

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**CITY OF LONGWOOD,
FLORIDA**

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025**

Prepared by:

Department of Financial Services

City of Longwood, Florida
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INTRODUCTORY SECTION



June 1, 2026

Honorable Mayor,
Members of the City Commission and
Citizens of the City of Longwood, Florida:

Pursuant to City Charter, in accordance with state law and the Rules of the Florida Auditor General, all general-purpose local governments are required to publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP), and that these statements be audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed, certified public accountants. Commensurate with these requirements, we are pleased to present for your review and consideration the City of Longwood, Florida Annual Comprehensive Financial Report for the fiscal year ended September 30, 2025.

This report consists of management's representation concerning the finances of the City of Longwood. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. The city's Finance Department is responsible for maintaining a comprehensive internal framework of accounting controls. The objectives of this system are to protect the city's assets from loss, theft, and/or misuse, and to compile sufficient reliable information for the preparation of the city's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the city's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free of material misstatement. As management we assert, to the best of our knowledge and belief, that this financial report is complete and reliable in all material aspects.

McDermitt Davis & Company, LLC, a firm of licensed certified public accountants, has audited the city's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the city for the year ending September 30, 2025, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The

independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified (“clean”) opinion that the city’s financial statements for the fiscal year ending September 30, 2025, are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor’s report is presented as the first component of the financial section of this report.

The organization, form and content of this report, plus the accompanying financial statements and statistical tables, are formulated in accordance with the principles prescribed by the Governmental Accounting Standards Board, State of Florida, and the Government Finance Officers Association.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of Management’s Discussion and Analysis (MD&A). The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Longwood, a municipality incorporated under Florida law in 1923, is located in Central Florida and is part of the greater Orlando metropolitan area. The city encompasses approximately six (6) square miles and is a growing community with an estimated 16,641 residents per the latest University of Florida’s Bureau of Economic and Business Research (April 1, 2025). Longwood’s population has grown more than 10% since 2020. The city provides a traditional mix of services, including police and fire protection; construction and maintenance of highways, streets and other infrastructure; and recreational programs and events. Water and wastewater services are also provided to certain areas within the city and sanitation services are provided to residential customers.

The City of Longwood operates under the Commission-Manager form of government. Policymaking and legislative authority are vested in the City Commission, consisting of five (5) City Commissioners, one (1) of whom is selected by the Commission to serve as Mayor on an annual basis. The City Commission is responsible for passing ordinances and resolutions, adopting the budget, appointing committees, and hiring the City Manager, City Attorney and City Clerk. The City Commission is elected on a non-partisan basis by district and serves four-year (4) staggered terms. The City Manager is responsible for carrying out the policies established by the City Commission, overseeing the day-to-day operations of the city and appointing the executive staff.

The annual budget serves as the foundation for the city’s financial planning and control. Executive staff is required to submit their budget requests to the City Manager, who then uses these requests as the starting point for developing a proposed budget. The City Manager is required by the City Charter to present the proposed budget to the City Commission prior to August 1. The City Commission is required to hold public hearings

on the proposed budget and to adopt a final budget by September 30; the close of the city's fiscal year.

The appropriated budget is prepared by fund, department and program. The City Manager may make transfers of appropriations between line items within a single program. Any other budget transfers or amendments must be adopted by ordinance or resolution by the City Commission. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on pages 21-22 as part of the basic financial statements for the governmental funds. For other governmental funds with appropriated budgets, this comparison is presented in various sections, depending upon whether the fund is considered major or non-major.

Local Economy

In the 1950's, the city began transitioning from a "bedroom" community to a mixed retail and employment center with established neighborhoods. Today, Longwood has emerged as a fast-growing community mixing a quaint nationally-recognized Historic District with more than 1800 businesses – including regionally significant employers like Orlando Health South Seminole Hospital, Kustom, UPS, and more.

Top Longwood employers include United Parcel Service UPS (716 employees), Kustom (651 employees), Orlando Health (450 employees), Comprehensive Energy Services (390 employees), D&A Building Services (280 employees), Seminole County Schools (222 employees), S.I. Goldman (211 employees), Longwood Health and Rehabilitation Center (170 employees), Federal Express Corporation (156 employees), Island Lake Center (152 employees), Collis Roofing (150 employees), Cascade Heights (134 employees), and Criticom Management (119 employees). The County's unemployment rate for 2025 is estimated at 4.7% which compares favorably to the National rate of 5.9%. The median age in the city is 42.7 with more than 45% of the population holding a college degree. We believe the aforementioned statistics provide for a young, diverse and well-educated workforce offering great opportunities for recruitment and training to those companies considering economic expansion within our community.

Long-Term Financial Planning

The city continues to see healthy growth in property tax values, but is challenged by rising costs of health care, a competitive labor market and aging equipment and facilities. Total fund balance in the General Fund represents 18 percent of General Fund expenditures while unassigned fund balance represents 16 percent of that same amount, all of which fall within the Government Finance Officers Association best practice guidelines.

For future fiscal years, our continued focus will be on developing financial strategies for cost savings and improving operating efficiency while maintaining the existing level of services the city provides.

The City of Longwood updated and adopted a five-year Capital Improvements Plan (CIP) on September 15, 2025 for fiscal years 2025-26 through 2029-20. The CIP is a multi-year prioritized schedule of improvements that lists each capital improvement by the year it is intended to be purchased or commenced. Each year during the annual budget process the CIP is reviewed to ensure incorporation of all necessary capital improvements. It should be noted however, that the CIP is not a fixed document but a flexible, dynamic document that may change to reflect changing priorities, opportunities, costs, or different financing approaches.

Major Initiatives

The Community Development Department continued its mission of providing the highest level of service to its customers while working to implement the City Commission's vision for a thriving economic base. The Building/Code Enforcement, Planning, and Economic Development Divisions work closely together towards the goal of surprising our customers with our high levels of engagement and responsiveness, and believe that those qualities are a tool to support our residents, attract new businesses, retain our existing commercial and industrial core, and promote the expansion of those businesses that have already invested in Longwood.

This year saw the city celebrate the announcement of a Jack-in-the-Box location, which marks the cult favorite's return to Florida after many decades. The City also received news of a new Dairy Queen near the intersection of State Road 434 and 17-92 on a long-vacant piece of property.

Wood Partners Group opened their third multi-family development in the city, with Alta Trilogy's 277 units coming online at the intersection of Ronald Reagan Boulevard and Dog Track Road.

The highly skilled members of the Longwood Fire Department had another productive and successful year serving the residents and visitors of the City of Longwood. Our personnel remain committed to promoting public safety and education while providing the highest level of emergency services. Each day, members of the department strive to protect life and property through professional response, preparedness, and community engagement.

Throughout the past year, the department continued to build upon a strong culture of training and professional development. Our personnel participated in numerous hands-on training opportunities designed to strengthen operational readiness and maintain a high level of proficiency. Several live fire training exercises were conducted, allowing crews to practice coordinated fireground operations in realistic conditions. In addition to live fire training, members trained extensively in Vent-Enter-Search (VES) techniques, rope rescue operations, rooftop operations, hoseline management, and a variety of emergency medical service (EMS) skills. These training efforts ensure that our personnel

remain prepared to safely and effectively respond to the wide range of emergencies that occur within our community.

Significant progress was also made toward the development of the new Fire Station 15. During the past year, the City finalized a demolition contract for the removal of the structure currently located on the station site. This milestone represents an important step forward in preparing the property for construction. The Fire Department continues to work closely with City leadership and staff to ensure the project moves forward in the most timely and cost-efficient manner possible. Coordination between the Fire Department, City Manager's Office, Community Development, Finance, and Public Works remains ongoing, along with collaboration with several outside agencies involved in the planning and construction process. Once completed, the new station will enhance operational capabilities and support the continued growth of the community.

In addition to the progress made with Station 15, the department continues to work on plans to expand the existing Station 17. This expansion project is intended to be funded through impact fees and will provide additional operational space to better support department apparatus and personnel. Planning efforts are ongoing, and the City anticipates putting the expansion project out to bid during the spring or early summer. This project will help ensure that Station 17 remains capable of meeting the needs of the surrounding service area.

Another significant accomplishment during the past year was the department's Insurance Services Office (ISO) assessment. This evaluation reviews many aspects of fire department operations, including training programs, water supply, communications, and operational capabilities. The Longwood Fire Department is pleased to report that the assessment resulted in a seven-point improvement in our overall score. Improvements were demonstrated across all evaluated categories, reflecting the department's continued commitment to operational excellence, preparedness, and effective service delivery to the community.

Finally, the department has continued to expand its public outreach efforts to better engage with residents and promote fire and life safety education. Members regularly participate in community events and outreach opportunities where they provide fire safety information and interact with citizens. This year, the department also launched a new initiative in partnership with the City's Water Department to distribute fire safety information directly to residents through inserts included with Longwood water bills. This collaborative effort provides an additional method for reaching citizens and reinforcing important safety messages throughout the community.

The members of the Longwood Fire Department remain dedicated to serving the City of Longwood with professionalism, integrity, and pride. Through continued training, infrastructure improvements, community engagement, and strong partnerships across city departments, the Fire Department is well positioned to meet the evolving needs of our community.

Longwood Police Department personnel place great emphasis on community relations, and this has resulted in a strong relationship between the police department staff and the community it serves. This dedication to community relations includes officers interacting

with members of the public regularly at neighborhood meetings, as well as attending community events at schools, churches, and many other functions. One of the many programs the Longwood officers participate in is the City of Longwood National Night Out. This is an entire evening that officers devote to the community by teaching crime prevention techniques, providing safety equipment to children, and promoting a police-community partnership. Officers also assist the city by coordinating the Longwood 4th of July fireworks event, the Christmas Parade, leading the Santa Run, and overseeing the safety of citizens and visitors that participate in our local 5K races and many other events.

The department made technological improvements in recent years as well to promote transparency and positive community relations. The agency began equipping in-car video camera systems in our patrol vehicles for more than 20 years. This equipment has now been augmented with the latest technology in body-worn cameras, and all uniformed personnel are equipped with and using these cameras in the field. The department's webpage is filled with useful information designed to promote positive relations with the public. Department policies are easily accessed on-line; as are the instructions for complimenting or critiquing the department or an officer's performance.

The department maintains a constant social media presence. Our community relations staff routinely post and engage the public on multiple social media platforms. Social media has become one of our primary platforms to notify the public of crime prevention techniques. The platforms have also been extremely beneficial in our effort to make the public aware of the services we provide, events taking place in the city, and interacting with an entirely new generation of citizens.

The Longwood Police Department's P.A.R.T.N.E.R.S. Program, *Policing And Respect Through Neighborhood Engagement and Resource Sharing*, is a citizens' police academy-style initiative. The program was first introduced in 2025, and two sessions are scheduled annually. The participants meet with various department representatives once a week for 8 weeks to learn about agency. The course offers residents a comprehensive behind-the-scenes look at police operations. It is designed to foster trust, collaboration, and improved community engagement.

The police department's staff has also actively engaged our business community by offering unique services to promote safety in the work place, create lines of communication, and promote positive relationships with local business owners and those who frequent the businesses. Police personnel have created active shooter training designed to improve safety in the work place and completed trainings for multiple businesses and churches in the city. The department also offers environmental design advice in an effort to improve safety in and around local businesses. The department continues to grow a Business Watch Program to connect with business owners and ensure law enforcement officers have current contact information in case of emergency. Each business is also provided a business watch sticker for their entry door to point out their participation.

The police department has two police officers assigned to duties at Lyman High School. These officers provide greater security as well as student leadership, instruction, counseling, and mentoring services. A third school resource officer is assigned to

oversee these responsibilities at Longwood Elementary. All school resource officers attend quarterly trainings that addressed a variety of issues, which in turn allows us to secure our schools with exceptionally well trained and capable officers. The department's school resource and community relations officers team up annually to ensure Longwood students return to school year each in August with a fresh haircut and all the necessary supplies. The Annual Longwood Police Department Burgers, Barbers, and Badges has become a favorite of local students and parents preparing for the new school year. Students receive a free haircut and a backpack full of helpful supplies to get started on the right foot.

The department also offers services which encourage citizen involvement. Our volunteer Citizen On Patrol Program (C.O.P.) provides the opportunity for adults of all ages to assist the department in multiple ways. Their assistance includes routine neighborhood patrols, assistance with traffic control at various events, as well as other special programs.

The City of Longwood has been recognized by AARP as being an Age Friendly City. The police department has created and continues to oversee several age friendly programs. With the assistance of Citizens On Patrol, the police department oversees an RuOK Program, where volunteers are able to continually check on our elderly, special needs, and at risk residents. The police department's staff has also teamed up with local agencies and are active in the Bring the Lost Home Project. This program allows officers

to be able to trap the scent of those diagnosed with Alzheimer's disease, Dementia, or Autism. This scent can then be used to assist tracking canines in the event a person goes missing. The department has also initiated a Special Needs Directory program within the city. This directory allows a resident to voluntarily make the department members aware of a resident in their home with various special needs such as Autism. Equipped with this knowledge the officers are then better prepared to assist when they respond to residences.

The Longwood Police Department was first accredited through the Commission for Florida Law Enforcement Accreditation (C.F.A.) in 2002. In October of 2023, the police department was once again reaccredited after continuing to demonstrate compliance during its tri-annual review. The agency completed the review demonstrating 100% compliance with all applicable standards. The result of this most recent assessment by the Commission serves as further confirmation of the department's dedication to provide professional service to the community. The department members are currently preparing for their 2026 C.F.A. assessment.

The Longwood Public Works Department is an integral force in sustaining our community's resilience and prosperity through collaborative efforts in providing essential infrastructure services. Comprising a dedicated team of over thirty (30) professionals committed to Longwood's mission of "Fostering citizen trust and cultivating a prosperous community," the department is organized into key divisions including Engineering, Water and Wastewater Utilities, Streets, Stormwater, and Administration.

The Public Works Engineering Division plays a multifaceted role in ensuring the functionality, safety, and continuous improvement of Longwood's infrastructure and public spaces. Its responsibilities encompass several key areas:

Collaborative Planning and Project Management: The department serves as a hub for collaboration among stakeholders, including government agencies, contractors, and community members. It oversees the planning, design, and execution of capital projects aimed at enhancing the city's infrastructure, such as roads, bridges, and public buildings.

Infrastructure Review and Inspection: Public Works Engineering conducts thorough reviews and inspections of private development projects to ensure compliance with regulatory standards and city ordinances. This includes assessing plans related to stormwater management, infrastructure layout, right-of-way access, and traffic flow.

ADA Compliance and Accessibility: The department is actively involved in initiatives to enhance accessibility for all residents, including those with disabilities. This may involve implementing measures such as installing curb cut ramps, detectable warning mats, and other accommodations to ensure compliance with the Americans with Disabilities Act (ADA).

Traffic Engineering and Transportation Planning: In collaborative efforts with Metroplan, the City of Longwood Public Works Director actively participates in the Technical Advisory Committee (TAC) and the Transportation Systems Management and Operations (TSMO) committee. This partnership is instrumental in developing transportation plans that address both current challenges and future mobility needs, ensuring Longwood remains responsive to the evolving demands of its residents and visitors. Additionally, the city continues to work with Metroplan Orlando on a US Department of Transportation Safe Streets for all grant. Metroplan was awarded a follow up Vision Zero grant for the City, County and region to move forward with goals, analysis, and benchmarking to work toward Zero Traffic Deaths in the city, county and region.

Stormwater Management: Managing stormwater runoff is another essential function of the department. This involves designing and maintaining drainage systems, retention and detention ponds, and other infrastructure to mitigate flood risks and protect water quality. They also manage the city's responsibility of NPDES and its part of the MS4 permit with the county. They perform these tasks by monitoring all erosion control and discharge by all types of contractors and any illicit discharge in the city limits. Additionally, Public Works scheduled six roadway sweepings, covering approximately 142 miles per cycle, to ensure the cleanliness and debris-free condition of Longwood's streets and lakes.

Cemetery Oversight: The department manages and oversees various aspects of the city cemetery, Longwood Memorial Gardens, Public Works ensures that this space is maintained to high standards so that its citizens can have a peaceful, restful place for their loved ones. Public Works is responsible for all grounds, gravesites, and interments. This responsibility includes coordination with the City Clerk ensuring those who own plots can have confidence for maintenance activities such as landscaping, grave site preparation, and monument installation.

Facility Management: During the 2025 FY Facilities Management division was created within Public Works. The division is responsible for the oversight, maintenance and operational efficiency of all City-owned facilities and buildings. To ensure that municipal buildings and grounds are safe, functional, well-maintained and aligned with City standards. The Facilities division also over sees the day-to-day facility operations, coordinate preventative maintenance, landscape contracts and special assessment agreements. *Special Assessment Oversight:* The Public Works Longwood Special Assessment team serves as a liaison, fostering partnerships with eight Longwood communities, currently. Through this collaborative effort, the program provides oversight of city-wide landscaping and maintenance contracts. This involves coordinating with these communities to ensure that landscaping and maintenance services meet the established standards and fulfill the needs of residents. By acting as a liaison, the program facilitates effective communication between the city and participating communities, addressing any concerns or issues that may arise. Additionally, it oversees the implementation of city-wide landscaping and maintenance contracts particularly focused on mowing, ensuring consistency and quality across different neighborhoods and all city owned property and right of way

In 2025 the Public Works Team achieved numerous accomplishments, demonstrating their dedication to enhancing the city's infrastructure and promoting community well-being.

The Engineering team successfully concluded the Bennett Road Stormwater Improvement Project, the new Lake Street and Oak Street inlet and the redesigned and construction of the Raven Outfall, all started the previous year.

The Engineering team started and completed the South Pedestrian Corridor Sidewalk Project that included pedestrian and drainage improvements along South Milwee Street from SR 434 to West Warren Avenue. Additionally, approximately 1.7miles of sidewalk was constructed or repaired throughout the city, including the South Longwood Sidewalk Phase I project. The final design phase of the East Church Street and West Warren Avenue Complete Street Projects started, building on the information and planning completed under the preliminary design. These improvements will enhance safety and accessibility for all road users. Initiatives like this underscore the team's commitment to creating pedestrian and bicycle-friendly environments throughout the city, demonstrating proactive efforts to enhance pedestrian infrastructure and promote walkability and connectivity within the community.

Landscaping of the SR 434 medians from Rangeline Road to Interstate 4 started during the 2025 year. This includes the addition of trees, bushes and flowers to enhance the visual appeal of the corridor.

In terms of securing funding for critical infrastructure projects, the team continues to work on applications submitted to FEMA's Hazard Mitigation Grant Program (HMGP), totaling \$3.15 million. These grants are aimed at enhancing flood protection measures for critical city infrastructure.

A major success for the Engineering team was the acceptance of the City's application to the Community Rating System (CRS). The CRS is a program promoted by the National

Flood Insurance Program (NFIP) encouraging city's to take steps beyond the minimum requirements to protect residents and infrastructure from flooding. Starting April 1 of 2026, residents will receive a 15% discount of flood insurance rates.

These accomplishments highlight the Public Works Engineering team's proactive approach and unwavering dedication to serving the Longwood community.

The Street Division's commitment to pedestrian safety extends beyond sidewalk repairs and includes routine tree trimming along city roads and rights-of-way (ROWs) as part of the City's ongoing maintenance program. In 2024, approximately 78 hazardous or diseased trees were removed, and roughly 100 cubic yards of mulched debris were generated through routine tree maintenance. As a result of these efforts, no safety concerns related to low-hanging branches or roadway obstructions were identified. Additionally, the Division replaced approximately 200 outdated, faded, missing, or damaged signs, improving visibility and communication for both motorists and pedestrians.

Public Works staff also coordinated sidewalk grinding operations, with a targeted focus on the Sleepy Hollow subdivision. This effort efficiently addressed trip hazards caused by cracked or uneven concrete, including edge deterioration, thereby enhancing pedestrian safety. To further improve operational efficiency, staff conducted an internal case study evaluating sidewalk grinding practices and performance. In addition, approximately 750 square feet of truncated detectable warning domes were installed at key locations throughout the City, including E. Maine Ave., E. Lake Ave., Reider Ave., S. Oak St., Woodcock St., Hardy St., and S. Grant St. These improvements reinforce the City of Longwood's proactive approach to hazard mitigation and ADA accessibility compliance.

Public Works also implemented a traffic calming initiative within the Historic District aimed at improving pedestrian safety. This project included the installation of a new four-way stop intersection, four ADA-compliant sidewalk ramps, high-visibility crosswalks, pavement striping designed for traffic calming, and three radar speed feedback signs to encourage compliance with posted speed limits.

In addition to surface infrastructure improvements, a recurring capital project in 2024 involved pipeline and stormwater structure rehabilitation at Sandalwood Park. Public Works executed a pipe lining (CIPP) rehabilitation project, a trenchless method that installs a durable liner within existing pipes to restore structural integrity and hydraulic performance. This process effectively addresses cracks, corrosion, and deterioration while minimizing excavation and disruption. A total of 300 linear feet of 30-inch pipe was lined, along with the rehabilitation and sealing of three stormwater structures.

The Stormwater Division also performed multiple pipe repairs and replacements to address aging infrastructure, with notable projects completed on Land Ave., S. Grant St., and at Gull Lake.

Following Hurricane Milton, the City of Longwood demonstrated exceptional capability in debris management and post-storm recovery operations. Public Works staff executed a coordinated and efficient response that minimized property impacts and expedited the restoration of normal conditions throughout the community. These efforts highlight the

City's strong emergency response framework and the dedication of its Public Works team to maintaining public safety and community resilience.

Utilities Division: In 2025 the Public Works Utilities Division made significant strides in improving infrastructure, enhancing system reliability, and strengthening overall operational efficiency. A major accomplishment included the completion of the East Longwood Sewer Conversion Phase II project, which successfully eliminated approximately 130 aging septic tanks by connecting properties to the sanitary sewer system, resulting in improved environmental protection and long-term service reliability. The division also continued its commitment to maintaining and repairing the City's lift stations, along with completing key upgrades at Fairmont Plaza, Columbus Harbour, Wildmere, and the Historic District to improve performance and resiliency.

In addition to infrastructure improvements, the City advanced its technology and monitoring capabilities by initiating upgrades to the VTScada telemetry system, including the integration of the HydraLink system to enhance real-time data monitoring and operational responsiveness. The City's GIS program has also significantly evolved into a fully functional, enterprise-wide system, providing critical support across departments. Within Utilities, GIS has become an essential tool for identifying and managing underground utility assets, improving planning, coordination, and emergency response efforts.

The Utilities Division also strengthened its emergency preparedness through the purchase of a 4-inch trailer-mounted, diesel-driven, self-priming bypass pump, which provides critical support during system failures, maintenance activities, and emergency situations. Ongoing water system maintenance efforts remained a priority, including the continued success of the City's fire hydrant maintenance and testing program, completion of annual citywide hydrant flushing to maintain water quality, and the replacement of four fire hydrants to enhance system reliability. These efforts also supported the City's participation in ISO evaluations, helping to maintain favorable insurance ratings for residents and businesses.

Furthermore, the City maintained consistent operations at Water Treatment Plants 1 and 2, ensuring the delivery of safe, high-quality drinking water to the community. In support of long-term sustainability and regulatory compliance, staff has also been proactively planning for necessary upgrades to both facilities and actively pursuing grant opportunities and State Revolving Fund (SRF) funding to help offset project costs. The City's Cross-Connection Control Program also continued to progress through increased public outreach and education efforts, reinforcing the importance of protecting the potable water supply from potential contamination. These accomplishments reflect the division's ongoing commitment to providing reliable, efficient, and sustainable utility services to the City.

The Longwood Leisure Service's mission entails exhibiting a standard of excellence and commitment to citizens and visitors through first-rate parks and recreation experiences and opportunities for all. Between people frequenting the weekly Farmer's Market, attending our larger marquee events, sending their kids to the summer camp program,

coming to Candyland Sports Complex to ride the BMX pump track, play pickleball or attend a baseball game, Longwood has something for everyone.

The department continues to build on newer events like the Longwood Strawberry Festival, bolstering city partnerships. The partnerships play a significant role in helping to sponsor city events, offsetting costs. More recently outside organizations have brought successful large scale rental events to Longwood like the Ukrainian and Slavic Festivals. It should be noted that funding for these rental events is procured through these outside organizations and not through the Leisure Services budget. Coordination between city staff and the rental organizers is paramount for logistical and safety purposes. The revenue from these large-scale rental events has gradually increased over the last couple years. Staple events like the Christmas Parade, Celebrate the Season, Autism Awareness, Longwood Luau and Rock Freedom and Fireworks (to name a few) remain successful and are free to the public. On a national recognition scale, the Longwood Arts and Crafts Festival consistently ranks in the Sunshine Artist Magazines highly regarded TOP 200 BEST Festivals in the USA each year. The magazine ranked Longwood's annual Arts and Crafts Festival number 16 nationwide for classic and contemporary art shows in 2024. The show could possibly see its ranking break into the top 15 nationally from the 2025 show. Including reoccurring events, there are now over 110 events throughout the year, demonstrating that Longwood offers more city sponsored events than most municipalities in the entire region.

Leisure Services is progressing on two \$50,000 FRDAP grants from the Florida Department of Environmental Protection (FDEP). One grant will assist in renovating the Sandalwood Park basketball court as well as improving some existing playground features at Sandalwood. The other FRDAP grant will allow for upgrades at the Candyland Skate Park and other areas within Candyland. Working through 2025, staff aims to complete the project in the 2026/2027 fiscal year. After applying for an additional \$50,000.00 FRDAP grant for Reiter Park, the Florida Department of Environmental Protection (FDEP) has recommended funding that would retroactively cover the basketball court resurfacing as well as some other additions at the park.

The Parks and Recreation Advisory Board funded a generous upgrade to the sound system at Reiter Park. The improvements strengthened the surround sound and overall volume around the venue. This has been beneficial for the daily ambient music throughout the park as well as the amphitheater PA system.

Through Recreation Impact Fees, Leisure Services has been able to install new lighting in the skatepark, purchase top of the line ball field maintenance equipment, install new wayfinding signage at Reiter Park, install ADA compliant sidewalks throughout the entire small and large dog parks and purchase a variable message board that can be used to market events and also to share with the Public Works Department. More projects through the usage of impact fees are forthcoming as this allows the department to utilize funds without depleting the general fund or capital improvement fund.

