ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

CITY OF SOUTH PASADENA, FLORIDA

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2025

INTRODUCTORY SECTION

CITY OF SOUTH PASADENA, FLORIDA

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June 29, 2026

The Honorable Mayor, City Commission and Citizens
City of South Pasadena
South Pasadena, Florida 33707

The Annual Comprehensive Financial Report of the City of South Pasadena, Florida, for the fiscal year ended September 30, 2025, is submitted herewith pursuant to Florida State Statutes Chapter 218.39 and Chapter 10.550 of the rules of the Auditor General of the State of Florida. This Annual Report was prepared by the Finance Department and represents the official report of the City's financial condition and results of operations to the citizens, City Commission, City administrative personnel, investment firms, rating agencies, and other interested parties.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data presented is accurate in all material aspects and is reported in a manner that presents fairly the financial position and results of operations of the City on a government-wide and on a fund-level basis. All disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included.

The State of Florida requires an annual audit of all the books of account, financial records, and transactions of any municipality chartered in the state, by independent certified public accountants. This requirement has been fulfilled and the auditor's report from the certified public accounting firm, CBIZ CPAs P.C. has been included in this report.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of South Pasadena's MD&A can be found immediately following the Independent Auditor's Report.

The Annual Comprehensive Financial Report is presented in three sections: Introductory, Financial and Statistical.

The Introductory section includes the table of contents, this transmittal letter and the City's organizational chart. The Financial section includes the Independent Auditor's opinion, Management Discussion and Analysis, Basic Financial Statements, Required Supplementary Information, Combining Statements and Budgetary Comparison Schedules and Other Supplementary Schedules. The Statistical section includes selected financial and general information presented on a multi-year comparative basis.

THE REPORTING ENTITY

The funds and entities related to the City of South Pasadena are included in our Annual Comprehensive Financial Report. The criteria used in determining the reporting entity are consistent with the principles of Section 2100, "Defining the Reporting Entity" of the GASB "Codification of Governmental Accounting and Financial Reporting Standards". Based on these criteria, all of the funds of the City shown in the Table of Contents are included in this report.

PROFILE OF THE GOVERNMENT

The City was chartered in 1955. The City operates under the Commission form of government.

The City Commission is comprised of a mayor and four commission members and as a group is responsible for enacting ordinances, resolutions, and regulations governing the City, as well as appointing members to various statutory and advisory boards, the City Attorney and the City Clerk / City Administrator. The commissioner of each department shall have the right to appoint or dismiss the head of the department, subject to the approval of a majority of the entire commission.

The individual department heads are responsible for the enforcement of law and ordinances relating to their respective departments.

Services Provided

The City provides the full range of municipal services normally associated with a municipality, including fire protection provided by our own fire department; street, parks and playground maintenance from our public works department; community improvement through our in-house building department; as well as general administrative services provided by our administration and finance departments. Library card reimbursement services are available to residents through a partnership with the Pinellas County Library Cooperative. Police protection is provided through an annual contract with the Pinellas County Sheriff's Office. Sewer and reclaimed water services are provided under an enterprise fund concept whereby the City of St. Petersburg and Pinellas County Utilities accept South Pasadena's flow into their processing systems with South Pasadena user charges set by the City Commission to ensure adequate coverage of administrative and legal operating expenses and payments of any related debt.

Accounting Systems and Budgetary Control

The City's accounting records for general governmental operations are maintained on a modified accrual basis with the revenues recorded when available and measurable, and expenditures recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's utilities, which are Enterprise Funds, are maintained on the accrual basis.

In developing the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding:

> The safeguarding of assets against loss from unauthorized use or disposition; and
>
> The reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

The cost of a control should not exceed the benefits likely to be derived; and

The evaluation of costs and benefits requires estimates and judgments of management.

All internal control evaluations occur within this framework. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at the department level. By authorization, the departmental commissioner and department head may authorize the transfer of funds within their respective department. The budget is adopted and passed at a fund level, so any increase or decrease of any fund's total budget has to be approved by the City Commission.

ECONOMIC OUTLOOK, LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

Local Economy and Outlook

The City of South Pasadena covers approximately 0.6 of a square mile, most of which is developed. The City's population of 5,169 consists primarily of retirees, most of whom live in multi-unit condominiums and/or assisted living communities. The City has approximately 300 single-family residences located primarily on Pasadena Isle. The City also has a 220-unit mobile home community. The City's commercial district extends primarily along Pasadena Avenue (SR693), which connects mainland St. Petersburg with St. Pete Beach and feeds into Gulfport Boulevard near the intersection of Pasadena Avenue.

Businesses within the City are primarily restaurants, banks, medical offices and a hospital, retail, grocery, gas, and merchandising outlets that serve the immediate residents of the City and individuals passing through to the Gulf Beaches.

Within a two-week period in September and October 2024, Hurricanes Helene and Milton negatively impacted South Pasadena and the surrounding areas in Pinellas County. Residents reported up to four feet of floodwater inundating their homes, most businesses, and South Pasadena's own City Hall. In the aftermath, recovery efforts in South Pasadena and surrounding communities have been ongoing. After several years of upward-trending property values, a decline of 6.03% in taxable property values was reported for fiscal year 2025 (effective for taxes levied in fiscal year 2026) which was largely due to storm-damaged properties.

The City's largest revenue source is Ad Valorem taxes. In 1980, the Florida Legislature passed the Truth in Millage (TRIM) Act. This law is designed to inform taxpayers which governmental entity is responsible for the taxes levied, and the amount of tax liability taxpayers owe to each taxing authority. Truth in Millage establishes the statutory requirements that all taxing authorities levying a millage must follow, including all notices and budget hearing requirements, and also provide for maximum millage levies for counties, municipalities, and independent special districts. In the past 10 years, the City's millage rate has increased from 3.2500 mills in 2016 to 5.1750 in 2025. In the months after fiscal year 2025 concluded, the State Legislature began discussing changes to the taxability of homesteaded properties which may reduce revenue if approved by Florida voters in November 2026.

Florida cities are also dependent on sales tax dollars. In 1990, the "Penny for Pinellas" sales tax was created. This tax is a 1-percent sales tax paid by everyone who spends money in the County. The revenue is shared between the County and 24 municipalities to fund long-term capital investments such as improved roads, bridges and trails, water quality and flood prevention, public safety equipment and vehicles, fire stations, parks and environmental land acquisition. In November 2017, Pinellas County voters chose to renew this surtax for the years 2020 to 2030.

Financial Condition

As in the past, a general evaluation of the City's financial position indicates excellent fund balances and cash balances in the General and Capital Improvement Funds, adequate cash coverage of year-end operating liabilities and excellent operating and infrastructure reserves. The City continues to have sufficient annual revenue which, coupled with reserves, will cover expected expenditures.

Cash Management Policies and Practices

The City's cash and investment management program involves a theory of keeping principal and interest earnings free from risk and maintaining reasonable liquidity to meet obligations. The cash investments are held at Truist, Florida Municipal Investment Trust, Florida Surplus Asset Trust Fund (Florida SAFE), State Board of Administration Local Government Surplus Trust Fund (Florida PRIME), and Wells Fargo Securities.

Long Term Financial Planning

The annual budget serves as the foundation for the City's financial planning and control. The budget is prepared using conservative assumptions of revenue and moderate expenditure growth. As part of the regular budgeting process, the City prepares a five-year Capital Improvement Plan. The five-year plan schedules potential acquisitions with emphasis on monitoring fund balance and cash reserves and is an important planning tool in determining the proper timing of asset purchases. The Capital Improvement Plan is an important component of the City's financial management process and is considered in conjunction with formulating the annual operating budget.

Annually, City Department Heads review any operating and capital asset requirements to determine which items need to be replaced due to obsolescence or if any new additions are necessary. During the process, the Department Heads consider Commission initiatives and goals, both formal and informal, which are established throughout the year in both the budget and non-budgetary workshop process. Consideration is also given to local economic trends as well as other outside influences on the City's operations and financial condition.

Budget-to-Actual comparisons are reported for all funds as part of the Required Supplementary Information and Supplementary Information within this Annual Comprehensive Financial Report.

Major Initiatives

Overall City beautification, creating a more pedestrian-friendly community, and attracting businesses are high on the City Commission's priority list for future initiatives. In response to experiencing the damage from Hurricanes Helene and Milton, construction of a new City Hall that is better suited to withstand storm threats is being planned. Ongoing stormwater drainage planning and improvements, sewer system maintenance, road paving and emergency generators will enable the City to be better prepared to manage and respond to storm threats.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of South Pasadena for its annual comprehensive financial report for the fiscal year ended September 30, 2024. This was the thirty-third consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGEMENTS

The preparation of this report could not be accomplished without the efficient and dedicated services of the staff of the Finance Department. I would like to express appreciation to city administrative staff, whose efforts throughout the year contributed to its preparation. The City would especially like to thank the accounting firm, CBIZ CPAs P.C. for their professional assistance.

Respectfully submitted,

Carley Lewis
City Administrator / City Clerk

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FY 2024-2025

CITY COMMISSION

Arthur Penny, Mayor
Thomas B. Reid, Vice-Mayor
Mark McAlees
Gail Neidinger
Lynda Thompson

DEPARTMENT DIRECTORS

ADMINISTRATION
Carley Lewis

COMMUNITY IMPROVEMENT
Teresa Sullivan

FINANCE DEPARTMENT
James Graham

PUBLIC SAFETY
Chief David Mixson

PUBLIC WORKS
Shawn Shimko

FINANCE STAFF

James Graham, Finance Director
Gerald Schuster, Assistant Director of Finance
Marcie Hagner, Accounting Specialist
Brianna Wetherwax, Administrative Assistant

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

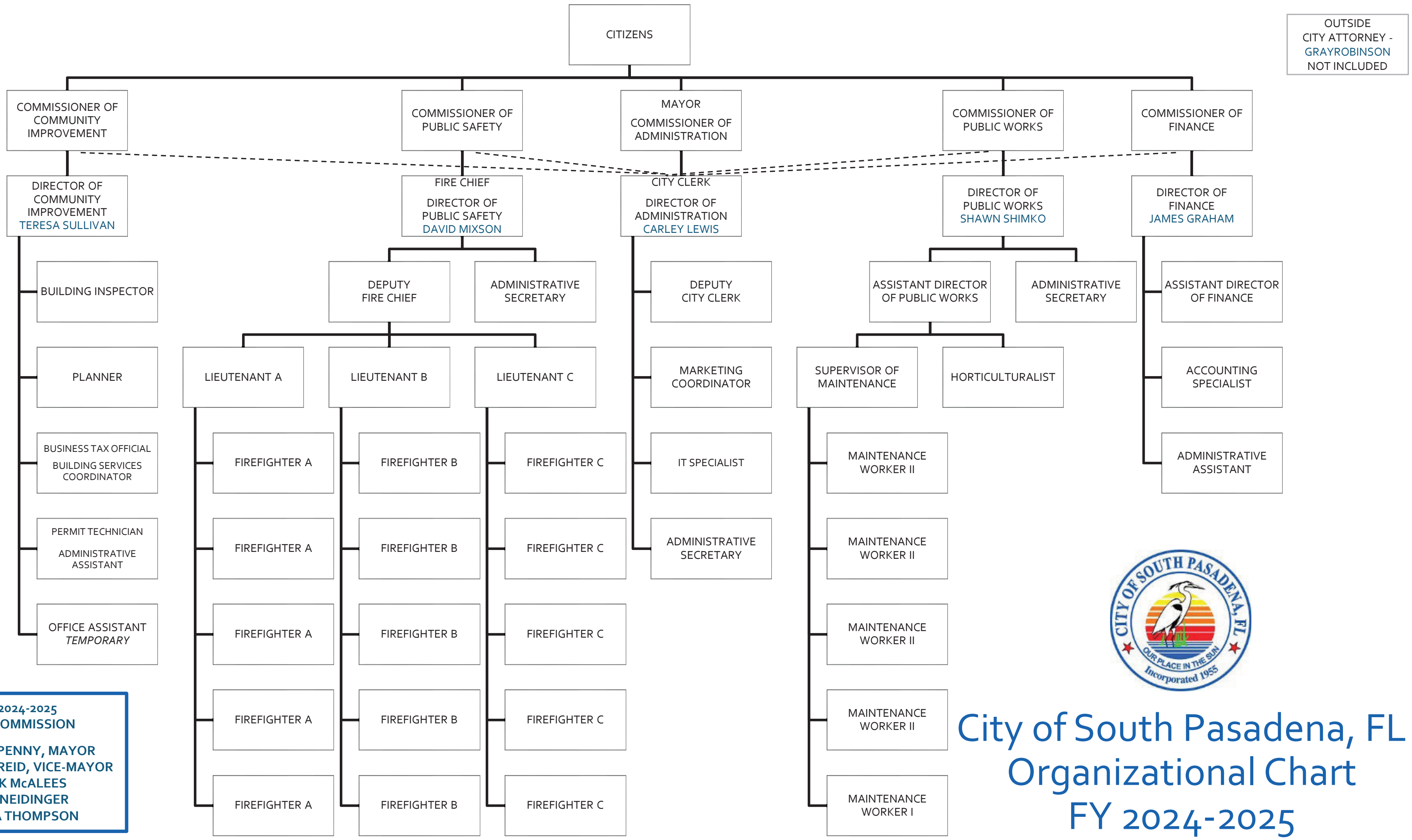
City of South Pasadena
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Executive Director/CEO

City of South Pasadena, FL Organizational Chart FY 2024-2025



FY 2024-2025
CITY COMMISSION

ARTHUR PENNY, MAYOR
THOMAS B. REID, VICE-MAYOR
MARK McALEES
GAIL NEIDINGER
LYNDA THOMPSON

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

CBIZ CPAs P.C.

