total of 22 police officers are assigned to this duty and the Lee County School Board will provide $63,993.00 for each school resource officer from funds through the "Safe School Allocation". The net cost of this program to the City on an annual basis is estimated at $1.4 million. This unfunded mandate continues to place pressure on staffing resources in our Police Department.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City of Fort Myers Finance Department, PO Box 2217, Fort Myers, Florida 33902-2217. You may also reach the City by telephone at (239)321-7147, or by visiting the City's website at fortmyers.gov.

CITY OF
FORT MYERS FLORIDA

City of Palms

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BASIC FINANCIAL STATEMENTS

CITY OF
FORT MYERS FLORIDA
City of Palms

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CITY OF FORT MYERS, FLORIDA
Statement of Net Position
September 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 33,510,174	$ 60,798,879	$ 94,309,053
Investments	79,964,563	27,895,245	107,859,808
Accounts receivable, net	6,764,394	9,385,501	16,149,895
Special assessments receivable	34,365	-	34,365
Interest receivable	1,036,075	332,808	1,368,883
Notes receivable, net	461,501	110,883	572,384
Internal balances	259,313	(259,313)	-
Due from other governments	9,698,328	53,104,595	62,802,923
Inventories	1,131,219	241,373	1,372,592
Prepaid items	4,722,016	2,442,777	7,164,793
Assets held for resale	711,984	-	711,984
Restricted assets:			
Cash and cash equivalents	36,363,812	811,167	37,174,979
Investments	42,976,110	69,345,507	112,321,617
Interest receivable	15,913	143,002	158,915
Unamortized bond insurance costs	97,683	60,568	158,251
Capital assets:			
Land and non-depreciable capital assets	88,881,801	145,638,492	234,520,293
Depreciable and Amortizable capital assets, net	155,016,333	483,443,404	638,459,737
Total Assets	461,645,584	853,494,888	1,315,140,472
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	1,319,247	3,220,623	4,539,870
Deferred outflows related to other postemployment benefits	2,598,317	758,409	3,356,726
Deferred outflows related to pensions	15,434,072	440,067	15,874,139
Total Deferred Outflows of Resources	19,351,636	4,419,099	23,770,735
Total assets and deferred outflows of resources	480,997,220	857,913,987	1,338,911,207
LIABILITIES			
Accounts and contracts payable	6,675,809	14,006,896	20,682,705
Accrued and other liabilities	15,116,299	130,881	15,247,180
Accrued interest payable	1,597,102	7,279,910	8,877,012
Due to other governments	13,189	44,034	57,223
Customer deposits	249,535	7,765,056	8,014,591
Unearned revenues	3,668,497	15,947	3,684,444
Noncurrent liabilities:			
Due within one year	40,175,539	15,881,050	56,056,589
Due in more than one year	228,855,547	347,281,717	576,137,264
Total Liabilities	$ 296,351,517	$ 392,405,491	$ 688,757,008

CITY OF FORT MYERS, FLORIDA
Statement of Net Position
September 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to leases	$ 2,797,563	$ 87,423	$ 2,884,986
Deferred charge on refunding	-	1,291,877	1,291,877
Deferred inflows related to other postemployment benefits	2,923,186	853,233	3,776,419
Deferred inflows related to pensions	35,081,027	6,735,471	41,816,498
Total Deferred Inflows of Resources	40,801,776	8,968,004	49,769,780
NET POSITION			
Net investment in capital assets	75,425,980	302,232,590	377,658,570
Restricted for:			
Capital projects	9,472,769	13,599,684	23,072,453
Culture and recreation	219,606	-	219,606
Debt service	83,727	19,736,368	19,820,095
Economic environment	19,362,196	-	19,362,196
Impact fee projects	50,562,444	11,094,316	61,656,760
Building code enforcement	-	19,775,900	19,775,900
Physical environment	-	24,832	24,832
Public safety:			
Nonexpendable	2,000	-	2,000
Expendable	2,639,270	-	2,639,270
Renewal and replacement	-	10,118,870	10,118,870
Transportation	7,000,347	-	7,000,347
Unrestricted	(20,924,412)	79,957,932	59,033,520
Total Net Position	$ 143,843,927	$ 456,540,492	$ 600,384,419

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

CITY OF FORT MYERS, FLORIDA
Statement of Activities
For the Year Ended September 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position — Primary Government		
Functions / Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Primary government:							
Governmental activities:							
General government	$ 34,397,473	$ 3,537,475	$ 11,050	$ 14,203	$ (30,834,745)	$ -	$ (30,834,745)
Police	66,660,360	2,040,744	1,610,713	-	(63,008,903)	-	(63,008,903)
Fire	30,658,246	18,515,914	317,811	449,323	(11,375,198)	-	(11,375,198)
Protective inspections	1,934,418	3,453,419	-	-	1,519,001	-	1,519,001
Physical environment	10,167,165	7,718,127	2,217,293	2,133,656	1,901,911	-	1,901,911
Transportation	13,716,456	113,800	971,335	9,215,904	(3,415,417)	-	(3,415,417)
Economic environment	8,129,460	819,559	10,104,366	-	2,794,465	-	2,794,465
Culture and recreation	13,746,365	1,040,811	6,337	-	(12,699,217)	-	(12,699,217)
Interest on long-term debt	6,146,769	-	-	-	(6,146,769)	-	(6,146,769)
Total governmental activities	185,556,712	37,239,849	15,238,905	11,813,086	(121,264,872)	-	(121,264,872)
Business-type Activities:							
Water-Wastewater	85,231,976	134,359,263	-	1,501,928	-	50,629,215	50,629,215
Solid Waste	22,452,856	22,335,959	-	-	-	(116,897)	(116,897)
Building Permits and Inspections	4,549,167	11,751,218	-	-	-	7,202,051	7,202,051
Stormwater	5,261,727	7,430,314	-	860,841	-	3,029,428	3,029,428
Fort Myers Country Club	2,572,765	2,931,326	-	-	-	358,561	358,561
Eastwood Golf Course	2,932,897	2,970,356	-	-	-	37,459	37,459
Yacht Basin	126,599	268	-	-	-	(126,331)	(126,331)
Downtown Parking Garages	1,925,654	3,094,521	-	-	-	1,168,867	1,168,867
Skatium	1,854,027	1,281,383	-	-	-	(572,644)	(572,644)
Total business-type activities	126,907,668	186,154,608	-	2,362,769	-	61,609,709	61,609,709
Total primary government	$ 312,464,380	$ 223,394,457	$ 15,238,905	$ 14,175,855	(121,264,872)	61,609,709	(59,655,163)
General revenues:							
Taxes:							
Property taxes					85,502,100	-	85,502,100
Public service taxes					19,410,162	-	19,410,162
Fuel taxes					3,526,625	-	3,526,625
Local business tax					3,434,872	-	3,434,872
Franchise taxes					8,649,195	-	8,649,195
Intergovernmental, unrestricted					18,485,354	-	18,485,354
Investment earnings					8,531,037	8,956,528	17,487,565
Gain on sale of capital assets					1,652,343	-	1,652,343
Miscellaneous					3,135,278	44,411	3,179,689
Net transfers					4,528,354	(4,528,354)	-
Total general revenues, special items and transfers					156,855,320	4,472,585	161,327,905
Change in net position					35,590,448	66,082,294	101,672,742
Net position - beginning					108,253,479	390,458,198	498,711,677
Net position - ending					$ 143,843,927	$ 456,540,492	$ 600,384,419

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

CITY OF FORT MYERS, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2025

	General Fund	FEMA Disaster Grant	Revenue Bonds and Notes	Transportation Capital Projects	General Capital Projects	Total Nonmajor Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	$ 3,518,861	$ 657,191	$ 339,503	$ 28,568,531	$ 758,752	$ 11,286,467	$ 45,129,305
Investments	52,548,847	-	1,463,145	28,439,974	9,918,170	14,230,598	106,600,734
Receivables:							
Accounts receivable, net	3,733,878	-	-	-	51,849	38,689	3,824,416
Notes receivable, net	461,501	-	-	-	-	-	461,501
Special assessments receivable	34,365	-	-	-	-	-	34,365
Interest receivable	87,431	47	12,098	600,719	149,863	81,667	931,825
Leases	2,939,286	-	-	-	-	-	2,939,286
Due from other funds	24,369,247	-	-	-	-	-	24,369,247
Due from other governmental agencies	2,912,345	2,036,994	-	545,795	3,000,069	1,202,563	9,697,766
Prepaid items	2,793,205	-	-	-	-	32,333	2,825,538
Advances to other funds	617,000	-	-	-	-	-	617,000
Assets held for resale	-	-	-	-	-	711,984	711,984
Total assets	94,015,966	2,694,232	1,814,746	58,155,019	13,878,703	27,584,301	198,142,967
LIABILITIES							
Accounts and contracts payable	307,362	508,259	133,917	1,449,971	2,489,998	83,229	4,972,736
Accrued and other liabilities	14,204,968	-	-	-	-	26,980	14,231,948
Due to other funds	-	20,643,564	-	-	-	3,466,370	24,109,934
Due to other governmental agencies	13,188	-	-	-	-	-	13,188
Funds held in escrow	744,343	-	-	-	-	708	745,051
Customer deposits	247,223	-	-	-	-	2,311	249,534
Unearned revenue	2,317,124	-	-	1,192,103	-	159,270	3,668,497
Advances from other funds	-	-	-	-	-	617,000	617,000
Total liabilities	17,834,208	21,151,823	133,917	2,642,074	2,489,998	4,355,868	48,607,888
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - code enforcement fees	302,433	-	-	-	-	-	302,433
Unavailable revenue - rental income	891,978	-	-	-	-	38,015	929,993
Unavailable revenue - grants, contributions	-	1,991,206	-	169,794	2,019,860	290,144	4,471,004
Deferred inflows - leases	2,797,563	-	-	-	-	-	2,797,563
Total deferred inflows of resources	3,991,974	1,991,206	-	169,794	2,019,860	328,159	8,500,993
FUND BALANCES (DEFICITS)							
Nonspendable:							
Advances to other funds	617,000	-	-	-	-	-	617,000
Prepaid items	2,793,205	-	-	-	-	32,333	2,825,538
Assets held for resale	-	-	-	-	-	711,984	711,984
Public safety principal, nonexpendable	-	-	-	-	-	2,000	2,000
Restricted for:							
Donations received	-	-	-	-	-	993,085	993,085
Community redevelopment agency	-	-	-	-	-	14,216,644	14,216,644
Capital projects	-	-	-	-	9,368,845	-	9,368,845
Debt service	-	-	1,680,829	-	-	-	1,680,829
Economic environment	-	-	-	-	-	3,140,448	3,140,448
Law enforcement programs	-	-	-	-	-	1,424,599	1,424,599
Physical environment	-	-	-	-	-	22,850	22,850
Public safety	-	-	-	-	-	2,151,029	2,151,029
Transportation	-	-	-	55,343,151	-	279,655	55,622,806
Committed to:							
Law enforcement programs	-	-	-	-	-	10,661	10,661
Affordable housing	3,733,678	-	-	-	-	-	3,733,678
Emergencies	7,074,369	-	-	-	-	-	7,074,369
Assigned to:							
Subsequent year's expenditures	7,363,595	-	-	-	-	-	7,363,595
Capital projects	2,365,374	-	-	-	-	-	2,365,374
Cemetery maintenance	225,600	-	-	-	-	-	225,600
Culture and recreation	139,588	-	-	-	-	-	139,588
Economic environment	263,726	-	-	-	-	-	263,726
Land acquisition	3,056,373	-	-	-	-	-	3,056,373
Submerged land lease	178,893	-	-	-	-	-	178,893
Unassigned	44,378,383	(20,448,797)	-	-	-	(85,014)	23,844,572
Total fund balances (deficits)	72,189,784	(20,448,797)	1,680,829	55,343,151	9,368,845	22,900,274	141,034,086
Total liabilities, deferred inflows of resources, and fund balances	$ 94,015,966	$ 2,694,232	$ 1,814,746	$ 58,155,019	$ 13,878,703	$ 27,584,301	$ 198,142,967

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

CITY OF FORT MYERS, FLORIDA
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
September 30, 2025

Amounts reported for governmental activities in the statement of net position are	
Total fund balances - governmental funds	$ 141,034,086
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	237,661,167
Some revenues have been unearned on the balance sheet because they were not measurable and available at year end.	5,703,430
Long-term liabilities, including revenue bonds payable, are not due and payable in the current period, and, therefore, are not reported in the funds.	(255,496,202)
Unamortized bond insurance costs	97,683
Deferred outflows related to deferred charge on refunding	1,319,247
Deferred outflows related to other postemployment benefits	2,445,179
Deferred outflows related to pensions	15,329,452
Deferred inflows related to other postemployment benefits	(2,750,902)
Deferred inflows related to pensions	(33,479,773)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	31,980,563
Rounding	(3)
Net position of governmental activities	$ 143,843,927

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

CITY OF FORT MYERS, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2025

	General Fund	FEMA Disaster Grant	Revenue Bonds and Notes	Transportation Capital Projects	General Capital Projects	Total Nonmajor Funds	Total Governmental Funds
REVENUES							
Taxes	$ 115,714,755	$ -	$ -	$ 1,448,706	$ -	$ 6,259,421	$ 123,422,882
Permits and fees	23,320,896	-	-	7,641,836	817,769	-	31,780,501
Intergovernmental revenue	14,503,004	2,685,115	-	1,292,516	1,457,958	11,503,127	31,441,720
Charges for services	10,347,541	-	-	-	-	-	10,347,541
Fines and forfeitures	561,054	-	-	-	-	1,020,358	1,581,412
Miscellaneous	7,197,183	419,879	241,350	2,047,423	630,391	1,764,935	12,301,161
Contributions - private source	30,745	-	-	3,564	-	365,368	399,677
Capital grants and contributions	-	-	-	561,801	14,203	-	576,004
Total revenues	171,675,178	3,104,994	241,350	12,995,846	2,920,321	20,913,209	211,850,898
EXPENDITURES							
Current:							
General government	19,850,618	2,566,128	-	1,923	3,278,936	-	25,697,605
Police	66,616,456	1,975,977	-	-	-	729,241	69,321,674
Fire	35,618,592	946,048	-	-	466	33,088	36,598,194
Protective inspections	2,050,249	69,978	-	-	-	-	2,120,227
Physical environment	11,058,069	1,515,491	-	-	902,198	14	13,475,772
Transportation	985,978	193,466	-	938,718	-	4,393,144	6,511,306
Economic environment	2,191,578	30,743	-	-	1	10,526,905	12,749,227
Culture and recreation	6,294,178	2,216,145	-	-	3,048,521	11,035	11,569,879
Debt service:							
Interest	49,767	-	5,956,874	-	-	13,567	6,020,208
Principal	222,672	-	10,835,053	-	-	57,776	11,115,501
Capital outlay:							
General government	3,464,171	-	-	-	728,290	-	4,192,461
Police	1,571,265	-	-	-	3,359,335	318,500	5,249,100
Fire	132,093	-	-	-	4,898,284	24,850	5,055,227
Protective inspections	15,900	-	-	-	-	-	15,900
Physical environment	236,128	-	-	-	1,154,837	-	1,390,965
Transportation	-	-	-	9,162,756	1,079,269	5,690	10,247,715
Economic environment	-	-	-	-	-	130,374	130,374
Culture and recreation	20,210	-	-	-	2,744,182	-	2,764,392
Total expenditures	150,377,924	9,513,976	16,791,927	10,103,397	21,194,319	16,244,184	224,225,727
Excess (deficiency) of revenues over expenditures	21,297,254	(6,408,982)	(16,550,577)	2,892,449	(18,273,998)	4,669,025	(12,374,829)
OTHER FINANCING SOURCES (USES)							
Sale of capital assets	1,652,344	-	-	-	-	-	1,652,344
Refunding bond proceeds	-	-	11,432,391	-	-	-	11,432,391
Finance purchase obligations	4,017,822	-	-	-	-	-	4,017,822
Proceeds from leases (right to use assets)	1,394,818	-	-	-	-	1,056	1,395,874
Transfers in	10,979,483	-	16,792,474	6,123,192	29,582,785	7,862,213	71,340,147
Transfers out	(32,669,345)	-	(18,732,391)	-	(4,557,396)	(10,391,737)	(66,350,869)
Total other financing sources (uses)	(14,624,878)	-	9,492,474	6,123,192	25,025,389	(2,528,468)	23,487,709
Net change in fund balances	6,672,376	(6,408,982)	(7,058,103)	9,015,641	6,751,391	2,140,557	11,112,880
Fund balances - beginning of year, as originally reported	65,517,408	-	8,738,932	46,327,510	2,617,454	6,719,902	129,921,206
Adjustment - change to reporting entity	-	(14,039,815)	-	-	-	14,039,815	-
Fund balances - beginning of year	65,517,408	(14,039,815)	8,738,932	46,327,510	2,617,454	20,759,717	129,921,206
Fund balances - ending	$ 72,189,784	$ (20,448,797)	$ 1,680,829	$ 55,343,151	$ 9,368,845	$ 22,900,274	$ 141,034,086

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

CITY OF FORT MYERS, FLORIDA
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2025

Net change in fund balances - total governmental funds	$	11,112,880
Amounts reported for governmental activities in the statement of activities are different		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		12,808,252
Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.		570,123
Certain revenues collected after year end, but not available for the current period's expenditures, are reported as deferred inflows in the funds.		1,255,803
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(5,696,544)
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 the governmental funds.		11,009,676
Internal service funds are used by management to charge the costs of information technology, fleet management, risk management, and warehousing to individual funds and customers. Losses arising from the internal customers are added as expenses on the statement of activities as chargebacks. Revenues and expenses with outside customers are included also, as are nonoperating revenues and expenses. This amount is the effect of reporting internal service funds with governmental activities.		4,530,257
Rounding		1
Change in net position of governmental activities	$	35,590,448

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

CITY OF FORT MYERS, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2025

	Business-type Activities				Governmental Activities
	Water-Wastewater	Solid Waste	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	$ 33,546,961	$ 8,062,086	$ 19,189,832	$ 60,798,879	$ 22,221,838
Investments	211,218	8,058,336	19,625,691	27,895,245	18,862,780
Receivables:					
Accounts receivable, net	8,050,344	1,122,291	212,866	9,385,501	693
Interest receivable	193,868	56,897	82,043	332,808	120,165
Leases	-	-	110,883	110,883	-
Due from other governmental agencies	7,595,493	20,041	529,432	8,144,966	561
Inventories	235,758	-	5,615	241,373	1,131,223
Prepaid items	2,380,777	-	62,000	2,442,777	1,896,477
Total current assets	52,214,419	17,319,651	39,818,362	109,352,432	44,233,737
Noncurrent assets:					
Restricted assets:					
Restricted cash and cash equivalents	-	771,283	39,884	811,167	-
Restricted investments	68,510,372	792,963	42,172	69,345,507	-
Restricted interest receivable	139,169	3,057	776	143,002	-
Due from other governmental agencies	44,959,629	-	-	44,959,629	-
Unamortized bond insurance costs	60,568	-	-	60,568	-
Land and improvements	1,575,525	-	1,919,214	3,494,739	-
Intangible	529,605	-	78,551	608,156	10,800
Construction in progress	138,951,236	-	2,584,361	141,535,597	-
Buildings, net	101,811,534	1,704,221	1,827,079	105,342,834	-
Improvements other than buildings, net	-	-	24,780,738	24,780,738	-
Equipment, net	8,677,741	5,322,473	3,451,232	17,451,446	3,164,997
Utility systems, net	335,835,399	-	-	335,835,399	-
Subscription, net	32,987	-	-	32,987	3,061,170
Total noncurrent assets	701,083,765	8,593,997	34,724,007	744,401,769	6,236,967
Total assets	753,298,184	25,913,648	74,542,369	853,754,201	50,470,704
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	3,220,623	-	-	3,220,623	-
Deferred outflows related to postemployment benefits	383,553	194,700	180,156	758,409	153,138
Deferred outflows related to pensions	238,516	105,249	96,302	440,067	104,620
Total deferred outflows of resources	$ 3,842,692	$ 299,949	$ 276,458	$ 4,419,099	$ 257,758

	Business-type Activities				Governmental Activities
	Water-Wastewater	Solid Waste	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
LIABILITIES					
Current liabilities:					
Accounts and contracts payable	$ 13,289,530	$ 500,826	$ 216,540	$ 14,006,896	$ 1,703,075
Accrued and other liabilities	99,130	8,548	23,203	130,881	139,299
Accrued interest payable	7,277,810	-	2,100	7,279,910	40,541
Due to other funds	-	-	259,313	259,313	-
Due to other governmental agencies	-	-	44,034	44,034	-
Customer deposits	7,710,212	-	54,844	7,765,056	-
Unearned revenue	-	-	15,947	15,947	-
Revenue bonds payable	12,960,000	-	-	12,960,000	-
Loans and notes payable	2,074,405	-	342,327	2,416,732	-
Leases payable	-	-	386,387	386,387	-
Subscription liabilities	19,780	-	-	19,780	763,927
Finance purchase obligations	-	-	-	-	639,303
Compensated absences	43,501	23,468	31,182	98,151	21,771
Claims and judgments	-	-	-	-	2,902,069
Total current liabilities	43,474,368	532,842	1,375,877	45,383,087	6,209,985
Noncurrent liabilities:					
Revenue bonds payable	297,377,434	-	-	297,377,434	-
Loans and notes payable	39,201,963	-	734,464	39,936,427	-
Leases payable	-	-	628,901	628,901	-
Subscription liabilities	-	-	-	-	1,849,301
Finance purchase obligations	-	-	-	-	167,428
Compensated absences	563,698	291,270	246,335	1,101,303	238,469
Claims and judgments	-	-	-	-	6,689,972
Net pension liability	2,358,602	1,040,772	952,293	4,351,667	1,034,541
Other postemployment benefits	1,965,274	997,615	923,096	3,885,985	784,664
Total noncurrent liabilities	341,466,971	2,329,657	3,485,089	347,281,717	10,764,375
Total liabilities	384,941,339	2,862,499	4,860,966	392,664,804	16,974,360
DEFERRED INFLOWS OF RESOURCES					
Deferred charge on refunding	1,291,877	-	-	1,291,877	-
Deferred inflows of resources related to leases	-	-	87,423	87,423	-
Deferred inflows related to other postemployment benefits	431,509	219,043	202,681	853,233	172,286
Deferred inflows related to pensions	3,650,623	1,610,898	1,473,950	6,735,471	1,601,253
Total deferred inflows of resources	5,374,009	1,829,941	1,764,054	8,968,004	1,773,539
NET POSITION					
Net investment in capital assets	262,785,309	7,026,693	32,420,588	302,232,590	2,817,007
Restricted for:					
Capital projects	13,586,716	-	12,968	13,599,684	-
Debt service	19,736,368	-	-	19,736,368	-
Impact fee projects	11,094,316	-	-	11,094,316	-
Building code enforcement	-	-	19,775,900	19,775,900	-
Physical environment	24,832	-	-	24,832	-
Renewal and replacement	8,341,325	1,608,827	168,718	10,118,870	-
Unrestricted	51,256,662	12,885,637	15,815,633	79,957,932	29,163,556
Total net position	$ 366,825,528	$ 21,521,157	$ 68,193,807	$ 456,540,492	$ 31,980,563

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

CITY OF FORT MYERS, FLORIDA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2025

	Business-type Activities				Governmental Activities
	Water-Wastewater	Solid Waste	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES					
Charges for services	$ 129,791,002	$ 22,273,451	$ 29,238,197	$ 181,302,650	$ 45,145,803
Rent	-	-	188,156	188,156	-
Miscellaneous	4,568,261	62,508	33,033	4,663,802	997,178
Total operating revenues	134,359,263	22,335,959	29,459,386	186,154,608	46,142,981
OPERATING EXPENSES					
Personnel services	11,875,543	5,882,551	5,261,747	23,019,841	4,878,477
Materials and supplies	6,023,568	499,296	1,179,139	7,702,003	4,416,571
Contractual services	6,534,410	6,466,893	4,475,522	17,476,825	18,618,520
General and administrative	3,458,953	1,352,907	1,778,956	6,590,816	1,585,353
Utilities	4,286,807	45,774	578,477	4,911,058	1,143,466
Repairs and maintenance	11,567,053	217,656	1,014,720	12,799,429	410,741
Rentals	3,092,820	6,361,146	1,148,625	10,602,591	4,077,101
Travel	15,092	3,083	5,885	24,060	19,553
Insurance	699,700	119,000	258,700	1,077,400	2,833,590
Self insurance claims	-	-	-	-	2,438,725
Depreciation and amortization	24,661,569	1,504,550	3,386,162	29,552,281	1,997,468
Total operating expenses	72,215,515	22,452,856	19,087,933	113,756,304	42,419,565
Operating income (loss)	62,143,748	(116,897)	10,371,453	72,398,304	3,723,416
NONOPERATING REVENUES (EXPENSES)					
Interest income	6,871,603	689,861	1,395,064	8,956,528	1,286,613
Gain on disposal of capital assets	136	43,750	525	44,411	71,314
Interest expense and bond insurance costs	(13,016,461)	-	(131,303)	(13,147,764)	(89,428)
Total nonoperating revenues (expenses)	(6,144,722)	733,611	1,264,286	(4,146,825)	1,268,499
Income (loss) before contributions and transfers	55,999,026	616,714	11,635,739	68,251,479	4,991,915
Capital grants and contributions	1,501,928	-	860,841	2,362,769	-
Transfers in	8,327,253	-	1,013,525	9,340,778	-
Transfers out	(8,636,107)	(1,369,369)	(3,863,656)	(13,869,132)	(460,925)
Change in net position	57,192,100	(752,655)	9,646,449	66,085,894	4,530,990
Net position - beginning	309,633,428	22,273,812	58,550,958	390,458,198	27,449,573
Net position - ending	$ 366,825,528	$ 21,521,157	$ 68,197,407	$ 456,544,092	$ 31,980,563

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

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CITY OF FORT MYERS, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2025

	Business-type Activities				Governmental Activities
	Water-Wastewater	Solid Waste	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	$ 94,348,707	$ 22,394,291	$ 28,992,321	$ 145,735,319	$ 45,147,290
Payments to suppliers and service providers	(43,959,895)	(15,520,498)	(10,910,655)	(70,391,048)	(34,007,015)
Payments to employees for services	(13,304,549)	(6,202,237)	(6,019,741)	(25,526,527)	(7,067,014)
Other operating receipts	4,568,261	62,508	33,033	4,663,802	997,178
Other operating payments	-	(28,456)	(743,830)	(772,286)	-
Net cash provided by (used for) operating activities	41,652,524	705,608	11,351,128	53,709,260	5,070,439
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Receipts (payments) on interfund loans	11	-	198,449	198,460	-
Transfers in	8,327,253	-	1,013,525	9,340,778	-
Transfers out	(8,636,107)	(1,369,369)	(3,863,656)	(13,869,132)	(460,925)
Net cash provided by (used for) noncapital financing activities	(308,843)	(1,369,369)	(2,651,682)	(4,329,894)	(460,925)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(88,319,697)	(2,621,546)	(2,681,301)	(93,622,544)	(1,694,045)
Grants and private contributions	110,060	-	860,841	970,901	-
Interest paid on notes and bonds	(14,833,540)	-	(131,941)	(14,965,481)	(48,887)
Payment on lease	(139,532)	-	(364,000)	(503,532)	(398,621)
Principal paid on notes and bonds	(14,217,000)	-	(326,718)	(14,543,718)	-
Principal paid on subscription liabilities	(20,209)	-	-	(20,209)	(1,316,022)
Proceeds from loans	2,883,448	-	-	2,883,448	-
Proceeds from sale of capital assets	46,250	68,345	15,042	129,637	71,314
Net cash (used for) capital and related financing activities	(114,490,220)	(2,553,201)	(2,628,077)	(119,671,498)	(3,386,261)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	8,276,148	602,244	1,137,940	10,016,332	1,053,833
Purchase of investments	(1,287,298)	(6,195)	(4,016,020)	(5,309,513)	(3,947,031)
Proceeds from sale of investments	36,440,484	1,512,055	545,044	38,497,583	3,316,399
Net cash provided by (used for) investing activities	43,429,334	2,108,104	(2,333,036)	43,204,402	423,201
Net increase (decrease) in cash and cash equivalents	(29,717,205)	(1,108,858)	3,738,333	(27,087,730)	1,646,454
Balances - beginning of year	63,264,166	9,942,227	15,491,383	88,697,776	20,575,384
Balances - end of year	$ 33,546,961	$ 8,833,369	$ 19,229,716	$ 61,610,046	$ 22,221,838

	Business-type Activities				Governmental Activities
	Water-Wastewater	Solid Waste	Total Nonmajor Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	$ 62,143,748	$ (116,897)	$ 10,367,853	$ 72,394,704	$ 3,723,416
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	24,661,569	1,504,550	3,389,762	29,555,881	1,997,468
Changes in assets and liabilities:					
Accounts Payable - Other	(65,363)	-	(204,665)	(270,028)	(4,201)
Accounts Payable - Supplier	(11,221,750)	(483,198)	(1,041,337)	(12,746,285)	606,296
Bad Debt	(74,979)	19,372	-	(55,607)	-
Compensated absences	4,299	28,489	11,106	43,894	(11,483)
Customer receivables	356,733	98,736	(2,780)	452,689	1,572
Due from other governmental agencies	(28,787,139)	2,732	(398,698)	(29,183,105)	(85)
Inventory	-	-	-	-	(118,006)
Prepaid items	1,200,988	-	(2,000)	1,198,988	(539,955)
Customer deposits	(5,132,272)	-	(50)	(5,132,322)	-
Other postemployment benefits payable	193,975	185,366	98,915	478,256	84,628
Net pension liability	(3,101,251)	(1,224,598)	(1,399,791)	(5,725,640)	(1,335,967)
Deferred postemployment benefits outflows	(110,403)	(69,444)	(53,059)	(232,906)	(45,187)
Deferred pension outflows	657,426	266,490	289,666	1,213,582	284,372
Deferred pension inflows	1,109,411	556,513	373,454	2,039,378	497,934
Deferred postemployment benefits inflows	(182,468)	(62,503)	(77,248)	(322,219)	(70,363)
Net cash provided by operating activities	$ 41,652,524	$ 705,608	$ 11,351,128	$ 53,709,260	$ 5,070,439
Schedule of non-cash investing, capital, and financing activities:					
Unrealized gain/loss / change in FV	$ (1,404,545)	$ 87,617	$ 257,124	$ (1,059,804)	$ 232,780
Capital asset addition financed with lease proceeds	-	-	-	-	990,000
Capital asset addition financed (SBITA)	39,989	-	18,079	58,068	2,678,164
Donated / transferred capital assets	1,391,868	-	-	1,391,868	-

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

CITY OF FORT MYERS, FLORIDA
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2025

	Pension Trust Funds	Custodial Funds
ASSETS		
Cash and cash equivalents	$ 11,087,790	$ 63,693
Investments, at fair value		
U.S. government and agency securities	617,228,672	-
Total investments	617,228,672	-
Receivables		
Employer contributions	8,238,752	-
Interest and dividends	1,230,676	-
Total receivables	9,469,428	-
Prepaid items - benefits	-	-
Total assets	637,785,890	63,693
LIABILITIES		
Payables		
Due to other governmental agencies	-	63,693
Benefit payments	141,581	-
Investment expenses	202,498	-
Administrative expenses	50,131	-
Total liabilities	394,210	63,693
FIDUCIARY NET POSITION		
Fiduciary net position restricted for pensions	$ 637,391,680	$ -

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

CITY OF FORT MYERS, FLORIDA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2025

	Pension Trust Funds	Custodial Funds
ADDITIONS		
Contributions:		
Employer	$ 31,988,345	$ -
State of Florida	2,988,820	-
Plan members	5,777,224	-
Total contributions	40,754,389	-
Investment earnings:		
Interest and dividends	16,404,989	-
Net increase in the fair value of investments	46,230,177	-
Total investment (loss)	62,635,166	-
Less: investment expenses	1,418,953	-
Net investment (loss)	61,216,213	-
Fees collected for other governments	-	2,295,443
Total additions (reductions)	101,970,602	2,295,443
DEDUCTIONS		
Benefits paid	36,244,937	-
Administrative expenses	600,342	-
Payments of fees to other governments	-	2,295,443
Total deductions	36,845,279	2,295,443
Change in fiduciary net position	65,125,323	-
FIDUCIARY NET POSITION		
Fiduciary net position - beginning	572,266,357	-
Fiduciary net position - ending	$ 637,391,680	$ -

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

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NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Description of government-wide financial statements

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and component units. The fiduciary funds are presented in the fund financial statements by type (pension and custodial). Since, by definition, these assets are being held for the benefit of a third party (i.e. pension participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

2. Reporting Entity

The City of Fort Myers (City), was incorporated in 1886 pursuant to the laws of Florida 3959, and Chapter 165, Florida Statutes. The City operates under a City Council-Manager form of government and consists of six wards, each represented by a council member, and a seventh voting seat, the Mayor elected-at-large.

The accompanying financial statements present the City and its component units. Component units are legally separate organizations for which the City, as the primary government, is financially accountable.

In evaluating the City as a reporting entity, management considered all potential component units in accordance with applicable Governmental Accounting Standards Board (GASB) Statements. Management reviewed all of the financial accountability concepts and determined the existing blended component units met the criterion for blending. They are included in the City's reporting entity and are reported as part of the primary government.

***Blended Component Units*:** The Community Redevelopment Agency of Fort Myers (CRA) was established November 5, 1984 by the City of Fort Myers under Ordinance 2259 pursuant to Chapter 163, Part III of the Florida Statutes. The mission of the CRA is to redevelop and revitalize the historic downtown as well as the older commercial corridors and residential neighborhoods of the City. The six City Council Members and the Mayor are the governing board of the CRA, sitting as the Board of Governors, which elects a chairperson and vice-chairperson. The CRA is fiscally dependent on the City because it is unable to issue bonded debt without approval by the primary government. The majority of the revenue sources result from tax increment financing, which is a commitment of the City's taxing power.

The CRA includes the Downtown Redevelopment Area, the Central Fort Myers Redevelopment Area, the Cleveland Avenue Redevelopment Areas and the Dr. Martin Luther King Redevelopment Areas. The CRA is presented as a non-major special revenue fund and its financial statements are included in the City's Annual Comprehensive Financial Report for the

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

year ended September 30, 2025, in the Combining Statements and Schedules section. Standalone financial statements for the CRA are available by contacting the Executive Director of the CRA.

***Other Related Organizations*:** The City of Fort Myers Housing Authority is a separate legal entity. Authority commissioners are appointed by the Mayor and approved by the City Council and may be removed. There is no financial benefit or burden to the City and the City has no authority over day-to-day operations. As such, this organization is not included in the accompanying financial statements.

3. 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 and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. Fiduciary funds and component units that are fiduciary in nature (i.e. Pension Trust Funds) are excluded from the government-wide financial statements.

Generally, interfund activity has been eliminated from the government-wide financial statements. Notable exceptions are other charges of the City's water and wastewater function. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

4. Basis of presentation – fund financial statements

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

The City reports the following major governmental funds:

> The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those that are required to be accounted for in another fund. Revenue is derived primarily from property taxes, state and federal distributions, grants, and other intergovernmental revenue. The general operating expenditures, fixed charges and capital outlay costs that are not paid through other funds are paid from the General Fund.
>
> The FEMA Disaster Grant Fund accounts for the expenditures related to the damage caused by Hurricane Irma and Hurricane Ian, and the associated cleanup costs to be reimbursed by the Federal government.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The Revenue Bonds and Notes Fund accounts for the accumulation of resources to pay outstanding long term debt. It is made up of several sub-funds, one for each bond or other borrowing that is outstanding and for which resources are accumulated to pay the debt service.

The Transportation Capital Projects Fund accounts for resources accumulated to provide transportation related capital projects. It includes road impact fees, cash from debt borrowing, the accounting for capital projects and the 5th cent local option gas tax money.

The General Capital Projects Fund is used to account for the financial resources to be used for the acquisition and construction of the City's general capital facilities, improvements and equipment.

The City reports the following major enterprise funds:

The Water-Wastewater Fund accounts for the activities related to providing water, wastewater and reclaimed water services to the public.

The Solid Waste Fund accounts for the revenues and costs associated with providing solid waste services to the residents of the City.

In addition, the City reports the following other fund types:

Internal Service Funds account for services provided to other departments of the City on a cost reimbursement basis. These services include: Self-Funding Health Insurance, Information Technology Services, Risk Management Services (workers' compensation, general liability insurance and property insurance), Fleet Maintenance and a Public Works Warehouse that acts as a central repository for items needed for all phases of Public Works.

The Pension Trust Funds account for activities of the City's General Employees' Pension Plan, Police Officers' Retirement System and the Firefighters' Retirement System (collectively, the Pension Trust Funds). The Pension Trust Funds are separate legal entities, which accumulate resources for the pension benefit payments to virtually all full-time, regular employees, all non-civilian police department employees, and all firefighters and fire department officers, respectively.

The Custodial Funds are used to account for resources collected by the City for third parties. The custodial funds include the Regional Park Impact Fee Fund, the Emergency Medical Services (EMS) Impact Fee Fund and School Board Impact Fee Fund. The Regional Park, EMS and School Impact Fee Funds accumulate impact fees levied by the County. The City collects these impact fees at the time that building permits are issued and then remits the fees to the County.

During the course of its operations, the City has numerous transactions between funds to provide services, construct assets and service debt. To the extent that certain transactions between funds

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

were not paid or received as of September 30, 2025, balances of interfund receivables and payables expected to be liquidated within one year have been recorded as due from and due to other funds. Balances of interfund receivables and payables not expected to be liquidated within one year are recorded as advances to and advances from other funds. While these balances are reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (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 business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

5. Measurement focus, basis of accounting and financial statement presentation

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.

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

***Governmental fund financial statements*.** The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt is reported as other financing sources.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Property taxes, public service taxes, franchise taxes, fuel taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual. These have been recognized as revenues of the current fiscal period when they also meet the availability criteria (within 60 days of year end). Revenues from Federal and State reimbursement type grants are recognized when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). For special assessments, only the portion of the receivable due within the current period is considered to be susceptible to accruals as revenue of the current period. All other revenue items are considered to be measurable and available only when the City receives the cash.

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

6. Budgetary information

Budgetary basis of accounting

Annual budgets are legally adopted for all governmental and business-type funds excluding the following major fund: FEMA Disaster Grant, the following non-major special revenue funds and permanent fund: Public Private Parking, East Riverdale Community Center, Patrons of the Palms, Federal Forfeiture, SAGA Administration, Hurricane Shelter, and Ned Fould's Police Award Permanent Fund. In addition, project budgets are adopted for the Capital Project Funds for the respective year along with approval of the five-year Capital Improvement Program. The City prepares its budget on a basis consistent with generally accepted accounting principles, with a few exceptions. For budget purposes, depreciation is not shown in the annual budgets and debt service is reported as current year expenditures.

The appropriated budget is prepared by fund, department, and division. Requests for changes to the adopted budget that include transfers of appropriations between expenditure accounts within the same division or between divisions within a fund, which do not change the total of the approved budget for that fund, are processed internally and only require the approval of the department director, Director of Finance and City Manager or authorized designees. The Budget Manager is responsible for maintaining records of these transfers and presenting them for review by City Council on a quarterly basis following their implementation. Budget transfers less than $50,000 are processed internally and only require the approval of the department director, or designee, and the Office of Management and Budget. In most cases, divisions are required to transfer funds only to meet unanticipated needs or to reflect organizational changes. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level within a fund, except for the Community Redevelopment Agency, which uses the fund level as their budgetary control.

Whereas the adopted budget is meant to control and provide for the efficient and economical running of the City, amendments (increases or decreases in appropriations and/or revenue estimates) to a budget may be required during the year to properly account for unanticipated needs or opportunities. Requests for changes to the total adopted budget greater than $50,001,

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

transfers of appropriations across Funds, use of reserves, changes in the number of full-time staff, an increase or decrease in the service levels or programs provided, or future recurring fiscal impacts must be presented to City Council at a regularly scheduled public meeting for approval prior to implementation. For budget amendments equal to or less than $50,001 that do not result in use of reserves, changes in the number of full-time staff, an increase or decrease in the service levels or programs provided, and do not have future recurring fiscal impacts, City Council delegates authority to department heads to implement without Council's prior approval. Approval by the City Manager and the Director of Financial Services, or designees, shall be necessary prior to implementing these amendments. The Office of Management and Budget is responsible for maintaining records of the amendments and presenting them for review by City Council on a quarterly basis following their implementation.

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 contracts for goods or services, such as purchase orders, contracts, and commitments. Encumbrance accounting is used to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. All encumbrances lapse at fiscal year end and valid encumbrances are re-appropriated and become part of the subsequent year's budget.

Excess of expenditures over appropriations

For the year ended September 30, 2025, one fund had expenditures over appropriations, the Police Training Fund, a nonmajor fund, which had $1,674 of excess expenditures over appropriations, this was due participating in a training event.

7. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

a. Cash and cash equivalents

The City considers all highly liquid investments with original maturities of three months or less when purchased, as well as investments in the City's cash and investment pool, to be cash equivalents.

b. Investments

Investments for the City are reported at fair value and include obligations of the U.S. Treasury, Government Sponsored Enterprise Securities, mortgage-backed securities, asset-backed securities, municipal and corporate bonds. Money market investments with a remaining maturity at the time of purchase of one year or less are reported at amortized cost. The difference between cost and fair value of investments held is recorded as net unrealized gains or losses and is included in net investment earnings. Purchases and sales of investments are recorded on the trade dates. Net realized gains and losses on sale of investments are reflected in current operating results as investment earnings along with interest and dividends.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The City invests surplus funds in external investment pools that consist of the Local Government Surplus Funds Trust Fund known as Florida PRIME and the Florida Surplus Asset Fund Trust (FL SAFE). The Local Government Surplus Funds Trust Fund was created by an Act of the Florida Legislature effective October 1, 1977 (Chapter 218, Part IV, of the Florida Statutes). The State Board of Administration ("SBA") is charged with the powers and duties to administer and invest Florida PRIME, in accordance with the statutory fiduciary standards of care as contained in Section 215.47(10), Florida Statutes. The SBA contracted with Federated Investment Counseling to provide investment advisory services for Florida PRIME.

As a Florida PRIME participant, the City invests in a pool of investments whereby the City owns a share of the respective pool, not the underlying securities. Florida PRIME is considered a qualifying external investment pool that meets all of the necessary criteria to elect to measure all of the investments at amortized cost. Therefore, the fair value of the City's position in the pool is the same as the value of the pool shares.

FL SAFE is a local government investment pool that serves the cash management needs of governments in Florida. FL SAFE seeks to provide competitive yields consistent with the preservation of capital and daily liquidity. FL SAFE is organized pursuant to Florida Statutes 163.01, is an authorized investment under 218.415, and invests according to the provisions of its Permitted Investments as listed in the Indenture of Trust. Investors in the Trust are entitled to vote on the election of Trustees, certain amendments to the Trust's Indenture of Trust and reorganization of the Trust.

The Board of Trustees oversees the actions of the Investment Advisor, Administrator, Operational Manager and Distributor, Custodian, Legal Counsel, Safekeeping Bank and decides on general policies. The majority of the Board of Trustees will be constituted by finance representatives that also serve as the Investment Officer per Florida Statutes for their respective governments. The Board of Trustees serve with three-year overlapping terms and do not receive any monetary compensation for their service. The investment advisor is PMA Asset Management, LLC., and the Administrator is Florida Management and Administrative Services, LLC.

FL SAFE is authorized to invest in approved financial institutions and securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper and other approved investment types. FL SAFE meets all of the necessary criteria to elect to measure all of the investments at amortized cost. Therefore, the participant account balance is considered the fair value of the investment.

c. Receivables

All trade, property tax and other receivables in the financial statements are shown net of allowance for uncollectible amounts. All receivables are reviewed periodically and, when determined to be uncollectible, are turned over to a collection agency. Once turned over to the collection agency, the amount is included in the uncollectible balance.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

d. Inventories

Inventories for all funds, except for the enterprise funds, consist primarily of expendable supplies held for consumption and are stated using the weighted average method. For the enterprise funds, the City uses the consumption method of accounting, which provides that expenditures are recognized when inventory is used. Inventory in the Skatium Enterprise Fund is held primarily for resale and stated at cost. All inventories, regardless of fund, are counted on a periodic basis.

e. Prepaid items

Prepaid items are items that have been paid in the current accounting period but are proper expenses/expenditures extending over more than one accounting period and are allocated between those accounting periods that receive the benefit of the expense/expenditure.

f. Restricted assets

The proceeds of the City's enterprise fund revenue bonds, as well as other resources set aside in accordance with bond covenants and local ordinance, are classified as restricted on the fund level Statement of Net Position of the enterprise funds. These include the following: operating accounts for the Water-Wastewater enterprise fund that are used for the accumulation of resources equal to operating costs for specified periods; renewal and replacement accounts used for the accumulation of resources to provide for replacement of existing system assets; debt service accounts used for the accumulation of resources needed to meet debt service requirements as they become due; capital project accounts used for acquisition and construction of assets funded by revenue bond proceeds; the impact fee construction account used for the accumulation and expenditure of amounts restricted by local ordinance for future plant expansion; and customers' deposits account restricted from use by local ordinance.

In addition, certain assets are restricted to the other enterprise funds due to the proper use of the assets. The most notable of these are customer deposit accounts and resources accumulated to repay outstanding debt. Restricted assets are not presented on the balance sheets of the governmental funds under the modified accrual basis of accounting; however, certain assets of these funds are restricted in terms of use. Such assets, consisting primarily of cash and receivables, include debt proceeds, permit fees, state and federal forfeiture awards, state and federal grants and amounts held for debt service. All applicable assets in the enterprise funds and in the governmental funds have been restricted in amounts sufficient to meet restrictive purposes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

g. Capital assets

The City's capital assets (roads, bridges, sidewalks, and similar assets), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. The City defines capital assets, including infrastructure, as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year.

For the initial capitalization of major general fund infrastructure assets, which are reported by governmental activities, the City included all long-lived assets such as roads, sidewalks, storm drainage systems, bridges, culverts, traffic lights, etc. The City used actual costs, where available, in assigning historical costs to the infrastructure assets. Otherwise, historical costs were assigned based on a trending analysis using current replacement costs. As the City constructs or acquires additional capital assets, they are capitalized and reported at historical cost.

Normal maintenance and repairs, which do not increase the capacity or efficiency of the asset or increase its estimated useful life, are expensed. Donated capital assets are recorded at their acquisition value at the date of donation.

The City does not depreciate land, antiques and exhibits, historical buildings, intangible assets with indefinite lives, and construction in progress. Other City property, plant, equipment and infrastructure are depreciated using the straight-line method over the following estimated useful lives:

Buildings	20-40 years
Other improvements	15-50 years
Equipment	3-15 years
Infrastructure of enterprise funds	15-50 years
Other infrastructure	20-40 years

Intangible right to use assets and subscriptions are amortized on a straight-line basis over the shorter of the estimated useful life or lease/subscription term.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

h. Deferred outflows/inflows of resources

In addition to assets, the City's statements of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three types of items that qualify for reporting in this section: deferred charge on refunding, deferred outflows related to other postemployment benefits and deferred outflows related to pensions. On the government-wide statement of net position and the proprietary funds' statement of net position in the City's basic financial statements, the City reports a deferred charge on refunding, which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows related to postemployment benefits and to pensions, and the respective changes in assumptions and experience, are reported on the government-wide financial statements, the proprietary funds' statement of net position in the City's basic financial statements, the nonmajor enterprise funds' combining statement of net position and the internal service funds' combining statement of net position. Notes 10 and 12 provide more information on these items.