Revenue generated from community building rentals and other facility rentals (i.e. pavilions, ballfields, amphitheater) have been constant and show no pattern of slowing down. The amount of event sponsorship has remained steady, following trends from

previous years. Garnering sponsorship funds to help offset event costs have been a focus of the department.

Thanks to capital improvement planning (CIP), Leisure Service was able to perform a massive overhaul and replacement of the commercial grade air conditioning system throughout the entire Longwood Community Building. The system that was replaced was original to the building from 2002.

Acknowledgements

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

Appreciation must also be expressed to the City's auditors, McDirmit, Davis, & Company, LLC, whose suggestions and attention to detail enhanced the quality of this report.

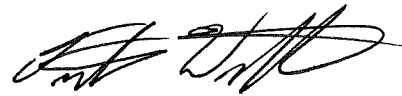
Other city departments, although not extensively involved in year-end audit activities, contributed by ensuring the accuracy and integrity of accounting information compiled throughout the year.

In closing, special thanks go to the Mayor and Commission for their unfailing support for maintaining the highest standards of professionalism in the management of Longwood's finances.

Respectfully submitted,



William Watts,
City Manager



Dustin Woolbright, CPA
Director of Financial Services

Mayor	Tony Boni
Deputy Mayor	Abby Shoemaker
Commissioner	Matthew McMillan
Commissioner	Brian D. Sackett
Commissioner	Matt Morgan
City Manager	Will Watts
City Attorney	Daniel Langley
City Clerk	Liane Cartagena
Director of Financial Services	Dustin Woolbright
Director of Information Technology	Craig Dunn
Director of Community Development	Chris Kintner
Director of Human Resources	Maggie Ridore
Director of Leisure Services	Chris Capizzi
Director of Public Works	Shad Smith
Police Chief	David Dowda
Fire Chief	Troy Feist

Citizens of Longwood

Elected Officials
Brian D. Sackett, Commissioner – District 5
Abby Shoemaker, Deputy Mayor – District 1
Tony Boni, Mayor – District 2
Matt McMillan, Commissioner – District 3
Matt Morgan, Commissioner – District 4

City Clerk
Liane Cartagena
(407) 260-3441

City Manager
William Watts
(407) 260-3445

City Attorney
Daniel Langley
(407) 262-8400

Human Resources Department
Magdala Ridore, Human Resources/
Risk Management Director
(407) 260-3466

Community Development
Chris Kintner, Community
Development Director
(407) 263-2320

Financial Services
Dustin Woolbright, Financial Services
Director
(407) 260-3498

Information Technology Department
Craig Dunn, Director
(407) 263-2333

Public Works
Shad Smith, Public Works Director
(407) 260-3447

Leisure Services
Chris Capizzi, Leisure Services Director
(407) 260-3484

Fire Department
Troy Feist, Fire Chief
(407) 260-3485

Police Department
David Dowda, Chief of Police
(407) 260-3407

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Longwood, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the *City of Longwood, Florida* (the "City"), as of and for the 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, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows, thereof and the respective budgetary comparison for the general fund and ARPA fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS 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 GAS, 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, pension and other post-employment benefit information, and budgetary comparison schedule, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 nonmajor fund financial statements and the Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, *Rules of the Auditor General*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial

statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is 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 financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 22, 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 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.



Orlando, Florida
May 22, 2026

The City of Longwood, Florida's (the City) management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page i) and the City's financial statements (beginning on page 16).

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at September 30, 2025 by \$84,706,546 (net position). Of this amount, \$2,660,113 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As a result of the current year's activities, the City's total net position increased by \$1,246,085 or 1.49%.
- At the close of the most recent fiscal year, the City's governmental funds reported combined ending fund balances of \$13,058,530, a decrease of \$1,045,276. Of this total amount, \$3,945,375, is available for spending at the City's discretion (unassigned fund balance).
- At the close of the most recent fiscal year, unassigned fund balance for the general fund was \$3,961,604 or 16.37% of total general fund expenditures.
- Net position of the Police Officers' and Firefighters' Pension Trust Funds increased by \$4,610,015 or 13.70%.

Overview of the Financial Statements

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

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

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

The Statement of Net Position presents information on all of the City's assets, liabilities and deferred inflows/outflows, 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 declining.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are

intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, physical environment, highway and streets, sanitation, and parks and recreation. The business-type activities of the City include a Public Utilities system.

The government-wide financial statements include only the City itself (known as the primary government). There are no component units. The Public Utilities system functions as a department of the City, and therefore, has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 16-18 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

The City maintains seventeen individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, the Public Facilities Improvement Fund and the ARPA Fund, all of which are considered to be major funds. Data from the other fourteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in this report, immediately following the Notes to the Financial Statements.

The American Rescue Plan Act (ARPA) Fund, a major governmental fund, was created in fiscal year 2021 to account for revenues and expenditures associated with the City's receipt and use of funds from the American Rescue Plan Act. The City, a non-entitlement unit (NEU) of government, was allocated \$7,793,784. In September 2021 the City received \$3,896,892, one-half of the total allocation. The remaining half of \$3,896,892 was received in August of 2022.

For fiscal year 2025 the City recognized \$759,861 in earned revenues based on total eligible ARPA expenditures incurred during the fiscal year.

The basic governmental fund financial statements can be found on pages 19-25 of this report.

Proprietary Funds

The City maintains one proprietary fund type. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its Public Utilities system.

The basic proprietary fund financial statements can be found on pages 26-30 of this report.

Fiduciary Funds

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

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-66 of this report.

Required Supplementary Information (RSI)

RSI can be found on pages 67-75 of this report.

Other Information

The budget schedules for the major capital projects funds is on page 76-77 after the RSI. The combining statements referred to earlier in connection with nonmajor governmental funds are presented after this. Combining and individual nonmajor governmental fund statements and schedules can be found on pages 78-94 of this report.

Government-Wide Financial Analysis Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$84,706,546 at the close of the most recent fiscal year.

Over three quarters (\$75,282,044 or 88.87%) of the City's net position reflect its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position \$6,764,389 (or 7.99%) represents resources that are subject to external restrictions on how they may be used. Assets restricted include the Special Law Enforcement Trust Fund, building permits and inspections, police and fire pension, and amounts restricted for renewal and replacement of the Public Utilities.

City of Longwood, Florida
Management's Discussion and Analysis

Unrestricted net position \$2,660,113 or 3.14% may be used to meet the City's ongoing obligations to citizens and creditors.

The following table reflects the condensed Statement of Net Position for the current and prior year. For more detail see the Statement of Net Position on page 15.

**Statement of Net Position
As of September 30, 2025 and 2024**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Assets:						
Current and other assets	\$ 16,922,870	\$ 19,695,041	\$ 3,330,178	\$ (1,539,361)	\$ 20,253,048	\$ 18,155,680
Capital assets	47,531,541	47,033,820	44,934,251	45,678,570	92,465,792	92,712,390
Total assets	64,454,411	66,728,861	48,264,429	44,139,209	112,718,840	110,868,070
Deferred Outflows of Resources						
Deferred outflow of pension and OPEB	4,025,000	1,695,230	181,820	82,816	4,206,820	1,778,046
Liabilities:						
Current liabilities	2,870,838	3,542,042	598,962	640,964	3,469,800	4,183,006
Long-term liabilities	9,612,823	9,898,186	14,465,129	10,405,386	24,077,952	20,303,572
Other liabilities	-	-	138,509	164,401	138,509	164,401
Total liabilities	12,483,661	13,440,228	15,202,600	11,210,751	27,686,261	24,650,979
Deferred Inflows of Resources						
Deferred inflow of pension and OPEB	4,291,165	4,274,041	241,688	242,431	4,532,853	4,516,472
Net Position:						
Net investment in capital assets	43,933,426	42,173,498	31,348,618	35,619,561	75,282,044	77,793,059
Restricted for:						
Renewal and replacement	-	-	2,544,801	2,565,576	2,544,801	2,565,576
Capital projects	601,618	632,671	2,963,166	2,707,244	3,564,784	3,339,915
Building permits and inspections	9,179	104,994	-	-	9,179	104,994
ARPA	113,659	108,022	-	-	113,659	108,022
Public safety	356,635	436,685	-	-	356,635	436,685
Police and fire pension	175,331	666,814	-	-	175,331	666,814
Unrestricted	6,514,737	6,587,138	(3,854,624)	(8,141,742)	2,660,113	(1,554,604)
Total net position	\$ 51,704,585	\$ 50,709,822	\$ 33,001,961	\$ 32,750,639	\$ 84,706,546	\$ 83,460,461

Statement of Changes in Net Position.

The table on page 8 reflects the Statement of Changes in Net Position for the current and prior year. For more detailed information, see the Statement of Activities on page 18.

Note that the City's net position increased by \$1,246,085 or 1.49% in fiscal year 2025. The previous fiscal year, 2024, net position increased by \$11,377,668 or 16%.

Governmental activities increased net position by \$994,763 in fiscal year 2025 compared to an increase of \$8,317,693 in 2024. Despite the property tax rate remaining at 5.5000 mills, tax revenue for the year increased primarily due to increased property taxes revenue by \$693,104 or 7.06%, driven by increased

local real estate market values and minimal new construction. Utility Tax, Franchise Fees and Communication Service Tax (Other Taxes) increased by \$476,616. Capital grants and contributions increased by \$1,531,643 primarily due to the new mobility impact fee (\$84,235), increased 1-cent sales tax revenue (\$294,586) and increase in FDOT and federal grants (\$1,062,542). Operating grants decreased \$(5,146,407) due to recognition of ARPA revenue in prior year. Total expenses reflect a decrease of \$4,561,660 from prior year.

Business-type activities increased net position by \$251,322 in fiscal year 2025 compared to an increase of \$3,059,975 in 2024. The difference in net position results from a decrease in capital grants and contributions of \$(2,602,555) as a result of new developments like Alta Trilogy with 240 units, and the Addison Longwood 277 units largely completed in FY24. The reduction in growth is due to the only the E. Longwood PH2 Abatement project being in place. Transfers also increased by \$(260,055).

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

Additional information regarding the changes in fund balances of the governmental and business-type activities can be found in the section entitled **Financial Analysis of the City's Funds** on page 12.

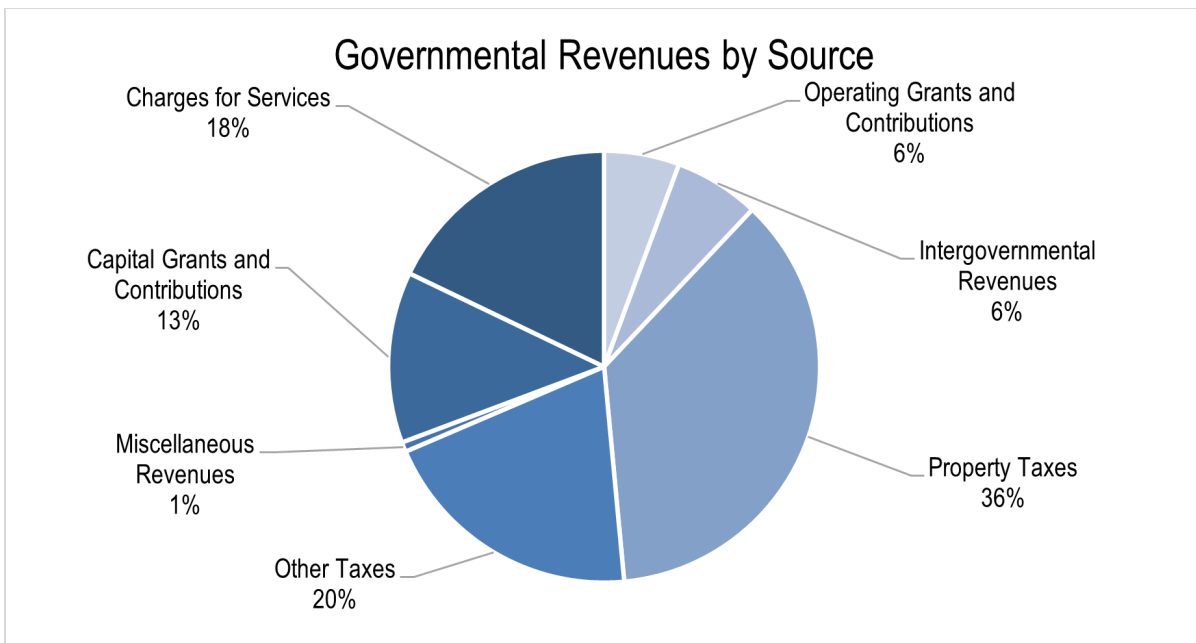
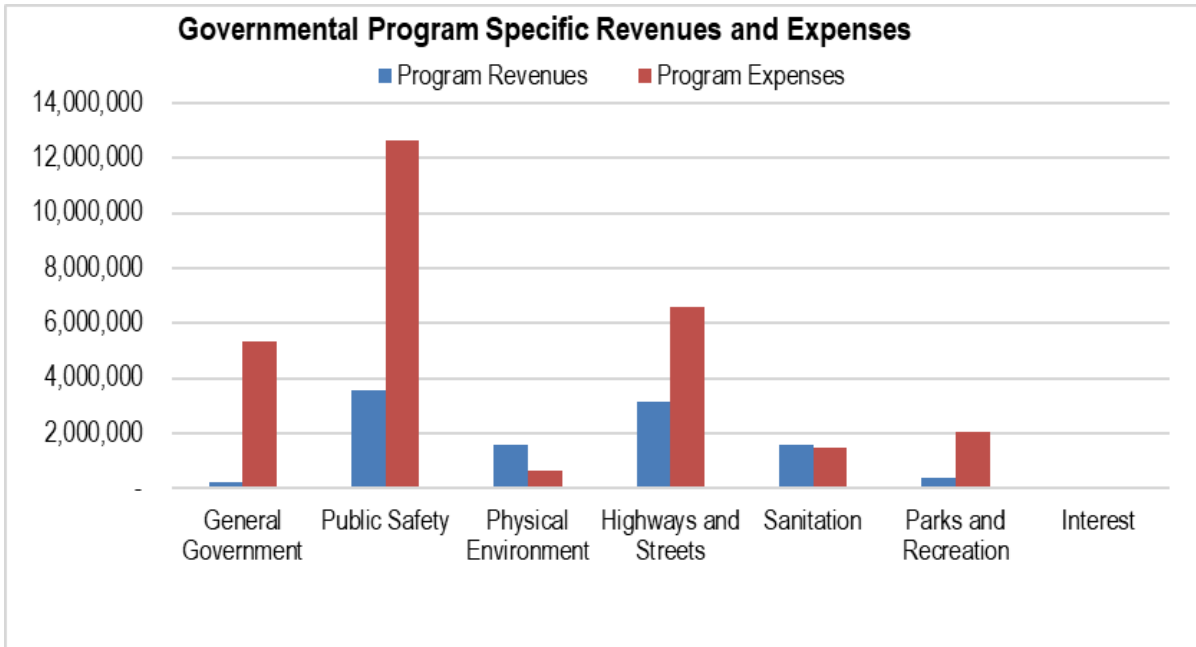
Note that the first graph depicts governmental program-specific revenues and expenses. For this graph the revenue does not include property taxes, franchise and utility taxes, communication services tax, intergovernmental revenue, investment earnings or miscellaneous revenue. This chart is intended to show the amount of program expenses funded by specific program revenues.

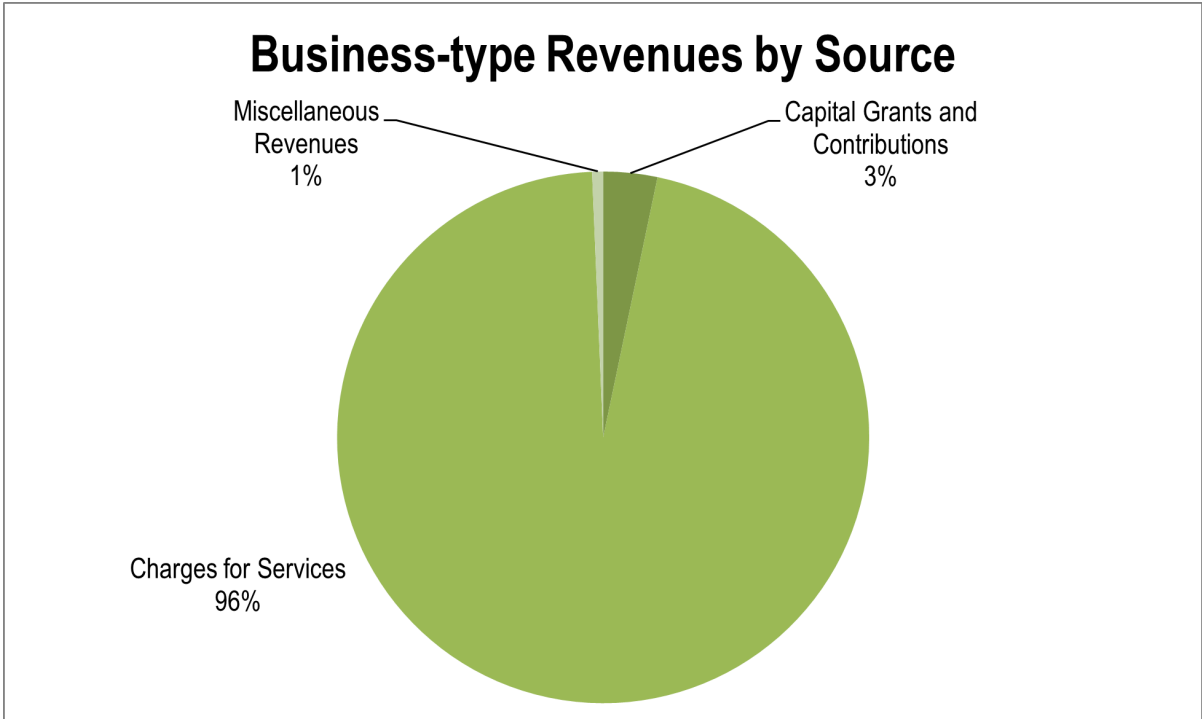
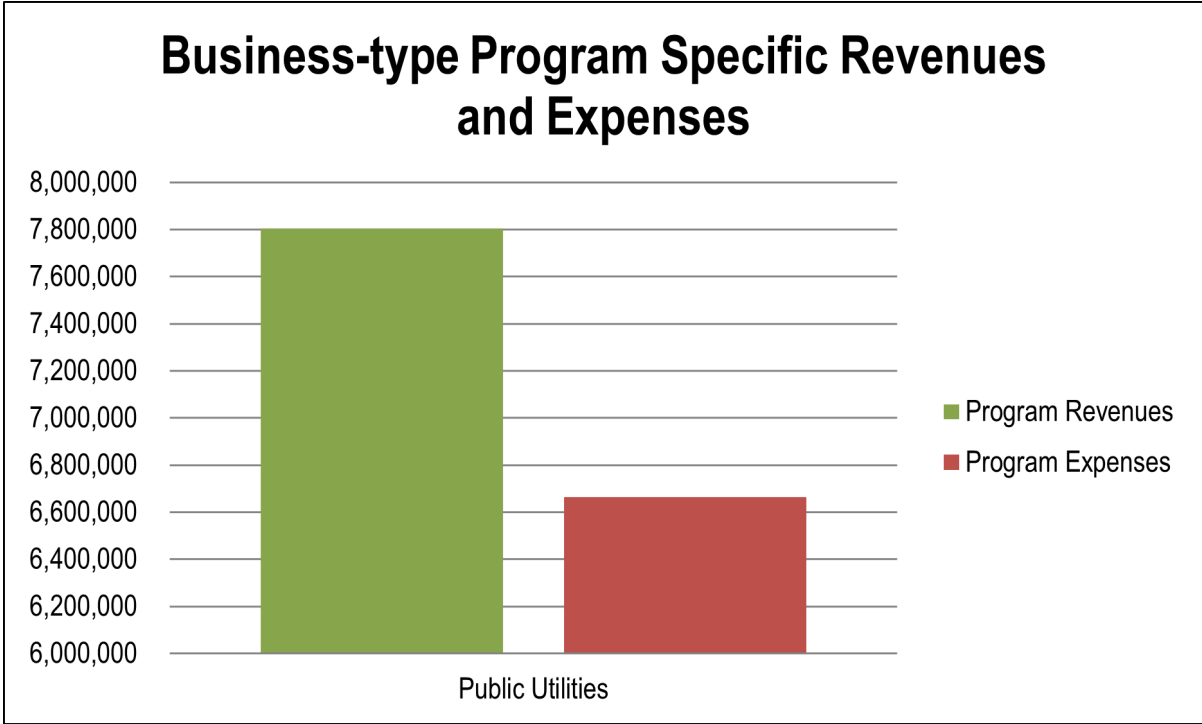
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City of Longwood, Florida
Management's Discussion and Analysis

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues:						
Charges for services	\$ 5,152,931	\$ 5,529,781	\$ 7,546,842	\$ 7,365,589	\$ 12,699,773	\$ 12,895,370
Operating grants and contributions	1,626,852	6,773,259	-	-	1,626,852	6,773,259
Capital grants and contributions	3,694,976	2,163,333	257,707	2,860,262	3,952,683	5,023,595
General revenues:						
Property taxes	10,508,373	9,815,269	-	-	10,508,373	9,815,269
Other taxes	5,777,945	5,301,329	-	-	5,777,945	5,301,329
Other	2,052,025	2,251,456	52,755	78,498	2,104,780	2,329,954
Total revenues	28,813,102	31,834,427	7,857,304	10,304,349	36,670,406	42,138,776
Expenses:						
General government	5,323,310	4,926,353	-	-	5,323,310	4,926,353
Public safety	12,665,484	12,651,463	-	-	12,665,484	12,651,463
Physical environment	609,834	485,144	-	-	609,834	485,144
Highways and streets	6,578,554	2,871,229	-	-	6,578,554	2,871,229
Sanitation	1,466,958	1,334,638	-	-	1,466,958	1,334,638
Parks and recreation	2,030,278	1,819,059	-	-	2,030,278	1,819,059
Interest on long-term debt	86,356	111,228	-	-	86,356	111,228
Public utilities	-	-	6,663,547	6,561,994	6,663,547	6,561,994
Total expenses	28,760,774	24,199,114	6,663,547	6,561,994	35,424,321	30,761,108
Increase (decrease) in net position before transfers	52,328	7,635,313	1,193,757	3,742,355	1,246,085	11,377,668
Transfers	942,435	682,380	(942,435)	(682,380)	-	-
Increase in Net Position	994,763	8,317,693	251,322	3,059,975	1,246,085	11,377,668
Net position, beginning, as restated	50,709,822	42,392,129	32,750,639	29,690,664	83,460,461	72,082,793
Net position, ending	<u>\$ 51,704,585</u>	<u>\$ 50,709,822</u>	<u>\$ 33,001,961</u>	<u>\$ 32,750,639</u>	<u>\$ 84,706,546</u>	<u>\$ 83,460,461</u>





Financial Analysis of the City's Funds

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

Governmental Funds

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

As of September 30, 2025, the City's governmental funds reported combined ending fund balances of \$13,058,530, a decrease of \$1,045,276, from the prior year. Approximately 30.21% or \$3,945,375 of this total amount constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance, \$9,113,155, is either nonspendable, as prepaids and advances, restricted for special revenue funds, committed to capital projects, or assigned to subsequent year expenditures or capital projects.

The General Fund is the primary operating fund of the City. At September 30, 2025, the unassigned fund balance of the General Fund was \$3,961,604, while the total fund balance was \$5,104,248. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 16.37% of total General Fund expenditures, while total fund balance represents 21.09% of that same amount. The fund balance of the General Fund decreased by \$5,417,795 during the current fiscal year. The decrease is primarily related to a transfer from the General Fund to the Capital Projects Fund of \$4.49 million to help fund the Fire Station 15 project. A transfer to the Building Fund of \$584,969 and an increase in public safety costs make up the rest. Expenditures increased this year by \$3,683,050 when compared to prior year expenses of \$20,516,851 compared to this year's \$24,199,901.

The Public Facilities Improvement Fund has a total fund balance of \$1,641,248. The fund realized a decrease in total fund balance of \$25,815 in 2025, which is attributed to additional capital outlay expenditures.

The ARPA Fund has a total fund balance of \$113,659. The fund realized an increase in total fund balance of \$5,637 in 2025 due to investment income recognized.

The Capital Projects fund has a total fund balance of \$5,016,588. The fund increased \$5,064,307 due to a transfer in from the General Fund for the Fire Station 15 project.

Proprietary Funds

The City's proprietary fund provides the same type of information found in the government-wide financial statements but in more detail.

At September 30, 2025, unrestricted net position of the Public Utilities Enterprise Fund amounted to \$(3,854,624) and total net position increased \$251,322 from \$32,750,639 in 2024 to \$33,001,961 in 2025. Operating revenues increased by \$181,253, while operating expenses also increased by \$125,073. This resulted in a net increase in operating income of \$56,180 from \$902,945 in fiscal year 2024 to \$959,125 in 2025. The increase was primarily the result of an increase in charges for services of \$181,253 as the result of the annual rate increase of 3%.

General Fund Budgetary Highlights

During fiscal year 2025, the City made various budget amendments which were approved by City

Management's Discussion and Analysis

Commission to maintain budget compliance within its major categories. As required by the City Code of Ordinances, contracts and purchases in excess of \$50,000 were approved by City Commission.

Differences between the original General Fund budgeted expenditures and transfers out and the final amended General Fund budget amounted to a decrease of \$5,647,227. Differences between the original and final amended budgeted revenues was an increase of \$54,920. These variances can be briefly summarized as follows:

Revenues:

- \$248,942 increase in EMS revenue
- \$204,146 decrease in FEMA reimbursement

Expenditures:

- \$4,490,000 transfer from the General Fund to the Capital Projects Fund
- \$826,462 increase in retirement contributions for public safety
- \$80,832 budget increase for reappropriation of funds unused in the prior fiscal year

Actual expenditures were less than final appropriations by \$291,516, a variance of 1.20%. The decrease in expenditures is summarized as follows:

- \$667,037 operating expenditures budgeted but not incurred
- \$263,462 savings due to anticipated debt service not yet incurred
- \$80,832 associated with encumbrances rolled over to the subsequent year

Capital Asset and Debt Administration

Capital assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2025 amounts to \$92,465,792 (net of accumulated depreciation), for a decrease of \$246,598 over the prior year. This investment in capital assets includes land, buildings, improvements, infrastructure, vehicles and equipment. The total decrease in the City's investment in capital assets for the current fiscal year was 0.266% (a 1.058% increase for governmental activities, and a 1.629% decrease for business-type activities).