201 East Kennedy Boulevard
Suite 1500
Tampa, FL 33602

P: 813.397.4800

Independent Auditors' Report

To the Honorable Mayor, City Commission
and City Clerk, Director of Administration
City of South Pasadena, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of South Pasadena, Florida (the "City"), as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-17, the Budgetary Comparison Schedule – General Fund on pages 76-79, the pension information on pages 80-83, and the OPEB information on page 84, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Budgetary Comparison Schedules; Schedule of Revenues and Expenditures – Deepwater Horizon BP Oil Spill Settlement, and Comparative Balance Sheet – General Fund and Capital Improvement Fund, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information, as listed in the table of contents, 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 section and the statistical section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Matter – Summarized 2024 Comparative Information

We have previously audited the City's 2024 financial statements, and we expressed an unmodified opinion on those audited statements in our report dated August 29, 2025. In our opinion, the summarized comparative information presented herein as of and for the fiscal year ended September 30, 2024 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Tampa, Florida
June 29, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT’S DISCUSSION AND ANALYSIS

The City of South Pasadena’s (the “City”) 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 iv) and the City’s financial statements (beginning on page 18).

HIGHLIGHTS

Financial Highlights

- For the fiscal year ended September 30, 2025, City-wide assets and deferred outflows of resources, totaling $40,301,579 exceeded City-wide liabilities and deferred inflows of resources, totaling $16,041,604, by $24,259,975. The excess of City-wide assets over liabilities represents the net position of the City. The City’s $24,259,975 of net position consists of $13,422,902 that is invested in capital assets (buildings, equipment, vehicles, sewer and reclaimed water systems, etc.), net of related debt, and $4,728,563 that is restricted for future infrastructure improvements and other capital projects (which is comprised of Penny for Pinellas funding and unexpended revenue bond proceeds), and unrestricted net position of $6,108,510 within the unrestricted for general use component of net position. The City’s net position increased $857,246 from the prior year. (Please see pages 18-19 for more detail.)

- For the fiscal year ended September 30, 2025, City-wide program revenues and general revenues, totaling $13,703,387, exceeded expenses, totaling $12,846,141, resulting in an increase in net position of $857,246. This amount compares to an increase in net position of $967,228 for fiscal year ended September 30, 2024. (Please see page 20 for more detail.)

- The increase in net position for Governmental Activities (police, fire, public works, administration, etc.) for 2025 was $644,196. There was an increase in net position for the Business-type activities (sewer and reclaimed water operations) of $213,050 in 2025. (Please see page 20 for more detail.)

- General Fund revenues increased $675,441 (7.4%) in fiscal year 2025 and were $327,590 greater than the amount budgeted. The increase in revenues is primarily attributable to increases in ad valorem taxes - $369,097 and building permits - $307,199. General Fund expenditures increased by $1,940,366 (25.8%) in fiscal year 2025 but were still $357,185 less than the amount budgeted. The 2025 expenditures increased primarily from higher personnel costs of $556,417. The General Fund revenues of $9,820,515 were slightly less than expenditures and transfers of $9,822,251, resulting in a deficit of $1,736. This compares to fiscal year 2024, when revenues exceeded expenditures and transfers by $1,368,840. The General Fund had a balanced budget, which included a budgeted transfer of $706,675 to the Capital Improvement Fund, in 2025. The General Fund reported an actual deficit of $1,736; however, this resulted in a favorable budget-to-actual variance of $1,039,264, primarily due to expenditures coming in below the final budget and lower-than-budgeted transfers out. (Please see pages 76-79 for more detail.)

- Cash and investments totaled $15,799,894 for fiscal year 2025, which represents a decrease of $1,238,754 compared to fiscal year 2024. When evaluating the availability of the City’s cash and investments, the amount of restricted net position totaling $4,728,563 that is restricted for infrastructure and other capital improvements needs to be considered.

- The net pension liabilities for the Firefighters' Retirement Fund and the City's share of the Florida Retirement System that are reported in the government-wide Statement of Net Position as of September 30, 2025 were $3,106,248 and $1,980,880, respectively. The net pension liability for the Firefighters' Retirement Fund decreased $439,233 in fiscal year 2025, and the City's share of the Florida Retirement System net pension liability decreased $362,321 from the prior year.

City Highlights

- The governmental funds' revenue increased by $1,207,485 (11.6%) from $10,410,242 in 2024 to $11,617,727 in 2025 (please see page 23 for more detail). As previously noted, this increase was due, in part, to increased ad valorem revenue that was gained from higher taxable values going into the fiscal year and a modest increase to the millage rate, along with an increase in building permit revenue as the City began to rebuild after the 2024 hurricane season. In addition, miscellaneous revenues from insurance payments related to damages to City property totaled $802,932. (See page 76 and page 85 for additional detail.)

- The total expenditures for the governmental funds decreased by $2,872,525 (18.5%) from $15,496,595 in 2024 to $12,624,070 in 2025. The $4,782,844 decrease in capital outlay was primarily attributable to the completion of the new fire station in the prior year and no comparable large projects during the current year. This decrease in capital expenditures offset an increase in current expenditures of $1,910,319.

- In addition to the General Fund having a favorable budget-to-actual variance as discussed on the previous page, the Capital Improvements Fund had a favorable budget variance of $123,545, while the Sewer and Reclaimed Water Funds achieved favorable budget-to-actual results of $287,580 and $175,967, respectively. The aforementioned favorable budget variance of $123,545 in the Capital Improvements Fund is the result of a negative revenue and source of funds variance of $938,875 netted against a $1,062,420 positive expenditure variance. The revenue variance was primarily attributable to budgeted grant revenues of $738,375 for anticipated local grants and FEMA reimbursements, of which only $3,137 was actually received during the fiscal year. In addition, transfers from the General Fund totaling $705,675 were budgeted for planned capital improvement projects, but only $352,186 was transferred during the fiscal year due to project delays. Expenditures related to building improvements under Public Works were far lower than the amount budgeted by $461,548, primarily due to the City not proceeding with the budgeted purchase of an emergency generator as the acquisition was contingent upon receiving grant funding that was ultimately not awarded. In addition, budgeted expenditures of $292,913 related to rehabilitation of the old fire station and various beautification projects were not undertaken. The projects remain ongoing and, largely as a result of staff's focus on post-storm activities and damage remediation, had to be extended beyond the original project timelines. The Sewer Fund favorable budget variance is primarily the result of capital outlay expenditures and sewer processing expenses being less than anticipated in the amounts of $190,785 and $69,152, respectively. The favorable budget variance in the Reclaimed Water Fund can be attributed to interest income being $13,327 more than budgeted, and repairs and maintenance expenses and other contingencies being less than anticipated amounts of $34,228 and $115,720, respectively. It should be noted that depreciation expense is not budgeted for in the Sewer and Reclaimed Water Funds.

USING THIS ANNUAL REPORT

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

For the City of South Pasadena, both the General Fund and Capital Improvement Fund are considered major governmental funds and the Sewer Fund and Reclaim Water Fund are considered major enterprise funds.

Government-wide Financial Statements

The government-wide financial statements (see pages 18-19) are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to a bottom line for the City and its governmental and business-type activities. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations.

The Statement of Activities (see page 20) is focused on both the gross and net cost of various activities (including governmental and business-type) which are provided by the government's general tax and other revenues. This is intended to summarize and simplify the user's analysis of cost of various governmental services and/or subsidy to various business-type activities.

The Governmental Activities reflects the City's basic services, including general government, police, fire, community improvement and public works. Property, sales, and utility services taxes, along with franchise fees, fund the majority of these services. The Business-type Activities reflect private sector-type operations (Sewer and Reclaimed Water management), where the fee for service typically covers all or most of the cost of operation, including depreciation.

Fund Financial Statements

The fund financial statements focus is on Major Funds. All of the government-type funds of the City of South Pasadena are considered major funds.

The Governmental Major Fund (see pages 21-24) presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith (beginning on page 76).

While the Total column on the Business-type Fund Financial Statements (see pages 25-27) is the same as the Business-type column in the Government-Wide Financial Statement. For Governmental-type activities, the total column requires a reconciliation from the fund level statement to the government wide level statement because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the pages that following each statement (see pages 22 & 24). The flow of current financial resources will reflect capital expenditures and debt proceeds and debt repayment. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations such as accrued compensated absences, revenue bonds payable, right-to-use subscription liability, net pension liability, and net Other Post Employment obligation into the Governmental Activities column (in the Government-wide statements).

Infrastructure Assets

In accordance with the provisions of GASB Statement No. 34, the City includes infrastructure capital assets in the Statement of Net Position for the governmental activities. The infrastructure assets represent the City's largest group of assets – buildings, roads, bridges, traffic signals, and underground pipes unless associated with a utility. The infrastructure assets for utilities are reported in the business-type activities – enterprise funds. The infrastructure assets for both the governmental and business-type activities are depreciated over their useful lives.

GOVERNMENT-WIDE STATEMENTS

Summary of Net Position

The following table reflects the condensed Statement of Net Position for the current year.

Summary of Net Position
as of Fiscal Year End

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 11,651,013	$ 13,152,609	$ 4,571,021	$ 4,271,345	$ 16,222,034	$ 17,423,954
Capital assets, net	20,833,356	19,782,778	1,159,546	1,277,440	21,992,902	21,060,218
Total Assets	32,484,369	32,935,387	5,730,567	5,548,785	38,214,936	38,484,172
Deferred outflows of resources	2,086,643	2,379,361	--	--	2,086,643	2,379,361
Total assets and deferred outflows of resources	34,571,012	35,314,748	5,730,567	5,548,785	40,301,579	40,863,533
Current liabilities	1,382,298	1,849,398	117,272	148,540	1,499,570	1,997,938
Non-current liabilities	13,577,902	14,956,760	--	--	13,577,902	14,956,760
Total Liabilities	14,960,200	16,806,158	117,272	148,540	15,077,472	16,954,698
Deferred inflows of resources	964,132	506,106	--	--	964,132	506,106
Total liabilities and deferred inflows of resources	15,924,332	17,312,264	117,272	148,540	16,041,604	17,460,804
Net Position						
Net investment in capital assets	12,263,356	10,658,778	1,159,546	1,277,440	13,422,902	11,936,218
Restricted	4,728,563	5,733,143	--	--	4,728,563	5,733,143
Unrestricted (deficit)	1,654,761	1,610,563	4,453,749	4,122,805	6,108,510	5,733,368
Total Net Position	$ 18,646,680	$ 18,002,484	$ 5,613,295	$ 5,400,245	$ 24,259,975	$ 23,402,729

(For more detailed information please see the Statement of Net Position (pages 18-19).

At the end of fiscal 2025, the City-wide net position reflects an increase of $857,246 to $24,259,975. Net position for Governmental Activities is $18,646,680 (increase of $644,196) and net position from Enterprise or Business Activities is $5,613,295 (increase of $213,050). Of the total net position, $13,422,902 represents the City's net investment in capital assets and $4,728,563 represents current and other assets restricted for specific purposes.

The Statement of Net Position on page 19 shows the specific restrictions to net position. The more significant restriction under the City's Governmental Activities includes $4,728,563, comprised of infrastructure taxes ("Penny for Pinellas" funds). These restricted amounts must be used to fund municipal infrastructure or certain capital assets.

An analysis of all City-wide assets reveals that current cash and investments of $15,799,894 in 2025 and $17,038,648 in 2024 represent 39.2% and 41.7% of the total assets and deferred outflows, respectively. At the end of 2025, current cash and investments available for governmental activities totaled $11,380,396, (a $1,546,382, or 12.0% decrease from 2024), and funds available in the business activity accounts totaled $4,419,498 (a $307,628, or 7.5% increase from 2024). The large decrease in cash and investments available for governmental activities is attributable primarily to the cash spent in the Capital Improvements Fund that was necessary after sustaining hurricane damage.

Capital assets and intangible right-to-use subscription assets, net of accumulated depreciation and amortization, totaling $21,992,902 represent 54.6% of the City-wide total assets and deferred outflows of resources at September 30, 2025.

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities – will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital – will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital Assets – will reduce current assets and increase capital assets. There is a second impact, an increase in investment in capital assets and an increase in related net debt will not change the investment in capital assets, net of debt.

Spending of Non-Borrowed Current Assets on New Capital Assets – will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net position and increase investment in capital assets, net of debt.

Principal Payment on Debt – will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase investment in capital assets, net of debt.

Reduction of Capital Assets through Depreciation – will reduce capital assets and investment in capital assets, net of debt and increase unrestricted net position.

Current Year Impacts

The basic transactions directly/indirectly affect the unrestricted net position as indicated in the following schedule. The adjusted results of operations and current assets used for capital clearly demonstrate the change in unrestricted net position.

At the end of fiscal 2025, as reported on page 19 there was a City-wide unrestricted net position in the amount of $6,108,510, an increase of $375,142 compared to the prior year. In governmental activities, unrestricted net position increased by $44,198 to a balance of $1,654,761. Unrestricted net position in the business-type activities increased by $330,944 to $4,453,749. The table below shows the significant changes in unrestricted net position in governmental and business-type activities.