In addition to liabilities, the City's statements of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has five types of items that qualify for reporting in this section: deferred inflows of resources related to leases, deferred charge on refunding, deferred inflows related to other postemployment benefits, deferred inflows related to pensions and unavailable revenue. As a result of the implementation of GASB Statement No. 87, *Leases*, the City recorded amounts associated with long term receivables related to leases as deferred inflows on the government-wide statement of net position, governmental funds balance sheet, proprietary funds' statement of net position and nonmajor enterprise funds' statement of net position. On the government-wide statement of net position and the proprietary funds' statement of net position in the City's basic financial statements, the City reports a deferred inflow of resources for deferred charges on debt refunding. Deferred inflows related to other postemployment benefits and to pensions are reported on the government-wide statement of net position, the proprietary funds' statement of net position in the City's basic financial statements, the nonmajor enterprise funds' combining statement of net position and the internal service funds' combining statement of net position. Notes 10 and 12 provide more information on these items. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported in the City's governmental funds balance sheet. The governmental funds report unavailable revenues from code enforcement fees and rental income that are revenues of the subsequent year, grant receipts and contributions. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

i. Long-term obligations

Long-term obligations, such as bonds and notes, are recorded at the fund level in the proprietary funds and at the government-wide level for the governmental and business-type activities. Net pension liability and total other postemployment benefits (OPEB) liability, as long-term liabilities, are recognized in the government-wide and proprietary funds' statements of net position as a proportional amount of the number of employees in each City department. The proportional liabilities for pensions and OPEB of the governmental activities are not reported in the balance sheet of the governmental funds and, accordingly, represent a reconciling item between the fund and government-wide presentations. Amounts payable within one year are classified as current liabilities on the proprietary funds statement of net position and as noncurrent liabilities due within one year on the government-wide statement of net position.

j. Net position

Net position of the government-wide and proprietary funds is categorized as net investment in capital assets, restricted or unrestricted. The first category represents net position related to capital assets. The restricted category represents the balance of net position restricted by requirements of revenue bonds and other externally imposed constraints or by legislation in excess of the related liabilities payable from restricted assets.

k. Net position flow assumption

Sometimes the City will fund outlays for a particular purpose from both restricted resources, such as bond or grant proceeds, and unrestricted resources. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

l. Fund balance flow assumption

In determining the classification of total spendable fund balance remaining at the end of the fiscal year, when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available, it is the City's policy that expenditures will be applied first to restricted fund balance and then to unrestricted fund balance (committed, assigned, and unassigned). When unrestricted fund balance (committed, assigned, and unassigned) is available for use, it is the City's policy to use committed resources first, then assigned, and then unassigned as needed.

m. Fund balance policy

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – Nonspendable, restricted, committed, assigned and unassigned.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Nonspendable – This component includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as the long-term amount of advances to other funds as well as property acquired for resale.

Restricted – This component consists of amounts that are subject to externally enforceable legal restrictions, which are imposed either (a) by third parties, such as creditors (through debt covenants), grantors, contributors, or laws or regulations of other governments or (b) by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed Fund Balance – This component consists of amounts that can only be used for specific purposes imposed by formal action (resolution) of the City Council, the City's highest level of decision-making authority. The committed amounts are not subject to legal enforceability by external parties, as in restricted fund balance; however, these amounts cannot be used for any other purpose unless the City Council removes or changes the limitation by taking the same form of action (resolution) it employed to previously commit those amounts.

Assigned Fund Balance – This component consists of amounts that are constrained by the City's intent to be used for specific purposes but do not meet the criteria to be classified as committed.

The City Council has by resolution authorized the following management officials to express intentions for assigned fund balance: (a) City Council, or (b) the City Manager, Director of Finance, or other subordinate high-level body or official possessing the authority to assign amounts to be used for specific purposes. Included in this category is any fund balance carry-forward used to balance the subsequent year's budget.

Unassigned Fund Balance – This classification represents amounts that have not been restricted, committed or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the General Fund can only report a negative unassigned fund balance amount.

8. Revenues and expenditures/expenses

a. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

b. Property Taxes

The City levies property taxes each November 1, which become a lien on real and personal property located in the City. Property taxes are based on the assessed values determined by the Lee County Property Appraiser as of the prior January 1. The current year's levy is based on taxable assessed property values totaling $12,972,117,193.

The State of Florida permits the City to levy taxes up to 10 mills of assessed property valuations for the General Fund. For the 2024-2025 fiscal year, the City levied taxes of 6.5255 mills for the General Fund.

All taxes are due from property owners on March 31. However, property owners may pay a discounted tax of 1% beginning November of the taxable year for each month prior to the March 31 due date. Taxes become delinquent on April 1 and are subject to the issuance of tax sale certificates if unpaid by June 1.

At September 30, 2025, delinquent property taxes are not material to the basic financial statements of the City and therefore have not been accrued as taxes receivable.

c. Compensated Absences

Employees earn vacation and sick leave in varying amounts based on length of service. Employees may also earn up to 120 hours of compensatory time. Upon termination, employees are paid 100% of the accumulated vacation and compensatory time at current base hourly rates.

Vacation accumulation is capped at a maximum number of hours depending on employee category and bargaining unit. Upon termination of employment, if the employee is eligible to receive retirement benefits, either regular or early benefits, whether or not the benefits begin at termination or are deferred, the employee receives 33% of accumulated sick leave paid at the employee's current base hourly rate. The current portion of compensated absences payable is the amount estimated to be used or paid in the following fiscal year.

Liability for accrued compensated absences of the governmental activities is not reported in the balance sheet of the governmental funds and, accordingly, represents a reconciling item between the fund and government-wide presentations. All compensated absences are accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. All compensated absences are liquidated as part of salary expense in the division and fund that pays the salaries of the employees.

These funds include the General Fund, Street Maintenance Special Revenue Fund, State Housing Partnership Special Revenue Fund, Fort Myers Redevelopment Agency Special Revenue Fund, Water–Wastewater Enterprise Fund, Solid Waste Enterprise Fund, the Building Permits and Inspection Enterprise Fund, Stormwater Enterprise Fund, Fort Myers Country Club Enterprise Fund, Eastwood Golf Course Enterprise Fund, Yacht Basin Enterprise Fund, Skatium Enterprise Fund, Fleet Maintenance Internal Service Fund, Information Technology Services Internal Service Fund and the Risk Management Internal Service Fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

d. Proprietary funds operating and non-operating revenues and expenses

Proprietary funds distinguish operating revenues and expenses from non-operating 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 proprietary funds and the internal service funds are charges to customers for sales and services. The Water-Wastewater Utility Enterprise Fund also recognizes as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

9. Other Policies

a. 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/expenses during the reporting period. Actual results could differ from these estimates.

b. Change within the Reporting Entity

Effective October 1, 2024, the City reclassified the FEMA Disaster Grant Fund from a non major governmental fund to a major governmental fund. This reclassification was made to improve financial reporting transparency and to adhere to U.S. GAAP. The change represents a reclassification only and had no effect on the City's previously reported total net position or governmental fund balances.

	September 30, 2024 as Previously Reported	Change within Financial Reporting Entity	September 30, 2024 as Restated
Governmental Funds			
Major Funds:			
FEMA Disaster Grant	$ -	$ (14,039,815)	$ (14,039,815)
Nonmajor funds	6,719,902	14,039,815	20,759,717
Total Governmental Funds	$ 6,719,902	$ -	$ 6,719,902

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

c. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded as a reservation of budget, is employed as an extension of the statutorily required budgetary process. All encumbrances lapse at year end. Contracts that require completion after the fiscal year end must be re-appropriated in the subsequent year. Note 13 provides disclosure on the City's outstanding encumbrances.

10. Adoption of New Governmental Accounting Standards Board (GASB) Pronouncements Accounting Standards

a. Statement No. 101, "Compensated Absences." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2024.
    i. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.
    ii. The implementation of this GASB Statement did not have a material impact on the City's financial statements; therefore, prior year balances were not restated.

b. Statement No. 102, "Certain Risk Disclosures." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2025.
    i. State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds." The details are as follows:

Capital Assets:

Land	$ 45,416,806
Antiques and exhibits	251,871
Construction in progress	38,489,400
Intangibles - easements	4,723,724
Buildings	80,866,417
Less: Accumulated depreciation for buildings	(30,813,573)
Improvements	59,217,942
Less: Accumulated depreciation for improvements	(40,138,241)
Equipment	37,073,826
Less: Accumulated depreciation for equipment	(27,328,822)
Infrastructure	300,316,947
Less: Accumulated depreciation for infrastructure	(232,414,458)
Right to use leased equipment	22,252
Less: Accumulated depreciation for leased equipment	(16,748)
Right to use leased real estate	2,667,060
Less: Accumulated depreciation for leased real estate	(673,236)
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	$ 237,661,167

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

Another element of that reconciliation explains that "long-term liabilities, including revenue bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds." The details of this are as follows:

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS - Continued

Long-term liabilities:

Revenue bonds payable	$	90,115,000
Add: Issuance premium (to be amortized over life of debt)		5,336,274
Financing purchase obligations		7,733,876
Leases payables		2,137,869
Loans and notes payable		61,817,219
Accrued interest payable		1,556,562
Compensated absences		6,023,021
Total other postemployment benefits liability		12,528,768
Net pension liability		68,247,613
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	$	255,496,202

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period." The details of this are as follows:

Capital Outlay:

Capital outlay	$	29,046,139
Non-capitalizable expenditures in capital outlay		(64,938)
Current year depreciation and amortization		(16,172,949)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$	12,808,252

Donated assets:

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	$	570,123

Unearned Revenues:	$	1,255,803

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS - Continued

Another element of that reconciliation states that "the issuance of long-term debt, such as bonds and leases, provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar terms when debt is first issued, whereas these amounts are deferred and amortized in the statements of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items." The details of this are as follows:

Debt issued or incurred:

Debt issued or incurred:	
Capital improvement revenue notes	$ (11,432,391)
Finance purchase obligations	(4,017,822)
Principal repayments:	
General revenue bonds	5,050,000
Loans and notes	2,664,000
Finance purchase obligations	3,155,093
Leases	(1,115,424)
Net adjustment to increase changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$ (5,696,544)

Another element of that reconciliation states that "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 the governmental funds." The details of this are as follows:

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

Other debt related expenses:		
Amortization of bond premiums	$	445,588
Amortization of bond insurance costs		(8,940)
Amortization of deferred charge on refunding		(135,382)
Change in accrued interest expense		95,880
Change in retirement payable		-
Change in compensated absences		52,053
Change in total other postemployment benefits liability		(26,113)
Change in net pension liability		10,586,590
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	$	11,009,676

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balance

The FEMA Disaster Grant nonmajor governmental fund had a deficit fund balance of $(20,448,797) at September 30, 2025. The deficit fund balance results from expenditures incurred from natural disaster Hurricane Ian for which related revenue was not recognized. The deficit will be eliminated upon receipt of reimbursement from the Federal Emergency Management Agency for the disaster assistance.

The Community Development Block Grant nonmajor governmental fund had a deficit fund balance of $(85,014) at September 30, 2025. The deficit fund balance results from a late expense recognized but not drawn down for reimbursement.

Deficit Net Position

The Yacht Basin nonmajor enterprise fund had a deficit net position of $(1,124,707) at September 30, 2025. The deficit net position results from the impairment and loss of capital assets as a result from natural disaster Hurricane Ian.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS

Cash Deposits with Financial Institutions

At September 30, 2025, the City had the following deposits, investments and maturities:

		Investment Maturities (in Years)		
Investment Type	Fair Value	Less than 1	1-5	More than 5 years
Cash on hand	$ 7,700	NA	NA	NA
Demand deposits	29,734,672	NA	NA	NA
Local Government Investment Pool:				
Florida PRIME	81,119,370	NA	NA	NA
FL SAFE	11,313,555	NA	NA	NA
FL PAM	39,579,213	NA	NA	NA
Money market	30,245,492	NA	NA	NA
U.S. Treasury securities	64,199,515	-	64,199,515	-
Agency securities	2,000,480	2,000,480	-	-
Corporate bonds	41,788,243	1,682,420	39,677,964	427,859
Municipal bonds	5,331,514	-	5,331,514	-
Asset backed securities	23,086,117	-	21,239,002	1,847,115
Mortgage backed securities	23,251,420	1,036,611	19,877,578	2,337,232
Corporate stocks	71,859	NA	NA	NA
Total investments	$ 351,729,150	$ 4,719,511	$ 150,325,573	$ 4,612,206

Reconciliation of cash, cash equivalents and investments, from the schedule of deposits and investments to the basic financial statements:

Primary government	
Cash, cash equivalents and investments	$ 202,168,861
Restricted cash, cash equivalents and investments	149,496,596
Custodial funds:	
Cash, cash equivalents and investments	63,693
Total	$ 351,729,150

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to the City. These deposits include demand deposits and nonnegotiable certificates of deposit, and are insured by the Federal Deposit Insurance Corporation or by collateral pursuant to the Florida Security for Public Deposits Act (Florida Statutes Chapter 280). Under this Act, financial institutions that qualify as public depositories pledge securities that have a market value equal to 50% - 125% of the average daily balance for each month of all public deposits in excess of applicable deposit insurance. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

Investments

Florida Statutes, the City's Investment Policy and various bond covenants authorize investments that include money market accounts, savings accounts, interest bearing time deposits, repurchase agreements, the Local Government Surplus Funds Trust Fund administered by the Florida State Board of Administration (SBA) or other local government investment pool authorized by F.S. §163.01, obligations of the U.S. Government, government agencies guaranteed by the U.S. Government and certain bond mutual funds. Derivative products are prohibited unless specifically approved by City Council in advance.

1. City's Investments

The City's investment policy applies to the investment of short-term operating funds of the City of Fort Myers and all of its dependent special districts. Longer-term funds, including its employee retirement system funds, funds related to the issuance of debt, and other funds held pursuant to trust agreements administered, are covered by separate policies, contracts or agreements in effect for such funds.

Except for longer-term and restricted funds, all cash balances of all funds, including the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Water-Wastewater Fund and other proprietary funds that exist or may be created from time to time, shall be consolidated and administered in accordance with the provisions of this policy.

The basic goals of Fort Myers' investment program are, in order of priority:

- *Safety* of investments;
- Maintenance of sufficient *liquidity* to meet cash flow needs, and;
- Attainment of a market average rate of return (*yield*), taking into account the City's investment risk constraints and the cash flow characteristics of the portfolio.

The City's cash and investment pool consists of the Local Government Surplus Funds Trust Fund investment account, the Florida Surplus Asset Fund Trust and cash. Cash balances and requirements of all funds are considered in determining the amount to be invested. Interest earned on pooled cash and investments is allocated monthly to funds based on their monthly ending cash balance.

The Local Government Surplus Funds Trust Fund ("Florida PRIME") is an open-pool investment fund operated by the Florida State Board of Administration (SBA). The fund operates in the same manner as institutional money-market funds and is available to all Florida government entities.

Florida PRIME is governed by Chapters 215 and 218, Florida Statutes, and Chapter 19-7 of the Florida Administrative Code (collectively, "Applicable Florida Law"). The Board of Trustees of the SBA ("Trustees") consists of the Governor, as Chairman, the Chief Financial Officer, as Treasurer, and the Attorney General, as Secretary. The Trustees will annually certify that Florida PRIME is

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

1. City's Investments – Continued

in compliance with the requirements of Chapter 218, Florida Statutes, and that the management of Florida PRIME is in accord with best investment practices.

The Trustees delegate the administrative and investment authority to manage Florida PRIME to the Executive Director of the SBA, subject to Applicable Florida Law. The Trustees appoint an Investment Advisory Council. The Council will, at least annually, review this Policy and any proposed changes prior to its presentation to the Trustees and will undertake other duties set forth in Applicable Florida Law. Pursuant to Florida law, the Auditor General will conduct an annual financial audit of Florida PRIME, which will include testing for compliance with this Policy.

The primary investment objectives for Florida PRIME, in priority order, are safety, liquidity, and competitive returns with minimization of risks. Investment performance of Florida PRIME will be evaluated on a monthly basis against the Standard & Poor's U.S. AAA & AA Rated GIP All 30 Day Net Yield Index. While there is no assurance that Florida PRIME will achieve its investment objectives, it endeavors to do so by following the investment strategies described in its investment policy.

In accordance with Government Accounting Standards Board (GASB) Statement No. 79, *Certain External Investment Pools and Pool Participants*, Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the City's participant account balance should also be considered the fair value of its investment and exempt from the Government Accounting Standards Board Statement (GASB) No. 72, *Fair Value Measurement and Application*.

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

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

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

1. City's Investments – Continued

As of September 30, 2025, SBA's ending fiscal year, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

The following disclosures pertain to Florida PRIME as of September 30, 2025:

- Credit Quality Disclosure: Florida PRIME is rated by Standard and Poor's, and the current rating is "AAAm".
- Interest Rate Risk Disclosure: The dollar weighted average days to maturity (WAM) of the Florida PRIME is 35 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM.
- Foreign Currency Risk Disclosure: Florida PRIME was not exposed to any foreign currency risk during the fiscal year ending September 30, 2025.

Florida Surplus Asset Fund Trust ("FL SAFE") is a local government investment pool that serves the cash management needs of governments in Florida. FL SAFE seeks to provide competitive yields consistent with the preservation of capital and daily liquidity. FL SAFE is organized pursuant to Florida Statutes 163.01, is an authorized investment under 218.415, and invests according to the provisions of its Permitted Investments as listed in the Indenture of Trust. Investors in the Trust are entitled to vote on the election of Trustees, certain amendments to the Trust's Indenture of Trust and reorganization of the Trust. Investors also are entitled to vote on other matters as required by the Trust's Indenture of Trust. Each investor is entitled to one vote, so long as Trust shares are held on the record date.

The Board of Trustees oversees the actions of the Investment Advisor, Administrator, Operational Manager and Distributor, Custodian, Legal Counsel, Safekeeping Bank and decides on general policies. The majority of the Board of Trustees will be constituted by finance representatives that also serve as the Investment Officer per Florida Statutes for their respective governments. The Board of Trustees serve with three year overlapping terms and do not receive any monetary compensation for their service.

The Advisory Council members are recommended by the FL SAFE Administrator and Investment Advisor, and the Advisory Council is confirmed by the Board. They serve at will, and as a Participant, provide additional insight and advice of FL SAFE Investment programs and services.

The Indenture of Trust provides for the creation of multiple separate specialized investment portfolios called "Series" within the Trust and sets forth the manner in which the Series may be created and managed. Currently the Trust includes a liquid stable net asset value $1.00 fund called the "FL SAFE Stable NAV Fund" or "Stable NAV Fund" and a variable net asset value fund called the "FL SAFE Variable NAV Fund" or "Variable NAV Fund", with these two funds collectively referred to as the "Funds", and one or more Term Series portfolios, as may be established from

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

1. City's Investments – Continued

time to time, each of which has a fixed duration and may have a different investment policy as set forth herein.

The Board and Participants will receive an audited annual report from the Trust's independent auditor that contains important financial information about the Series of the Trust. Participants will also receive confirmation of purchases and redemption of shares in the Funds, as well as a monthly statement detailing the entire month's activity.

The general investment approach and objectives of the Stable NAV Fund and Variable NAV Fund, collectively the Funds, investment activities shall be: (1) safety of capital; (2) liquidity of funds; (3) transparency; and (4) investment income, in that order. The FL SAFE Stable NAV Fund adheres to an Investment Policy adopted by the Board of Trustees, as amended on October 28, 2021, and follows the investment criteria for an AAAm S&P rated Net Stable Value Fund. The FL SAFE Variable NAV Fund adheres to an Investment Policy adopted by the Board of Trustees on October 28, 2021 and follows the investment criteria for an AAAf and S1 S&P rated Bond Fund.

In accordance with Government Accounting Standards Board (GASB) Statement No. 79, *Certain External Investment Pools and Pool Participants*, FL SAFE currently meets all of the necessary criteria to elect to measure all of the investments in FL SAFE at amortized cost. Therefore, the City's participant account balance should also be considered the fair value of its investment and exempt from the Government Accounting Standards Board Statement (GASB) No. 72, *Fair Value Measurement and Application*.

Per the Indenture of Trust, the Trustees may temporarily suspend the right of redemption or postpone the date of payment for redeemed shares during any period (i) when there shall have occurred any state of war, national emergency, act of God, banking moratorium or suspension of payments by banks in the State of Florida or any general suspension of trading or limitation of prices on the New York Stock Exchange ("NYSE") or American Stock Exchange (now known as NYSE AMEX) (other than customary week-end or holiday closings) or (ii) when any emergency exists as a result of which disposal by the Funds of its investments is not reasonably practicable because of the substantial losses which might be incurred or it is not reasonably practicable for the applicable Fund fairly to determine the value of its net assets. Such suspension or postponement shall not alter or affect a Participant's beneficial interest hereunder as measured by its Shares or the accrued interest and earnings thereon. Such suspension or payment shall take effect at such time as the Trustees shall specify but not later than the close of business on the business day next following the declaration of suspension, and thereafter there shall be no right of redemption or payment until the Trustees shall declare the suspension or postponement at an end, except that the suspension or postponement shall terminate in any event on the first day on which the period specified in subsection (a) or in this subsection (b) shall have expired, as to which the determination of the Trustees shall be conclusive. In the case of a suspension of the right of redemption or a postponement of payment for redeemed Shares, a Participant may either (i) withdraw its request for redemption or (ii) receive payment based on the net asset value existing after the termination of the suspension.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

1. City's Investments – Continued

Although investors in certain Term Series may have redemption rights, Term Series are designed to be held for the full term of that Series. Shares in certain Term Series may be redeemed prior to the maturity date of that Series upon a seven days' advance notice of redemption to the Operational Manager and a penalty will likely be assessed. The penalty, which may be

substantial, could include the amount necessary to recoup for the Series any penalty charges, losses and other costs attributable to the early redemption.

The following disclosures pertain to FL SAFE as of September 30, 2025:

- Credit Quality Disclosure: FL SAFE is rated by Standard and Poor's, and the current rating is AAAm for the FL SAFE Stable NAV Fund and AAAf / S1 for the FL SAFE Variable NAV Fund.

- Interest Rate Risk Disclosure: The dollar weighted average days to maturity (WAM) of the Florida PRIME is 28 days for the FL SAFE Stable NAV Fund. Rising interest rates could cause the value of the Funds' investments – and therefore its share price as well – to decline. Conversely, any decline in interest rates is likely to cause the Funds' yield to decline, and during periods of low interest rates, the Funds' yield may approach zero.

- Liquidity Risk. A Fund could experience significant net redemptions of its shares at a time when it was unable to find willing buyers for its portfolio securities or could only sell its portfolio securities at a material loss.

- Redemption risk: The Funds may experience periods of heavy redemptions that could cause the applicable fund to liquidate its assets at inopportune times or at a loss or depressed value, particularly during periods of declining or illiquid markets. Redemptions by a few large Participants may have a significant adverse effect on the ability to maintain a stable $1.00 share price or the net asset value of the Series, as applicable.

Florida Public Assets for Liquidity Management ("FL PALM") is a common law trust organized under the authority of the Florida Interlocal Cooperation Act of 1969, as amended (Section 163.01 of the Florida Statutes) and Section 218.415 of the Florida Statutes. FL PALM is designed to meet the cash management and short-term investment needs of school districts, political subdivisions of the State or instrumentalities of political subdivisions of the State. The Trust's investment objective is to provide investors with the highest possible investment yield, while maintaining liquidity and preserving capital.

FL PALM is directed by a Board of Trustees, which is made up of experienced school board members, superintendents, public agency officials, and an Advisory Committee of senior finance

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

1. City's Investments – Continued

officers from member Districts and public agencies. The Florida School Boards Association (FSBA) and the Florida Association of District School Superintendents (FADSS) sponsor the Fund. The Fund is an investment opportunity for State school districts, political subdivisions of the State or instrumentalities of political subdivisions of the State. The Trustees can suspend the right of withdrawal or postpone the date of payment if the Trustees determine that there is an

emergency that makes the sale of a Portfolio's securities or determination of its net asset value not reasonably practical.

The Trustees have appointed an Investment Advisory Committee (the "Advisory Committee") of Florida governmental business officials to advise the Trustees in fulfilling their duties. The Advisory Committee does not have binding powers with respect to the Fund except and where delegated so by the Trustees.

FL PALM's primary investment objects are, in order of priority are: (1) safety of funds and investments, (2) maintenance of sufficient liquidity, (3) diversification to avoid unreasonable or avoidable risks, and (4) a competitive yield.

While the Portfolio seeks to maintain a net asset value of $1.00 per share, for the reasons discussed below, there can be no assurance that the net asset value will remain at $1.00 per share. The market value basis for determining net asset value per share for the Fund may be affected by general changes in interest rates resulting in increases or decreases in the value of securities held by the Fund. The market value of such securities will tend to vary inversely to changes in prevailing interest rates.

The Portfolios' investments are assigned a level based upon the observability of the inputs which are significant to the overall valuation. In accordance with Government Accounting Standards Board (GASB) Statement No. 79, *Certain External Investment Pools and Pool Participants,* securities held by the FL PALM Portfolio are valued at amortized cost, which approximates fair value. Therefore, the City's participant account balance should also be considered the fair value of its investment and exempt from the Government Accounting Standards Board Statement (GASB) No. 72, Fair Value Measurement and Application.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

1. City's Investments – Continued

The following disclosures pertain to FL PALM as of September 30, 2025:

- Credit Quality Disclosure: The FL PALM Portfolio is rated by Standard and Poor's and the current rating of "AAAm".
- Interest Rate Risk Disclosure: The weighted average days to maturity (WAM) of the pool is managed at 60 days or less to help provide liquidity for redemptions and to limit market price exposure.
- Liquidity Risk: The Portfolio's share price could fall during times when there are abnormal levels of redemption requests or markets are illiquid
- Redemption Risk: The Board of Trustees has the authority to suspend redemptions in extreme market conditions or emergencies.

The City uses the market approach to measure the fair value of investments as of September 30, 2025, in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investment Type	Fair Value	Investments That Are Not Measured at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Matrix, Model Based) (Level 2)	Significant Unobservable Inputs (Level 3)
Cash equivalents	$ 7,700	$ -	$ 7,700	$ -	$ -
Demand deposits	29,734,672	-	29,734,672	-	-
Local Govt Investment Pool	-	132,012,138	-	-	-
Money market funds	-	30,245,492	-	-	-
U.S. Treasury securities	64,199,515	-	64,199,515	-	-
Agency securities	2,000,480	-	-	2,000,480	-
Corporate bonds	41,788,243	-	-	41,788,243	-
Municipal bonds	5,331,514	-	-	5,331,514	-
Asset backed securities	23,086,117	-	-	23,086,117	-
Mortgage backed securities	23,251,420	-	-	23,251,420	-
Corporate stocks	71,859	-	71,859	-	-
Total investments	$ 189,471,520	$ 162,257,630	$ 94,013,746	$ 95,457,774	$ -

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

1. City's Investments – Continued

Concentration of Credit Risk

Investments in U.S. Treasury securities comprised 18.25% of total investments. The City's investment policy provides for diversification of investments by limiting investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities).

Interest Rate Risk

In accordance with its investment policy, the City mitigates its interest rate risk by structuring the City's portfolio so that the securities mature to meet the City's cash requirements, thereby avoiding the need to sell securities on the open market prior to their maturation; and investing primarily in shorter-term securities, unless it can be anticipated that long-term securities can be held to maturity without jeopardizing liquidity requirements.

Credit Risk

Safety of principal is the foremost objective of the City's investment policy. The City's policy limits the credit risk by limiting investments to the safest types of securities; pre-qualifying the financial institutions with which it will conduct business; diversifying the investment portfolio so that the failure of any one issuer or backer will not place an undue financial burden upon the City; and monitoring all the City's investments on a daily basis to anticipate and respond appropriately to a significant reduction of credit worthiness of any of the depositories.

As of September 30, 2025, the City's investments in money market funds were rated AAAm by Standard & Poor (S&P) and Aaa-mf by Moody's Investors Service (Moody's). Treasury and agency securities were rated Aaa by Moody's and AA+ by S&P. The City's investments in corporate bonds were rated Aaa by Moody's and not rated by S&P.

2. City's Pension Plan Investments

The City reports three pension funds in the accompanying financial statements. Each of the plans has a separate governing board of trustees, a separate investment policy, and differing investment restrictions. Consequently, each plan is disclosed separately below. All investments at the fiscal year end were in compliance with the respective plan investment policies.

At September 30, 2025, the City's three pension plans had the following cash and investments.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

At September 30, 2025, the City's three pension plans had the following cash and investments:

Description	Fair Value	Credit Rating: Standard & Poor's	Credit Rating: Moody's
General Employees' Pension Plan:			
Cash and cash equivalents	$ 4,799,590	AAAm	Aaa-mf
U.S. government and agency securities	7,635,482	AA+	Aa1
Municipal bonds	1,295,251	AA- to AAA	A2 to Aaa
Corporate stock	21,609,410	Not rated	Not rated
Corporate bonds	13,427,640	BBB- to AAA	Baa3 to Aaa
Convertible bonds	143,691	A-	A2
Mortgage backed securities	22,584,069	AA+ to AAA	Aa1 to Aaa
Mutual funds:			
Fixed income	20,304,698	Not rated	Not rated
Equity	79,036,432	Not rated	Not rated
Limited partnership - International equity	29,228,362	Not rated	Not rated
Real estate investment trusts	16,993,697	Not rated	Not rated
International securities:			
Bonds and notes	997,396	BBB- to A	Baa3 to A1
Stocks	3,079,637	Not rated	Not rated
Total Cash and Investments	221,135,355		

Description	Fair Value	Credit Rating: Standard & Poor's	Credit Rating: Moody's
Police Officers' Retirement System:			
Cash and cash equivalents	$ 4,808,702	AAAm	Aaa-mf
U.S. government and agency securities	41,419,688	AA+	Aa1
Corporate bonds	3,579,996	A- to A+	A3 to A1
Convertible bonds	17,526,306	BB+ to A-	Ba1 to A3
Equity Securities	12,735,125	Not rated	Not rated
Mutual funds:			
Equity	98,728,114	Not rated	Not rated
International equity	32,339,844	Not rated	Not rated
International securities:			
Bonds and notes	556,647	Not rated	A1
Commingled funds - Real estate	16,283,043	Not rated	Not rated
Total Cash and Investments	227,977,465		

NOTE 4 – CASH DEPOSITS AND INVESTMENTS - Continued

2. City's Pension Plan Investments – Continued

Description	Fair Value	Credit Rating: Standard & Poor's	Credit Rating: Moody's
Firefighters' Retirement System:			
Cash and cash equivalents	$ 1,479,498	AAAm	Aaa-mf
U.S. government and agency securities	10,946,074	BBB	Baa2 to Aa1
Municipal bonds	3,825,504	A+ to AAA	Aa3 to Aaa
Corporate stock	99,374,354	Not rated	Not rated
Corporate bonds	6,271,508	BBB- to A+	Ba1 to Aa3
Mortgage backed securities	7,195,727	Not rated	Not rated
Mutual funds:			
Fixed income	8,997,600	Not rated	Not rated
Commingled funds - Real estate	3,805,964	Not rated	Not rated
Limited partnerships - Real estate	36,834,626	Not rated	Not rated
International securities:			
Bonds and notes	472,787	BBB+ to A-	Baa1 to A3
Total Cash and Investments	179,203,642		
Total Pension Plans' Cash and Investments	$ 628,316,462		

Fair Value Measurements

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. The fair value for the debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 3 of the fair value hierarchy are valued using methodology that are unobservable and significant to the fair value measurement. Instruments are often based on internally developed models in which there are few, if any, external observation. Securities often include limited partnerships and delisted or defaulted securities, fixed income, equity mutual, and commingled funds are valued by the individual managers of each fund.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

General Employees' Pension Plan
Investments Measured at Fair Value

Investments	Fair Value	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
U.S. government and agency securities	$ 7,635,482	$ -	$ 7,635,482	$ -
Municipal bonds	1,295,251	-	1,295,251	-
Corporate stock	21,609,410	21,609,410	-	-
Corporate bonds	13,427,640	-	13,427,640	-
Convertible bonds	143,691	-	143,691	-
Mortgage backed securities	22,584,069	-	22,584,069	-
Mutual funds: Fixed income	20,304,698	20,304,698	-	-
Mutual funds: Equity	79,036,432	79,036,432	-	-
International securities: Bonds and notes	997,396	-	997,396	-
International securities: Stocks	3,079,637	3,079,637	-	-
Total investments by fair value level	170,113,706	124,030,177	46,083,529	-
Investments measured at the net asset value (NAV):				
Real estate investment	16,993,697			
Limited partnership - International equity	29,228,362			
Total investments measured at the NAV	46,222,059			
Total investments	$ 216,335,765			

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented in the following table.

General Employees' Pension Plan
Investments Measured at the NAV

Investments	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Investments measured at the net asset value (NAV):				
Real estate investment trust (1)	$ 16,993,697	$ -	Quarterly	90 days
Limited partnership - International equity (2)	29,228,362	-	N/A	N/A
Total investments measured at the NAV	$ 46,222,059			

1. *Real estate investment trust*. This type includes a core, discretionary and diversified real estate fund that invests in real estate assets such as commercial office buildings, retail properties, multi-family residential properties, developments or hotels located in major real estate markets throughout the United States.

   Investment in this Fund is generally not redeemable due to the closed-ended nature of the Fund. Instead, distributions from the Fund will be received as the underlying investments of

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

the Fund are disposed of and monetized. The fair value of the investment in this type has been determined by using the NAV per share (or its equivalent) of the Plan's ownership interest in the Fund.

2. *Limited partnership – International equity*. This type consists of a limited partnership with a capital account for each Partner. Each Partner's capital account shall be credited with the cash contributions made by the Partner to the Partnership pursuant to the agreement and each Partner's allocable share of Partnership income or gains and decreased by (i) each Partner's allowable share of Partnership deductions or losses and (ii) the amount of all distributions made with respect to such Partner's Partnership interest pursuant to the agreement. The investment objective focuses on the achievement of an annualized total return that exceeds the respective benchmarks at lower than market risk over a market cycle of three to five years. Diversification is generally broad within the global portfolios, comprised of various industry groups and countries. The fair value of the investments in this type has been determined by using the NAV per share (or its equivalent) of the portfolio value. A Limited Partner may withdraw all or any part of his Capital Account as of the last business day of any month, provided that if the requested withdrawal would reduce his Capital Account below the amount of the initial contribution, he may, at the option of the General Partner, be deemed to be retiring from the Partnership and any distribution required shall be made within sixty days after the effective date of the withdrawal to which that distribution relates. A Limited Partner desiring to make a withdrawal from his Capital Account shall, not less than thirty days before the date on which such withdrawal is to be made, give written notice to the Partnership (which notice may be waived by the General Partner) of (i) such Limited Partners' intention to make a withdrawal and (ii) the amount of the withdrawal or the manner in which the amount of the withdrawal is to be determined. Payments for withdrawals will be made no later than fifteen business days after the effective date of the withdrawal, provided that payments for withdrawals deemed to be retirements will be made as provided in Section 11.5 per the subscription agreement. All withdrawals from a Limited Partner's Capital Account may be subject to a redemption fee of up to ½ to 1% of the amount withdrawn, such amount to be paid to the Partnership. The redemption fee may be waived by the General Partner, in its sole discretion.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

Police Officers' Retirement System
Investments Measured at Fair Value

Investments	Fair Value	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
U.S. government and agency securities	$ 41,419,688	$ -	$ 41,419,688	$ -
Equity Securities	12,735,125	12,735,125	-	-
Corporate bonds	3,579,996	-	3,579,996	-
Convertible bonds	17,526,306	-	17,526,306	-
Mutual funds: Equity	98,728,114	98,728,114	-	-
Mutual funds: International equity	32,339,844	32,339,844	-	-
International securities: Bonds and notes	556,647	-	556,647	-
Total investments by fair value level	206,885,720	143,803,083	63,082,637	-
Investments measured at the net asset value (NAV):				
Comingled funds - Real estate	16,283,043			
Total investments measured at the NAV	16,283,043			
Total investments	$ 223,168,763			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those equities. The fair value for the debt securities classified in Level 2 of the fair value hierarchy is obtained by an outside, independent pricing service. The high quality debt securities held in client portfolios have quoted prices that are readily available for identical investments in active markets for those securities. However, because the third party pricing service may use models or matrices to price some securities, the Level 2 category is assigned to the securities in the portfolio.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented in the following table.

Police Officers' Retirement System
Investments Measured at the NAV

Investments	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Investments measured at the net asset value (NAV):				
Commingled funds - Real estate	$ 16,283,043	$ -	Quarterly	45 - 60 days
Total investments measured at the NAV	$ 16,283,043			

Commingled funds – Real estate. This type includes an actively managed, pure core, open-end commingled pension trust fund. It owns and seeks attractive office, retail, residential and

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

industrial investments in major markets throughout the U.S. with high quality physical improvements, stabilized occupancies, excellent locations and competitive positions within their markets. Ownership in the Fund is represented by member units and net asset value is supported by the ability to redeem and purchase at the NAV level. The fair value of the investment in this Fund has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in the Fund. As part of the valuation process of the Investment Adviser and Trustee, properties are externally appraised on an annual basis, conducted by reputable, independent appraisal firms, and signed by appraisers that are members of the Appraisal Institute, with the professional designation MAI. In addition, the Investment Adviser and Trustee may cause additional appraisals to be performed as warranted by specific asset or market conditions. All external appraisals are performed in accordance with the Uniform Standards of Professional Appraisal Practices. Property valuations and the salient valuation-sensitive assumptions of each direct investment property are reviewed by the Investment Adviser and Trustee quarterly and values are adjusted if there has been a significant change in circumstances related to the investment property since the last valuation. Fund investors may withdraw from the Fund once per quarter subject to available cash, as determined by the Investment Adviser. A written withdrawal request is required 30 days prior to quarter end. To the extent that withdrawal/repurchase requests exceed available cash, distributions are made on a pro rata basis. Available cash is defined as excess cash after provision for outstanding future capital commitments and other operating reserves.

The other fund included in this type consists of an actively managed, open-end, commingled private real estate portfolio that is structured as a limited partnership. The purpose of the Fund is to actively manage a core portfolio of primarily equity real estate investments located in the U.S. The fair values of the investments in this Fund have been determined using the NAV per unit (or its equivalent) of the Plan's ownership in the Fund. A third-party firm is engaged by the Fund to administer the Fund's valuation policies and procedures, including managing the Fund's independent appraisal process and reviewing the Fund's independent appraisals. The Fund's real estate investments are generally appraised every quarter starting with the first full quarter after an investment is made. An independent appraisal of the underlying real estate for each investment is performed annually. This annual inspection includes a property inspection and market analysis. In the interim quarters, the valuation is updated by the independent appraiser through a restricted appraisal report. In these appraisals, the prior cash flow assumptions for the real estate investments are updated for factual changes and changes in market conditions are evaluated. All appraisals are certified by members of the Appraisal Institute who hold the MAI designation. Appraisals and appraisal reports are required to comply with the Uniform Standards of Professional Appraisal Practice, as promulgated by the Appraisal Foundation. The Fund intends to make quarterly distributions, generally within 45 days of quarter end, in such amounts as the Advisor determines in its discretion. New investors automatically participate in the Fund's distribution reinvestment plan whereby an investor's distributions from the Fund are automatically reinvested in additional units on the same basis as additional contributions are invested in the Fund. Investors may request redemption of all or a portion of their units as of the end of a calendar quarter by delivering written notice to the Fund at least 60 days prior to the end of the quarter. Redemption requests are subject to certain restrictions and the availability of cash. Should

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

redemption requests exceed 50% of available cash, the Fund will apply such 50% of available cash to redeem each requesting investor on a pro rata basis according to the ratio of the requesting investor's units to the total units of all investors then requesting redemptions. Any redemption request that is not fully honored in any given quarter will be deemed effective in following quarters until completed. Redemptions of units are made based on the Fund's NAV as of the redemption date.

Firefighters' Retirement System
Investments Measured at Fair Value

Investments	Fair Value	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level:				
U.S. government and agency securities	$ 10,946,074	$ -	$ 10,946,074	$ -
Municipal bonds	3,825,504	-	3,825,504	-
Corporate stock	99,374,354	99,374,354	-	-
Corporate bonds	6,271,508	-	6,271,508	-
Mortgages	7,195,727	-	7,195,727	-
Mutual funds: Fixed income	8,997,600	8,997,600	-	-
International securities: Bonds and notes	472,787	-	472,787	-
Total investments by fair value level	137,083,554	108,371,954	28,711,600	-
Investments measured at the net asset value (NAV):				
Comingled funds - Real estate	3,805,964			
Limited partnership - Real estate	36,834,626			
Total investments measured at the NAV	40,640,590			
Total investments	$ 177,724,144			

Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fixed income securities in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented in the following table.

Firefighters' Retirement System
Investments Measured at the NAV

Investments	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Investments measured at the net asset value (NAV):				
Commingled funds - Real estate [1]	$ 3,805,964	$ -	Quarterly	45 days
Limited partnerships - Real estate [2]	36,834,626	-	Quarterly	90 days
Total investments measured at the NAV	$ 40,640,590			

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

1. Commingled funds – Real estate. This type includes an actively managed, pure core, open end commingled pension trust fund. It owns and seeks attractive office, retail, residential and industrial investments in major markets throughout the U.S. with high quality physical improvements, stabilized occupancies, excellent locations and competitive positions within their markets. Ownership in the Fund is represented by member units and net asset value is supported by the ability to redeem and purchase at the NAV level. The fair value of the investment in this Fund has been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in the Fund. As part of the valuation process of the Investment Adviser and Trustee, properties are externally appraised on an annual basis, conducted by reputable, independent appraisal firms, and signed by appraisers that are members of the Appraisal Institute, with the professional designation MAI. In addition, the Investment Adviser and Trustee may cause additional appraisals to be performed as warranted by specific asset or market conditions. All external appraisals are performed in accordance with the Uniform Standards of Professional Appraisal Practices. Property valuations and the salient valuation-sensitive assumptions of each direct investment property are reviewed by the Investment Adviser and Trustee quarterly and values are adjusted if there has been a significant change in circumstances related to the investment property since the last valuation. Fund investors may withdraw from the Fund once per quarter subject to available cash, as determined by the Investment Adviser. A written withdrawal request is required 30 days prior to quarter end. To the extent that withdrawal/repurchase requests exceed available cash, distributions are made on a pro rata basis. Available cash is defined as excess cash after provision for outstanding future capital commitments and other operating reserves.

2. Limited partnerships – Real Estate. This type consists of a private perpetual life, open-end, commingled investment fund that offers limited partnership interests in the fund. The Fund's investment strategy is designed to take advantage of changing conditions within the United States property and capital markets while remaining focused on the management of a core equity real estate investment portfolio. The Fund generally seeks one hundred percent ownership interests in real estate assets, but the Fund also may invest in a controlling or non-controlling joint venture interest where the manager believes such an investment is consistent with the fund's investment strategy and performance objectives. The Fund's portfolio is actively managed, and its properties are purchased and sold as deemed appropriate by the manager in accordance with the strategic objectives of the Fund in the context of changing economic and real estate market conditions. The General Partner will generally determine the net asset value of the Fund on at least a quarterly basis. Net asset value per share on any given date is equal to (a) the net asset value on such date divided by (b) the total number of outstanding Interests on such date. The Fund is intended to have a perpetual life but it may be terminated at any time upon the vote of 75% in interest of the Limited Partners. A Limited Partner's distributions will be reinvested in Interests (in which case such Limited Partner's interest in the Fund will be adjusted to reflect the contribution of additional capital) unless such Limited Partner elects not to participate, in whole or in part, in the distribution reinvestment plan. Under no circumstances will the General Partner be required to cause the Fund to sell investments to satisfy redemption requests. Additionally, redemptions may be suspended at any time by the General Partner. Accordingly, Limited Partners have no assurance of liquidity with respect to their interest.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

For the year ended September 30, 2025, the annual money-weighted rate of return on pension plan investments for each Plan was as follows:

General Employees' Pension Plan	13.02%
Police Officers' Retirement System	7.69%
Firefighters' Retirement System	12.41%

The money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. A schedule of each Plan's investment returns is presented on page E16.

a. General Employees' Pension Plan

Investment Policy

In fulfilling their fiduciary responsibility, the Pension Board of Trustees (the Board) for the General Employees' Pension Plan (GEPP) established an Investment Policy Statement and directed that it applies to all assets under their control. The general investment objective is to obtain a reasonable total rate of return – defined as interest and dividend income plus realized and unrealized capital gains or losses – commensurate with the Prudent Investor Rule and any other applicable ordinances and statutes. The Board employs investment professionals to oversee and invest the assets of the Plan. The Board, in performing their investment duties, shall comply with the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974 (ERISA) at 29 U.S.C. s. 1104(a) (1) (A) – (C).

It is the Board's intention to review the Investment Policy Statement at least annually subsequent to the actuarial report and to amend the statement to reflect any changes in philosophy, objectives or guidelines. If, at any time, the investment manager feels that the specific objectives defined in the Investment Policy Statement cannot be met, or the guidelines constrict performance, the Board shall be notified in writing.

Investment policy decisions may be recommended by the investment manager, reviewed by the Plan's legal counsel for compliance with applicable law, and approved by a majority vote of the Board. Upon adoption by the Board, the Investment Policy Statement shall be promptly filed with the Florida Department of Management Services, the City, and the Plan's actuary. The effective date of the Investment Policy Statement shall be thirty days following the filing date with the City. As of September 30, 2025, the effective Investment Policy Statement was adopted on September 20, 2023.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

Target Allocations

In order to provide for a diversified portfolio, the Board engaged investment professional(s) to manage and administer the fund. The investment managers are responsible for the assets and allocation of their mandate only. They will monitor the aggregate asset allocation of the portfolio and rebalance to the target asset allocation based on market conditions. If at the end of any calendar quarter, the allocation of an asset class falls outside of its allowable range, barring extenuating circumstances, the asset allocation will be rebalanced into the allowable range. The Board does not intend to exercise short-term changes to the target allocation.

The following was the Board's adopted asset allocation policy as of September 30, 2025:

Asset Class	Target	Range	Benchmark Index
Domestic Equity	45%	40% - 60%	Russell 3000
Broad Market Fixed Income	20%	10% - 30%	Bloomberg Barclays U.S. Intermediate Aggregate Bond
Global Fixed Income *	5%	0% - 10%	Bloomberg Barclays Global Aggregate
Real Return Assets *	5%	0% - 10%	Bloomberg Barclays U.S. TIPS 1 - 10 Year
International Equity	15%	5% - 20%	MSCI-ACW ex. US
Real Estate *	10%	0% - 15%	NCREIF NFI-ODCE

*Benchmark defaults to "broad market fixed income" if these portfolios are not funded. Targets and ranges above are based on the market value of total Plan assets.

Authorized investments comprise domestic securities, domestic fixed income investment grade bonds, pooled funds, real estate, and foreign securities. The board may make investments in the money market fund or short-term investment fund options provided by the Plan's custodian with the provision that those investments have a minimum rating of A1/P1, or its equivalent, by a major credit rating service. Eighty-five (85%) of the fixed income investments shall have a minimum rating of investment grade or higher as reported by a major credit rating service.

No investments shall be permitted in any investment not specifically allowed as part of the policy or illiquid investments, as described in Chapter 215.47, Florida Statutes.