Major capital assets completed or acquired during the current fiscal year included the following:

- E Longwood Septic Tank Abatement PH2 - \$6,462,416
- Maine, Reider and E. Lake – S Longwood - \$601,458
- South Pedestrian Corridor - \$654,691
- Raven Outfall \$383,468

Major capital assets included in construction in progress:

- Corridor/SR434 Median Landscape Design - \$1,281,726
- Ronald Reagan Improvements - \$369,034
- Fire Station 15 - \$739,523
- W. Warren Avenue Complete Streets & Drainage - \$340,854
- UPS Pond - \$758,380
- Subdivision Sidewalk Connections - \$224,995
- Bennett Drive Drainage Improvements - \$380,551
- Lift Station Rehabilitation - \$775,053
- Water Plant R&R - \$138,798
- Lift Station Emergency Pump Replacement - \$104,000

Additional information on the City's capital assets can be found in Note 6 of this report.

City of Longwood, Florida
Management's Discussion and Analysis

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Land	\$ 6,097,062	\$ 6,117,262	\$ 1,719,004	\$ 1,719,004	\$ 7,816,066	\$ 7,836,266
Buildings	2,803,849	2,935,003	16,628	17,280	2,820,477	2,952,283
Improvements Other Than Buildings	7,487,890	8,141,391	36,280,302	31,870,944	43,768,192	40,012,335
Infrastructure	22,878,819	22,033,417	-	-	22,878,819	22,033,417
Vehicles and Equipment	3,186,848	3,464,023	376,058	262,758	3,562,906	3,726,781
Intangibles	-	-	4,974,095	5,209,817	4,974,095	5,209,817
Construction in Progress	5,077,073	4,342,724	1,568,164	6,598,767	6,645,237	10,941,491
Total capital assets, net	\$ 47,531,541	\$ 47,033,820	\$ 44,934,251	\$ 45,678,570	\$ 92,465,792	\$ 92,712,390

Noncurrent Liabilities

At September 30, 2025, the City had no general obligation or revenue bond debt outstanding. Increases in long-term debt are due to new debt issued exceeding principal payments.

Additional information on the City's noncurrent liabilities can be found in Note 9 of this report.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Notes Payable	2,934,555	4,288,480	13,562,449	9,710,503	16,497,004	13,998,983
Total	\$ 2,934,555	\$ 4,288,480	\$ 13,562,449	\$ 9,710,503	\$ 16,497,004	\$ 13,998,983

Economic Factors and Next Year's Budgets and Rates

The City's elected and appointed officials considered many economic indicators on a continual basis. The fiscal year 2025 Budget was prepared holding the operating millage rate at 5.5000 mills where it has been since fiscal year 2013. Property values have continued to trend positively since 2012. According to the Seminole County Property Appraiser the City of Longwood's tax roll is \$2,119,161,922. Property gross taxable values increased 6.82% or \$135,273,156 when compared to the adjusted final values of the prior year. The City is expected to generate in fiscal year 2026 approximately \$11,425,406 in property tax revenues compared to \$10,377,229 budgeted in fiscal year 2025.

The Citywide adopted operating budget for fiscal year 2026 is \$74,171,379 (inclusive of transfers) or 1% less than the fiscal year 2025 adopted budget of \$74,952,826 (inclusive of transfers). The 2026 adopted budget provides for construction projects including Warren Avenue Public Facility Drainage Improvement, various paving projects, Fire Station #15 East Longwood Landing Potable Water System Replacement, Floodproofing of Lift stations #3, #10 and #23, Georgia Lift Station Emergency Generator, and water plant replacement.

The General Fund budget for fiscal year 2026 is \$30,145,120 (inclusive of transfers) or 3% greater than the fiscal year 2025 adopted budget of \$29,320,215 (inclusive of transfers). The City will also implement in 2026 an increase of 3% in water and wastewater rates. A rate study is being done in fiscal year 2026 to determine the necessary rate increases for fiscal year 2027.

The City has also managed to accumulate an acceptable level of unassigned reserves. Resolution 21-1559 formalized the City's fund balance policy as recommended best practices of the Governmental Finance Officers Association (GFOA) and to be in line with GASB 54 definitions and criteria for classifying fund balances.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Financial Services Director, 175 West Warren Avenue, Longwood, FL 32750. The Annual Comprehensive Financial Report is also available at the City's website located at www.longwoodfl.org.

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BASIC FINANCIAL STATEMENTS

City of Longwood, Florida
Statement of Net Position
September 30, 2025

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	8,771,299	\$ -	\$ 8,771,299
Investments	2,881,818	-	2,881,818
Accounts receivable, net of allowance	1,289,472	727,562	2,017,034
Due from other governmental units	1,896,083	-	1,896,083
Internal balances	1,024,925	(1,024,925)	-
Prepays	883,942	41,607	925,549
Restricted cash	-	3,124,235	3,124,235
Impact fees and assessments receivable	-	461,699	461,699
Net pension asset	175,331	-	175,331
Capital assets:			
Not being depreciated	11,174,135	3,287,168	14,461,303
Being depreciated, net	36,357,406	41,647,083	78,004,489
Total assets	64,454,411	48,264,429	112,718,840
Deferred Outflows of Resources			
Deferred outflows of pensions	2,912,995	11,021	2,924,016
Deferred outflows related to OPEB	1,112,005	170,799	1,282,804
Total deferred outflows of resources	4,025,000	181,820	4,206,820
Liabilities:			
Accounts payable and other current liabilities	2,474,105	598,962	3,073,067
Due to other governmental units	32,334	-	32,334
Unearned revenues	306,420	-	306,420
Customer deposits	-	138,509	138,509
Accrued interest	57,979	-	57,979
Noncurrent liabilities:			
Due within one year	802,213	841,683	1,643,896
Due in more than one year	8,810,610	13,623,446	22,434,056
Total liabilities	12,483,661	15,202,600	27,686,261

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Net Position
September 30, 2025

	Governmental Activities	Business-type Activities	Total
Deferred Inflows of Resources:			
Deferred inflows of pensions	2,288,068	68,596	2,356,664
Deferred inflows related to OPEB	1,126,947	173,092	1,300,039
Deferred inflows related to leases	876,150	-	876,150
Total deferred inflows of resources	4,291,165	241,688	4,532,853
Net Position:			
Net investment in capital assets	43,933,426	31,348,618	75,282,044
Restricted for:			
Renewal and replacement	-	2,544,801	2,544,801
Capital projects	601,618	2,963,166	3,564,784
Building permits and inspections	9,179	-	9,179
ARPA	113,659	-	113,659
Public safety	356,635	-	356,635
Police and fire pension	175,331	-	175,331
Unrestricted	6,514,737	(3,854,624)	2,660,113
Total net position	\$ 51,704,585	\$ 33,001,961	\$ 84,706,546

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Activities
Year Ended September 30, 2025

Functions/Programs Primary Government	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Business-type Activities
Governmental Activities:						
General Government	\$ 5,323,310	\$ 232,177	\$ -	\$ -	\$ (5,091,133)	\$ (5,091,133)
Public Safety	12,665,484	2,178,175	570,762	829,616	(9,086,931)	(9,086,931)
Physical Environment	609,834	835,104	92,438	667,186	984,894	984,894
Highways & Streets	6,578,554	-	963,652	2,186,382	(3,428,520)	(3,428,520)
Sanitation	1,466,958	1,549,274	-	-	82,316	82,316
Parks and Recreation	2,030,278	358,201	-	11,792	(1,660,285)	(1,660,285)
Interest on Long-term debt	86,356	-	-	-	(86,356)	(86,356)
Total governmental activities	28,760,774	5,152,931	1,626,852	3,694,976	(18,286,015)	(18,286,015)
Business-type activities:						
Public Utilities	6,663,547	7,546,842	-	257,707	-	1,141,002
Total business-type activities	\$ 6,663,547	\$ 7,546,842	\$ -	\$ 257,707	\$ -	\$ 1,141,002
Total primary government	\$ 35,424,321	\$ 12,699,773	\$ 1,626,852	\$ 3,952,683	\$ (18,286,015)	\$ (17,145,013)
General Revenues:						
Taxes:						
Property taxes					10,508,373	10,508,373
Franchise and utility taxes					4,798,178	4,798,178
Communications services tax					979,767	979,767
Unrestricted intergovernmental revenues					1,842,916	1,842,916
Unrestricted investment earnings					134,642	186,954
Miscellaneous					74,467	74,467
Gain on sale of capital assets					-	443
Transfers					942,435	-
Total general revenues, gain, and transfers					19,280,778	18,391,098
Change in net position					994,763	1,246,085
Net position, beginning as previously stated					50,868,243	83,637,086
Restatements					(158,421)	(176,625)
Net position - beginning of year, as restated					50,709,822	83,460,461
Net position, end of year					\$ 51,704,585	\$ 84,706,546

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Balance Sheet - Governmental Funds
September 30, 2025

	General Fund	Public Facilities Improvement Fund	ARPA Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:						
Cash and cash equivalents	\$ 2,393,140	\$ -	\$ 113,659	\$ 4,211,027	\$ 2,053,473	\$ 8,771,299
Investments	2,881,818	-	-	-	-	2,881,818
Accounts receivable (net of allowance for uncollectibles)	1,210,254	-	-	-	79,218	1,289,472
Due from other funds	11,140	-	-	-	-	11,140
Due from other governmental units	838,985	993,703	-	63,395	-	1,896,083
Prepays	33,604	-	-	849,960	378	883,942
Advances to other funds	621,539	758,386	-	-	-	1,379,925
Total assets	\$ 7,990,480	\$ 1,752,089	\$ 113,659	\$ 5,124,382	\$ 2,133,069	\$ 17,113,679
Liabilities:						
Accounts payable	\$ 600,463	\$ 106,584	\$ -	\$ 107,794	\$ 488,588	\$ 1,303,429
Accrued liabilities	1,129,466	4,257	-	-	36,953	1,170,676
Due to other funds	-	-	-	-	11,140	11,140
Advances from other funds	-	-	-	-	355,000	355,000
Due to other governments	26,983	-	-	-	5,351	32,334
Unearned revenue	253,170	-	-	-	53,250	306,420
Total liabilities	2,010,082	110,841	-	107,794	950,282	3,178,999
Deferred Inflows of Resources:						
Deferred inflows- leases	876,150	-	-	-	-	876,150
Total Deferred Inflows	876,150	-	-	-	-	876,150
Fund Balances (deficits):						
Nonspendable	655,143	-	-	849,960	378	1,505,481
Spendable:						
Restricted	-	-	113,659	-	967,432	1,081,091
Committed	-	1,641,248	-	-	231,206	1,872,454
Assigned	487,501	-	-	4,166,628	-	4,654,129
Unassigned	3,961,604	-	-	-	(16,229)	3,945,375
Total fund balances	5,104,248	1,641,248	113,659	5,016,588	1,182,787	13,058,530
Total liabilities, deferred inflows and fund balances(deficits)	\$ 7,990,480	\$ 1,752,089	\$ 113,659	\$ 5,124,382	\$ 2,133,069	\$ 17,113,679

The accompanying Notes to Financial Statements are an integral part of this statement.

**Reconciliation of the Governmental Funds Balance Sheet to the
Statement of Net Position**

September 30, 2025

Total Fund Balance, Governmental Funds	\$ 13,058,530
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	47,531,541
Deferred inflows and outflows of resources related to pension and OPEB earnings are not recognized in governmental funds, however, they are recorded in net position under full accrual accounting.	609,985
Net pension asset is not a current financial resource and therefore is not reported in the funds	175,331
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Notes payable	(2,934,555)
Accrued interest payable	(57,979)
Net pension liability	(407,705)
OPEB liability	(4,829,919)
Compensated absences	(1,440,644)
Net Position of Governmental Activities in the Statement of Net Position	\$ 51,704,585

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2025

	General Fund	Public Facilities Improvement Fund	ARPA Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Taxes:						
Property tax	\$ 10,508,373	\$ -	\$ -	\$ -	\$ -	\$ 10,508,373
Franchise tax	2,351,810	-	-	-	-	2,351,810
Utility tax	2,446,368	-	-	-	-	2,446,368
Communications services tax	979,767	-	-	-	-	979,767
Local option gas tax	-	373,870	-	-	-	373,870
Licenses and permits	172,464	-	-	-	364,031	536,495
Intergovernmental revenue	3,325,878	2,755,748	759,861	8,474	-	6,849,961
Charges for services	3,292,089	-	-	-	1,000,039	4,292,128
Fines and forfeitures	119,323	-	-	-	28,277	147,600
Special assessments	-	5,275	-	-	98,694	103,969
Investment earnings	88,374	16,512	4,896	5,108	19,752	134,642
Miscellaneous revenue	69,622	-	-	-	23,772	93,394
Total revenues	23,354,068	3,151,405	764,757	13,582	1,534,565	28,818,377
Expenditures:						
Current:						
General government	4,727,111	-	-	-	-	4,727,111
Public safety	13,237,968	-	-	-	871,015	14,108,983
Physical environment	-	-	-	-	564,008	564,008
Highways and streets	2,008,385	93,697	-	-	-	2,102,082
Sanitation	1,466,958	-	-	-	-	1,466,958
Parks and recreation	1,376,317	-	-	-	108,705	1,485,022
Debt Service:						
Principal	1,135,171	44,461	-	119,156	55,137	1,353,925
Interest and other charges	94,014	992	-	3,274	2,945	101,225
Capital Outlay	153,977	3,038,070	-	825,334	879,855	4,897,236
Total expenditures	24,199,901	3,177,220	-	947,764	2,481,665	30,806,550
Excess (deficiency) of revenues over expenditures	(845,833)	(25,815)	764,757	(934,182)	(947,100)	(1,988,173)
Other Financing						
Sources (uses):						
Sale of general capital assets	462	-	-	-	-	462
Transfers in	1,269,014	-	-	5,998,489	602,069	7,869,572
Transfers out	(5,841,438)	-	(759,120)	-	(326,579)	(6,927,137)
Total other financing sources (uses)	(4,571,962)	-	(759,120)	5,998,489	275,490	942,897
Net change in fund balances	(5,417,795)	(25,815)	5,637	5,064,307	(671,610)	(1,045,276)
Fund balances, beginning of year, as previously presented	10,522,043	1,667,063	108,022	-	1,806,678	14,103,806
Adjustments	-	-	-	(47,719)	47,719	-
Fund balances, beginning of year, as adjusted	10,522,043	1,667,063	108,022	(47,719)	1,854,397	14,103,806
Fund balances (deficit), end of year	\$ 5,104,248	\$ 1,641,248	\$ 113,659	\$ 5,016,588	\$ 1,182,787	\$ 13,058,530

The accompanying Notes to Financial Statements are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended September 30, 2025

Net Change in Fund Balances, total governmental funds:		\$ (1,045,276)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>Governmental Funds report outlays for capital assets as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Expenditures for Capital Assets	3,669,107	
Current Year Depreciation	(3,151,186)	517,921
<p>The net effect of various transactions involving capital assets (i.e. sales, trade-ins and disposals) is to decrease net position</p>		(20,200)
<p>Cash pension contributions reported in the funds were more than the calculated pension expense on the statement of activities, and therefore increased net position</p>		871,795
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Other post employment benefits	(610,856)	
Accrued interest	14,869	
Compensated absences	(82,140)	(678,127)
<p>The issuance of long-term debt such as capital leases, provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>		
Principal Payments	1,353,925	1,353,925
<p>Special assessment revenue reported in the funds in the current year must be eliminated from the statement of activities since revenue was recognized in the prior year.</p>		(5,275)
Change in Net Position of Governmental Activities		\$ 994,763

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - General Fund
Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 10,377,589	\$ 10,377,589	\$ 10,508,373	\$ 130,784
Franchise tax	2,336,724	2,336,724	2,351,810	15,086
Utility tax	2,328,968	2,328,968	2,446,368	117,400
Communications services tax	1,026,968	1,026,968	979,767	(47,201)
Licenses and permits	160,000	167,500	172,464	4,964
Intergovernmental revenue	2,575,635	2,575,635	3,325,878	750,243
Charges for services	2,951,350	2,987,570	3,292,089	304,519
Fines and forfeitures	164,900	176,100	119,323	(56,777)
Investment earnings	35,200	35,200	88,374	53,174
Miscellaneous revenue	156,000	156,000	69,622	(86,378)
Total revenues	22,113,334	22,168,254	23,354,068	1,185,814
Expenditures:				
Current:				
General government:				
City commission	124,945	121,452	121,452	-
City clerk	345,061	392,184	392,855	(671)
City manager	442,588	541,975	536,219	5,756
City attorney	183,000	211,234	211,234	-
Personnel	964,343	939,440	914,926	24,514
Purchasing	113,912	258,611	255,807	2,804
Finance	538,624	432,565	419,421	13,144
Community development	807,398	811,005	790,675	20,330
Other-unclassified	1,343,211	1,341,509	1,290,274	51,235
Total general government	4,863,082	5,049,975	4,932,863	117,112
Public Safety				
Police	6,309,407	6,966,914	6,951,860	15,054
Fire	6,840,627	7,084,709	7,050,418	34,291
Total public safety	13,150,034	14,051,623	14,002,278	49,345

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - General Fund
Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures (Continued)				
Highways and streets:				
Streets and fleet	\$ 1,941,763	\$ 2,129,489	\$ 2,008,385	\$ 121,104
Total highways and streets	1,941,763	2,129,489	2,008,385	121,104
Sanitation	1,558,208	1,466,958	1,466,958	-
Parks and recreation:				
Recreational programs	1,830,103	1,793,372	1,789,417	3,955
Total parks and recreation	1,830,103	1,793,372	1,789,417	3,955
Total expenditures	23,343,190	24,491,417	24,199,901	291,516
Excess (deficiency) of revenues over expenditures	(1,229,856)	(2,323,163)	(845,833)	1,477,330
Other Financing Sources (Uses):				
Sale of general capital assets	45,000	45,000	462	(44,538)
Transfers in	1,269,014	1,269,014	1,269,014	-
Transfers out	(757,469)	(5,256,469)	(5,841,438)	584,969
Total other financing sources (uses)	556,545	(3,942,455)	(4,571,962)	540,431
Net change in fund balances	(673,311)	(6,265,618)	(5,417,795)	2,017,761
Fund balance, beginning	10,522,043	10,522,043	10,522,043	-
Fund balance, ending	\$ 9,848,732	\$ 4,256,425	\$ 5,104,248	\$ 2,017,761

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - ARPA Fund
Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 759,120	\$ 759,120	\$ 759,861	\$ 741
Investment earnings	-	-	4,896	4,896
Total revenues	759,120	759,120	764,757	5,637
Expenditures:				
Current:				
Fire	99,000	99,784	-	99,784
Total expenditures	99,000	99,784	-	99,784
Excess (deficiency) of revenues over expenditures	660,120	659,336	764,757	105,421
Other Financing Sources (Uses):				
Transfers Out	(759,120)	(759,120)	(759,120)	-
Total other financing sources(uses)	(759,120)	(759,120)	(759,120)	-
Net change in fund balances	(99,000)	(99,784)	5,637	105,421
Fund balances, beginning	108,022	108,022	108,022	-
Fund balances, ending	\$ 9,022	\$ 8,238	\$ 113,659	\$ 105,421

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Net Position
Proprietary Fund
September 30, 2025

	<u>Public Utilities</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ -
Accounts receivable, net	727,562
Restricted cash	3,124,235
Prepays	41,607
	<hr/>
Total current assets	3,893,404
	<hr/>
Non-current assets:	
Impact fees and assessments receivable	461,699
Capital Assets:	
Not being depreciated	3,287,168
Being depreciated, net	41,647,083
	<hr/>
Total non-current assets	45,395,950
	<hr/>
Total assets	49,289,354
	<hr/>
Deferred Outflows of Resources:	
Deferred outflows on pension and OPEB	181,820
	<hr/>

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Net Position
Proprietary Fund
September 30, 2025

	<u>Public Utilities</u>
Liabilities:	
Current liabilities:	
Accounts payable and other current liabilities	598,962
Due to other funds	1,024,925
Compensated absences	10,998
Customer deposits	138,509
OPEB	9,054
Notes payable	821,631
Total current liabilities	<u>2,604,079</u>
Non-current liabilities:	
Compensated absences	98,977
Net pension liability	50,854
OPEB	732,797
Notes payable	12,740,818
Total non-current liabilities	<u>13,623,446</u>
Total liabilities	<u>16,227,525</u>
Deferred Inflows of Resources:	
Deferred inflows on pension and OPEB	<u>241,688</u>
Net Position:	
Net investment in capital assets	31,348,618
Restricted for renewal and replacement	2,544,801
Restricted for capital projects	2,963,166
Unrestricted	<u>(3,854,624)</u>
Total net position	<u>\$ 33,001,961</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position -
Proprietary Fund
Year Ended September 30, 2025

	<u>Public Utilities</u>
Operating Revenues:	
Charges for sales and services	\$ 7,546,842
Total operating revenues	<u>7,546,842</u>
Operating Expenses:	
Personnel	1,646,933
Supplies and services	2,492,384
Amortization	235,722
Depreciation	2,212,678
Total operating expenses	<u>6,587,717</u>
Operating income	<u>959,125</u>
Nonoperating Revenues (Expenses):	
Investment earnings	52,312
Gain on sale of capital assets	443
Interest expense	(75,830)
Total nonoperating revenue (expenses)	<u>(23,075)</u>
Income before contributions and transfers	<u>936,050</u>
Capital contributions	257,707
Transfers out	(942,435)
Change in net position	251,322
Net position, beginning, as previously stated	32,768,843
Restatements	(18,204)
Net position, beginning, as restated	<u>32,750,639</u>
Net position, ending	<u><u>\$ 33,001,961</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Cash Flows
Proprietary Fund
Year Ended September 30, 2025

	<u>Public Utilities</u>
Cash Flows From Operating Activities:	
Receipts from customers	\$ 7,796,330
Payments to suppliers	(2,212,719)
Payments to employees	(1,557,087)
	<hr/>
Net cash provided by (used in) operating activities	4,026,524
	<hr/>
Cash Flows From Noncapital Financing Activities:	
Due to other funds	(6,048,918)
Transfers to other funds	(942,435)
	<hr/>
Net cash provided by (used in) noncapital financing activities	(6,991,353)
	<hr/>
Cash Flows From Capital and Related Financing Activities:	
Acquisition of capital assets	(2,029,403)
Sale of capital assets	443
Interest payments	(75,830)
Grants	1,301,912
Impact fees	116,039
Principal payments on notes payable	(600,762)
Proceeds from notes payable	4,452,708
	<hr/>
Net cash provided by (used in) in capital and related financing activities	3,165,107
	<hr/>
Cash Flows From Investing Activities:	
Investment income	52,312
	<hr/>
Net cash provided by (used in) investing activities	52,312
	<hr/>
Net increase (decrease) in cash and cash equivalents	252,590
	<hr/>
Cash and cash equivalents, beginning of year	2,871,645
	<hr/>
Cash and cash equivalents, end of year	\$ 3,124,235
	<hr/> <hr/>
Classified as:	
Cash and cash equivalents	\$ -
Restricted cash, customer deposits	3,124,235
	<hr/>
Total cash and cash equivalents	\$ 3,124,235
	<hr/> <hr/>

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Cash Flows
Proprietary Fund
Year Ended September 30, 2025

	<u>Public Utilities</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income	\$ 959,125
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:	
Depreciation expense	2,212,678
Amortization expense	235,722
Increase in accounts receivable	243,200
Decrease in deferred outflows	(99,004)
Decrease in assessments receivable	32,180
Decrease in prepaid	(3,655)
Decrease in accounts payable	283,320
Decrease in OPEB	206,744
Decrease in compensated absences	23,011
Decrease in customer deposits	(25,892)
Increase in deferred inflows	(743)
Increase in net pension liability	(40,162)
	<u>4,026,524</u>
Net cash provided by (used in) operating activities	\$ 4,026,524

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Net Position
Fiduciary Fund
September 30, 2025

	<u>Pension Fund</u>
Assets	
Cash and cash equivalents	\$ 305,781
Receivables:	
Employer and employee	38,336
Total receivables	<u>38,336</u>
Investments, at fair value:	
U.S. Government obligations	11,772,592
Equities	26,144,327
Total investments	<u>37,916,919</u>
Total assets	<u>38,261,036</u>
Net Position:	
Net position restricted for pensions	<u>\$ 38,261,036</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

City of Longwood, Florida
Statement of Changes in Fiduciary Net Position -
Fiduciary Fund
Year Ended September 30, 2025

	<u>Pension Fund</u>
Additions:	
Contributions:	
City	\$ 2,223,880
State	539,689
Employee	69,546
	<hr/>
Total contributions	2,833,115
	<hr/>
Investment earnings:	
Net increase (decrease) in the fair value of investments	2,902,017
Less: investment expense	(44,140)
	<hr/>
Net investment earnings (losses)	2,857,877
	<hr/>
Total additions	5,690,992
	<hr/>
Deductions:	
Benefit payments	1,049,652
Administrative expenses	31,325
	<hr/>
Total deductions	1,080,977
	<hr/>
Change in net position	4,610,015
	<hr/>
Net position, beginning	33,651,021
	<hr/>
Net position, ending	\$ 38,261,036
	<hr/> <hr/>

The accompanying Notes to Financial Statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Longwood, Florida (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow.

Reporting Entity

The City is a political subdivision of the State of Florida located in Seminole County. The legislative branch of the City is composed of a five-member elected Commission (the City Commission). The City Commission is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the City Manager.

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

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

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this rule are charges between the City's public utilities function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. 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.

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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

Major Governmental Funds

General Fund

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

Public Facilities Improvement Fund

A capital projects fund used to account for the general government's construction activities, the majority of which involves roadway improvements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

American Rescue Plan Act "ARPA" Fund

A special revenue fund used to account for the receipts and spending of the grant funds related to the American Rescue Plan Act.