Change in Unrestricted Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Unrestricted Net Position - Beginning of Year	$ 1,610,563	$(5,861,590)	$ 4,122,805	$ 4,271,345	$ 5,733,368	$(1,590,245)
Results of Operations	644,196	901,178	213,050	66,050	857,246	967,228
Adjustments						
Infrastructure	1,004,580	6,455,062	--	--	1,004,580	6,455,062
Books Value of Assets Disposed	31,514	44,609	--	--	31,514	44,609
Depreciation	1,161,880	1,190,810	250,470	257,803	1,412,350	1,448,613
Total Adjustments	2,197,974	7,690,481	250,470	257,803	2,448,444	7,948,284
Adjusted Results of Operations	2,842,170	8,591,659	463,520	323,853	3,305,690	8,915,512
Capital Expenditures	(2,243,972)	(7,026,816)	(132,576)	(472,393)	(2,376,548)	(7,499,209)
Proceeds from Revenue Bonds Expended	--	6,476,351	--	--	--	6,476,351
Principal Repayment						
Revenue Bonds	(554,000)	(533,000)	--	--	(554,000)	(533,000)
Right-to-use Subscription Liability	--	(36,041)	--	--	--	(36,041)
Unrestricted Net Position - End of Year	$ 1,654,761	$ 1,610,563	$ 4,453,749	$ 4,122,805	$ 6,108,510	$ 5,733,368

Statement of Activities

The Statement of Activities is presented below with a comparison of the current year and prior year revenues and expenses as reported on the Statement of Activities on page 20.

Statement of Activities
As of September 30,

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues						
Charges for services						
Sewer Fees	$ --	$ --	$ 1,553,901	$ 1,708,915	$ 1,553,901	$ 1,708,915
Reclaim Water Fees	--	--	292,530	277,173	292,530	277,173
Police Fines & Forfeitures	3,368	3,500	--	--	3,368	3,500
Building Inspections / Permits	870,931	563,732	--	--	870,931	563,732
Local Business Tax	160,962	123,982	--	--	160,962	123,982
Hibiscus Hall Rents	500	14,200	--	--	500	14,200
Operating Grants and Contributions						
Pinellas County EMS Contract	1,243,745	1,212,467	--	--	1,243,745	1,212,467
Grant - General Government	3,137	3,891	--	--	3,137	3,891
General revenues						
Property taxes	4,808,032	4,438,935	--	--	4,808,032	4,438,935
Franchise taxes	581,038	610,459	--	--	581,038	610,459
Communications Service Tax	141,648	128,516	--	--	141,648	128,516
Other Utility Tax	787,319	833,028	--	--	787,319	833,028
Sales Tax Infrastructure	777,475	764,583	--	--	777,475	764,583
State Revenue Sharing	224,742	222,542	--	--	224,742	222,542
Half-Cent Sales Tax	434,424	439,287	--	--	434,424	439,287
Local Option Gas Tax	66,567	67,533	--	--	66,567	67,533
Other Taxes	86,758	94,644	--	--	86,758	94,644
Investment income	494,670	739,766	179,556	194,385	674,226	934,151
Gain (Loss) Fair Value of Investments	56,300	74,495	--	--	56,300	74,495
Miscellaneous	876,111	74,682	59,673	--	935,784	74,682
Total Revenues	11,617,727	10,410,242	2,085,660	2,180,473	13,703,387	12,590,715
Expenses						
Program Activities						
Government Activities:						
General government	1,536,778	1,400,327	--	--	1,536,778	1,400,327
Public Safety - Police	1,067,521	1,028,001	--	--	1,067,521	1,028,001
Public Safety - Fire	4,528,453	4,251,247	--	--	4,528,453	4,251,247
Protective Services	841,401	707,785	--	--	841,401	707,785
Public Works and Parks	2,371,001	1,305,248	--	--	2,371,001	1,305,248
Culture and Recreation	57,367	112,088			57,367	112,088
Physical Environment	212,074	322,494	--	--	212,074	322,494
Human Services	6,750	9,114	--	--	6,750	9,114
Interest on Long-Term Debt	352,186	372,760	--	--	352,186	372,760
Business-Type Activities:						
Sewer	--	--	1,556,109	1,826,970	1,556,109	1,826,970
Reclaim Water	--	--	316,501	287,453	316,501	287,453
Total Expenses	10,973,531	9,509,064	1,872,610	2,114,423	12,846,141	11,623,487
Change in Net Position	644,196	901,178	213,050	66,050	857,246	967,228
Net Position - Beginning of Year	18,002,484	17,101,306	5,400,245	5,334,195	23,402,729	22,435,501
Net Position - End of Year	$ 18,646,680	$ 18,002,484	$ 5,613,295	$ 5,400,245	$ 24,259,975	$ 23,402,729

Normal Impacts

There are nine basic impacts on revenues and expenses as reflected below.

Revenues

Economic Condition – which can reflect a declining, stable or growing economic environment and has a substantial impact on property, sales, infrastructure, gas or other tax revenue as well as public spending habits for building permits, elective user fees and volumes of consumption for electric or water usage for which the City collects taxes or franchise fees.

Increase/Decrease in Commission Approved Rates – while certain tax rates are set by statute, the City Commission has significant authority to impose and periodically increase/decrease rates (Sewer, reclaimed water, permitting, impact fee, property taxes, etc.)

Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) **–** certain recurring revenues, such as state revenue sharing, may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons**.**

Contribution from the Reclaimed Water and Sewer Funds – the City owns and operates certain Sewer and Reclaimed Water Utility systems. The City provides administrative support services for the utilities. The billing for each utility system is contracted with the City of St. Petersburg. Beginning in fiscal year 2012 the City started charging an administrative service charge to each utility for accounting and legal overhead.

Historically, the Sewer and Reclaimed Water Utility systems have been managed on a self-supporting basis using user fees. However, at the legislative body's discretion, any excess fees over expenses could be transferred to the City's other funds for use. As with all business-type activities, the ongoing competitiveness and vitality of the utility funds is an important factor in evaluating the City's funding policies.

Market Impacts on Investment Income – due to the type of investment portfolio and the varying nature of the market in general, City investment income may fluctuate from year to year.

Expenses

Introduction of New Programs – within the functional expense categories (General Government, Law Enforcement, Fire Protection, Public Works / Transportation, Community Improvement, etc.) individual programs may be added or deleted to meet changing community needs.

Increase in Authorized Personnel – changes in service demand may cause the Commission to increase or decrease authorized staffing. Staffing costs (salary and related benefits) in the General Fund represented 63.7% of the City's 2025 operating budget compared to 64.1% of the City's 2024 operating budget.

Salary Increases (cost of living and market adjustments) – the ability to attract and retain human and intellectual resources requires the City to strive to approach a competitive salary range position in the marketplace.

Inflation – the City is a major consumer of certain commodities and services such as chemicals, supplies, fuels and group health insurance. Some functions may experience unusual commodity specific increases. In past years, costs of fuel, general insurance, employee health benefits and pension costs have tended to have large increases. Contract services for items such as law enforcement that have these personnel costs factored in can fluctuate based on these inflationary pressures.

Current Year Impacts

Governmental Funds

The ending fund balance for the General Fund slightly decreased by $1,736 to $6,193,158 as of September 30, 2025. The Capital Improvements Fund ending fund balance decreased by $1,004,580 to $4,728,563, all of which is restricted for infrastructure and other capital improvements (Penny for Pinellas funds).

Revenues

Governmental Funds
Revenues

	2025	2024	Increase (Decrease)	Percentage
Revenues				
Taxes (Property, Franchise & Utility)	$ 6,318,037	$ 6,018,589	$ 299,448	5.0%
Licenses and Permits	1,031,893	687,714	344,179	50.0%
Intergovernmental Revenues	2,836,848	2,797,296	39,552	1.4%
Fines and Forfeitures	3,368	3,500	(132)	-3.8%
Interest Income	494,670	739,766	(245,096)	-33.1%
Change in Fair Value of Investments	56,300	74,495	(18,195)	-24.4%
Rental Hibiscus Hall	500	14,200	(13,700)	-96.5%
Miscellaneous Revenues	876,111	74,682	801,429	1073.1%
Total Revenues	$ 11,617,727	$ 10,410,242	$ 1,207,485	11.60%

The breakdown of the net change in revenue by fund was an increase of $675,441 for the General Fund and $532,044 for the Capital Improvements Fund. (Please see page 23 for more detail.)

For fiscal year 2025, the City had a millage rate of 5.1750, which represents an increase of 0.1112 from 2024. The total taxable value of property located within the City in fiscal year 2025 was $972,509,867 compared to the 2024 final taxable value of $906,819,396. The increase in the millage rate and property values resulted in property tax collections increasing $369,097.

Within the Capital Improvements Fund, insurance proceeds for $704,447 were received, while interest income decreased by $227,575 to $182,648 since that fund had a lower balance of cash and investments.

Expendıtures

Governmental Funds
Expenditures

	2025	2024	Increase (Decrease)	Percentage
Expenditures				
General Government	$ 1,445,009	$ 1,179,577	$ 265,432	22.5%
Public Safety	5,747,181	5,205,016	542,165	10.4%
Transportation & Public Works	2,252,414	1,135,175	1,117,239	98.4%
Culture, Recreation, Environment	22,558	41,501	(18,943)	-45.6%
Human Services	6,750	2,750	4,000	145.5%
Capital Outlay	2,243,972	7,026,816	(4,782,844)	-68.1%
Debt Service	906,186	905,760	426	0.0%
Total Expenditures	$ 12,624,070	$ 15,496,595	$ (2,872,525)	-18.54%

Although the Capital Improvements Fund is typically used for capital asset acquisitions, the City may use a portion of those funds for repairs and other non-capital asset items which are operating in nature. Under the law, Infrastructure Taxes and any interest earned is restricted for use on capital assets. For fiscal year 2025, the Capital Improvements Fund incurred $3,847 of non-capital operating expenses and $224,604 of capital outlay expenditures not eligible for the use of infrastructure taxes or revenue bond proceeds. As a result of current year revenue being insufficient to cover the combined expenditures of $352,186 that were not deemed eligible for restricted funds use, a transfer of funds from the General Fund to the Capital Improvement Fund was made in that amount.

The following table provides a reconciliation of the expenditures reported under the governmental funds approach totaling $12,624,070 to the total expenses reported in the Statement of Activities for the same governmental activities totaling $10,973,531.

The adjustments to governmental activities expenses for non-cash depreciation and amortization of $1,161,880 and the removal of capital expenditures totaling $2,243,972 and repayment of debt principal totaling $554,000 that are not included in the Statement of Activities.

Reconciliation to Statement of Activities

	2025	2024
Expenditures Governmental Fund Approach	$ 12,624,070	$ 15,496,595
Less: Cash Outlay for Capital Asset Purchases	(2,243,972)	(7,026,816)
Add: Depreciation / Amortization Capital Assets	1,161,880	1,190,810
Add: Un-depreciated Cost of Disposed Assets		
Less: Proceeds from Sale of Capital Assets	(27)	(131)
Less: Repayment of Debt Principal	(554,000)	(533,000)
Cash in non-cash expense - Compensated Absences	35,903	42,622
Change in non-cash Oher Post Employment Benefits	(34,108)	18,305
Change in non-cash Pension Benefits	(16,215)	320,679
Expenditures - Statements of Activities	$ 10,973,531	$ 9,509,064

General Fund – Change in Fund Balance

	2025	2024
Nonspendable	$ 111,596	$ 71,110
Inventories and Prepaids		
Unassigned	6,081,562	6,123,784
Total General Fund Balance	$ 6,193,158	$ 6,194,894

Capital Improvements Fund – Change in Fund Balance

	2025	2024	Increase (Decrease)
Restricted for:			
Infrastructure	$ 4,728,563	$ 5,733,143	$ (1,004,580)
Total Fund Balance	$ 4,728,563	$ 5,733,143	$ (1,004,580)

Business Type Funds

The net position of the Sewer and Reclaimed Water enterprise funds increased $213,050 in fiscal year 2025 compared to a $66,050 increase in fiscal year 2024. The change in net position (the net income or loss) for the proprietary funds, which includes investment earnings, reported income of $91,829 for the sewer operations and $87,727 for the reclaimed water operations. The net position for the Sewer Fund increased by 4.8% to $3,235,175, while the net position for the Reclaimed Water Fund increased by 2.8% to $2,378,120 as of September 30, 2025. (Please see page 26 for more detailed information.)

Net Income from Operations is a measure of profit before interest earnings and measures only the revenues and costs associated with the operation of the business activity. For fiscal year 2025, the Sewer Fund showed a net operating loss of $2,208, compared to operating loss of $118,055 for 2024. For 2025 the Reclaimed Water fund showed a net operating loss of $23,971, compared to 2024 when the fund had a net operating loss of $10,280.

The Sewer and Reclaimed Water Funds were allocated an administrative service charge from the General Fund in the amounts of $36,250 and $17,715, respectively. This is the fourteenth year in which the enterprise funds have been allocated their proportionate share of administrative costs. The administrative burden of operating the enterprise funds is now being allocated from the General Fund in order to arrive at a more accurate cost of operating these funds.

The largest operating expense for the Sewer Fund is the processing fees paid to the City of St. Petersburg for sewage processing. These processing charges for 2025 were $1,108,543, which is a decrease of 25.8% from the 2024 charges of $1,494,614. The time spent by Public Works personnel in sewer and reclaimed water operations is allocated to each enterprise fund. The salary allocation to the Sewer Fund in 2025 was $84,465, an increase of 29.7% from the allocation in 2024, which was $65,121. The amount of 2025 non-cash depreciation charges in the Sewer Fund was $138,259.