Concentration of Credit Risk

Not more than 5% of the Plan's assets, at the time of purchase, shall be invested in the common stock, capital stock or convertible stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company. For fixed income, the value of bonds issued by any single corporation shall not exceed 3% of the total fund. Investments in corporate common stock and convertible bonds shall not exceed 70% of the market value of the Plan's assets. Foreign securities, regardless of asset class, shall not exceed 25% of the market value of the Plan's assets.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS - Continued

2. City's Pension Plan Investments – Continued

The following investments represent 5% or more of the Plan's investments and 5% or more of the Plan's fiduciary net position:

Investment	Investment	Net Position
Corporate stock	$ 21,609,410	9.7%
Corporate bonds	13,427,640	6.0%
Mortgage backed securities *	22,584,069	10.1%
Limited partnership - International equity	29,228,362	13.1%
Real estate investment trusts	16,993,697	7.6%
Total Plan investments 5% or more of the fiduciary net position	$ 103,843,178	46.5%

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the General Employees' Pension Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to Section 112.661 (10), Florida Statutes, the Plan's investment policy states that securities should be held with a third-party custodian, and all securities purchased by, and all collateral obtained by the pension fund should be designated as an asset of the Plan. As of September 30, 2025, the Plan's investment portfolio was held with a third-party custodian as required by the statute.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. As noted above, the Plan's investment policy states that foreign securities, regardless of asset class, shall not exceed 25% of the market value of the Plan's assets. The Plan's actual investment in foreign securities at September 30, 2025, was $997,396 for bonds and notes and $3,079,637 for stocks or 1.8% of the Plan's total assets at market value. The Plan also held foreign investments that comprised a limited partnership in international equity, which amounted to $29,228,362 or 13.1% of the Plan's total assets at fair market value as of September 30, 2025.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. At least annually, the Board shall provide the Plan's investment managers with projected disbursement needs of the Plan so that the investment portfolio can be structured to provide sufficient liquidity to pay obligations as they come due. The investment managers should, to the extent possible, attempt to match investment maturities with known cash needs and anticipated cash flow requirements.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

At September 30, 2025, the General Employees' Pension Plan investments, other than money market, stocks, stock related funds, mutual funds, limited partnership and real estate investment trusts, were as follows:

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less than 1**	**1-5**	**6-10**	**More than 10**
U.S. government and agency securities	$ 7,635,482	$ 1,530,728	$ 4,394,134	$ 1,710,620	$ -
Municipal bonds	1,295,251	-	376,586	692,374	226,291
Corporate bonds	13,427,640	67,555	7,387,897	4,107,143	1,865,045
Convertible bonds	143,691	-	71,739	71,952	-
Mortgage backed securities	22,584,069	-	3,729,973	1,678,818	17,175,278
Mututal funds - fixed income	20,304,698	-	20,304,698	-	-
International securities - bonds and notes	997,396	-	857,498	139,898	-
Total Investments	$ 66,388,227	$ 1,598,283	$ 37,122,525	$ 8,400,805	$ 19,266,614

b. Police Officers' Retirement System

Investment Policy

The Board of Trustees (the Board) for the Police Officers' Retirement System (PORS) established a Statement of Investment Policy that applies to those funds under control of the Board. The investment objective of the Board is to preserve the purchasing power of the Fund's assets and earn an above average real rate of return (after inflation) over the long term while minimizing, to a reasonable extent, the short-term volatility of results. The Board determined that one or more outside investment managers shall be retained to assure that all investments are managed in both a prudent and professional manner and in compliance with the stated investment guidelines. In performing its investment duties, the Board and its investment managers shall comply with the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974 (ERISA) at 29 U.S.C. s. 1104(a) (1) (A) – (C).

It is the intention of the Board to review the Investment Policy Statement and its addenda periodically and to amend it to reflect any changes in philosophy or objectives. However, if at any time the investment managers believe that the specific objectives defined herein cannot be met or that the guidelines unnecessarily constrict performance, the Board shall be notified in writing.

Investment policy decisions may be recommended by the investment manager, reviewed by the Plan's legal counsel for compliance with applicable law, and approved by a majority vote of the Board. The investment policy shall be filed promptly with the Department of Management Services, plan sponsor and consulting actuary. The effective date of the investment policy and any amendment thereto shall be the 31st calendar day following the filing date with the plan sponsor. As of September 30, 2025, the effective Investment Policy Statement was adopted on March 04, 2025.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

Target Allocations

To achieve the investment objectives, the Board, as the named fiduciary of the PORS Pension Fund, seeks to create a well-diversified and balanced portfolio of equity, fixed income, real estate, convertibles, alternatives and money market securities. The Board determines that one or more outside investment managers shall be retained to assure that all investments are managed in both a prudent and professional manner and in compliance with the stated investment guidelines. Each investment manager is responsible only for those assets under their management. It may be necessary to rebalance the portfolio periodically in order to maintain policy targets and diversification. The Board monitors each component of the Plan periodically and adjusts as necessary.

In accordance with the Police Officers' Retirement System Investment Policy Statement adopted on March 4, 2025, the Plan permits investments in alternative asset classes, including private credit, private equity, and other illiquid investments, subject to Board approval. Alternative investments are maintained at a target allocation of 4% of the Plan's total assets.

The following was the Board's adopted asset allocation policy as of September 30, 2025:

Asset Class	Target	Range	
Domestic Large Cap Equities	32.5%	30% - 65%	Russell 1000
Convertible Securities	10%	0% - 25%	BofA Merrill Lynch All Convertible Index
Domestic Small/Mid Cap Equiti	7.5%	5% - 20%	Russell 2500 Stock Index
Infrastructure	3%	0% - 15%	FTSE Global Core Infrastructure 50/50 Index
Foreign Securities	13%	5% - 25%	MSCI All Country World Index
Real Estate	5%	0% - 15%	NCREIF NFI-ODCE
Alternatives	4%	0% - 10%	
Fixed Income Securities	25%	15% - 60%	Bloomberg Intermediate Government/Credit Bond Index

Authorized investments comprise equities, convertibles, publicly traded master limited partnerships, real estate, alternatives, fixed income and cash equivalent securities. Investments in equity securities and convertibles shall be limited to easily and readily negotiable securities. All real estate investments shall be made through participation in diversified commingled funds of real properties or real estate securities. Such funds shall be broadly diversified as to property type and location.

The fixed income portfolio shall comply with the following guidelines:

- Investments in all corporation fixed income securities shall be limited to those securities rated BBB or higher by Standard & Poor's or Baa by Moody's rating services. Investments in securities rated below A will be limited to 20% of the total fixed income portfolio. Fixed income securities that are downgraded below the minimum rating by both entities shall be sold at the earliest beneficial opportunity.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

- Investments in collateralized mortgage obligations (CMOs) shall be backed by the full faith of the U.S. government, an agency thereof, or that are rated AAA by a major rating service. The CMOs shall be restricted to planned amortization class, non-accelerated securities or very accurately defined maturity securities.

Investment managers may invest only in the following short-term investment vehicles:

- The money market fund or short-term investment fund options provided by the Fund's custodian.
- Direct obligations of the U.S. government, its agencies or instruments with a maturity of one year or less.
- Commercial paper issued by U.S. corporations that has a maturity of 270 days or less and that is rated A-1 by Standard & Poor's or P-1 by Moody's.

Prohibited investments include direct investments in interest only or principal only CMOs, precious metals, real estate, direct investment in repurchase agreements, venture capital, futures contracts, options contracts, trading on margin and short sales. If an investment becomes illiquid or in the event that the Fund acquires an illiquid investment, the Board shall develop the methodology for valuation as set forth in the criteria in Section 215.47(6), Florida Statutes.

Concentration of Credit Risk

The Board developed a diversified investment program to control the risk of loss resulting from over concentration in a specific maturity, issuer, instrument, dealer or bank through which financial instruments are bought and sold. Measures to control the risk include the following:

- Equity securities: Investments in equity securities, including convertibles, shall not exceed 70% (at cost value) or 75% (at market value) of the Fund's total portfolio; no more than 25% of the Fund's total market value may be invested in foreign equity securities; no more than 5% at market value of the total equity portfolio may be invested in the shares of a single corporate issuer; investments in those corporations whose stock has been publicly traded for less than one year is limited to 15% of the equity portfolio; investments issued by corporations with total market capitalization of $3 billion or less shall not exceed 20% of total equity portfolio value (at market).
- Convertible securities: All such securities shall be classified as equities and shall be limited to 25% of the Fund's total portfolio value; no more than 10% at market value of an investment manager's convertible portfolio may be invested in the shares of a single corporate issuer; investments in foreign convertibles are limited to 25% (at market) of the investment manager's portfolio.
- Corporate fixed income securities: No more than 25% of the Fund's total market value may be invested in foreign equity securities; no more than 10% at market of an investment manager's total fixed income portfolio shall be invested in the securities of any single corporate issuer.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS - Continued

2. City's Pension Plan Investments – Continued

- Investments in CMOs shall be limited to 15% of the market value of the investment managers' total portfolio.
- Master limited partnerships (MLP): No more than 10% at market value of an investment manager's MLP may be invested in a single issuer unless the issuer makes
- up more than 10% of the Alerian MLP Index; no more than 15% of the total fund assets (at market value) may be invested in MLPs.
- Investments in real estate shall not exceed 15% at market valuation of the value of total Fund assets.
- Investments in alternatives shall not exceed 10% of total Plan assets at market value.

At September 30, 2025, the following investments represent 5% or more of the Plan's investments and 5% or more of the Plan's fiduciary net position:

Investment	Amount of Investment	% of Net Position
Convertible bonds	$ 17,526,306	7.6%
Equity Securities	12,735,125	5.5%
Commingled Funds - Real estate	16,283,043	7.0%
Total Plan investments 5% or more of the fiduciary net position	$ 46,544,474	20.1%

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Police Officers' Pension Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to Section 112.661 (10), Florida Statutes, the Plan's investment policy states that securities should be held with a third-party custodian, and all securities purchased by, and all collateral obtained by the pension fund should be designated as an asset of the Plan. As of September 30, 2025, the Plan's investment portfolio was held with a third-party custodian as required by the statute.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. As noted above, the Plan's investment policy states that no more than 25% of the Fund's total market value may be invested in foreign equity securities and investments in foreign convertibles are limited to 25% (at market) of the investment manager's portfolio. The Plan's foreign investment as of September 30, 2025, comprised of mutual funds in international equity, which amounted to $32,339,844 or 14.2% of the Plan's total assets and international security bonds and notes in the amount of $556,647 or .24% of the Plan's total assets at fair value.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. One of the provisions of the Plan's investment policy is to structure the investment portfolio in such a manner to provide sufficient liquidity to pay obligations as they come due. To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements.

At September 30, 2025, the Police Officers' Retirement System pension plan investments, other than money market, equity securities, mutual funds, commingled funds and master limited partnership, were as follows:

		Investment Maturities (in Years)			
Investment Type	**Fair Value**	**Less than 1**	**1-5**	**6-10**	**More than 10**
U.S. government and agency securities	$ 41,419,688	$ -	$ 15,066,267	$ 3,445,354	$ 22,908,067
Corporate bonds	3,579,997	-	2,241,096	1,338,901	-
Convertible bonds	17,526,306	1,551,306	12,760,038	2,997,162	217,800
International securities - bonds and notes	556,647	-	556,647	-	-
Total investments	$ 63,082,638	$ 1,551,306	$ 30,624,048	$ 7,781,417	$ 23,125,867

c. Firefighters' Retirement System

Investment Policy

In fulfilling their fiduciary responsibility, the Pension Board of Trustees (the Board) for the Firefighters' Retirement System (FRS) established an Investment Policy Statement and directed that it apply to all assets under their control. The general investment objective is to obtain a reasonable total rate of return – defined as interest and dividend income plus realized and unrealized capital gains or losses – commensurate with the Prudent Investor Rule and any other applicable ordinances and statutes. The Board employs investment professionals to oversee and invest the assets of the Plan. The Board, in performing their investment duties, shall comply with the fiduciary standards set forth in the Employee Retirement Income Security Act of 1974 (ERISA) at 29 U.S.C. s. 1104(a) (1) (A) – (C).

It is the Board's intention to review the Investment Policy Statement at least annually subsequent to the actuarial report and to amend the statement to reflect any changes in philosophy, objectives or guideline. If, at any time, the investment manager feels that the specific objectives defined in the Investment Policy Statement cannot be met, or the guidelines constrict performance, the Board shall be notified in writing.

Investment policy decisions may be recommended by the investment manager, reviewed by the Plan's legal counsel for compliance with applicable law, and approved by a majority vote of the Board. Upon adoption by the Board, the Investment Policy Statement shall be promptly filed with the Florida Department of Management Services, the City, and the Plan's actuary. The effective

NOTE 4 – CASH DEPOSITS AND INVESTMENTS – Continued

2. City's Pension Plan Investments – Continued

date of the Investment Policy Statement shall be thirty days following the filing date with the City. As of September 30, 2025, the effective Investment Policy Statement was adopted on September 7, 2023.

Target Allocations

In order to provide for a diversified portfolio, the Board engaged investment professional(s) to manage and administer the fund. The investment managers are responsible for the assets and allocation of their mandate only. They will monitor the aggregate asset allocation of the portfolio and rebalance to the target asset allocation based on market conditions. If at the end of any calendar quarter, the allocation of an asset class falls outside of its allowable range, barring extenuating circumstances, the asset allocation will be rebalanced into the allowable range. The Board does not intend to exercise short-term changes to the target allocation.

The following was the Board's adopted asset allocation policy as of September 30, 2025:

Asset Class	Target	Range	Benchmark Index
Domestic Equity**	45%	40% - 65%	Russell 3000
Private Equity**	5%	0% - 10%	Russell 3000 + 3%
Broad Market Fixed Income	15%	10% - 30%	Bloomberg Barclays U.S. Aggregate
Global Fixed Income *	5%	0% - 10%	Bloomberg Barclays Global Aggregate
International Equity	15%	5% - 20%	MSCI-ACW ex. US
Real Estate *	15%	0% - 20%	NCREIF NFI-ODCE

*Benchmark defaults to "broad market fixed income" if these portfolios are not funded. Targets and ranges above are based on the market value of total Plan assets.
**Benchmark defaults to "domestic equity" if these portfolios are not funded. Targets and ranges above are based on the market value of total Plan assets.

Authorized investments comprise domestic securities, domestic fixed income investment grade bonds, pooled funds, real estate, and foreign securities. The board may make investments in the money market fund or short-term investment fund options provided by the Plan's custodian with the provision that those investments have a minimum rating of A1/P1, or its equivalent, by a major credit rating service. Eighty-five (85%) of the fixed income investments shall have a minimum rating of investment grade or higher as reported by a major credit rating service. All real estate investments shall be managed by experienced and qualified professional real property investment managers. The Board shall seek to diversify real estate investments by property type, geographic region, property size and number of properties.

No investments shall be permitted in any investment not specifically allowed as part of the policy or illiquid investments, as described in Chapter 215.47, Florida Statutes. Direct investment in 'Scrutinized Companies' identified in the periodic publication by the State Board of Administration is prohibited.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS - Continued

2. City's Pension Plan Investments – Continued

Concentration of Credit Risk

Not more than 5% of the Plan's assets, at the time of purchase, shall be invested in the common stock, capital stock or convertible stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the

company. For fixed income, the value of bonds issued by any single corporation shall not exceed 3% of the total fund. Investments in corporate common stock and convertible bonds shall not exceed 75% of the fund assets at market value. Investments in real estate shall not exceed 15% of the market value of the total Plan at the time of purchase. Foreign securities, regardless of asset class, shall not exceed 25% of the market value of the Plan's assets.

The following investments represent 5% or more of the Plan's investments and 5% or more of the Plan's fiduciary net position:

Investment	Amount of Investment	% of Net Position
Corporate stock	$ 99,374,354	54.6%
Limited partnerships - Real estate	36,834,626	20.3%
Total Plan investments 5% or more of the fiduciary net position	$ 136,208,980	74.9%

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Firefighters' Retirement System pension plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to Section 112.661 (10), Florida Statutes, the Plan's investment policy states that securities should be held with a third-party custodian, and all securities purchased by, and all collateral obtained by the pension fund should be designated as an asset of the Plan. As of September 30, 2025, the Plan's investment portfolio was held with a third-party custodian as required by the statute.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates that will adversely affect the fair value of an investment or a deposit. As noted above, the Plan's investment policy states that foreign securities, regardless of asset class, shall not exceed 25% of the market value of the Plan's assets. The Plan's foreign investment as of September 30, 2025, comprised of international bonds and notes, which amounted to $472,787 or 0.26% of the Plan's total assets at fair market value.

NOTE 4 – CASH DEPOSITS AND INVESTMENTS - Continued

2. City's Pension Plan Investments – Continued

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. At least annually, the Board shall provide the Plan's investment managers with projected disbursement needs of the Plan so that the investment portfolio can be structured to provide sufficient liquidity to pay obligations as they come due. The investment managers should, to the extent possible, attempt to match investment maturities with known cash needs and anticipated cash flow requirements.

At September 30, 2025, the Firefighters' Retirement System plan investments, other than money market, stocks, mutual funds and limited partnership, were as follows:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	More than 10
U.S. government and agency securities	$ 10,946,074	$ 655,228	$ 3,729,802	$ 2,200,701	$ 4,360,343
Municipal bonds	3,825,504	-	-	204,696	3,620,808
Corporate bonds	6,271,508	-	1,920,740	2,905,794	1,444,974
Mortgage backed securities	7,195,727	-	-	-	7,195,727
Mututal funds - fixed income	8,997,600	-	8,997,600	-	-
International securities - bonds and notes	472,787	-	196,493	276,294	-
Total Investments	$ 37,709,200	$ 655,228	$ 14,844,635	$ 5,587,485	$ 16,621,852

NOTE 5 – RESTRICTED ASSETS

Certain assets of the proprietary funds are restricted for certain purposes. These assets comprise cash and cash equivalents, investments, and interest receivable.

Business Type Activities			
Description and Purpose	Water - Wastewater Fund	Solid Waste Fund	Nonmajor Business-type Funds
Customer deposits for services	$ 7,246,762	$ -	$ 56,020
Sinking fund accounts, for debt service obligations	27,014,178	-	-
Pledged impact fees, for debt service obligations	4,677,420	-	-
Unpledged impact fees, for capital project needs	6,416,895	-	-
Renewal and replacement, funding capital project needs	8,341,325	1,567,303	776
Proceeds from debt issuance, for the acquisition, construction and equipping of various capital projects	2,040,283	-	-
Capital project accounts	12,912,678	-	3,260
Other purposes	-	-	22,776
Total restricted assets	$ 68,649,541	$ 1,567,303	$ 82,832

NOTE 6 – RECEIVABLES

Trade Receivables

Amounts are aggregated into a single accounts receivable (net of allowance for uncollectible) line for certain funds and aggregated columns. Receivables as of September 30, 2025 for the City's governmental activities, individual major governmental funds, nonmajor governmental funds in the aggregate, internal service funds and applicable allowances for uncollectible accounts are as follows:

	General Fund	FEMA Disaster Grant	Revenue Bonds and Notes Fund	Transportation Capital Projects Fund	General Capital Projects Fund	Other Governmental Funds	Total
Receivables:							
Accounts	$ 290,041	$ -	$ -	$ -	$ 51,849	$ 38,689	$ 380,579
Utility Service Taxes and Franchise Fees	3,200,358	-	-	-	-	-	3,200,358
Code Enforcement	843,562	-	-	-	-	-	843,562
Accounts, gross	4,333,961	-	-	-	51,849	38,689	4,424,499
Less: Allowance for Uncollectibles	(600,083)	-	-	-	-	-	(600,083)
Accounts, net	3,733,878	-	-	-	51,849	38,689	3,824,416
Other Receivables:							
Special assessments	34,365	-	-	-	-	-	34,365
Interest	87,431	47	12,098	600,719	149,863	81,667	931,825
Leases	2,939,286	-	-	-	-	-	2,939,286
Notes	461,501	-	-	-	-	13,102,892	13,564,393
Less: Allowance for Uncollectibles, Notes	-	-	-	-	-	(13,102,892)	(13,102,892)
Other receivables, net	3,522,583	47	12,098	600,719	149,863	81,667	4,366,977
Total net receivables	$ 7,256,461	$ 47	$ 12,098	$ 600,719	$ 201,712	$ 120,356	$ 8,191,393

Significant Uncollectible

The allowance for uncollectible accounts receivable in the General Fund consists entirely of $600,084 for code enforcement fees. The amount of $13,102,892 for the allowance for uncollectible notes receivable in the Nonmajor Governmental Funds relates to mortgage assistance provided by the Attainable Workforce Housing Fund, State Housing Initiative Partnership (SHIP) Fund and Community Development Block Grant Fund. The Attainable Workforce Housing Fund provides loans to eligible residents with income of 150% of the Area Median Income (AMI) for Lee County and the Fort Myers-Cape Coral Metropolitan Statistical Area (MSA). The SHIP program provides a deferred payment loan with no interest to eligible recipients with incomes up to 120 percent AMI to fund the gap between what the financial institution will lend and what the homebuyer can afford to pay for an existing or newly constructed single-family home within the City. The SHIP and CDBG programs also provide ten-year deferred payment/no interest loans to homeowners with household incomes of up to 80 percent AMI for major rehabilitation.

NOTE 6 – RECEIVABLES - Continued

Receivables for the City's business-type activities, including individual major funds and allowances for uncollectible accounts, are as follows:

	Water Wastewater Fund	Solid Waste Fund	Other Business-Type Funds	Total
Receivables:				
Accounts/Leases, gross	$ 9,147,099	$ 1,245,223	$ 212,866	$ 10,605,188
Less: Allowance for Uncollectibles	(1,096,755)	(122,932)	-	(1,219,687)
Accounts, net	8,050,344	1,122,291	212,866	9,385,501
Other Receivables:				
Notes Receivable	-	-	110,883	110,883
Interest - unrestricted	193,868	56,897	82,043	332,808
Interest - restricted	139,169	3,057	776	143,002
Total net receivables	$ 8,383,381	$ 1,182,245	$ 406,568	$ 9,972,194

Lease Receivables

The City, acting as lessor, leases land, building, office space and equipment under long-term, non-cancelable lease agreements to third parties. The leases expire at various dates and provide renewal options ranging from two to forty years.

The future lease payments as of September 30, 2025 were as follows:

	Governmental Activities		Business-Type Activities		Total
Fiscal Year	Principal	Interest	Principal	Interest	
2026	$ 197,630	$ 132,178	$ 71,564	$ 3,714	$ 405,086
2027	215,443	122,875	39,319	533	355,860
2028	233,963	112,751	-	-	326,903
2029	226,022	102,184	-	-	293,322
2030	233,713	91,973	-	-	272,602
2031 - 2035	827,014	319,158	-	-	1,076,030
2036 - 2040	209,047	205,877	-	-	499,357
2041 - 2045	204,835	159,769	-	-	448,948
2046 - 2050	255,750	108,854	-	-	462,382
2051 - 2055	247,779	48,342	-	-	366,013
2056 - 2058	88,090	4,650	-	-	139,110
Total	$2,939,286	$1,408,611	$ 110,883	$ 4,247	$4,645,613

NOTE 6 – RECEIVABLES - Continued

The City's lease receivables for government and business-type activities at September 30, 2025 were as follows:

Governmental Activities:		
Building and office space leases - annual installments that range from $2,714 to $53,151 plus interest at a rate of 4.63%, due dates ranging from June 1, 2025 to June 1, 2040.	$	719,603
Infrastructure - annual installments that range from $56,613 to $59,970 plus interest at a rate of 4.63%, due date ranges from June 1, 2034 to November 15, 2034		1,018,156
Land and land improvements - annual installments that range from $7,691 to $46,370 plus interest at a rate of 3.45% - 4.63%, due dates ranging from October 1, 2027 to December 1, 2057.		1,201,527
Total Governmental Activities Lease Receivable	$	2,939,286
Business-Type Activities:		
Building and office space leases - annual installments totaling $79,704 plus interest at a rate of 4.63%, due date of April 1, 2027.	$	110,883
Total Business-Type Lease Receivable	$	110,883

NOTE 7 – ASSETS HELD FOR RESALE

Community Development Block Grant

The U.S. Department of Housing and Urban Development's (HUD) Neighborhood Stabilization Program (NSP) is part of the national effort to restore homes and renew neighborhoods affected the hardest by the ongoing housing crisis. The NSP signals opportunity for homebuyers and stronger neighborhoods with reinvestments that go straight to the heart of the communities. In fiscal year 2009, the City received $2,297,318 of Neighborhood Stabilization Program 1 (NSP1) funding, which was allocated through HUD's Community Development Block Grant (CDBG) Program under the Housing and Economic Recovery Act of 2008. In fiscal year 2011, the City received $1,537,642 from an NSP3 funding allocation, which was released by HUD as authorized in the Dodd Frank Wall Street Reform and Consumer Protection Act to continue to assist state and local governments in the redevelopment of abandoned and foreclosed residential properties. To date, the City has completed over forty-five units under the NSP Program. The City will close the program and transfer remaining grant funds to the CDBG program.

As of September 30, 2025, the City did not hold any assets for resale.

NOTE 8 – CAPITAL ASSETS

Capital assets activity for the year ended as follows:

	Balance October 1, 2024	Increases	Decreases	Balance September 30, 2025
Governmental Activities				
Capital assets, not being depreciated:				
Land	$ 42,332,538	$ 3,084,268	$ -	$ 45,416,806
Antiques and exhibits [1]	251,871	-	-	251,871
Construction in progress	20,284,410	18,431,469	(226,479)	38,489,400
Intangibles-easements	4,723,209	515	-	4,723,724
Total capital assets, not being depreciated	67,592,028	21,516,252	(226,479)	88,881,801
Capital assets, being depreciated and amortized:				
Buildings	81,628,398	118,884	(819,420)	80,927,862
Improvements	65,024,738	1,382,958	(7,189,754)	59,217,942
Equipment	50,413,964	5,201,304	(2,564,275)	53,050,993
Intangibles-software	169,587	-	(85,587)	84,000
Infrastructure	323,021,725	3,009,412	(25,714,190)	300,316,947
Right to use lease equipment	22,252	-	-	22,252
Right to use lease real estate	1,271,191	1,395,873	-	2,667,064
Right to use software	2,665,015	2,678,164	(846,921)	4,496,258
Total capital assets, being depreciated	524,216,870	13,786,595	(37,220,147)	500,783,318
Less accumulated depreciation and amortization for:				
Buildings	(28,580,581)	(3,113,827)	819,390	(30,875,018)
Improvements	(45,073,566)	(2,234,970)	7,170,295	(40,138,241)
Equipment	(37,594,222)	(5,062,219)	2,515,449	(40,140,992)
Intangibles-software	(153,987)	(4,800)	85,587	(73,200)
Infrastructure	(251,468,762)	(6,659,886)	25,714,190	(232,414,458)
Right to use lease equipment	(11,408)	(5,340)	-	(16,748)
Right to use lease real estate	(334,448)	(338,788)	-	(673,236)
Right to use software	(1,380,242)	(845,104)	790,254	(1,435,092)
Total accumulated depreciation	(364,597,216)	(18,264,934)	37,095,165	(345,766,985)
Total capital assets being depreciated, net	$ 159,619,654	$ (4,478,339)	$ (124,982)	$ 155,016,333
Total governmental activities capital assets, net	$ 227,211,682	$ 17,037,913	$ (351,461)	$ 243,898,134

(1) The City owns various collections of works of art, historical treasures, educational exhibits and similar assets. In compliance with the City's Capital Asset Capitalization Policy, the City capitalizes the collections.

NOTE 8 – CAPITAL ASSETS – Continued

Business-Type Activities	Balance October 1, 2024	Increases	Decreases	Balance September 30, 2025
Capital assets, not being depreciated:				
Land	$ 2,882,979	$ 611,760	$ -	$ 3,494,739
Intangibles	605,608	2,548	-	608,156
Construction in progress	123,734,985	81,954,168	(64,153,556)	141,535,597
Total capital assets, not being depreciated	127,223,572	82,568,476	(64,153,556)	145,638,492
Capital assets, being depreciated and amortized:				
Buildings	129,834,861	59,262,171	(2,321,166)	186,775,866
Improvements other than buildings	46,351,124	86,508	(2,112,330)	44,325,302
Equipment	48,878,276	5,224,507	(6,190,001)	47,912,782
Utility Systems	605,621,856	12,036,519	(39,411,848)	578,246,527
Right to use lease equipment	952,639	-	-	952,639
Right to use lease real estate	696,124	18,079	(14,517)	699,686
Right to use software	-	39,989	-	39,989
Total capital assets, being depreciated	832,334,880	76,667,773	(50,049,862)	858,952,791
Less accumulated depreciation and amortization for:				
Buildings	(80,509,583)	(3,713,321)	2,321,166	(81,901,738)
Improvements other than buildings	(19,746,272)	(1,910,622)	2,112,330	(19,544,564)
Equipment	(32,256,510)	(4,840,955)	6,157,185	(30,940,280)
Utility Systems	(263,053,039)	(18,719,603)	39,361,514	(242,411,128)
Right to use lease equipment	(156,133)	(317,562)	-	(473,695)
Right to use lease real estate	(184,165)	(61,332)	14,517	(230,980)
Right to use software	-	(7,002)	-	(7,002)
Total accumulated depreciation	(395,905,702)	(29,570,397)	49,966,712	(375,509,387)
Total capital assets being depreciated, net	436,429,178	47,097,376	(83,150)	483,443,404
Total business-type activities capital assets, net	$ 563,652,750	$ 129,665,852	$ (64,236,706)	$ 629,081,896

Depreciation and amortization expenses were charged to the functions of the primary government as follows:

Governmental Activities:	
General government	$ 3,794,335
Public Safety:	
Police	2,385,429
Fire	1,927,771
Protective inspections	32,458
Physical environment	114,759
Transportation	7,432,065
Economic environment	201,710
Culture and recreation	2,376,407
Total depreciation and amortization expense - governmental activities	$ 18,264,934

Business-Type Activities:	
Water-Wastewater	$ 24,661,570
Solid Waste	1,504,550
Building Permits and Inspections	306,390
Stormwater	1,629,555
Fort Myers County Club	531,962
Eastwood Golf Course	705,243
Yacht Basin	27,434
Downtown Parking Garages	201,556
Skatium	2,137
Total depreciation and amortization expense - business-type activities	$ 29,570,397

NOTE 9 – ACCRUED AND OTHER LIABILITIES, UNEARNED REVENUE

1. Accrued and Other Liabilities

Accrued and other liabilities at September 30, 2025 were as follows:

	Salaries and Benefits	Due to Fiduciary Funds	Other Liabilities	Total
Governmental Activities:				
General Fund	$ 5,632,178	$ 8,257,758	$ 1,059,376	$ 14,949,312
FEMA Disaster Grant	-	-	-	-
Revenue Bonds and Notes Fund	-	-	-	-
Transportation Capital Projects	-	-	-	-
General Capital Projects	-	-	-	-
Nonmajor Governmental Funds	-	-	27,688	27,688
Internal Service Fund	-	-	139,299	139,299
Total Governmental Activities	$ 5,632,178	$ 8,257,758	$ 1,226,363	$ 15,116,299
Business-type Activities:				
Water-Wastewater Fund	$ -	$ -	$ 99,130	$ 99,130
Solid Waste Fund	-	-	8,548	8,548
Nonmajor Business-type Funds	-	-	23,203	23,203
Total Business-type Activities	$ -	$ -	$ 130,881	$ 130,881

Other liabilities in the General Fund include funds held in escrow.

2. Unearned Revenue

Unearned revenues represent revenues collected in advance of services performed and will be recognized when the services are rendered. The components of unearned revenue as of September 30, 2025 are as follows:

	Cemetery lots	Code Enforcement billings	Rental income	Grant receipts	Contributions from other sources	Total
Governmental Activities:						
General Fund	$ 20,572	$ 2,222,380	$ 74,172	$ -	$ -	$ 2,317,124
FEMA Disaster Grant	-	-	-	-	-	-
Revenue Bonds and Notes	-	-	-	-	-	-
Transportation Capital Projects	-	-	-	-	1,192,103	1,192,103
General Capital Projects	-	-	-	-	-	-
Nonmajor Governmental Funds	-	-	674	158,596	-	159,270
Total Governmental Activities	$ 20,572	$ 2,222,380	$ 74,846	$ 158,596	$ 1,192,103	$ 3,668,497

NOTE 10 – PENSION OBLIGATIONS

The City oversees three separate single-employer defined benefit plans: the General Employees' Pension Plan that covers full-time City employees and civilian Police Department employees; the Police Officers' Retirement System for non-civilian Police Department employees, and; the Firefighters' Retirement System for City firefighters and Fire Department officers. Although an outside firm administers each plan, the plans are sponsored by and fiscally dependent on the City.

A board of trustees governs each plan, with each board consisting of seven trustees. These plans are maintained as pension trust funds and included as part of the City's reporting entity. City ordinance and state law require contributions be determined by actuarial studies at least every three years. Stand-alone financial reports are not issued.

	General Employees' Pension Plan	Police Officers' Retirement System	Firefighters' Retirement System	Total
Net pension liability	$ 12,362,805	$ 50,392,281	$ 10,878,735	$ 73,633,821
Deferred outflows of resources related to pensions	1,250,202	8,253,913	6,370,024	15,874,139
Deferred inflows of resources related to pensions	19,135,044	4,155,720	18,525,734	41,816,498
Pension expense	5,709,886	12,120,268	3,656,672	21,486,826

1. General Employees' Pension Plan

Plan Description

Plan administration. The General Employees' Pension Plan (GEPP) provides retirement, termination, disability and death benefits to Plan members and their beneficiaries. Regular full-time employees enter on the first of the month coincident with or next following the date of employment. Certain positions are allowed to opt out of the Plan.

The City Council has the authority to establish and amend the benefit provisions of the Plan. The GEPP Board of Trustees comprises the president of the employees' association; a trustee appointed by the employees' association; a non-union City employee that is a member of the retirement system, elected by the members of the retirement system that are non-union City employees; a trustee appointed by the City Council; the City Manager or his designee, and a sixth and seventh trustee appointed by the other trustees.

Plan membership. As of October 1, 2025 the GEPP Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	678
Inactive plan members entitled to but not yet receiving benefits	505
Active plan members	550
Total plan membership	1,733

NOTE 10 – PENSION OBLIGATIONS - Continued

1. General Employees' Pension Plan - Continued

Benefits provided. The GEPP provides retirement, termination, disability and death benefits to Plan members and their beneficiaries, as follows:

- Normal retirement: Date of retirement is the first of month coincident with or next following the earlier of (1) the attainment of age 62 and the completion of five years of credited service, (2) the age when credited service plus age equals 80, or (3) 30 years of credited service, regardless of age. The benefit amount is 2.1% of the average final compensation multiplied by credited service prior to April 2,1998, plus 3.0% of the average final compensation multiplied by credited service after April 2, 1998 through September 17, 2012, plus Rate A or B for service after September 17, 2012. Rate A is 1.8% and Rate B is 3.0%.
- Early retirement: Date of retirement is the earlier of the attainment of age 55 and the completion of seven years of credited service, or age 60 and five years of credited service. The benefit amount is determined using the same calculations as for normal retirement and reduced by 4.0% for each year prior to normal retirement.
- Termination of employment: Vested members (members with seven or more years of credited service) receive their accrued benefit payable at retirement age. Non-vested members (members with less than seven years of credited service) receive a return of their accumulated contributions.
- Disability benefits: Total and permanent benefits, as determined by the Board, for eligible members that have at least five years of credited service. The benefit amount is determined using the same calculations as for normal retirement, based on total service and the average final compensation as of the date of disability.
- Pre-retirement death benefits: Vested benefits are paid for ten years at the member's normal (unreduced) or early (reduced) retirement date. Beneficiaries of non-vested members receive a return of their accumulated contributions.

Benefit terms provide for an annual 2.5% cost of living increase (COLA) for Tier 3 and Tier 4 members with at least three years of increased member contributions. The COLA is payable to normal and early retirees, in addition to disability retirees, vested terminated members, and joint pensioners and beneficiaries.

Tier 2 and Tier 4 members receive a supplemental benefit of $200 per month, payable for the retiree's lifetime only (not subject to the cost-of-living adjustments). Members must make additional contributions for a minimum of three years for this benefit.

Contributions. Member contribution requirements are established by City Code Section 62-185, which may be amended by the City Council. Member contributions vary based on the rate and tier selected by the employee. The City is required to contribute, at an actuarially determined rate, the remaining amount required in order to pay current costs and amortize unfunded past service costs, if any, as provided in Chapter 112, Florida Statutes. Administrative costs of the GEPP are financed through Plan contributions and investment earnings.

NOTE 10 – PENSION OBLIGATIONS - Continued

1. General Employees' Pension Plan - Continued

Investments. In fulfilling their fiduciary responsibility, the Pension Board of Trustees (the Board) for the GEPP established an Investment Policy Statement and directed that it applies to all assets under their control. Note 4, section 2, provides disclosure about the GEPP's investment policy and related investments.

Deferred Retirement Option Program (DROP). City employees are eligible for the Deferred Retirement Option Program (DROP) upon the satisfaction of normal retirement requirements. Participation in the DROP may not exceed sixty months. At the member's election, the rate of return may be (1) the actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs) credited each fiscal quarter, or (2) 3.0% per annum compounded monthly. Members may elect to change the form of return one time. Participating members receive their distribution as a cash lump sum (options available) at the termination of employment. As of September 30, 2025, the balance of the DROP amounts maintained by the GEPP was $3,952,762.

Net Pension Liability

The GEPP's net pension liability was measured as of September 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The components of the net pension liability of the GEPP at September 30, 2025 were as follows:

Total pension liability	$ 236,014,160
Plan fiduciary net position	(223,651,355)
GEPP net pension liability	$ 12,362,805
Plan fiduciary net position as a percentage of the total pension liability	94.76%

Changes of Assumptions. During the measurement period, mortality assumptions were updated to reflect the assumptions used in the Florida Retirement System actuarial valuation as of July 1, 2024, as required by Chapter 2015-157, Laws of Florida. This change resulted in an increase in the total pension liability.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of October 1, 2024, updated to September 30, 2025, using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	Service based
Discount rate	7.25%
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

NOTE 10 – PENSION OBLIGATIONS - Continued

1. General Employees' Pension Plan - Continued

Mortality rates for healthy active lives were based on the PubG.H-2010 for Employees for females and on the PubG.H-2010 for Employees, set back one year, for males. Mortality rates for healthy retiree lives were based on the PubG.H-2010 for Healthy Retirees for females and on the PubG.H-2010 (Below Median) for Healthy Retirees, set back one year, for males. Mortality rates for beneficiary lives were based on the PubG.H-2010 for Healthy Retirees for females and on the PubG.H-2010 for Healthy Retirees, set back one year, for males. The mortality rates for disabled lives were based on the PubG.H-2010 for Disabled Retirees, set forward three years.

All rates are projected generationally with Mortality Improvement Scale MP-2021. These mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida, which requires the use of the assumptions used in either of the two most recent actuarial valuations of the Florida Retirement System.

The most recent actuarial experience study used to review the other significant assumptions was dated September 9, 2024.

The long-term expected rate of return on the GEPP investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the GEPP's target asset allocation as of September 30, 2025, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	45.0%	7.5%
International Equity	15.0%	8.5%
Broad Market Fixed Income	20.0%	2.5%
Global Fixed Income	5.0%	3.5%
Real Return Assets	5.0%	3.5%
Real Estate	10.0%	4.5%
Total	100.0%	

Note 4, section 2, provides further discussion of the GEPP's asset allocation policy.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. No change in percentage from the previous year. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the GEPP's fiduciary net position was projected to be available to make all projected future benefit payments

NOTE 10 – PENSION OBLIGATIONS - Continued

1. General Employees' Pension Plan – Continued

of current Plan members. Therefore, the long-term expected rate of return on the GEPP investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a)-(b)**
Balances at September 30, 2024	$ 226,540,416	$ 199,126,083	$ 27,414,333
Changes for the year:			
Service cost	4,159,594	-	4,159,594
Interest	16,283,590	-	16,283,590
Differences between expected and actual experience	439,314	-	439,314
Changes of assumptions	2,061,090	-	2,061,090
Contributions - employer	-	11,020,754	(11,020,754)
Contributions - members	-	1,895,332	(1,895,332)
Net investment (loss)	-	25,297,494	(25,297,494)
Benefit payments, including refunds of employee contributions	(13,469,844)	(13,461,186)	(8,658)
Administrative expense	-	(227,122)	227,122
Net changes	9,473,744	24,525,272	(15,051,528)
Balances at September 30, 2025	$ 236,014,160	$ 223,651,355	$ 12,362,805

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the GEPP, calculated using the discount rate of 7.25 percent, as well as what the GEPP's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	**Current Discount Rate (7.25%)**	**1% Increase (8.25%)**
GEPP net pension liability	$ 37,899,211	$ 12,362,805	$ (9,104,233)

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended September 30, 2025, the GEPP recognized pension expense of $5,709,886. At September 30, 2025, GEPP reported deferred outflows of resources related to pensions from the following sources:

NOTE 10 – PENSION OBLIGATIONS - Continued

1. General Employees' Pension Plan - Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 219,657	$ -
Changes of assumptions	1,030,545	-
Net difference between projected and actual earnings on pension plan investments	-	-
Actual earnings on pension plan investments	-	19,135,044
Total	$ 1,250,202	$ 19,135,044

The current year change in assumptions is included in deferred outflows and inflows of resources and is amortized over future periods.

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

Year ended September 30:	
2026	$ 1,190,708
2027	(9,371,586)
2028	(7,534,899)
2029	(2,169,065)
Total	(17,884,842)

2. Police Officers' Retirement System

Plan Description

Plan administration. The Police Officers' Retirement System (PORS) provides retirement, disability, death benefits and cost of living adjustments to Plan members and their beneficiaries. Each person employed by the City of Fort Myers Police Department becomes a member of the Plan as a condition of employment. Therefore, all police officers are eligible for all Plan benefits as provided for in the Plan document and by applicable law, except the Chief of Police. The Chief of Police may, upon employment as Police Chief, notify the Board and the City, in writing, of his election to not be a member of the PORS.

The City Council has the authority to establish and amend the benefit provisions of the Plan. The PORS Board of Trustees comprises the City Manager or his designee; the Chief of Police of the City; three members of the retirement system that are elected by a majority of police officers that are members of the retirement system, and two trustees that are legal residents of the City, appointed by the City Council upon nomination by the other five trustees.

Plan changes. The Plan was updated during the fiscal year by Ordinance No. 4037 adopted on January 21, 2025. The ordinance amended the City Code Chapter 62, Pensions, Retirement and Other Employee Benefits, Article III, Police Officers' Retirement System, Section 62-73, Board of Trustees, subsection (a), which added that the board of trustees can now also include DROP participants who shall be elected by a majority

NOTE 10 – PENSION OBLIGATIONS - Continued

2. Police Officers' Retirement System - Continued

of the police officers who are members of the system. This plan change has no impact on the funding requirements.

Plan membership. As of October 1, 2025 the PORS Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	212
Inactive plan members entitled to but not yet receiving benefits	44
Active plan members	226
Total plan membership	482

Benefits provided. The PORS provides retirement, termination, disability, and death benefits to Plan members and their beneficiaries, as follows:

- Normal retirement: Date of retirement is the earlier of age 55 or the completion of twenty-five years of credited service, regardless of age. The benefit amount is 3.24% of the average final compensation multiplied by credited service for each year of credited service prior to March 17, 2014, plus 3.0% for each year of credited service for years after March 17, 2014. Supplemental benefits provide $150 per month that is payable for the lifetime of the retiree. Any member that has accrued at least fifteen years of credited service as of March 17, 2014 shall continue to be eligible for the $290 additional monthly benefit.
- Early retirement: Date of retirement is the earlier of the attainment of age 45 and the completion of ten years of credited service, or the completion of fifteen years of credited service. The benefit amount is the accrued benefit, reduced 3.0% per year, plus the supplemental benefit.
- Termination of employment: Vested members (members with five or more years of credited service) receive their accrued benefit payable at the member's election, on the otherwise early or normal retirement date or refund of member contributions, with 3.75% interest. Non-vested members (members with less than five years of credited service) receive a refund of their member contributions, with 3.75% interest.
- Disability benefits: Total and permanent benefits, as determined by the Board. Members are covered from the date of employment for service incurred disabilities and after five years of employment for non-service incurred disabilities. The benefit amount is 3.24% of the average final compensation multiplied by credited service for service earned prior to March 17, 2014, and 3% of the average final compensation multiplied by credited service for service earned on and after March 17, 2014 (but not less than 42% of average monthly earnings), plus the supplemental benefit, offset with workers' compensation. Benefits

NOTE 10 – PENSION OBLIGATIONS - Continued

2. Police Officers' Retirement System – Continued

commence upon Board approval and are payable until the earlier of recovery or death (120 monthly payments of the accrued benefit, less the supplemental benefit, are guaranteed).

- Pre-retirement death benefits: For members with credited service, death benefits for spouse and/or dependent child are paid to the spouse as 1.62% of the average final compensation multiplied by credited service and to each child as 0.324% of the average final compensation multiplied by credited service. The overall maximum benefit to the spouse and children is 70% of the average final compensation. Pre-retirement death benefits for a member with no spouse and no children are paid by a refund of the member contributions, with 3.75% interest. There is an alternative benefit to the beneficiaries of members that decease after completing at least ten years of service. Those beneficiaries may elect to receive the member's accrued benefit for ten years at the member's normal (unreduced) or early (reduced) retirement date.

Benefit terms provide for a cost of living increase, as follows:

- Members that retired after November 5, 1990 and prior to December 1, 2002 receive 3.0% at age 60 and each October 1 thereafter.
- Members that retired after November 30, 2002 receive a 3.0% per year increase on the monthly benefit, beginning at the earlier of 24 months following normal retirement eligibility or age 60.
- Members that retired after March 17, 2014 receive a blended rate: 3.0% for benefits accrued before March 17, 2014, and 1.5% per year for benefits accrued beginning March 17, 2014 and after.

Contributions. Member contribution requirements are established by City Code Section 62-75, which may be amended by the City Council. Members of the Plan are required to contribute 10% of their annual covered salary. The City is required to contribute, at an actuarially determined rate, the remaining amount required in order to pay current costs and amortized unfunded past service cost, if any, as provided in Chapter 112, Florida Statutes, less amounts received from the State of Florida for insurance surcharges on policies sold within the City. The State's contribution to the PORS for fiscal year 2025 was $1,623,147. The City recognizes these on-behalf payments as revenues and expenditures in the governmental funds' financial statements.

Investments. In fulfilling their fiduciary responsibility, the Pension Board of Trustees (the Board) for the PORS established an Investment Policy Statement and directed that it applies to those funds under their control. Note 4, section 2, provides disclosure about the PORS' investment policy and related investments.

Deferred Retirement Option Program (DROP). PORS employees are eligible for the Deferred Retirement Option Program (DROP) upon the satisfaction of normal retirement requirements. Participation in the DROP may not exceed ninety-six (96) months from the date of DROP entry. At the member's election, the rate of return may be (1) the actual net rate of investment return

NOTE 10 – PENSION OBLIGATIONS - Continued

2. Police Officers' Retirement System - Continued

(total return net of brokerage commissions, management fees and transaction costs) credited each fiscal quarter, or (2) 3.0% per annum compounded monthly. The credited rate of return is reduced by 2% annually during months sixty (60) through ninety-six (96) of participation. Members may elect to change the form of return one time. Participating members receive their distribution as a cash lump sum (options available) at the termination of employment. As of September 30, 2025, the balance of the DROP amounts maintained by the PORS was $3,761,089.

Net Pension Liability

The PORS' net pension liability was measured as of September 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The components of the net pension liability of the PORS at September 30, 2025 were as follows:

Total pension liability	$ 282,407,407
Plan fiduciary net position	(232,015,126)
PORS net pension liability	$ 50,392,281
Plan fiduciary net position as a percentage of the total pension liability	82.16%

Changes of Assumptions. During the measurement period, mortality assumptions were updated to reflect the assumptions used in the Florida Retirement System actuarial valuation as of July 1, 2024, as required by Chapter 2015-157, Laws of Florida. This change resulted in an increase in the total pension liability.

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of October 1, 2024, updated to September 30, 2025, using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	Service based
Discount rate	7.5%
Investment rate of return	7.5%, net of pension plan investment expense, including inflation

Mortality rates for healthy active lives were based on the PubS.H-2010 for Employees, set forward one year, for females and males. Mortality rates for healthy retiree lives were based on the PubS.H-2010 for Healthy Retirees, set forward one year, for females and males. Mortality rates for beneficiary lives were based on the PubG.H-2010 for Healthy Retirees for females and on the PubG.H-2010 for Healthy Retirees, set back one year, for males. The mortality rates for disabled lives were based 80% on the PubG.H-2010 for Disabled Retirees and 20% on the PubS.H-2010 for Disabled Retirees.

NOTE 10 – PENSION OBLIGATIONS - Continued

2. Police Officers' Retirement System - Continued

All rates are projected generationally with Mortality Improvement Scale MP-2021. These mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida, which requires the use of the assumptions used in either of the two most recent actuarial valuations of the Florida Retirement System.

For active deaths, 75% of those deaths are assumed to be service incurred. The other significant assumptions are based upon the most recent actuarial experience study dated September 20, 2021, for the period October 1, 2010 through September 30, 2020.

The long-term expected rate of return on the PORS investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the PORS' target asset allocation as of September 30, 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Large Cap Equities	32.5%	7.8%
Convertible Securities	10.0%	6.3%
Domestic Small / Mid Cap Equities	7.5%	7.8%
Infrastructure	3.0%	6.4%
Foreign Securities	13.0%	3.8%
Real Estate	5.0%	5.4%
Alternatives	4.0%	2.7%
Fixed Income Securities	25.0%	1.8%
Total	100.0%	

Note 4, section 2, provides further discussion of the PORS' asset allocation policy.