Capital Projects Fund

A capital projects fund used to account for the acquisition of capital equipment. Funding is derived from leases, transfers from other funds and proceeds of sales of capital assets.

Nonmajor Governmental Fund Types

Special Revenue Funds account for specific revenue sources that are restricted by law or administrative action to expenditures for specific purposes. Nonmajor special revenue funds include the Special Assessments Fund, the Police Education Fund, the Special Law Enforcement Trust Fund, Stormwater Management Fund, the Parks and Events Fund, the Citizens on Patrol (COPs) Fund, the Community Emergency Response Team (CERT) Fund, the Building Permits and Inspections Fund, Police Impact Fee Fund, Fire Impact Fees Fund, Recreation Impact Fee Fund, Public Works/Administration Impact Fees, and Transportation Impact Fees Fund.

Capital projects funds are used to account for acquisition and construction activity for large-scale projects of the general government.

Major Proprietary Fund

Public Utilities Enterprise Fund

Used to account for operations of the City's water and wastewater systems, which are financed and operated in a manner similar to private business enterprises, where the costs, including depreciation, of providing services to the general public on a continuing basis are financed or recovered primarily through user charges.

Fiduciary Fund

Pension Fund

Accounts for contributions to the Florida Municipal Pension Trust Fund.

Assets, Liabilities, Deferred Outflows/Inflows and Net Position or Equity

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The City currently holds \$1,700 available for petty cash.

Investments for the City are reported at fair value within the fair value hierarchy established in accordance with GASB Statement No. 72, Fair Value Measurement and Application, except for the position in the Florida State Board of Administration's and Florida Safe's Local Government Surplus Investment Pools (LGIP). In accordance with state law, the LGIP's operate in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the LGIP's qualify as a 2a7-like pools and are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. The Florida State Board of Administration is subject to regulatory oversight by the State of Florida, although it is not registered with the SEC.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances." The long-term portion of advances between funds, as reported in the fund financial statements have been classified as nonspendable unless the funds associated with repayment of the advances are otherwise restricted for specific purposes.

All receivables are shown net of an allowance for uncollectibles. Accounts receivable in excess of 60 days comprise the accounts receivable allowance for uncollectibles.

Under Florida Law, the assessment of all properties and the collection of all City property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide. State Statutes permit cities to levy property taxes at a rate of up to ten (10) mills. The millage rate in effect for the City for the fiscal year ended September 30, 2025 was 5.5000 mills.

The tax levy of the City is established by the City Commission prior to October 1 of each year and the Seminole County Property Appraiser incorporates the millage into the total tax levy, which includes the municipalities, independent districts and the County School Board tax requirements. All property is reassessed according to its fair market value on January 1 of each year. All taxes are due and payable on the levy date of November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% for payments received in the month of November, 3% for payments received in the month of December, 2% for payments received in the month of January and 1% for payments received in the month of February. The taxes paid in March are not subject to discount. Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

Inventory and Prepaid Items

Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid items in both government-wide and fund financial statements. These are recorded as expenditures when consumed rather than when purchased.

Restricted Assets

The use of certain assets may be restricted by specific provisions of debt covenants, state regulations, and/or agreements with various parties. Resources for customer deposits and amounts for impact fees within the Public Utilities Enterprise Fund are segregated and classified as restricted assets.

Capital Assets

Property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value as of the date received. The City defines capital assets, in accordance with Chapter 274.02, Florida Statutes, as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Property, plant, and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 - 40 years
Improvements other than buildings	10 - 50 years
Infrastructure	20 - 50 years
Vehicles and equipment	3 - 10 years

Compensated Absences

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

Vacation

The City's policy permits employees to accumulate earned but unused vacation benefits, subject to maximum carryforwards, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave

The City's policy permits employees to accumulate earned but unused sick leave. Employees with ten or more years of service are eligible for payment of 50% of unused/accrued sick leave hours, subject to maximum balances. Additionally, a liability for the estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the proprietary fund financial statements and in the applicable governmental or business-type activities column in the government-wide financial statements. Such obligations are recognized as a liability in the governmental funds financial statements only when due.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category, which is the deferred outflows of pension and OPEB earnings.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from leases, special assessments and grants. The unavailable revenue from leases is also reported in the government-wide statement of net position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also has deferred inflows of pension and OPEB earnings reported in the enterprise and government-wide statement of net position.

Net Position Flow Assumption

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

Net Position / Fund Balances

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

Net Investment in Capital Assets

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

Restricted Net Position

This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This category represents net position that does not meet the definition of "net investment in capital assets" or "restricted."

In the governmental fund financial statements, financial reserves are classified by components of fund balance per GASB Statement No. 54. Classifications of fund balance are established by City Commissioners and the senior management team and may be classified as committed or assigned. These tentative plans for expenditures can be increased, reduced, or eliminated by similar actions. The City's general spending prioritization policy is to consider restricted resources to have been used first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used. See "Note 12 – Fund Balances" for additional information.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

New GASB Statements Implemented

In fiscal year 2025, the City implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation and sick time owed to employees upon separation from employment, the City now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the "Restatement - GASB 101 Implementation" column in the table below.

	Net Position/ fund balance 9/30/24 as previously reported	Restatement- GASB 101 implementation	Adjustment- Capital Projects as major fund	Net position/ fund balance 9/30/24 as restated
Government-wide				
Governmental activities	\$ 50,868,243	\$ (158,421)	\$ -	\$ 50,709,822
Business-type activities	32,768,843	(18,204)	-	32,750,639
Total government-wide	<u>\$ 83,637,086</u>	<u>\$ (176,625)</u>	<u>\$ -</u>	<u>\$ 83,460,461</u>
Governmental Funds				
Major Funds:				
General Fund	\$ 10,522,043	\$ -	\$ -	\$ 10,522,043
Public Facilities Improvement Fund	1,667,063	-	-	1,667,063
ARPA Fund	108,022	-	-	108,022
Capital Projects Fund	-	-	(47,719)	(47,719)
Nonmajor funds	1,806,678	-	47,719	1,854,397
Total governmental funds	<u>\$ 14,103,806</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,103,806</u>
Proprietary Funds				
Public Utilities	<u>\$ 32,768,843</u>	<u>\$ (18,204)</u>	<u>\$ -</u>	<u>\$ 32,750,639</u>

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.

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.

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual appropriations budgets are adopted for all funds except the Pension Trust Fund. Budgets for the governmental funds are adopted on a basis consistent with GAAP, except that on-behalf payments received from the state are not budgeted in the General Fund. Principal and interest are included in the appropriate function on the budget statements.

Budgetary Process and Compliance

1. On or before August 1, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public Hearings are conducted at City Hall to obtain taxpayer comments.
3. Prior to October 1, the budget is enacted through the passage of an ordinance.
4. The City Commission may make supplemental appropriations in excess of those estimated for the year up to the amount of available revenues. During fiscal year 2025 the City made several amendments to the budget.
5. The City cannot legally exceed the budget; however, at any time during the year, the City Commission may, by ordinance, transfer part or all of any unencumbered appropriation balance among programs within a department and/or transfer part or all of any unencumbered appropriation balance from one department to another. The legal level of budgetary control is at the program level (i.e. finance, police, recreation programs), since the City Manager may transfer funds between line items within a program.
6. Unexpended and unencumbered appropriations lapse at year-end.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders and contracts) outstanding at year end are reported as assigned fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

Deficit Fund Equity

The Park and Events fund has a deficit fund balance of \$16,229 at September 30, 2025.

Appropriations in Excess of Funds Available

Appropriations for the Public Facilities Improvement Fund, Building Permits and Inspections Fund, Stormwater Fund, Parks and Events Fund, Citizens on Patrol Fund, and Capital Projects Fund were in excess of anticipated revenue and available fund balance.

Expenditures in Excess of Appropriations

The programs in the General Fund contained expenditures in excess of appropriations for the fiscal year ended September 30, 2025.

NOTE 4 DEPOSITS AND INVESTMENTS

Deposits

The City's bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for each banking relationship. Remaining balances are collateralized pursuant to Chapter 280, Florida Statutes. Under this chapter all depositories holding public funds collateralize deposits in excess of FDIC insurance with the State Treasurer. In the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

NOTE 4 DEPOSITS AND INVESTMENTS (CONTINUED)

The City's pooled cash account is held pursuant to a banking services agreement. Interest earned on the pooled cash is allocated monthly among the funds based on the percentage of each fund's cash balances to the total.

Investments

Instead of establishing a written investment policy, the City elected to limit investment to the four categories indicated in Florida Statutes, Chapter 218.415, which are as follows:

1. The Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Chapter 163.01, Florida Statutes;
2. Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
3. Interest-bearing time deposits or savings accounts in state-certified qualified public depositories, as defined in Chapter 280.02, Florida Statutes;
4. Direct obligations of the U.S. Treasury.

The City does not have an investment policy that addresses credit risk, concentration of credit risk, custodial credit risk, or interest rate risk. However, all deposits are potentially subject to custodial credit risk. The City policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposit Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2025, all of the City's bank deposits were in qualified public depositories.

The City follows GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, which requires the adjustments of the carrying values of investments to fair value to be presented as a component of investment income. Investments are presented at fair value, which is based on available market values. The State Board of Administration (SBA) Local Government Investment Pool (LGIP), operated by the Florida State Board of Administration, is a "2a-7-like" pool in accordance with GASB 31; therefore, it is not presented at fair value but at its actual pooled share price which approximates fair value. The LGIP is not a registrant with the SEC; however, the State of Florida does provide regulatory oversight.

Investments held by the City at September 30, 2025 are detailed below:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Avg. Maturity</u>
LGIP:			
Florida Prime	\$ 2,881,818	AAAm	47 days

Fair Value

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

NOTE 4 DEPOSITS AND INVESTMENTS (CONTINUED)

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Investments categorized as Level 2 are reported at the net asset value of fund portfolio, whereby the underlying assets are valued based on quoted prices or market-corroborated input. Investments categorized as Level 3 are reported at the net asset value of the fund portfolio, which is invested in a variety of financial instruments, some of which are valued using significant unobservable inputs.

The City has the following recurring fair value measurements as September 30, 2025:

Investments Valued by Fair Value Level		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equities:				
FMIvT Diversified Large Cap Equity	\$ 9,708,565	\$ -	\$ 9,708,565	\$ -
FMIvT Diversified Small to Mid Cap	5,007,174	-	5,007,174	-
FMIvT International Equity	8,332,549	-	8,332,549	-
Fixed Income:				
FMIvT Broad Market HQ Bond	6,115,632	-	6,115,632	-
FMIvT Core Plus Fixed Income	5,656,960	-	-	5,656,960
FMIvT Core Real Estate Fund	3,096,039	-	-	3,096,039
	<u>37,916,919</u>	<u>\$ -</u>	<u>\$ 29,163,920</u>	<u>\$ 8,752,999</u>

Investments: Pension Fund

The City adopted an investment policy for the Florida Municipal Pension Trust Fund. The authorized investments include: repurchase agreement, direct obligations of U. S. Treasury, investments purchased by the SBA, commercial paper, bankers' acceptances, certificates of deposit, SEC registered money market funds, obligations of the agencies or instrumentalities of the Federal Government, corporate fixed income securities, Guaranteed Investment Contracts, equity assets, and Florida Municipal Investment Trust Portfolios.

The investments held by the City's Florida Municipal Pension Trust Fund at September 30, 2025 are detailed below:

Investment Type	Fair Value	Weighted Avg. Maturity	Credit Rating
Pension Fund:			
FMIvT Broad market HQ Bond Fund	\$ 6,115,632	7.10 years	AAf/S4
FMIvT Core Plus Fixed Income	5,656,960	5.76 years	Not rated
Equities	<u>26,144,327</u>	N/A	Not rated
Total investments	37,916,919		
Cash and cash equivalents	<u>305,781</u>		
Total cash and investments	<u>\$ 38,222,700</u>		

Interest Rate Risk

The Policy does not specifically address interest rate risk, except to say the manager of the pension trust funds shall apply the prudent person rule.

Credit Risk

The City's investment policy limits credit risk by restricting investments to those authorized above.

NOTE 4 DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

Custodial risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2025, none of the Trust investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk

The City's Trust investment policy requires diversification, and places limits on the percentage of funds that may be invested with an individual issuer and type of investment. The policy established the following limitation on portfolio composition - "a maximum of 70% of portfolio investment in equity securities". At September 30, 2025, there were no security investments in the Trust that were over their respective limitations.

NOTE 5 RECEIVABLES

Receivables as of year-end for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Accounts Receivable	Allowance for Uncollectible Accounts	Accounts Receivable, net
Governmental Funds:			
General Fund	\$ 1,230,901	\$ (20,647)	\$ 1,210,254
Police Education Fund	29	-	29
Special Law Enforcement Trust Fund	37	-	37
Stormwater Management Fund	126,630	(49,551)	77,079
Park and Events Fund	2,073	-	2,073
	<u>1,359,670</u>	<u>(70,198)</u>	<u>1,289,472</u>
Proprietary Fund:			
Public Utilities	809,119	(81,557)	727,562
	<u>\$ 2,168,789</u>	<u>\$ (151,755)</u>	<u>\$ 2,017,034</u>

Lease Receivables

Included in accounts receivable above in the General Fund is \$876,150 of lease receivables in accordance with the City's implementation of GASB Statement No. 87, *Leases*. These receivables totaling \$876,150 are reported as deferred inflows of resources in the general fund balance sheet and governmental activities statement of net position, see Note 8 Leases for further information.

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NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2025 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 6,117,262	\$ -	\$ (20,200)	\$ 6,097,062
Construction in progress	4,342,724	2,763,855	(2,029,506)	5,077,073
Total capital assets, not being depreciated	10,459,986	2,763,855	(2,049,706)	11,174,135
Capital assets, being depreciated:				
Buildings	6,221,862	-	(5,704)	6,216,158
Improvements other than buildings	13,930,862	6,568	(176,402)	13,761,028
Infrastructure	43,321,995	2,063,517	-	45,385,512
Vehicles and equipment	14,447,033	864,673	(2,709,099)	12,602,607
Total capital assets, being depreciated	77,921,752	2,934,758	(2,891,205)	77,965,305
Less accumulated depreciation for:				
Buildings	(3,286,859)	(131,154)	5,704	(3,412,309)
Improvements other than buildings	(5,789,471)	(660,069)	176,402	(6,273,138)
Infrastructure	(21,288,578)	(1,218,115)	-	(22,506,693)
Vehicles and equipment	(10,983,010)	(1,141,848)	2,709,099	(9,415,759)
Total accumulated depreciation	(41,347,918)	(3,151,186)	2,891,205	(41,607,899)
Total capital assets, being depreciated, net	36,573,834	(216,428)	-	36,357,406
Governmental activities capital assets, net	\$ 47,033,820	\$ 2,547,427	\$ (2,049,706)	\$ 47,531,541

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NOTE 6 CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 1,719,004	\$ -	\$ -	\$ 1,719,004
Construction in progress	6,598,767	1,431,813	(6,462,416)	1,568,164
Total capital assets, not being depreciated	<u>8,317,771</u>	<u>1,431,813</u>	<u>(6,462,416)</u>	<u>3,287,168</u>
Capital assets, being depreciated:				
Buildings	114,235	-	(27)	114,208
Improvements other than buildings	57,668,109	6,462,416	(443,332)	63,687,193
Vehicles and equipment	2,030,533	272,268	(426,630)	1,876,171
Intangibles	9,428,875	-	-	9,428,875
Total capital assets, being depreciated	<u>69,241,752</u>	<u>6,734,684</u>	<u>(869,989)</u>	<u>75,106,447</u>
Less accumulated depreciation for:				
Buildings	(96,955)	(652)	27	(97,580)
Improvements other than buildings	(25,797,165)	(2,053,058)	443,332	(27,406,891)
Vehicles and equipment	(1,767,775)	(158,968)	426,630	(1,500,113)
Intangibles	(4,219,058)	(235,722)	-	(4,454,780)
Total accumulated depreciation	<u>(31,880,953)</u>	<u>(2,448,400)</u>	<u>869,989</u>	<u>(33,459,364)</u>
Total capital assets, being depreciated, net	<u>37,360,799</u>	<u>4,286,284</u>	<u>-</u>	<u>41,647,083</u>
Business-type activities capital assets, net	<u>\$ 45,678,570</u>	<u>\$ 5,718,097</u>	<u>\$ (6,462,416)</u>	<u>\$ 44,934,251</u>

Depreciation expense was charged to programs of the City as follows:

Governmental Activities:	
General government	\$ 501,286
Public safety	937,048
Highways and streets	1,364,474
Parks and recreation	348,378
Total depreciation expense, governmental activities	<u>\$ 3,151,186</u>
Business-type Activities:	
Public utilities	<u>\$ 2,448,400</u>

Intangibles represent Wholesale Sewer Capacity rights which are acquired from Seminole County as new connections occur and these rights are amortized over the expected life of the intangible asset (term of contracts). During 2025, no additional units were acquired, and amortization was recorded in the amount of \$235,722, resulting in unamortized sewer capacity balance of \$4,974,095 at September 30, 2025.

NOTE 7 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

Receivable fund	Payable fund	Amount
General Fund	Special Assessments Fund	\$ 140,000
Public Facilities Improvement Fund	Special Assessments Fund	215,000
Public Facilities Improvement Fund	Public Utilities Fund	543,386
General Fund	Public Utilities Fund	481,539
General Fund	Park & Event	11,140

The outstanding balances payable by the Special Assessments Fund resulted from advances made that are expected to be collected and repaid as collected in future years.

The composition of interfund transfers for the year ended September 30, 2025 is:

	Transfers In			Total
	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	
Transfer Out:				
General Fund	\$ -	\$ 5,239,369	\$ 602,069	\$ 5,841,438
Nonmajor Governmental Funds	326,579	-	-	326,579
Public Utilities Fund	942,435	-	-	942,435
ARPA	-	759,120	-	759,120
Total	<u>\$ 1,269,014</u>	<u>\$ 5,998,489</u>	<u>\$ 602,069</u>	<u>\$ 7,869,572</u>

The transfers into the General Fund from the Public Utilities fund, Stormwater fund and Building Permits and Inspections fund are to cover costs of utility billing, finance, personnel, purchasing, computer services, City Manager, City Clerk and other city-wide services. The transfers into the Capital Projects fund from the ARPA Fund are to recognize ARPA funds used for capital expenditures. Transfers in to the Capital Project fund from the general fund are for capital equipment.

NOTE 8 LEASES

As lessor:

In October 2006, the City entered into a 50 year lease as lessor for the use of land. An initial lease receivable was recorded in the amount of \$603,963 in the year of implementation of GASB 87, *Leases*. The lessee is required to make monthly fixed payments of \$1,438.01. Every five years, the monthly rent will increase by the increase in the base index CPI. The lease has an interest rate of 0%. As of September 30, 2025, the value of the lease receivable and deferred inflow of resources is \$534,939 and the City recognized lease revenue of \$17,256 during the fiscal year.

In December 2021, the City entered into a 53 month lease as lessor for the use of office space. An initial lease receivable was recorded in the amount of \$418,182. The lessee is required to make monthly payments of \$7,609 to \$8,564. The lease has an interest rate of 0%. As of September 30, 2025, the value of the lease receivable and deferred inflow of resources is \$59,700 and the City recognized lease revenue of \$99,538 during the fiscal year.

NOTE 8 LEASES (CONTINUED)

In December 2021, the City entered into an 82 month lease as lessor for the use of office space. An initial lease receivable was recorded in the amount of \$580,353. The lessee is required to make monthly payments of \$6,452 to \$7,925. The lease has an interest rate of 0%. As of September 30, 2025, the value of the lease receivable and deferred inflow of resources is \$281,511 and the City recognized lease revenue of \$84,270 during the fiscal year.

Total minimum future lease payments to be received under lessor agreements in years subsequent to September 30, 2025 are:

Fiscal year ending September 30,	Governmental Activities		Total
	Principal	Interest	
2026	\$ 164,600	\$ -	\$ 164,600
2027	108,404	-	108,404
2028	112,050	-	112,050
2029	25,181	-	25,181
2030	17,256	-	17,256
2031-2035	86,280	-	86,280
2036-2040	86,280	-	86,280
2041-2045	86,280	-	86,280
2046-2050	86,280	-	86,280
2051-2055	86,280	-	86,280
2056	17,259	-	17,259
Total payments to be received	<u>\$ 876,150</u>	<u>\$ -</u>	<u>\$ 876,150</u>

The following is a schedule of approximate cost or carrying value and accumulated depreciation of capital assets under leases:

Land	\$	429,000
Buildings		1,103,064
Less: accumulated depreciation		(105,710)
Capital Assets Held for Lease, Net	\$	<u>1,426,354</u>

NOTE 9 LONG-TERM LIABILITIES

The City issued Capital Improvement Revenue Note, Series 2016 in the amount of \$1,312,571 with interest of 2.19% to finance the purchase of various vehicles and equipment. Note is secured by a covenant to budget and appropriate. There is no principal and interest remaining to be paid in this series as it was paid off as of September 30, 2025. For the fiscal year, principal and interest paid on this series was \$467,692. In the event of default the note will bear interest at the default rate, and the noteholder shall be entitled to enforce payment.

The City issued Capital Improvement Revenue Note, Series 2017 in the amount of \$4,000,000 with interest of 2.78% to finance park and recreational improvements. Note is secured by a covenant to budget and appropriate. Total principal and interest remaining to be paid on this series is \$2,287,391. For the fiscal year, principal and interest paid was \$327,095. In the event of default, the noteholder may declare all principal and interest is due and immediately payable.

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

The City issued Capital Improvement Revenue Note, Series 2020 in the amount of \$1,400,000 with interest of 1.8% to finance the purchase of various vehicles and equipment. Note is secured by a covenant to budget and appropriate. There is no principal and interest remaining to be paid in this series as it was paid off as of September 30, 2025. For the fiscal year, principal and interest paid was \$313,799. In the event of default, the noteholder may declare all principal and interest is due and immediately payable.

In 2023 the City entered into an installment purchase agreement for computer equipment. The agreement provides for total funding of \$599,818 to be repaid over five years. Total principal and interest remaining to be paid on the loan is \$248,790.

In 2018, the City executed the Capital Improvement Revenue Note, Series 2017B for the costs of constructing certain park, recreational and other capital improvements and certain costs related to the acquisition and installation of equipment to be located within the City. This agreement provides for total funding of \$2,000,000. The note period is for 10 years with an interest rate of 2.49 percent. The note is secured by a covenant to budget and appropriate. Total principal and interest remaining to be paid on this series is \$689,154, and principal and interest paid was \$229,718. In the event of default, the noteholder may declare all principal and interest is due and immediately payable.

In 2017, the City executed the Clean Water State Revolving Fund Loan agreement WW590500 for the South Longwood Septic Tank Abatement Phase I project. This agreement provides for total funding of \$4,071,303. The loan period is for 20 years with an interest rate of .91 percent. The note is secured by gross revenues from the water and sewer systems net of operations and maintenance costs. Principal and interest remaining to be paid on this series is \$2,853,104, and principal and interest paid was \$228,248.

In 2018, the City executed the Clean Water State Revolving Fund Loan agreement WW590510 for the South Longwood Septic Tank Abatement Phase II project, and Lake Ruth and Springwood Septic Tank Abatement project. This agreement provides for total funding of \$3,002,597. The loan period is for 20 years with an interest rate of .83 percent to 1.17 percent. The note is secured by gross revenues from the water and sewer systems net of operations and maintenance costs. Principal and interest remaining to be paid on this series is \$2,399,503, and principal and interest paid was \$165,483.

In 2019, the City executed the Clean Water State Revolving Fund Loan agreement WW590520 for the Longwood Septic Tank Abatement Transmission Main. This agreement provides for total funding of \$3,410,044. The loan period is for 20 years with an interest rate of 1.26 percent. The note is secured by gross revenues from the water and sewer systems net of operations and maintenance costs. Principal and interest remaining to be paid on this series is \$1,648,858. Principal and interest paid in the current year was \$109,923.

In 2019, the City executed the Clean Water State Revolving Fund Loan agreement WW590530 for the East Longwood Septic Tank Abatement Project. This agreement provides for total funding of \$1,108,984. The loan period is for 20 years with an interest rate of .91 percent. The note is secured by gross revenues from the water and sewer systems net of operations and maintenance costs. Principal and interest remaining to be paid on this series is \$928,485, and principal and interest paid was \$61,899.

In 2020, the City executed the Clean Water State Revolving Fund Loan agreement WW590540 for the Longwood Collection System Expansion Project. This agreement provides for total funding of \$3,382,900. The loan period is for 20 years with an interest rate of .40 percent. The note is secured by gross revenues from the water and sewer systems net of operations and maintenance costs. Principal and interest remaining to be paid on this series is \$1,796,802, and principal and interest paid was \$105,695.

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

In 2023, the City executed the Clean Water State Revolving Fund Loan agreement WW590550 for the Phase 2 East Longwood Area Septic Tank Abatement Program. This agreement provides for total funding of \$4,452,708. The loan period is for 20 years with an interest rate of .52 percent, with the first principal and interest payment due October 15, 2025. The note is secured by gross revenues from the water and sewer systems net of operations and maintenance costs. Principal and interest remaining to be paid on this series is \$4,689,123, and principal and interest paid was \$-.

In the event of default, the Florida Department of Environmental Protection may cause to establish rates and collect fees, require the City to account for all moneys received and used, appoint a receiver to manage the Water and Sewer Systems, intercept delinquent amounts plus a penalty due to the City under State Revenue Sharing, recover all amounts due including costs of collection and attorney fees, and accelerate the repayment schedule or increase the interest rate by a factor of up to 1.667.