The amount of salary allocations to the Reclaimed Water Fund from the General Fund in 2025 was $64,990, a 29.5% increase from the $50,175 allocated in 2024. The cost of acquiring reclaimed water from Pinellas County was $119,103 in 2025 compared to $98,345 in 2024, an increase of 21.1%. The Reclaimed Water operating expenses for 2025 include non-cash depreciation charges of $112,211.

Budgetary Highlights – General Fund

The General Fund budget was amended during the fiscal year 2025. The amount of final budgeted revenues (amounts available for appropriation) was $9,492,925. Actual revenues for fiscal year 2025 were $9,820,515, which resulted in a favorable variance of $327,590. The amount of final budgeted expenditures (charges to appropriations) and transfers to other funds for 2025 was $10,533,925. The amount of actual expenditures and transfers to other funds was $9,822,251, which represents a favorable variance of $711,674. The overall favorable budget variance for fiscal year 2025 is $1,039,264. (Please see pages 76 - 79 for more information.)

Revenues

Revenue budgets are based on projections using historic trend analysis. Typically, only the first seven months of the previous year's actual revenues are known at the time of budget preparation. Considering the current economic conditions, these initial months are conservatively trended to estimate the upcoming year's budget. Actual amounts collected may vary significantly depending on changing economic conditions and consumer spending habits.

General Fund budget-to-actual variances include the following:

- Building permit revenues were $345,931 higher than anticipated.
- Emergency medical service revenues were $80,995 higher than anticipated.
- Planning and zoning fees were $52,099 higher than anticipated.
- Interest earnings were $62,922 higher than anticipated.

Expenditures

The total amount of expenditures was $9,470,065 (excluding transfers of $352,186), which represents 96.4% of the amount budgeted.

The following is an overview of General Fund variances from the final budget for fiscal 2025:

- The activities of the Legislative Department utilized 93.5% of its operating budget and had a positive variance of $11,835 that is primarily attributable to other services and charges being $5,797 under budget.
- The Finance and Administration Department utilized 91.6% of its operating budget and had a positive variance of $117,456. The positive variance included personal services being $100,750 below the budgeted amount.
- The Fire Department utilized 99.7% of its operating budget and had a positive variance of $9,715 that is primarily attributable to personal services being $41,316 under budget.

- The Community Improvement Department (Protective Inspections) utilized 83.8% of its operating budget and had a positive variance of $157,129. The positive variance was due, in large part, to personal services being $88,281 and other services and charges being $68,635 under budget.
- Public Works / Transportation Department utilized 98.9% of its operating budget and had a positive variance of $24,358 that is primarily attributable to personal services being $23,742 under budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of September 30, 2025, the City had $39,173,985 (total cost) invested in a variety of capital assets as compared to $37,150,407 as September 30, 2024. This represents a net increase (at cost net of accumulated depreciation and amortization) of $932,684, or 4.4%, from the end of last year. Capital additions in fiscal year 2025 purchased in the governmental funds totaled $2,243,972. Sewer Fund capital additions totaled $132,576.

Capital Assets at September 30,
(Net of Depreciation and Amortization)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Land and Land Rights	$ 4,609,087	$ 4,609,087	$ --	$ --	$ 4,609,087	$ 4,609,087
Construction and Projects in Progress	--	109,606	--	--	--	109,606
Structures and Improvements	15,459,427	14,120,519	--	--	15,459,427	14,120,519
Infrastructure	5,668,300	5,420,997	7,922,713	7,790,137	13,591,013	13,211,134
Furniture, Fixtures and Equipment	5,158,713	4,744,316	--	--	5,158,713	4,744,316
Intangible Right-to-Use Subscription Assets	355,745	355,745	--	--	355,745	355,745
Total Cost of Assets	31,251,272	29,360,270	7,922,713	7,790,137	39,173,985	37,150,407
Less: Accumulated Depreciation / Amortization	(10,417,916)	(9,577,492)	(6,763,167)	(6,512,697)	(17,181,083)	(16,090,189)
Total	$ 20,833,356	$ 19,782,778	$ 1,159,546	$ 1,277,440	$ 21,992,902	$ 21,060,218

The following reconciliation summarizes the change in Capital Assets, which is presented in detail in the financial statement notes (See Note 4 to the financial statements – Capital Assets on pages 50-51.)

Change in Capital Assets – (Net)

	Governmental Activities	Business-Type Activities	Total
Beginning Balance reported last year	$ 19,782,778	$ 1,277,440	$ 21,060,218
Additions / Transfers	2,243,972	132,576	2,376,548
Deletions / Transfers	(352,970)	--	(352,970)
Depreciation / Amortization	(840,424)	(250,470)	(1,090,894)
Ending Balance	$ 20,833,356	$ 1,159,546	$ 21,992,902

This year's major additions are:

Governmental Activities:

Parks & Recreation	$	906,733
Hurricane Remediation & Rebuild		350,641
Vehicles & Heavy Equipment		349,865
Fire & Public Safety Equipment		195,627
Infrastructure		153,143
Buildings & Facility Improvements		106,295
New Fire Station		84,432
IT & Technology		54,416
Land Improvements		42,820
	$	2,243,972

Long-term Debt

As of September 30, 2025, the City had total debt outstanding of $8,570,000, a decrease of $554,000 in the current fiscal year due to principal repayments. A detailed description of this debt can be found on pages 52-53.

Long-Term Debt at September 30,

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenue bond payable	$ 8,570,000	$ 9,124,000	$ --	$ --	$ 8,570,000	$ 9,124,000
Total	$ 8,570,000	$ 9,124,000	$ --	$ --	$ 8,570,000	$ 9,124,000

See note 6 – Long-Term Debt on pages 52-53.

ECONOMIC FACTORS

The state of Florida continues to attract new residents due to the climate and lack of a state personal income tax. However, local governments rely heavily on property taxes and a limited amount of other taxes, fees and charges for service that are determined by the State Legislature, so changes made at the State level may impact our City.

The region, which includes the City of South Pasadena and the surrounding areas within Pinellas County, has a population of approximately one million people, so the conditions and activities of the other municipalities in our county and the surrounding areas play a vital role in the overall region's economy.

Increased property values were assessed before hurricanes Helene and Milton impacted our area. Going into the 2025 fiscal year, taxable values increased by 7.2%, or approximately $65.7 million, to $972,509,867. The City was fortunate that the higher property values produced increased ad valorem revenue to help offset the general impacts of ever-rising costs. However, since South Pasadena lost quite a few businesses due to the hurricanes and many homes were substantially damaged, a decline of 6.03% in taxable property value was used to determine the anticipated ad valorem revenue for fiscal year 2026. The population in our city decreased from 5,389 to 5,169 between fiscal year 2024 and 2025 as well. Recovery efforts are ongoing and it remains to be seen what lasting impacts the storms will have on our area.

Inflation contributes to higher costs, and this economic pressure continues to impact the City's ability to make operating and capital purchases. The unemployment rate in our area increased from 3.6% in September 2024 to

4.2% in September 2025. High inflation rates also influence the necessity of cost-of-living adjustments to keep City employees at competitive pay rates and retain strong personnel.

The City does not have a formal fund balance policy. The September 30, 2025 unassigned General Fund balance totaling $6,081,562 equates to 7.7 months of expenditure coverage.

FINANCIAL CONTACT

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the City's finances and to demonstrate the City's accountability.

If you have questions about the report or need additional financial information, contact the City's Finance Director at City Hall at 7047 Sunset Drive South, South Pasadena, Florida 33707, telephone (727) 347-4171.

BASIC FINANCIAL STATEMENTS

CITY OF SOUTH PASADENA, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2024)

	2025			2024
	Governmental Activities	Business-type Activities	Total	Total
Assets				
Current Assets				
Cash, cash equivalents and pooled cash and investments	$ 11,380,396	$ 4,419,498	$ 15,799,894	$ 17,038,648
Receivables - other	5,255	25,839	31,094	12,353
Due from other governments	153,765	122,430	276,195	300,241
Inventory of supplies	11,267	--	11,267	14,800
Prepaid expense	100,330	3,254	103,584	57,912
Total Current Assets	11,651,013	4,571,021	16,222,034	17,423,954
Non-Current Assets				
Land and land rights	4,609,087	--	4,609,087	4,609,087
Construction and projects in process	--	--	--	109,606
Structures and improvements	15,459,427	--	15,459,427	14,120,519
Infrastructure	5,668,300	7,922,713	13,591,013	13,211,134
Furniture, fixtures and equipment	5,158,713	--	5,158,713	4,744,316
Intangible right-to-use subscription assets	355,745	--	355,745	355,745
Accumulated depreciation and amortization	(10,417,916)	(6,763,167)	(17,181,083)	(16,090,189)
Total Non-Current Assets	20,833,356	1,159,546	21,992,902	21,060,218
Total Assets	32,484,369	5,730,567	38,214,936	38,484,172
Deferred Outflows of Resources				
Other post employment benefits	8,614	--	8,614	5,533
Defined benefit pension plans:				
Firefighters' Retirement Fund	1,429,473	--	1,429,473	1,599,658
Florida Retirement System	648,556	--	648,556	774,170
Total Deferred Outflows of Resources	2,086,643	--	2,086,643	2,379,361
Total Assets and Deferred Outflows of Resources	$ 34,571,012	$ 5,730,567	$ 40,301,579	$ 40,863,533

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH PASADENA, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2024)

	2025			2024
	Governmental Activities	Business-type Activities	Total	Total
Liabilities				
Current Liabilities				
Accounts payable	$ 318,362	$ 117,272	$ 435,634	$ 951,426
Retainage payable	--	--	--	7,320
Accrued liabilities	289,079	--	289,079	303,338
Due to Firefighters' Pension	69,587	--	69,587	67,202
Unearned revenue	52,264	--	52,264	43,826
Current portion of:				
Compensated absences	78,006	--	78,006	70,826
Revenue bonds payable	575,000	--	575,000	554,000
Total Current Liabilities	1,382,298	117,272	1,499,570	1,997,938
Non-Current Liabilities				
Total OPEB liability	183,749	--	183,749	214,776
Compensated absences	312,025	--	312,025	283,302
Revenue bonds payable	7,995,000	--	7,995,000	8,570,000
Net pension liability:				
Firefighters' Retirement Fund	3,106,248	--	3,106,248	3,545,481
Florida Retirement System	1,980,880	--	1,980,880	2,343,201
Total Non-Current Liabilities	13,577,902	--	13,577,902	14,956,760
Total Liabilities	14,960,200	117,272	15,077,472	16,954,698
Deferred Inflows of Resources				
Defined benefit pension plans:				
Firefighters' Retirement Fund	521,685	--	521,685	203,866
Florida Retirement System	442,447	--	442,447	302,240
Total Deferred Inflows of Resources	964,132	--	964,132	506,106
Total Liabilities and Deferred Inflows of Resources	15,924,332	117,272	16,041,604	17,460,804
Net Position				
Net investment in capital assets	12,263,356	1,159,546	13,422,902	11,936,218
Restricted:				
Infrastructure	4,728,563	--	4,728,563	5,733,143
Unrestricted	1,654,761	4,453,749	6,108,510	5,733,368
Total Net Position	18,646,680	5,613,295	24,259,975	23,402,729
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 34,571,012	$ 5,730,567	$ 40,301,579	$ 40,863,533

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH PASADENA, FLORIDA

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024)

	2025							2024
		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
Functions / Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Total
Governmental Activities								
General government	$ 1,536,778	$ 160,962	$ 3,137	$ --	$ (1,372,679)	$ --	$ (1,372,679)	$ (1,272,454)
Public safety - Police	1,067,521	3,368	--	--	(1,064,153)	--	(1,064,153)	(1,024,501)
Public safety - Fire	4,528,453	--	1,243,745	--	(3,284,708)	--	(3,284,708)	(3,038,780)
Public safety - Protective inspections	841,401	870,931	--	--	29,530	--	29,530	(144,053)
Transportation - Public works	2,371,001	--	--	--	(2,371,001)	--	(2,371,001)	(1,305,248)
Human services	6,750	--	--	--	(6,750)	--	(6,750)	(9,114)
Culture and recreation	57,367	500	--	--	(56,867)	--	(56,867)	(97,888)
Physical environment	212,074	--	--	--	(212,074)	--	(212,074)	(322,494)
Interest on long-term debt	352,186	--	--	--	(352,186)	--	(352,186)	(372,760)
Total Governmental Activities	10,973,531	1,035,761	1,246,882	--	(8,690,888)	--	(8,690,888)	(7,587,292)
Business-Type Activities								
Sewer	1,556,109	1,553,901	--	--	--	(2,208)	(2,208)	(118,055)
Reclaimed water	316,501	292,530	--	--	--	(23,971)	(23,971)	(10,280)
Total Business-Type Activities	1,872,610	1,846,431	--	--	--	(26,179)	(26,179)	(128,335)
Total	$ 12,846,141	$ 2,882,192	$ 1,246,882	$ --	(8,690,888)	(26,179)	(8,717,067)	(7,715,627)
		General Revenues						
		Taxes:						
		Ad valorem			4,808,032	--	4,808,032	4,438,935
		Franchise fees			581,038	--	581,038	610,459
		Utility taxes			787,319	--	787,319	833,028
		Communications service tax			141,648	--	141,648	128,516
		Sales tax - infrastructure			777,475	--	777,475	764,583
		Half-cent sales tax			434,424	--	434,424	439,287
		Local option gas tax			66,567	--	66,567	67,533
		Other taxes			86,758	--	86,758	94,644
		State revenue sharing - unrestricted			224,742	--	224,742	222,542
		Interest			494,670	179,556	674,226	934,151
		Change in fair value of investments			56,300	--	56,300	74,495
		Miscellaneous			876,111	59,673	935,784	74,682
		Total general revenues			9,335,084	239,229	9,574,313	8,682,855
		Change in net position			644,196	213,050	857,246	967,228
		Net position - beginning of year			18,002,484	5,400,245	23,402,729	22,435,501
		Net position - end of year			$ 18,646,680	$ 5,613,295	$ 24,259,975	$ 23,402,729