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. No change in percentage from the previous year. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the PORS' 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 the PORS investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 10 – PENSION OBLIGATIONS - Continued

2. Police Officers' Retirement System - Continued

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at September 30, 2024	$ 267,435,721	$ 214,013,350	$ 53,422,371
Changes for the year:			
Service cost	5,069,029	-	5,069,029
Interest	19,889,538	-	19,889,538
Share plan allocation	447,339	-	447,339
Differences between expected and actual experience	624,369	-	624,369
Changes of assumptions	3,002,981	-	3,002,981
Contributions - employer	-	12,212,039	(12,212,039)
Contributions - state	-	1,623,147	(1,623,147)
Contributions - members	235,358	2,592,373	(2,357,015)
Net investment (loss)	-	16,076,967	(16,076,967)
Benefit payments, including refunds of employee contributions	(14,296,928)	(14,296,928)	-
Administrative expense	-	(205,822)	205,822
Net changes	14,971,686	18,001,776	(3,030,090)
Balances at September 30, 2025	$ 282,407,407	$ 232,015,126	$ 50,392,281

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the PORS, calculated using the discount rate of 7.50 percent, as well as what the PORS' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
PORS net pension liability	$ 86,617,842	$ 50,392,281	$ 20,666,036

NOTE 10 – PENSION OBLIGATIONS - Continued

2. Police Officers' Retirement System – Continued

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

For the year ended September 30, 2025, PORS recognized pension expense of $12,120,268. At September 30, 2025, PORS reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,567,625	$ 63,295
Changes of assumptions	3,686,288	-
Net difference between projected and actual earnings on pension plan investments	-	4,092,425
Total	$ 8,253,913	$ 4,155,720

The current year change in assumptions is included in deferred outflows and inflows of resources and is amortized over future periods.

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:	
2026	$ 8,246,300
2027	(2,393,568)
2028	(2,494,164)
2029	739,625
Total	4,098,193

3. Firefighters' Retirement System

Plan Description

Plan administration. The Firefighters' Retirement System (FRS) provides retirement, termination, disability and death benefits to Plan members and their beneficiaries. Each person employed by the City of Fort Myers Fire Department becomes a member of the Plan as a condition of employment. Therefore, all firefighters are eligible for all Plan benefits as provided for in the Plan document and by applicable law, except the Fire Chief. The Fire Chief may exercise an irrevocable election not to participate in the FRS within sixty days of the date of appointment as Fire Chief.

The City Council has the authority to establish and amend the benefit provisions of the Plan. The FRS Board of Trustees comprises the City Manager; the Fire Chief of the City; three members of the retirement system that are elected by a majority of firefighters that are members of the retirement system, and; two trustees that are legal residents of the City, appointed by the City Council upon nomination by the other five trustees.

NOTE 10 – PENSION OBLIGATIONS - Continued

3. Firefighters' Retirement System - Continued

Plan changes. The Plan was updated during the fiscal year by Ordinance No. 4039 adopted on February 3, 2025, and effective upon adoption, amended Chapter 62, Article IV of the City Code governing the Firefighters' Retirement System to authorize the Board of Trustees, in its discretion, to approve an optional form of benefit of equivalent actuarial value, including the addition of a pop-up option to a joint and survivor benefit, and to clarify and align required beginning date and minimum distribution provisions consistent with applicable age-based federal requirements. The ordinance also updated distribution timing provisions applicable to members, surviving spouses, and designated beneficiaries to ensure consistency across plan sections. The amendments do not impact funding requirements.

Plan membership. As of October 1, 2025, the FRS Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	129
Inactive plan members entitled to but not yet receiving benefits	25
Active plan members	141
Total plan membership	295

Benefits provided. The Firefighters' Retirement System (FRS) provides retirement, termination, disability and death benefits to Plan members and their beneficiaries, as follows:

- Normal retirement: For members hired before April 20, 2015, date of retirement is the earlier of (1) age 52, or (2) twenty-five years of credited service, regardless of age. For members hired on or after April 20, 2015, the date of retirement is the earlier of (1) age 55 with ten years of credited service, or (2) twenty-five years of credited service, regardless of age. The benefit amount is 3.11% of the average monthly earnings multiplied by credited service prior to April 20, 2015, plus 3% of average monthly earnings multiplied by credited service on or after April 20, 2015. Benefits from the FRS are reduced by amounts paid under the terminated Travelers contracts.
- Early retirement: Date of retirement is attainable at age 45 and ten years of credited service. The benefit amount is the member's accrued benefit, reduced 2% for each year prior to the normal retirement date. Benefits from the FRS are reduced by amounts paid under the terminated Travelers contracts.
- Termination of employment: Vested members (members with ten years or more of credited service) receive their accrued benefit payable at the member's election, at age 52 (unreduced) or as early as age 45 (reduced) or refund of their member contributions, with 3.75% interest. Non-vested members (members with less than ten years of credited service) receive a refund of their member contributions, with 3.75% interest.

NOTE 10 – PENSION OBLIGATIONS - Continued

3. Firefighters' Retirement System - Continued

- Disability benefits: Total and permanent benefits, as determined by the Board, for eligible members that have ten years of credited service if the disability is not service incurred. There is no service requirement for service-incurred disability benefits. The benefit amount for In-Line-of-Duty is the greater of the accrued benefit or 60% of the average monthly earnings. Line-of-duty retirees also receive the supplemental benefit discussed below as well as the 3.0% cost of living increase beginning at age 60. The benefit amount for Not-In-Line-Of-Duty is the member's accrued benefits. Benefits commence upon the Board's approval and are payable on a ten-year certain and life thereafter basis, or until recovery, if such recovery occurs prior to the normal retirement date.
- Pre-retirement death benefits: The surviving spouse receives benefits that are the greater of the member's early retirement benefit or 50% of the projected normal retirement benefit based on the average monthly earnings at the time of death. Each dependent child under the age of 21 receives 5% of the projected normal retirement benefit that was determined for the spouse. The minimum benefit is the member's accrued benefit payable to the beneficiary for ten years. The spouse's benefit ceases upon death; children's benefit ceases on the earlier of death, attainment of age 21 or when no longer a dependent of the spouse. Death benefits are offset by amounts payable under terminated Travelers Contracts.

Benefit terms provide a cost-of-living increase, as follows:

- Members who retire after July 1,1986 and prior to January 1, 2005 (exclusive of any supplemental benefit) receive an increase of 3.0% in benefits beginning on October 1 following age 60.
- Members who retire on or after January 1, 2005 (exclusive of any supplemental benefit) receive an increase of 3.0% per year beginning on October 1, that is at least twenty-four months following the retiree's normal retirement date.
- The adjustment for monthly benefits accrued on and after April 20, 2015, is 1.5%.

Service retirees (normal or early) receive a supplemental benefit of an additional $150 per month for life. Members with at least ten years of credited service as of April 20, 2015, shall receive $200 per month for life.

Individual participant share accounts were established as of October 1, 2010 for all participants that are actively employed by the City on or after October 1, 2010. The accounts were credited with all of the monies received pursuant to Chapter 175, Florida Statutes in excess of the 2012 base amount of $701,835, beginning with the Plan year ending September 30, 2018. A different method was used for monies received between October 1, 2010 and September 30, 2020. Effective October 1, 2020 per a mutual consent agreement, all state monies received each year in excess of $701,835 will be allocated to the Share Plan. On each valuation date, each account shall be adjusted to reflect the net earnings or losses during the year at the net of fees rate of return for the year unless the Board dedicates a separate investment portfolio for the Share Plan monies. Participating members receive their distribution as a cash lump sum at the termination of employment.

NOTE 10 – PENSION OBLIGATIONS - Continued

3. Firefighters' Retirement System - Continued

Contributions. Member contribution requirements are established by City Code Section 62-135, which may be amended by the City Council. Members of the Plan are required to contribute 8% of their annual covered salary. The City is required to contribute, at an actuarially determined rate, the remaining amount required in order to pay current costs and amortize the unfunded accrued liability, if any, as provided in Part VII of Chapter 112, Florida Statutes, less amounts received from the State of Florida for insurance surcharges on policies sold within the City. In no event will the City's contributions be less than 10% of the payroll of the City of Fort Myers Fire Department for the fiscal year. The State's contribution to the FRS for fiscal year 2025 was $1,365,673. The City recognizes these on-behalf payments as revenues and expenditures in the governmental funds' financial statements.

Investments. In fulfilling their fiduciary responsibility, the Pension Board of Trustees (the Board) for the FRS established an Investment Policy Statement and directed that it applies to all assets under their control. Note 4, section 2, provides disclosure about the FRS' investment policy and related investments.

Deferred Retirement Option Program (DROP). FRS employees are eligible for the Deferred Retirement Option Program (DROP) upon the satisfaction of normal retirement requirements. The maximum period of participation in the DROP is sixty months but no later than eighty-four months after first eligibility for normal retirement. At the member's election, the rate of return may be (1) the actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs) credited each fiscal quarter, or (2) 3.0% per annum compounded monthly. Members may elect to change the form of return one time. Participating members receive their distribution as a cash lump sum (options available) at the termination of employment. As of September 30, 2025, the balance of the DROP amounts maintained by the FRS was $1,184,219.

Net Pension Liability

The FRS' net pension liability was measured as of September 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation. The components of the net pension liability of the FRS at September 30, 2025 were as follows:

Total pension liability	$ 192,767,663
Plan fiduciary net position	(181,888,928)
FRS net pension liability	$ 10,878,735
Plan fiduciary net position as a percentage of the total pension liability	94.36%

Changes of Assumptions. During the measurement period, mortality assumptions were updated to reflect the assumptions used in the Florida Retirement System actuarial valuation as of July 1, 2024, as required by Chapter 2015-157, Laws of Florida. This change resulted in a decrease in the total pension liability.

NOTE 10 – PENSION OBLIGATIONS - Continued

3. Firefighters' Retirement System - Continued

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of October 1, 2024, updated to September 30, 2025, using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.5%
Salary increases	Service based
Discount rate	7.4%
Investment rate of return	7.4%, net of pension plan investment expense, including inflation

Mortality rates for healthy active lives were based on the PubS.H-2010 for Employees, set forward one year, for females and males. Mortality rates for healthy retiree lives were based on the PubS.H-2010 (Above Median) for Healthy Retirees, set forward one year, for females and males. Mortality rates for beneficiary lives were based on the PubG.H-2010 (Above Median) for Healthy Retirees for females and on the PubG.H-2010 (Above Median) for Healthy Retirees, set forward one year, for males. The mortality rates for disabled lives were based 80% on the PubG.H-2010 for Disabled Retirees and 20% on PubS.H-2010 for Disabled Retirees.

All rates are projected generationally with Mortality Improvement Scale MP-2021.

These mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida, which requires the use of the assumptions used in either of the two most recent actuarial valuations of the Florida Retirement System.

For active deaths, 90% of those deaths are assumed to be service incurred. The other significant assumptions are based upon the most recent actuarial experience study dated September 20, 2021, for the period October 1, 2010, through September 30, 2020.

The long-term expected rate of return on the FRS investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the FRS' target asset allocation as of September 30, 2025, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	50.0%	7.5%
International Equity	15.0%	8.5%
Broad Market Fixed Income	15.0%	2.5%
Global Fixed Income	5.0%	3.5%
Real Estate	15.0%	4.5%
Total	100.0%	

Note 4, section 2, provides for further discussion of the FRS' asset allocation.

NOTE 10 – PENSION OBLIGATIONS - Continued

3. Firefighters' Retirement System - Continued

Discount rate. The discount rate used to measure the total pension liability was 7.40 percent. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member

rate. Based on those assumptions, the FRS' 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 the FRS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (a)-(b)**
Balances at September 30, 2024	$ 188,680,845	$ 159,290,653	$ 29,390,192
Changes for the year:			
Service cost	3,186,704	-	3,186,704
Interest	13,883,365	-	13,883,365
Share plan allocation	663,838	-	663,838
Differences between expected and actual experience	(968,864)	-	(968,864)
Changes of assumptions	(4,268,436)	-	(4,268,436)
Contributions - employer	-	8,755,552	(8,755,552)
Contributions - state	-	1,365,673	(1,365,673)
Contributions - members	77,034	1,289,519	(1,212,485)
Net investment (loss)	-	19,841,752	(19,841,752)
Benefit payments, including refunds of employee contributions	(8,486,823)	(8,486,823)	-
Administrative expense	-	(167,398)	167,398
Net changes	4,086,818	22,598,275	(18,511,457)
Balances at September 30, 2025	$ 192,767,663	$ 181,888,928	$ 10,878,735

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the FRS, calculated using the discount rate of 7.40 percent, as well as what the FRS' net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.40%) or 1 percentage point higher (8.40%) than the current rate:

	1% Decrease (6.40%)	**Current Discount Rate (7.40%)**	**1% Increase (8.40%)**
FRS net pension liability	$ (8,972,200)	$ 10,878,735	$ 34,917,109

NOTE 10 – PENSION OBLIGATIONS - Continued

3. Firefighters' Retirement System - Continued

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

For the year ended September 30, 2025, FRS recognized pension expense of $3,656,672. On September 30, 2025, FRS reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,975,029	$ 2,372,999
Changes of assumptions	2,394,995	3,557,031
Net difference between projected and actual earnings on pension plan investments	-	12,595,704
Total	$ 6,370,024	$ 18,525,734

The current year change in assumptions is included in deferred outflows and inflows of resources and is amortized over future periods.

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

Year ended September 30:	
2026	$ 1,154,238
2027	(6,203,518)
2028	(4,870,573)
2029	(1,362,974)
2030	(872,883)
Total	(12,155,710)

Retirement Plan for City Officials Electing Not to Participate in the Current Defined Benefit Plan

Plan Description. On May 7, 2007, City Council passed Resolution No. 2007-26, which authorized the establishment of a governmental money purchase plan and trust for City officials, who comprise elected officials, the City Manager, Police Chief, Fire Chief, and City directors. On June 5, 2007, the City adopted the City of Fort Myers 401(a) Plan for City officials that elect not to participate in the City's defined benefit plans.

The deferred compensation amounts are not available for withdrawal by the participants until termination, retirement, death or unforeseeable emergency. The Plan is administered by an unrelated financial institution on behalf of the City.

Contributions. For City officials that elect not to participate in the City's defined benefit plans, the City shall contribute 12% of earnings for the Plan year and the participants are required to contribute 3% of their earnings. Contribution requirements for the City Manager, City Attorney, Chief of Police and the Deputy Chief of Police are determined by their employment agreements. Currently, the City provides a retirement benefit equal to 15.3% of salary. No employee contribution or vesting period is required.

NOTE 10 – PENSION OBLIGATIONS - Continued

As of September 30, 2025, the Mayor, City Manager, Assistant City Manager, Fire Chief and two City Council members were the only participants in the 401(a) Plan and the total fiscal year 2025 contributions were $61,756.

Statement of Fiduciary Net Position - Pension Trust Funds

	General Employees' Pension Plan	Police Officers' Retirement System	Firefighters' Retirement System	Total
ASSETS				
Cash and cash equivalents	$ 4,799,590	$ 4,808,702	$ 1,479,498	$ 11,087,790
Investments, at fair value:				
U.S. government and agency securities	7,635,482	41,419,688	10,946,074	60,001,244
Municipal bonds	1,295,251	-	3,825,504	5,120,755
Corporate stock	21,609,410	-	99,374,354	120,983,764
Corporate bonds	13,427,640	3,579,996	6,271,508	23,279,144
Convertible bonds	143,691	17,526,306	-	17,669,997
Mortgage backed securities	22,584,069	-	7,195,727	29,779,796
Equity Securities	-	12,735,125	-	12,735,125
Mutual funds:				
Fixed income	20,304,698	-	8,997,600	29,302,298
Equity	79,036,432	98,728,114	-	177,764,546
International equity	-	32,339,844	-	32,339,844
Commingled funds - Real estate	-	16,283,043	3,805,964	20,089,007
Limited partnerships:				
Real estate	-	-	36,834,626	36,834,626
International equity	29,228,362	-	-	29,228,362
Real estate investment trusts	16,993,697	-	-	16,993,697
International securities:				
Bonds and notes	997,396	556,647	472,787	2,026,830
Stocks	3,079,637	-	-	3,079,637
Total investments	216,335,765	223,168,763	177,724,144	617,228,672
Receivables:				
Employer contributions	2,458,683	3,291,318	2,488,751	8,238,752
Interest and dividends	280,964	679,395	270,317	1,230,676
Total receivables	2,739,647	3,970,713	2,759,068	9,469,428
Total assets	223,875,002	231,948,178	181,962,710	637,785,890
LIABILITIES				
Payables:				
Benefit payments	124,643	16,938	-	141,581
Investment expenses	85,414	59,616	57,468	202,498
Administrative expenses	13,590	20,227	16,314	50,131
Total liabilities	223,647	96,781	73,782	394,210
FIDUCIARY NET POSITION				
Fiduciary net position restricted for pensions	$ 223,651,355	$ 231,851,397	$ 181,888,928	$ 637,391,680

NOTE 10 – PENSION OBLIGATIONS - Continued

Statement of Changes in Fiduciary Net Position - Pension Trust Funds

	General Employees' Pension Plan	Police Officers' Retirement System	Firefighters' Retirement System	Total
ADDITIONS				
Contributions:				
Employer	$ 11,020,754	$ 12,212,039	$ 8,755,552	$ 31,988,345
State of Florida	-	1,623,147	1,365,673	2,988,820
Plan members	1,895,332	2,592,373	1,289,519	5,777,224
Total contributions	12,916,086	16,427,559	11,410,744	40,754,389
Investment earnings:				
Interest and dividends	6,964,592	6,216,407	3,223,990	16,404,989
Net increase in the fair value of investments	18,643,979	10,575,896	17,010,302	46,230,177
Total investment earnings	25,608,571	16,792,303	20,234,292	62,635,166
Less: investment expenses	311,077	715,336	392,540	1,418,953
Net investment (gain)	25,297,494	16,076,967	19,841,752	61,216,213
Total additions	38,213,580	32,504,526	31,252,496	101,970,602
DEDUCTIONS				
Benefits paid	13,461,186	14,296,928	8,486,823	36,244,937
Administrative expenses	227,122	205,822	167,398	600,342
Total deductions	13,688,308	14,502,750	8,654,221	36,845,279
Change in fiduciary net position	24,525,272	18,001,776	22,598,275	65,125,323
FIDUCIARY NET POSITION				
Fiduciary net position held in trust for pension benefits				
Fiduciary net position - beginning	199,126,083	213,849,621	159,290,653	572,266,357
Fiduciary net position - ending	$ 223,651,355	$ 231,851,397	$ 181,888,928	$ 637,391,680

NOTE 11 – DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Service (IRS) Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or the hardship distribution criteria as defined in IRS Code Section 457. Because the assets of the plan are held in trust and are the sole property of the participants, no balances or financial information relative to the plan is reported in the basic financial statements.

NOTE 12 – OTHER POSTEMPLOYMENT BENEFIT OBLIGATIONS

All full-time employees of the City who satisfy the Disability, Early or Normal Retirement provisions of the applicable Retirement Plan may be eligible for certain other postemployment benefits (OPEB) through the City's single employer defined benefit plan. The preceding Note 10, Pension Obligations, provides the eligibility requirements for retirement under the City's General Employees' Pension Plan, Police Officers' Retirement System and the Firefighters' Retirement System. Employees covered through the Defined Contribution plan in lieu of coverage under the Defined Benefit plan are subject to eligibility requirements applicable to similarly situated employees under the respective pension plans.

Benefits provided. OPEB benefits include access to coverage for the retiree and dependents under the Medical and Prescription Plans as well as participation in the Dental, Vision and Life Insurance group plans sponsored by the City for employees. Eligible retirees may choose from the same Medical Plan options available for similarly situated active employees of the City. Dependents of retirees may be covered, at the retirees' option, the same as dependents of similarly situated active employees. The total premium amount charged for covering employees and retirees and their dependents is the same without regard to the age or gender of the member.

The City extends postemployment benefits to retirees and the benefits are continued at the discretion of the City, which reserves the right (subject to State Statute and any collective bargaining agreements) to change or terminate benefits and to change contributions required from retirees in the future as circumstances change.

The City's OPEB plan is currently funded on a pay-as-you-go basis. There is no separate trust through which benefits for retirees are funded. No assets are accumulated or earmarked for this purpose. All approved benefits are paid by the City when due. The plan does not issue a separate financial report.

Employees covered by benefit terms. As of the valuation date of September 30, 2023, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	80
Active employees	883
Total members	963

Total OPEB Liability

The City's total OPEB liability of $17,199,416 was measured as of September 30, 2024, and was determined by an actuarial valuation as of September 30, 2023.

NOTE 12 – OTHER POSTEMPLOYMENT BENEFIT OBLIGATIONS – Continued

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

Inflation	2.50%
Salary increases	For General employees, 5.00% - 10.00% depending on service, including inflation. For Police Officers, 5.00% - 12.00%, including inflation. For Firefighters, 4.25% - 10.00% depending on service, including inflation.
Discount rate	3.81%
Healthcare cost trend rates	Based on the Getzen model, with trend starting at 5.50% for 2024 (to reflect actual premiums), then 6.00% for 2025 and gradually decreasing to an ultimate trend rate of 4.00%.

The discount rate was based on the municipal bond rate of 3.81% (based on the daily rate of Fidelity Investments' "20-Year Municipal GO AA Index" closest to but not later than the measurement date). The discount rate was 4.63% as of the beginning of the measurement year.

Mortality rates were based on the mortality tables used in the July 1, 2023 actuarial valuation of the Florida Retirement System. The rates were derived from adjusted Pub-2010 mortality tables published by the Society of Actuaries with generational mortality improvements using scale MP-2018. Adjustments to reference tables are based on the results of a statewide experience study covering the period 2013 through 2018.

Changes in the Total OPEB Liability

The following table presents the changes in the City's total OPEB liability for the year ended September 30, 2025.

Total OPEB Liability:	
Balance, as of October 1, 2024	$ 14,849,297
Changes:	
Service cost	833,001
Interest on the total OPEB liability	708,043
Changes in assumptions and other inputs	1,588,660
Benefit payments	(779,585)
Net change in the total OPEB liability	2,350,119
Balance, as of September 30, 2025	$ 17,199,416

Changes in assumption and other inputs include the change in the discount rate from 4.63% as of the beginning of the measurement period to 3.81% as of September 30, 2024 (based on the Long-Term Municipal Bond rate). The adjustment reflects changes in the yields on 20-year general obligation municipal bonds between September 30, 2023 and September 30, 2024.

NOTE 12 – OTHER POSTEMPLOYMENT BENEFIT OBLIGATIONS – Continued

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the City's total OPEB liability, calculated using the discount rate of 3.81%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower 2.81% or 1 percentage point higher 4.81%, than the current rate:

	1% Decrease (2.81%)	Current Discount Rate (3.81%)	1% Increase (4.81%)
Total OPEB Liability	$ 19,495,401	$ 17,199,416	$ 15,292,217

Sensitivity of the total OPEB liability to changes in the healthcare trend rate. The following presents the City's total OPEB liability, calculated using the assumed healthcare trend rate as well as what the total OPEB liability would be if it were calculated using a healthcare trend rate 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease in Healthcare Cost Trend Rate	Current Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
Total OPEB Liability	$ 14,852,078	$ 17,199,416	$ 20,133,609

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

For the year ended September 30, 2025, the City recognized OPEB expense of $734,202. On September 30, 2025, 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
Benefits paid after the measurement date	$ 821,632	$ -
Differences between expected and actual experience	859,745	886,224
Changes of assumptions and other inputs	1,675,349	2,890,195
Total	$ 3,356,726	$ 3,776,419

NOTE 12 – OTHER POSTEMPLOYMENT BENEFIT OBLIGATIONS – Continued

Deferred outflows of resources include $821,632 resulting from benefits paid after the measurement date. This amount will be recognized as a reduction of the OPEB liability in the year ended September 30, 2026. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30:		
2026	$	(585,612)
2027		(299,360)
2028		(269,196)
2029		(492,519)
2030		131,098
Thereafter		274,262
Total	$	(1,241,327)

NOTE 13 – CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

Construction commitments

The City has active construction projects as of September 30, 2025. The projects include preconstruction services for the City's new Police Department Headquarters, Serena Park Community roadway, utility and drainage improvements, and The Forum Park Phase II which will include parking spaces, twelve pickleball courts and bathrooms. At year end, the City's commitments with contractors are as follows:

PROJECT CATEGORY	BUDGET	ENCUMB.	ACTUAL SPENT	TOTAL ACTUAL & ENCUMB.	BALANCE	% SPENT
CITY STRUCTURES	$ 10,169,470	$ -	$ 2,686,742	$ 2,686,742	$ 7,482,727	26.4%
PUBLIC SAFETY	26,860,616	-	7,984,321	7,984,321	18,876,295	29.7%
TECHNOLOGY	2,518,423	-	3,277,673	3,277,673	(759,250)	130.1%
PARKS & RECREATION	43,325,184	-	3,376,027	3,376,027	39,949,157	7.8%
STORMWATER	20,804,688	-	1,177,897	1,177,897	19,626,791	5.7%
INFRASTRUCTURE	61,100,416	-	7,975,236	7,975,236	53,125,181	13.1%
UTILITIES	183,325,861	-	82,623,837	82,623,837	100,702,024	45.1%
Total	**$ 348,104,658**	**$ -**	**$ 109,101,734**	**$ 109,101,734**	**$ 239,002,924**	**31.3%**

Note: SPENT TO DATE includes encumbrances

As discussed earlier in Note 1, 6., Budgetary information, Budgetary basis of accounting, the encumbrances and related appropriation lapses at the end of the year but are re-appropriated and become part of the subsequent year's budget because performance under the executory contract is expected in the next year.

NOTE 13 – CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS – Continued

Encumbrances

As discussed in Note 1, 6., Budgetary information, Budgetary basis of accounting, encumbrance accounting is used to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control.

At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

	Governmental Activities				
	General Fund	Transportation Capital Projects Fund	General Capital Projects Fund	Other Governmental Funds	Total
Encumbrances Outstanding	$ 5,206,660	$ 3,800,130	$ 1,037,264	$ 2,901,227	$ 12,945,280

General Fund – of this amount $1,918,958 is reserved for the City's Fire Department for the purchase of two Pierce Manufacturing Saber Pumper Fire Engines.

Transportation Capital Projects Fund – of this amount $306,846 is reserved for construction plans for Winkler Avenue improvements from Metro Parkway to Colonial Boulevard, $404,139 for the Challenger Boulevard extension and $517,041 for the Serena Park community roadway, utility and drainage improvements.

General Capital Projects Fund – of this amount $459,912 for pre-construction services for the City's new Police Department Headquarters to be located at 2150 Fowler Street, $154,555 to complete the refurbishing of the Fort Myers Country Club clubhouse, and $96,351 to complete the Forum Park Phase II project which includes twelve pickleball courts, bathrooms and parking spaces.

Other Government Funds – $380,818 for the City's Public Works Department to purchase a cement truck to help maintain infrastructure which includes sidewalks, curbs, drainage channels and utility related concrete work.

Road, Water, Wastewater and Fire Impact Fees Credits

The City offers road, water and wastewater, and fire impact fee credits to developers who construct or provide certain infrastructure improvements. Credits may be earned in special assessment districts, which are financed by the City, and residential and commercial projects. The credits may be used to offset future impact fees and have a standard life of twenty years for road and fire credits and ten years for water and wastewater from date of issuance, unless a longer period is specifically authorized by City Council. The developer who earned them may use the credits or the credits may be transferred to another party under certain circumstances. If the credits are not used within the authorized timeframe, they will expire.

Chapter 122, Land Development Code allows the City to create water and sewer impact fee credits for capital improvements of utility mains. The credits are created when the construction is

NOTE 13 – CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS – Continued

completed and accepted by the City for maintenance. The road impact fee credits include credits for land dedicated to the City. The City also participates with the Lee County Road Impact Fee Ordinance through an interlocal agreement. The Lee County Road Impact Fee Ordinance allows for the issuance of impact fee credits for land dedication for approved roads shown on the City's transportation element of the Capital Improvement Program.

As of September 30, 2025, there was approximately $6.75 million of total potential impact fee credits earned and outstanding.

	Available	Earned
Road	$ 6,745,294	$ 6,745,294
Fire	-	-
Total	$ 6,745,294	$ 6,745,294

Operating Agreements

In prior fiscal years, the City entered into an operating agreement and development agreements to empower the renter to direct their efforts and resources to the management and operations of certain City venues.

The City entered into an operating agreement with a local not-for-profit corporation to privately manage and operate the Imaginarium Science Center. The Imaginarium Science Center will be used by the renter for conducting educational, cultural, and historical programs for the benefit of the general public. In addition to a payment of $1.00 per year, the renter will be responsible for all utilities, fees, assessments and taxes, maintenance and major repairs up to $2,500. The City and renter have the option to terminate the agreement with 180-day written notice.

The term of the original agreement was for ten years commencing on January 1, 2017, and expiring on December 31, 2026. On September 19, 2022, the City and the renter agreed to amend certain terms of the original agreement. The First Amendment to the agreement extends the term of the agreement to December 31, 2032.

The operating agreement contains a provision for subsidy payments from the City, in quarterly installments, and an annual waiver of the nonprofit requirement to pay ten to fifteen percent of market rate rent. The City's obligation to provide funding under this agreement is contingent upon the annual appropriation of funds. The final subsidy payment of $128,125 under the original agreement was paid October 15, 2022. The First Amendment provides subsidies in the amount of $71,875 for fiscal year 2023; $150,000 for fiscal year 2024; $100,000 for fiscal year 2025, and $50,000 for fiscal year 2026.

In addition, the City entered into an operating and development agreement with a local foundation with the intent of creating a technology hub to unite the nonprofits in the region. The agreement includes substantial rehabilitation of the Southwest Florida Museum of History to its original design and character as a train station, plus the construction of a second stand-alone building connected to the train station that will be architecturally distinctive while providing an energy-efficient environment with state-of-the-art technology serving as a technology hub. To fund the rehabilitation and new construction, the foundation secured a $10,000,000 allocation of New Market Tax Credits through an A Note and a B Note.

NOTE 13 – CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS – Continued

During the New Market Tax Credit seven-year compliance period, the foundation shall pay all interest only payments due on the A Note and the B Note associated with the transaction. Upon the maturity of the A Note, the City shall pay to the foundation the amounts necessary to satisfy the principal balance due not to exceed $7,300,000. The foundation and its support organization shall utilize the funds to satisfy the principal balance due on the A Note.

The City agrees to budget and appropriate funds in its annual budget process to pay off the loan after the seven-year period with the issuance of long-term debt in order to ensure funding of the A Note. The funds pledged to cover the debt will be secured by non-ad valorem revenues of the City.

The agreement term is forty years, commencing December 12, 2016, and expiring December 11, 2056, with annual payments of $1.00. There is a right to renew for five additional ten-year terms. The operating and development agreement contains criteria in the event of termination, to include ninety days written notice.

NOTE 14 – RISK MANAGEMENT

The City, including its component units, uses the Risk Management Internal Service Fund to account for and finance risks for workers' compensation, general liability and property damage. The City self-insures its workers' compensation exposure and purchases commercial excess coverage for workers' compensation, which covers claims greater than $500,000. The City is self-insured for general liability risk in the amount of $200,000 per claim, which is in accordance with Florida Statute 768.28. The City purchased commercial excess coverage for general liability up to $2,000,000 per occurrence for claims that may exceed statutory limits. Commercial insurance is purchased to cover property damage and the coverage provides a loss limit of $25,000,000 in all risk property coverage and $10,000,000 in the perils of Named Windstorm, excess storm surge, and excess flood including 5% deductible per occurrence/per building. Primary flood insurance through National Flood Insurance Program provides $9,171,000 in building coverage with $3,219,000 in coverage for personal property on scheduled structures. Settlements have not exceeded insurance coverage for the past five years. Settled claims have not exceeded the insurance provided by third-party carriers in any of the past seven years.

Additional coverage includes EMT Liability, Law Enforcement Liability, Public Officials' Liability, Excess Automobile Liability, Crime and Employee Dishonesty, Statutory Death, a Cyber Liability policy, Special Event Liability as needed, Tenant User Liability, Fiduciary and a policy providing coverage for protection, indemnity, and hull exposures for watercraft.

The City of Fort Myers provides all eligible employees a group medical plan and group term life coverage equal to one times the annual salary rounded to the next higher thousand. In addition, the City makes a defined contribution of $200 per month per employee or pays 70% of the dependent medical coverage. The defined contribution may be applied to the cost of dependent medical, or; applied to the cost of any optional employee benefit, or; taken as taxable income.

NOTE 14 – RISK MANAGEMENT – Continued

Premiums are charged by the City's Risk Management Internal Service Fund to City departments and are available to pay claims, claim reserves and administrative costs of the program. Liabilities of the Risk Management fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are actuarially calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors, utilizing a 2% discount.

The unpaid claim estimates and funding recommendations were developed by the actuary using the following methodology:

1. Estimate ultimate losses for all past fiscal accident periods and prospective fiscal accident periods by coverage, net of specific excess reinsurance, based on various actuarial projection methods.
2. Subtract cumulative paid losses from the ultimate loss estimates by accident period to determine the estimated reserves, net of specific excess coverage, as of September 30, 2025.
3. Determine funding indications by discounting both the estimated reserve by accident period and the prospective year estimated ultimate loss estimates to reflect investment income, and then adding a margin for adverse deviation.

The liability for the medical and prescription claims is reported in the Health Insurance Self Funding Internal Service Fund. Activity in the balances of claims liabilities for the years ending September 30, 2025 and 2024 are as follows:

	2025	2024*
Unpaid - Medical	$ 607,154	$ 575,955
Provision for Adverse Deviation (PAD) of 15%	91,073	86,393
Total Medical Liability with PAD	698,227	662,348
Unpaid - Prescription Drugs	61,550	77,228
Total Claim Liability with PAD	$ 759,777	$ 739,576

* First year of self funded health insurance liability

The liability for the claims is reported in the Risk Management Internal Service Fund. Activity in the balances of claims liabilities for the years ending September 30, 2025, and 2024 are as follows:

	2025	2024
Workers Compensation and General Liability:		
Unpaid claims, beginning of the fiscal year	$ 8,246,044	$ 8,506,604
Claims incurred, including IBNRs	2,794,108	809,164
Claim payments	(2,207,888)	(1,069,724)
Unpaid claims, end of the fiscal year	$ 8,832,264	$ 8,246,044

NOTE 15 – LONG-TERM LIABILITIES

Bonds and notes outstanding consist of the following for governmental activities:

Governmental Activities	Sale Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding September 30, 2025	Maximum Annual Debt Service
Revenue Bonds						
Capital Improvement and Refunding Revenue Bonds	6/19/2014	$ 37,120,000	2.00% - 5.00%	12/1/2034	$ 20,000,000	$ 3,771,138
Capital Improvement and Refunding Revenue Bonds	9/22/2016	52,130,000	2.00% - 5.00%	12/1/2036	40,615,000	5,648,450
Capital Improvement and Refunding Revenue Bonds	10/25/2018	32,675,000	4.00% - 5.00%	12/1/2038	17,755,000	1,734,000
Taxable Capital Improvement Revenue Bonds	10/25/2018	13,220,000	2.97% - 4.13%	12/1/2048	11,745,000	824,863
Total Revenue Bonds					90,115,000	11,978,451
Notes from Direct Borrowings						
Capital Improvement and Refunding Revenue Note	4/21/2022	34,294,000	2.49%	12/1/2036	34,294,000	3,658,850
Taxable Capital Improvement and Refunding Revenue Note	4/21/2022	11,291,000	2.82%	12/1/2026	3,647,000	2,804,211
Capital Improvement Revenue Note	7/31/2025	50,000,000	SOFR Rate	9/29/2028	23,876,219	-
Total Notes from Direct Borrowings					61,817,219	6,463,061
Total for Governmental Activities					$ 151,932,219	$ 18,441,512

Bonds and notes outstanding consist of the following for business-type activities:

Business-type Activities	Sale Date	Original Borrowing	Interest Rates to Maturity	Final Maturity	Outstanding September 30, 2025	Maximum Annual Debt Service
Water-Wastewater:						
Revenue Bonds						
Utility System Refunding and Revenue Bonds	9/19/2019	$ 113,740,000	2.00% - 4.00%	10/1/2049	$ 101,645,000	$ 8,687,750
Utility System Refunding Revenue Bonds	6/3/2020	40,270,000	5.00%	10/1/2028	27,780,000	9,003,750
Subordinate Utility System Refunding Revenue Bonds	6/3/2020	36,435,000	5.00%	10/1/2029	18,355,000	5,890,250
Utility System Refunding Rev Bonds	10/19/2023	139,035,000	5.00% - 5.25%	10/1/2053	139,035,000	11,725,825
Total Revenue Bonds					286,815,000	35,307,575
Note from Direct Placement						
Utility System Refunding Revenue Note	4/6/2017	37,190,000	3.36%	10/1/2036	32,570,000	4,860,768
Utility System Refunding Revenue Note	8/19/2021	11,726,000	1.26%	10/1/2036	5,758,000	1,042,150
Total Note from Direct Placement					38,328,000	5,902,918
Total for Water-Wastewater					325,143,000	41,210,493
Yacht Basin:						
Note from Direct Borrowing						
Capital Improvement Revenue Note	10/4/2005	5,000,000	4.63%	9/1/2028	1,076,791	386,877
Total for Yacht Basin					1,076,791	386,877
Total for Business-type Activities					$ 326,219,791	$ 41,597,370

The business-type outstanding debt consists of Revenue Bonds and Notes for the Water-Wastewater Fund and a Revenue Note for the non-major fund, Yacht Basin. The Revenue Bonds and Notes in the Water-Wastewater Fund are obligations of the City and are payable solely from the operations of the Utility System, net of specified operating expenses. The Capital Improvement Revenue Note for the Yacht Basin is payable from the Yacht Basin's net revenues or legally available non-ad valorem revenues of the City.

NOTE 15 – LONG-TERM LIABILITIES, continued

Changes in governmental long-term debt are summarized as follows:

	Balance at October 1, 2024	Increases	Decreases	Balance at September 30, 2025	Due Within One Year
Revenue bonds payable	$ 95,165,000	$ -	$ 5,050,000	$ 90,115,000	$ 5,280,000
Unamortized premium	5,781,862	-	445,588	5,336,274	-
Net revenue bonds payable	100,946,862	-	5,495,588	95,451,274	5,280,000
Notes from direct borrowings	53,048,829	11,432,390	2,664,000	61,817,219	26,616,219
Financing purchase obligations	7,086,499	5,007,822	3,553,713	8,540,608	3,400,954
Leases Payable (right to use)	1,022,445	1,395,873	280,449	2,137,869	302,888
Subscription liabilities (right to use)	1,307,752	2,678,164	1,372,688	2,613,228	763,927
Net pension liability	100,149,589	644,578	31,512,012	69,282,155	-
Other postemployment benefits liability	11,441,568	1,927,679	55,816	13,313,431	-
Compensated absences*	6,346,797	-	63,536	6,283,261	909,482
Claims and judgments	8,980,620	1,345,997	734,576	9,592,041	2,902,069
Governmental-type Totals	$ 290,330,961	$ 24,432,503	$ 45,732,378	$ 269,031,086	$ 40,175,539

*Per implementation of GASB 101, activity in compensated absences is presented as net.

In July 2025, the City authorized the Capital Improvement Revenue Note, Series 2025A and 2025B, to establish a revolving credit agreement in the amount of $50,000,000 (2025A), with up to $10,000,000 (2025B) of those bonds being taxable. Following an event of default, the Note shall bear interest at the default rate until such event of default is cured irrespective of a declaration of maturity. The default rate equals the rate of interest that would be borne absent the event of default plus 6%. If any payment is not made within fifteen days after it is due, a late fee of 4% of the delinquent payment becomes due and payable immediately. As of September 30, 2025, the outstanding balance was $23,876,219.

Changes in business-type long-term debt are summarized as follows:

	Balance at October 1, 2024	Increases	Decreases	Balance at September 30, 2025	Due Within One Year
Water-Wastewater Fund					
Revenue bonds payable	$ 298,375,000	$ -	$ 11,560,000	$ 286,815,000	$ 12,960,000
Unamortized premium	26,000,721	-	2,478,287	23,522,434	-
Net revenue bonds payable	324,375,721	-	14,038,287	310,337,434	12,960,000
Notes from direct placement	40,985,000	-	2,657,000	38,328,000	1,761,000
Unamortized discount, Series 2017A	(57,215)	-	(4,768)	(52,447)	-
Net notes payable	40,927,785	-	2,652,232	38,275,553	1,761,000
State Revolving Loan	256,899	2,883,448	139,532	3,000,815	313,405
Subscription liabilities (right to use)	-	39,989	20,209	19,780	19,780
Net pension liability	5,459,853	1,225,676	4,326,927	2,358,602	-
Other postemployment benefits liability	1,771,299	339,765	145,789	1,965,275	-
Compensated absences*	602,900	4,299	-	607,199	43,501
Fund totals	373,394,457	4,493,177	21,322,976	356,564,658	15,097,686

NOTE 15 – LONG-TERM LIABILITIES, continued

	Balance at October 1, 2024	Increases	Decreases	Balance at September 30, 2025	Due Within One Year
Solid Waste Fund					
Net pension liability	2,265,370	655,835	1,880,433	1,040,772	-
Other postemployment benefits liability	812,249	210,959	25,593	997,615	-
Compensated absences	286,249	28,489		314,738	23,468
Fund totals	3,363,868	895,283	1,906,026	2,353,125	23,468
Other Enterprise Funds					
Note from direct borrowing	1,403,509	-	326,718	1,076,791	342,327
Leases payable (right to use)	1,353,203	21,680	359,595	1,015,288	386,387
Net pension liability	2,352,084	499,132	1,898,923	952,293	-
Other postemployment benefits liability	824,181	161,976	63,062	923,095	-
Compensated absences*	266,410	11,107	-	277,517	31,182
Fund totals	6,199,387	693,895	2,648,298	4,244,984	759,896
Business-type totals	$ 382,957,712	$ 6,082,355	$ 25,877,300	$ 363,162,767	$ 15,881,050

*Per implementation of GASB 101, activity in compensated absences is presented as net.

In the Water-Wastewater fund, the Utility System Refunding Revenue Note, Series 2017A from direct placement, contains provisions that upon occurrence of an event of default, the interest rate on the note shall accrue at the default rate, which shall be calculated at the greater of (a) the published Federal Reserve Bank's Prime Rate +3%, (b) the Federal Funds Rate +5%, or (c) 7%, per annum. In addition to the forgoing rate adjustment, the registered holder shall have all rights and remedies available to bondholders pursuant to the resolution. The Utility System Refunding Revenue Note, Series 2021A from direct placement, contains provisions that the note shall bear interest at the default rate until such default shall be cured and all payments made on the note during any such period shall be applied first to interest and then to principal. The default rate for the Series 2021A Note is 6% per annum in excess of the Prime Rate, which shall be the greater of (a) the rate published from time to time in The Wall Street Journal as the "U.S. Prime Rate" or, in the event the rate is not available from The Wall Street Journal, the base, reference or other rate then designated by the registered holder, in its reasonable discretion, for general commercial loans, or (b) 3%. Once the event of default is cured, the interest rate will revert back to the rate effective as of the cure date. In addition to the forgoing rate adjustment, the registered holder shall have all rights and remedies available to bondholders pursuant to the resolution.

The Yacht Basin's Capital Improvement Revenue Note, Series 2005 from direct borrowing contains a provision that the lender may terminate the commitment if the lender determines that a material adverse change occurred in the financial condition of the City.

NOTE 15 – LONG-TERM LIABILITIES - Continued

The debt service requirements to maturity for the City's bonds and notes in governmental activities are as follows:

Governmental Activities

	Revenue Bonds		Notes from Direct Borrowings		Total Governmental Activities	
Fiscal Year	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2026	$ 5,280,000	$ 3,583,069	$ 26,616,219	$ 918,132	$ 31,896,219	$ 4,501,201
2027	5,555,000	3,326,551	2,815,000	842,955	8,370,000	4,169,506
2028	5,775,000	3,080,617	2,888,000	770,456	8,663,000	3,851,073
2029	6,020,000	2,846,667	2,961,000	697,636	8,981,000	3,544,303
2030	6,255,000	2,606,530	3,035,000	622,986	9,290,000	3,229,516
2031-2035	35,545,000	8,921,238	16,364,000	1,927,634	51,909,000	10,848,872
2036-2040	19,685,000	2,632,923	7,138,000	178,830	26,823,000	2,811,753
2041-2045	3,005,000	1,104,710	-	-	3,005,000	1,104,710
2046 and thereafter	2,995,000	299,366	-	-	2,995,000	299,366
Total	90,115,000	$ 28,401,671	61,817,219	$ 5,958,629	151,932,219	$ 34,360,300
Current portion	(5,280,000)		(26,616,219)		(31,896,219)	
Unamortized premium	5,336,274		-		5,336,274	
Long term portion	$ 90,171,274		$ 35,201,000		$ 125,372,274	

The debt service requirements to maturity for the City's bonds and notes in business-type activities are as follows:

Business-Type Activities

	Water-Wastewater Revenue Bonds		Water-Wastewater Notes from		Nonmajor Enterprise Fund		Total Business-Type Activities	
Fiscal Year	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
2026	$ 12,960,000	$ 13,075,019	$ 1,761,000	$ 1,147,314	$ 342,327	$ 44,549	$ 15,063,327	$ 14,266,882
2027	13,640,000	12,423,594	1,217,000	1,111,805	358,682	28,194	15,215,682	13,563,593
2028	13,340,000	11,756,294	1,245,000	1,079,022	375,782	11,095	14,960,782	12,846,411
2029	12,750,000	11,180,644	1,284,000	1,045,239	-	-	14,034,000	12,225,883
2030	7,000,000	10,781,444	1,316,000	1,010,379	-	-	8,316,000	11,791,823
2031-2035	22,720,000	50,565,119	21,177,000	3,376,993	-	-	43,897,000	53,942,112
2036-2040	45,005,000	44,148,794	10,328,000	329,824	-	-	55,333,000	44,478,618
2041-2045	63,820,000	31,988,603	-	-	-	-	63,820,000	31,988,603
2046 and thereafter	95,580,000	20,065,861	-	-	-	-	95,580,000	20,065,861
Total	286,815,000	$ 205,985,372	38,328,000	$ 9,100,576	1,076,791	$ 83,838	326,219,791	$ 215,169,786
Current portion	(12,960,000)		(1,761,000)		(342,327)		(15,063,327)	
Unamortized premium / (discount)	23,522,434		(52,447)		-		23,469,987	
Long-term portion	$ 297,377,434		$ 36,514,553		$ 734,464		$ 334,626,451	

Leases Payable

The City's lease payable is comprised of the following:

Governmental Activities:

Building and office space leases – annual installments range from $5,781 to $144,058 and interest rates that range from 0.9500% to 5.3400%, due dates ranging from October 1, 2021 to September 30, 2033	$2,132,307
Equipment leases – annual installments totaling $1,431 plus interest at a rate of 4.6300%, due dates ranging from August 12, 2021 to October 11, 2026	5,562
Total Governmental Activities Lease Payable	$2,137,869

NOTE 15 – LONG-TERM LIABILITIES, continued

Business-Type Activities:

Building and office space leases – annual installments ranging from $15,725 to $144,058, plus interest at a rate of 5.3400%, due dates ranging from October 1, 2021 to September 30, 2033	$498,525
Equipment leases – annual installments range from $403 to $18,960 and interest rates that range from .02660% to 3.4500%, due dates ranging from August 12, 2021 to November 29, 2028	14,475
Vehicle leases – annual installments range from $1,941 to $18,960 and interest rates that range from 4.4800% to 7.6000%, due dates ranging from April 4, 2024 to April 3, 2027	498,688
Total Business-Type Activities Lease Payable	$1,011,688

The future principal and interest lease payments were as follows:

	Governmental Activities		Business-Type Activities		
Fiscal Year	Principal	Interest	Principal	Interest	**Total**
2026	$ 302,888	$ 55,551	$ 382,786	$ 48,590	$ 789,815
2027	313,793	48,508	230,361	26,092	618,754
2028	360,821	39,497	61,828	19,700	481,846
2029	387,736	29,753	61,035	16,467	494,991
2030	377,968	19,589	63,523	13,173	474,253
2031 - 2033	394,663	20,251	212,155	17,933	645,002
	$ 2,137,869	$ 213,149	$ 1,011,688	$ 141,955	$ 3,504,661

Subscription Liabilities

As of September 30, 2025, the City had twelve active subscriptions. The subscriptions have payments that range from $0 to $345,649 and interest rates that range from 0.0000% to 3.4500%. As of September 30, 2025, the total combined value of the subscription liability is $2,652,788, and the total combined value of the short-term subscription liability is $803,488.