Annual debt service requirements to maturity for revenue notes are as follows:

Year ending September 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 599,204	\$ 77,368	\$ 821,631	93,650
2027	613,191	62,825	828,269	87,569
2028	503,152	47,913	834,962	81,432
2029	292,642	34,453	835,407	75,237
2030	300,985	26,111	841,529	69,117
2031-2035	625,381	26,531	4,301,378	251,843
2036-2040	-	-	3,804,219	95,642
2041-2045	-	-	1,295,054	14,515
	<u>\$ 2,934,555</u>	<u>\$ 275,201</u>	<u>\$ 13,562,449</u>	<u>\$ 769,005</u>

A summary of noncurrent liability activity for the year ended September 30, 2025 follows:

	Beginning Balance, as Restated	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Notes payable - direct borrowing	\$ 4,288,480	\$ -	\$ (1,353,925)	\$ 2,934,555	\$ 599,204
Net pension liability	726,480	-	(318,775)	407,705	-
OPEB liability	3,524,722	1,305,197	-	4,829,919	58,945
Compensated absences *	1,358,504	82,140	-	1,440,644	144,064
	<u>\$ 9,898,186</u>	<u>\$ 1,387,337</u>	<u>\$ (1,672,700)</u>	<u>\$ 9,612,823</u>	<u>\$ 802,213</u>
Business-type Activities:					
Note payable - direct borrowing	\$ 19,522	\$ -	\$ (4,698)	\$ 14,824	\$ 4,263
SRF loan payable	9,690,981	4,452,708	(596,064)	13,547,625	817,368
Net pension liability	91,016	-	(40,162)	50,854	-
OPEB liability	535,107	206,744	-	741,851	9,054
Compensated absences *	86,964	23,011	-	109,975	10,998
	<u>\$ 10,423,590</u>	<u>\$ 4,682,463</u>	<u>\$ (640,924)</u>	<u>\$ 14,465,129</u>	<u>\$ 841,683</u>

Long-term liabilities of governmental activities are generally liquidated by the General Fund.

NOTE 10 **EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS**

Florida Retirement System

City employees hired before December 31, 1995, participate in the Florida Retirement System (FRS), a cost-sharing multiple employer public employee retirement system administered by the State of Florida Department of Management Services, Division of Retirement, to provide retirement and survivor benefits to participating public employees. Chapter 121, Florida Statutes, establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions.

Early retirement benefits may also be provided; however, there is a reduction in benefits for each year prior to normal retirement. Generally, membership was compulsory for all full-time and part-time employees. There is a 3% requirement for employees to contribute to FRS effective July 1, 2011.

The 2007 Florida Legislature continued the uniform contribution rate system under which participating employers make uniform contributions to support the FRS Pension Plan and the Retiree Health Insurance Subsidy (HIS Plan). Under Section 121.405, Florida Statutes, FRS also provides a defined contribution plan (Investment Plan) alternative to the FRS defined benefit pension plan. Employers contribute based upon blended rates determined as a percentage of the total payroll for each class or subclass of FRS membership, regardless of which retirement plan individuals elect.

The State of Florida issues a report that includes financial statements and required supplementary information for FRS. That report may be obtained by writing to Florida Retirement System, Tallahassee, Florida 32399-1560.

Funding Policy:

The FRS has ten (10) classes of membership. Only three (3) classes are applicable to the City's eligible employees. These three (3) classes, with descriptions and contribution rates in effect during the period ended September 30, 2025 are as follows:

Regular Class - Members not qualifying for other classes (17.03% [includes 3% employee contribution] from July 1, 2025 through September 30, 2025 and 16.63% [includes 3% employee contribution] from October 1, 2024 through June 30, 2025.)

Special Risk Class - members employed as law enforcement officers, firefighters, or correctional officers and meet the criteria set to qualify for this class (38.19% [includes 3% employee contribution] from July 1, 2025 through September 30, 2025 and 35.79% [includes 3% employee contribution] from October 1, 2024 through June 30, 2025.)

DROP - Members in DROP program (22.02% from July 1, 2025 through September 30, 2025 and 21.13% from October 1, 2024 through June 30, 2025.)

Plan Description

The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees.

NOTE 10 **EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)**

Benefits Provided

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year.

These employer contribution rates include 2.0% HIS Plan subsidy for the periods October 1, 2024 through June 30, 2025 and from July 1, 2025 through September 30, 2025.

The City's contributions, including employee contributions, to the Pension Plan totaled \$66,309 for the fiscal year ended September 30, 2025.

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

At September 30, 2025, the City reported a liability of \$370,671 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share of the net pension liability was based on the City's 2024-25 fiscal year contributions relative to the 2023-24 fiscal year contributions of all participating members. At June 30, 2025, the City's proportionate share was 0.00119 percent, which was a decrease of 0.00052 percent from its proportionate share measured as of June 30, 2024.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

For the fiscal year ended September 30, 2025, the City recognized pension expense of \$(186,188). In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 39,592	\$ -
Change of assumptions	43,044	-
Net difference between projected and actual earnings on pension plan Investments	-	61,887
Changes in proportion and differences between pension plan contributions and proportionate share of contributions	-	388,844
Pension plan contributions subsequent to the measurement date	14,345	-
	\$ 96,981	\$ 450,731

The deferred outflows of resources related to the Pension Plan, totaling \$14,345 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Year Ended September 30,		
2026	\$	(126,683)
2027		(130,350)
2028		(70,917)
2029		(40,145)
2030		-
Thereafter		-
	\$	(368,095)

Actuarial Assumptions

The total pension liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.50% average, including inflation
Investment Rate of Return	6.70% net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table varies by member category and sex, projected generationally with Scale MP 2021.

The actuarial assumptions used in the July 1, 2025, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	3.20%	3.20%	1.10%
Fixed income	29.00%	5.50%	5.40%	4.00%
Global equities	45.00%	8.50%	6.90%	18.30%
Real estate	12.00%	8.40%	7.10%	16.80%
Private equity	11.00%	12.40%	8.80%	28.40%
Strategic investments	2.00%	6.50%	6.10%	8.70%
Total	100.00%			
Assumed Inflation - mean			2.40%	1.50%

(1) As outlined in the Pension Plan's investment policy

Discount Rate

The discount rate used to measure the total pension liability was 6.70%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

	Discount Rate Minus 1% 5.70%	Current Discount Rate 6.70%	Discount Rate Plus 1% 7.70%
City's proportionate share of net pension liability (FRS)	\$ 727,435	\$ 370,671	\$ 71,564

Pension Plan Fiduciary Net Position

Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Payables to the Pension Plan

At September 30, 2025, the City reported a payable in the amount of \$12,399 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2025.

HIS Plan

Plan Description

The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2025, the HIS contribution for the period October 1, 2024 through June 30, 2025 and from July 1, 2025 through September 30, 2025 was 2.0%. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The City's contributions to the HIS Plan totaled \$5,493 for the fiscal year September 30, 2025.

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

At September 30, 2025, the City reported a liability of \$87,888 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share of the net pension liability was based on the City's 2024-25 fiscal year contributions relative to the 2023-24 fiscal year contributions of all participating members. At June 30, 2025, the City's proportionate share was 0.00069 percent, which was a decrease of 0.00036 percent from its proportionate share measured as of June 30, 2024.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

For the fiscal year ended September 30, 2025, the City recognized pension expense of \$(53,297). In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflow of Resources	Deferred Inflows of Resources
Change of assumptions	\$ 525	\$ 139
Differences between expected and actual experience	778	21,258
Net difference between projected and actual earnings on pension plan investments	-	73
Changes in proportion and differences between pension plan contributions and proportionate share of contributions	-	146,339
Pension plan contributions subsequent to the measurement date	1,095	-
	\$ 2,398	\$ 167,809

The deferred outflows of resources related to the HIS Plan, totaling \$1,095 resulting from City contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Year Ended September 30,		
2026	\$	(53,632)
2027		(46,791)
2028		(33,628)
2029		(20,654)
2030		(11,801)
Thereafter		-
	\$	(166,506)

Actuarial Assumptions

The total pension liability in the July 1, 2025, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.50% average, including inflation
Investment Rate of Return	5.20% net of pension plan investment expense, including inflation

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2021.

The actuarial assumptions used in the July 1, 2025, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 5.20%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 5.20%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.20%) or one percentage point higher (6.20%) than the current rate:

	Discount Rate Minus 1% 4.20%		Current Discount Rate 5.20%		Discount Rate Plus 1% 6.20%
City's proportionate share of net pension liability (HIS)	\$ 97,051		\$ 87,888		\$ 78,478

Pension Plan Fiduciary Net Position

Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Investment Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The investment Plan is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Special Risk Class, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

There was no pension expense for the City's Investment Plan for the fiscal year ended September 30, 2025, since none of the employees participating in the Florida Retirement System elected the Investment Plan.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Florida Municipal Pension Trust Fund (MPF)

Employees hired after January 1, 1996 participate in one of two public employee retirement systems established under City ordinances. The first is a defined benefit plan for police and firefighters which is included as part of the City's reporting entity in a Pension Trust Fund. The second is a defined contribution plan for all other employees of the City. The second plan is discussed later under the sub-heading General Employee 401 (a) Pension Plan and it is not included as a Pension Trust Fund.

Each plan is independently governed by separate boards of trustees and the City Commission may amend plan provisions by resolution. Assets may not be transferred between plans, or used for any purpose other than to benefit each plan's participants as defined in their authorizing ordinances. The Police and Firefighters Pension board contracts with the Florida Municipal Pension Trust Fund (FMPTF), a private, not-for-profit corporation established by the Florida League of Cities (FLC) for FLC members who wish to use its services. The FMPTF acts as a common investment and administrative agent for its members, contracting with a bank custodian, investment manager and actuary to provide a commingled investment fund and plan valuation services.

Stand-alone audited financial statements of the FMPTF are maintained on file at the FLC offices in Tallahassee, Florida, and are available upon request to the Pension Services Division.

Plan descriptions and contribution information

Membership of the Police and Firefighters Pension Plan consisted of the following at September 30, 2025:

	Police and Firefighters' Pension Trust
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	23
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	83
Active Plan Members	78
	184

Plan Descriptions

The Police and Firefighters Pension Plan (Police and Fire Plan) is a local law, single employer, defined benefit pension plan as defined under Florida Statutes, Chapters 175 and 185, which covers all sworn police officers and firefighters hired after January 1, 1996. Employees are eligible to participate in the plan immediately upon employment with the City, and they are vested in the plan after five years of service. Benefits are available after normal retirement at age 55 with 5 years of service, or at any age with 25 years of service. The normal retirement benefit is the number of years of credited service multiplied by 3% and multiplied by average final monthly compensation.

Benefits Provided

In addition to retirement benefits described above, all participants are also eligible for service incurred disability benefits, as well as non-service incurred disability benefits. The participant is eligible immediately if disability was incurred during the course of his or her employment, however the participant must have earned at least 10 years of credited service if disability was incurred other than during the course of employment with the City. The Plan also has a pre-retirement death benefit. In the case of the death of a vested participant prior to retirement, the beneficiary will receive the participant's monthly accrued benefit payable at normal retirement age for 10 years certain plus an immediate \$50,000 lump sum payment. In the case of the death of a non-vested participant prior to retirement, the beneficiary will receive the participant's accumulated contributions plus an immediate \$50,000 lump sum payment.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Contributions

Employees must make a minimum mandatory contribution of 1%, in order to take advantage of the insurance premium tax rebate provided for in the statutes. City and State contributions are the remaining amount necessary to pay current costs and amortize unfunded past service costs, if any, as provided in Part VII of Chapter 112, Florida Statutes. The actuarially determined employer/state contribution for the year ended September 30, 2025 was 32.17% of covered payroll.

Significant Accounting Policies - Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value.

Net Pension Liability (Asset) - The City's net pension liability (asset) was measured as September 30, 2025, and the pension liability was determined by an actuarial valuation as of October 1, 2024 updated to September 30, 2025. The components of the net pension liability of the sponsor on September 30, 2025 were as follows:

Total Pension Liability (Asset)	\$ 34,476,752
Less Fiduciary Net Position	<u>(34,652,083)</u>
Net Pension Liability (Asset)	<u>\$ (175,331)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	100.51%

The above plan fiduciary net position, or market value, does not agree to the Statement of Fiduciary Net Position on page 27 because the actuary is not including The DRAGO (Defined Retirement Accumulation Group Obligation) balance of \$3,608,953. This balance is Chapter 175/185 contributions received in excess of the "base amount" which are deposited into the DRAGO Fund.

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:

Inflation	2.75%
Salary increase	4.00%
Discount rate	6.50%
Investment rate of return	6.50%

Mortality rates were based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table for public safety employees, with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year (pre-retirement mortality). Assumed disability is based on gender and age and ranges from .067% for males and .040% for females at age 25 to 1.00% for males and .84% for females at age 55.

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Expected Long-Term Real Return
Core Bonds	15.00%	1.60% per annum
Core plus	15.00%	2.10% per annum
U.S. Large Cap Equity	25.00%	4.60% per annum
U.S. Small Cap Equity	14.00%	5.50% per annum
Non-U.S. Equity	21.00%	6.70% per annum
Core real estate	10.00%	5.00% per annum
Total or Weighted Arithmetic Average	100.00%	4.38% per annum

Discount rate

The discount rate used to measure the total pension liability at September 30, 2025 was 6.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability(Asset) (a) - (b)
Balances at September 30, 2024	\$ 29,209,309	\$ (30,248,861)	\$ (1,039,552)
Changes for a Year:			
Service cost	1,423,140	-	1,423,140
Expected interest growth	1,959,331	(2,021,271)	(61,940)
Unexpected investment income	-	(659,606)	(659,606)
Demographic experience	432,203	-	432,203
Contributions-employer & state	-	(2,526,692)	(2,526,692)
Contributions-employee	-	(69,546)	(69,546)
Benefit payments and refunds	(798,429)	798,429	-
Administrative expense	-	75,464	75,464
Changes in benefit terms	-	-	-
Assumption changes	2,251,198	-	2,251,198
Balances at September 30, 2025	\$ 34,476,752	\$ (34,652,083)	\$ (175,331)

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 6.50%, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is one (1) percentage point lower (5.50%) or one (1) percentage point higher (7.50%) than the current rate adopted by the Plan's board.

	Discount Rate Minus 1% 5.50%	Current Discount Rate 6.50%	Discount Rate Plus 1% 7.50%
Police and Firefighters':			
Net Pension Liability (Asset)	\$ 5,135,791	\$ (175,331)	\$ (4,454,138)

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

For the year ended September 30, 2025 the City recognized pension expense of \$1,931,662. On September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

Description	Deferred Outflow of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on MPF pension plan investments	\$ -	\$ 1,655,103
Net difference of demographic gain/loss	1,044,401	-
Net changes of assumptions	1,780,236	83,021
	<u>\$ 2,824,637</u>	<u>\$ 1,738,124</u>

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,	MPF
2026	\$ 997,584
2027	(107,598)
2028	(125,746)
2029	322,273
2030	-
Thereafter	-
	<u>\$ 1,086,513</u>

NOTE 10 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Aggregate Amounts of All Pension Plans

The aggregate amounts for all of the City's defined benefit pension plans at September 30, 2025 are as follows:

	Net Pension Asset (Liability)	Deferred Inflows	Deferred Outflows	Pension Expense
MPF Pension Plan	\$ 175,331	\$ (1,738,124)	\$ 2,824,637	\$ 1,931,662
FRS Pension Plan	(370,671)	(450,731)	96,981	(186,188)
HIS Pension Plan	(87,888)	(167,809)	2,398	(53,297)
	<u>\$ (283,228)</u>	<u>\$ (2,356,664)</u>	<u>\$ 2,924,016</u>	<u>\$ 1,692,177</u>

General Employee 401(a) Pension Plan

The City maintains a single-employer defined contribution pension plan for all General Employees hired after December 1, 2001. All full-time general employees hired after January 1, 1996 were brought into the plan through the transfer of assets from the Florida Municipal Pension Trust Fund. This is a tax-qualified plan pursuant to section 401(a) of the Internal Revenue Code (IRC). This plan was established by the Longwood City Commission through Resolution 01-1038.

The plan, administered by a third party and sponsored by the Florida League of Cities provides for the employer to contribute 10% of earnings. Employees are not required to contribute to this plan; however, each employee directs the investment of his or her account. Employees are eligible to participate immediately upon employment, and the vesting schedule provides for employees to be fully vested after five years of service. No retirement age has been designated by the employer. The plan permits distributions of the vested amount for retirement, death, disability, hardship or direct rollover to another eligible retirement plan. For the year ended September 30, 2025, employer contributions required and made totaled \$483,904.

At September 30, 2025, there were 81 active employees participating in the plan. Nonvested City contributions are forfeited upon termination of employment. Such forfeitures are used to reduce funding requirements in future years. For the year ended September 30, 2025, no forfeitures were used to reduce the City's pension expense. The plan does not issue a separate financial report.

Deferred Compensation Plan

The City offers its employees a deferred compensation plan (the Plan) administered by four separate companies created in accordance with IRC Section 457(b). The Plan, which is 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 other unforeseen non-reimbursed emergency. Because all assets of the plan must be held in trust for the exclusive benefit of plan participants and their beneficiaries, these plans are not accounted for in the City's financial statements.

NOTE 11 OTHER POST EMPLOYMENT BENEFITS (OPEB)

In accordance with Florida Statutes Section 112.0801, the City makes available, through the City's current provider, continued group health insurance to all eligible retirees and dependents, provided certain service and normal age requirements have been met. This benefit has no cost to the City, other than the implicit cost of including retirees in the group calculation. All premiums are paid by the retiree. The City has 4 retirees currently receiving benefits. The City has chosen pay-as-you-go funding, but is recording the liability in the government wide financial statements. The plan does not have assets accumulated in any GASB-compliant trust. This plan, which is a single-employer plan, does not issue stand-alone financial statements. In addition, the plan does not issue a separate audited GAAP-basis postemployment benefit plan report.

NOTE 11 OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

As of October 1, 2024, the valuation date, there were 162 active employees and 4 inactive employees currently receiving benefits. The OPEB liability of \$5,571,770 was measured as of September 30, 2025, and was determined by the actuarial valuation. The covered payroll was \$11,746,677, and the ratio of Net OPEB liability as a percentage of covered payroll was 47.43%.

Summary of actuarial methods and assumptions:

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive OPEB plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

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

Health Care Trend Rates	
Initial Health Care Cost Trend Rate	8.00%
Ultimate Health Care Cost Trend Rate	5.00%
Fiscal Year the Ultimate Rate is Reached	Fiscal year 2031
Additional Information	
Valuation Date	October 1, 2024
Measurement Date	September 30, 2025
	Entry Age
Actuarial Cost Method	Normal
Discount Rate*	4.50%
Inflation Rate	3%
Salary Rate Increase	3%
Funded Ratio (Fiduciary Net Position as a percentage of Total OPEB Liability)	0%
Covered Payroll	\$ 11,746,677
Net OPEB Liability as a Percentage of Covered Payroll	47.43%

* Discount rate of 4.5% is used, which is the S&P Municipal Bond 20-year high-grade rate index as of September 30, 2025

NOTE 11 OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Below are the details regarding the Total OPEB liability for the measurement period from October 1, 2024 to September 30, 2025.

	Total OPEB Liability
Balance as of September 30, 2024	\$ 4,059,829
Changes for the year:	
Service Cost	\$ 595,452
Interest on Total OPEB Liability	207,978
Difference Between Expected & Actual Experience	(188,808)
Changes of Assumptions and Other Inputs	965,168
Benefit Payments	(67,849)
Other Changes	-
Net Changes	<u>\$ 1,511,941</u>
Balance as of September 30, 2025	<u>\$ 5,571,770</u>

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

	Decrease 3.50%	Discount Rate 4.50%	Increase 5.50%
Total OPEB Liability	\$ 6,331,725	\$ 5,571,770	\$ 4,922,922

The following presents the total liability of the city using the 2025 healthcare cost trend rate of 8.00%, as well as what the City's OPEB liability would be if it were calculated using healthcare trend rates that are 1 percentage point lower and 1 percentage point higher than the current healthcare cost trend rates:

	Decrease 1%	Health Care Trend	Increase 1%
Total OPEB Liability	\$ 4,736,288	\$ 5,571,770	\$ 6,597,890

For the fiscal year ended September 30, 2025, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 823,836
Changes of assumptions	1,282,804	476,203
Total	<u>\$ 1,282,804</u>	<u>\$ 1,300,039</u>

NOTE 11 OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

Fiscal Year Ending September 30,		
2025	\$	(23,368)
2026		(23,871)
2027		(25,747)
2028		(25,747)
2029		(30,220)
Thereafter		111,718
	<u>\$</u>	<u>(17,235)</u>

NOTE 12 FUND BALANCES

In accordance with GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the classifications described below.

Nonspendable Fund Balance - amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance - amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws and regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance - amounts that can be used only for specific purposes determined by formal action of Commissioners, the City's highest level of decision making authority, with formal action occurring prior to year end. The formal action required is adoption of an ordinance. Commitments may be modified or rescinded by Commissioners adopting another ordinance.

Assigned Fund Balance - includes spendable fund balance amounts intended by management to be used for a specific purpose, as discussed in Note 1. The Commission has by resolution authorized the Financial Services Director to assign fund balance for encumbrances and also for appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year's budget.

Unassigned Fund Balance - this is the residual classification for the general fund only. This classification represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance may also include negative balances for any governmental fund, except the General Fund, if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

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NOTE 12 FUND BALANCES (CONTINUED)

At September 30, 2025, the City's governmental fund balances were classified as follows:

	General Fund	Public Facilities Improvement Fund	ARPA	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Fund Balances						
Nonspendable:						
Prepays	\$ 33,604	\$ -	\$ -	\$ 849,960	\$ 378	\$ 883,942
Advances	621,539	-	-	-	-	621,539
Restricted for:						
Public safety-law enforcement	-	-	-	-	356,635	356,635
Building permits and inspection	-	-	-	-	9,179	9,179
ARPA	-	-	113,659	-	-	113,659
Police impact	-	-	-	-	25,235	25,235
Fire impact	-	-	-	-	282,687	282,687
Recreation impact	-	-	-	-	184,541	184,541
Public works - administration impact	-	-	-	-	24,635	24,635
Transportation impact	-	-	-	-	84,520	84,520
Committed to:						
Public facility improvement	-	1,641,248	-	-	-	1,641,248
Stormwater	-	-	-	-	55,808	55,808
Citizens on Patrol	-	-	-	-	1,539	1,539
Community Emergency Response Team	-	-	-	-	7,171	7,171
Special assessments	-	-	-	-	166,688	166,688
Assigned for:						
Capital projects	487,501	-	-	4,166,628	-	4,654,129
Unassigned	3,961,604	-	-	-	(16,229)	3,945,375
Total fund balance	\$ 5,104,248	\$ 1,641,248	\$ 113,659	\$ 5,016,588	\$ 1,182,787	\$ 13,058,530

NOTE 13 RISK MANAGEMENT

During the ordinary course of its operations, the City is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions, injuries to employees and natural disasters. The City does not retain risk. Commercial insurance coverage is maintained in amounts management feels is adequate to protect and safeguard the assets of the City. In the opinion of the City's management and legal counsel, legal claims and litigation are not anticipated to have a material impact on the financial position of the City. The amount of insurance settlements has not exceeded insurance coverage for any of the past three fiscal years.

NOTE 14 COMMITMENTS AND CONTINGENCIES

Grants

The City participates in several programs that are fully or partially funded by grants received from state, county or federal governmental agency sources. Expenditures financed by grants are subject to audit by the appropriate grantor government or agency. If expenditures are disallowed due to non-compliance with grant program regulations, the City may be required to reimburse the grantor. As of September 30, 2025 the City believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the City.

NOTE 14 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Litigation

During the ordinary course of its operations, the City is a party to various claims, legal actions, and complaints. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's management and legal counsel, these matters are not anticipated to have a material financial impact on the City.

Construction Commitments

At September 30, 2025, the City had entered into contracts for construction in the amount of \$2,418,279.

Encumbrances

At September 30, 2025, the City has the following significant encumbrances:

Public Facilities Improvement Fund	\$	532,439
Public Utilities Fund		<u>21,449</u>
	<u>\$</u>	<u>553,888</u>

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City of Longwood, Florida
Required Supplementary Information
 Year Ended September 30, 2025

Retiree Continuation Insurance Plan
Schedule of Changes in the City's Net OPEB Liability and Related Ratios
 Last 10 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	\$ 595,452	\$ 393,776	\$ 324,873	\$ 297,891	\$ 366,962	\$ 389,460	\$ 222,862	\$ 220,186
Interest	207,978	157,525	184,901	200,457	98,745	74,158	108,836	101,706
Differences between expected and actual experience	(188,808)	(188,193)	(163,883)	(475,385)	-	(181,828)	-	-
Changes of assumptions	965,168	248,323	(225,993)	(390,898)	(133,798)	458,114	20,908	-
Benefit Payments	(67,849)	(74,742)	(74,491)	(116,443)	(132,062)	(106,432)	(81,391)	(75,797)
Other changes	-	-	-	-	-	-	-	-
Net change in total OPEB liability	\$ 1,511,941	\$ 536,689	\$ 45,407	(484,378)	199,847	633,472	271,215	246,095
Total OPEB liability, beginning	4,059,829	3,523,140	3,477,733	3,962,111	3,762,264	3,128,792	2,857,577	2,611,482
Total OPEB liability, ending	\$ 5,571,770	\$ 4,059,829	\$ 3,523,140	\$ 3,477,733	\$ 3,962,111	\$ 3,762,264	\$ 3,128,792	\$ 2,857,577
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 11,746,677	\$ 9,751,984	\$ 9,090,853	\$ 7,892,200	\$ 7,912,567	\$ 7,912,567	\$ 6,372,465	\$ 6,372,465
Net OPEB liability as a percentage of covered-employee payroll	47.43%	41.63%	38.75%	44.07%	50.07%	47.55%	49.10%	44.84%

Note: There are no assets accumulated in a trust to pay related benefits for the OPEB plan.

* Prior years' data is unavailable.