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH PASADENA, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS

SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS AS OF ENDED SEPTEMBER 30, 2024)

	2025			2024
	General	Capital Improvements	Total Governmental Funds	Total
Assets				
Cash, cash equivalents and pooled cash and investments	$ 6,634,274	$ 4,746,122	$ 11,380,396	$ 12,926,778
Receivables - other	2,830	2,425	5,255	11,836
Due from other governments	99,063	54,702	153,765	144,194
Inventory of supplies	11,267	--	11,267	14,800
Prepaid expenditures	100,330	--	100,330	55,001
Total Assets	$ 6,847,764	$ 4,803,249	$ 11,651,013	$ 13,152,609
Liabilities and Fund Balances				
Liabilities				
Accounts payable	$ 243,676	$ 74,686	$ 318,362	$ 802,886
Retainage payable	--	--	--	7,320
Accrued liabilities	289,079	--	289,079	303,338
Unearned revenue	52,264	--	52,264	43,826
Due to Firefighters Pension	69,587	--	69,587	67,202
Total Liabilities	654,606	74,686	729,292	1,224,572
Fund Balances				
Non-spendable:				
Inventories and prepaids	111,597	--	111,597	71,110
Restricted for:				
Infrastructure	--	4,728,563	4,728,563	5,733,143
Unassigned	6,081,561	--	6,081,561	6,123,784
Total Fund Balances	6,193,158	4,728,563	10,921,721	11,928,037
Total Liabilities and Fund Balances	$ 6,847,764	$ 4,803,249	$ 11,651,013	$ 13,152,609

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH PASADENA, FLORIDA

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2025

Fund Balances - total governmental funds		$ 10,921,721
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	$ 30,895,527	
Less: Accumulated depreciation	(10,208,484)	
		20,687,043
Intangible right-to-use subscription assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Intangible right-to-use subscription assets	355,745	
Less: Accumulated amortization	(209,432)	
		146,313
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Compensated absences	(390,031)	
Revenue bonds payable	(8,570,000)	
Total Other Post Employment Benefit liability	(183,749)	
Net pension liability - Firefighters' Retirement Fund	(3,106,248)	
Net pension liability - Florida Retirement System	(1,980,880)	
		(14,230,908)
Deferred outflows and inflows of resources related to pensions are not reported in the governmental funds but will be recognized in pension expense on a long-term basis and are therefore reported in the statement of net position.		
Deferred outflows of resources related to Other Post Employment Benefits	8,614	
Deferred outflows of resources related to pensions - Firefighters' Retirement Fund	1,429,473	
Deferred outflows of resources related to pensions - Florida Retirement System	648,556	
Deferred inflows of resources related to pensions - Firefighters' Retirement Fund	(521,685)	
Deferred inflows of resources related to pensions - Florida Retirement System	(442,447)	
		1,122,511
Net Position of Governmental Activities		$ 18,646,680

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH PASADENA, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024)

	2025			2024
	General	Capital Improvements	Total Governmental Funds	Total
Revenues				
Taxes	$ 6,318,037	$ --	$ 6,318,037	$ 6,018,589
Licenses and permits	1,031,893	--	1,031,893	687,714
Intergovernmental revenue	2,056,236	780,612	2,836,848	2,797,296
Fines and forfeits	3,368	--	3,368	3,500
Interest	312,022	182,648	494,670	739,766
Change in fair value of investments	25,280	31,020	56,300	74,495
Rent	500	--	500	14,200
Miscellaneous revenues	73,179	802,932	876,111	74,682
Total Revenues	9,820,515	1,797,212	11,617,727	10,410,242
Expenditures				
Current:				
General government	1,445,009	--	1,445,009	1,179,577
Public safety	5,747,181	--	5,747,181	5,205,016
Transportation - public works	2,248,567	3,847	2,252,414	1,135,175
Human services	6,750	--	6,750	2,750
Culture and recreation	22,558	--	22,558	41,501
Capital outlay:				
General government	--	34,116	34,116	3,415
Public safety	--	271,198	271,198	6,644,682
Transportation - public works	--	1,048,701	1,048,701	170,264
Physical environment	--	889,957	889,957	208,455
Debt service:				
Principal retirement	--	554,000	554,000	533,000
Interest	--	352,186	352,186	372,760
Total Expenditures	9,470,065	3,154,005	12,624,070	15,496,595
Excess (Deficiency) of Revenues Over Expenditures	350,450	(1,356,793)	(1,006,343)	(5,086,353)
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	--	27	27	131
Transfers in	--	352,186	352,186	246,535
Transfers out	(352,186)	--	(352,186)	(246,535)
Total Other Financing Sources (Uses)	(352,186)	352,213	27	131
Net Change in Find Balances	(1,736)	(1,004,580)	(1,006,316)	(5,086,222)
Fund Balances - Beginning	6,194,894	5,733,143	11,928,037	17,014,259
Fund Balances - Ending	$ 6,193,158	$ 4,728,563	$ 10,921,721	$ 11,928,037

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH PASADENA, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Net change in fund balances - total governmental funds		$ (1,006,316)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those capital assets and right-to-use subscription assets is depreciated / amortized over their estimated useful lives.		
Expenditures for capital assets	$ 2,243,972	
Less: Current year depreciation	(1,146,531)	
Less: Current year amortization	(15,349)	
		1,082,092
Disposal of capital assets		(31,514)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
Repayment of revenue bond		554,000
Some expenses, or reductions to expenses, reported in the statement of activities do not require the use, or receipt, of current financial resources and therefore are not reported as expenditures, or reductions to expenditures, in governmental funds.		
Change in compensated absences	(35,903)	
Change - Other Post Employment Benefits	34,108	
Pension expense - Firefighters' Retirement Fund	(48,771)	
Pension expense - Florida Retirement System	96,500	
		45,934
Change in net position of governmental activities.		$ 644,196

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH PASADENA, FLORIDA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2024)

	Business-type Activities - Enterprise Funds			
	2025			2024
	Sewer	Reclaimed Water	Total	Total
Assets				
Current Assets				
Cash, cash equivalents and pooled cash and investments	$ 2,258,004	$ 2,161,494	$ 4,419,498	$ 4,111,870
Receivables - other	681	25,158	25,839	517
Due from other governments	122,430	--	122,430	156,047
Prepaid expense	3,254	--	3,254	2,911
Total Current Assets	2,384,369	2,186,652	4,571,021	4,271,345
Non-Current Assets				
Capital Assets:				
Infrastructure	4,556,392	3,366,321	7,922,713	7,790,137
Less: Accumulated depreciation	(3,613,619)	(3,149,548)	(6,763,167)	(6,512,697)
Total Non-Current Assets	942,773	216,773	1,159,546	1,277,440
Total Assets	3,327,142	2,403,425	5,730,567	5,548,785
Liabilities				
Current Liabilities				
Accounts payable	91,967	25,305	117,272	148,540
Total Current Liabilities	91,967	25,305	117,272	148,540
Total Liabilities	91,967	25,305	117,272	148,540
Net Position				
Investment in capital assets	942,773	216,773	1,159,546	1,277,440
Unrestricted	2,292,402	2,161,347	4,453,749	4,122,805
Total Net Position	$ 3,235,175	$ 2,378,120	$ 5,613,295	$ 5,400,245

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH PASADENA, FLORIDA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024)

	Business-type Activities - Enterprise Funds			
	2025			2024
	Sewer	Reclaimed Water	Total	Total
Operating Revenues				
Charges for services	$ 1,553,901	$ 292,530	$ 1,846,431	$ 1,986,088
Total Operating Revenues	1,553,901	292,530	1,846,431	1,986,088
Operating Expenses				
Supervisory services	84,465	64,990	149,455	115,296
Utilities	11,849	--	11,849	12,499
City of St. Petersburg:				
Sewer processing	1,108,543	--	1,108,543	1,494,614
Administration charge	2,991	575	3,566	3,853
Pinellas County:				
Reclaimed water	--	119,103	119,103	98,345
Audit and consulting	9,095	1,135	10,230	5,015
Insurance	13,840	--	13,840	17,500
Repairs, maintenance, renewals and replacements	147,381	772	148,153	62,401
Administrative service charge	36,250	17,715	53,965	43,734
Miscellaneous	3,436	--	3,436	3,363
Depreciation	138,259	112,211	250,470	257,803
Total Operating Expenses	1,556,109	316,501	1,872,610	2,114,423
Operating Loss	(2,208)	(23,971)	(26,179)	(128,335)
Non-Operating Revenue				
Miscellaneous revenue	59,673	--	59,673	--
Interest earned	91,829	87,727	179,556	194,385
Total nonoperating revenues (expenses)	151,502	87,727	239,229	194,385
Changes in Net Position	149,294	63,756	213,050	66,050
Net Position - Beginning	3,085,881	2,314,364	5,400,245	5,334,195
Net Position - Ending	$ 3,235,175	$ 2,378,120	$ 5,613,295	$ 5,400,245

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH PASADENA, FLORIDA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024)

	Business-type Activities - Enterprise Funds			
	2025			2024
	Sewer	Reclaimed Water	Total	Total
Cash Flows from Operating Activities				
Cash received from customers	$ 1,563,668	$ 291,058	$ 1,854,726	$ 1,979,888
Cash payments to suppliers for goods and services	(1,332,777)	(117,554)	(1,450,331)	(1,654,273)
Cash payments to employees for services	(84,465)	(64,990)	(149,455)	(115,296)
Cash received (paid) for general government allocated expenses	23,423	(17,715)	5,708	(43,734)
Net Cash Provided by Operating Activities	169,849	90,799	260,648	166,585
Cash Flows from Capital and Related Financing Activities				
Acquisition and construction of capital assets	(132,576)	--	(132,576)	(154,012)
Net Cash Used in Capital and Related Financing Activities	(132,576)	--	(132,576)	(154,012)
Cash Flows from Investing Activities				
Interest and dividends on cash and cash equivalents	91,829	87,727	179,556	194,385
Net Cash Provided by Investing Activities	91,829	87,727	179,556	194,385
Net Increase in Cash, Cash Equivalents and Pooled Cash and Investments	129,102	178,526	307,628	206,958
Cash, Cash Equivalents and Pooled Cash and Investments - Beginning	2,128,902	1,982,968	4,111,870	3,904,912
Cash, Cash Equivalents and Pooled Cash and Investments - Ending	$ 2,258,004	$ 2,161,494	$ 4,419,498	$ 4,111,870
Reconciliation of Operating Income (Loss) to Net Cash				
Provided by Operating Activities				
Operating income (loss)	$ (2,208)	$ (23,971)	$ (26,179)	$ (128,335)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	138,259	112,211	250,470	257,803
Miscellaneous revenue	59,673			
Changes in assets and liabilities:				
(Increase) Decrease in Accounts Receivable	(384)	(1,472)	(1,856)	(517)
(Increase) Decrease in Due From Other Governments	10,151	--	10,151	(5,683)
(Increase) Decrease in Prepaid Expense	(343)	--	(343)	(575)
Increase (Decrease) in Accounts Payable	(35,299)	4,031	(31,268)	43,892
Total Adjustments	172,057	114,770	286,827	294,920
Net Cash Provided by Operating Activities	$ 169,849	$ 90,799	$ 260,648	$ 166,585

There were no non-cash investing or financing activities for the years ended.

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH PASADENA, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND

SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2024)

	Firefighters' Retirement Fund	
	2025	2024
Assets		
Cash	$ 190	$ 190
Investments:		
Short term investments / money market funds	535,246	200,439
U.S. government and agency fixed income securities	1,155,311	1,120,964
Corporate bonds	958,085	925,032
Equities - common stock	6,610,985	6,091,008
Real estate investment funds	783,739	758,630
Total Investments	10,043,366	9,096,073
Receivables	19,018	25,472
Due from City	69,587	67,202
Prepaid expense	8,927	3,750
Total Assets	10,141,088	9,192,687
Liabilities		
Accounts payable	18,045	10,298
Employer prepaid contribution	5,002	5,002
Total Liabilities	23,047	15,300
Net Position		
Restricted for pension benefits	$ 10,118,041	$ 9,177,387

The accompanying notes are an integral part of these financial statements.

CITY OF SOUTH PASADENA, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR END SEPTEMBER 30, 2024)

	Firefighters' Retirement Fund	
	2025	2024
Additions		
Contributions:		
City	$ 576,830	$ 495,524
Employee contributions	107,886	99,286
Total Contributions	684,716	594,810
Intergovernmental revenue		
State excise tax rebate	69,587	67,202
Investment earnings		
Net change in fair value of investments	617,324	1,481,389
Interest and dividends	436,156	216,687
Total investment earnings	1,053,480	1,698,076
Less investment expense	(43,280)	(42,996)
Net Investment Earnings	1,010,200	1,655,080
Total Additions	1,764,503	2,317,092
Deductions		
Benefits	743,736	746,685
Professional services	75,048	52,231
Trustee / plan administrator's expenses	5,065	5,063
Total Deductions	823,849	803,979
Change in Net Position	940,654	1,513,113
Net Position - Beginning	9,177,387	7,664,274
Net Position - Ending	$ 10,118,041	$ 9,177,387

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared to conform with the standards set forth by the Governmental Accounting Standards Board ("GASB"). The following is a summary of the more significant accounting and reporting policies.