NOTE 15 – LONG-TERM LIABILITIES - Continued

SBITA debt service requirements to maturity for governmental activities are as follows:

	Governmental Activities		Business-Type Activities		
Fiscal Year	Principal	Interest	Principal	Interest	Total
2026	$ 763,927	$ 51,285	$ 19,780	$ -	$ 834,992
2027	692,580	43,006	-	-	735,586
2028	709,586	26,000	-	-	735,586
2029	447,135	8,451	-	-	455,586
	$ 2,613,228	$ 128,742	$ 19,780	$ -	$ 2,761,750

Arbitrage

The bonds and notes in Governmental and Business-type Activities are subject to arbitrage. The arbitrage rebate requirement requires issuers of tax-exempt debt to rebate to the U.S. Treasury investment income arising from proceeds of tax exempt debt to the extent that such income results from an investment yield in excess of the bond yield. There is no arbitrage liability as of the end of this fiscal year.

Financing Purchase Obligations

Finance purchase obligations for governmental activities which are collateralized by equipment and vehicles, have total annual installments of $2,833,744 with interest rates ranging from 0.00% to 6.54% and maturing through September 2029.

The future principal and interest payments were as follows:

	Governmental Activities		
Fiscal Year	Principal	Interest	Total
2026	$ 3,400,954	$ 440,115	$ 3,841,069
2027	2,299,582	285,098	2,584,680
2028	1,130,677	139,542	1,270,219
2029	972,513	92,071	1,064,584
2030	421,984	47,338	469,322
2031	314,898	24,298	339,196
Total	$ 8,540,608	$ 1,028,462	$ 9,569,070

NOTE 16 – PRIOR YEAR DEFEASED DEBT AND CURRENT REFUNDING

Prior year defeasance of debt

In prior years, the City defeased certain general obligation revenue bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liabilities for the defeased bonds are not included in the City's financial statements. The amount of defeased bonds consisted of the following:

Governmental Activities

Improvement and Refunding Revenue Bonds, Series 2006 (refunded by 2014 Bonds)	$ 13,810,000
Improvement and Refunding Revenue Bonds, Series 2006 (refunded by 2016 Bonds)	30,050,000
Total for Governmental Activities	$ 43,860,000

Business-type Activities

Utility System Revenue Bonds, Series 2006	$ 33,025,000
Utility System Refunding and Revenue Bonds, Series 2011 (partial)	17,390,000
Utility System Refunding Revenue Note, Series 2017B	18,295,000
Utility System Refunding and Revenue Bonds, Series 2011 (balance)	7,295,000
Utility System Refunding and Revenue Bonds, Series 2012 (balance)	3,120,000
Total for Business-type Activities	$ 79,125,000

NOTE 17 – FUND BALANCE

Minimum Fund Balance/Net Position Policy

On January 31, 2022, the City adopted Resolution 2022-4 to amend Resolution 2011-35. The updated Fund Balance Policy continues to ensure the maintenance of adequate fund balance/net position and reserves in the City's various operating funds to provide the capacity to: 1) provide sufficient cash flow for daily financial needs, 2) secure and maintain investment grade bond ratings, 3) offset significant economic downturns and revenue shortfalls, and 4) provide funds for unforeseen expenditures related to emergencies.

General Fund – The General Fund reserve target is 20% of the current year budgeted appropriations in that fund (excluding any internal transfers to other funds within the General Fund "Group of Funds"). The General Fund "Group of Funds" includes the General Fund, Cemetery Trust Fund, Land Acquisition Fund, Off Duty Pay Fund, Beautification Fund, Submerged Land Lease Fund and the Southwest Florida Enterprise Center Fund. The budgetary fund balance of the General Fund Group of Funds will be compared to the annual appropriation to determine if the reserve target has been achieved.

Other governmental funds of the City have vastly differing objectives, cash flows and revenue patterns. Therefore, recommended levels of committed and/or assigned fund balance will be determined on a case-by-case basis, based on the needs of each fund, and as recommended by the City Manager and Director of Finance, or designee, and approved by City Council. Debt Service funds reserves shall include deposits as required by the bond covenants for each outstanding bond issue. The City shall make every effort to transfer only specific amounts, at specific times, as required under the bond covenants for each bond issue.

Enterprise Funds – The City will strive to maintain unrestricted net position equal to 25% of the budgeted annual operating expenses for the current year in the Water-Wastewater Operating Fund, Solid Waste Fund and Stormwater Fund to provide approximately a 90-day reserve for operating expenses.

The various other enterprise and internal service funds of the City have vastly differing objectives, cash flows and revenue patterns. As a result, no one level of reserves is appropriate for every fund. Therefore, the appropriate level of net position in all other enterprise and internal service funds will be determined on a case-by-case basis due to the specific needs of the fund. The City Manager, Director of Finance, or other designee shall determine this level.

The updated fund balance policy contains provisions to designate amounts for the restoration of minimum reserves and to replenish minimum reserve deficits.

NOTE 18 – INTERFUND RECEIVABLES AND PAYABLES

The composition of interfund balances as of September 30, 2025, is as follows:

Due to/from other funds

	Due From:					
	ARPA Funds	CDBG Fund	Street Maint Fund	FEMA Disaster	Yacht Basin	Total
Due To:						
General Fund	$3,000,514	$24,990	$ 440,866	$20,643,564	$259,313	$ 24,369,247
Total	$3,000,514	$24,990	$ 440,866	$20,643,564	$259,313	$ 24,369,247

The receivable amount from ARPA Funds relates to funds not being moved from SBA account before year-end. The receivable amount from CDBG Fund relates to drawdown not being performed before year-end. The receivable amount in the General Fund from FEMA Disaster Grant relates to reimbursable amounts for Hurricane Ian, Hurricane Helene and Hurricane Milton. The receivable amount from Yacht Basin relates to reimbursable amounts to cover Yacht Basin expenses, whose activity was negatively affected from Hurricane Ian. The General Fund expects to collect the balance in the subsequent year.

Advances to/from other funds

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 617,000

The amount payable to the General Fund by the Nonmajor Governmental Funds comprises advances to the Dr. Martin Luther King, Jr. Boulevard Redevelopment and Cleveland Avenue Redevelopment Tax Increment Financing Districts. None of the balance is scheduled to be collected in the subsequent year.

NOTE 19 – INTERFUND TRANSFERS

	Transfers In:							
	General Fund	Revenue Bonds and Notes Fund	Transportation Capital Projects Fund	General Capital Projects Fund	Nonmajor Governmental Funds	Water-Wastewater Utility Fund	Nonmajor Business-type Funds	Total Transfers
Transfers Out:								
General Fund (1)	$ -	$14,596,474	$2,000,000	$ 7,692,250	$ 7,531,021	$ -	$ 849,600	$32,669,345
Revenue Bonds and Notes (2)	-	-	-	18,732,391	-	-	-	18,732,391
General Capital Projects Funds (3)	1,205,195	400,000	2,952,200	-	-	-	-	4,557,395
Nonmajor Governmental Funds (4)	-	-	1	1,757,884	331,192	8,302,659	-	10,391,736
Water-Wastewater Fund (5)	7,938,676	-	696,106	-	-	-	1,325	8,636,107
Solid Waste Fund (6)	1,344,775	-	-	-	-	24,594	-	1,369,369
Internal Service Fund (7)	-	95,900	-	365,025	-	-	-	460,925
Nonmajor Business-type Funds (8)	490,837	1,700,100	474,884	1,035,235	-	-	162,600	3,863,656
Total Transfers	$10,979,483	$16,792,474	$6,123,191	$29,582,785	$ 7,862,213	$ 8,327,253	$ 1,013,525	$80,680,924

NOTE 19 – INTERFUND TRANSFERS - Continued

(1) Transfers from the General Fund were used to fund debt service needs, in the amount of $14,596,474, and transportation improvements, in the amount of $2,000,000, and capital improvements. Transportation Capital improvement expenditures helped fund street paving projects. Capital improvement expenditures comprised of $1,834,449 for Fire training field replacement and relocation, $1,786,882 for Fire Station 14 replacement and relocation, $425,600 for various renovations for certain Fire Stations, $2,336,979 for Edison Restaurant improvement at FMCC, $218,397 for relocation of Parks and Recreation Facility, $759,250 for the City's new ERP system, $201,107 for repairs to the Burrough's Home, $119,194 for Shady Oaks Park improvements, $6,392 for Billy Bowlegs recreation facility, and $4,000 for renovations to the Cemetery office. The transfers to the Nonmajor Governmental Funds include $7,406,761 for tax increment funding to the Community Redevelopment Agency (CRA). In addition, the General Fund transferred $48,960 to supplement grants received for Bullet-proof vests for Police, FEMA assistance to Firefighters and the City's Comprehensive Plan. The General Fund also subsidized $20,300 to the Para-Transit Fund, $30,000 to the Street Maintenance Fund and $25,000 to the Public Art Fund. Transfers to the Nonmajor Business-type Funds relate to a subsidy for the Skatium in the amount of $809,900, and Yacht Basin enterprise fund, in the amount of $39,700.

(2) Transfers from the Revenue Bonds and Notes Fund to the General Capital Projects Fund relate to the project funding from the Capital Improvement Construction Note, Series 2022A for $7,300,000 and General Line of Credit for $11,432,391.

(3) Transfers from the General Capital Projects Fund were used to fund debt service needs in the amount of $1,605,195. Transfers to the Revenue Bonds and Notes Fund relates to an annual reimbursement from Lee County in compliance with an interlocal agreement for the City's event center improvements. Transfers into the Transportation Capital Projects Funds included $1,650,630 for improvements to the Winkler Ave corridor, $798,597 for Larchmont Ave improvements as well as $502,974 for other infrastructure and drainage improvements to area subdivisions.

(4) Transfers from Special Revenue Governmental Funds to the General Capital Projects Fund included $1,000,237 to buy out junkyard on South Street, $709,914 on various Downtown projects, $31,675 towards ongoing public arts projects and maintenance, and $16,059 towards landscaping and irrigation system renovations for the US 41/Cleveland Avenue District. The transfer of $331,192 between Nonmajor Governmental Funds relates to the subsidy from the CRA for downtown para-transit needs. Transfers to Waste Water Utility totaling $7,833,787 for Water Plant expansion and $468,872 to replace Degasifiers.

(5) Transfers from the Water-Wastewater Fund were used to contribute to General Fund operations, in the amount of $7,938,676, Larchmont Avenue improvements, in the amount of $696,106, and $1,325 for Cityview Park Drainage.

(6) Transfers from the Solid Waste Fund were used to contribute to General Fund operations, in the amount of $1,344,775, for Solid Waste Fund PILT (payment in lieu of taxes) and an additional $24,594 for the transfer of a 2024 Ford Maverick from the Solid Waste fund to the Water-Wastewater Utility Fund.

NOTE 19 – INTERFUND TRANSFERS - Continued

(7) The transfer from the ITS Internal Service Fund to the Revenue Bonds and Notes Fund supported debt service needs, in the amount of $95,900. The transfer to the General Capital Projects Fund provided funding for the new city-wide Enterprise Resource Planning (ERP) system replacement project in the amount of $349,400. The transfer from the Fleet Internal Service Fund to the General Capital Projects Fund in the amount of $15,625 provided funding for the Fleet Office Rebuild.

(8) Transfers from the Nonmajor Business-type funds were used to support General Fund operations, fund debt service needs in the amount of $2,190,937. An additional $1,035,235 from parking for improvements to the City of Palms parking garage. Transfers to Transportation Capital Projects Funds provided $474,884 for Larchmont Ave improvements. $162,600 was transferred from Fort Myers Country Club Operations to Eastwood Country Club Operations.

NOTE 20 – CONTINGENCIES

Grants

The City participates in various federal and state grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit, Subpart F of the OMB Uniform Guidance. Accordingly, the City's compliance with applicable grant requirements will be established at a future date. The amount of expenditures that may be disallowed by the granting agencies cannot be determined at this time. City management anticipates such amounts, if any, will be immaterial.

Litigation, Claims and Assessments

There are several pending claims and lawsuits arising from the normal course of business in which the City is involved. Estimated liabilities related to most unsettled claims have been accrued under the City's self-insurance program, and management believes the self-insurance reserves recorded in the Risk Management Fund are adequate to cover losses for which the City may be liable. Although the outcome of these lawsuits and pending claims are not presently determinable, the City's attorneys are not aware of any such claims against the City that would have a material effect on the basic financial statements or the adequacy of the appropriate reserves on deposit in the Risk Management Fund.

The City was currently involved in an environmental assessment by the State of Florida Department of Environmental Protection (FDEP) for regulatory exceedances related to wastewater, stormwater and monitoring. The City was expected to comply with the corrective actions mandated by the FDEP and City Council elected to implement an in-kind penalty project on February 16, 2021. The value of the in-kind penalty project was estimated at $768,675 and in compliance with GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligation*, the City accrued the total estimated cost in the Water-Wastewater Enterprise Fund. The City renegotiated the consent order in 2025 and agreed to an additional in-kind penalty project. That project was completed in 2025. As of September 30, 2025, the City has completed all in-kind penalty projects associated with the Consent Order.

NOTE 20 – CONTINGENCIES - Continued

City owned land was sold to Suncoast Beverage for $9.1 million, the City received $6 million and the remaining $3.1 million was put into an escrow that will be used by Suncoast Beverage for remediation of that land to clear out any environmental hazards. If the cost goes over the $3.1 million the City is not liable, but if the cost are less than $3.1 million than the City will receive the remaining funds. As of September 30, 2025, there is no quantifiable projection on the final remediation cost of the land.

Significant Contingencies

On September 28, 2022, Hurricane Ian made landfall just west of Fort Myers as a Category 4 storm, bringing significant storm surge to the coastal areas. The financial impact of Hurricane Ian to the City is estimated at $24 million. The City expects to receive substantial reimbursement from the Federal Emergency Management Agency.

NOTE 21 – TAX ABATEMENTS

The City's Community Redevelopment Agency (CRA) determined the use of tax increment rebates and other incentives are necessary to encourage development within the CRA's redevelopment areas. The terms and conditions of the tax increment rebate are provided for in a Development Agreement that is approved by the CRA Board of Commissioners during a public meeting. In such an agreement, the CRA agrees to provide financial support for a project by providing to the developer the increment revenue payment attributable to said project. The increment revenue payment attributable to a project is based on the increase in property taxes above the base year value of the project site. The amount of increment revenue that the agency receives for the project site each year from the "taxing authorities", as that term is defined in Section 163.340(2), Florida Statutes, will be 95% of the difference between the final assessment roll of taxable real property prepared by the Lee County Property Appraiser of Lee County, Florida, for the project site in a given year minus the base year defined above multiplied by the applicable millage rate for each taxing authority. The project payment to the developer will then be calculated by multiplying the approved rebate percentage for a specific year of the project by the amount of tax increment the CRA receives for the project site in a particular fiscal year as described above. The agreed upon rebate percentage of the tax increment received will be rebated if the total real estate taxes are paid prior to delinquency. If the taxes are not paid timely, there is no rebate of the property tax increment. This rebate program has no effect on the revenues of the primary government, the City of Fort Myers.

The City of Fort Myers abated property taxes totaling $6,929,519. The City entered into the following tax abatement agreements:

NOTE 21 – TAX ABATEMENTS– Continued

Table 1: Summary of Rebates for Completed Projects

Project Name (Developer)	Effective Date of Agreement	Rebate Amount (%)	Number of Years	Maximum Amount of Rebate Payment	Rebate Payments as of 9/30/2025	Purpose
The Banyan (fka: Hotel Indigo): Laxmi Lodging	12/11/2006	Years 1-2: 95% Years 3-20: 75%	20 years	$2,500,000	$453,881	Project represents the renovation of the historic Post Office Arcade for a hotel lobby and retail, restaurant and commercial uses, and to construct a new 7 story hotel containing between 60 and 70 hotel rooms.
David Plummer (McGregor-Clifford, LLC.) 2149 McGregor	12/8/2011	75%	15 years	$106,442	$10,967	Construction of a 5,100 square foot professional office development, related parking and other amenities.
Grand Central Fort Myers, LLC. Aileron (Grand Central)	6/30/2016	Years 1-2: 95% Years 3-12: 77%	12 years	$4,450,000	$2,076,000	Construction of approximately 15,000 square feet of retail space and approximately 280 rental apartment units with amenities.
MainSail, Fort Myers LLLP.: Luminary Hotel	12/13/2017	95%	7 Years	$2,600,000	$813,077	Project represents a structured parking garage containing at least 210 parking spaces and a full-service hotel consisting of full amenities, meeting rooms and at least 225 hotel rooms.
City Walk Fort Myers, LLC.: West End of City Walk	7/25/2018; amended as of 12/11/2019	95%	10 years	$5,500,000, with an annual maximum payment of $550,000	$1,650,000	Amended to increase the residential phase from 302 to 318 units; add 77 spaces to the parking garage; add a 12,000 square foot amenity center and approximately 14,000 square feet of Class A office space, and; remove the development of the hotel on the project site. The project develops property vacant since the recession, provides additional residential housing and retail, and attract additional development.
Royal Palm Gardens Apartments, LLLP. (Redwood) f/k/a Jones Walker	1/6/2020	95%	15 years	$800,000	$55,361	Project represents the purchase and rehabilitation of the 80-unit affordable residential housing development to provide improved living conditions for the tenants, extend the economic life and attract additional development.
2500 Edwards Drive Owner, LLC; Edison Grand	9/3/2013	95%	19 years	$9,726,407	$749,595	Project represents the renovation and adaptive reuse of an existing hotel into an independent living facility consisting of approximately 323 independent senior housing units and 14 lodging units, to provide affordable housing and attract significant new hotel and other development.
ESH Fort Myers, LLC: Silver Hills at Fort Myers, Phase I (Triton Cay)	8/28/2019	95%	Until rebate is satisfied.	$12,960,000	$1,011,368	Project represents two buildings containing a total of 327 apartments, which will be a mix of studio, one bedroom/one bath, two bedroom/two bath and three bedroom/two bath units. A 580-space parking garage will be located mid-block between the two residential buildings. The project provides additional residential housing and associated amenities, and attract additional development.
St. Peter Claver Place Apartments (St. Peter Claver Place I, LTD.)	1/22/2020; Amendment #2 8/16/2022 Amendment #2 (corrected) 04/23/25	95%	Until rebate is satisfied.	$4,500,000	$0.00	Project consists of two phases to provide affordable residential housing and associated amenities to tenant families and individuals. Phase 1 represents 136 two-, three- and four-bedroom apartments in two- and three-story buildings, along with a community building. Phase 2 consists of 78 two- and three-bedroom apartments and associated amenities.
Hampton Inn by Hilton (HBH FTM Hotel, LLC.)	9/25/2019; amended as of 6/9/2022 Amendment #5 3/20/2023 Amendment #6 03/27/2024	Years 1-5: 95% Years 6 and beyond: 75%	Until rebate is satisfied and/or the community redevelopment area sunsets in 2044	$1,900,000	$109,269	Project represents a 4-story, 117-room Hampton Inn by Hilton and associated amenities to provide hotel services and to attract additional development.
First Street Apartments (ZP 362 Fort Myers Church, LLC) (The Ivy)	12/6/2021 Amendment #2 12/14/2022	95%	Until rebate is satisfied and/or the agency sunsets in 2044	$11,025,000	$0.00	Project consists of a minimum of 270 units in a high quality apartment community with amenities.

NOTE 21 – TAX ABATEMENTS– Continued

Table 2: Summary of Approved Rebates Where Construction Has Not Yet Been Completed

Project Name (Developer)	Effective Date of Agreement	Rebate Amount (%)	Number of Years	Maximum Amount of Rebate Payment		Purpose
One Allure (Cedar River at Fort Myers LLC.) Tower 1 and Tower 2	9/1/2015	Tower 1: 85%; Tower 2: 65%	10 years per tower	Tower 1: $8,500,000 Tower 2: $6,500,000		Tied to PUD. Project consists of two 32-story high rise residential towers, commercial square footage, docks, construction of a public riverwalk and other improvements to provide additional multi-family housing and attract additional development.
Prima Luce, LLC	10/2/2015; amended as of 11/30/2016 Amendment #3 8/26/2020	95%	14 years	1) $14,993,120, if 176 units built or 2) $18,469,561, if 220 units built		Project represents a single phase project consisting of two 22-story residential towers to provide additional multi-family housing and attract additional development.
The Macfarlane Group II, LLC. Phase II: Campo Felice Riverfront Senior Housing	4/27/2016	Years 1-5: 70% Years 6-10: 30%	10 years per tower	$3,500,000		Tied to PUD. Project represents the construction of an assisted living and memory care facility and medical office building, as a complementary second phase to the Campo Felice Riverfront Senior Housing Project on the adjoining parcel.
One (Cedar River at Fort Myers II LLC.)	8/29/2024 Amendment #1 9/2/2025	90%	Until satisfied or until Area Sunsets in 2044, which ever comes first.	10,060,000		Project consists of a 15-story high rise residential tower with 34 residential units and other improvements to provide additional multi-family housing and attract additional development.
Vantage Lofts (Vantage Ft. Myers, LLC.)	8/28/2019; amended as of 3/23/2022 Amendment #3 12/14/2022 Amendment #4 11/08/2023	95%	Until rebate is satisfied.	$11,400,000		Construction of a mixed-use 16-story building with upscale modern, contemporary design; approximately 4,014 square feet of retail space and amenities, and; approximately 217 condo-quality apartment units. Project will provide additional residential housing and amenities, and attract additional development.
Seaboard Waterside Apartments (Billy's Creek Preserve LLC)	1/22/2020; Amendment #2 8/16/2022 Amendment #3 11-06-2024	85%	Until rebate is satisfied.	Phase 1-$7,145,000 Phase 2-$4,335,000		Project consists of two phases to provide attainable residential housing and associated amenities and to attract additional development. Phase 1 represents the first residential building with 204 units and amenities including a clubhouse. Phase 2 represents the second residential building with 216 units, associated amenities and a future commercial retail building of approximately 2,000 square feet.
ESH Fort Myers, LLC: Silver Hills at Fort Myers, Phase II	10/14/2020 Amendment #1 08/23/2023	95%	Until rebate is satisfied.	$4,965,000		Project represents phase 2 of an urban, walkable apartment community consisting of approximately 125 units in one six-story concrete block residential building on property totaling 1.07 acres, more or less.
Hilton Tempo (FTM Downtown Hotel LLC)	1/7/2021; amended as of 8/24/2022 Amendment #3 9/27/2023	95%	Until rebate is satisfied.	$5,570,000		Terminated - 09/10/24 Withdrawn by Developer Project represents a select-service Hilton Tempo (8/24/2022) hotel consisting of approximately 132 rooms, with associated hospitality amenities.
St. Peter Claver Place Apartments (St. Peter Claver Place II, LTD.)	1/19/2021 Amendment #1 4/7/2022 Amendment #2 04-23-2025	95%	Until rebate is satisfied.	$2,600,000		Project represents phase 2, consisting of 78 two- and three-bedroom apartments, as part of an affordable housing apartment community, and associated amenities.
Palmera on the River (Palmera Ft. Myers, LLC) (SOHO Sight LLC)	3/1/2021; amended as of 5/25/2022 Amendment #4 3/20/2023 Amendment #5 04-23-2025	95%	Until rebate is satisfied.	$9,535,000		Project consists of a 221-unit minimum luxury multi-family community with a variety of apartment options and amenities.

NOTE 21 – TAX ABATEMENTS– Continued

Table 2: Summary of Approved Rebates Where Construction Has Not Yet Been Completed

Project Name (Developer)	Effective Date of Agreement	Rebate Amount (%)	Number of Years	Maximum Amount of Rebate Payment		Purpose
Towles Garden (Towles Garden LLC)	3/9/2021; Amendment #1 7/12/2022	95%	Until rebate is satisfied.	$4,900,000		Terminated - Developer Defauted 02/27/25 Project consists of a 140-townhome ownership community with related infrastructure, with 51% of the units dedicated to low-income residents making 80% or less of the area median income on the project site.
Montage at Midtown (Catalyst Midtown Apartments, LLC)	9/22/2021; amended 4/11/2022 Amendment #5 8/23/2023 Amendment #6 11/29/2023 Amendment #7 11-12-2024	Years 1-5: 95% Years 6-17: 85% Years 18-19: 50%	Until rebate is satisfied and/or the agency sunsets in 2044	$11,665,217		Project consists of a 321-unit Class A apartment community and amenities.
Gardner's Park Grove (Fort Myers Land and Homes LLC)	5/25/2022 Amendment approved 11/08/2023 pending written amendment Amendment #1 12-16-2024	85%	Until rebate is satisfied and/or the agency sunsets in 2044	$360,000		Project consists of a high-quality 10-unit single-family housing complex and common elements.
Staybridge Suites (HIDEV Group LLC:)	7/29/2022 Amendment #1 05/01/2023 Amendment #2 11/29/2023 Amendment #3 06/26/2024	85%	Until rebate is satisfied and/or the agency sunsets in 2044	$3,300,000		Project Represents a limited service Staybridge Suites hotel consisting of approximately 100 units, pool, meeting space and outside amenity areas.
The Irving (2401 Bay Street, LLC)	12/1/2021 Amendment #2 6/29/2023 Increment Revenue Payment Agreement 7/1/2024	85%	Until rebate is satisfied and/or the agency sunsets in 2044	$4,000,000 Increased to $10,500,000.00		Project consists of a minimum of 54 units and a maximum of 66 units in a high-quality apartment community with amenities. (Increased units from 66 to 98 units)
McCollum Hall (G+C McCollum LLC)	10/26/2022	95%	Capped at annual maximum of $100,000 for period of five (5) years or longer until $500K is paid	$500,000.00		Terminated 8/11/25 - Developer Defaulted Project consists of a 26-unit multi-family community and 14,200 square feet of commercial retail space at the existing McCollum Hall structure and adjacent parcels. The retail space will be used as a market/food hall.
Bloom, The (2010 Hanson LLC)	12/14/2022 Amendment #1 11-22-2023 Amendment #2 11-06-2024 Amendment #3 02-26-2025 Amendment #4 04-23-2025 Estoppel 05-01-2025	85%	Until said amount is satisfied or the Area sunsets in 2040	$8,200,000.00		Project consists of 336 high-quality workforce housing units with a 506 space parking garage and amenities will include an onsite park and community pool/clubhouse.
Alessio Lot 1 LLC	Increment Rebate Agrmt. Executed 9/25/2024	95%	20 years	$11,400,000.00		The Project will consist of a minimum of 128,000 square feet of commercial flex space and a maximum of 241,000 square feet of commercial flex space. West Building: 129,000 SF of commercial flex space East Building: 112,000 SF of commercial flex space The property located at 2501 Alessio Drive, Fort Myers, Florida 33905 (the "Property").
Cedar at Royal Palms LLC 2424 Edwards Dr.	7/2/2024	Phase I 80% Phase II 90% Phase III 85%	Until said amount is satisfied or the Area sunsets in 2044	Phase I $4,030,000.00 Phase II $15,980,000.00 Phase III $10,160,000.00		High-quality mixed-use project consisting of 101 corporate suites (Phase I), 253 upscale hotel rooms (Phase II), and 104 condominium residences (Phase III), to be known as "Royal Palms".

NOTE 22 – SUBSEQUENT EVENTS

The City engaged Bolton Partners, Inc. to perform a comprehensive total compensation study during fiscal year 2025. The study was completed subsequent to September 30, 2025, and was used to determine overall salary adjustments for fiscal year 2026, except for employees covered by collective bargaining agreements. Full implementation of the study, including review of job classifications and individual employee compensation by department, will occur throughout fiscal year 2026.

The City ratified bargaining agreements with the International Union of Police Associations and the International Union of Painters and Allied Trades on February 17, 2026, and March 16, 2026, respectively. Prior agreements expired on September 30, 2025.

On March 16, 2026, the City entered into an agreement totaling $4.0 million to acquire vacant land from the Housing Authority of the City of Fort Myers, along with the donation of the improved property known as the Dr. Carrie D. Robinson Center. The City intends to use the vacant land for green space and park purposes and financed the acquisition with General Obligation Bonds approved by voters in the November 2024 election. The Dr. Carrie D. Robinson Center is expected to be used for additional office space, event space, and programming in conjunction with the STARS Complex, and potentially as a future rental facility.

The City entered into a Finance Purchase Agreement, dated and effective February 17, 2026, with Bancorp Bank, National Association, in the estimated amount of $2,090,448 for the lease-purchase of 26 police vehicles and related equipment. The agreement has a four-year term with an interest rate of 3.9% per annum. Annual principal and interest payments will commence once the vehicles are fully equipped and placed into service.

REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF FORT MYERS, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis) - General Fund
For the Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
REVENUES				
Taxes	$ 112,090,850	$ 115,079,671	$ 115,714,755	$ 635,084
Permits and fees	18,478,300	18,553,300	23,320,896	4,767,596
Intergovernmental revenue	14,695,765	19,730,692	14,503,004	(5,227,688)
Charges for services	10,016,600	10,016,600	10,347,541	330,941
Fines and forfeitures	535,000	535,000	561,054	26,054
Miscellaneous	9,329,647	24,817,743	7,197,183	(17,620,560)
Contributions - private source	7,200	49,508	30,745	(18,763)
Total revenues	165,153,362	188,782,514	171,675,178	(17,107,336)
EXPENDITURES				
Current:				
General Government:				
Council - Mayor Pro Tem	7,200	7,200	5,752	1,448
Council - Ward 1	86,600	86,600	85,466	1,134
Council - Ward 2	106,700	106,700	93,550	13,150
Council - Ward 3	96,700	108,500	108,584	(84)
Council - Ward 4	102,900	102,900	100,557	2,343
Council - Ward 5	78,000	78,000	64,911	13,089
Council - Ward 6	113,900	113,900	110,065	3,835
Council - Mayor	136,300	136,300	120,720	15,580
City Manager	2,097,767	2,088,544	1,621,248	467,296
Internal Audit	184,400	184,400	168,943	15,457
Communications	645,050	645,050	381,484	263,566
Economic Development	385,700	400,200	397,858	2,342
Legal	2,456,200	2,669,108	1,601,657	1,067,451
City Clerk	1,439,650	1,425,874	1,293,673	132,201
Facilities Management	3,468,600	3,885,979	3,375,180	510,799
Financial Services	5,300,250	5,308,480	4,315,139	993,341
Human Resources	2,255,000	2,288,079	1,929,180	358,899
Real Estate	1,036,500	1,036,500	709,779	326,721
Community Development	2,208,800	2,259,200	2,121,494	137,706
Contributions	773,940	1,088,775	739,362	349,413
General Contingencies	176,500	152,239	156,377	(4,138)
Professional Services	361,300	373,500	349,639	23,861
Total General Government	23,517,957	24,546,028	19,850,618	4,695,410
Public Safety:				
Police	64,294,243	66,087,064	66,616,456	(529,392)
Fire	34,061,920	36,092,691	35,618,592	474,099
Protective Inspections	2,127,900	2,146,586	2,050,249	96,337
Total Public Safety	$ 100,484,063	$ 104,326,341	$ 104,285,297	$ 41,044

CITY OF FORT MYERS, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis) - General Fund - Continued
For the Year Ended September 30, 2025

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget
Transportation	$ 918,100	$ 983,800	$ 985,978	$ (2,178)
Physical Environment:				
Engineering	3,391,300	3,543,999	3,196,833	347,166
Parks	6,889,900	7,114,172	7,141,278	(27,106)
Cemetery	612,480	602,003	595,158	6,845
Insurance	124,800	124,800	124,800	-
Total Physical Environment	11,018,480	11,384,974	11,058,069	326,905
Economic Environment	1,640,800	5,304,678	2,191,578	3,113,100
Culture and Recreation	6,806,850	6,611,857	6,294,178	317,679
Debt Service	-	-	272,439	(272,439)
Total Current	144,386,250	153,157,678	144,938,157	8,219,521
Capital outlay:				
General	8,000	8,000	3,464,171	(3,456,171)
Police	667,700	2,486,135	1,571,265	914,870
Fire	119,100	170,320	132,093	38,227
Protective inspections	16,100	16,100	15,900	200
Physical environment	200,000	228,261	236,128	(7,867)
Culture and Recreation	-	62,682	20,210	42,472
Total Capital outlay	1,010,900	2,971,498	5,439,767	(2,468,269)
Total expenditures	145,397,150	156,129,176	150,377,924	5,751,252
Excess of revenues over expenditures	19,756,212	32,653,338	21,297,254	(11,356,084)
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	1,652,344	1,652,344
Finance purchase obligations	-	1,556,400	4,017,822	2,461,422
Proceeds from leases (right to use assets)	-	-	1,394,818	1,394,818
Transfers in	9,774,288	13,769,361	10,979,483	(2,789,878)
Transfers out:				
Debt service transfers out	16,265,300	15,975,200	14,596,474	1,378,726
Capital funding transfers out	5,135,000	13,547,862	9,692,250	3,855,612
Non General transfers out	8,130,200	8,475,423	8,380,621	94,802
Total transfers out	29,530,500	37,998,485	32,669,345	5,329,140
Total other financing sources (uses)	(19,756,212)	(22,672,724)	(14,624,878)	6,653,028
Net change in fund balances			6,672,376	
Fund balance - beginning			65,517,408	
Fund balance - ending			$ 72,189,784	

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CITY OF FORT MYERS, FLORIDA
Employees' Pension Plans
Schedule of Changes in Net Pension Liability and Related Ratios
General Employees' Pension Plan
Last Ten Fiscal Years

	9/30/2025	9/30/2024	9/30/2023	9/30/2022
Total pension liability				
Service cost	$ 4,159,594	$ 2,812,625	$ 3,418,705	$ 2,938,146
Interest	16,283,590	15,177,035	14,661,625	14,252,642
Changes of benefit terms	-	(3,117)	-	-
Differences between expected and actual experience	439,314	5,408,177	1,950,915	781,063
Changes of assumptions	2,061,090	3,589,009	-	-
Contributions - members	-	77,997	97,622	2,818
Benefit payments, including refunds of member contributions	(13,469,844)	(13,043,910)	(13,085,114)	(12,025,467)
Net change in total pension liability	9,473,744	14,017,816	7,043,753	5,949,202
Total pension liability - beginning	226,540,416	212,522,600	205,478,847	199,529,645
Total pension liability - ending (a)	$ 236,014,160	$ 226,540,416	$ 212,522,600	$ 205,478,847
Plan fiduciary net position				
Contributions - employer	$ 11,020,754	$ 10,263,647	$ 8,682,161	$ 8,625,169
Contributions - members	1,895,332	1,843,916	1,727,314	1,486,218
Net investment income (loss)	25,297,494	38,539,198	19,609,319	(33,483,946)
Benefit payments, including refunds of member contributions	(13,461,186)	(13,182,020)	(12,965,932)	(12,111,300)
Administrative expense	(227,122)	(256,601)	(226,166)	(222,465)
Net change in plan fiduciary net position	24,525,272	37,208,140	16,826,696	(35,706,324)
Plan fiduciary net position - beginning	199,126,083	161,917,943	145,091,247	180,797,571
Plan fiduciary net position - ending (b)	$ 223,651,355	$ 199,126,083	$ 161,917,943	$ 145,091,247
Net pension liability - ending (a) - (b)	$ 12,362,805	$ 27,414,333	$ 50,604,657	$ 60,387,600
Plan fiduciary net position as a percentage of the total pension liability	94.76%	87.90%	76.19%	70.61%
Covered payroll	$ 39,635,559	$ 35,867,192	$ 32,692,987	$ 29,030,511
Net pension liability as a percentage of covered payroll	31.19%	76.43%	154.79%	208.01%

9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
$ 2,624,522	$ 2,937,411	$ 2,796,627	$ 2,428,377	$ 2,802,062	$ 2,603,341
13,768,146	13,473,986	12,972,343	12,475,849	12,214,755	11,396,703
(9,390)	-	-	9,191	382	-
1,388,678	3,003,873	634,616	1,813,109	(1,853,950)	383,871
-	2,112,038	696,296	2,208,471	-	7,542,789
71,027	31,606	32,648	114,065	28,076	39,831
(11,385,178)	(10,810,020)	(10,497,887)	(9,541,469)	(9,272,156)	(8,556,536)
6,457,805	10,748,894	6,634,643	9,507,593	3,919,169	13,409,999
193,071,840	182,322,946	175,688,303	166,180,710	162,261,541	148,851,542
$ 199,529,645	$ 193,071,840	$ 182,322,946	$ 175,688,303	$ 166,180,710	$ 162,261,541
$ 10,079,924	$ 9,959,509	$ 9,534,821	$ 8,517,979	$ 7,760,600	$ 8,149,579
1,764,626	1,612,869	1,269,187	1,070,880	908,353	1,003,269
32,724,476	17,010,206	2,516,024	14,890,636	14,529,743	7,220,356
(11,323,471)	(10,808,293)	(10,497,887)	(9,541,469)	(9,272,156)	(8,556,536)
(175,032)	(178,122)	(212,307)	(192,732)	(167,963)	(161,736)
33,070,523	17,596,169	2,609,838	14,745,294	13,758,577	7,654,932
147,727,048	130,130,879	127,521,041	112,775,747	99,017,170	91,362,238
$ 180,797,571	$ 147,727,048	$ 130,130,879	$ 127,521,041	$ 112,775,747	$ 99,017,170
$ 18,732,074	$ 45,344,792	$ 52,192,067	$ 48,167,262	$ 53,404,963	$ 63,244,371
90.61%	76.51%	71.37%	72.58%	67.86%	61.02%
$ 29,202,628	$ 26,507,116	$ 22,951,785	$ 21,710,056	$ 20,918,917	$ 22,012,119
64.15%	171.07%	227.40%	221.87%	255.30%	287.32%

CITY OF FORT MYERS, FLORIDA
Employees' Pension Plans
Schedule of Contributions
General Employees' Pension Plan
Last Ten Fiscal Years

	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021
Actuarially determined contribution	$ 11,137,592	$ 10,114,548	$ 8,663,642	$ 8,680,123	$ 10,218,387
Contributions in relation to the actuarially determined contributions	11,020,754	10,263,647	8,682,161	8,625,169	10,079,924
Contribution deficiency (excess)	$ 116,838	$ (149,099)	$ (18,519)	$ 54,954	$ 138,463
Covered payroll (1)	$ 39,635,559	$ 35,867,192	$ 32,692,987	$ 29,030,511	$ 29,202,628
Contributions as a percentage of covered payroll	27.81%	28.62%	26.56%	29.71%	34.52%

Notes to Required Supplementary Information for the Year Ended September 30, 2025

Methods and assumptions used in calculations of actuarially determined contributions. The actuarially determined contribution rates in the schedule of the City's contributions are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contribution rates reported in the schedule:

Actuarial cost method: Entry age normal

Amortization method: New UAAL amortization bases amortized over 15 years

Asset valuation method: All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses over a five-year period (as measured by actual market value investment return against expected market value investment return).

Inflation: 2.5% per year

Salary increases:

Credited Service:	Increase:
<2	10.00%
2-9	6.50%
10+	6.00%

This assumption was adopted based on the results of the September 9, 2024 actuarial experience study.

Investment rate of return: 7.25% per year, compounded annually, net of investment related expenses.

Payroll growth: 0.0% per year

Cost of living adjustment (COLA): Annual 2.50% increase (Tier 3 and Tier 4 members) with at least three years of increased member contributions. The COLA is payable to Normal and Early Retirees, in addition to Disability Retirees, Vested Terminated members, and Joint Pensioners and Beneficiaries. The supplemental benefit, described above, is not adjusted for the COLA.

Retirement age: Earlier of age 62 with five years of service, or thirty years of service, regardless of age, or the age when service plus age equals 80, but no earlier than one year after the valuation date.

Early retirement: Commencing with the earliest early retirement age (age 55 with seven years of service, or age 60 with five years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 10% per year.

Mortality:

Healthy active lives: Female - PubG.H-2010 for employees; Male - PubG.H-2010 for employees, set back one year.

Healthy retiree lives: Female - PubG.H-2010 for healthy retirees; Male - PubG.H-2010 for healthy retirees, set back one year.

Beneficiary lives: Female - PubG.H-2010 for healthy retirees; Male - PubG.H-2010 for healthy retirees, set back one year.

Disabled lives: PubG.H-2010 for disabled retirees, set forward four years.

Termination and Disability Rate Tables

Age	% terminating during the year: Rate (0-5 years)	Rate (5+ years)
<23	40.0%	
23-29	22.5%	
30+	15.0%	
<30		15.0%
30-34		10.0%
35+		5.5%

Age	% becoming disabled during the year
20	0.02%
25	0.02%
30	0.02%
35	0.03%
40	0.04%
45	0.05%
50	0.09%
55	0.18%
60	0.45%
65+	1.10%

CITY OF FORT MYERS, FLORIDA
Employees' Pension Plans
Schedule of Contributions (continued)
General Employees' Pension Plan
Last Ten Fiscal Years

	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
Actuarially determined contribution	$ 9,912,752	$ 8,992,347	$ 8,400,220	$ 7,760,600	$ 8,149,579
Contributions in relation to the actuarially determined contributions [(1)]	9,959,509	9,534,821	8,517,979	7,760,600	8,149,579
Contribution deficiency (excess)	$ (46,757)	$ (542,474)	$ (117,759)	$ -	$ -
Covered payroll [(1)]	$ 26,507,116	$ 22,951,785	$ 21,710,056	$ 20,918,917	$ 22,012,119
Contributions as a percentage of covered payroll	37.57%	41.54%	39.24%	37.10%	37.02%

CITY OF FORT MYERS, FLORIDA
Employees' Pension Plans
Schedule of Changes in Net Pension Liability and Related Ratios
Police Officers' Retirement System
Last Ten Fiscal Years

	9/30/2025	9/30/2024	9/30/2023	9/30/2022
Total pension liability				
Service cost	$ 5,069,029	$ 4,559,948	$ 4,540,411	$ 4,483,147
Interest	19,889,538	18,739,882	17,727,782	17,079,691
Change in excess state money	-	-	-	-
Share plan allocation	447,339	394,049	305,692	179,364
Differences between expected and actual experience	624,369	4,751,544	3,043,005	(316,475)
Changes of assumptions	3,002,981	-	-	6,419,521
Contributions - members	235,358	59,827	121,612	145,950
Benefit payments, including refunds of member contributions	(14,296,928)	(12,855,480)	(11,905,407)	(11,908,041)
Net change in total pension liability	14,971,686	15,649,770	13,833,095	16,083,157
Total pension liability - beginning	267,435,721	251,785,951	237,952,856	221,869,699
Total pension liability - ending (a)	$ 282,407,407	$ 267,435,721	$ 251,785,951	$ 237,952,856
Plan fiduciary net position				
Contributions - employer	$ 12,212,039	$ 12,068,944	$ 10,660,840	$ 9,016,386
Contributions - state	1,623,147	1,516,567	1,339,854	1,087,198
Contributions - members	2,592,373	2,236,638	2,236,441	2,083,632
Net investment income (loss)	16,076,967	34,261,612	14,779,902	(32,099,444)
Benefit payments, including refunds of member contributions	(14,296,928)	(12,855,480)	(11,905,407)	(11,908,041)
Administrative expense	(205,822)	(178,865)	(148,466)	(190,455)
Net change in plan fiduciary net position	18,001,776	37,049,416	16,963,164	(32,010,724)
Plan fiduciary net position - beginning	214,013,350	176,963,934	160,000,770	192,011,494
Plan fiduciary net position - ending (b)	$ 232,015,126	$ 214,013,350	$ 176,963,934	$ 160,000,770
Net pension liability - ending (a) - (b)	$ 50,392,281	$ 53,422,371	$ 74,822,017	$ 77,952,086
Plan fiduciary net position as a percentage of the total pension liability	82.16%	80.02%	70.28%	67.24%
Covered payroll	$ 23,570,154	$ 22,586,627	$ 21,148,286	$ 19,383,242
Net pension liability as a percentage of covered payroll	213.80%	236.52%	353.80%	402.16%

	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
	$ 3,646,411	$ 4,036,915	$ 3,580,281	$ 3,119,115	$ 2,908,481	$ 2,610,793
	16,252,921	15,400,575	14,706,081	13,793,082	13,366,553	12,654,765
	-	-	-	-	-	(58,951)
	136,048	140,675	81,362	75,899	35,452	58,951
	1,449,972	4,702,185	322,404	3,831,561	(1,566,690)	(3,082,812)
	-	(2,495,828)	-	-	-	11,281,277
	-	21,320	-	-	-	-
	(11,206,060)	(10,453,865)	(9,610,033)	(9,220,487)	(9,671,429)	(9,295,255)
	10,279,292	11,351,977	9,080,095	11,599,170	5,072,367	14,168,768
	211,590,407	200,238,430	191,158,335	179,559,165	174,486,798	160,318,030
	$ 221,869,699	$ 211,590,407	$ 200,238,430	$ 191,158,335	$ 179,559,165	$ 174,486,798
	$ 9,797,559	$ 9,958,884	$ 10,571,813	$ 9,167,168	$ 9,355,736	$ 10,205,591
	1,000,567	1,009,819	891,194	880,267	799,375	726,481
	1,935,401	1,707,415	1,807,864	1,352,250	1,294,074	1,159,287
	29,616,515	13,574,836	6,755,606	11,992,630	11,205,220	8,341,332
	(11,206,060)	(10,453,865)	(9,610,033)	(9,220,487)	(9,671,429)	(9,295,255)
	(156,804)	(142,892)	(103,472)	(95,338)	(97,446)	(106,868)
	30,987,178	15,654,197	10,312,972	14,076,490	12,885,530	11,030,568
	161,024,316	145,370,119	135,057,147	120,980,657	108,095,127	97,064,559
	$ 192,011,494	$ 161,024,316	$ 145,370,119	$ 135,057,147	$ 120,980,657	$ 108,095,127
	$ 29,858,205	$ 50,566,091	$ 54,868,311	$ 56,101,188	$ 58,578,508	$ 66,391,671
	86.54%	76.10%	72.60%	70.65%	67.38%	61.95%
	$ 18,510,551	$ 17,927,199	$ 16,376,467	$ 13,207,334	$ 12,940,739	$ 11,592,866
	161.30%	282.06%	335.04%	424.77%	452.67%	572.69%

CITY OF FORT MYERS, FLORIDA
Employees' Pension Plans
Schedule of Contributions
Police Officers' Retirement System
Last Ten Fiscal Years

	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021
Actuarially determined contribution	$ 13,387,847	$ 12,490,405	$ 11,695,002	$ 9,924,220	$ 10,662,078
Contributions in relation to the actuarially determined contributions [1]	13,835,186	13,585,511	12,000,694	10,103,584	10,798,126
Contribution deficiency (excess) [2]	$ (447,339)	$ (1,095,106)	$ (305,692)	$ (179,364)	$ (136,048)
Covered payroll	$ 23,570,154	$ 22,586,627	$ 21,148,286	$ 19,383,242	$ 18,510,551
Contributions as a percentage of covered payroll	58.70%	60.15%	56.75%	52.13%	58.33%

(1) Contributions consist of amounts from the City and the State, a non-employer contributing entity.

(2) The excess contributions result from the fiscal year Share Plan allocation.

Notes to Required Supplementary Information for the Year Ended September 30, 2025

Methods and assumptions used in calculations of actuarially determined contributions. The actuarially determined contribution rates in the schedule of the City's contributions are calculated as of October 1, one year prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contribution rates reported in the schedule:

Actuarial cost method: Entry age normal

Amortization method: New UAAL amortization bases amortized over 15 years.

Asset valuation method: All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.

Inflation: 2.5% per year

Salary increases: The assumption was adopted based on the results of the September 20, 2021 actuarial experience study. Projected salary at retirement is increased to account for non-regular compensation. This increase is based on each individual's hours accrued to date, as provided by the City.