City of Longwood, Florida
Required Supplementary Information
Year Ended September 30, 2025

Police and Firefighters' Pension Plan
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios
Last 10 Fiscal Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Total Pension Liability:				
Service cost	\$ 618,506	\$ 853,537	\$ 780,844	\$ 842,962
Expected interest growth	512,750	815,869	1,034,948	1,115,500
Differences between expected and actual experience	191,162	1,208,857	(523,709)	(206,136)
Changes of assumptions	2,831,688	406,136	-	-
Benefit payments	(53,374)	(53,435)	(177,727)	(176,971)
Net change in total pension liability	4,100,732	3,230,964	1,114,356	1,575,355
Total pension liability, beginning	6,795,670	10,896,402	14,127,366	15,241,722
Total pension liability, ending (a)	<u>\$ 10,896,402</u>	<u>\$ 14,127,366</u>	<u>\$ 15,241,722</u>	<u>\$ 16,817,077</u>
Plan Fiduciary Net Position:				
Contributions-employer	\$ 267,486	\$ 881,459	\$ 1,200,362	\$ 1,306,505
Contributions-state	288,494	-	-	-
Contributions-employee	40,529	41,578	41,442	45,730
Net Investment Income	832,676	1,662,867	1,038,867	868,873
Benefit Payments	(53,374)	(53,435)	(177,727)	(176,971)
Administrative Expense	(54,619)	(43,844)	(46,232)	(69,568)
Net change in plan fiduciary net position	1,321,192	2,488,625	2,056,712	1,974,569
Plan fiduciary net position, beginning	9,968,473	11,289,665	13,778,290	15,835,002
Plan fiduciary net position, ending (b)	<u>\$ 11,289,665</u>	<u>\$ 13,778,290</u>	<u>\$ 15,835,002</u>	<u>\$ 17,809,571</u>
Net Pension Liability(Asset) - ending (a) - (b)	<u>\$ (393,263)</u>	<u>\$ 349,076</u>	<u>\$ (593,280)</u>	<u>\$ (992,494)</u>
Plan fiduciary net position as a percentage of total pension liability	103.61%	97.53%	103.89%	105.90%
Covered payroll	\$ 2,961,226	\$ 3,689,106	\$ 3,426,047	\$ 3,718,491
Covered payroll	-13.28%	9.46%	-17.32%	-26.69%

City of Longwood, Florida
Required Supplementary Information
Year Ended September 30, 2025

	2020	2021	2022	2023	2024	2025
\$	936,881	\$ 979,468	\$ 1,030,273	\$ 1,110,427	\$ 1,177,946	\$ 1,423,140
	1,230,672	1,387,401	1,511,888	1,697,688	1,891,886	1,959,331
	342,623	103,773	460,534	477,853	526,198	432,203
	-	(474,641)	-	-	-	2,251,198
	(244,179)	(270,271)	(333,124)	(487,004)	(664,060)	(798,429)
	2,265,997	1,725,730	2,669,571	2,798,964	2,931,970	5,267,443
	16,817,077	19,083,074	20,808,804	23,478,375	26,277,339	29,209,309
\$	19,083,074	\$ 20,808,804	\$ 23,478,375	\$ 26,277,339	\$ 29,209,309	\$ 34,476,752
\$	924,563	\$ 1,037,330	\$ 1,166,541	\$ 1,169,883	\$ 1,636,541	\$ 2,526,692
	-	-	-	-	-	-
	48,810	51,492	53,614	57,097	59,840	69,546
	1,189,885	4,143,227	(3,871,304)	1,900,814	5,220,823	2,680,877
	(244,179)	(270,271)	(333,124)	(487,004)	(664,060)	(798,429)
	(65,379)	(64,412)	(78,629)	(73,307)	(69,501)	(75,464)
	1,853,700	4,897,366	(3,062,902)	2,567,483	6,183,643	4,403,222
	17,809,571	19,663,271	24,560,637	21,497,735	24,065,218	30,248,861
\$	19,663,271	\$ 24,560,637	\$ 21,497,735	\$ 24,065,218	\$ 30,248,861	\$ 34,652,083
\$	(580,197)	\$ (3,751,833)	\$ 1,980,640	\$ 2,212,121	\$ (1,039,552)	\$ (175,331)
	103.04%	118.03%	91.56%	91.58%	103.56%	100.51%
\$	4,096,439	\$ 4,335,822	\$ 4,421,342	\$ 4,707,039	\$ 4,895,905	\$ 5,173,577
	-14.16%	-86.53%	44.80%	47.00%	-21.23%	-3.39%

City of Longwood, Florida
Required Supplementary Information
Year Ended September 30, 2025

Police and Firefighters' Pension Plan
Schedule of Contributions
Last 10 Fiscal Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Reconciliation of Plan Fiduciary Net Position to the Statement of Net Position for the Fiduciary Fund:				
Plan fiduciary net position per RSI, end of year	\$ 11,289,665	\$ 13,778,290	\$ 15,835,002	\$ 17,809,571
Add DRAGO** account balance	2,087,273	2,233,400	2,338,774	2,416,866
Fiduciary fund net position, end of year	<u>\$ 13,376,938</u>	<u>\$ 16,011,690</u>	<u>\$ 18,173,776</u>	<u>\$ 20,226,437</u>
Schedule of Contributions				
Actuarially determined contribution	\$ 631,429	\$ 1,124,702	\$ 1,159,109	\$ 1,011,565
Contributions in relation to actuarially determined contribution	555,980	881,459	1,200,362	1,306,505
Contribution excess (deficiency)	<u>\$ (75,449)</u>	<u>\$ (243,243)</u>	<u>\$ 41,253</u>	<u>\$ 294,940</u>
Covered payroll	\$ 2,961,226	\$ 3,689,106	\$ 3,426,047	\$ 3,718,491
Contributions as a percentage of covered payroll	18.78%	23.89%	35.04%	35.14%
Valuation date	10/1/2015	10/1/2016	10/1/2017	10/1/2018

Notes to Schedule

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage, open
Remaining Amortization Period	30 years
Asset Valuation Method	Market Value
Inflation	2.75%
Salary Increases	4%, including inflation
Investment Rate of Return	6.50%
Retirement Age	Assumed to occur at normal retirement age
Mortality basis	Sex distinct rates set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table, with full generational improvements in mortality using Scale MP-2018.

** DRAGO is the Defined Retirement Accumulation Group Obligation. DRAGO Fund assets are combined with pension fund assets, but are not included in Net Pension Liability.

City of Longwood, Florida
Required Supplementary Information
Year Ended September 30, 2025

2020	2021	2022	2023	2024	2025
\$ 19,663,271	\$ 24,560,637	\$ 21,497,735	\$ 24,065,218	\$ 30,248,861	\$ 34,652,083
2,636,829	2,875,624	3,155,151	3,190,958	3,380,424	3,608,953
<u>\$ 22,300,100</u>	<u>\$ 27,436,261</u>	<u>\$ 24,652,886</u>	<u>\$ 27,256,176</u>	<u>\$ 33,629,285</u>	<u>\$ 38,261,036</u>
\$ 989,397	\$ 1,140,514	\$ 1,223,481	\$ 1,239,587	\$ 1,588,152	\$ 2,237,274
924,563	1,037,330	1,166,541	1,169,833	1,636,541	2,526,692
<u>\$ (64,834)</u>	<u>\$ (103,184)</u>	<u>\$ (56,940)</u>	<u>\$ (69,754)</u>	<u>\$ 48,389</u>	<u>\$ 289,418</u>
\$ 4,096,439	\$ 4,335,822	\$ 4,421,342	\$ 4,707,039	\$ 4,895,905	\$ 5,173,577
22.57%	23.92%	26.38%	24.85%	33.43%	48.84%
10/1/2019	10/1/2020	10/1/2021	10/1/2022	10/1/2023	10/1/2024

Schedule of Investment Returns

	Annual money-weighted rate of return, net of investment expense
2016	7.97%
2017	13.12%
2018	7.25%
2019	5.53%
2020	6.60%
2021	19.06%
2022	-13.21%
2023	8.46%
2024	19.58%
2025	8.41%

City of Longwood, Florida
Required Supplementary Information
Year Ended September 30, 2025

Schedule of City's Proportionate Share of Net Pension Liability
Florida Retirement System
Last 10 Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
City's proportion of the net pension liability	0.00119%	0.00171%	0.00188%	0.00249%
City's proportionate share of the net pension liability	\$ 370,671	\$ 659,823	\$ 747,463	\$ 926,128
City's covered payroll	\$ 306,353	\$ 443,704	\$ 479,545	\$ 611,632
City's proportionate share of the net pension liability as a percentage of its covered payroll	120.99%	148.71%	155.87%	151.42%
Plan fiduciary net position as a percentage of the total pension liability	87.26%	83.70%	82.38%	82.89%

Schedule of City's Proportionate Share of Net Pension Liability
HIS
Last 10 Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
City's proportion of the net pension liability	0.00070%	0.00105%	0.00121%	0.00168%
City's proportionate share of the net pension liability	\$ 87,888	\$ 157,273	\$ 192,233	\$ 177,761
City's covered payroll	\$ 306,353	\$ 443,704	\$ 479,545	\$ 611,632
City's proportionate share of the net pension liability as a percentage of its covered payroll	28.69%	35.45%	40.09%	29.06%
Plan fiduciary net position as a percentage of the total pension liability	6.36%	4.80%	4.12%	4.81%

City of Longwood, Florida
Required Supplementary Information
Year Ended September 30, 2025

2021	2020	2019	2018	2017	2016
0.00416%	0.00482%	0.00522%	0.00614%	0.00685%	0.00747%
\$ 314,366	\$ 2,089,906	\$ 1,797,534	\$ 1,850,039	\$ 2,025,647	\$ 1,886,066
\$ 924,214	\$ 999,335	\$ 1,045,752	\$ 1,172,226	\$ 1,201,971	\$ 1,342,395
34.01%	209.13%	171.89%	157.82%	168.53%	140.50%
96.40%	78.85%	82.61%	84.26%	83.89%	84.88%
2021	2020	2019	2018	2017	2016
0.00255%	0.00288%	0.00313%	0.00359%	0.00377%	0.00432%
\$ 312,552	\$ 351,562	\$ 349,866	\$ 379,863	\$ 403,204	\$ 503,538
\$ 924,214	\$ 999,335	\$ 1,045,752	\$ 1,172,226	\$ 1,201,971	\$ 1,342,395
33.82%	35.18%	33.46%	32.41%	33.55%	37.51%
3.56%	3.00%	2.63%	2.15%	1.64%	0.97%

City of Longwood, Florida
Required Supplementary Information
Year Ended September 30, 2025

Schedule of City's Contributions
Florida Retirement System
Last 10 Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually required contribution	\$ 66,309	\$ 92,972	\$ 91,460	\$ 93,841
Contributions in relation to the contractually required contributions	<u>(66,309)</u>	<u>(92,972)</u>	<u>(91,460)</u>	<u>(93,841)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 274,559	\$ 423,831	\$ 470,057	\$ 526,159
Contributions as a percentage of covered payroll	24.15%	21.94%	19.46%	17.84%

Schedule of City's Contributions
HIS
Last 10 Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually required contribution	\$ 5,493	\$ 8,479	\$ 8,166	\$ 8,736
Contributions in relation to the contractually required contributions	<u>(5,493)</u>	<u>(8,479)</u>	<u>(8,166)</u>	<u>(8,736)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 274,559	\$ 423,831	\$ 470,057	\$ 526,159
Contributions as a percentage of covered payroll	2.00%	2.00%	1.74%	1.66%

City of Longwood, Florida
Required Supplementary Information
Year Ended September 30, 2025

	2021	2020	2019	2018	2017	2016
\$	148,792	\$ 157,052	\$ 165,469	\$ 167,849	\$ 183,096	\$ 182,157
	(148,792)	(157,052)	(165,469)	(167,849)	(183,096)	(182,157)
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	864,892	\$ 949,756	\$ 1,073,567	\$ 1,099,332	\$ 1,232,564	\$ 1,342,395
	17.20%	16.54%	15.41%	15.27%	14.85%	13.57%

	2021	2020	2019	2018	2017	2016
\$	14,144	\$ 15,768	\$ 17,825	\$ 18,253	\$ 20,465	\$ 22,145
	(14,144)	(15,768)	(17,825)	(18,253)	(20,465)	(22,145)
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	864,892	\$ 949,756	\$ 1,073,567	\$ 1,099,332	\$ 1,232,564	\$ 1,342,395
	1.64%	1.66%	1.66%	1.66%	1.66%	1.65%

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

PUBLIC FACILITIES IMPROVEMENT FUND - This fund is used to account for the paving of all soil-based streets, install sidewalks and improve the City roadway system. Funding is derived from property taxes, assessments, and the Local Option Gas Tax.

CAPITAL PROJECTS FUND - This fund is used to account for the acquisition of capital equipment. Funding is derived from capital leases and proceeds of sales of capital assets.

Public Facilities Improvement Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive - (Negative)
	Original	Final		
Revenues:				
Taxes:				
Local option gas tax	\$ 393,060	\$ 393,060	\$ 373,870	\$ (19,190)
Intergovernmental revenue	4,039,574	4,238,592	2,755,748	(1,482,844)
Special assessments	16,000	16,000	5,275	(10,725)
Investment earnings	-	-	16,512	16,512
Total revenues	4,448,634	4,647,652	3,151,405	(1,496,247)
Expenditures:				
Current:				
Highways and streets:				
Public facilities improvements	165,249	165,258	139,150	26,108
Capital outlay	5,163,600	7,893,091	3,038,070	4,855,021
Total expenditures	5,328,849	8,058,349	3,177,220	4,881,129
Excess (deficiency) of revenues over expenditures	(880,215)	(3,410,697)	(25,815)	3,384,882
Net change in fund balances	(880,215)	(3,410,697)	(25,815)	3,384,882
Fund balances, beginning	1,667,063	1,667,063	1,667,063	-
Fund balances, ending	\$ 786,848	\$ (1,743,634)	\$ 1,641,248	\$ 3,384,882

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 150,000	\$ 150,000	\$ 8,474	\$ (141,526)
Investment earnings	-	-	5,108	5,108
Total revenues	150,000	150,000	13,582	(136,418)
Expenditures				
Current:				
General government	124,395	124,395	122,430	1,965
Public safety	100,000	100,000	-	100,000
Capital outlay	11,075,094	11,490,523	825,334	10,665,189
Total expenditures	11,299,489	11,714,918	947,764	10,767,154
Excess (deficiency) of revenues over expenditures	(11,149,489)	(11,564,918)	(934,182)	10,630,736
Other Financing Sources (Uses):				
Transfers in	1,499,489	1,499,489	5,998,489	4,499,000
Notes payable issued	5,200,000	5,200,000	-	(5,200,000)
Total Other Financing Sources (Uses)	6,699,489	6,699,489	5,998,489	(701,000)
Net change in fund balances	(4,450,000)	(4,865,429)	5,064,307	9,929,736
Fund balances, beginning	(47,719)	(47,719)	(47,719)	-
Fund balances, ending	\$ (4,497,719)	\$ (4,913,148)	\$ 5,016,588	\$ 9,929,736

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

BUILDING AND INSPECTIONS SERVICES FUND - This fund was established to separately account for the revenues and expenditures of the Building Division. One of the goals of the fund is to ensure that the fees collected would entirely cover the costs of providing the service.

POLICE EDUCATION FUND - This fund is used to account for revenues received pursuant to Florida Statutes which impose a \$2.00 court cost against persons convicted for violations of state penal or criminal statutes or a municipal or county ordinance where said offense occurred within the City of Longwood. Funds must be used to educate and train law enforcement personnel.

SPECIAL LAW ENFORCEMENT TRUST FUND - This fund is used to account for property confiscated in police enforcement activities pursuant to Florida Statutes (Florida Contraband Forfeiture Act). Funds must be used for police operations.

STORMWATER FUND - This fund is used to account for stormwater expenditures for drainage and stormwater projects. Funding is derived from stormwater utility fees.

PARKS AND EVENTS FUND - This fund was established to separately account for events pertaining to leisure services. Funding is derived from fundraising events, sponsorships, and donations.

CITIZENS ON PATROL (COP) FUND - This fund was established to separately account for activities related to community outreach program. Funding is derived from food sales and donations.

COMMUNITY EMERGENCY RESPONSE TEAM (CERT) FUND - This fund was established to separately account for activities related to fire safety practices within our community. Funding is derived from fundraising events.

SPECIAL ASSESSMENTS FUND - This fund is used to account for capital and maintenance special assessment revenue collected for neighborhood beautification programs.

POLICE IMPACT FEE FUND - This fund is used to account for police impact fee special assessment revenue collected for police capital expenditures.

FIRE IMPACT FEE FUND - This fund is used to account for fire impact fee special assessment revenue collected for fire capital expenditures.

RECREATION IMPACT FEE FUND - This fund is used to account for recreation impact fee special assessment revenue collected for recreation capital expenditures.

PUBLIC WORKS/ADMINISTRATION IMPACT FEE FUND - This fund is used to account for public works and administration impact fee special assessment revenue collected for public works and administration impact fee capital expenditures.

City of Longwood, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025

Special Revenue Funds							
	Building Permits and Inspections	Police Education Fund	Special Law Enforcement Trust Fund	Stormwater Management Fund	Park and Events Fund	Citizens on Patrol (COPs) Fund	Community Emergency Response Team (CERT) Fund
Assets:							
Cash and cash equivalents	\$ 98,467	\$ 11,967	\$ 348,839	\$ 435,234	\$ -	\$ 1,973	\$ 7,171
Accounts receivable, net	-	29	37	77,079	2,073	-	-
Due from other governmental units	-	-	-	-	-	-	-
Prepays	-	-	-	378	-	-	-
Total assets	\$ 98,467	\$ 11,996	\$ 348,876	\$ 512,691	\$ 2,073	\$ 1,973	\$ 7,171
Liabilities:							
Liabilities:							
Accounts payable	\$ 7,962	\$ 351	\$ 3,886	\$ 447,889	\$ 1,550	\$ 434	\$ -
Accrued expenditures	28,337	-	-	8,616	-	-	-
Due to other funds	-	-	-	-	11,140	-	-
Advances from other funds	-	-	-	-	-	-	-
Due to other governments	5,351	-	-	-	-	-	-
Unearned revenue	47,638	-	-	-	5,612	-	-
Total liabilities	89,288	351	3,886	456,505	18,302	434	-
Fund Balances:							
Nonspendable	-	-	-	378	-	-	-
Spendable:							
Restricted	9,179	11,645	344,990	-	-	-	-
Committed	-	-	-	55,808	-	1,539	7,171
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(16,229)	-	-
Total fund balances	9,179	11,645	344,990	56,186	(16,229)	1,539	7,171
Total Liabilities, and fund balances	\$ 98,467	\$ 11,996	\$ 348,876	\$ 512,691	\$ 2,073	\$ 1,973	\$ 7,171

Special Revenue Funds

Special Assessments Fund	Police Impact Fees	Fire Impact Fees	Recreation Impact Fees	Public Works/ Administration Impact Fees	Transportation Impact Fees	Total Special Revenue Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
\$ 527,192	\$ 25,235	\$ 282,687	\$ 205,553	\$ 24,635	\$ 84,520	\$ 2,053,473	\$ -	\$ 2,053,473
-	-	-	-	-	-	79,218	-	79,218
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	378	-	378
\$ 527,192	\$ 25,235	\$ 282,687	\$ 205,553	\$ 24,635	\$ 84,520	\$ 2,133,069	\$ -	\$ 2,133,069
\$ 5,504	-	\$ -	\$ 21,012	-	-	\$ 488,588	\$ -	\$ 488,588
-	-	-	-	-	-	36,953	-	36,953
-	-	-	-	-	-	11,140	-	11,140
355,000	-	-	-	-	-	355,000	-	355,000
-	-	-	-	-	-	5,351	-	5,351
-	-	-	-	-	-	53,250	-	53,250
360,504	-	-	21,012	-	-	950,282	-	950,282
-	-	-	-	-	-	378	-	378
-	25,235	282,687	184,541	24,635	84,520	967,432	-	967,432
166,688	-	-	-	-	-	231,206	-	231,206
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(16,229)	-	(16,229)
166,688	25,235	282,687	184,541	24,635	84,520	1,182,787	-	1,182,787
\$ 527,192	\$ 25,235	\$ 282,687	\$ 205,553	\$ 24,635	\$ 84,520	\$ 2,133,069	\$ -	\$ 2,133,069

City of Longwood, Florida
**Combining Statement of Revenues, Expenditures and Changes in
Fund Balance - Nonmajor Governmental Funds**
Year Ended September 30, 2025

	Special Revenue Funds							
	Building Permits and Inspections Fund	Police Education Fund	Special Law Enforcement Trust Fund	Stormwater Fund	Parks and Events Fund	Citizens on Patrol (COPs) Fund	Community Emergency Response Team (CERT) Fund	
Revenues:								
Licenses and permits	\$ 364,031	-	\$ -	\$ -	\$ -	-	\$ -	-
Intergovernmental revenue	-	-	-	-	-	-	-	-
Charges for services	-	-	-	736,410	94,533	-	-	-
Fines and forfeitures	-	4,325	23,952	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment earnings	183	128	3,866	4,395	19	31	81	-
Miscellaneous	23,412	-	-	360	-	-	-	-
Total revenues	387,626	4,453	27,818	741,165	94,552	31	81	81
Expenditures:								
Current:								
Public safety	750,652	3,500	108,821	-	-	4,632	3,410	-
Physical environment	-	-	-	495,381	-	-	-	-
Parks and Recreation	-	-	-	-	108,705	-	-	-
Debt service:								
Principal	15,878	-	-	39,259	-	-	-	-
Interest and other charges	301	-	-	2,644	-	-	-	-
Capital Outlay	-	-	-	673,868	-	-	-	-
Total expenditures	766,831	3,500	108,821	1,211,152	108,705	4,632	3,410	3,410
Excess (deficiency) of revenues over expenditures	(379,205)	953	(81,003)	(469,987)	(14,153)	(4,601)	(3,329)	
Other Financing Sources (Uses):								
Transfers in	584,969	-	-	-	15,000	2,100	-	-
Transfers out	(301,579)	-	-	(25,000)	-	-	-	-
Total other financing sources (uses)	283,390	-	-	(25,000)	15,000	2,100	-	-
Net change in fund balances	(95,815)	953	(81,003)	(494,987)	847	(2,501)	(3,329)	
Fund balances, beginning of year, as previously presented	104,994	10,692	425,993	551,173	(17,076)	4,040	10,500	-
Adjustments	-	-	-	-	-	-	-	-
Fund balances, beginning of year, as adjusted	104,994	10,692	425,993	551,173	(17,076)	4,040	10,500	-
Fund balances, ending	\$ 9,179	\$ 11,645	\$ 344,990	\$ 56,186	\$ (16,229)	\$ 1,539	\$ 7,171	

Special Revenue Funds

Special Assessments Fund	Public Works/										Total Special Revenue Funds	Capital Projects Fund	Nonmajor Governmental Funds	Total
	Police Impact Fees Fund	Fire Impact Fees Fund	Recreation Impact Fees Fund	Asministration Impact Fees Fund	Transportation Impact Fees Fund	Revenue Funds	Special	Projects	Governmental	Funds				
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 364,031	\$ -	\$ -	\$ 364,031
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	19,690	41,591	11,792	11,788	84,235	1,000,039	-	-	-	-	1,000,039	-	-	1,000,039
-	-	-	-	-	-	28,277	-	-	-	-	28,277	-	-	28,277
98,694	-	-	-	-	-	98,694	-	-	-	-	98,694	-	-	98,694
5,211	662	2,514	2,088	289	285	19,752	-	-	-	-	19,752	-	-	19,752
-	-	-	-	-	-	23,772	-	-	-	-	23,772	-	-	23,772
103,905	20,352	44,105	13,880	12,077	84,520	1,534,565	-	-	-	-	1,534,565	-	-	1,534,565
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
68,627	-	-	-	-	-	871,015	-	-	-	-	871,015	-	-	871,015
-	-	-	-	-	-	564,008	-	-	-	-	564,008	-	-	564,008
-	-	-	-	-	-	108,705	-	-	-	-	108,705	-	-	108,705
-	-	-	-	-	-	55,137	-	-	-	-	55,137	-	-	55,137
-	-	-	-	-	-	2,945	-	-	-	-	2,945	-	-	2,945
-	100,251	8,961	46,438	50,337	-	879,855	-	-	-	-	879,855	-	-	879,855
68,627	100,251	8,961	46,438	50,337	-	2,481,665	-	-	-	-	2,481,665	-	-	2,481,665
35,278	(79,899)	35,144	(32,558)	(38,260)	84,520	(947,100)	-	-	-	-	(947,100)	-	-	(947,100)
-	-	-	-	-	-	602,069	-	-	-	-	602,069	-	-	602,069
-	-	-	-	-	-	(326,579)	-	-	-	-	(326,579)	-	-	(326,579)
-	-	-	-	-	-	275,490	-	-	-	-	275,490	-	-	275,490
35,278	(79,899)	35,144	(32,558)	(38,260)	84,520	(671,610)	-	-	-	-	(671,610)	-	-	(671,610)
131,410	105,134	247,543	217,099	62,895	-	1,854,397	-	-	-	(47,719)	1,806,678	-	-	1,806,678
-	-	-	-	-	-	-	-	-	-	47,719	47,719	-	-	47,719
131,410	105,134	247,543	217,099	62,895	-	1,854,397	-	-	-	-	1,854,397	-	-	1,854,397
\$ 166,688	\$ 25,235	\$ 282,687	\$ 184,541	\$ 24,635	\$ 84,520	\$ 1,182,787	\$ -	\$ -	\$ -	\$ -	\$ 1,182,787	\$ -	\$ -	\$ 1,182,787

Building Permits and Inspections Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Licenses and Permits	\$ 930,000	\$ 930,000	\$ 364,031	\$ (565,969)
Investment Earnings	2,500	2,500	183	(2,317)
Miscellaneous	45,000	45,000	23,412	(21,588)
Total revenues	<u>977,500</u>	<u>977,500</u>	<u>387,626</u>	<u>(589,874)</u>
Expenditures:				
Current:				
Public Safety:				
Building inspections	785,709	822,282	766,831	55,451
Total public safety	<u>785,709</u>	<u>822,282</u>	<u>766,831</u>	<u>55,451</u>
Capital outlay:	100,000	100,000	-	100,000
Total expenditures	<u>885,709</u>	<u>922,282</u>	<u>766,831</u>	<u>155,451</u>
Excess (deficiency) of revenues over expenditures	<u>91,791</u>	<u>55,218</u>	<u>(379,205)</u>	<u>(434,423)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	584,969	584,969
Transfers Out	(301,579)	(301,579)	(301,579)	-
Total other financing sources(uses)	<u>(301,579)</u>	<u>(301,579)</u>	<u>283,390</u>	<u>584,969</u>
Net change in fund balances	<u>(209,788)</u>	<u>(246,361)</u>	<u>(95,815)</u>	<u>150,546</u>
Fund balances, beginning	104,994	104,994	104,994	-
Fund balances, ending	<u>\$ (104,794)</u>	<u>\$ (141,367)</u>	<u>\$ 9,179</u>	<u>\$ 150,546</u>