REPORTING ENTITY

The City of South Pasadena, Florida (the "City") is a municipal corporation established in 1955 pursuant to the laws of Florida and operates under applicable provisions of Florida Statutes.

The City follows the principles of Section 2100, "*Defining the Reporting Entity*" of GASB "*Codification of Governmental Accounting and Financial Reporting Standards*" which established standards for defining and reporting on the "Financial Reporting Entity". The financial reporting entity includes the primary government, organizations for which the primary government is financially accountable and other organizations for which, if excluded, would cause the reporting entity's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority to an organization's board and either displays the ability to impose its will on that organization, the possibility that the organization will impose or provide a financial burden or benefit to the primary government, or management of the primary government has operational responsibility for the component unit and manages the component unit in essentially the same manner in which it manages its own programs or departments. The City has no such applicable organizations that meet these requirements; therefore, the accompanying financial statements include only information relative to the primary government.

BASIC FINANCIAL STATEMENTS

The City presents its Annual Comprehensive Financial Report ("ACFR") in accordance with the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and – Management's Discussion and Analysis – for State and Local Governments* ("GASB 34"). This standard establishes the financial reporting requirements for state and local governments. The Statement establishes specific standards for basic financial statements, management's discussion and analysis ("MD&A"), and certain required supplementary information.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIC FINANCIAL STATEMENTS (CONTINUED)

As part of reporting pursuant to GASB 34, there is a reporting requirement regarding infrastructure; that is roads, sidewalks, curbing, and drainage improvements, etc. All major general infrastructure assets that were acquired or significantly reconstructed, or that received significant improvements, in fiscal years ending after June 30, 1980, are required to be retroactively reported. All newly acquired or improved infrastructure assets must be reported in accordance with GASB 34. The City has included infrastructure assets acquired prior to June 30, 1980 that still have remaining useful lives.

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements. The government-wide financial statements are presented using a full accrual, economic resource basis, which incorporates long-term assets and receivables and long-term liabilities. Governmental activities include the General Fund and the Capital Improvements Fund. Business-type activities include the Sewer Fund and the Reclaimed Water Fund. The City's Fiduciary Fund, which consists of the Firefighters' Retirement Plan, is not included in the government-wide financial statements since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the City.

The government-wide Statement of Activities reports the gross and net cost for the various functional categories (general government, police, fire, etc.) of the City that are otherwise supported by general government revenues. The expenses for each functional category are reduced by program revenues to ascertain the net costs for that function. Program revenues are defined as charges for services, operating and capital grants that specifically relate to a specific program function. Charges for services include revenue arising from charges to customers or applicants, who purchase, use or directly benefit from the goods, services, or privileges provided. Operating and capital grants consist of revenues received from governments, organizations or individuals that are specifically attributable to a program and are restricted for either operating expenditures / expenses or capital expenditures / expenses associated with the specific program.

Major funds in both the governmental activities and business-type activities, and non-major funds are summarized into a single column. The City does not have any non-major funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION

The accounts of the City are organized on the basis of funds, each of which is considered an independent fiscal and accounting entity with a self-balancing set of accounts recording its assets, liabilities, fund equity, revenues, and expenditures (expenses) as appropriate. City resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The accompanying basic financial statements present each major fund as a separate column on the fund financial statements:

- Governmental Funds – This fund category accounts for the acquisition, use, and balances of the City's expendable financial resources and the related current liabilities, except for those accounted for in the Proprietary Funds. Governmental funds are those funds through which most governmental functions are typically financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City has presented the following major governmental funds:

  The *General Fund* is the main operating fund of the City. It 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 restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital costs that are not paid through other funds are paid from the General Fund.

  The *Capital Improvements Fund* is used to account for intergovernmental revenue that is restricted in use for infrastructure improvements or vehicles with a life expectancy of at least five (5) years, as well as other funds received and expended for construction, renovation, expansion and major improvement of various City facilities, acquisition of land and other large nonrecurring projects.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION (CONTINUED)

- Proprietary Funds – This fund category accounts for all assets, liabilities, equities, revenues, and expenses related to the City's activities similar to businesses in the private sector. The measurement focus of a Proprietary Fund is on determination of net income, financial position and cash flows using the accrual basis of accounting.

  These funds are used to account for operations: (a) that are financed and operated in a manner similar to private enterprises, where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City has two major proprietary funds:

  The *Sewer Fund* is used to account for the provision of Sewer services to the residents of the City. Activities of the sewer system include operations and maintenance of the system. All costs are financed through charges to utility customers.

  The *Reclaimed Water Fund* is used to account for the provision of Reclaimed Water services to the residents of the City. Activities of the reclaimed water system include operations and maintenance of the system and collection of system user fees. All costs are financed through charges to utility customers.

  Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in conjunction with a proprietary fund's principal ongoing operations. Operating expenses for proprietary funds include the cost of personnel, contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenue and expenses.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BASIS OF PRESENTATION (CONTINUED)

Additionally, the City reports the following fund types:

Fiduciary Trust Fund – This fund is used to account for assets held by the City in a trustee capacity. The Pension Trust Fund is a single trust fund used to account for the Firefighters' Retirement Pension Plan.

BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

- Modified Accrual - The modified accrual basis of accounting is utilized for the governmental fund types. Under this basis, revenues are recognized when they become susceptible to accrual, that is, when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty (60) days of the end of the current period. Substantially all intergovernmental revenues and interest are susceptible to accrual. Property taxes are billed and substantially collected within the same fiscal year.

  Revenues for reimbursement of grant expenditures are recognized as the expenditures are incurred up to the grant award amount.

  Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt are recognized when due.

- Accrual - The accrual basis of accounting is utilized for the Proprietary and Fiduciary Trust Fund. Under this basis, revenues are recognized in the period earned and expenses are recognized in the period that the liability is incurred.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BUDGET AND BUDGETARY ACCOUNTING

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

a) By July 1, the City Finance Director submits to the City Commission a proposed budget for the ensuing fiscal year. It contains proposed expenditures and the means to finance them, including a proposed property tax millage rate.

b) Public hearings are conducted in August and September to obtain taxpayer comments on the proposed budget and property tax millage rate.

c) The budget and property tax millage rate is approved by the City Commission in September and adopted as a budget ordinance. This budget ordinance is adopted at the fund level.

d) The budget is reviewed after the first six months of the fiscal year and any unusual and unforeseen changes are incorporated into the budget on a fund level by a modifying ordinance. This action requires the approval of the City Commission. Typically, the City does not make any budget line item revisions within departments or any inter-department budget transfers.

e) Annual budgets were adopted for the following funds: General Fund, Capital Improvements Fund, the Sewer Fund, and the Reclaimed Water Fund. The budget serves as legal authorization for all expenditures except for the Fiduciary Fund types, which are controlled through alternate means. The budget is adopted and passed at the fund level. However, budgeted expenditures may not legally exceed appropriations at the department level for the General Fund and on an individual fund basis for the Capital Improvements Fund, Sewer Fund, and Reclaimed Water Fund. The General Fund and Capital Improvements Fund budgeted appropriations were increased by $1,032,500 and $539,500, respectively, and the Water Fund budgeted appropriations were decreased $260,300 during the fiscal year ended September 30, 2025. The Reclaimed Water Fund's budgeted appropriations were not amended.

f) All appropriations lapse at the end of the fiscal year. The City does not use an encumbrance method of accounting for appropriations.

g) Budgets for governmental fund types are adopted on a basis consistent with generally accepted accounting principles ("GAAP"). The budgets for the proprietary fund types (Sewer Fund and Reclaimed Water Fund) are adopted on a financial flow basis (depreciation is excluded) and as a result are not consistent with GAAP.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES AND FUND EQUITY

Cash, Cash Equivalents and Pooled Cash and Investments
Cash balances of each fund, except for the Fiduciary Fund types, are pooled for investment purposes. The interest earned is allocated to each fund based on the fund's average balance in the pooled cash account. Cash in excess of each fund's immediate needs is placed in interest bearing accounts with several financial institutions.

The City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Deposits with the State Board of Administration, which are investments, are considered to be a cash equivalent for purposes of determining cash flows.

Investments
Investments consist of money market accounts, funds invested with the State Board of Administration, Florida PRIME Fund ("Florida PRIME"), the Florida Municipal Investment Trust ("FMIT"), and the Florida Surplus Asset Fund Trust ("Florida SAFE"). The investments are reported at fair value. Investments in the Fiduciary Fund consist of money market funds, U.S. Government and Federal Agency securities and bonds, corporate bonds, a real estate investment fund, and equities – common stocks. Investments in the Fiduciary Fund are accounted for at fair value. Funds invested with the Florida PRIME are valued at amortized cost. Deposits with the FMIT and Florida SAFE are reported at net asset value.

Accounts Receivable
Accounts receivable represent amounts due for various City services and utilities, provided primarily to local businesses and residents. Accounts receivable are reported net of an allowance for doubtful accounts determined based on the age of the individual receivable and historical collection trends. Accounts receivable are written off on an individual basis in the fiscal year the City deems them uncollectible. An allowance for doubtful accounts has been provided for those accounts where collectability appears to be doubtful. The City maintains an allowance for doubtful accounts at a level which management believes is sufficient to cover potential credit losses.

Inventory of Supplies
Inventory is valued using the average cost basis and consists of expendable supplies held for consumption. The costs of the supplies are recorded as expenditures at the time the inventory is consumed.

Prepaid Expenses
Payments made to vendors that will benefit periods beyond September 30, 2025 are recorded as prepaid items under the consumption method of accounting.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES AND FUND EQUITY (CONTINUED)

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets, and intangibles (i.e. software), are reported in the applicable government or business-type activity in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of $1,000 or more and an estimated useful life in excess of one year. These assets are capitalized at historical cost, or estimated historical cost if actual cost information is not available. Donated capital assets, donated works of art or similar items, and capital assets received in a service concession arrangement are capitalized at their acquisition value on the date donated. Additions, improvements and other capital outlays that significantly extend the useful life of the asset are also capitalized.

Depreciation and amortization, which is computed on a straight-line basis, is provided for in amounts sufficient to charge the cost of depreciable assets to operations over their estimated useful lives. Depreciation and amortization are not provided for capital projects in process. Interest cost incurred on construction in progress is capitalized as part of the cost of assets acquired in an enterprise fund. The estimated useful lives of the assets are as follows:

Category	Useful Life
Structures and improvements	15 – 50 years
Infrastructure	20 – 40 years
Furniture, fixtures and equipment	3 – 20 years
Sewer system equipment	12 years
Sewer system	40 years
Reclaimed water system	30 years
Intangible software asset	5 years or agreement term

Subscription-Based Information Technology Arrangements ("SBITA")

The SBITA assets are initially measured at an amount equal to the initial measurement of the related SBITA liability plus any SBITA payments made prior to the subscription term, less SBITA incentives, plus any ancillary charges necessary to place the SBITA into service. The SBITA assets are amortized on a straight-line basis over the life of the related contract.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES AND FUND EQUITY (CONTINUED)

Compensated Absences

All full-time employees are allowed to carry over a maximum of 20 days of accumulated vacation time and 116 days of sick leave. General employees that have served the City for a minimum of 10 years are eligible for retirement and are paid a portion of their accumulated sick leave upon separation from the City; general employees with 10 to 14 years of service are paid 20% of their sick leave up to 116 days, and general employees with 15 or more years of service are paid 25% of their sick leave up to 116 days.

Firefighters are permitted to accumulate up to 1,400 hours of sick leave. Firefighters are paid 50% of their sick leave in excess of 700 hours upon retiring from the City.

A leave liability is recognized due to the leave attributable to services already rendered, leave that accumulates, and leave that is more likely than not to be used for time off. The liability has been calculated using the leave amounts for both employees who currently are eligible to receive termination payments, and other employees who are expected to become eligible in the future to receive such payments upon termination. The liability has been calculated based on the employee's current salary levels and includes salary-related costs (e.g., Social Security and Medicare tax). The current year's accruals are based on estimates.

The portion of the compensated absences liability that pertains to accrued vacation and compensatory time that is to be paid out of current available resources for terminated employees is recorded in the government–wide financial statements as a current liability. The remainder of the liability, which includes all accumulated sick time that is not expected to be paid within the next year, is reported as a component of long-term liabilities in the government–wide financial statements. There is no liability for compensated absences recorded in the Sewer and Reclaimed Water Funds as there are no employees in these funds.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The City has two items that qualify for reporting in this category as deferred outflow of resources. An item related to the Pensions (Note 7) and an item related to the Other Post-Employment Benefits (Note 8).

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES AND FUND EQUITY (CONTINUED)

Deferred Outflows/Inflows of Resources (Continued)
In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The City has one item that qualify for reporting in this category. See Pensions (Note 7).

Net Position/Fund Balance
Net Position: The government-wide and business-type fund financial statements utilize a net position presentation. Net Position is presented in three components – *net investment in capital assets, restricted and unrestricted*. The net investment in capital assets component consists of capital assets less accumulated depreciation and any related long-term debt. Restricted assets consist of net position that has constraints placed on them either externally by third parties (grantors and contributors) or by law through provisions of enabling legislation. Unrestricted net position consists of items that do not meet the definition of "*net investment in capital assets*" or "*restricted*". The government-wide statement of net position reports $5,733,143 of restricted net position, which is restricted for funding of infrastructure improvements and equipment.