Service	Rate
< 2 years	12.00%
2-14 years	6.00%
15+ years	5.00%

Investment rate of return: 7.50% per year, compounded annually, net of investment-related expenses.

Payroll growth: 0.0% per year

Cost of living adjustment (COLA): Payments on the cost-of-living increase vary, based on retirement date. See Note 10 for Specific disclosure.

Retirement age: The assumption was adopted based on the results of the September 20, 2021 actuarial experience study.

	% retiring during the year	
Service	Age	Rate
< 25	55	75%
	56-59	50%
	60+	100%
25+	Any	100%

Early retirement: The assumption was adopted based on the results of the September 20, 2021 actuarial experience study.

	% retiring during the year	
Service	Age	Rate
10-14 years	45+	2.0%
15-17 years	Any	4.5%
18-19 years	Any	7.5%
20-24 years	Any	12.0%

Mortality:

Healthy active lives: Female - PubS.H-2010 for employees, set forward one year; Male - PubS.H-2010 for employees, set forward one year.

Healthy retiree lives: Female - PubS.H-2010 for healthy retirees, set forward one year; Male - PubS.H-2010 for healthy retirees, set forward one year.

Beneficiary lives: Female - PubG.H-2010 for healthy retirees; Male - PubG.H-2010 for healthy retirees, set back one year.

Disabled lives: Female - PubG.H-2010 for disabled retirees; Male - PubG.H-2010 for diabaled retirees, set forward one year.

9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
$ 10,828,029	$ 11,381,645	$ 9,971,538	$ 10,119,658	$ 10,932,072
10,968,703	11,463,007	10,047,435	10,155,111	10,932,072
$ (140,674)	$ (81,362)	$ (75,897)	$ (35,453)	$ -
$ 17,927,199	$ 16,376,467	$ 13,207,334	$ 12,940,739	$ 11,592,866
61.18%	70.00%	76.07%	78.47%	94.30%

Methods and assumptions used in calculations of actuarially determined contributions (continued)

Termination and Disability Rate Tables:
The assumption was adopted based on the results of the September 20, 2021 actuarial experience study.

% terminating during the year		% becoming disabled during the year	
Service	Rate	Age	Rate
< 1 year	11.4%	20	0.05%
1-4 years	8.3%	25	0.05%
5-9 years	6.4%	30	0.06%
10+ years	2.6%	35	0.07%
		40	0.12%
		45	0.22%
		50	0.43%
		55	0.89%
		60	1.61%
		65+	0.00%

CITY OF FORT MYERS, FLORIDA
Employees' Pension Plans
Schedule of Changes in Net Pension Liability and Related Ratios
Firefighters' Retirement System
Last Ten Fiscal Years

	9/30/2025	9/30/2024	9/30/2023	9/30/2022
Total pension liability				
Service cost	$ 3,186,704	$ 3,133,480	$ 2,665,092	$ 2,376,356
Interest	13,883,365	12,955,719	12,668,666	11,884,036
Share plan allocation	663,838	558,450	443,365	139,389
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(968,864)	4,386,253	(3,914,034)	5,254,307
Changes of assumptions	(4,268,436)	2,212,394	-	4,600,330
Contributions - members	77,034	45,030	43,983	18,885
Benefit payments, including refunds of members contributions	(8,486,823)	(8,462,035)	(8,716,336)	(11,211,949)
Net change in total pension liability	4,086,818	14,829,291	3,190,736	13,061,354
Total pension liability - beginning	188,680,845	173,851,554	170,660,818	157,599,464
Total pension liability - ending (a)	$ 192,767,663	$ 188,680,845	$ 173,851,554	$ 170,660,818
Plan fiduciary net position				
Contributions - employer	$ 8,755,552	$ 9,351,172	$ 9,210,886	$ 7,633,999
Contributions - state	1,365,673	1,260,285	1,145,199	841,225
Contributions - members	1,289,519	1,120,201	1,073,816	841,162
Net investment income (loss)	19,841,752	27,347,094	11,516,032	(16,775,818)
Benefit payments, including refunds of members contributions	(8,486,823)	(8,462,035)	(8,716,336)	(11,211,949)
Administrative expense	(167,398)	(190,905)	(163,820)	(167,130)
Net change in plan fiduciary net position	22,598,275	30,425,812	14,065,777	(18,838,511)
Plan fiduciary net position - beginning	$ 159,290,653	128,864,841	114,799,064	133,637,575
Plan fiduciary net position - ending (b)	$ 181,888,928	$ 159,290,653	$ 128,864,841	$ 114,799,064
Net pension liability - ending (a) - (b)	$ 10,878,735	$ 29,390,192	$ 44,986,713	$ 55,861,754
Plan fiduciary net position as a percentage of the total pension liability	94.36%	84.42%	74.12%	67.27%
Covered payroll [(1)]	$ 15,156,069	$ 13,439,637	$ 13,060,417	$ 10,278,464
Net pension liability as a percentage of covered payroll	71.78%	218.68%	344.45%	543.48%

CITY OF FORT MYERS, FLORIDA
Employees' Pension Plans
Schedule of Changes in Net Pension Liability and Related Ratios (continued)
Firefighters' Retirement System
Last Ten Fiscal Years

9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
$ 2,200,778	$ 1,966,124	$ 1,749,412	$ 1,969,349	$ 1,930,988	$ 1,505,575
11,472,327	10,795,028	10,387,041	9,828,439	9,417,309	8,758,455
41,245	8,851	(233,883)	233,883	302,760	362,631
-	-	5,192	-	-	-
971,803	767,949	766,453	2,544,751	897,499	179,085
1,756,459	4,440,025	1,527,660	-	-	4,134,132
48,573	42,520	12,479	13,639	47,664	9,569
(7,674,427)	(7,814,335)	(7,465,942)	(7,389,968)	(7,526,478)	(6,549,368)
8,816,758	10,206,162	6,748,412	7,200,093	5,069,742	8,400,079
148,782,706	138,576,544	131,828,132	124,628,039	119,558,297	111,158,218
$ 157,599,464	$ 148,782,706	$ 138,576,544	$ 131,828,132	$ 124,628,039	$ 119,558,297
$ 7,843,466	$ 5,840,974	$ 5,954,869	$ 5,656,025	$ 6,685,155	$ 6,534,956
743,080	719,537	645,434	639,810	708,686	768,557
849,028	650,911	634,475	599,335	711,392	615,760
22,782,350	6,596,914	2,890,300	9,248,134	10,499,660	7,231,319
(7,623,337)	(7,811,765)	(7,465,942)	(7,389,968)	(7,526,478)	(6,549,368)
(163,881)	(150,748)	(147,583)	(120,964)	(102,156)	(99,640)
24,430,706	5,845,823	2,511,553	8,632,372	10,976,259	8,501,584
109,206,869	103,361,046	100,849,493	92,217,121	81,240,862	72,739,278
$ 133,637,575	$ 109,206,869	$ 103,361,046	$ 100,849,493	$ 92,217,121	$ 81,240,862
$ 23,961,889	$ 39,575,837	$ 35,215,498	$ 30,978,639	$ 32,410,918	$ 38,317,435
84.80%	73.40%	74.59%	76.50%	73.99%	67.95%
$ 9,699,547	$ 8,098,467	$ 7,774,957	$ 7,321,199	$ 8,293,662	$ 7,577,381
247.04%	488.68%	452.93%	423.14%	390.79%	505.68%

CITY OF FORT MYERS, FLORIDA
Employees' Pension Plans
Schedule of Contributions
Firefighter' Retirement System
Last Ten Fiscal Years

	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021
Actuarially determined contribution	$ 9,457,387	$ 9,327,108	$ 9,063,929	$ 8,335,834	$ 8,545,301
Contributions in relation to the actuarially determined contributions [1]	10,121,225	10,611,457	10,356,085	8,475,224	8,586,546
Contribution deficiency (excess) [2]	$ (663,838)	$ (1,284,349)	$ (1,292,156)	$ (139,390)	$ (41,245)
Covered payroll [3]	$ 15,156,069	$ 13,439,637	$ 13,060,417	$ 10,278,464	$ 9,699,547
Contributions as a percentage of covered payroll	66.78%	78.96%	79.29%	82.46%	88.53%

(1) Contributions consist of amounts from the City and the State, a non-employer contributing entity.

(2) The excess contributions result from the fiscal year Share Plan allocation.

Notes to Required Supplementary Information for the Year Ended September 30, 2025

Methods and assumptions used in calculations of actuarially determined contributions. The actuarially determined contribution rates in the schedule of the City's contributions are calculated as of October 1, one year prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contribution rates reported in the schedule:

Actuarial cost method: Entry age normal

Amortization method: New UAAL amortization bases amortized over 15 years.

Asset valuation method: All assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.

Inflation: 2.5% per year

Salary increases: The assumption was adopted based on the results of the September 20, 2021 actuarial experience study.

Service	Expected Increase
< 2 years	10.00%
2-4 years	5.50%
5-14 years	5.00%
15+ years	4.25%

Investment rate of return: 7.4% per year, compounded annually, net of investment-related expenses.

Payroll growth: 0.0% per year

Cost of living adjustment (COLA): Payments on the cost-of-living increase vary, based on retirement date. See Note 10 for specific disclosure.

Retirement age: The assumption was adopted based on the results of the September 20, 2021 actuarial experience study.

% Retiring during the year	
Service	Rate
25 years	50%
26 years	60%
27 years	50%
28+ years	100%

% Retiring during the year	
Age	Rate
52 years	40%
53 years	30%
54 years	50%
55+ years	100%

Early retirement: Commencing with attainment of early retirement status (age 45 with ten years of service), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year. This assumption is supported by the results of the September 20, 2021 actuarial experience study.

Mortality:
Healthy active lives: Female - PubS.H-2010 for employees, set forward one year; Male - PubS.H-2010 for employees, set forward one year.
Healthy retiree lives: Female - PubS.H-2010 for healthy retirees, set forward one year; Male - PubS.H-2010 for healthy retirees, set forward one year.
Beneficiary lives: Female - PubG.H-2010 for healthy retirees; Male - PubG.H-2010 for healthy retirees, set back one year.
Disabled lives: Female - PubG.H-2010 for healthy retirees; Male - PubG.H-2010 for healthy retirees, set back one year.

9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
$ 6,551,660	$ 6,834,185	$ 6,061,953	$ 7,091,082	$ 6,940,882
6,560,511	6,600,303	6,295,835	7,393,841	7,303,513
$ (8,851)	$ 233,882	$ (233,882)	$ (302,759)	$ (362,631)
$ 8,098,467	$ 7,774,957	$ 7,321,199	$ 8,293,662	$ 7,577,381
81.01%	84.89%	85.99%	89.15%	96.39%

Methods and assumptions used in calculations of actuarially determined contributions (continued)

Termination and Disability Rate Tables

The assumption was adopted based on the results of the September 20, 2021 actuarial experience study.

% terminating during the year		% becoming disabled during the year	
Service	Rate	Age	Rate
< 1 year	20.0%	20	0.14%
1-2 years	11.0%	25	0.15%
3-4 years	7.0%	30	0.18%
5-9 years	1.5%	35	0.23%
10+ years	2.0%	40	0.30%
		45	0.51%
		50	1.00%
		55	1.55%
		60+	2.09%

CITY OF FORT MYERS, FLORIDA
Employees' Pension Plans
Schedule of Investment Returns
Last Ten Fiscal Years

Annual money-weighted rate of return, net of investment expense for the pension plans:

For the year ended September 30,	General Employees' Pension Plan	Police Officers' Retirement System	Firefighters' Retirement System
2025	13.02%	7.69%	12.41%
2024	24.18%	19.60%	20.99%
2023	13.68%	9.45%	10.09%
2022	-18.81%	-17.47%	-13.15%
2021	22.52%	19.68%	21.89%
2020	13.27%	9.56%	6.70%
2019	1.99%	5.25%	3.05%
2018	13.63%	10.52%	10.60%
2017	14.75%	11.13%	13.69%
2016	7.98%	9.32%	10.89%

CITY OF FORT MYERS, FLORIDA
Other Postemployment Benefits Plan
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Eight Fiscal Years

	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB liability								
Service cost	$ 833,001	$ 780,506	$ 1,236,937	$ 1,156,320	$ 1,123,080	$ 988,179	$ 930,628	$ 964,834
Interest on the total OPEB liability	708,043	669,148	419,775	401,192	437,346	683,174	602,916	533,288
Changes of benefits terms	-	-	-	-	-	1,681	-	-
Difference between expected and actual experience of the total OPEB liability	-	(1,037,989)	-	2,006,069	-	(1,546,913)	-	-
Changes in assumptions and inputs	1,588,660	423,652	(4,365,307)	(419,362)	(237,959)	(1,601,885)	(395,101)	(883,439)
Benefit payments	(779,585)	(826,861)	(762,869)	(645,102)	(579,362)	(606,845)	(562,564)	(551,756)
Net change in total OPEB liability	2,350,119	8,456	(3,471,464)	2,499,117	743,105	(2,082,609)	575,879	62,927
Total OPEB liability - beginning [1]	14,849,297	14,840,841	18,312,305	15,813,188	15,070,083	17,152,692	16,576,813	16,513,886
Total OPEB liability - ending	$17,199,416	$14,849,297	$14,840,841	$18,312,305	$15,813,188	$15,070,083	$17,152,692	$16,576,813
Covered-employee payroll	$59,304,433	$57,577,119	$68,622,164	$55,194,192	$60,071,653	$49,038,381	$49,763,357	$49,498,287
Total OPEB liability as a percentage of covered-employee payroll	29.00%	25.79%	21.63%	33.18%	26.32%	30.73%	34.47%	33.49%

Notes to schedule

(1) The Total OPEB liability was rolled forward twelve months from the Valuation Date to the Measurement Date using standard actuarial techniques.

There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Changes in assumptions.

For the measurement date September 30, 2024:

The discount rate changed from 3.81% as of the previous measurement date to 4.40% as of September 30, 2024.

Per capita costs and premiums were updated on information provided.

Changes in benefit terms.

There were no benefit changes during the year.

Note: Information for the fiscal years prior to 2018 is not available.

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (SUPPLEMENTARY INFORMATION)

City of Palms

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Nonmajor Governmental Funds - Special Revenue Funds

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes.

Police Training – To account for the $2 assessment paid by persons convicted for violation of city ordinances. This assessment may be used for criminal justice education and training for the local government unit's officers and support personnel.

Law Enforcement Trust – To account for the proceeds collected under the Florida Contraband Forfeiture Act to be used for school resource officers, crime prevention, safe neighborhoods, drug abuse education and prevention programs, and for other law enforcement purposes and providing matching funds to obtain federal grants.

Federal Forfeiture – To account for federal forfeiture proceeds, which can be expended for any activity calculated to enhance future investigations, support investigations and operations that may result in further seizures and forfeitures.

Crime Prevention – To account for monies received from fines, which are used to advance the crime prevention program.

Grants – To account for monies, received from various Federal, State and local agencies or private foundations, which must be expended according to the terms of grant requirements.

Community Development Block Grant – To account for monies received from the U.S. Department of Housing and Urban Development for community redevelopment.

Street Light Maintenance – To account for the accumulation of funds to provide repairs and maintenance for certain street light poles and ballasts.

Street Maintenance – To account for funds received from the State for traffic light and street maintenance.

Special Assessment Geographical Area Administration (SAGA) – To account for Special Assessment District administration fees.

Public Art Fund – To account for proceeds from in-lieu contributions and all other revenue to support Public Art.

Attainable Workforce Housing Fund – To account for resources from developer contributions to provide loans to eligible residents with income of 150% of the median income for Lee County.

Hurricane Shelter – To account for developer contributions made to rehabilitate downtown buildings for use as hurricane shelters.

Public-Private Parking – To account for developer fees paid in lieu of the provision for parking.

East Riverside Community Center – To account for operations and maintenance of the community center, built for the citizens and visitors of Fort Myers and Lee County.

Para-Transit – To account for developer contributions made annually for a downtown trolley system.

Patrons of the Palms – To account for operations and resources related to maintaining palm trees, to enhance the City's identity as the "City of Palms".

State Housing Initiative Partnership Program – To account for funds received from the State of Florida to assist very low, low, and moderate income persons or families in becoming single-family homeowners.

Community Redevelopment Agency:

Downtown Redevelopment Area – To account for the operations and resources related to the Downtown Redevelopment Area.

Other Redevelopment Areas – To account for the administration and resources related to implementing the Cleveland Avenue Redevelopment Areas, the Central Fort Myers Redevelopment Area, the Martin Luther King Redevelopment Areas, and the East Fort Myers Redevelopment Area.

Opioid Settlement Fund – To account for funding from legal settlements with pharmaceutical companies that contributed to the opioid crisis. Funding is restricted for public health programs, legal assistance, and recovery services programs.

Nonmajor Governmental Funds – Permanent Fund

Ned Fould's Police Award Fund - To account for a donation to the City to provide an award to the City's Police Officer of the Year.

CITY OF FORT MYERS, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

Police Training Fund

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
REVENUES				
Miscellaneous	$ 15,100	$ 15,100	$ 14,782	$ (318)
Total revenues	15,100	15,100	14,782	(318)
EXPENDITURES				
Current:				
Police	15,100	15,100	16,456	(1,356)
Total expenditures	15,100	15,100	16,456	(1,356)
Excess (deficiency) of revenues over expenditures	-	-	(1,674)	(1,674)
Net change in fund balances	-	-	(1,674)	(1,674)
Fund balances - beginning	64,524	64,524	64,524	
Fund balances - ending	$ 64,524	$ 64,524	$ 62,850	

Law Enforcement Trust Fund

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
REVENUES				
Fines and forfeitures	$ -	$ -	$ 978,959	$ 978,959
Miscellaneous	75,000	75,000	35,704	(39,296)
Total revenues	75,000	75,000	1,014,663	939,663
EXPENDITURES				
Current:				
Police	75,000	75,000	4,214	70,786
Total expenditures	75,000	75,000	4,214	70,786
Excess (deficiency) of revenues over expenditures	-	-	1,010,449	1,010,449
Net change in fund balances	-	-	1,010,449	1,010,449
Fund balances - beginning	136,607	136,607	136,607	
Fund balances - ending	$ 136,607	$ 136,607	$ 1,147,056	

CITY OF FORT MYERS, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Grants			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Intergovernmental revenue	$ 1,072,824	$ 40,773,151	$ 9,185,569	$(31,587,582)
Miscellaneous	-	8,343,342	181,579	(8,161,763)
Total revenues	1,072,824	49,116,493	9,367,148	(39,749,345)
EXPENDITURES				
Current:				
Police	-	1,078,963	562,557	516,406
Fire	-	86,772	33,088	53,684
Economic environment	1,072,824	65,477,431	78,134	65,399,297
Capital outlay - Police	-	423,928	318,500	105,428
Capital outlay - Fire	-	36,819	24,850	11,969
Total expenditures	1,072,824	67,103,913	1,017,129	66,086,784
Excess (deficiency) of revenues over expenditures	-	(17,987,420)	8,350,019	26,337,439
OTHER FINANCING SOURCES (USES)				
Transfers in	-	103,078	48,960	(54,118)
Transfers out	-	(8,302,659)	(8,302,659)	-
Total other financing sources (uses)	-	(8,199,581)	(8,253,699)	(54,118)
Net change in fund balances	-	(26,187,001)	96,320	26,283,321
Fund balances - beginning	2,054,709	2,054,709	2,054,709	
Fund balances - ending	$ 2,054,709	$ (24,132,292)	$ 2,151,029	

	Community Development Block Grant Program			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Intergovernmental revenue	$ 1,339,921	$ 2,211,375	$ 603,671	$ (1,607,704)
Miscellaneous	-	113,569	53,915	(59,654)
Total revenues	1,339,921	2,324,944	657,586	(1,667,358)
EXPENDITURES				
Current:				
Economic environment	1,339,921	2,324,944	705,442	1,619,502
Total expenditures	1,339,921	2,324,944	705,442	1,619,502
Excess (deficiency) of revenues over expenditures	-	-	(47,856)	(47,856)
Net change in fund balances	-	-	(47,856)	(47,856)
Fund balances - beginning	(37,158)	(37,158)	(37,158)	
Fund balances - ending	$ (37,158)	$ (37,158)	$ (85,014)	

CITY OF FORT MYERS, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Street Light Maintenance Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Miscellaneous	$ 12,600	$ 12,600	$ 841	$ (11,759)
Total revenues	12,600	12,600	841	(11,759)
EXPENDITURES				
Current:				
Transportation	12,600	12,600	-	12,600
Total expenditures	12,600	12,600	-	12,600
Excess (deficiency) of revenues over expenditures	-	-	841	841
Net change in fund balances	-	-	841	841
Fund balances - beginning	12,676	12,676	12,676	
Fund balances - ending	$ 12,676	$ 12,676	$ 13,517	

	Street Maintenance Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Taxes	$ 2,100,000	$ 2,100,000	$ 1,989,027	$ (110,973)
Intergovernmental revenue	1,020,000	1,020,000	980,391	(39,609)
Miscellaneous	1,136,900	1,606,128	466,007	(1,140,121)
Total revenues	4,256,900	4,726,128	3,435,425	(1,290,703)
EXPENDITURES				
Current:				
Transportation	4,256,900	4,309,979	4,036,423	273,556
Capital outlay - Transportation	-	400,163	5,690	394,473
Total expenditures	4,256,900	4,710,142	4,042,113	668,029
Excess (deficiency) of revenues over expenditures	-	15,986	(606,688)	(622,674)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	30,000	30,000	-
Transfers out	-	(45,986)	(1)	45,985
Total other financing sources (uses)	-	(15,986)	29,999	45,985
Net change in fund balances	-	-	(576,689)	(576,689)
Fund balances - beginning	842,827	842,827	842,827	
Fund balances - ending	$ 842,827	$ 842,827	$ 266,138	

CITY OF FORT MYERS, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

Crime Prevention Fund

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
REVENUES				
Fines and forfeitures	$ 1,000	$ 1,000	$ 619	$ (381)
Miscellaneous	22,500	22,500	793	(21,707)
Total revenues	23,500	23,500	1,412	(22,088)
EXPENDITURES				
Current:				
Police	23,500	23,500	20,056	3,444
Total expenditures	23,500	23,500	20,056	3,444
Excess (deficiency) of revenues over expenditures	-	-	(18,644)	(18,644)
Net change in fund balances	-	-	(18,644)	(18,644)
Fund balances - beginning	29,305	29,305	29,305	
Fund balances - ending	$ 29,305	$ 29,305	$ 10,661	

Public Art Fund

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
REVENUES				
Miscellaneous	$ -	$ 193,882	$ 6,642	$ (187,240)
Contributions - private source	-	-	6,341	(6,341)
Total revenues	-	193,882	12,983	(193,581)
EXPENDITURES				
Current:				
Culture and recreation	25,000	25,000	11,021	13,979
Total expenditures	25,000	25,000	11,021	13,979
Excess (deficiency) of revenues over expenditures	(25,000)	168,882	1,962	(179,602)
OTHER FINANCING SOURCES (USES)				
Transfers in	25,000	25,000	25,000	-
Transfers out	-	(193,882)	(10,675)	183,207
Total other financing sources (uses)	25,000	(168,882)	14,325	183,207
Net change in fund balances	-	-	16,287	3,605
Fund balances - beginning	156,047	156,047	156,047	
Fund balances - ending	$ 156,047	$ 156,047	$ 172,334	

CITY OF FORT MYERS, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Para-Transit Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Miscellaneous	$ 100	$ 100	$ 5,042	$ 4,942
Contributions - private source	66,008	66,008	40,979	(25,029)
Total revenues	66,108	66,108	46,021	(20,087)
EXPENDITURES				
Current:				
Transportation	417,600	417,600	344,104	73,496
Total expenditures	417,600	417,600	344,104	73,496
Excess (deficiency) of revenues over expenditures	(351,492)	(351,492)	(298,083)	53,409
OTHER FINANCING SOURCES (USES)				
Transfers in	351,492	351,492	351,492	-
Total other financing sources (uses)	351,492	351,492	351,492	-
Net change in fund balances	-	-	53,409	53,409
Fund balances - beginning	70,291	70,291	70,291	
Fund balances - ending	$ 70,291	$ 70,291	$ 123,700	

	State Housing Initiative Partnership Program			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Intergovernmental revenue	$ 1,237,846	$ 4,911,294	$ 733,496	$ (4,177,798)
Miscellaneous	75,815	208,662	127,982	(80,680)
Total revenues	1,313,661	5,119,956	861,478	(4,258,478)
EXPENDITURES				
Current:				
Economic environment	1,313,661	5,119,956	1,808,191	3,311,765
Total expenditures	1,313,661	5,119,956	1,808,191	3,311,765
Excess (deficiency) of revenues over expenditures	-	-	(946,713)	(946,713)
Net change in fund balances	-	-	(946,713)	(946,713)
Fund balances - beginning	4,087,161	4,087,161	4,087,161	
Fund balances - ending	$ 4,087,161	$ 4,087,161	$ 3,140,448	

CITY OF FORT MYERS, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

Community Redevelopment Agency

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes	$ 4,258,855	$ 4,270,394	$ 4,270,394	$ -
Miscellaneous	5,706,990	12,527,935	653,246	(11,874,689)
Contributions - private source	-	318,048	318,048	-
Total revenues	9,965,845	17,116,377	5,241,688	(11,874,689)
EXPENDITURES				
Current:				
Transportation	-	12,500	12,488	12
Economic environment	14,967,345	18,476,303	7,935,078	10,541,225
Total current	14,967,345	18,488,803	7,947,566	10,541,237
Debt service:				
Lease payments	-	-	57,776	(57,776)
Interest	-	-	13,567	(13,567)
Total debt service	-	-	71,343	(71,343)
Capital outlay - Economic	154,008	149,008	130,374	18,634
Total expenditures	15,121,353	18,637,811	8,149,283	10,488,528
Excess (deficiency) of revenues over expenditures	(5,155,508)	(1,521,434)	(2,907,595)	(1,386,161)
OTHER FINANCING SOURCES (USES)				
Finance purchase obligations	-	-	1,056	1,056
Transfers in	7,386,700	7,406,761	7,406,761	-
Transfers out	(2,231,192)	(5,885,327)	(2,078,402)	3,806,925
Total other financing sources (uses)	5,155,508	1,521,434	5,329,415	3,807,981
Net change in fund balances	-	-	2,421,820	2,421,820
Fund balances - beginning	12,527,936	12,527,936	12,527,936	
Fund balances - ending	$ 12,527,936	$ 12,527,936	$ 14,949,756	

Opioid Settlement Fund

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
REVENUES				
Miscellaneous	$ -	$ 127,049	$ 181,968	$ 54,919
Total revenues	-	127,049	181,968	54,919
EXPENDITURES				
Current:				
Police	-	127,049	125,912	1,137
Total expenditures	-	127,049	125,912	1,137
Excess (deficiency) of revenues over expenditures	-	-	56,056	56,056
Net change in fund balances	-	-	56,056	56,056
Fund balances - beginning	-	-	-	
Fund balances - ending	$ -	$ -	$ 56,056	

CITY OF FORT MYERS, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Attainable Workforce Housing Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Miscellaneous	$ -	$ 16,613	$ 10,236	$ (6,377)
Total revenues	-	16,613	10,236	(6,377)
EXPENDITURES				
Current:				
Economic environment	-	16,613	60	16,553
Total expenditures	-	16,613	60	16,553
Excess (deficiency) of revenues over expenditures	-	-	10,176	10,176
Net change in fund balances	-	-	10,176	10,176
Fund balances - beginning	193,974	193,974	193,974	
Fund balances - ending	$ 193,974	$ 193,974	$ 204,150	

CITY OF FORT MYERS, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025

	Special Revenue Funds				
	Police Training	Law Enforcement Trust	Federal Forfeiture	Crime Prevention	Grants
ASSETS					
Cash and cash equivalents	$ 30,525	$ 568,199	$ 84,505	$ 5,388	$ 1,036,837
Investments	30,446	566,718	84,285	5,373	4,063,794
Accounts receivable, net	-	-	-	-	-
Interest receivable	1,020	1,100	1,052	498	-
Due from other governmental agencies	859	-	-	29	307,712
Prepaid items	-	11,205	-	-	-
Notes receivable, net	-	-	-	-	-
Allowance for notes receivable	-	-	-	-	-
Assets held for resale	-	-	-	-	-
Total assets	62,850	1,147,222	169,842	11,288	5,408,343
LIABILITIES					
Accounts and contracts payable	-	-	-	-	-
Accrued and other liabilities	-	166	-	627	9,901
Due to other funds	-	-	-	-	3,000,514
Funds held in escrow	-	-	-	-	-
Customer deposits	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Total liabilities	-	166	-	627	3,010,415
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - grants, contribution	-	-	-	-	246,899
Unavailable revenue - rental income	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	246,899
FUND BALANCES (DEFICITS)					
Nonspendable:					
Prepaid items	-	11,205	-	-	-
Asset held for resale	-	-	-	-	-
Public safety principal, nonexpendable	-	-	-	-	-
Restricted for:					
Donations received	-	-	-	-	-
Community redevelopment agency	-	-	-	-	-
Economic environment	-	-	-	-	-
Law enforcement programs	62,850	1,135,851	169,842	-	-
Physical environment	-	-	-	-	-
Public safety	-	-	-	-	2,151,029
Transportation	-	-	-	-	-
Committed to:					
Law enforcement programs	-	-	-	10,661	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	62,850	1,147,056	169,842	10,661	2,151,029
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 62,850	$ 1,147,222	$ 169,842	$ 11,288	$ 5,408,343

Special Revenue Funds

Community Development Block Grant	Street Light Maintenance	Street Maintenance	SAGA Administration	Public Art	Attainable Workforce Housing
$ -	$ 6,190	$ -	$ 10,575	$ 85,579	$ 97,326
-	6,039	-	10,547	85,355	97,072
-	-	-	-	-	-
-	1,288	6,793	1,728	1,400	9,752
143,277	-	750,686	-	-	-
-	-	-	-	-	-
6,357,139	-	-	-	-	101,681
(6,357,139)	-	-	-	-	(101,681)
-	-	-	-	-	-
143,277	13,517	757,479	22,850	172,334	204,150
-	-	42,189	-	-	-
1,460	-	8,286	-	-	-
24,990	-	440,866	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
158,596	-	-	-	-	-
-	-	-	-	-	-
185,046	-	491,341	-	-	-
43,245	-	-	-	-	-
-	-	-	-	-	-
43,245	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	172,334	204,150
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	22,850	-	-
-	-	-	-	-	-
-	13,517	266,138	-	-	-
-	-	-	-	-	-
(85,014)	-	-	-	-	-
(85,014)	13,517	266,138	22,850	172,334	204,150
$ 143,277	$ 13,517	$ 757,479	$ 22,850	$ 172,334	$ 204,150

CITY OF FORT MYERS, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025

	Special Revenue Funds				
	Hurricane Shelter	Public-Private Parking	East Riverside Community Center	Para-Transit	Patrons of the Palms
ASSETS					
Cash and cash equivalents	$ 10,698	$ 209,035	$ 13,019	$ 60,877	$ 10,451
Investments	10,670	208,490	12,985	60,719	10,424
Accounts receivable, net	-	-	-	38,015	-
Interest receivable	3,237	3,499	218	2,104	175
Due from other governmental agencies	-	-	-	-	-
Prepaid items	-	-	-	-	-
Notes receivable, net	-	-	-	-	-
Allowance for notes receivable	-	-	-	-	-
Assets held for resale	-	-	-	-	-
Total assets	24,605	421,024	26,222	161,715	21,050
LIABILITIES					
Accounts and contracts payable	-	-	-	-	-
Accrued and other liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Funds held in escrow	-	-	-	-	-
Customer deposits	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Total liabilities	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - grants, contribution	-	-	-	-	-
Unavailable revenue - rental income	-	-	-	38,015	-
Total deferred inflows of resources	-	-	-	38,015	-
FUND BALANCES (DEFICITS)					
Nonspendable:					
Prepaid items	-	-	-	-	-
Asset held for resale	-	-	-	-	-
Public safety principal, nonexpendable	-	-	-	-	-
Restricted for:					
Donations received	24,605	421,024	26,222	123,700	21,050
Community redevelopment agency	-	-	-	-	-
Economic environment	-	-	-	-	-
Law enforcement programs	-	-	-	-	-
Physical environment	-	-	-	-	-
Public safety	-	-	-	-	-
Transportation	-	-	-	-	-
Committed to:					
Law enforcement programs	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances (deficits)	24,605	421,024	26,222	123,700	21,050
Total liabilities, deferred inflows of resources, and fund balances (deficits)	$ 24,605	$ 421,024	$ 26,222	$ 161,715	$ 21,050

Special Revenue Funds			Permanent Fund	
State Housing Initiative Partnership	Community Redevelopment Agency	Opioid Settlement	Ned Fould's Police Award Fund	Total Nonmajor Governmental Funds
$ 1,570,454	$ 7,429,394	$ 56,056	$ 1,359	$ 11,286,467
1,566,360	7,409,995	-	1,326	14,230,598
-	674	-	-	38,689
3,634	44,146	-	23	81,667
-	-	-	-	1,202,563
-	21,128	-	-	32,333
6,644,072	-	-	-	13,102,892
(6,644,072)	-	-	-	(13,102,892)
-	711,984	-	-	711,984
3,140,448	15,617,321	56,056	2,708	27,584,301
-	41,040	-	-	83,229
-	6,540	-	-	26,980
-	-	-	-	3,466,370
-	-	-	708	708
-	2,311	-	-	2,311
-	674	-	-	159,270
-	617,000	-	-	617,000
-	667,565	-	708	4,355,868
-	-	-	-	290,144
-	-	-	-	38,015
-	-	-	-	328,159
-	21,128	-	-	32,333
-	711,984	-	-	711,984
-	-	-	2,000	2,000
-	-	-	-	993,085
-	14,216,644	-	-	14,216,644
3,140,448	-	-	-	3,140,448
-	-	56,056	-	1,424,599
-	-	-	-	22,850
-	-	-	-	2,151,029
-	-	-	-	279,655
-	-	-	-	10,661
-	-	-	-	(85,014)
3,140,448	14,949,756	56,056	2,000	22,900,274
$ 3,140,448	$ 15,617,321	$ 56,056	$ 2,708	$ 27,584,301

CITY OF FORT MYERS, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Special Revenue Funds				
	Police Training	Law Enforcement Trust	Federal Forfeiture	Crime Prevention	Grants
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental revenue	-	-	-	-	9,185,569
Fines and forfeitures	-	978,959	40,780	619	-
Miscellaneous	14,782	35,704	5,797	793	181,579
Contributions - private source	-	-	-	-	-
Total revenues	14,782	1,014,663	46,577	1,412	9,367,148
EXPENDITURES					
Current:					
Public Safety:					
Police	16,456	4,214	46	20,056	562,557
Fire	-	-	-	-	33,088
Physical environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	78,134
Culture and recreation	-	-	-	-	-
Debt service:					
Lease payments	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay					
Police	-	-	-	-	318,500
Fire	-	-	-	-	24,850
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Total expenditures	16,456	4,214	46	20,056	1,017,129
Excess (deficiency) of revenues over (under) expenditures	(1,674)	1,010,449	46,531	(18,644)	8,350,019
OTHER FINANCING SOURCES (USES)					
Proceeds from leases (right to use assets)	-	-	-	-	-
Transfers in	-	-	-	-	48,960
Transfers out	-	-	-	-	(8,302,659)
Total other financing sources (uses)	-	-	-	-	(8,253,699)
Net change in fund balances	(1,674)	1,010,449	46,531	(18,644)	96,320
Fund balances - beginning of year, as originally reported	64,524	136,607	123,311	29,305	2,054,709
Adjustment - change to reporting entity	-	-	-	-	-
Fund balances - beginning of year	64,524	136,607	123,311	29,305	2,054,709
Fund balances - ending	$ 62,850	$ 1,147,056	$ 169,842	$ 10,661	$ 2,151,029

Special Revenue Funds						
Community Development Block Grant	Street Light Maintenance	Street Maintenance	SAGA Administration	Public Art	Attainable Workforce Housing	FEMA Disaster Grant
$ -	$ -	$ 1,989,027	$ -	$ -	$ -	$ -
603,671	-	980,391	-	-	-	-
-	-	-	-	-	-	-
53,915	841	466,007	1,366	6,642	10,236	-
-	-	-	-	6,341	-	-
657,586	841	3,435,425	1,366	12,983	10,236	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	4,036,423	-	-	-	-
705,442	-	-	-	-	60	-
-	-	-	7	11,021	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	5,690	-	-	-	-
-	-	-	-	-	-	-
705,442	-	4,042,113	7	11,021	60	-
(47,856)	841	(606,688)	1,359	1,962	10,176	-
-	-	-	-	-	-	-
-	-	30,000	-	25,000	-	-
-	-	(1)	-	(10,675)	-	-
-	-	29,999	-	14,325	-	-
(47,856)	841	(576,689)	1,359	16,287	10,176	-
(37,158)	12,676	842,827	21,491	156,047	193,974	(14,039,815)
-	-	-	-	-	-	14,039,815
(37,158)	12,676	842,827	21,491	156,047	193,974	-
$ (85,014)	$ 13,517	$ 266,138	$ 22,850	$ 172,334	$ 204,150	$ -

CITY OF FORT MYERS, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Special Revenue Funds			
	Hurricane Shelter	Public-Private Parking	East Riverside Community Center	Para-Transit
REVENUES				
Taxes	$ -	$ -	$ -	$ -
Intergovernmental revenue	-	-	-	-
Fines and forfeitures	-	-	-	-
Miscellaneous	1,946	15,364	957	5,042
Contributions - private source	-	-	-	40,979
Total revenues	1,946	15,364	957	46,021
EXPENDITURES				
Current:				
Public Safety:				
Police	-	-	-	-
Fire	-	-	-	-
Physical environment	6	-	-	-
Transportation	-	129	-	344,104
Economic environment	-	-	-	-
Culture and recreation	-	-	7	-
Debt service:				
Lease payments	-	-	-	-
Interest	-	-	-	-
Capital outlay				
Police	-	-	-	-
Fire	-	-	-	-
Transportation	-	-	-	-
Economic environment	-	-	-	-
Total expenditures	6	129	7	344,104
Excess (deficiency) of revenues over (under) expenditures	1,940	15,235	950	(298,083)
OTHER FINANCING SOURCES (USES)				
Proceeds from leases (right to use assets)	-	-	-	-
Transfers in	-	-	-	351,492
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	351,492
Net change in fund balances	1,940	15,235	950	53,409
Fund balances - beginning of year, as originally reported	22,665	405,789	25,272	70,291
Adjustment - change to reporting entity	-	-	-	-
Fund balances - beginning of year	22,665	405,789	25,272	70,291
Fund balances - ending	$ 24,605	$ 421,024	$ 26,222	$ 123,700

Special Revenue Funds: Patrons of the Palms	Special Revenue Funds: State Housing Initiative Partnership	Special Revenue Funds: Community Redevelopment Agency	Special Revenue Funds: Opioid Settlement	Permanent Fund: Ned Fould's Police Award Fund	Total Nonmajor Governmental Funds
$ -	$ -	$ 4,270,394	$ -	$ -	$ 6,259,421
-	733,496	-	-	-	11,503,127
-	-	-	-	-	1,020,358
768	127,982	653,246	181,968	-	1,764,935
-	-	318,048	-	-	365,368
768	861,478	5,241,688	181,968	-	20,913,209
-	-	-	125,912	-	729,241
-	-	-	-	-	33,088
8	-	-	-	-	14
-	-	12,488	-	-	4,393,144
-	1,808,191	7,935,078	-	-	10,526,905
-	-	-	-	-	11,035
-	-	57,776	-	-	57,776
-	-	13,567	-	-	13,567
-	-	-	-	-	318,500
-	-	-	-	-	24,850
-	-	-	-	-	5,690
-	-	130,374	-	-	130,374
8	1,808,191	8,149,283	125,912	-	16,244,184
760	(946,713)	(2,907,595)	56,056	-	4,669,025
-	-	1,056	-	-	1,056
-	-	7,406,761	-	-	7,862,213
-	-	(2,078,402)	-	-	(10,391,737)
-	-	5,329,415	-	-	(2,528,468)
760	(946,713)	2,421,820	56,056	-	2,140,557
20,290	4,087,161	12,527,936	-	2,000	6,719,902
-	-	-	-	-	14,039,815
20,290	4,087,161	12,527,936	-	2,000	20,759,717
$ 21,050	$ 3,140,448	$ 14,949,756	$ 56,056	$ 2,000	$ 22,900,274

Nonmajor Enterprise Funds – Business-Type Activities

City's nonmajor enterprise funds report activities for which fees are charged to external users for goods or services.

Stormwater – To account for the operations and maintenance of stormwater run-off mechanisms throughout the City.

Downtown Parking Garages – To account for the operations and maintenance related to the City-owned Main Street Parking Garage, City of Palms Parking Garage, and Hotel Parking Garage.

Skatium – To account for the operations and maintenance related to the City-owned skating and recreation center.

Yacht Basin – To account for the operations and maintenance of the City-owned yacht basin and dock facilities.

Fort Myers Country Club – To account for the operations and maintenance related to the City-owned Fort Myers Country Club.

Eastwood Golf Course – To account for the operations and maintenance related to the City-owned Eastwood Golf Course.

Building Permits and Inspections – To account for operations and maintenance related to the City's issuance of building permits and the subsequent inspections.