Police Education Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ 8,700	\$ 8,700	\$ 4,325	\$ (4,375)
Investment earnings	30	30	128	98
Total revenues	8,730	8,730	4,453	(4,277)
Expenditures:				
Current:				
Public safety	3,500	3,500	3,500	-
Total public safety	3,500	3,500	3,500	-
Total expenditures	3,500	3,500	3,500	-
Excess (deficiency) of revenues over expenditures	5,230	5,230	953	(4,277)
Fund balances, beginning	10,692	10,692	10,692	-
Fund balances, ending	\$ 15,922	\$ 15,922	\$ 11,645	\$ (4,277)

Special Law Enforcement Trust Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ 40,000	\$ 40,000	\$ 23,952	\$ (16,048)
Investment Earnings	4,200	4,200	3,866	(334)
Total revenues	44,200	44,200	27,818	(16,382)
Expenditures:				
Current:				
Public safety	35,500	121,691	108,821	12,870
Capital Outlay	-	-	-	-
Total public safety	35,500	121,691	108,821	12,870
Total expenditures	35,500	121,691	108,821	12,870
Excess (deficiency) of revenues over expenditures	8,700	(77,491)	(81,003)	(3,512)
Fund balances, beginning	425,993	425,993	425,993	-
Fund balances, ending	\$ 434,693	\$ 348,502	\$ 344,990	\$ (3,512)

Stormwater Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 768,292	\$ 776,121	\$ 736,410	\$ (39,711)
Investment Earnings	601	601	4,395	3,794
Miscellaneous	-	250	360	110
Total revenues	768,893	776,972	741,165	(35,807)
Expenditures:				
Current:				
Physical environment	598,081	647,230	537,284	109,946
Capital Outlay	708,500	1,061,159	673,868	387,291
Total expenditures	1,306,581	1,708,389	1,211,152	497,237
Excess (deficiency) of revenues over expenditures	(537,688)	(931,417)	(469,987)	461,430
Other Financing Sources (Uses):				
Transfer out	(25,000)	(25,000)	(25,000)	-
Total other financing sources and uses	(25,000)	(25,000)	(25,000)	-
Net change in fund balances	(562,688)	(956,417)	(494,987)	461,430
Fund balances, beginning	551,173	551,173	551,173	-
Fund balances, ending	\$ (11,515)	\$ (405,244)	\$ 56,186	\$ 461,430

City of Longwood, Florida

Park and Events Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 102,960	\$ 111,796	\$ 94,533	\$ (17,263)
Investment Earnings	500	500	19	(481)
Miscellaneous	1,000	1,000	-	(1,000)
Total revenues	104,460	113,296	94,552	(18,744)
Expenditures:				
Current:				
Parks and Recreation	130,356	139,192	108,705	30,487
Total expenditures	130,356	139,192	108,705	30,487
Excess (deficiency) of revenues over expenditures	(25,896)	(25,896)	(14,153)	11,743
Other Financing Sources (Uses):				
Transfers In	15,000	15,000	15,000	-
Total other financing sources and uses	15,000	15,000	15,000	-
Net change in fund balances	(10,896)	(10,896)	847	11,743
Fund balances, beginning	(17,076)	(17,076)	(17,076)	-
Fund balances, ending	\$ (27,972)	\$ (27,972)	\$ (16,229)	\$ 11,743

City of Longwood, Florida
Citizens on Patrol (COPs) Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment Earnings	\$ -	\$ -	\$ 31	\$ 31
Miscellaneous	300	300	-	(300)
Total revenues	<u>300</u>	<u>300</u>	<u>31</u>	<u>(269)</u>
Expenditures:				
Current:				
Public Safety	9,500	9,500	4,632	4,868
Total expenditures	<u>9,500</u>	<u>9,500</u>	<u>4,632</u>	<u>4,868</u>
Excess (deficiency) of revenues over expenditures	<u>(9,200)</u>	<u>(9,200)</u>	<u>(4,601)</u>	<u>4,599</u>
Other Financing Sources (Uses):				
Transfers In	2,100	2,100	2,100	-
Total other financing sources and uses	<u>2,100</u>	<u>2,100</u>	<u>2,100</u>	<u>-</u>
Net change in fund balances	<u>(7,100)</u>	<u>(7,100)</u>	<u>(2,501)</u>	<u>4,599</u>
Fund balances, beginning	4,040	4,040	4,040	-
Fund balances, ending	<u>\$ (3,060)</u>	<u>\$ (3,060)</u>	<u>\$ 1,539</u>	<u>\$ 4,599</u>

City of Longwood, Florida
Community Emergency Response Team (CERT) Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 300	\$ 300	\$ -	\$ (300)
Investment Earnings	-	-	81	81
Total revenues	<u>300</u>	<u>300</u>	<u>81</u>	<u>(219)</u>
Expenditures:				
Current:				
Public Safety	4,220	4,220	3,410	810
Total expenditures	<u>4,220</u>	<u>4,220</u>	<u>3,410</u>	<u>810</u>
Excess (deficiency) of revenues over expenditures	<u>(3,920)</u>	<u>(3,920)</u>	<u>(3,329)</u>	<u>591</u>
Net change in fund balances	<u>(3,920)</u>	<u>(3,920)</u>	<u>(3,329)</u>	<u>591</u>
Fund balances, beginning	10,500	10,500	10,500	-
Fund balances, ending	<u>\$ 6,580</u>	<u>\$ 6,580</u>	<u>\$ 7,171</u>	<u>\$ 591</u>

City of Longwood, Florida
Special Assessments Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Beautification assessments	\$ 102,912	\$ 102,912	\$ 98,694	\$ (4,218)
Investment earnings	1,000	1,000	5,211	4,211
Total revenues	<u>103,912</u>	<u>103,912</u>	<u>103,905</u>	<u>(7)</u>
Expenditures:				
Current:				
Physical environment:				
Streets and fleet	195,288	196,248	68,627	127,621
Total expenditures	<u>195,288</u>	<u>196,248</u>	<u>68,627</u>	<u>127,621</u>
Excess (deficiency) of revenues over expenditures	<u>(91,376)</u>	<u>(92,336)</u>	<u>35,278</u>	<u>127,614</u>
Fund balance, beginning	<u>131,410</u>	<u>131,410</u>	<u>131,410</u>	<u>-</u>
Fund balance, ending	<u>\$ 40,034</u>	<u>\$ 39,074</u>	<u>\$ 166,688</u>	<u>\$ 127,614</u>

Police Impact Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 35,000	\$ 35,000	\$ 19,690	\$ (15,310)
Investment earnings	100	100	662	562
Total revenues	<u>35,100</u>	<u>35,100</u>	<u>20,352</u>	<u>(14,748)</u>
Expenditures:				
Current:				
Public Safety				
Police	-	102,000	100,251	1,749
Total expenditures	<u>-</u>	<u>102,000</u>	<u>100,251</u>	<u>1,749</u>
Excess (deficiency) of revenues over expenditures	<u>35,100</u>	<u>(66,900)</u>	<u>(79,899)</u>	<u>(12,999)</u>
Fund balance, beginning	<u>105,134</u>	<u>105,134</u>	<u>105,134</u>	<u>-</u>
Fund balance, ending	<u>\$ 140,234</u>	<u>\$ 38,234</u>	<u>\$ 25,235</u>	<u>\$ (12,999)</u>

Fire Impact Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 65,000	\$ 65,000	\$ 41,591	\$ (23,409)
Investment earnings	300	300	2,514	2,214
Total revenues	<u>65,300</u>	<u>65,300</u>	<u>44,105</u>	<u>(21,195)</u>
Expenditures:				
Current:				
Public Safety				
Fire	8,695	8,961	8,961	-
Total expenditures	<u>8,695</u>	<u>8,961</u>	<u>8,961</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>56,605</u>	<u>56,339</u>	<u>35,144</u>	<u>(21,195)</u>
Fund balance, beginning	<u>247,543</u>	<u>247,543</u>	<u>247,543</u>	<u>-</u>
Fund balance, ending	<u>\$ 304,148</u>	<u>\$ 303,882</u>	<u>\$ 282,687</u>	<u>\$ (21,195)</u>

City of Longwood, Florida
Recreation Impact Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 20,000	\$ 20,000	\$ 11,792	\$ (8,208)
Investment earnings	100	100	2,088	1,988
Total revenues	<u>20,100</u>	<u>20,100</u>	<u>13,880</u>	<u>(6,220)</u>
Expenditures:				
Current:				
Parks and recreation	-	114,868	46,438	68,430
Total expenditures	<u>-</u>	<u>114,868</u>	<u>46,438</u>	<u>68,430</u>
Excess (deficiency) of revenues over expenditures	<u>20,100</u>	<u>(94,768)</u>	<u>(32,558)</u>	<u>62,210</u>
Fund balance, beginning	217,099	217,099	217,099	-
Fund balance, ending	<u>\$ 237,199</u>	<u>\$ 122,331</u>	<u>\$ 184,541</u>	<u>\$ 62,210</u>

City of Longwood, Florida

Public Works/Administration Impact Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 14,500	\$ 14,500	\$ 11,788	\$ (2,712)
Investment income	-	-	289	289
Total revenues	<u>14,500</u>	<u>14,500</u>	<u>12,077</u>	<u>(2,423)</u>
Expenditures:				
Current:				
Public Works	70,000	70,000	50,337	19,663
Total expenditures	<u>70,000</u>	<u>70,000</u>	<u>50,337</u>	<u>19,663</u>
Excess (deficiency) of revenues over expenditures	<u>(55,500)</u>	<u>(55,500)</u>	<u>(38,260)</u>	<u>17,240</u>
Fund balance, beginning	62,895	62,895	62,895	-
Fund balance, ending	<u>\$ 7,395</u>	<u>\$ 7,395</u>	<u>\$ 24,635</u>	<u>\$ 17,240</u>

City of Longwood, Florida
Transportation Impact Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 84,235	\$ 84,235
Investment income	-	-	285	285
Total revenues	-	-	84,520	84,520
Expenditures:				
Current:				
Public Works	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	84,520	84,520
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ 84,520	\$ 84,520

STATISTICAL SECTION

Statistical Section

This part of the City of Longwood's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Page
Financial Trends	95
<p>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</p>	
Revenue Capacity	101
<p>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</p>	
Debt Capacity	105
<p>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future. The City of Longwood has no general obligation bonds outstanding.</p>	
Demographic and Economic Information	107
<p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</p>	
Operating Information	109
<p>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</p>	

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

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

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net Investment in Capital Assets	\$ 33,357	\$ 28,923	\$ 34,491	\$ 35,441	\$ 34,389	\$ 35,581	\$ 39,269	\$ 41,031	\$ 42,173	\$ 43,933
Restricted	255	64	112	145	1,251	1,377	838	521	1,949	1,256
Unrestricted	7,331	10,872	4,819	3,966	4,081	3,492	2,869	840	6,746	6,515
Total Governmental Activities Net Position	40,943	39,859	39,422	39,552	39,721	40,450	42,976	42,392	50,868	51,704
Business-type Activities										
Net Investment in Capital Assets	15,547	20,447	22,477	25,626	29,386	30,380	31,615	29,791	35,620	31,349
Restricted	-	858	1,989	2,883	3,230	3,866	3,372	3,820	5,273	5,508
Unrestricted	1,590	(1,180)	(1,180)	(4,516)	(7,243)	(4,907)	(5,611)	(3,920)	(8,124)	(3,855)
Total Business-type Activities Net Position	17,137	20,125	23,286	23,993	25,373	29,339	29,376	29,691	32,769	33,002
Primary Government										
Net Investment in Capital Assets	48,904	49,370	56,968	61,067	63,775	65,961	70,884	70,822	77,793	75,282
Restricted	255	922	2,101	3,028	4,481	5,243	4,210	4,341	7,222	6,764
Unrestricted	8,921	9,692	3,639	(550)	(3,162)	(1,415)	(2,742)	(3,080)	(1,378)	2,660
Total Primary Government Net Position	\$ 58,080	\$ 59,984	\$ 62,708	\$ 63,545	\$ 65,094	\$ 69,789	\$ 72,352	\$ 72,083	\$ 83,637	\$ 84,706

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

Expenses	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities:										
General government	\$ 3,765	\$ 4,320	\$ 4,596	\$ 4,558	\$ 4,251	\$ 4,181	\$ 4,365	\$ 4,729	\$ 4,768	\$ 5,323
Public safety	9,098	9,546	9,580	10,240	10,675	10,491	11,691	12,906	12,651	12,665
Physical environment	740	312	337	288	439	578	582	580	485	610
Highways and streets	2,490	2,245	3,038	2,473	2,346	2,486	2,635	3,162	2,871	6,579
Sanitation	1,032	1,031	936	1,084	1,136	1,060	1,199	1,385	1,335	1,467
Parks and recreation	1,176	1,111	1,220	1,409	1,501	1,657	1,771	1,733	1,819	2,030
Interest & other fiscal charges on long-term debt	65	305	255	274	272	211	181	160	111	88
Total Governmental Activities Expenses	18,366	18,870	19,962	20,326	20,620	20,664	22,424	24,655	24,040	28,762
Business-type Activities:										
Public Utilities	2,689	3,131	3,563	4,179	4,736	5,050	5,416	6,093	6,544	6,664
Total Primary Government Expense	\$ 21,055	\$ 22,001	\$ 23,525	\$ 24,505	\$ 25,356	\$ 25,714	\$ 27,840	\$ 30,748	\$ 30,584	\$ 35,426
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	\$ 115	\$ 130	\$ 138	\$ 165	\$ 98	\$ 71	\$ 192	\$ 246	\$ 236	\$ 232
Public safety	1,554	1,873	2,014	2,375	1,989	2,581	1,997	2,008	2,667	2,178
Physical environment	713	734	758	758	788	789	819	831	843	835
Highways and streets	-	-	-	-	-	-	-	-	-	-
Sanitation	1,108	1,118	1,095	1,104	1,123	1,137	1,138	1,219	1,457	1,549
Parks and recreation	179	186	162	189	153	196	271	293	326	358
Operating grants and contributions	627	657	1,264	1,238	1,638	1,020	1,330	1,365	6,773	1,627
Capital grants and contributions	817	1,094	2,525	1,030	1,021	1,343	3,851	1,507	2,163	3,695
Total Governmental Activities Program Revenues	\$ 5,113	\$ 5,792	\$ 7,956	\$ 6,859	\$ 6,810	\$ 7,137	\$ 9,598	\$ 7,469	\$ 14,465	\$ 10,474
Business-type Activities:										
Charges for services:										
Public Utilities	3,882	5,299	4,841	5,159	5,483	5,584	5,675	6,819	7,366	7,547
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	-	2,129	3,271	1,084	1,699	3,872	863	176	2,860	258
Total Business-type Activities Program Revenues	3,882	7,428	8,112	6,243	7,182	9,456	6,538	6,995	10,226	7,805
Total Primary Government Program Revenues	\$ 8,995	\$ 13,220	\$ 16,068	\$ 13,102	\$ 13,992	\$ 16,593	\$ 16,136	\$ 14,464	\$ 24,691	\$ 18,279

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense)/Revenue										
Governmental Activities	\$ (13,253)	\$ (13,078)	\$ (12,006)	\$ (13,467)	\$ (13,810)	\$ (13,527)	\$ (12,826)	\$ (17,186)	\$ (9,575)	\$ (18,288)
Business-type Activities	1,193	4,297	4,549	2,064	2,446	4,406	1,122	902	3,682	1,141
Total Primary Government Net Expense	<u>\$ (12,060)</u>	<u>\$ (8,781)</u>	<u>\$ (7,457)</u>	<u>\$ (11,403)</u>	<u>\$ (11,364)</u>	<u>\$ (9,121)</u>	<u>\$ (11,704)</u>	<u>\$ (16,284)</u>	<u>\$ (5,893)</u>	<u>\$ (17,147)</u>

General Revenues and Other Changes in Net Position

Governmental Activities:

Taxes										
Property taxes	\$ 4,755	\$ 5,002	\$ 5,381	\$ 5,899	\$ 6,325	\$ 6,866	\$ 7,224	\$ 8,504	\$ 9,815	\$ 10,508
Franchise and utility taxes	2,994	3,107	3,212	3,449	3,547	3,606	3,884	4,312	4,322	4,798
Communications services tax	762	768	771	771	777	696	745	863	980	980
Unrestricted intergovernmental revenues	1,726	1,519	1,598	1,621	1,520	1,764	2,028	1,988	1,916	1,843
Unrestricted investment earnings	25	74	116	99	58	8	20	136	164	135
Gain on sale of capital assets	-	68	58	-	9	57	139	14	-	-
Miscellaneous revenues	259	136	425	353	643	184	59	300	171	74
Transfers in (out)	1,145	1,320	1,303	1,406	1,101	1,075	1,113	625	682	942
Total Governmental Activities	<u>\$ 11,666</u>	<u>\$ 11,994</u>	<u>\$ 12,864</u>	<u>\$ 13,598</u>	<u>\$ 13,980</u>	<u>\$ 14,256</u>	<u>\$ 15,212</u>	<u>\$ 16,742</u>	<u>\$ 18,050</u>	<u>\$ 19,280</u>
Business-type Activities:										
Investment earnings	10	11	17	39	25	3	7	37	52	52
Gain on sale of capital assets	-	-	2	2	9	57	20	-	26	-
Miscellaneous revenues	23	-	-	6	-	-	-	1	-	-
Transfers in (out)	(1,145)	(1,320)	(1,303)	(1,406)	(1,101)	(1,075)	(1,113)	(625)	(682)	(942)
Total Business-type Activities	<u>(1,112)</u>	<u>(1,309)</u>	<u>(1,284)</u>	<u>(1,359)</u>	<u>(1,067)</u>	<u>(1,015)</u>	<u>(1,086)</u>	<u>(587)</u>	<u>(604)</u>	<u>(890)</u>
Total Primary Government	<u>\$ 10,554</u>	<u>\$ 10,685</u>	<u>\$ 11,580</u>	<u>\$ 12,239</u>	<u>\$ 12,913</u>	<u>\$ 13,241</u>	<u>\$ 14,126</u>	<u>\$ 16,155</u>	<u>\$ 17,446</u>	<u>\$ 18,390</u>

Change in Net Position

Governmental Activities	\$ (1,587)	\$ (1,084)	\$ 858	\$ 131	\$ 170	\$ 729	\$ 2,386	\$ (444)	\$ 8,475	\$ 992
Business-type Activities	81	2,988	3,265	705	1,379	3,391	36	315	3,078	251
Total Primary Government	<u>\$ (1,506)</u>	<u>\$ 1,904</u>	<u>\$ 4,123</u>	<u>\$ 836</u>	<u>\$ 1,549</u>	<u>\$ 4,120</u>	<u>\$ 2,422</u>	<u>\$ (129)</u>	<u>\$ 11,553</u>	<u>\$ 1,243</u>

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

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Franchise Fee</u>	<u>Utility Tax</u>	<u>Local Option Gas Tax</u>	<u>Sales Tax</u>	<u>State Revenue Sharing</u>	<u>Total</u>
2016	\$ 4,755	\$ 1,499	\$ 2,257	\$ 392	\$ 809	\$ 441	\$ 10,153
2017	\$ 5,002	\$ 1,581	\$ 2,294	\$ 405	\$ 862	\$ 475	\$ 10,619
2018	\$ 5,381	\$ 1,624	\$ 2,358	\$ 406	\$ 910	\$ 508	\$ 11,187
2019	\$ 5,899	\$ 1,741	\$ 2,480	\$ 407	\$ 929	\$ 530	\$ 11,986
2020	\$ 6,325	\$ 1,738	\$ 2,586	\$ 354	\$ 907	\$ 488	\$ 12,398
2021	\$ 6,866	\$ 1,754	\$ 2,548	\$ 356	\$ 1,017	\$ 580	\$ 13,121
2022	\$ 7,224	\$ 1,979	\$ 2,650	\$ 374	\$ 1,199	\$ 710	\$ 14,136
2023	\$ 8,504	\$ 2,163	\$ 3,012	\$ 383	\$ 1,344	\$ 713	\$ 16,119
2024	\$ 9,815	\$ 2,137	\$ 3,165	\$ 383	\$ 1,227	\$ 680	\$ 17,407
2025	\$ 10,508	\$ 2,352	\$ 3,426	\$ 374	\$ 1,552	\$ 637	\$ 18,849

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

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Fund										
Nonspendable	\$ 144	\$ 145	\$ 144	\$ 148	\$ 164	\$ 2,052	\$ 2,852	\$ 1,313	\$ 5,333	\$ 655
Assigned	757	1,226	135	-	869	487	1,097	617	4,986	488
Unassigned	3,066	1,951	2,745	3,780	4,253	2,801	708	2,462	203	3,962
Total General Fund	<u>\$ 3,967</u>	<u>\$ 3,322</u>	<u>\$ 3,024</u>	<u>\$ 3,928</u>	<u>\$ 5,286</u>	<u>\$ 5,340</u>	<u>\$ 4,657</u>	<u>\$ 4,392</u>	<u>\$ 10,522</u>	<u>\$ 5,105</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ 514	\$ 30	\$ -	\$ -	\$ 1,078	\$ 1,075	\$ 305	\$ 850
Restricted	1,088	1,316	1,647	1,655	1,251	1,377	835	521	1,282	1,081
Committed	3,846	8,417	2,656	2,316	2,484	1,960	1,618	1,741	2,364	1,872
Assigned	-	-	-	-	617	24	-	-	-	4,167
Unassigned	(178)	(234)	(99)	(161)	(48)	(58)	(163)	(426)	(369)	(16)
Total All Other Governmental Funds	<u>\$ 4,756</u>	<u>\$ 9,499</u>	<u>\$ 4,718</u>	<u>\$ 3,840</u>	<u>\$ 4,304</u>	<u>\$ 3,303</u>	<u>\$ 3,368</u>	<u>\$ 2,911</u>	<u>\$ 3,582</u>	<u>\$ 7,954</u>

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

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Revenues										
Taxes										
Property	\$ 4,755	\$ 5,002	\$ 5,381	\$ 5,899	\$ 6,325	\$ 6,866	\$ 7,224	\$ 8,504	\$ 9,815	\$ 10,508
Local Option Gas Tax	392	405	406	407	354	356	374	383	383	374
Franchise and utility taxes	3,755	3,875	3,982	4,220	4,324	4,303	4,629	5,174	5,302	5,778
Licenses and Permits	516	1,022	1,008	1,240	917	1,357	626	711	1,257	536
Intergovernmental	2,779	2,865	4,488	4,257	4,048	3,926	6,951	4,599	10,077	6,850
Charges for Services	2,786	2,728	2,713	2,847	2,733	2,881	3,214	3,458	4,319	4,292
Impact Fees/Assessments	147	140	187	118	118	121	111	112	110	104
Fines and Forfeitures	236	158	152	168	137	262	348	190	229	148
Investment Earnings	25	75	116	99	58	8	21	136	164	135
Miscellaneous	334	212	504	432	691	211	159	319	189	93
Total revenues	\$ 15,725	\$ 16,482	\$ 18,937	\$ 19,687	\$ 19,705	\$ 20,291	\$ 23,657	\$ 23,586	\$ 31,845	\$ 28,818
Expenditures										
General Government	3,399	3,550	3,940	3,829	3,520	3,636	3,824	4,085	4,252	4,727
Public Safety	7,986	8,384	8,813	9,469	9,477	10,289	10,686	11,059	12,076	14,109
Physical Environment	333	286	251	195	545	552	535	556	447	564
Highways and Streets	1,273	1,445	1,778	1,400	1,078	1,265	1,330	1,881	1,558	2,102
Sanitation	1,032	1,031	936	1,085	1,136	1,060	1,199	1,385	1,335	1,467
Parks and Recreation	969	994	1,129	1,425	1,506	1,519	1,440	1,370	1,449	1,485
Capital Outlay	2,044	6,689	8,920	1,921	1,449	2,277	4,656	3,311	2,717	4,897
Debt Service										
Principal	357	1,056	1,347	1,490	1,407	1,547	1,586	1,733	1,759	1,354
Interest	44	251	220	252	277	226	191	166	135	101
Total expenditures	\$ 17,437	\$ 23,686	\$ 27,334	\$ 21,066	\$ 20,395	\$ 22,371	\$ 25,447	\$ 25,546	\$ 25,728	\$ 30,806
Excess of Revenues Over (Under) Expenditures	(1,712)	(7,204)	(8,397)	(1,379)	(690)	(2,080)	(1,790)	(1,960)	6,117	(1,988)
Other Financing Sources (Uses)										
Transfers In	1,508	1,690	2,360	2,198	1,938	1,632	4,793	2,449	10,838	7,870
Transfers Out	(363)	(370)	(1,057)	(792)	(838)	(556)	(3,679)	(1,824)	(10,156)	(6,927)
Notes Payable Issued	1,313	9,900	1,955	-	1,400	-	-	600	-	-
Finance Lease Proceeds	-	-	-	-	-	-	-	-	-	-
Sale of Capital Assets	-	82	58	-	10	59	58	14	-	-
Total Other Financing Sources (Uses)	2,458	11,302	3,316	1,406	2,510	1,135	1,172	1,239	682	943
Net Change in Fund Balances	\$ 746	\$ 4,098	\$ (5,081)	\$ 27	\$ 1,820	\$ (945)	\$ (618)	\$ (721)	\$ 6,799	\$ (1,045)
Debt Service as a Percentage of Noncapital Expenditures	2.54%	7.72%	8.30%	9.08%	8.90%	8.81%	8.59%	8.63%	8.36%	5.36%

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

<u>Fiscal Year Ended September 30</u>	<u>Real Property</u>	<u>Taxable Agricultural Property</u>	<u>Personal Property</u>	<u>Centrally Assessed Property</u>	<u>Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
2016	\$ 864,803	-	\$ 73,632	\$ 601	\$ 345,700	\$ 894,793	5.5000	\$ 1,240,493	72.13%
2017	\$ 936,085	-	\$ 79,243	\$ 589	\$ 378,436	\$ 937,802	5.5000	\$ 1,316,238	71.25%
2018	\$ 1,017,931	-	\$ 93,653	\$ 617	\$ 420,246	\$ 1,015,331	5.5000	\$ 1,435,577	70.73%
2019	\$ 1,099,438	-	\$ 92,555	\$ 608	\$ 467,823	\$ 1,111,096	5.5000	\$ 1,578,919	70.37%
2020	\$ 1,191,327	-	\$ 97,254	\$ 685	\$ 544,810	\$ 1,192,671	5.5000	\$ 1,737,481	68.64%
2021	\$ 1,282,734	-	\$ 93,015	\$ 712	\$ 585,879	\$ 1,288,614	5.5000	\$ 1,874,493	68.74%
2022	\$ 1,496,247	-	\$ 108,587	\$ 752	\$ 633,791	\$ 1,375,853	5.5000	\$ 2,009,644	68.46%
2023	\$ 1,733,019	-	\$ 120,067	\$ 768	\$ 845,736	\$ 1,604,395	5.5000	\$ 2,450,131	65.48%
2024	\$ 1,869,594	-	\$ 115,014	\$ 763	\$ 953,300	\$ 1,853,001	5.5000	\$ 2,806,301	66.03%
2025	\$ 2,035,278	-	\$ 114,004	\$ 809	\$ 1,009,324	\$ 1,983,889	5.5000	\$ 2,993,213	66.28%

Source: Seminole County Property Appraiser

City of Longwood, Florida
Direct and Overlapping Governments Property Tax Rates (1)
Last Ten Fiscal Years
(amounts expressed in millage)
(tax levies per \$1,000 of assessed valuation)

Fiscal Year	Direct Rate			Overlapping Rates							
	City of Longwood Operating Millage	Debt Service Millage	Total Direct Millage	Seminole County			School District			St. John's Water Management District	Total Direct & Overlapping Rates
				Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage		
2016	5.5000	-	5.5000	4.8751	-	4.8751	7.8490	-	7.8490	0.3023	18.5264
2017	5.5000	-	5.5000	4.8751	-	4.8751	7.5570	-	7.5570	0.2885	18.2206
2018	5.5000	-	5.5000	4.8751	-	4.8751	6.5690	-	6.5690	0.2724	17.2165
2019	5.5000	-	5.5000	4.8751	-	4.8751	6.3130	-	6.3130	0.2562	16.9443
2020	5.5000	-	5.5000	4.8751	-	4.8751	6.1330	-	6.1330	0.2414	16.7495
2021	5.5000	-	5.5000	4.8751	-	4.8751	5.9340	-	5.9340	0.2287	16.5378
2022	5.5000	-	5.5000	4.8751	-	4.8751	5.8250	-	5.8250	0.2189	16.4190
2023	5.5000	-	5.5000	4.8751	-	4.8751	5.4600	-	5.4600	0.1974	16.0325
2024	5.5000	-	5.5000	4.8751	-	4.8751	5.3780	-	5.3780	0.1793	15.9324
2025	5.5000	-	5.5000	4.8751	-	4.8751	5.2790	-	5.2790	0.1793	15.8334

Source: Seminole County Property Appraiser

(1) Property tax rates for the fiscal year are based on prior years millage rates.