Fund Balance Classifications: The City reports fund balances in accordance with the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions (*GASB 54). GASB 54 provides that governmental fund financial statements will present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The City has classified Supplies Inventory and Prepaid Items as being Nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next current year.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ASSETS, LIABILITIES AND FUND EQUITY (CONTINUED)

Net Position/Fund Balance (continued)

Restricted - This classification includes amounts for which constraints have been placed on the use of the resources through either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. The City has included $4,728,563 of restrictions for a portion of the fund balance that has been legally segregated for the funding of infrastructure improvements and equipment as required by Florida Statutes.

Committed - This classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action by the City Council, in this case by ordinance. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (ordinance) that was employed when the funds were initially committed. This classification also includes contractual obligations (encumbrances) to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. For the fiscal year ended September 30, 2025 the City did not have any funds classified in this category.

Assigned - This classification includes amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Commission through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. This category also includes amounts for future budgetary appropriations. For the fiscal year ended September 30, 2025, the City did not have any amounts classified in this category.

Unassigned - This classification includes the residual fund balance for the General Fund and amounts that have not been restricted, committed or assigned to specific purposes.

The City would typically use Restricted fund balances first, followed by Committed resources and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first and to defer the use of these other classified funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUES

Property Taxes: The Pinellas County Tax Collector bills and collects all property taxes levied within the county. Ad valorem taxes are levied on property values as of January 1 of each year and are considered to be based upon the final millage rate adopted by the City Commission. The taxes are generally due November 1 and become delinquent April 1 of the following year at which time they become a lien. Tax certificates are sold by the Pinellas County Tax Collector on May 15. Property taxes are budgeted and recognized as revenues in the fiscal year during which the taxes are billed and substantially collected.

Grants: Amounts received are restricted as to use in accordance with applicable grant requirements. Generally, these funds are subject to compliance audits and must be returned to the grantors if they exceed the cost of the program or are used in violation of the grant regulations.

Interfund Transactions

Interfund transactions are reflected as loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables and are subject to elimination in the government-wide financial statements. Services provided are deemed to be at market or near market rates and are treated as revenues and expenditures/expenses and are not eliminated in the consolidation of the government-wide financial statements. Reimbursements occur when one fund incurs a cost and charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts of assets and deferred outflows of resources, liabilities and deferred inflows of resources, disclosures of contingent liabilities, revenues and expenditures/expenses reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Unearned/Unavailable Revenues

Unearned revenue arises when resources are received by the City before it has a legal claim to them. In addition, inflows that do not yet meet the criteria for revenue recognition are recorded as unearned revenue or a deferred inflow in the government-wide and the fund financial statements. In subsequent periods, when the City has a legal claim to the resources, the liability for unearned revenue or a deferred inflow is removed and revenue is recognized. In the governmental funds, unavailable revenue may also arise if the funds are not received in the availability period; the funds are then not considered a current available resource.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements Adopted
The City considered the new accounting standards which effective dates are applicable for the fiscal year ended September 30, 2025. The implementation of GASB Statement No. 101, *Compensated Absences* and GASB Statement No. 102, *Certain Risk Disclosures*, did not have a significant impact on the City's financial statements.

Comparative Data
The financial statements include summarized prior year comparative information that does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the fiscal year ended September 30, 2024, from which such summarized information was derived.

NOTE 2 – CASH, CASH EQUIVALENTS AND POOLED CASH AND INVESTMENTS

CASH AND POOLED CASH

The City maintains a cash and investment pool that is available for all funds except the Fiduciary Fund type. The investments of the Pension Trust Fund are held separately from those of other City funds.

DEPOSITS

Florida Statutes and City policy require that all City demand accounts be in financial institutions that pledge collateral with the State Treasurer pursuant to Chapter 280, Florida Statutes. The City is required to verify that monies are on deposit with "*qualified public depositories*" as defined in Florida Statutes Section 280.02. Florida Statutes require that all qualified public depositories provide collateral each month equal to a least 50 percent of the public funds on deposit with the institution that are in excess of deposit insurance amounts. The carrying amount of the City's deposits as of September 30, 2025 was $2,010,820, excluding $20,541 of petty cash funds and cash on hand that are maintained. The amounts on deposit in money market type accounts and certificate of deposits as of September 30, 2025 that do not qualify as public funds totaled $3,374,959.

The State Treasurer may assess other qualified public depositories for a pro rata share of any loss suffered by a public depositor in excess of its depository's collateral. Since the City uses only authorized public depositories, all funds, including time deposits, deposited with financial institutions are in compliance with the City's policies.

NOTE 2 – CASH, CASH EQUIVALENTS AND POOLED CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS

Florida Statutes (218.415) authorize municipalities to invest excess funds in time deposits or savings accounts of financial institutions approved by the State Treasurer, obligations of the U. S. Government, U. S. Government Instrumentalities, State of Florida Local Government Surplus Trust Fund (State Board of Administration), and mutual funds investing in U.S. Government Securities.

The City adopted its own investment policy that also authorizes the City to invest in the following:

a) Florida Local Government Surplus Funds Trust (State Board of Administration).
b) Florida Municipal Investment Trust Funds.
c) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
d) Interest-bearing time deposits or saving accounts in qualified public depositories.
e) Direct obligations of the U.S. Government Treasury.
f) Certificates, notes, bonds, or bills of the United States, or other obligations of the United States or its Agencies which are backed by the full faith and credit of the U. S. and include, but are not limited to:
    1) Government National Mortgage Association (GNMA)
    2) Farmers Home Administration
    3) Small Business Administration (SBA)
    4) General Services Administration (GSA)
    5) Federal Housing Administration
    6) Housing and Urban Development (HUD)
g) Obligations of government-sponsored corporations (Instrumentalities) which are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve (Instrumentalities are usually AAA rated, but have no explicit government guarantee) and include, but are not limited to:
    1) Federal National Mortgage Association (FNMA)
    2) Federal Farm Credit Banks (FFCB)
    3) Federal Home Loan Bank (FHLB)
    4) Federal Home Loan Mortgage Corporation (FHLMC)
    5) Student Loan Marketing Association (SLMA)
    6) Tennessee Valley Authority (TVA)
h) Non-negotiable Certificates of Deposit, which can be insured, collateralized at the Federal Reserve or qualify as State Public Deposits, as defined by Florida Statutes.
i) Taxable or Tax-Exempt Government bonds, notes or other obligations of investment grade quality (as established by a nationally recognized rating agency), municipal corporation, special district, and authority or political subdivision thereof.

NOTE 2 – CASH, CASH EQUIVALENTS AND POOLED CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

j) Repurchase Agreements with primary dealers or with the City's primary state qualified public depository that are evidenced by a Master Agreement to engage in this investment option and are fully collateralized by U. S. Government Obligations or any Agency or Instrumentality thereof (Reverse Repurchase Agreements are prohibited).
k) Securities in, or other interests in, any open-ended or closed-end management type investment company or investment trust registered under the Investment Company Act of 1940, provided the portfolio is limited to obligations of the U. S. Government or any agency or instrumentality thereof (Mutual Funds).

The City's investment policy states that, to the extent possible, investment maturities and liquidity shall be matched to anticipated cash flow requirements and unless an investment is matched to a specific cash flow such as a reserve requirement or other longer-term investment horizon, investments shall not have a maturity date of more than three (3) years from the date of purchase.

Florida PRIME is an external investment pool administered by the Florida State Board of Administration, which is a three member board made up of the State elected officials of Governor, Chief Financial Officer and Attorney General. This Board is empowered by Florida law to invest funds at the request of local governments. The Florida PRIME is treated as a "2a-7 like" pool and is valued using the pooled share price (amortized cost), which approximates fair value. As of September 30, 2025, the weighted average maturity of Florida Prime investments was 47 days.

FMIT is an investment pool administered by the Florida League of Cities, Inc. It is an inter-local governmental entity created under the laws of the State of Florida. FMIT is an authorized investment under Section 163.01 of the Florida Statutes. The City has invested in the Trust's 0-2 Year High Quality Bond Fund and the 1-3 Year High Quality Bond Fund.

Florida SAFE is a common law trust organized in 2007 under the laws of the State of Florida. An elected five-member Board of Trustees oversees all actions and decides on general policies. The trust is administered by Florida Management Administrative Services, LLC and the investment advisor is PMA (Prudent Man Advisors) Asset Management, LLC. Florida SAFE includes a liquid money market-like investment called the "FL SAFE Fund" and one or more Term Series portfolios that have a fixed duration. Participants in the trust may invest in the Fund and any Term Series portfolios and in a value-added program called the "*Fixed Income Investment Program,*" through which the participants may purchase investments for their own portfolio. The Fund is accounted for at net asset value. The Florida SAFE Fund

NOTE 2 – CASH, CASH EQUIVALENTS AND POOLED CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

and the Term Series portfolios are treated as "2a-7 like" pools in accordance with GASB Statements No. 31 and No. 79 and are valued using the pooled share price (amortized cost), which approximates fair value. As of September 30, 2025, the weighted average maturity of FL SAFE Fund investments was 60 days. The Florida SAFE Fund and the Term Series portfolios seek to maintain a constant net value per share of $1.00.

FAIR VALUE OF INVESTMENTS

The City categorizes its fair value of investments within the fair value hierarchy established by generally accepted accounting principles pursuant to GASB Statement No. 72, *Fair Value Measurement and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are other than quoted prices that are derived from or corroborated by observable market data through correlation or by other means, and Level 3 are significant unobservable inputs.

INTEREST RATE RISK

In compliance with the City's investment policy regarding interest rate risk, as of September 30, 2025, the City minimized the interest rate risk related to the decline in value of securities due to rising interest rates, by limiting the effective duration of security types not to exceed three years and investing in short-term securities or similar investment pools so that securities mature to meet the cash requirements for ongoing operations, thereby avoiding the need to sell securities in the secondary market prior to maturity. The City minimizes interest rate risk with regard to external investment pools by investing in investment pools that maintain a short average maturity period.

CREDIT RISK

In compliance with the City's investment policy regarding credit risk, as of September 30, 2025, the City minimized credit risk due to default of a security issuer or backer, by limiting investments to the safest types of securities and government investment pools, and by pre-qualifying the financial institutions with which the City does business.

NOTE 2 – CASH, CASH EQUIVALENTS AND POOLED CASH AND INVESTMENTS (CONTINUED)

CREDIT RISK (CONTINUED)

The City's investments carried at fair value with recurring fair value measurements as of September 30, 2025, are:

	Maturity	Fair Value Measurement	Fair Value	Rating
Florida PRIME	N/A	Amortized Cost	$ 4,952,285	AAAm
Florida Municipal Investment Trust (FMIT)	N/A	Net Asset Value	1,372,202	AAAf
Florida SAFE	N/A	Net Asset Value	4,069,087	AAAm
Total Investments			$ 10,393,574	

The City does not participate in any securities lending transactions, nor has it used, held or written derivative financial instruments.

A reconciliation of the amount of petty cash, deposits and investments reported as cash equivalents to the Statement of Net Position as of September 30, 2025, is as follows:

Petty cash and cash on hand	$ 20,541
Deposits - public funds	2,010,820
Deposits - non-public funds	3,374,959
Investments	10,393,574
Total	$15,799,894
As reported in the Statement of Net Position:	
Cash, cash equivalents and pooled cash and investments	$15,799,894

FIREFIGHTERS' RETIREMENT FUND

Deposits
Salem Trust periodically holds un-invested cash in its capacity as custodian of the Firefighters' Retirement Fund. These funds exist as cash in the process of collection from the sale of securities.

NOTE 2 – CASH, CASH EQUIVALENTS AND POOLED CASH AND INVESTMENTS (CONTINUED)

FIREFIGHTERS' RETIREMENT FUND (CONTINUED)

Investments

The Board of Trustees of the Firefighters' Retirement Fund is authorized to invest and reinvest in:

1) Equities - Must be traded on a national exchange or electronic network; and not more than 5% of the Plan's assets shall be invested in the common stock, capital stock or convertible stock of anyone issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company.
2) Fixed Income - All direct fixed income investments shall have a minimum rating of investment grade or higher as reported by a major credit rating service; and the value of bonds issued by any single corporation shall not exceed 5% of the total fund.
3) Money Market - The money market fund or STIF options provided by the Plan's Custodian; and have a minimum rating of A1/P1, or its equivalent, by a major credit rating service.
4) Pooled Funds - Investments made by the Board may include pooled funds. For purposes of this policy pooled funds may include, but are not limited to, mutual funds, commingled funds, exchange traded funds, limited partnerships and private equity. Pooled funds may be governed by separate documents which may include investments not expressly permitted in this Investment Policy Statement. In the event of investment by the Plan into a pooled fund, the prospectus or governing policy of that pooled fund, as updated from time to time, shall be treated as an addendum to this Investment Policy Statement. The Investment Consultant shall periodically review with the Board any material changes in the prospectus or governing policy of a pooled fund.

NOTE 2 – CASH, CASH EQUIVALENTS AND POOLED CASH AND INVESTMENTS (CONTINUED)

FIREFIGHTERS' RETIREMENT FUND (CONTINUED)

Investments (Continued)

The Firefighters' Retirement Plan held the following deposits and investments with recurring fair value measurements as of September 30, 2025:

Salem Trust Retirment Funds	Fair Value Measurement	Fair Value	Rating
Deposits			
Money market funds	N/A	$ 535,246	N/A
Investments			
Bonds:			
U.S. government agency fixed income securities	Level 2 inputs	1,155,311	N/A
Corporate bonds	Level 1 inputs	958,085	*
Equities - common stock and mutual funds	Level 1 inputs	6,610,985	N/A
Limited partnership interest - real estate investment fund (American Core Realty)	NAV	783,739	N/A
Total Investments		$ 10,043,366	

* Investment complies with State of Florida investment requirements.