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CITY OF FORT MYERS, FLORIDA
Combining Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2025

	Stormwater	Downtown Parking Garages	Skatium	Yacht Basin
ASSETS				
Current assets:				
Cash and cash equivalents	$ 4,613,183	$ 2,286,979	$ 90,632	$ -
Investments	5,090,826	2,281,145	89,445	-
Receivables:				
Accounts receivable, net	-	-	212,866	-
Interest receivable	25,115	1,728	-	5,482
Leases	-	110,883	-	-
Due from other governmental agencies	529,432	-	-	-
Inventories	-	-	5,615	-
Prepaid items	-	-	-	-
Total current assets	10,258,556	4,680,735	398,558	5,482
Noncurrent assets:				
Restricted cash and cash equivalents	-	5,861	2,125	-
Restricted investments	-	5,718	2,074	-
Restricted interest receivable	-	-	-	776
Land and improvements	103,718	551,713	170,241	195,315
Intangible	78,551	-	-	-
Construction in progress	2,584,361	-	-	-
Buildings, net	-	201,557	11,863	-
Improvements other than buildings, net	16,914,126	-	-	-
Equipment, net	2,261,102	-	-	32,006
Total noncurrent assets	21,941,858	764,849	186,303	228,097
Total assets	32,200,414	5,445,584	584,861	233,579
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to postemployment benefits	44,686	-	12,331	-
Deferred outflows related to pensions	25,070	-	10,100	-
Total deferred outflows of resources	69,756	-	22,431	-
LIABILITIES				
Current liabilities:				
Accounts and contracts payable	153,822	12,916	21,433	-
Accrued and other liabilities	5,773	185	3,717	-
Accrued interest payable	-	-	-	2,100
Due to other funds	-	-	-	259,313
Due to other governmental agencies	-	11,579	4,199	-
Customer deposits	-	-	-	20,082
Unearned revenue	-	15,947	-	-
Notes payable	-	-	-	342,327
Leases payable	-	-	-	-
Compensated absences	23,301	-	1,111	-
Total current liabilities	182,896	40,627	30,460	623,822
Noncurrent liabilities:				
Notes payable	-	-	-	734,464
Leases payable	-	-	-	-
Compensated absences	85,752	-	25,781	-
Net pension liability	247,905	-	99,873	-
Other postemployment benefits liability	228,967	-	63,183	-
Total noncurrent liabilities	562,624	-	188,837	734,464
Total liabilities	745,520	40,627	219,297	1,358,286
DEFERRED INFLOWS OF RESOURCES				
Deferred charge on refunding	-	-	-	-
Deferred inflows related to leases	-	87,423	-	-
Deferred inflows related to postemployment benefits	50,273	-	13,873	-
Deferred inflows related to pensions	383,705	-	154,582	-
Total deferred inflows of resources	433,978	87,423	168,455	-
NET POSITION				
Net investment in capital assets	21,805,348	753,269	182,104	(849,471)
Restricted for:				
Capital projects	6,366	-	-	-
Renewal and replacement	-	-	-	168,718
Building code enforcement	-	-	-	-
Unrestricted	9,278,958	4,564,265	37,436	(443,954)
Total net position	$ 31,090,672	$ 5,317,534	$ 219,540	$ (1,124,707)

Fort Myers Country Club	Eastwood Golf Course	Building Permits and Inspections	Total Nonmajor Enterprise Funds
$ 1,155,294	$ 252,703	$ 10,791,041	$ 19,189,832
1,150,724	250,536	10,763,015	19,625,691
-	-	-	212,866
751	2,060	46,907	82,043
-	-	-	110,883
-	-	-	529,432
-	-	-	5,615
31,000	31,000	-	62,000
2,337,769	536,299	21,600,963	39,818,362
4,654	4,211	23,033	39,884
4,541	7,368	22,471	42,172
-	-	-	776
168,966	729,261	-	1,919,214
-	-	-	78,551
-	-	-	2,584,361
46,119	1,098,834	468,706	1,827,079
2,501,131	5,365,481		24,780,738
581,223	515,583	61,318	3,451,232
3,306,634	7,720,738	575,528	34,724,007
5,644,403	8,257,037	22,176,491	74,542,369
8,136	16,172	98,831	180,156
4,572	7,259	49,301	96,302
12,708	23,431	148,132	276,458
9,384	12,861	6,124	216,540
3,415	7,812	2,301	23,203
-	-	-	2,100
-	-	-	259,313
9,195	8,319	10,742	44,034
-	-	34,762	54,844
-	-	-	15,947
-	-	-	342,327
148,260	178,777	59,350	386,387
-	-	6,770	31,182
170,254	207,769	120,049	1,375,877
-	-	-	734,464
77,815	93,836	457,250	628,901
22,176	22,321	90,305	246,335
45,209	71,783	487,523	952,293
41,687	82,863	506,396	923,096
186,887	270,803	1,541,474	3,485,089
357,141	478,572	1,661,523	4,860,966
-	-	-	-
-	-	-	87,423
9,153	18,194	111,188	202,681
69,974	111,105	754,584	1,473,950
79,127	129,299	865,772	1,764,054
3,071,364	7,436,546	21,428	32,420,588
-	6,602	-	12,968
-	-	-	168,718
-	-	19,775,900	19,775,900
2,149,479	229,449	-	15,815,633
$ 5,220,843	$ 7,672,597	$ 19,797,328	$ 68,193,807

CITY OF FORT MYERS, FLORIDA
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended September 30, 2025

	Stormwater	Downtown Parking Garages	Skatium	Yacht Basin
OPERATING REVENUES				
Charges for services	$ 7,402,678	$ 2,993,917	$ 1,280,427	$ -
Rent	-	100,604	-	-
Miscellaneous	27,636	-	956	268
Total operating revenues	7,430,314	3,094,521	1,281,383	268
OPERATING EXPENSES				
Personnel services	1,598,352	-	653,675	-
Materials and supplies	238,888	14,123	196,977	-
Contractual services	405,421	1,393,954	260,284	55
General and administrative	450,394	157,794	153,613	2,240
Utilities	-	1,761	237,983	24,849
Repairs and maintenance	504,310	85,573	227,115	-
Rentals	407,890	3,693	61,943	-
Travel	2,902	-	-	-
Insurance	34,000	67,200	60,300	12,500
Depreciation and amortization	1,619,570	201,556	2,137	27,434
Total operating expenses	5,261,727	1,925,654	1,854,027	67,078
Operating income (loss)	2,168,587	1,168,867	(572,644)	(66,810)
NONOPERATING REVENUES (EXPENSES)				
Interest income	415,919	151,662	6,840	6,546
Gain on disposal of capital assets	-	-	-	-
Interest expense and bond insurance costs	-	-	-	(59,521)
Total nonoperating revenues (expenses)	415,919	151,662	6,840	(52,975)
Income (loss) before contributions and transfers	2,584,506	1,320,529	(565,804)	(119,785)
Capital grants and contributions	860,841	-	-	-
Transfers in	1,325	-	809,900	39,700
Transfers out	(1,208,621)	(1,586,235)	(31,700)	-
Change in net position	2,238,051	(265,706)	212,396	(80,085)
Net position - beginning	28,852,621	5,583,240	7,144	(1,044,622)
Net position - ending	$ 31,090,672	$ 5,317,534	$ 219,540	$ (1,124,707)

Fort Myers Country Club	Eastwood Golf Course	Building Permits and Inspections	Total Nonmajor Enterprise Funds
$ 2,914,366	$ 2,895,591	$ 11,751,218	$ 29,238,197
14,875	72,677	-	188,156
2,085	2,088	-	33,033
2,931,326	2,970,356	11,751,218	29,459,386
202,140	334,050	2,473,530	5,261,747
327,160	339,412	62,579	1,179,139
1,032,226	1,030,097	353,485	4,475,522
149,552	161,375	703,988	1,778,956
87,412	209,382	17,090	578,477
93,007	64,006	40,709	1,014,720
113,863	51,701	509,535	1,148,625
-	225	2,758	5,885
15,800	13,700	55,200	258,700
531,963	705,243	301,859	3,389,762
2,553,123	2,909,191	4,520,733	19,091,533
378,203	61,165	7,230,485	10,367,853
82,811	24,692	706,594	1,395,064
150	375	-	525
(19,642)	(23,706)	(28,434)	(131,303)
63,319	1,361	678,160	1,264,286
441,522	62,526	7,908,645	11,632,139
-	-	-	860,841
-	162,600	-	1,013,525
(448,000)	(589,100)	-	(3,863,656)
(6,478)	(363,974)	7,908,645	9,642,849
5,227,321	8,036,571	11,888,683	58,550,958
$ 5,220,843	$ 7,672,597	$ 19,797,328	$ 68,193,807

CITY OF FORT MYERS, FLORIDA
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2025

	Stormwater	Downtown Parking Garages	Skatium
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 7,003,980	$ 3,083,073	$ 1,287,494
Payments to suppliers and service providers	(2,154,082)	(1,793,045)	(1,271,472)
Payments to employees for services	(1,709,758)	-	(710,509)
Other operating receipts	27,636	-	956
Other operating payments	(450,079)	(82,807)	(154,707)
Net cash provided by (used for) operating activities	2,717,697	1,207,221	(848,238)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Receipts (payments) on interfund loans	-	-	-
Transfers in	1,325	-	809,900
Transfers out	(1,208,621)	(1,586,235)	(31,700)
Net cash provided by (used for) noncapital financing activities	(1,207,296)	(1,586,235)	778,200
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(2,437,823)	-	-
Grants and private contributions	860,841	-	-
Interest paid on notes and bonds	-	-	-
Payment on lease	-	-	-
Principal paid on notes and bonds	-	-	-
Proceeds from sale of capital assets	-	-	-
Net cash provided by (used for) capital and related financing activities	(1,576,982)	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	359,778	131,469	6,401
Purchase of investments	(432,511)	(490)	(829)
Proceeds from sale of investments	142,179	173,792	34,872
Net cash provided by (used for) investing activities	69,446	304,771	40,444
Net increase (decrease) in cash and cash equivalents	2,865	(74,243)	(29,594)
Balances - beginning of year	4,610,318	2,367,083	122,351
Balances - end of the year	$ 4,613,183	$ 2,292,840	$ 92,757
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	$ 2,168,587	$ 1,168,867	$ (572,644)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation and amortization	1,619,570	201,556	2,137
(Increase)/Decrease in assets and Increase/(Decrease) in liabilities:			
Accounts Payable - Other	310	(46,959)	(148,596)
Accounts Payable - Supplier	(560,665)	(104,796)	(80,409)
Compensated absences	4,680	-	2,549
Customer Receivables	-	(11,447)	7,066
Due from other governmental agencies	(398,698)	-	-
Prepaid items	-	-	-
Customer deposits	-	-	-
Other postemployment benefits payable	34,524	-	6,565
Net pension liability	(309,463)	-	(130,589)
Deferred postemployment benefits outflows	(14,701)	-	(3,600)
Deferred pension outflows	66,392	-	27,718
Deferred pension inflows	124,286	-	41,565
Deferred postemployment benefits inflows	(17,125)	-	-
Net cash provided by (used for) operating activities	$ 2,717,697	$ 1,207,221	$ (848,238)
Schedule of non-cash investing, capital, and financing activities:			
Interest receivable / unrealized gain	$ 56,142	$ 20,192	$ 440
Right to use equipment, real estate, and software	-	-	-

Yacht Basin	Fort Myers Country Club	Eastwood Golf Course	Building Permits and Inspections	Total Nonmajor Enterprise Funds
$ -	$ 2,929,241	$ 2,969,868	$ 11,718,665	$ 28,992,321
(37,430)	(1,930,475)	(1,938,279)	(1,785,872)	(10,910,655)
-	(231,368)	(376,619)	(2,991,487)	(6,019,741)
268	2,085	2,088	-	33,033
(1,830)	(16,723)	(25,542)	(12,142)	(743,830)
(38,992)	752,760	631,516	6,929,164	11,351,128
198,449	-	-	-	198,449
39,700	-	162,600	-	1,013,525
-	(448,000)	(589,100)	-	(3,863,656)
238,149	(448,000)	(426,500)	-	(2,651,682)
-	(35,023)	(208,455)	-	(2,681,301)
-	-	-	-	860,841
(60,159)	(19,642)	(23,706)	(28,434)	(131,941)
-	(138,954)	(167,546)	(57,500)	(364,000)
(326,718)	-	-	-	(326,718)
-	150	375	14,517	15,042
(386,877)	(193,469)	(399,332)	(71,417)	(2,628,077)
4,948	70,709	22,613	542,022	1,137,940
-	(66,525)	(4,133)	(3,511,532)	(4,016,020)
92,210	-	95,379	6,612	545,044
97,158	4,184	113,859	(2,962,898)	(2,333,036)
(90,562)	115,475	(80,457)	3,894,849	3,738,333
90,562	1,044,473	337,371	6,919,225	15,491,383
$ -	$ 1,159,948	$ 256,914	$ 10,814,074	$ 19,229,716
$ (66,810)	$ 378,203	$ 61,165	$ 7,230,485	$ 10,367,853
27,434	531,963	705,243	301,859	3,389,762
461	944	1,313	(12,138)	(204,665)
(27)	(128,121)	(94,236)	(73,083)	(1,041,337)
-	(2,666)	(1,189)	7,732	11,106
-	-	1,601	-	(2,780)
-	-	-	-	(398,698)
-	(1,000)	(1,000)	-	(2,000)
(50)	-	-	-	(50)
-	4,058	8,716	45,052	98,915
-	(58,537)	(92,264)	(808,938)	(1,399,791)
-	(2,333)	(4,738)	(27,687)	(53,059)
-	12,452	19,660	163,444	289,666
-	21,687	34,752	151,164	373,454
-	(3,890)	(7,507)	(48,726)	(77,248)
$ (38,992)	$ 752,760	$ 631,516	$ 6,929,164	$ 11,351,128
$ 1,597	$ 12,102	$ 2,079	$ 164,572	$ 257,124
-	-	-	18,079	18,079

Nonmajor Enterprise Funds – Internal Service Funds

Internal service funds are used to account for services provided to other departments or agencies of the government, or to other governments on a cost-reimbursement basis.

Health Insurance Self-Funding – To account for the City's self-funded health insurance benefit provided to City employees and their dependents.

Fleet Maintenance – To account for repair operations and maintenance related to City-owned vehicles.

Information Technology Services – To account for the City’s information systems, hardware, software and maintenance.

Public Works Warehouse Operations – To account for all inventory received into the warehouse along with the issues to user departments.

Risk Management – To account for the activities related to general liability, auto liability and physical damage, police and firefighters’ professional liability and workers’ compensation provided to other departments of the City.

CITY OF FORT MYERS, FLORIDA
Combining Statement of Net Position
Internal Service Funds
September 30, 2025

	Health Insurance Self Funding	Fleet Maintenance	Information Technology Services	Public Works Warehouse Operations	Risk Management	Total Internal Service Funds
ASSETS						
Current assets:						
Cash and cash equivalents	$ 2,055,329	$ 3,832,533	$ 534,813	$ 75,968	$ 15,723,195	$ 22,221,838
Investments	2,049,972	3,822,542	533,420	75,770	12,381,076	18,862,780
Accounts receivable, net	-	-	-	-	693	693
Interest receivable	-	6,897	10,351	-	102,917	120,165
Due from other governmental agencies	-	-	-	-	561	561
Inventories	-	431,762	-	699,461	-	1,131,223
Prepaid items	-	-	1,176,990	-	719,487	1,896,477
Total current assets	4,105,301	8,093,734	2,255,574	851,199	28,927,929	44,233,737
Noncurrent assets:						
Intangible assets, net	-	-	10,800	-	-	10,800
Equipment, net	-	2,236,730	928,267	-	-	3,164,997
Subscription assets, net	-	-	3,061,170	-	-	3,061,170
Total noncurrent assets	-	2,236,730	4,000,237	-	-	6,236,967
Total assets	4,105,301	10,330,464	6,255,811	851,199	28,927,929	50,470,704
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to other postemployment benefits	-	57,566	86,879	-	8,693	153,138
Deferred outflows on pensions	-	31,702	64,547	-	8,371	104,620
Total deferred outflows of resources	-	89,268	151,426	-	17,064	257,758
LIABILITIES						
Current liabilities:						
Accounts and contracts payable	1,191,826	258,245	28,677	6,465	217,862	1,703,075
Accrued and other liabilities	9,056	10,471	159,313	110	890	179,840
Subscription liabilities	-	-	763,927	-	-	763,927
Finance purchase obligations	-	-	639,303	-	-	639,303
Compensated absences	-	7,160	14,611	-	-	21,771
Claims and judgments	759,777	-	-	-	2,142,292	2,902,069
Total current liabilities	1,960,659	275,876	1,605,831	6,575	2,361,044	6,209,985
Noncurrent liabilities:						
Subscription liabilities	-	-	1,849,301	-	-	1,849,301
Finance purchase obligations	-	-	167,428	-	-	167,428
Compensated absences	-	76,357	144,718	-	17,394	238,469
Claims and judgments	-	-	-	-	6,689,972	6,689,972
Net pension liability	-	313,490	638,278	-	82,773	1,034,541
Other postemployment benefits liability	-	294,963	445,158	-	44,543	784,664
Total noncurrent liabilities	-	684,810	3,244,883	-	6,834,682	10,764,375
Total liabilities	1,960,659	960,686	4,850,714	6,575	9,195,726	16,974,360
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to other postemployment benefits	-	64,764	97,742	-	9,780	172,286
Deferred inflows related to pensions	-	485,217	987,921	-	128,115	1,601,253
Total deferred inflows of resources	-	549,981	1,085,663	-	137,895	1,773,539
NET POSITION						
Net investment in capital assets	-	2,236,730	580,277	-	-	2,817,007
Unrestricted	2,144,642	6,672,335	(109,417)	844,624	19,611,372	29,163,556
Total net position	$ 2,144,642	$ 8,909,065	$ 470,860	$ 844,624	$ 19,611,372	$ 31,980,563

CITY OF FORT MYERS, FLORIDA
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended September 30, 2025

	Health Insurance Self Funding	Fleet Maintenance	Information Technology Services	Public Works Warehouse Operations	Risk Management	Total Internal Service Funds
OPERATING REVENUES						
Charges for services	$ 14,240,234	$ 12,373,900	$ 12,258,200	$ 1,408,561	$ 4,864,908	$ 45,145,803
Miscellaneous	478,646	322,817	1,171	-	194,544	997,178
Total operating revenues	14,718,880	12,696,717	12,259,371	1,408,561	5,059,452	46,142,981
OPERATING EXPENSES						
Personnel services	-	1,618,688	2,830,385	-	429,404	4,878,477
Materials and supplies	-	2,808,984	372,390	1,225,857	9,340	4,416,571
Contractual services	16,185,045	1,754,253	558,891	1,081	119,250	18,618,520
General and administrative	-	499,200	541,107	-	545,046	1,585,353
Utilities	-	53,834	1,089,632	-	-	1,143,466
Repairs and maintenance	-	56,408	347,867	6,466	-	410,741
Rentals	-	313,800	3,716,669	1,400	45,232	4,077,101
Travel	-	4,272	13,373	-	1,908	19,553
Insurance	-	39,500	43,700	-	2,750,390	2,833,590
Self insurance claims	-	-	-	-	2,438,725	2,438,725
Depreciation and amortization	-	615,770	1,381,698	-	-	1,997,468
Total operating expenses	16,185,045	7,764,709	10,895,712	1,234,804	6,339,295	42,419,565
Operating income (loss)	(1,466,165)	4,932,008	1,363,659	173,757	(1,279,843)	3,723,416
NONOPERATING REVENUES (EXPENSES)						
Interest Income	166,617	228,365	22,930	5,877	862,824	1,286,613
Gain on disposal of capital assets	-	71,314	-	-	-	71,314
Interest expense and bond insurance cost	-	-	(89,428)	-	-	(89,428)
Total nonoperating revenues (expenses)	166,617	299,679	(66,498)	5,877	862,824	1,268,499
Income (loss) before contributions and transfers	(1,299,548)	5,231,687	1,297,161	179,634	(417,019)	4,991,915
Transfers out	-	(15,625)	(445,300)	-	-	(460,925)
Change in net position	(1,299,548)	5,216,062	851,861	179,634	(417,019)	4,530,990
Net position - beginning	3,444,190	3,693,003	(381,001)	664,990	20,028,391	27,449,573
Net position - ending	$ 2,144,642	$ 8,909,065	$ 470,860	$ 844,624	$ 19,611,372	$ 31,980,563

CITY OF FORT MYERS, FLORIDA
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2025

	Health Insurance Self Funding	Fleet Maintenance	Information Technology Services	Public Works Warehouse Operations	Risk Management	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	$ 14,240,234	$ 12,373,900	$ 12,258,200	$ 1,408,561	$ 4,866,395	$ 45,147,290
Payments to suppliers and service providers	(15,472,586)	(5,617,239)	(7,725,605)	(1,407,790)	(3,783,795)	(34,007,015)
Payments to employees for services	-	(1,790,618)	(3,177,861)	-	(2,098,535)	(7,067,014)
Other operating receipts	478,646	322,817	1,171	-	194,544	997,178
Net cash provided by (used for) operating activities	(753,706)	5,288,860	1,355,905	771	(821,391)	5,070,439
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers out	-	(15,625)	(445,300)	-	-	(460,925)
Net cash (used for) noncapital financing activities	-	(15,625)	(445,300)	-	-	(460,925)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets	-	(1,665,045)	(29,000)	-	-	(1,694,045)
Interest paid on notes and bonds	-	-	(48,887)	-	-	(48,887)
Payment on subscription liabilities	-	-	(1,316,022)	-	-	(1,316,022)
Payment on lease	-	-	(398,621)	-	-	(398,621)
Proceeds from sale of capital assets	-	71,314	-	-	-	71,314
Net cash (used for) capital and related financing activities	-	(1,593,731)	(1,792,530)	-	-	(3,386,261)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest on investments	151,529	165,933	19,576	5,140	711,655	1,053,833
Purchase of investments	-	(1,859,134)	-	(1,378)	(2,086,519)	(3,947,031)
Proceeds from sale of investments	347,202	-	446,355	-	2,522,842	3,316,399
Net cash provided by (used for) investing activities	498,731	(1,693,201)	465,931	3,762	1,147,978	423,201
Net increase (decrease) in cash and cash equivalents	(254,975)	1,986,303	(415,994)	4,533	326,587	1,646,454
Balances - beginning of year	2,310,304	1,846,230	950,807	71,435	15,396,608	20,575,384
Balances - end of the year	$ 2,055,329	$ 3,832,533	$ 534,813	$ 75,968	$ 15,723,195	$ 22,221,838
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	$ (1,466,165)	$ 4,932,008	$ 1,363,659	$ 173,757	$ (1,279,843)	$ 3,723,416
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation and amortization	-	615,770	1,381,698	-	-	1,997,468
(Increase)/Decrease in assets and Increase/(Decrease) in liabilities:						
Accounts Payable - Other	(4,201)	-	-	-	-	(4,201)
Accounts Payable - Supplier	716,660	(86,988)	(547,870)	(54,980)	579,474	606,296
Compensated absences	-	(3,612)	(10,966)	-	3,095	(11,483)
Customer receivables	-	-	-	-	1,572	1,572
Due from other governmental agencies	-	-	-	-	(85)	(85)
Inventory	-	-	-	(118,006)	-	(118,006)
Prepaid items	-	-	(494,107)	-	(45,848)	(539,955)
Other postemployment benefits payable	-	45,639	58,612	-	(19,623)	84,628
Net pension liability	-	(408,985)	(816,576)	-	(110,406)	(1,335,967)
Deferred postemployment benefits outflows	-	(19,119)	(27,270)	-	1,202	(45,187)
Deferred pension outflows	-	86,854	174,189	-	23,329	284,372
Deferred pension inflows	-	148,951	310,780	-	38,203	497,934
Deferred postemployment benefits inflows	-	(21,658)	(36,244)	-	(12,461)	(70,363)
Net cash provided by (used for) operating activities	$ (753,706)	$ 5,288,860	$ 1,355,905	$ 771	$ (821,391)	$ 5,070,439
Noncash investing, capital, and financing activities:						
Interest receivable / unrealized gain	$ 15,088	$ 62,433	$ 3,354	$ 737	$ 151,168	$ 232,780
Capital asset addition financed with lease proceeds	-	-	990,000	-	-	990,000
Capital asset addition financed with SBITA	-	-	2,678,164	-	-	2,678,164

Fiduciary Funds – Custodial Funds

Custodial funds are used to account for monies that are collected by the City and held in a custodial capacity until remitted to the proper authority.

Regional Park Impact Fees Fund – To account for the City's collection of regional park fees. The fees are remitted to the County.

Emergency Medical Services (EMS) Impact Fees Fund – To account for the City's collection of impact fees for EMS services. The fees are remitted to the County.

School Board Impact Fees Fund – To account for the City's collection of impact fees for the School Board. The fees are remitted to the County.

CITY OF FORT MYERS, FLORIDA
Combining Statement of Fiduciary Net Position
Custodial Funds
September 30, 2025

	Regional Park Impact Fees	Emergency Medical Services Impact Fees	School Board Impact Fees	Total Custodial Funds
ASSETS				
Cash and short-term investments	$ 14,451	$ 2,427	$ 46,815	$ 63,693
Total assets	14,451	2,427	46,815	63,693
LIABILITIES				
Accounts and contracts payable	14,451	2,427	46,815	63,693
Total liabilities	14,451	2,427	46,815	63,693
FIDUCIARY NET POSITION				
Restricted for governments	$ -	$ -	$ -	$ -

CITY OF FORT MYERS, FLORIDA
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended September 30, 2025

	Regional Park Impact Fees	Emergency Medical Services Impact Fees	School Board Impact Fees	Total Custodial Funds
ADDITIONS				
Fees collected for other governments	$ 197,194	$ 73,251	$ 2,024,998	$ 2,295,443
Total additions	197,194	73,251	2,024,998	2,295,443
DEDUCTIONS				
Payment of fees to other governments	197,194	73,251	2,024,998	2,295,443
Total deductions	197,194	73,251	2,024,998	2,295,443
Net change in fiduciary net position	-	-	-	-
Fiduciary net position - beginning	-	-	-	-
Fiduciary bet position - ending	$ -	$ -	$ -	$ -

Major Governmental Funds

Schedules of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual

Revenue Bonds and Notes Fund – This fund is a Debt Service Fund and used to account for the accumulation of resources to pay outstanding long-term debt. It is made up of several sub-funds, one for each bond or other borrowing that is outstanding and for which resources are accumulated to pay the debt service.

Transportation Capital Projects Fund – This fund is a Capital Projects Fund and used to account for resources accumulated to provide transportation related capital projects. It includes road impact fees, cash from debt borrowing, the accounting for capital projects and the 5th cent local option gas tax money.

General Capital Projects Fund – This fund is a Capital Projects Fund and used to account for the financial resources to be used for the acquisition and construction of the City's general capital facilities, improvements and equipment.

CITY OF FORT MYERS, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Major Governmental Funds
For the Year Ended September 30, 2025

Revenue Bonds and Notes

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Miscellaneous	$ -	$ -	$ 241,350	$ 241,350
Total revenues	-	-	241,350	241,350
EXPENDITURES				
Debt service:				
Lease payments	7,100,300	7,100,300	10,835,053	(3,734,753)
Interest	11,361,000	11,361,000	5,956,874	5,404,126
Total debt service	18,461,300	18,461,300	16,791,927	1,669,373
Excess (deficiency) of revenues over expenditures	(18,461,300)	(18,461,300)	(16,550,577)	(1,428,023)
OTHER FINANCING SOURCES (USES)				
Refunding bond proceeds	14,805,000	28,875,405	11,432,391	(17,443,014)
Transfers in	18,461,300	18,171,200	16,792,474	(1,378,726)
Transfers out	(14,805,000)	(28,875,405)	(18,732,391)	10,143,014
Total other financing sources (uses)	18,461,300	18,171,200	9,492,474	(8,678,726)
Net change in fund balances	-	(290,100)	(7,058,103)	(10,106,749)
Fund balances - beginning	8,738,932	8,738,932	8,738,932	
Fund balances - ending	$ 8,738,932	$ 8,448,832	$ 1,680,829	

Transportation Capital Projects

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Taxes	$ 1,500,000	$ 1,500,000	$ 1,448,706	$ (51,294)
Permits and fees	-	-	7,641,836	7,641,836
Intergovernmental revenue	10,798,938	12,615,538	1,292,516	(11,323,022)
Miscellaneous	5,271,000	26,251,768	2,047,423	(24,204,345)
Contributions - private source	-	-	3,564	3,564
Capital grants and contributions	-	1,753,904	561,801	(1,192,103)
Total revenues	17,569,938	42,121,210	12,995,846	(29,125,364)
EXPENDITURES				
Current:				
General	1,000	1,000	1,923	(923)
Transportation	-	-	938,718	(938,718)
Capital outlay - Transportation	26,418,938	65,067,506	9,162,756	55,904,750
Total expenditures	26,419,938	65,068,506	10,103,397	54,965,109
Excess (deficiency) of revenues over expenditures	(8,850,000)	(22,947,296)	2,892,449	25,839,745
OTHER FINANCING SOURCES (USES)				
Transfers in	8,850,000	23,340,296	6,123,192	(17,217,104)
Transfers out	-	(393,000)	-	393,000
Total other financing sources (uses)	8,850,000	22,947,296	6,123,192	(16,824,104)
Net change in fund balances	-	-	9,015,641	9,015,641
Fund balances - beginning	46,327,510	46,327,510	46,327,510	
Fund balances - ending	$ 46,327,510	$ 46,327,510	$ 55,343,151	

CITY OF FORT MYERS, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual
Major Governmental Funds
For the Year Ended September 30, 2025

	General Capital Projects			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Permits and fees	$ -	$ -	$ 817,769	$ 817,769
Intergovernmental revenue	400,000	3,847,326	1,457,958	(2,389,368)
Miscellaneous	28,020,600	24,067,983	630,391	(23,437,592)
Capital grants and contributions	-	33,842	14,203	(19,639)
Total revenues	28,420,600	27,949,151	2,920,321	(25,028,830)
EXPENDITURES				
Current:				
General government	-	452,566	3,278,936	(2,826,370)
Fire	-	-	466	(466)
Physical environment	-	1,338,679	902,198	436,481
Transportation	1,500,000	3,266,600	-	3,266,600
Economic environment	-	-	1	(1)
Culture and recreation	-	-	3,048,521	(3,048,521)
Capital outlay:				
General government	4,500,000	8,434,807	728,290	7,706,517
Police	9,500,000	18,375,212	3,359,335	15,015,877
Fire	4,835,000	8,180,804	4,898,284	3,282,520
Physical environment	925,000	48,018	1,154,837	(1,106,819)
Transportation	300,000	2,956,992	1,079,269	1,877,723
Culture and recreation	21,540,000	45,856,777	2,744,182	43,112,595
Total expenditures	43,100,000	88,910,455	21,194,319	67,716,136
Excess (deficiency) of revenues over expenditures	(14,679,400)	(60,961,304)	(18,273,998)	42,687,306
OTHER FINANCING SOURCES (USES)				
Transfers in	21,929,400	73,660,938	29,582,785	(44,078,153)
Transfers out	(7,250,000)	(24,194,970)	(4,557,396)	19,637,574
Total other financing sources (uses)	14,679,400	49,465,968	25,025,389	(24,440,579)
Net change in fund balances	-	(11,495,336)	6,751,391	18,246,727
Fund balances - beginning	2,617,454	2,617,454	2,617,454	
Fund balances - ending	$ 2,617,454	$ (8,877,882)	$ 9,368,845	

STATISTICAL SECTION

CITY OF FORT MYERS FLORIDA

City of Palms

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STATISTICAL SECTION

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

CITY OF FORT MYERS, FLORIDA
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017		2018	2019
Governmental activities					
Net investment in capital assets	$ 56,482,531	$ 60,134,131		$ 65,903,703	$ 73,505,922
Restricted					
Capital projects	27,834,549	21,865,715		20,066,414	10,845,911
Culture and recreation	142,267	289,543		298,533	131,352
Debt service	1,924,799	1,579,142		1,719,419	-
Economic environment	3,948,768	4,530,612		5,953,304	6,276,048
Impact fee projects	14,002,426	14,773,232		18,658,766	24,582,311
Public safety:					
Expendable	1,250,752	1,490,567		2,067,261	6,008,275
Nonexpendable	2,000	2,000		2,000	2,000
Renewal and replacement	-	-		-	-
Transportation	2,171,175	2,031,314		2,205,166	2,154,708
Unrestricted	(119,034,904)	(113,751,995)	(1)	(114,803,958)	(103,272,627)
Total governmental activities net position	$ (11,275,637)	$ (7,055,739)	(1)	$ 2,070,608	$ 20,233,900
Business-type activities					
Net investment in capital assets	$ 92,942,225	$ 102,444,190		$ 134,274,249	$ 82,473,812
Restricted					
Capital projects	11,175,181	23,404,995		20,260,583	80,955,610
Culture and recreation	936	-		-	-
Debt service	12,633,950	12,146,226		13,247,382	12,484,510
Impact fee projects	9,246,357	9,358,389		14,847,262	17,141,640
Building code enforcement	-	-		-	-
Physical environment	-	-		111,721	-
Renewal and replacement	8,617,133	9,654,874		4,468,641	4,812,031
Transportation	9,367	27,637		38,757	13,177
Unrestricted	15,100,749	25,126,666	(1)	33,464,346	56,182,187
Total business-type activities net position	$ 149,725,898	$ 182,162,977	(1)	$ 220,712,941	$ 254,062,967
Primary government					
Net investment in capital assets	$ 149,424,756	$ 162,578,321		$ 200,177,952	$ 155,979,734
Restricted					
Capital projects	39,009,730	45,270,710		40,326,997	91,801,521
Culture and recreation	143,203	289,543		298,533	131,352
Debt service	14,558,749	13,725,368		14,966,801	12,484,510
Economic environment	3,948,768	4,530,612		5,953,304	6,276,048
Impact fee projects	23,248,783	24,131,621		33,506,028	41,723,951
Building code enforcement		-		-	-
Physical environment	-	-		111,721	-
Public safety:					
Expendable	1,250,752	1,490,567		2,067,261	6,008,275
Nonexpendable	2,000	2,000		2,000	2,000
Renewal and replacement	8,617,133	9,654,874		4,468,641	4,812,031
Transportation	2,180,542	2,058,951		2,243,923	2,167,885
Unrestricted	(103,934,155)	(88,625,329)	(1)	(81,339,612)	(47,090,440)
Total primary government net position	$ 138,450,261	$ 175,107,238	(1)	$ 222,783,549	$ 274,296,867

(1) Restated per Note 24 in fiscal year 2018.

2020	2021	2022	2023	2024	2025
$ 67,028,162	$ 62,419,767	$ 52,371,629	$ 44,864,359	$ 74,234,357	$ 75,425,980
12,862,490	12,650,444	9,936,644	6,363,916	-	9,472,769
132,876	127,450	189,807	222,891	201,608	219,606
-	-	6,002,780	6,540,456	7,086,490	83,727
8,013,015	7,037,920	11,063,989	16,692,041	17,564,206	19,362,196
30,230,013	31,010,446	27,987,677	36,132,817	41,755,544	50,562,444
5,924,719	6,513,211	1,103,455	-	1,300,084	2,639,270
2,000	2,000	2,000	2,000	2,000	2,000
-	-	-	-	-	-
1,801,736	1,836,177	2,464,242	2,487,286	1,353,074	7,000,347
(90,785,047)	(74,388,373)	(66,535,343)	(56,655,000)	(35,243,884)	(20,924,412)
$ 35,209,964	$ 47,209,042	$ 44,586,880	$ 56,650,766	$ 108,253,479	$ 143,843,927
$ 144,891,763	$ 154,255,579	$ 178,879,471	$ 247,674,593	$ 239,315,997	$ 302,232,590
17,502,622	13,299,279	19,458,192	14,133,216	21,680,892	13,599,684
-	-	-	-	-	-
10,599,080	11,080,346	17,171,268	18,823,477	18,587,382	19,736,368
27,965,958	26,030,402	7,891,268	10,080,159	8,088,728	11,094,316
-	-	-	-	-	19,775,900
-	-	-	267,668	267,398	24,832
8,195,056	9,563,401	10,605,096	10,809,719	9,830,524	10,118,870
-	-	-	-	-	-
72,787,521	78,733,745	76,765,751	59,996,865	92,687,277	79,957,932
$ 281,942,000	$ 292,962,752	$ 310,771,046	$ 361,785,697	$ 390,458,198	$ 456,540,492
$ 211,919,925	$ 216,675,346	$ 231,251,100	$ 292,538,952	$ 313,550,354	$ 377,658,570
30,365,112	25,949,723	29,394,836	19,797,132	21,680,892	23,072,453
132,876	127,450	189,807	222,891	201,608	219,606
10,599,080	11,080,346	23,174,048	25,363,933	25,673,872	19,820,095
8,013,015	7,037,920	11,063,989	17,392,041	17,564,206	19,362,196
58,195,971	57,040,848	35,878,945	46,212,976	49,844,272	61,656,760
-	-	-	-	-	19,775,900
-	-	-	267,668	267,398	24,832
5,924,719	6,513,211	1,103,455	-	1,300,084	2,639,270
2,000	2,000	2,000	2,000	2,000	2,000
8,195,056	9,563,401	10,605,096	10,809,719	9,830,524	10,118,870
1,801,736	1,836,177	2,464,242	2,487,286	1,353,074	7,000,347
(17,997,526)	4,345,372	10,230,408	3,341,865	57,443,393	59,033,520
$ 317,151,964	$ 340,171,794	$ 355,357,926	$ 418,436,463	$ 498,711,677	$ 600,384,419

CITY OF FORT MYERS, FLORIDA
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019
Expenses				
Governmental Activities:				
General government	$ 16,503,612	$ 13,464,131	$ 15,193,193	$ 18,935,366
Police	36,761,500	40,999,085	43,282,973	50,094,186
Fire	20,645,613	22,986,548	23,354,151	24,012,018
Protective inspections	1,582,825	1,551,754	1,477,029	1,206,667
Physical environment	6,419,251	10,149,183	8,101,942	8,300,274
Transportation	10,872,397	10,644,457	12,868,653	12,834,980
Economic environment	4,458,408	4,341,052	7,761,936	7,227,557
Culture and recreation	3,764,010	4,831,427	4,900,535	5,112,618
Interest on long-term debt	3,850,491	3,734,827	4,177,605	4,373,083
Total Governmental Activities	104,858,107	112,702,464	121,118,017	132,096,749
Business-type Activities:				
Water-Wastewater	49,059,105	49,158,524	54,494,162	54,033,880
Solid Waste	10,816,688	11,466,446	12,665,538	13,207,099
Building Permits and Inspections	3,887,112	3,417,693	3,260,129	3,824,020
Stormwater	3,169,455	3,417,096	3,791,294	6,397,793
Golf Courses	4,172,868	4,006,874	3,990,264	4,555,423
Yacht Basin	2,379,323	2,559,447	2,713,878	2,496,668
Downtown Parking Garages	1,094,280	1,141,881	1,393,887	1,171,565
Skatium	1,012,505	1,272,678	1,363,376	1,272,062
Harborside Event Center	2,839,677	3,345,448	-	-
Department of Cultural and Historic Affairs	1,464,340	1,478,948	-	-
Total Business-type Activities	79,895,353	81,265,035	83,672,528	86,958,510
Total Expenses	$ 184,753,460	$ 193,967,499	$ 204,790,545	$ 219,055,259
Program Revenues				
Governmental Activities:				
Charges for services				
General government	$ 1,481,693	$ 1,434,025	$ 1,529,444	$ 1,379,190
Police	1,190,969	983,345	864,009	791,076
Fire	3,084,528	4,782,484	5,563,525	6,109,752
Protective inspections	1,691,810	1,456,954	2,074,683	2,338,705
Physical environment	4,259,586	4,400,720	5,322,251	5,623,902
Transportation	177,410	186,100	209,600	226,800
Economic environment	411,617	365,161	533,489	491,010
Culture and recreation	971,294	963,748	878,041	1,072,132
Operating grants and contributions	3,590,879	4,695,864	3,194,271	13,897,119
Capital grants and contributions	1,526,909	4,812,144	7,598,933	8,575,992
Total Governmental Activities	18,386,695	24,080,545	27,768,246	40,505,678
Business-type Activities:				
Charges for services				
Water-Wastewater	66,530,485	76,114,104	89,489,660	89,303,304
Solid Waste	15,408,793	16,176,303	16,719,648	17,360,885
Building Permits and Inspections	5,194,690	4,718,746	6,554,118	3,461,999
Stormwater	2,982,149	3,790,477	4,845,315	6,154,614
Golf Courses	3,342,525	3,312,504	3,704,457	3,779,227
Yacht Basin	2,292,037	2,604,081	2,844,383	2,662,845
Downtown Parking Garages	1,278,093	1,495,879	1,509,086	1,636,132
Skatium	1,019,633	884,484	1,131,821	1,119,413
Harborside Event Center	1,654,132	556,051	-	-
Department of Cultural and Historic Affairs	436,475	57,065	-	-
Operating grants and contributions	1,393	21,788	-	-
Capital grants and contributions	1,129,854	8,824,934	2,635,178	2,962,907
Total Business-type Activities	101,270,259	118,556,416	129,433,666	128,441,326
Total Program Revenues	$ 119,656,954	$ 142,636,961	$ 157,201,912	$ 168,947,004
Net (Expense)/Revenue				
Governmental Activities	$ (86,471,412)	$ (88,621,919)	$ (93,349,771)	$ (91,591,071)
Business-type Activities	21,374,906	37,291,381	45,761,138	41,482,816
Total Net Expense	$ (65,096,506)	$ (51,330,538)	$ (47,588,633)	$ (50,108,255)

	2020	2021	2022	2023	2024	2025
	$ 16,796,501	$ 19,332,515	$ 18,479,616	$ 11,865,842	$ 25,500,391	$ 34,397,473
	53,692,418	48,055,077	61,012,272	75,622,152	65,238,254	66,660,360
	24,908,318	23,405,565	34,465,131	46,549,570	32,211,496	30,658,246
	1,269,101	1,285,922	1,674,852	2,204,157	1,916,894	1,934,418
	7,415,015	7,346,558	7,591,614	24,861,980	10,018,096	10,167,165
	12,515,560	14,742,735	14,453,028	12,847,542	5,596,388	13,716,456
	7,226,197	7,856,160	11,236,632	6,822,360	8,373,307	8,129,460
	5,012,211	6,504,253	6,693,857	7,804,991	16,260,191	13,746,365
	5,429,286	5,106,027	5,841,339	5,985,123	5,877,745	6,146,769
	134,264,607	133,634,812	161,448,341	194,563,717	170,992,762	185,556,712
	64,156,608	65,648,967	63,291,039	71,836,757	100,672,189	85,231,976
	13,599,332	14,328,991	15,742,088	16,949,004	17,984,599	22,452,856
	3,572,440	4,013,838	4,122,782	4,453,260	5,027,000	4,549,167
	4,082,427	4,143,041	5,295,838	4,275,405	4,933,235	5,261,727
	4,127,465	4,164,101	4,205,053	4,750,824	5,278,953	2,572,765
	2,714,546	2,659,658	6,061,353	292,923	177,259	2,932,897
	1,276,021	1,334,231	1,473,926	1,559,683	1,614,853	126,599
	1,277,518	1,263,628	1,429,610	1,507,252	1,874,818	1,925,654
	-	-	-	-	-	1,854,027
	-	-	-	-	-	-
	94,806,357	97,556,455	101,621,689	105,625,108	137,562,906	126,907,668
	$ 229,070,964	$ 231,191,267	$ 263,070,030	$ 300,188,825	$ 308,555,668	$ 312,464,380
	$ 1,793,015	$ 2,511,911	$ 2,695,171	$ 2,653,708	$ 2,676,423	$ 3,537,475
	726,004	773,588	626,422	622,658	1,163,594	2,040,744
	6,092,860	5,765,095	15,158,373	17,723,169	17,610,696	18,515,914
	2,023,347	1,756,791	2,426,427	2,760,025	2,862,734	3,453,419
	6,301,979	5,515,155	6,180,630	6,418,378	6,811,458	7,718,127
	97,500	92,900	115,400	307,800	106,900	113,800
	678,043	642,691	1,019,275	710,286	772,700	819,559
	841,214	948,848	1,194,450	1,356,449	1,170,475	1,040,811
	6,167,523	8,013,123	9,640,213	8,518,882	13,162,955	15,238,905
	13,608,006	5,266,100	4,620,129	23,256,990	13,931,089	11,813,086
	38,329,491	31,286,202	43,676,490	64,328,345	60,269,024	64,291,840
	92,276,156	77,812,625	83,547,624	98,259,707	113,710,840	134,359,263
	17,546,378	18,782,745	20,339,790	21,690,439	21,567,241	22,335,959
	2,385,000	1,529,805	4,559,920	6,398,872	7,266,288	11,751,218
	6,324,708	6,308,216	6,057,904	6,661,676	6,698,778	7,430,314
	4,029,798	4,555,596	5,053,940	5,255,297	5,751,542	5,901,682
	2,703,654	3,099,340	3,599,562	-	40,752	268
	1,390,000	1,921,000	2,375,307	2,814,039	3,368,024	3,094,521
	731,279	812,691	1,062,237	1,123,800	1,192,602	1,281,383
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	2,758,466	3,453,831	2,522,980	11,418,585	4,808,794	2,362,769
	130,145,439	118,275,849	129,119,264	153,622,415	164,404,861	188,517,377
	$ 168,474,930	$ 149,562,051	$ 172,795,754	$ 217,950,760	$ 224,673,885	$ 252,809,217
	$ (95,935,116)	$ (102,348,610)	$ (117,771,851)	$ (130,235,372)	$ (110,723,738)	$ (121,264,872)
	35,339,082	20,719,394	27,497,575	47,997,307	26,841,955	61,609,709
	$ (60,596,034)	$ (81,629,216)	$ (90,274,276)	$ (82,238,065)	$ (83,881,783)	$ (59,655,163)

CITY OF FORT MYERS, FLORIDA
Changes in Net Position (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019
General Revenues				
Governmental activities:				
Taxes				
Property taxes	$ 43,228,377	$ 47,489,913	$ 52,492,216	$ 55,451,904
Public service taxes	11,657,511	12,391,892	12,878,111	13,266,106
Fuel taxes	4,989,361	5,109,905	5,194,989	5,195,694
Local business tax	2,063,988	2,277,282	2,345,133	2,546,362
Franchise taxes	5,554,198	5,933,105	5,844,019	6,154,779
Intergovernmental, unrestricted	9,418,377	9,822,260	10,726,651	11,074,496
Interest and investment income	567,493	938,962	1,328,876	3,419,840
Miscellaneous	2,079,352	1,549,585	3,145,764	1,856,246
Debt Proceeds to be reclassed	-	1,188,193	-	-
Transfers	9,486,793	5,945,695	8,520,360	10,788,936
Total general revenues and transfers	89,045,450	92,646,792	102,476,119	109,754,363
Business-type Activities:				
Interest and investment income	340,870	565,845	1,274,054	2,437,627
Miscellaneous	213,887	349,507	35,133	218,519
Loss on disposal of capital assets	-	(1,188,193)	-	-
Special items	-	1,790,819	-	-
Transfers	(9,486,793)	(5,945,695)	(8,520,360)	(10,788,936)
Total Business-type Activities	(8,932,036)	(4,427,717)	(7,211,173)	(8,132,790)
Total primary government	$ 80,113,414	$ 88,219,075	$ 95,264,946	$ 101,621,573
Change in Net Position				
Governmental activities	$ 2,574,038	$ 4,024,873	$ 9,126,348	$ 18,163,292
Business-type activities	12,442,870	32,863,664	38,549,965	33,350,026
Total Change in Net Position	$ 15,016,908	$ 36,888,537	$ 47,676,313	$ 51,513,318

CITY OF FORT MYERS, FLORIDA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019
General Fund				
Nonspendable	$ 657,877	$ 665,752	$ 654,971	$ 645,699
Committed	-	-	-	-
Assigned	4,954,240	5,669,783	8,301,345	13,093,042
Unassigned	16,015,483	20,189,290	24,546,267	26,274,742
Total General Fund	$ 21,627,600	$ 26,524,825	$ 33,502,583	$ 40,013,483
All other governmental funds				
Nonspendable	$ 2,000	$ 2,000	$ 2,092	$ 13,030
Restricted	73,303,052	59,439,741	49,045,326	72,871,122
Committed	71,497	67,220	70,882	54,118
Assigned	2,382	2,393	2,413	2,445
Unassigned	(27,689)	(2,591,598)	(7,651,269)	(2,125,629)
Total all other governmental funds	$ 73,351,242	$ 56,919,756	$ 41,469,444	$ 70,815,086
Total Fund Balance, All Governmental Funds	$ 94,978,842	$ 83,444,581	$ 74,972,027	$ 110,828,569

2020	2021	2022	2023	2024	2025
$ 58,361,391	$ 61,810,638	$ 64,967,621	$ 72,144,752	$ 80,443,382	$ 85,502,100
13,549,249	14,093,869	15,203,132	18,053,346	18,350,357	19,410,162
3,989,619	4,052,036	4,232,095	3,925,674	3,474,945	3,526,625
2,643,692	2,275,024	2,489,958	3,292,784	3,410,370	3,434,872
6,012,222	6,391,293	7,740,890	8,680,183	8,423,282	8,649,195
11,111,912	13,573,591	16,451,941	17,285,414	17,281,955	18,485,354
1,992,436	26,540	(5,158,321)	5,372,226	10,959,109	8,531,037
2,362,829	2,081,664	2,964,764	10,714,732	6,885,070	4,787,621
-	-	-	-	-	
10,887,830	10,043,033	6,257,609	2,326,662	13,097,981	4,528,354
110,911,180	114,347,688	115,149,689	141,795,773	162,326,451	156,855,320
2,897,664	75,612	(3,456,670)	5,081,740	14,850,372	8,956,528
530,117	268,779	24,998	262,266	78,155	44,411
-	-	-	-	-	-
-	-	-	-	-	-
(10,887,830)	(10,043,033)	(6,257,609)	(2,326,662)	(13,097,981)	(4,528,354)
(7,460,049)	(9,698,642)	(9,689,281)	3,017,344	1,830,546	4,472,585
$ 103,451,131	$ 104,649,046	$ 105,460,408	$ 144,813,117	$ 164,156,997	$ 161,327,905
$ 14,976,064	$ 11,999,078	$ (2,622,162)	$ 11,560,401	$ 51,602,713	$ 35,590,448
27,879,033	11,020,752	17,808,294	51,014,651	28,672,501	66,082,294
$ 42,855,097	$ 23,019,830	$ 15,186,132	$ 62,575,052	$ 80,275,214	$ 101,672,742

2020	2021	2022	2023	2024	2025
$ 643,993	$ 648,643	$ 1,933,946	$ 1,920,136	$ 656,560	$ 3,410,205
-	-	3,232,075	9,995,864	10,609,380	10,808,047
11,508,556	7,710,142	5,672,915	18,838,219	16,998,303	13,593,149
24,583,647	23,984,308	33,457,619	28,754,722	37,253,165	44,378,383
$ 36,736,196	$ 32,343,093	$ 44,296,555	$ 59,508,941	$ 65,517,408	$ 72,189,784
$ 6,553	$ 6,503	$ 41,298	$ 33,508	$ 890,281	$ 746,317
64,878,071	60,828,068	60,658,376	69,508,529	102,275,232	88,621,135
51,307	47,347	42,639	29,245	29,305	10,661
2,486	2,492	2,495	2,546	-	-
(1,566,904)	(2,263,798)	(698,131)	(16,127,868)	(38,791,020)	(20,533,811)
$ 63,371,513	$ 58,620,612	$ 60,046,677	$ 53,445,960	$ 64,403,798	$ 68,844,302
$ 100,107,709	$ 90,963,705	$ 104,343,232	$ 112,954,901	$ 129,921,206	$ 141,034,086

CITY OF FORT MYERS, FLORIDA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019
Revenues				
Taxes	$ 68,936,377	$ 74,425,669	$ 80,326,454	$ 84,101,283
Permits and fees	6,344,149	7,648,622	13,847,782	15,412,607
Intergovernmental revenue	11,632,039	13,819,824	12,490,090	22,716,477
Charges for services	6,908,940	7,024,815	7,457,400	8,364,654
Fines and forfeitures	610,711	446,734	473,273	590,318
Miscellaneous	2,923,160	2,900,130	4,717,054	6,011,447
Contributions-capital contribution & private source	334,978	187,822	330,673	139,003
Total Revenues	97,690,354	106,453,616	119,642,726	137,335,789
Expenditures				
Current:				
General government	11,530,400	12,681,709	15,327,081	15,987,348
Police	37,160,135	40,862,828	44,222,198	51,403,159
Fire	20,783,032	23,621,467	23,259,848	23,501,577
Protective inspections	1,607,047	1,502,826	1,594,763	1,308,200
Physical environment	5,827,071	8,879,263	7,912,701	7,502,621
Transportation	7,171,333	7,149,986	4,602,034	4,699,201
Economic environment	4,378,959	4,356,079	7,421,064	4,710,403
Culture and recreation	2,712,057	3,183,413	3,593,302	3,953,859
Debt service:				
Principal retirement	7,526,084	5,342,979	6,839,334	4,889,417
Interest and fiscal charges	4,560,435	3,487,356	3,913,087	4,854,899
Capital outlay	11,970,997	14,127,394	18,963,590	27,986,698
Total Expenditures	115,227,550	125,195,300	137,649,002	150,797,382
Excess (Deficiency) of Revenues over Expenditures	(17,537,196)	(18,741,684)	(18,006,276)	(13,461,593)
Other Financing Sources (Uses)				
Sale of capital assets	-	-	-	-
Leases	-	53,981	-	2,432,598
Transfers in	47,503,053	27,559,883	27,707,436	63,708,431
Transfers out	(36,317,735)	(20,406,441)	(18,173,714)	(51,580,991)
Refunding bonds issued	52,130,000	-	-	45,656,995
Finance purchase obligations	-	-	-	-
Proceeds from leases (right to use assets)	-	-	-	-
Premiums on bonds issued	5,067,430	-	-	2,467,946
Payments to bond escrow agent	(37,735,495)	-	-	(13,366,844)
Total Other Financing Sources (Uses)	30,647,253	7,207,423	9,533,722	49,318,135
Net change in fund balances	$ 13,110,057	$ (11,534,261)	$ (8,472,554)	$ 35,856,542
Debt service as a percentage of noncapital expenditures	11.0%	7.8%	8.8%	7.2%

2020	2021	2022	2023	2024	2025
$ 86,215,665	$ 90,275,805	$ 96,488,297	$ 108,503,173	$ 116,789,869	$ 123,422,882
17,366,024	10,940,446	22,018,963	29,775,917	26,333,726	31,780,501
17,250,558	22,188,666	25,112,286	37,874,003	34,233,063	31,441,720
8,904,705	8,411,997	8,857,411	9,460,065	9,211,550	10,347,541
672,471	747,930	729,537	776,760	779,996	1,581,412
5,876,418	3,558,589	1,015,841	12,473,775	13,885,928	12,301,161
217,904	228,257	311,126	848,421	1,317,509	975,681
136,503,745	136,351,690	154,533,461	199,712,114	202,551,641	211,850,898
16,393,415	19,242,185	18,452,256	20,538,771	19,822,133	25,697,605
56,817,809	57,022,602	59,887,911	72,563,624	67,820,626	69,321,674
24,524,839	27,321,444	33,562,735	42,022,932	33,953,381	36,598,194
1,479,286	1,534,184	1,660,619	2,115,751	2,151,051	2,120,227
7,671,925	8,354,256	8,544,333	24,688,216	10,594,343	13,475,772
4,650,377	4,860,400	5,060,131	4,819,688	5,221,452	6,511,306
5,695,861	8,319,742	11,182,961	9,291,144	11,310,872	12,749,227
3,919,336	4,175,680	4,739,560	7,021,512	13,061,531	11,569,879
7,088,487	6,676,910	36,775,508	10,130,247	18,338,322	11,115,501
5,271,759	4,953,181	5,129,763	5,949,618	5,755,707	6,020,208
41,012,281	19,596,527	20,816,859	12,477,363	27,914,586	29,046,134
174,525,375	162,057,111	205,812,636	211,618,866	215,944,004	224,225,727
(38,021,630)	(25,705,421)	(51,279,175)	(11,906,752)	(13,392,363)	(12,374,829)
-	-	-	6,026,571	2,975,342	1,652,344
-	-	1,525,459	3,485	-	-
46,996,479	38,555,502	52,209,608	37,458,325	64,240,360	71,340,147
(35,718,061)	(28,248,616)	(45,686,172)	(35,021,532)	(51,042,494)	(66,350,868)
16,022,352	6,254,531	51,619,725	9,638,887	10,727,973	11,432,391
-	-	4,990,082	1,912,685	3,457,487	4,017,822
-	-	-	-	-	1,395,873
-	-	-	-	-	-
-	-	-	-	-	-
27,300,770	16,561,417	64,658,702	20,018,421	30,358,668	23,487,709
$ (10,720,860)	$ (9,144,004)	$ 13,379,527	$ 8,111,669	$ 16,966,305	$ 11,112,880
8.9%	7.9%	22.2%	8.1%	12.8%	8.8%

CITY OF FORT MYERS, FLORIDA
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
($ in thousands)

Tax Year [1]	Real Property	Personal Property	Just Value	Allowable Exemptions [2]	Total Taxable Value	Assessed Value as a Percentage of Actual Value [3]	Estimated Actual Assessed Value [4]	Total Direct Tax Rate
2015	$6,666,152	$612,226	$7,278,378	$2,301,496	$4,976,882	68.38%	$7,278,271	8.7760
2016	7,629,258	617,739	8,246,997	2,765,783	5,481,214	66.46%	8,247,388	8.7500
2017	8,382,657	648,185	9,030,842	2,908,701	6,122,141	67.79%	9,031,039	8.6500
2018	8,868,932	731,056	9,599,988	2,962,866	6,637,122	69.14%	9,599,540	8.4500
2019	9,484,898	765,235	10,250,133	3,145,187	7,104,946	69.32%	10,249,489	8.2500
2020	10,306,595	804,187	11,110,782	3,303,394	7,807,388	70.27%	11,110,556	7.9643
2021	11,694,604	822,499	12,517,103	3,902,452	8,614,651	68.82%	12,517,656	7.5875
2022	15,589,112	944,707	16,533,819	6,214,762	10,319,057 [5]	62.41%	16,534,301	6.9999
2023	18,776,198	1,077,453	19,853,650	7,871,197	11,982,453	60.35%	19,854,935	6.6999
2024	19,417,065	1,178,241	20,595,307	7,623,124	12,972,183	62.99%	20,594,036	6.5255

Source: Lee County Property Appraiser

(1) Calendar year basis.
(2) Allowable exemptions include the assessment differential value of capped parcels, which is more commonly known as the "Save Our Homes" constitutional amendment.
(3) Florida Statutes require assessments at just valuation.
(4) Estimated actual value is calculated by dividing total taxable assessed value by assessed value as a percentage of actual value.
(5) Total taxable assessed value for tax year 2022 was incorrectly stated on FY 2023 ACFR was $11,982,453, has been corrected on FY 2024 ACFR

CITY OF FORT MYERS, FLORIDA
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years
(per $1,000 of assessed value)

		City of Fort Myers Direct Rates			Overlapping Rates			
Tax Year [1]	Fiscal Year	Operating Millage [2]	GO Debt Service Millage	Total Direct Tax Rate	Lee County General	Other [3]	School District Millage	Total Direct & Overlapping Rates
2015	2015/16	8.7760	0.0000	8.7760	4.1506	1.2561	7.285	21.4677
2016	2016/17	8.7500	0.0000	8.7500	4.0506	1.2317	6.989	21.0213
2017	2017/18	8.6500	0.0000	8.6500	4.0506	1.2498	6.679	20.6294
2018	2018/19	8.4500	0.0000	8.4500	4.0506	1.1161	6.401	20.0177
2019	2019/20	8.2500	0.0000	8.2500	4.0506	1.0914	6.147	19.5390
2020	2020/21	7.9643	0.0000	7.9643	4.0506	1.0685	6.058	19.1414
2021	2021/22	7.5875	0.0000	7.5875	3.8623	1.0354	5.891	18.3762
2022	2022/23	6.9999	0.0000	6.9999	3.7623	0.9934	5.557	17.3126
2023	2023/24	6.6999	0.0000	6.6999	3.7623	0.9926	5.430	16.8848
2024	2024/25	6.5255	0.0000	6.5255	3.7623	0.9456	5.286	16.5194

Source: Lee County Tax Collector

(1) Calendar year basis.
(2) The City's operating millage tax rate may be increased only by a majority vote of the City Council.
(3) 'Other' consists of Lee County Capital Improvement, Lee County Library District, Lee County All Hazards, and other Independent Special Districts.