**City of Longwood, Florida
Principal Property Taxpayers
Current Year and Nine Years Ago
(amounts expressed in thousands)**

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
GKI II Orlando LLC	\$ 76,244	1	3.84%	\$ -	-	-
DTR MF Owner LLC	75,647	2	3.81%	-	-	-
PR II/Wood Longwood LLC	59,325	3	2.99%	-	-	-
Addison Longwood Owner LLC	51,891	4	2.62%	-	-	-
RS Weston Park LLC	36,680	5	1.85%	-	-	-
United Parcel Service, Inc.	23,640	6	1.19%	8,155	4	0.95%
Duke Energy Florida Inc	22,919	7	1.16%	11,406	3	1.33%
AG-RC III FL Central Owner LLC	22,479	8	1.13%	-	-	-
American Eagle Island Lake LLC	15,077	9	0.76%	-	-	-
Infinity Heritage Park LLC	14,752	10	0.74%	-	-	-
CMCP-Island Lake LLC	-	-	-	13,744	1	1.60%
American Industrial Center LTD	-	-	-	11,431	2	1.33%
1944 Unionport Assoc LLC	-	-	-	7,527	5	0.88%
American Industrial Center IX	-	-	-	7,411	6	0.86%
GS Realty	-	-	-	6,954	7	0.81%
Woods Family Properties DJW	-	-	-	6,469	8	0.75%
RCS-Longwood 371 et al	-	-	-	5,428	9	0.63%
Delnice Corp	-	-	-	4,868	10	0.57%
Totals	\$ 398,654		20.09%	\$ 83,393		9.72%

Source: Seminole County Property Appraiser

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

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 4,943	\$ 4,703	95.14%	\$ 52	\$ 4,755	96.20%
2017	\$ 5,158	\$ 4,945	95.87%	\$ 57	\$ 5,002	96.98%
2018	\$ 5,584	\$ 5,381	96.36%	\$ -	\$ 5,381	96.36%
2019	\$ 6,111	\$ 5,898	96.51%	\$ -	\$ 5,898	96.51%
2020	\$ 6,560	\$ 6,325	96.42%	\$ -	\$ 6,325	96.42%
2021	\$ 7,087	\$ 6,866	96.88%	\$ -	\$ 6,866	96.88%
2022	\$ 7,567	\$ 7,224	95.47%	\$ -	\$ 7,224	95.47%
2023	\$ 8,824	\$ 8,504	96.37%	\$ -	\$ 8,504	96.37%
2024	\$ 10,191	\$ 9,815	96.31%	\$ -	\$ 9,815	96.31%
2025	\$ 10,911	\$ 10,508	96.31%	\$ -	\$ 10,508	96.31%

Source: Seminole County Property Appraiser & City of Longwood Finance Department

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

Fiscal Year Ended September 30	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	Notes Payable	Capital Leases	Revenue Bonds	Capital Leases	Water Revenue Bonds	Notes Payable			
2016	\$ 1,313	\$ 1,047	n/a	n/a	n/a	\$ 1,313	\$ 3,673	0.96%	\$ 257
2017	\$ 10,418	\$ 798	n/a	\$ 104	n/a	\$ 1,791	\$ 13,111	3.14%	\$ 891
2018	\$ 11,292	\$ 520	n/a	\$ 70	n/a	\$ 5,661	\$ 17,543	4.06%	\$ 1,177
2019	\$ 10,073	\$ 249	n/a	\$ 35	n/a	\$ 5,479	\$ 15,836	3.68%	\$ 1,049
2020	\$ 10,225	\$ 90	n/a	\$ -	n/a	\$ 8,507	\$ 18,822	4.02%	\$ 1,221
2021	\$ 8,767	\$ -	n/a	\$ -	n/a	\$ 9,274	\$ 18,041	3.78%	\$ 1,178
2022	\$ 7,181	\$ -	n/a	\$ -	n/a	\$ 9,998	\$ 17,179	3.16%	\$ 1,100
2023	\$ 6,048	\$ -	n/a	\$ -	n/a	\$ 10,306	\$ 16,354	2.87%	\$ 1,030
2024	\$ 4,288	\$ -	n/a	\$ -	n/a	\$ 9,711	\$ 13,999	2.16%	\$ 833
2025	\$ 2,935	\$ -	n/a	\$ -	n/a	\$ 13,563	\$ 16,498	2.60%	\$ 991

Note: No Revenue Bond Debt

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

Governmental Unit	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping Debt:			
Seminole County GO Debt	\$ -	0.00%	\$ -
	<hr/>		<hr/>
Subtotal Overlapping Debt	<u>\$ -</u>		<u>\$ -</u>
Direct Debt:			
City of Longwood Capital Leases	\$ -	100.00%	\$ -
City of Longwood Notes Payable	\$ 2,935	100.00%	\$ 2,935
	<hr/>		<hr/>
Subtotal Overlapping Debt	<u>\$ 2,935</u>		<u>\$ 2,935</u>
	<hr/>		<hr/>
Total direct and overlapping debt	<u><u>\$ 2,935</u></u>		<u><u>\$ 2,935</u></u>

Sources:

Overlapping GO debt for Seminole County obtained from Seminole County Finance Department. The percentage of overlapping debt applicable to the City of Longwood is estimated using the population of the City of Longwood and Seminole County.

**City of Longwood, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year	Population ¹	Personal Income (amounts expressed in thousands)	Per Capita Personal Income ¹	Median Age ¹	Education Level in Years of Formal Schooling ¹	School Enrollment ²	Unemployment Rate ³
2016	14,311	\$ 383,893	\$ 26,825	42.8	12.89	2,638	4.3%
2017	14,718	\$ 418,183	\$ 28,413	43.3	13.64	2,550	3.6%
2018	14,899	\$ 431,997	\$ 28,995	43.6	13.59	2,401	2.6%
2019	15,099	\$ 430,895	\$ 28,538	43.8	13.66	2,167	2.4%
2020	15,409	\$ 467,632	\$ 30,348	44.0	13.79	2,122	7.2%
2021	15,311	\$ 477,719	\$ 31,201	44.2	13.75	2,050	4.2%
2022	15,612	\$ 543,704	\$ 34,826	44.4	13.86	2,010	2.5%
2023	15,885	\$ 569,001	\$ 35,820	44.3	13.88	2,070	2.8%
2024	16,800	\$ 649,572	\$ 38,665	42.0	14.05	2,109	3.1%
2025	16,641	\$ 633,606	\$ 38,075	42.3	14.03	1,945	4.2%

Sources:

- 1 Orlando Economic Partnership
- 2 Lyman High School
- 3 Florida Department of Commerce
- 4 University of Florida-Bureau of Economic Business Research

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

Employer	2025			2016		
	Employees	Rank	Percentage of Total City Employment ²	Employees	Rank	Percentage of Total City Employment ²
UPS	716	1	4.07%	506	2	3.35%
Kustom	651	2	3.70%	*	*	*
Orlando Health-South Seminole Hospital	450	3	2.56%	964	1	6.38%
Comprehensive Energy Services	390	4	2.22%	189	6	1.25%
D&B Building Services	280	5	1.59%	274	3	1.81%
Seminole County Schools	222	6	1.26%	222	4	1.47%
S.I Goldman	211	7	1.20%	*	*	*
City Of Longwood	174	8	0.99%	156	10	1.03%
Longwood Health and Rehabilitation Center	170	9	0.97%	0	0	0.00%
Federal Express Corporation	156	10	0.89%	0	0	0.00%
Collis Roofing	*	*	*	207	5	1.37%
Sears Home Improvement Products	*	*	*	181	7	1.20%
Protection One Alarm Monitoring	*	*	*	169	8	1.12%
Opis Manage Resources, LLC	*	*	*	163	9	1.05%
Total	3,420		19.45%	3,031		20.02%

Sources:

- 1 City of Longwood Economic Development Department
- 2 Per Orlando Economic Partnership, the City of Longwood has an estimated workplace population of 17,584 with approximately 1,730 business establishments for 2025.
- 3 * Information is not available.

City of Longwood
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Government	28	29	32	32	33	33	34	34	34	34
Public Safety:										
Police										
Sworn Officers	43	43	43	44	44	44	44	44	45	45
Non sworn Officers	2	2	1	1	1	1	1	1	-	-
Civilians	5	5	5	5	5	5	5	5	5	5
Fire										
Firefighters and Officers	47	40	44	44	43	43	43	43	43	44
Civilians	1	1	1	1	1	1	1	1	1	1
Public Works	25	25	25	27	29	29	32	32	32	33
Parks and Recreations	14	14	16	17	14	13	13	13	13	13
Total	165	159	167	171	170	168	173	173	173	175

Source: Adopted Budget, City Of Longwood

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

Function	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Police										
Auto Accidents	915	967	949	1017	789	737	802	826	801	697
Physical arrests	891	806	621	532	283	364	459	585	571	497
Criminal Investigations Conducted	508	453	468	445	365	371	435	413	359	340
Total Calls for Service	45288	41052	43134	45466	56478	51425	43645	41601	40099	36732
911 Calls Received	3587	3796	3415	3394	3019	3320	3631	3772	3489	3348
Evidence Processed (pieces)	2290	2020	2173	1974	1584	1320	1042	1224	821	806
Fire										
Number of emergency calls answered	4200	4538	4755	4912	4770	5278	5409	5732	5694	5644
Medical Transports	2271	2092	2330	2507	2276	2441	2405	2601	2688	2730
Highways and streets										
Streets paved (miles)	61.1	61.1	61.1	61.1	61.1	63.8	63.8	63.8	63.8	63.8
Streets resurfaced (tons/asphalt)	*	*	*	*	2150	2085	4823	88	89	51
Sidewalks/bike paths built or repaired (feet)	8380	1035	82450	1500	7200	2500	11000	1000	9210	20113
Culture and recreation										
Sports Complex ball games & field rentals ⁽³⁾	2135	1400	1408	1416	402	612	1337	2058	2081	2237
Community Bldg rentals ⁽³⁾	150	189	174	154	43	86	136	152	170	166
Water										
New connections	130	118	158	321	69	33	21	36	83	23
Number of customers	6184	6341	6486	6697	6758	6880	6901	6849	6843	6841
Water main breaks	3	2	4	4	5	3	2	2	3	6
Average daily consumption (millions of gallons)	1.815	1.834	1.817	1.875	1.855	1.862	1.874	1.881	1.844	1881
Meter reads	71679	73067	74026	76104	79661	81926	82812	73926	74484	79530
General Government										
Employment applications received ⁽¹⁾	248	420	1200	1500	990	792	444	664	973	1135
Personnel actions processed	311	355	327	298	237	285	270	247	300	534
Legal Notices published	67	68	44	43	56	56	51	32	43	30
Business Tax Licenses issued:										
New Licenses	204	160	169	227	123	178	179	226	193	211
Renewals ⁽⁴⁾	1345	1138	1364	1245	1126	1493	458	1467	1094	1015
Accidents & Injuries reviewed	39	43	35	38	59	75	47	24	20	13
Land Use changes	5	4	0	1	4	2	3	2	2	2
Site Plan Reviews	7	6	9	14	5	7	5	7	7	12
Total Permits Issued	1167	1551	1758	1822	1590	1983	1759	2034	1578	1511
Construction inspections	1986	2344	5426	3832	10891	4958	5706	5409	4722	4117
PR Checks issued	4281	4225	4289	4301	4368	4624	4515	4445	4509	4542
A/P Checks issued	4045	3162	2711	3903	2886	3434	2723	2715	2366	2410
Purchase orders processed ⁽²⁾	213	387	2575	3038	3051	2995	2661	2320	1752	1621

* Data not available

Note 1-Increase in 2018 due to automating application/recruitment process and Out recruitments hit Google search engine which generates more hits. Decrease in 2022 due to a competitive job market and talent shortage. As a result of talent shortage, similar agencies were competing for a smaller pool of candidates. Also many candidates were not actively seeking employment and therefore, less employment applications were submitted.

Note 2-increase in 2018 due to new Edmunds system and the way it processes payments. Decrease in 2024 due to continual goal to reduce the number of PO's created during the check run process by having departments put blanket PO's in place to pay the monthly invoices.

Note 3-Covid-19 virus had a significant impact in 2021 & 2022. Capacity restrictions for building rentals & people were hesitant to sign up for sports.in fall.

Note 4-Due to changeover to our new system, more of the BTR renewals are occurring in October/November and thus will be reflected in the next fiscal year.

Sources:

Various departments, City of Longwood

**City of Longwood, Florida
Capital Asset Statistics by Function
Last Ten Fiscal Years**

Function	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	58	61	58	63	63	60	59	57	51	51
Fire stations	2	2	2	2	2	2	2	2	2	2
Highways and streets										
Streets - paved (miles)	61.1	61.1	61.1	61.1	61.1	63.8	63.8	63.8	63.8	63.8
Streets - unpaved (miles)	0.13	0.13	0.13	0.13	0.13	0.51	0.51	0.51	0.51	0.51
Street lights ⁽¹⁾	814	814	814	814	814	2224	2224	2227	2227	2227
Traffic Signals	24	24	24	25	25	25	25	25	25	25
Culture and recreation										
Park acreage	42	42	42	42	42	42	42	42	42	42
City playgrounds & passive parks	10	10	10	10	10	10	10	10	10	10
Tennis courts	5	5	5	5	5	5	5	3	3	3
Pickleball courts	0	0	0	0	0	0	0	6	6	6
Basketball courts	6	6	6	6	6	6	6	6	6	6
Futsal courts (soccer)	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Historical Museum	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	69.75	70.25	72.25	72.25	73.75	74.22	74.31	74.31	74.06	74.41
Fire hydrants	551	554	569	569	592	605	601	603	601	647
Maximum daily capacity (millions of gallons)	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2
Sanitary sewers (miles)	23.5	26.9	29.9	29.9	37.5	40.3	41.7	41.7	43.1	43.1
Storm sewers (miles)	*	*	*	*	*	*	*	*	*	*

Sources:

Various departments, City of Longwood

Notes

- 1 Updated due to a more extensive list from Duke Energy
- * Information not available

City of Longwood, Florida
Schedule of Revenues by Source and Expense by Type
Police Officers & Firefighters Pension Fund
Last Ten Fiscal Years

Year	Revenues by Source		Expenses by Type				City Contribution as a Percent of Payroll (1)
	Investment Income Net	Contributions	Benefits	Refunds	Investment Related Expenses	Admin. Expenses	
2016	\$ 969,227	\$ 596,509	\$ 51,945	\$ 1,429	\$ 21,360	\$ 33,259	16.0%
2017	\$ 1,808,976	\$ 622,819	\$ 51,944	\$ 1,491	\$ 23,925	\$ 19,919	21.2%
2018	\$ 1,195,204	\$ 1,260,309	\$ 103,298	\$ 143,880	\$ 26,922	\$ 18,513	28.0%
2019	\$ 1,032,588	\$ 1,393,677	\$ 169,491	\$ 134,545	\$ 28,721	\$ 40,846	22.1%
2020	\$ 1,359,065	\$ 1,038,207	\$ 243,677	\$ 499	\$ 30,552	\$ 34,827	20.3%
2021	\$ 4,327,804	\$ 1,143,040	\$ 270,271	\$ -	\$ 35,046	\$ 29,366	22.2%
2022	\$ (3,684,387)	\$ 1,306,250	\$ 326,739	\$ 6,385	\$ 36,583	\$ 42,046	22.8%
2023	\$ 2,105,897	\$ 1,402,576	\$ 484,999	\$ 346,877	\$ 36,088	\$ 37,219	24.9%
2024	\$ 5,428,235	\$ 1,909,304	\$ 657,453	\$ 215,740	\$ 37,855	\$ 31,645	26.5%
2025	\$ 2,902,017	\$ 2,833,116	\$ 1,047,949	\$ 1,704	\$ 44,140	\$ 31,325	32.2%

Note (1) The City of Longwood Police Officers & Firefighters Pension Plan was implemented in 1996 for new employees hired after January 1, 1996. Employees hired prior to that date continue to participate in the Florida Retirement System.

Source: Florida League Of Cities (FLC)

**City of Longwood, Florida
Miscellaneous Statistics
September 30, 2025**

ITEM	2025
Date of Incorporation	1923
Form of government	Commission/Manager
Number of municipal employees (including police and fire)	175
Population	16,641
City of Longwood facilities and services:	
Miles of streets:	
Paved	63.8
Unpaved	0.51
Parks and recreation:	
Park acreage	42
Community Center	1
Athletic Fields	7
Tennis Courts	3
Futsal Courts (soccer)	1
Basketball Courts	6
Pickleball Courts	6
City playgrounds and passive parks	10
Fire Protection:	
Stations	2
Employees	44
Police Protection:	
Stations	1
Employees	50
Wastewater collection system:	
Miles of sanitary sewers	43.3
Lift Stations	43
Daily average treatment	*
Plants(s) capacity (MGD)	*
Disposal plants	*
Water distribution system:	
Miles of water mains	74.41
Daily average:	
Consumption (Millions/Gallons)	1.9
Plant capacity (Millions/Gallons)	7.2
Service connections	6839
Deep wells	5
Fire hydrants	647
Facilities and services not included in the reporting entity:	
Education:	
Number of elementary schools	0
Number of elementary school instructors	0
Number of high schools	1
Number of high school instructors	126
Hospitals:	
Number of hospitals ⁽¹⁾	1
Number of patient beds	80

* No treatment plant within the City. Flow to Seminole County 354,627 gallons and 272,068 gallons/day to Altamonte - AM

Note-1: Orlando Health South Seminole General Hospital closed in 2025 and relocated to Lake Mary, Florida
The Orlando Health Behavioral Health Hospital remained in Longwood

Sources:
Various departments, City of Longwood
School Board of Seminole County

OTHER REPORTS

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

Honorable Mayor and City Commissioners
City of Longwood, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Longwood, Florida (the City), as of and for the 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 22, 2026.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McDiarmid Davis

Orlando, Florida
May 22, 2026

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

Honorable Mayor and City Commissioners
City of Longwood, Florida

**Report on Compliance for Each Major Federal Program and State Project
Opinion on Each Major Federal Program and State Projects**

We have audited the *City of Longwood'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 Department of Financial Services *State Projects Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs and state projects for the fiscal year ended September 30, 2025. The City's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal programs and state projects for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program and State Projects

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*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and 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.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion

on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, 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 on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies 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, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

McDermitt Davis

Orlando, Florida
May 22, 2026

City of Longwood, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended September 30, 2025

Award Type Grantor Pass-Through Grantor Grantor Program Title	Assistance Listing/ CSFA Number	Agency or Pass-Through Entity Grant Number	Expenditures
Federal Awards			
United States Department of Treasury Coronavirus State and Local Fiscal Recovery Funds	21.027		\$ 759,861
United States Department of Transportation Passed through State of Florida, Department of Transportation Highway Planning and Construction	20.205	G2Y57	<u>407,144</u>
United States Department of Justice Bullet Proof Vest Agreement Passed through State of Florida, Department of Law Enforcement Edward Byrne Memorial Justice Assistance Grant Program Edward Byrne Memorial Justice Assistance Grant Program	16.607 16.738 16.738	 6N087 JG048	 3,797 17,845 <u>2,658</u>
Total United States Department of Justice			<u>24,300</u>
United States Department of Agriculture Emergency Watershed Protection Program	10.923		336,531
United States Department of Commerce Economic Adjustment Assistance	11.307		318,867
United States Environmental Protection Agency Passed through State of Florida, Department of Environmental Protection Nonpoint Source Implementation Grants	66.460	NF094	<u>141,668</u>
United States Executive Office of the President Passed through Seminole County Sheriff Office High Intensity Drug Trafficking Areas Program (HIDTA)	95.001		<u>13,203</u>
United States Department of Homeland Security Passed through State of Florida, Division of Emergency Management Disaster Grants - Public Assistance (Hurricane Ian) * Disaster Grants - Public Assistance (Hurricane Milton) *	97.036 97.036	DR-4673 DR-4834	 40,172 <u>542,729</u>
Total Disaster Grants			<u>582,901</u>
Hazard Mitigation Grant Program	97.039	4468-033-R	<u>8,474</u>
Total United States Department of Homeland Security			<u>591,375</u>
Total federal awards			<u>\$ 2,592,949</u>
State Financial Assistance			
State of Florida Department of Environmental Protection Wastewater Treatment Facility Construction *	37.077	WW590550	\$ 4,452,708
Total state financial assistance			<u>\$ 4,452,708</u>

* Denotes a major program or project

See accompanying Notes to Schedule of Expenditures of Federal Awards

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal and state grant activity of the City of Longwood (the City) under programs of the federal and state government for the year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements for Federal Awards* (Uniform Guidance) and Section 215.97, Florida Statutes. 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 position or cash flows of the City.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Therefore, amounts reported on the Schedule are based on expenditures incurred as of September 30, 2025, even if grant or loan was received subsequent to that date. Federal and state 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. Pass-through entity identifying numbers are presented where available.

NOTE 3 INDIRECT COST RATE

Indirect cost rate is dictated by its federal contract terms. The 15-percent de minimis indirect rate as allowed under the Uniform Guidance is not in effect nor is available under its contracts.

NOTE 4 CONTINGENCIES

Grant expenditure amounts are subject to audit and adjustment. If any expenditures are disallowed by a Grantor agency as a result of such an audit, any claim for reimbursement to the Grantor agency would become a liability of the City. In the opinion of the City's management, all grant expenditures included on the Schedule complied with the terms of the grant agreements and applicable federal and state laws and regulations.

NOTE 5 FEMA EXPENDITURES

Expenditures for Assistance Listing Number 97.036, *Disaster Grants- Public Assistance*, include expenditures of \$40,172 that were incurred in prior fiscal years.

A. Summary of Independent Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements noted?

Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?

Yes No

Identification of major federal programs and state projects:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or State Project</u>
Federal - 97.036	Disaster Grants
State - 37.077	Wastewater Treatment Facility Construction

Dollar threshold used to distinguish between Type A and Type B programs- Federal

\$ 1,000,000

Dollar threshold used to distinguish between Type A and Type B programs- State

\$ 750,000

Auditee qualified as low-risk auditee (Federal)

Yes No

B. Financial Statement Findings

None reported

C. Federal and State Award Findings and Questioned Costs

None reported

D. Summary Schedule of Prior Year Findings:

No Prior Year Findings

MANAGEMENT LETTER

Honorable Mayor and City Commissioners
City of Longwood, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Longwood, Florida (the City), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated May 22, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 22, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

representations made by management and the review of financial information provided by same.

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

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, 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.

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

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

Not applicable, no PACE programs

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

Not applicable, no PACE programs

Additional Matters

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

Purpose of this Letter

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

McDermitt Davis

Orlando, Florida
May 22, 2026



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

The Honorable Mayor and City Commissioners
City of Longwood, Florida

We have examined City of Longwood's, Florida's (the City) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2025. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, City of Longwood, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2025.

McDermitt Davis

Orlando, Florida
May 22, 2026