CITY OF FORT MYERS, FLORIDA
Principal Property Taxpayers
September 30, 2025
Current Year and Ten Years Ago
($ in thousands)

	2025 [1]			2016 [2]		
Taxpayer	Total Assessed Valuation	Rank	Percentage of Total Assessed Value	Total Assessed Valuation	Rank	Percentage of Total Assessed Value
W TC75 OWNER IX LP	$ 129,658	1	0.76%			
LNX 1 Properties LLC	120,000	2	0.71%			
Lee Health System INC.	118,858	3	0.70%			
Six Mile Apartments LLC	86,461	4	0.51%			
ZP 362 Fort Myers Church LLC	83,323	5	0.49%			
Fort Myers Multifamily II	76,069	6	0.45%			
Legacy Gateway 60 LLC	72,667	7	0.43%			
Venetian Multi Family LLC	72,404	8	0.43%			
Mahaffey Associates Fort Myers	70,000	9	0.41%			
Awpre Encore Vive 2021 LLC	65,327	10	0.39%			
Edison Mall Business Trust				$ 81,578	1	1.64%
Oasis Tower II Condominium Assn				36,183	2	0.73%
Gulf Stream Isles Apartments				22,442	3	0.45%
KRG Fort Myers Colocial Square LLC				19,032	4	0.38%
Northland Cypress Legends LLC				14,362	5	0.29%
BRE DDR BR Forum FL LLC				14,260	6	0.29%
Fort Myers Ansley LLC				14,009	7	0.28%
Montego Bay Property LLC				12,676	8	0.25%
An Fort Myers Imports LLC				12,668	9	0.25%
Reflections Property Holdings LLC				12,651	10	0.25%
Total	$ 894,767		5.28%	$ 239,861		4.81%

Source: [1] Lee County 2025 Preliminary Tax Roll
City of Fort Myers Budget Office - FY 2025-26 Budget Book
[2] Lee County Property Appraiser - 2016 Tax Roll
City of Fort Myers Annual Comprehensive Financial Report, September 30, 2016

Notes: 2025 Total Taxable Assessed Value for fiscal year 2025 is $16,948,996 in thousands.
2016 Total Taxable Assessed Value for fiscal year 2016 is $4,976,882 in thousands.

CITY OF FORT MYERS, FLORIDA
Property Tax Levies and Collections
Last Ten Tax Years
($ in thousands)

		Collected within the Year of the Levy			Total Collections to Date	
Tax Year [1]	Total Tax Levy	Amount Collected	Percentage of Levy	Prior Years Tax Collections [2]	Amount Collected	Percent of Levy
2015	$43,485	$43,473	100.0%	44	$43,517	100.1%
2016	47,770	47,794	100.1%	44	47,838	100.1%
2017	52,507	52,643	100.3%	90	52,733	100.4%
2018	55,688	55,736	100.1%	(20)	55,716	100.1%
2019	58,301	58,426	100.2%	112	58,538	100.4%
2020	61,762	61,840	100.1%	(58)	61,782	100.0%
2021	65,556	64,992	99.1%	14	65,006	99.2%
2022	72,295	68,881	95.3%	32	68,913	95.3%
2023	80,656	76,496	94.8%	2	76,498	94.8%
2024	84,833	81,021	95.5%	36	81,057	95.5%

Source: Lee County Tax Collector

[1] Calendar year basis.
[2] The Lee County Tax Collector auctions current year delinquent tax certificates in June of each year.
The County cannot reasonably provide us with delinquent taxes by year.

CITY OF FORT MYERS, FLORIDA
Water Sold by Type of Customer and Wastewater Billed by Type of Customer
Last Ten Fiscal Years
(in millions of gallons)

Water:

Type of Customer	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Residential	1,461.4	1,439.2	1,478.6	1,586.9	1,606.9	1,666.1	1,797.6	1,895.8	1,927.2	1,903.1
Commercial	3,027.3	2,181.3	1,791.5	1,837.0	1,905.4	1,702.7	1,781.5	1,948.6	1,976.8	1,929.7
Total	4,488.7	3,620.5	3,270.1	3,423.9	3,512.3	3,368.8	3,579.1	3,844.4	3,904.0	3,832.8
Total direct rate per 1,000 gallons	$ 4.65	$ 4.79	$ 4.79	$ 4.79	$ 4.79	$ 4.79	$ 4.79	$ 4.98	$ 5.23	$ 5.14

Wastewater:

Type of Customer	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Residential	1,304.7	1,366.2	1,403.3	1,410.3	1,513.6	1,574.2	1,722.3	1,814.7	1,851.6	1,833.8
Commercial	680.8	697.0	712.6	744.2	652.3	699.5	755.6	810.9	877.1	828.7
Total	1,985.5	2,063.2	2,115.9	2,154.5	2,165.9	2,273.7	2,477.9	2,625.6	2,728.7	2,662.5
Total direct rate per 1,000 gallons	$13.25	$13.25	$13.65	$13.65	$13.65	$13.65	$13.65	$13.65	$14.90	$14.90

Source: City of Fort Myers Utility Billing Department

Note: The City of Fort Myers' rates change incrementally with increases in usage of volume.

CITY OF FORT MYERS, FLORIDA
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
($ in thousands)

	Governmental Activities					Business-Type Activities		
Fiscal Year	Revenue Bonds	Financing Purchase Obligations	Leases Payable	Subscription Liabilities	Notes Payable	Utilty Revenue Bonds	State Revolving Fund Loans	Other Utility Debt
2016	$ 114,426	$ 1,418	$ -	$ -	$ 3,275.00	$ 125,602	$ 63,880	$ 47,705
2017	108,193	1,031	-	-	2,682	81,279	59,056	84,150
2018	101,367	2,607	-	-	2,088	42,935	54,105	115,062
2019	131,442	5,301	-	-	1,488	161,421	49,025	82,070
2020	124,862	4,839	-	-	17,015	246,995	-	36,039
2021	118,590	4,059	-	-	22,773	218,666	-	47,109
2022	112,063	7,019	786	-	45,646	209,524	-	46,089
2023	106,257	6,574	1,135	1,785 [2]	52,895	196,377	-	43,537
2024	100,947	7,086	1,022	1,308	53,049	324,376	257	40,928
2025	95,451	8,671	1,436	2,126	61,817	310,337	2,874	38,276

	Business-Type Activities						
Fiscal Year	Other Revenue Bonds	Finance Purchase Obligations	Leases Payable	Other Proprietary Debt	Total Primary Government [1]	Percentage of Personal Income [1]	Debt Per Capita
2016	$ 530	$ 393	$ -	$ 3,534	$ 357,229	10.21%	$ 4,694
2017	457	14,062	-	3,309	350,910	9.37%	4,436
2018	381	14,347	-	3,073	332,892	7.89%	4,066
2019	303	14,226	-	2,826	445,276	9.63%	5,067
2020	225	13,677	-	2,568	443,651	8.96%	4,791
2021	142	13,273	-	2,297	424,612	8.39%	4,638
2022	-	13,066	846	2,013	437,053	7.31%	4,517
2023	-	-	608	1,715	410,884	6.41%	4,187
2024	-	-	1,353	1,404	531,730	7.94%	5,276
2025	-	-	1,012	1,077	523,077	7.10%	5,125

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

[1] See Schedule 14 for personal income and population data.
[2] Subscription Liabilities for FY 2023 was not stated on the FY 2023 ACFR, it is now included on the FY 2024 ACFR.

CITY OF FORT MYERS, FLORIDA
Direct and Overlapping Governmental Activities Debt
September 30, 2025

Jurisdiction	Net Debt Outstanding	Percentage Applicable to Fort Myers [1]	Amount Applicable to Fort Myers
City of Fort Myers	$ 169,501,420	100.00%	$ 169,501,420
Overlapping Bonded Debt:			
Lee County	458,396,000	6.58%	30,163,350
School Board	383,272,676	6.37%	24,395,726
Total Overlapping Bonded Debt	841,668,676		54,559,076
Total net direct and net overlapping bonded debt	$ 1,011,170,096		$ 224,060,496

Sources: Lee County, Finance Division
Lee County Clerk of Court
Lee County School Board, Finance Division
City of Fort Myers Annual Budget Book

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

[1] Calculated as a ratio of taxable valuation of property in the City of Fort Myers ($12,972,182,804) to total estimated taxable valuation of property in Lee County, Florida

CITY OF FORT MYERS, FLORIDA
General Revenue Bonds - Pledged Revenue Coverage
Last Ten Fiscal Years
($ in thousands)

General Revenue Bonds

Fiscal Year	Excess Utilities Tax	Communications Tax	Guaranteed Entitlement Funds	Franchise Taxes	Local Business Tax
2016	$ 8,626	$ 3,032	$ 893	$ 5,488	$ 2,112
2017	9,102	3,290	893	5,733	2,326
2018	9,624	3,254	893	5,844	2,407
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	-	-	-	-	-
2023	-	-	-	-	-
2024	-	-	-	-	-
2025	-	-	-	-	-

Note: Debt service coverage is based on pledged revenues and annual debt service.

Note: There are no pledged revenues related to General Revenue Bonds debt service for fiscal years 2019 through 2025. The City covenanted and agreed to budget and appropriate amounts from Non-Ad Valorem Revenues sufficient to pay principal and interest when due. Such covenant to budget and appropriate does not create any lien or pledge of such Non-Ad Valorem Revenues.

General Revenue Bonds

Fiscal Year	Excess Utilities Tax	Communications Tax	Guaranteed Entitlement Funds	Franchise Taxes	Local Business Tax
2016	$ 8,626	$ 3,032	$ 893	$ 5,488	$ 2,112
2017	9,102	3,290	893	5,733	2,326
2018	9,624	3,254	893	5,844	2,407
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	-	-	-	-	-
2023	-	-	-	-	-
2024	-	-	-	-	-
2025	-	-	-	-	-

Note: Bond coverage is based on the bond document calculation.

Note: Revised in fiscal year 2017 to calculate maximum amounts on bonds covenanted with pledged revenues only, not total general revenue bonds.

Note: There are no pledged revenues related to General Revenue Bonds debt service for fiscal years 2019 through 2025. The City covenanted and agreed to budget and appropriate amounts from Non-Ad Valorem Revenues sufficient to pay principal and interest when due. Such covenant to budget and appropriate does not create any lien or pledge of such Non-Ad Valorem Revenues.

General Revenue Bonds (continued)

Half-Cent Sales Tax	Total Pledged Revenues	Debt Service		Bond Coverage
		Principal	Interest	
$ 5,929	$ 26,080	$ 4,745	$ 3,559	3.14
6,152	27,496	2,525	868	8.10
6,883	28,905	2,660	738	8.51
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

General Revenue Bonds (continued)

Half-Cent Sales Tax	Total Pledged Revenues	Maximum Principal and Interest	Bond Coverage
$ 5,929	$ 26,080	$ 3,408	7.65
6,152	27,496	3,408	8.07
6,883	28,905	3,408	8.48
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

CITY OF FORT MYERS, FLORIDA
General Revenue Bonds - Pledged Revenue Coverage
Last Ten Fiscal Years - Continued
($ in thousands)

Community Redevelopment Revenue Note, Series 2005

Fiscal Year	Tax Increment Financing Revenues	Maximum Principal and Interest	Bond Coverage
2016	$ 3,538	$ 618	5.72
2017	4,006	597	6.71
2018	4,685	577	8.12
2019	5,047	557	9.06
2020	5,492	537	10.23
2021	6,342	516	12.29
2022	6,810	-	-
2023	9,560	-	-
2024	12,261	-	-
2025	12,648	-	-

Note: Series 2005 CRA Note no longer has a balance and there is no principal and interest or bond coverage to record for fiscal year 2025.

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CITY OF FORT MYERS, FLORIDA
Water-Wastewater Utility - Pledged Revenue Coverage
Last Ten Fiscal Years
($ in thousands)

Fiscal Year	Gross Utility Revenues	Direct Operating Expenses	Net Operating Revenues	Pledged Impact Fees Available	Total Available Revenues
2016	$ 66,530	$ 39,933	$ 26,597	$ 3,958	$ 30,555
2017	76,114	40,947	35,167	5,309	40,476
2018	89,490	46,409	43,081	8,390	51,471
2019	89,303	45,180	44,123	6,314	50,437
2020	92,276	53,807	38,469	11,783	50,252
2021	77,813	56,790	21,023	3,187	24,210
2022	83,548	55,909	27,638	4,056	31,695
2023	98,260	64,421	33,838	6,726	40,565
2024	113,711	86,494	27,217	4,208	31,425
2025[2]	130,004	72,216	57,788	4,355	62,143

Coverage based on current year results and not calculated according to the bond documents.

Note: Corrected prior years for consistency in interpretation of bond documents.

(1) State Revolving Loans refunded by the Subordinate Utility System Refunding Revenue Bonds, Series 2020B.

(2) Gross Utility Revenues exclude Pledged Impact Fees.

Fiscal Year	Total Operating Revenues	Total Operating Expenses	Net Operating Revenues	Adjustments Per Bond Documents	Net Operating Revenues Available for Debt Service
2016	$ 62,746	$ 31,563	$ 31,183	$ 11,012	$ 42,195
2017	71,038	31,257	39,781	11,104	50,885
2018	78,722	33,005	45,717	11,287	57,004
2019	83,726	36,834	46,892	12,064	58,956
2020	81,057	45,626	35,431	12,173	47,604
2021	74,944	44,729	30,215	12,863	43,078
2022	79,732	44,601	35,131	11,917	47,048
2023	92,647	51,700	40,947	11,452	52,400
2024	111,706	71,298	40,407	12,077	52,484
2025	132,350	56,924	75,426	13,089	88,515

Coverage calculated according to the bond documents for coverage and additional bonds test.

Note: Corrected prior years for consistency in interpretation of bond documents.

(1) State Revolving Loans refunded by the Subordinate Utility System Refunding Revenue Bonds, Series 2020B.

Debt Service		Bonded	State Revolving Loan	Utility Bonds and Notes
Principal	Interest	Coverage	Debt Service	Coverage
$ 6,602	$ 7,556	2.16	$ 6,453	1.48
8,519	7,752	2.49	6,453	1.78
8,783	6,110	3.46	6,453	2.41
9,297	5,748	3.35	6,543	2.34
6,756	9,258	3.14	- (1)	3.14
7,865	9,279	1.41	- (1)	1.41
13,402	8,882	1.42	- (1)	1.42
11,330	7,086	2.20	-	2.20
11,560	13,615	1.25	-	1.25
12,960	13,075	2.39	354	2.35

Impact Fees Available for Debt Service	Total Revenues Available for Debt Service	Maximum Debt Service	Coverage NOR Available for Debt Service	Coverage Total Revenues Available	State Revolving Loan Maximum Debt Service	Coverage Total Revenues Debt Service
$ 3,958	$ 46,153	$ 16,271	2.59	2.84	$ 6,453	4.63
5,309	56,194	15,846	3.21	3.55	6,453	6.25
8,390	65,394	15,556	3.66	4.20	6,453	7.72
6,314	65,270	19,079	3.09	3.42	6,453	7.16
11,783	59,387	22,376	2.13	2.65	- (1)	-
3,187	46,265	22,304	1.93	2.07	- (1)	-
4,056	51,104	22,299	2.11	2.29	- (1)	-
6,726	59,126	22,299	2.35	2.65	-	-
4,208	56,692	29,410	1.78	1.93	-	-
4,355	92,869	29,330	3.02	3.17	-	-

CITY OF FORT MYERS, FLORIDA
Demographic and Economic Statistics
Last Ten Fiscal Years

	Population		City of Fort Myers				
Year	City of Fort Myers [1]	Lee County [1]	Total Personal Income (in thousands) [2]	Per Capita Income [2]	Labor Force [3]	Unemployed [3]	Unemployment Rate [3]
2016	76,108	680,539	$ 1,946,158	$ 25,571	31,950	1,493	4.7%
2017	79,106	698,468	2,156,904	27,266	32,654	1,426	4.4%
2018	81,868	713,903	2,324,559	28,394	34,034	1,258	3.7%
2019	87,871	735,148	2,300,067	28,203	35,736	1,214	3.4%
2020	92,599	750,493	2,517,451	29,272	35,142	2,905	8.3%
2021	91,544	782,579	2,896,181	32,407	38,123	1,887	4.9%
2022	96,755	802,178	3,638,806	38,867	40,098	1,300	3.2%
2023	97,711	800,989	3,886,895	39,351	42,209	1,421	3.4%
2024	100,780	827,016	4,339,835	42,725	40,939	1,569	3.8%
2025	102,060	839,223	4,648,130	44,700	44,204	1,809	4.8%

	As Projected [4]
2030	116,054

Sources: [1] Bureau of Economic and Business Research (B.E.B.R.), University of Florida (2016-2025). Population is projected.
US Census Bureau (2020).

[2] ESRI Executive Summary Report for the City of Fort Myers (2024-2025). Total personal income is calculated using per capita income and estimated current population.
Lee County, Florida, Comprehensive Annual Financial Report, Demographic Statistics (2025).
City of Fort Myers, Geographic Information Systems (2016-2025). Total personal and per capita income is estimated.

[3] Florida Agency for Workforce Innovation, Labor Market Statistics Center (2024-2025).
Florida Department of Economic Opportunity (2016-2025).

[4] Projection from ESRI Executive Summary Report for the City of Fort Myers.

LEE COUNTY, FLORIDA
Principal Employers [1]
September 30, 2025
Current Year and Nine Years Ago

	2025			2016		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Lee Health	16,000	1	4.47%	11,800	1	3.75%
Chico's FAS Inc.	3,858	2	1.08%	1,426	9	0.45%
Paramount Residential Mortgate Grp	3,000	3	0.84%			
Herc Rentals	2,200	4	0.61%			
Amazon	2,200	5	0.61%			
Hertz	2,105	6	0.59%			
Alico Arena	1,565	7	0.44%			
Gartner, Inc.	1,527	8	0.43%			
Alta Resources	1,200	9	0.33%			
B & I Contractors	1,200	10	0.33%			
Lee County School District				11,000	2	3.49%
Publix Super Market [2]				5,100	3	1.62%
Florida Gulf Coast University				1,253	10	0.40%
Walmart				3,146	5	1.00%
Winn Dixie				1,561	7	0.50%
Lee County Administration				4,955	4	1.57%
City of Cape Coral				1,800	6	0.57%
Lee County Sheriff's Office				1,543	8	0.49%
Total	34,855		9.73%	43,584		13.84%

Source: Lee County Office of Economic Development, SW Florida Economic Development Alliance, Florida Research and Economic Database, and U.S. Bureau of Labor Statistics.

(1) The information provides Lee County statistics since statistics for the City of Fort Myers are not available.
(2) Third party citation.

CITY OF FORT MYERS, FLORIDA
Full-Time Equivalent Government - Employees by Function/Program
Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government	118.2	119.2	121.2	128.0	133.0	132.5	133.5	151.3	157.9	160.1
Public Safety	438.6	455.3	488.8	504.0	520.5	529.2	563.1	575.4	575.7	575.3
Physical Environment	256.8	254.9	258.9	257.9	259.5	259.4	264.4	257.5	268.6	276.1
Transportation	18.3	18.3	18.3	19.0	19.0	18.5	18.5	20.4	22.5	22.5
Culture/Recreation	100.3	101.8	66.6	63.6	63.6	63.4	65.3	65.3	55.5	65.4
Economic Environment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.1 (1)	6.6 (1)	6.6 (1)
Community Development	13.9	13.9	14.9	18.2	18.4	18.4	18.4	0.0 (2)	0.0 (2)	0.0 (2)
Total	946.1	963.4	968.7	990.7	1,014.0	1,021.4	1,063.2	1,076.0	1,086.8	1,106.0

Source: City of Fort Myers Budget Office
(1) The information for Economic Environment is added for fiscal year 2023.
(2) The information for Community Development for fiscal year 2023 going forward is omitted.

CITY OF FORT MYERS, FLORIDA
Operations Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police										
Number of Police personnel and officers	262	255	307	312	313	319	319	304	303	352
Physical arrests	3,060	2,962	2,927	3,165	3,116	2,868	3,381	4,068	3,831	3,203
Traffic violations	7,981 (1)	6,782 (1)	5,494 (1)	3,882 (1)	3,852	4,405	5,325	5,592	8,985 (5)	9,180
Parking violations	11,886	10,968	12,661	10,294	8,401 (3)	12,611	13,590	14,384	24,777	11,421
Fire										
Number of Fire personnel and officers	125	125	124	117	124	135	146	167	171	171
Number of calls answered	15,572	12,584	17,818	17,341	16,562	17,130	18,915	26,026	19,056	17,432
Number of inspections conducted	4,484	4,685	4,917	5,308	5,898	5,511	5,681	9,645	10,621	11,350
Solid Waste										
Commercial MSW (tonnage)	31,533	31,496	33,875	34,006	32,584	35,403	36,916	39,997	41,089	39,247
Residential MSW (tonnage)	12,897	13,327	14,355	14,441	16,183	17,744	17,145	17,892	15,376	14,387
Roll-Off Debris (tonnage)	16,442	15,920	19,146	18,628	18,403	20,293	19,895	20,922	19,853	19,993
Recycling (tonnage)	5,079	5,497	4,993	4,396	5,580	5,817	4,955	5,535	5,362	5,494
Culture and Recreation										
City Recreation Venues	656,936	815,278	752,242	897,080	470,745 (2)	515,675 (2)	742,206	766,721	782,352	814,615
Water system										
Number of service connections	25,210	26,069	26,257	27,142	27,939	30,751	31,156	31,507	31,789	31,971
Daily average finished flow in gallons*	6,922	7,293	7,423	7,471	7,540	8,006	8,020	9,100	9,023	8,890
Maximum daily capacity of plants, in gallons*	12,000	12,000	12,000	12,000	12,000	12,000	9,000	9,860	13,040	13,040
Wastewater system										
Number of service connections	23,051	23,825	24,022	24,878	25,683	28,069	28,424	28,711	28,983	29,146
Daily average treatment in gallons*	14,780	15,040	14,410	14,750	14,990	17,745	18,050	17,545	20,169	18,470
Maximum daily capacity of treatment plants, in gallons*	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
Building Permits and Inspection										
Building permits issued	9,174	7,982	8,611	8,314	8,673	8,824	8,317	10,281 (4)	8,857	8,584
Golf Courses										
Number of rounds per year, Eastwood	52,439	42,815	52,197	54,324	51,938	60,044	51,089	54,023	64,410	67,603
Number of rounds per year, Fort Myers	58,245	63,461	61,687	63,548	65,260	70,502	73,082	66,692	58,203	71,696

Sources: Various City departments
** Amounts are in thousands*

(1) Citations declined due to fewer traffic stops.
(2) Comprises attendance at City community centers, athletics and aquatics venues, and special events. Significant decrease in fiscal years 2020 and 2021 due to the pandemic.
(3) Total parking citations declined due to the pandemic. Enforcement removed from the streets for several months and less people visiting the downtown area.
(4) Increase most likely due to Hurricane Ian and the need for permits due to the severity of storm damage.
(5) Total increase traffic citations due to added officers which helped our new police chief put more focus on traffic saftey.

CITY OF FORT MYERS, FLORIDA
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function/program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Number of Enterprise Center buildings	2	2	2	2	2	2	2	2	2	2
Number of Facility Management vehicles	14	14	12	12	14	17	14	15	15	16
Police										
Number of stations	2	1	1	1	1	1	1	1	1	1
Number of substations	0	3	3	6	6	6	6	5	4	4
Number of patrol vehicles	136	135	154	143	129	143	171	194	175	172
Number of unmarked vehicles	50	49	60	67	59	88	52	93	117	115
Number of pickup trucks	3	3	3	6	10	16	15	15	15	15
Number of vans	6	8	6	9	7	11	8	8	9	10
Number of motorcycles	2	2	2	2	2	2	2	0	0	0
Number of boats	1	1	1	1	1	1	1	1	1	1
Number of boat trailers	1	1	1	1	1	1	1	1	1	1
Number of Volunteers in Policing units	3	1	1	1	1	1	3	3	1	1
Mobile command post	1	1	1	1	1	1	1	1	1	1
ERV (MCOPS vehicle)	1	1	1	1	1	1	1	1	1	1
Hostage negotiator truck	1	1	1	1	1	1	1	1	1	1
Fire										
Number of stations	6	6	6	6	6	6	8	8	8	8
Number of fire fighting units	10	11	11	13	13	11	13	13	14	12
Number of rescue units	2	2	4	4	4	4	4	4	4	4
Number of marine units	2	1	1	1	1	1	1	1	1	1
Number of support/specialty units	5	5	14	15	16	20	22	24	27	28
Culture and Recreation										
Number of community centers	3	3	1	1	1	1	1	1	1	1
Number of parks	35	35	35	36	36	37	39	39	39	39
Park acreage (including golf courses)	537	497	497	498	498	519	563	563	563	718
Number of swimming pools	4	4	4	4	4	4	4	4	3	3
Number of tennis courts	16	16	17	17	17	17	17	17	16	15
Number of skate parks	0	0	0	0	0	0	0	0	0	0
Public Works										
Number of Public Works buildings	132	132	155	155	155	155	155	155	158	156
Miles of City maintained streets	226 (1)	247	224	224	224	240	240	240	240	240
Number of street lights	10,425 (1)	10,425	10,425	10,425	10,425	10,425	10,425	10,425	10,425	10,425
Number of bridges	27	27	27	27	27	27	27	27	27	27
Number of culverts	35 (2)	35	35	35	35	35	37	37	37	37
Sewer system										
Miles of sanitary sewers	357 (1)	368	430	440	451	475	474	391	398	460
Number of sewer treatment plants	2	2	2	2	2	2	2	2	2	2
Water system										
Number of water treatment plants	1	1	1	1	1	1	1	1	1	1
Miles of water mains	434 (1)	439	439	514	531	555	559	446	459	490
Number of fire hydrants	3,189 (1)	4,100	4,194	4,200	4,511	4,639	4,660	5111	5,253	5,253
Stormwater										
Miles of storm drainage pipes	58 (1)	59	54	54	54	54	54	54	54	54
Number of catch basins (3)	4,681	4,691	4,691	4,691	4,691	4,691	4,691	4,691	4,691	4,691

CITY OF FORT MYERS, FLORIDA
Capital Asset Statistics by Function
Last Ten Fiscal Years (Continued)

Function/program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Solid Waste										
Number of refuse collection vehicles	47	44	45	44	45	45	52	56	54	57
Golf Courses										
Number of golf courses	2	2	2	2	2	2	2	2	2	2
Number of holes	36	36	36	36	36	36	36	36	36	36
Yacht Basin/Marina										
Number of slips	284	284	284	284	284	284	0 (4)	0 (4)	0 (4)	0 (4)
Number of non-transient boats docked	155	156	177	164	180	185	0 (4)	0 (4)	0 (4)	0 (4)
Downtown Parking Garages										
Number of parking garages	2	2	2	2	2	3	3	3	3	3
Caloosa Sound										
Number of event center buildings	1	1	1	1	1	1	1	1	1	1
Cultural and Recreation										
Number of buildings	4	4	4	4	4	4	4	4	4	4

Sources: Various city departments

(1) Updated, based on GIS data.
(2) Verified with Google Earth by City of Fort Myers, Florida Stormwater Resource Manager.
(3) Updated, based on GIS data, in fiscal year 2016 to include manholes, curb inlets, headwalls and mitered end sections.
(4) Due to Hurricane Ian, Yacht Basin was deemed inoperable.

REPORTING SECTION

CITY OF
FORT MYERS
FLORIDA
City of Palms

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CBIZ CPAs P.C.

201 East Kennedy Boulevard
Suite 1500
Tampa, FL 33602

P: 813.397.4800

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with *Government Auditing Standards*

To the Honorable Mayor, Members of City Council, Audit Committee and City Manager
City of Fort Myers, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards")*, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Fort Myers, Florida (the "City"), as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 28, 2026. Our report includes a reference to other auditors who audited the financial statements of the Fort Myers Community Redevelopment Agency, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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 result 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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CBIZ CPAs P.C.

Tampa, Florida
May 28, 2026

CBIZ CPAs P.C.

201 East Kennedy Boulevard
Suite 1500
Tampa, FL 33602

P: 813.397.4800

Independent Auditors' Report on Compliance for the Major Federal Program and Each Major State Project and Report on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General

To the Honorable Mayor, Members of City Council, Audit Committee and City Manager
City of Fort Myers, Florida

Report on Compliance for the Major Federal Program and Each Major State Projects

Opinion on the Major Federal Program and State Projects

We have audited the City of Fort Myers, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement,* and the requirements described in the *State of Florida Department of Financial Services'* State Projects Compliance Supplement, that could have a direct and material effect on the City's major federal program and each major state project for the fiscal year ended September 30, 2025. The City's major federal program and each major state project are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program and each major state project for the fiscal year ended September 30, 2025.

Basis for Opinion on the Major Federal Program and Each Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards"*); and the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and Chapter 10.550, Rules of the Auditor General ("Chapter 10.550"). Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550 are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.550 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal program and each major state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

CBIZ CPAs P.C.

Tampa, Florida
May 28, 2026

CITY OF FORT MYERS, FLORIDA
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

Funding Agency / Grant Name	Federal Assistance Listing Number	Federal or Passed through Grant Number	Total Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Community Development Block Grant / Entitlement Grant Cluster			
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-12-0006	$ 15,547.00
Community Development Block Grants/Entitlement Grants	14.218	B-21-MC-12-0006	10,207.00
Community Development Block Grants/Entitlement Grants	14.218	B-22-MC-12-0006	3,903.00
Community Development Block Grants/Entitlement Grants	14.218	B-23-MC-12-0006	442,785.00
Community Development Block Grants/Entitlement Grants	14.218	B-24-MC-12-0006	174,474.00
Community Development Block Grants/Entitlement Grants-NSP 1	14.218	B-08-MN-12-0008	54,540.00
Community Development Block Grants/Entitlement Grants-NSP 3	14.218	B-11-MN-12-0008	3,986.00
Passed through Lee County, Florida, Office of Strategic Resources & Government Affairs			
Community Development Block Grants/Entitlement Grants Cluster - Disaster Recovery (CDBG-DR)			
The City of Fort Myers Wellfield Expansion	14.218	B-23-UN-12-0002 / DR10255	131.00
The City of Fort Myers Stormwater Master Plan	14.218	B-23-UN-12-0002 / DR10150	58.00
The City of Fort Myers Comprehensive Plan	14.218	B-23-UN-12-0002 / DR10151	50,000
Threats, Hazards, Incidents and Risk Assessment	14.218	B-23-UN-12-0002 / DR10152	62.00
Total Community Development Block Grant / Entitlement Grant			755,693
Total Community Development Block Grant / Entitlement Grant Cluster			755,693
Passed through Lee County, Florida, Human and Veteran Services			
Emergency Solutions Grants Program	14.231	N/A	183,794
Total U.S. Department of Housing and Urban Development			**939,487**
U.S. DEPARTMENT OF JUSTICE			
Bulletproof Vest Partnership Program			
Patrick Leahy Bulletproof Vest Partnership Grant, FY 2025	16.607	N/A	17,257
Public Safety Partnership and Community Policing Grants	16.710	2020-UM-WX-0106	44,472
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-21-GG-03445-UHPX	25,706
Total Public Safety Partnership and Community Policing Grants			70,178
Edward Byrne Memorial Justice Assistance Grant Program			
Passed through Florida Department of Law Enforcement			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-WY-BX-0005	262,030
Total U.S. Department of Justice			**349,465**
U.S. DEPARTMENT OF TRANSPORTATION			
Federal Highway Administration			
Passed through State of Florida, Department of Transportation			
Highway Planning and Construction			
Federal-Aid Highway Program, Federal Lands Highway Program			
Winkler Ave at Challenger Blvd Roundabout	20.205	447820-1-58-01 G2M24	859,513
South Street Sidewalk US 41 to SR 739	20.205	438101-2	148
Clifford St sidewalk from Edison Ave to Victoria Ave	20.205	444274-58|68-01 G3119	122,450
Total Highway Planning and Construction			982,111
National Highway Traffic Safety Administration			
Highway Safety Cluster			
State and Community Highway Safety			
Impaired Driving Initiative	20.600	G3762	80,000
Fort Myers Police Department Speeding & Aggressive Driving	20.600	SC-2025-00385 / G3651	79,257
Total State and Community Highway Safety			159,257
Total Highway Safety Cluster			159,257
Total U.S. Department of Transportation			**1,141,368**

CITY OF FORT MYERS, FLORIDA
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

Funding Agency / Grant Name	Federal Assistance Listing Number	Federal or Passed through Grant Number	Total Expenditures
U.S. DEPARTMENT OF TREASURY			
Department of Treasury			
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	8,302,659
Total U.S. Department of the Treasury			**8,302,659**
U.S. ENVIRONMENTAL PROTECTION AGENCY			
Geographic Programs - Gulf of America Program			
Trash Free Waters	66.475	MX-02D18722-0	14,203
Indirect Programs:			
Passed through Florida Department of Environmental Protection			
Drinking Water State Revolving Fund			
Drinking Water State Revolving Fund (DWSRF)	66.468	LS-3604C0	103,744
Drinking Water State Revolving Fund (Forgiveness Grant)	66.468	LS-3604C0 Principal Forgiveness	99,674
Total Drinking Water State Revolving Fund			203,418
Total U.S. Environmental Protection Agency			**217,621**
U.S. DEPARTMENT OF HOMELAND SECURITY			
Federal Emergency Management Agency			
Passed through Florida Division of Emergency Management			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)			
Hurricane Ian	97.036	Z3012	1,822,999
Hurricane Helene	97.036	Z4427	27,895
Hurricane Milton	97.036	Z4715	1,490,336
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)			3,341,230
Homeland Security Grant Program	97.067	EMW-2022-SS-00029-S01	16,416
Homeland Security Grant Program	97.067	EMW-2024-SS-05135 / R1092	16,672
Total Homeland Security Grant Program			33,088
Total U.S. Department of Homeland Security			**3,374,318**
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 14,324,918**

Note: No amounts were provided to subrecipients.

See accompanying notes to Schedule of Expenditures of Federal Awards

CITY OF FORT MYERS, FLORIDA
Schedule of Expenditures of State Financial Assistance
For the Year Ended September 30, 2025

Funding Agency / Grant Name	State CSFA Number	State Grant Number	Total Expenditures
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION			
Statewide Water Quality Restoration Projects			
Drainage Phase III, IV & Downtown	37.039	LPA0105	$ 596,515
Citywide Septic Tank Abandonment Program	37.039	LPA0290	10,265
Total Statewide Water Quality Restoration Projects			606,779
Division of Water Restoration Assistance - Hurricane Stormwater and Wastewater Assistance			
S-19 Stormwater Pump Retrofit	37.114	HA029	264,326
Wastewater Treatment Facility Construction:			
Clean Water State Revolving Loan	37.077	CW-360460	69,420
Drinking Water Facility Construction:			
Drinking Water State Revolving Loan	37.076	DW-360480	2,710,283
Total Florida Department of Environmental Protection			**3,650,808**
FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY			
Division of Housing and Community Development			
Roberto Clemente Park Inclusive Playground for Children of All Abilities	40.038	HL162	1,000,000
Total Florida Department of Economic Opportunity			**1,000,000**
FLORIDA HOUSING FINANCE CORPORATION			
State Housing Initiatives Partnership Program (SHIP)	40.901	N/A	1,074,125
State Housing Initiatives Partnership Program (HHRP - Ian & Nicole)	40.901	N/A	734,066
Total State Housing Initiatives Parternership Program (SHIP)			1,808,191
Total Florida Housing Finance Corporation			**1,808,190**
FLORIDA DEPARTMENT OF LAW ENFORCEMENT			
Identity Theft and Fraud Grant Program	71.042	ZF007	8,958
FDLE Drone Replacement Program	71.092	3X118	24,850
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	2023-SAFE-SF-033	16,363
Online Sting Operations Grant Program	71.148	OS015	94,000
Total Florida Department of Law Enforcement			**144,171**
FLORIDA DIVISION OF EMERGENCY MANAGEMENT			
State Hurricane Recovery Grant Program	31.081	D1486	210,364
Total Florida Division of Emergency Management			**210,364**
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			**$ 6,813,534**

Note: No amounts were provided to subrecipients.

See accompanying notes to Schedule of Expenditures of State Financial Assistance.

CITY OF FORT MYERS, FLORIDA
Notes to Schedule of Expenditures of Federal Awards
Year Ended September 30, 2025

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the City of Fort Myers, Florida (City) under programs of the federal government for the year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).* Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City has not elected to use the minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 – COMMUNITY DEVELOPMENT BLOCK GRANTS / ENTITLEMENT GRANTS

In accordance with the terms of the award, program income totaling $34,724 was used to reduce the amount of federal awards used to finance eligible project costs..

CITY OF FORT MYERS, FLORIDA
Notes to Schedule of Expenditures of State Financial Assistance
Year Ended September 30, 2025

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance (State Schedule) includes the state award activity of the City of Fort Myers, Florida (City) under programs of the State of Florida for the year ended September 30, 2025. The information in the State Schedule is presented in accordance with the requirements of Section 215.97, Florida Statutes, and *Rules of the Auditor General*, Chapter 10.550. Because the State Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified Opinion*

Internal control over financial reporting:

Material weakness(es) identified?	__ Yes _X_ No
Significant deficiency(ies) identified?	__ Yes _X_ None reported
Non-compliance material to financial statements noted?	__ Yes _X_ No

Federal Award and State Projects

Internal control over the major federal program and state projects:

Material weakness(es) identified?	__ Yes _X_ No
Significant deficiency(ies) identified?	__ Yes _X_ None reported

Type of auditors' report issued on compliance for the major federal program and state projects: *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or Chapter 10.557, Rules of the Auditor General? Yes X No

Identification of the Major Federal Program and State Projects:

Assistance Listing Number	Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

CSFA No.	State Project
37.076	Drinking Water Facility Construction
40.038	Division of Housing and Community Development

Dollar threshold used to distinguish between Type A and Type B federal programs: $1,000,000

Dollar threshold used to distinguish between Type A and Type B state projects: $750,000

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance? ____ Yes _X_ No

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AND STATE AWARDS FINDINGS AND QUESTIONED COSTS

None.

CITY OF FORT MYERS, FLORIDA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

I. PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

II. PRIOR YEAR FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

III. PRIOR YEAR STATE PROJECTS AND QUESTIONED COSTS

None.

CBIZ CPAs P.C.

201 East Kennedy Boulevard
Suite 1500
Tampa, FL 33602

P: 813.397.4800

Management Letter in Accordance with the Rules of the Auditor General of the State of Florida

To the Honorable Mayor, Members of City Council, Audit Committee and City Manager
City of Fort Myers, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Fort Myers, Florida (the "City"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated May 28, 2026. We did not audit the financial statements of the Fort Myers Community Redevelopment Agency (the "CRA"), a component unit of the City. Those statements were audited by other auditors. This management letter does not include the results of the testing of internal control over financial reporting or compliance and other matters that are reported on separately by those other auditors in their management letter, if any.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal* Awards ("Uniform Guidance") and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' 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 Auditors' Report on Compliance for the Major Federal Program and Each Major State Project; Report on Internal Control over Compliance; Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; Summary Schedule of Prior Audit Findings; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated May 28, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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) Program

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the City's geographical boundaries during the fiscal year under audit. There was no PACE Program operating within the City's geographical boundaries.

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

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7., Rules of the Auditor General, the Fort Myers Community Redevelopment Agency (the "CRA") required information is reported in the Other Information section of the CRA's stand-alone financial statements for the fiscal year ended September 30, 2025.

Additional Matters

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

Purpose of this Letter

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

CBIZ CPAs P.C.

Tampa, Florida
May 28, 2026

CBIZ CPAs P.C.

201 East Kennedy Boulevard
Suite 1500
Tampa, FL 33602

P: 813.397.4800

Independent Accountants' Report on Compliance Pursuant to Section 218.415, Florida Statutes

To the Honorable Mayor, Members of City Council, Audit Committee and City Manager
City of Fort Myers, Florida

We have examined the City of Fort Myers, Florida (the "City") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the fiscal year ended September 30, 2025. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

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

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

In our opinion, the City complied, in all material respects, with Section 218.415, Florida Statutes, for the fiscal year ended September 30, 2025.

This report is intended solely to describe our testing of compliance with Section 218.415, Florida Statutes, and it is not suitable for any other purpose.

CBIZ CPAs P.C.

Tampa, Florida
May 28, 2026

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Christine Tenney, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the City of Fort Myers which is a local governmental entity of the State of Florida.

2. The governing body of the City of Fort Myers adopted Ordinance Nos. 2228 and 3644 implementing water, sewer and community park impact fees or authorized the City of Fort Myers to receive and expend proceeds of the impact fees implemented by City Council.

3. City of Fort Myers has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Christine Tenney, City of Fort Myers

SWORN TO AND SUBSCRIBED before me this 11th day of February 2026

SUSAN BALAUN
Notary Public - State of Florida
Commission # HH 390079
My Comm. Expires Aug 20, 2027
Bonded through National Notary Assn.

Susan Balaun
NOTARY PUBLIC
Print Name SUSAN BALAUN

Personally known or produced identification

Type of identification produced: ______________________________

My Commission Expires: August 20, 2027

1 Pursuant to Section 163.31801(8), Florida Statutes, if there is no chief financial officer, the executive officer must sign the affidavit.

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Christine Tenney, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the City of Fort Myers which is a local governmental entity of the State of Florida.

2. The governing body of Lee County adopted Ordinance Nos. 89-17 and 89-15, implementing road and fire impact fees or authorized the City of Fort Myers to receive and expend proceeds of the impact fees implemented by Lee County.

3. City of Fort Myers has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Christine Tenney, City of Fort Myers

SWORN TO AND SUBSCRIBED before me this 11th day of February, 2026.

SUSAN BALAUN
Notary Public - State of Florida
Commission # HH 390079
My Comm. Expires Aug 20, 2027
Bonded through National Notary Assn.

Susan Balaun
NOTARY PUBLIC
Print Name SUSAN BALAUN

Personally known or produced identification

Type of identification produced: ______________________

My Commission Expires: August 20, 2027

1 Pursuant to Section 163.31801(8), Florida Statutes, if there is no chief financial officer, the executive officer must sign the affidavit.

Financial Services Department

FORT MYERS
CITY OF PALMS

239.321.7147

fortmyers.gov

2200 Second Street
Fort Myers, FL 33901

City of Fort Myers

cityftmyers

City of Fort Myers