Investments valued using Net Asset Value ("NAV") as a practical expedient consist of a single real estate investment fund that invests in a diversified core of real estate. There are no unfunded commitments as of fiscal year end September 30, 2025. The fund can be redeemed at any time with a 10-day written notice.

Credit Risk, Interest Rate Risk and Concentration Risk

State law provides that retirement plan fixed income securities must have a quality rating of "A" or equivalent as rated by one or more recognized bond rating services at the time of purchase. Fixed income investments which are downgraded to a "BAA" or equivalent rating must be liquidated within a reasonable period of time not to exceed twelve months. Fixed income investments that are downgraded below a "BAA" rating are to be liquidated immediately. At September 30, 2025, the City had balances in the Florida PRIME and Florida SAFE which represented 29% and 24% respectively, of total cash and investments.

NOTE 3 – DUE FROM OTHER GOVERNMENTS

The amounts due from other governments consist of the following as of September 30, 2025:

General Fund	
State of Florida	
Communications Service Tax	$ 12,722
Fire Insurance Premium Tax	69,587
Pinellas County:	
EMS	11,337
Local Options Gas Tax	5,417
Capital Improvement Fund	
Pinellas County:	
Infrastructure Tax	54,702
Total - governmental activities	153,765
Sewer Fund	
City of St. Petersburg - sewer service fees	122,430
Total- business- type activities	122,430
Total	$ 276,195

The amounts due from other governments are unsecured and represent concentrations of credit risk in the event that any of the governmental entities were unable to remit the amount due the City.

NOTE 4 – CAPITAL ASSETS

The major components of capital assets for the City are summarized as follows at September 30, 2025:

	Beginning Balance October 1, 2024	Additions	Deletions	Transfers/ Reclassifications	Ending Balances September 30, 2025
Governmental Activities					
Non-depreciable assets:					
Land and land rights	$ 4,609,087	$ --	$ --	$ --	$ 4,609,087
Construction and projects in progress	109,606	--	--	(109,606)	--
Total non-depreciatble assets:	4,718,693	--	--	(109,606)	4,609,087
Depreciable and amortizable assets:					
Structures and improvements	14,120,519	1,410,801	(71,893)	--	15,459,427
Infrastructure	5,420,997	153,143	(15,446)	109,606	5,668,300
Furniture, fixtures and equipment	4,744,316	680,028	(265,631)	--	5,158,713
Intangible right-to-use subscription asset	355,745	--	--	--	355,745
Total Depreciable and amortizable assets	24,641,577	2,243,972	(352,970)	109,606	26,642,185
Less: Accumulated Depreciation/Amortizaiton for:					
Structures and improvements	3,686,235	520,656	(47,796)	--	4,159,095
Infrastructure	3,049,261	231,648	(15,446)	--	3,265,463
Furniture, fixtures and equipment	2,632,564	394,227	(258,214)	--	2,768,577
Intangible right-to-use subscription asset	209,432	15,349	--	--	224,781
Total Accumulated Depreciation and Amortization	9,577,492	1,161,880	(321,456)	--	10,417,916
Total Capital Assets, Net	$ 19,782,778	$ 1,082,092	$ (31,514)	$ --	$ 20,833,356

	Beginning Balance October 1, 2024	Additions/ Transfers	Deletions	Transfers/ Reclassifications	Ending Balances September 30, 2025
Business-type Activities					
Depreciable assets:					
Infrastructure - sewer system	$ 4,423,816	$ 132,576	$ --	$ --	$ 4,556,392
Infrastructure - reclaimed water system	3,366,321	--	--	--	3,366,321
Total depreciable assets	7,790,137	132,576	--	--	7,922,713
Less: Accumulated Depreciation for:					
Infrastructure - sewer system	3,475,360	138,259	--	--	3,613,619
Infrastructure - reclaimed water system	3,037,337	112,211	--	--	3,149,548
Total Accumulated Depreciation	6,512,697	250,470	--	--	6,763,167
Total Capital Assets, Net	$ 1,277,440	$ (117,894)	$ --	$ --	$ 1,159,546

NOTE 4 – CAPITAL ASSETS (CONTINUED)

Depreciation and amortization were charged to governmental activities as follows:

General government	$ 50,510
Public safety - fire	681,318
Public safety - protective inspections	44,993
Transportation - public works	138,176
Culture and recreation	34,809
Physical environment	212,074
Total Capital Assets, Net	**$ 1,161,880**

INTANGIBLE RIGHT-TO USE SUBSCRIPTION ASSET – SBITA

The City's contract provided for the use of software for financial management information technology with the availability of adding licensing and permitting software. The agreement is for a five year period after which either the City or the information technology provider can cancel the contract. The present value of the subscription payments was determined using the City's incremental borrowing rate which was 1.57% as of the date that the agreement was entered into. As of September 30, 2025, the intangible right-to-use subscription asset was $355,745 and accumulated amortization is $224,781.

Upon expiration of the initial term the agreement on June 1, 2025, the SBITA renews automatically for an additional one (1) year renewal term at the current fee unless terminated in writing by either party 60 days prior to the end of the then current renewal term.

In accordance with GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, the City's property easements are included within the category of "*Land and Land Rights*."

NOTE 5 – UNEARNED REVENUE

Unearned revenue of $52,264 as of September 30, 2025 consists of local business tax receipts received in advance that pertain to fiscal year ended September 30, 2026. The unearned revenue is reported as a liability.

NOTE 6 – LONG-TERM DEBT

Long-term debt as of September 30, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Revenue bonds payable	$ 9,124,000	$ --	$ 554,000	$ 8,570,000	$ 575,000
Accrued compensated absences	$ 354,128	$ 345,384	$ 309,481	$ 390,031	$ 78,006

Long-term debt for the governmental activities is comprised of the following as of September 30, 2025:

Revenue bonds payable: The Capital Improvement Revenue Bonds, Series 2023, were issued on April 14, 2023 in the amount of $9,900,000 for the purpose of financing the construction costs of a new fire station. The interest rate on the bonds is 3.86% and interest is payable semi-annually on October 1 and April 1. The bonds mature annually through October 1, 2037. The bonds will be repaid from non-pledged Non-Ad Valorem revenues. The City can redeem the bonds in whole or in part after October 1, 2028.	$ 8,570,000
Accrued Compensated Absences: The vested portion of accumulated vacation and sick leave benefits due employees:	$ 390,031

The compensated absences liability will be paid from the General Fund.

NOTE 6 – LONG-TERM DEBT (CONTINUED)

The debt service requirement on the Capital Improvement Revenue Bonds, Series 2023 are as follows:

	Principal	Interest	Total
Fiscal year ended:			
2026	$ 575,000	$ 330,802	$ 905,802
2027	597,000	308,607	905,607
2028	620,000	285,563	905,563
2029	644,000	261,631	905,631
2030	669,000	236,772	905,772
2031-2035	3,753,000	775,899	4,528,899
2036-2038	1,712,000	99,742	1,811,742
Total	$ 8,570,000	$ 2,299,016	$ 10,869,016

RIGHT-TO-USE SUBSCRIPTION LIABILITY – SBITA

The present value of the subscription payments was $355,745 which have been recorded as right of use asset. The subscription payments are to be paid over the five-year term of the agreement. The present value of the subscription payments was determined using the City's incremental borrowing rate, which was 1.57% as of the date that the agreement was entered into. The Right-to-Use Subscription Liability was paid in full as of September 30, 2024.

NOTE 7 – PENSION PLANS

The City is involved with three pension plans: the Firefighters' Retirement Fund (a single employer defined benefit pension plan); the Florida Municipal Pension Trust Fund (a defined contribution pension plan), and the Florida Retirement System (a cost-sharing multiple-employer defined benefit pension plan).

As further explained within this note, the City has recognized pension expenses for each of the retirement plans as follows:

Defined benefit pension plans:		
Firefighters' Retirement Fund	$	695,188
Florida Retirement System		87,149
		782,337
Defined contribution plan:		
Florida Municipal Pension Trust Fund		16,355
Total	$	798,692

FIREFIGHTERS' RETIREMENT FUND

The City administers the Firefighters' Retirement Fund pension plan (the "Plan") pursuant to Chapter 175 of the Florida Statutes. The investments of the Plan are held by the City in a trustee capacity and are maintained in a segregated trust account. The trust account is managed by a professional trustee pursuant to a trust agreement with the City. The Plan's financial statements are included within the Annual Comprehensive Financial Report of the City. The Plan does not issue a stand-alone financial report.

Plan Administration - The Plan is administered by a five-member Board of Trustees that is comprised of two Commission appointees, two members of the department that are elected by the membership, and a fifth member who is elected by the other four members and appointed by Commission.

NOTE 7 – PENSION PLANS (CONTINUED)

FIREFIGHTERS' RETIREMENT FUND (CONTINUED)

Membership in the Plan - Membership of the plan as of:

	10/1/2024	10/1/2023
Inactive plan members or beneficiaries currently receiving benefits	17	15
Inactive plan members entitled to but not yet receiving benefits	2	1
Active plan members	19	19
Total Members	38	35

Basis of Accounting - The plans' financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and expenses are recognized when due and payable in accordance with the terms of the plan. The plan does not issue separate financial statements. The financial statements for the Plan are presented within this footnote and also presented on pages 28 and 29 which contain the Fiduciary Fund financial statements.

Method Used to Value Investments - Investments are reported at fair value. Short-term money market type investments are reported at cost which is equal to fair value.

Administrative Costs - The costs incurred in administering the Plan are paid for out of the Plan's assets.

Plan Description and Benefits Provided - Employees who are classified as full-time Firefighters participate in the plan as a condition of employment. The Plan provides pension benefits after 10 years of service upon retirement at age 55 or after completion of 25 years of service upon retirement at age 52. The Plan also provides for early retirement at age 50 upon completion of 10 years of service. Benefits for normal retirement are calculated as follows: average final compensation, which is the average of the best five out of the last ten years salary benefits excluding bonuses, is multiplied by years of full-time service. The product of average final compensation and years of service is multiplied by a factor of 3.0% for all credited service. The Plan contains a Deferred Retirement Option Plan (DROP) that is available to firefighters that have satisfied the normal retirement requirements. Participation in the DROP, whereby firefighters are able to defer retirement benefits, cannot exceed 60 months. The deferred retirement benefits are credited with the actual net rate of investment return, which is defined as the total return net of brokerage commissions, management fees and transaction costs. Benefits vest 100% upon completing 10 years of credited service and the members will receive the vested portion of their benefits at age 55.

NOTE 7 – PENSION PLANS (CONTINUED)

FIREFIGHTERS' RETIREMENT FUND (CONTINUED)

The Plan also provides death and disability benefits for participants with coverage beginning from the date of employment. Service incurred disability benefits are accrued to the date of disability but not less than 42% of average final compensation. Pre-retirement death benefits are based on monthly accrued benefit and are paid to the designated beneficiary for a 10-year period.

Investments - The following was the Board's adopted asset allocation policy and related long-term expected rate of return based on best estimates of the arithmetic real rates of return for each major asset class adopted as of the September 30, 2025 and 2024:

Asset Class	Target Allocation	Expected Return	2025 Actual Allocation	2024 Actual Allocation
Domestic equity	45%	7.5%	54%	54%
International equity	15%	8.5%	15%	15%
Domestic fixed income	20%	2.5%	21%	20%
Global fixed income	5%	3.5%	1%	1%
Real estate	10%	4.5%	8%	9%
Alternatives	5%	6.1%	0%	0%
Total	100%			

The Plan did not hold investments in any one organization that represents 5% or more of the Plan's Fiduciary Net Position.

For the year ended September 30, 2025 the annual money-weighted rate of return on Plan investments net of investment expense was 11.16%. For the measurement year of September 30, 2024, the annual money-weighted rate of return on Plan investments net of investment expense was 21.909%. The money-weighted rate of return expresses investment performance net of investment expense, adjusted for the changing amounts actually invested.

NOTE 7 – PENSION PLANS (CONTINUED)

FIREFIGHTERS' RETIREMENT FUND (CONTINUED)

Net Pension Liability - The City records on its financial statements its net pension liability for the Firefighters' Retirement Fund. The net pension liability is measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position.

The components of the Net Pension Liability reported as of September 30, 2025, measured as of September 30, 2024, were as follows:

Total pension liability	$ 12,289,133
Less: Plan fiduciary net position	(9,182,885)
Net pension liability	$ 3,106,248
Plan's fiduciary net position as a percentage of total pension liability	74.72%

The discount rate used to measure the Plan's total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member (employees) contributions will be made at the current contribution rate of 6% of salary and that plan sponsor (employer) contributions will be made at rates equal to the difference between actuarially determined contribution rates and the plan member rate. Based on those assumptions, the 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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 7 – PENSION PLANS (CONTINUED)

FIREFIGHTERS' RETIREMENT FUND (CONTINUED)

Sensitivity of the net pension liability to changes in the discount rate:

1% Decrease (6.00%)	Current Dicscount Rate (7.00%)	1% Increase (8.00%)
$ 4,475,557	$ 3,106,248	$ 1,953,880

Actuarial Assumptions - The Total Pension Liability was determined using the following actuarial assumptions:

Reporting Date:	9/30/2025
Measurement Date:	9/30/2024
Actuarial Valuation:	10/1/2023
Inflation	2.50%
Salary increases	Service based
Discount rate	7.00%
Investment rate of return	7.00%
Mortality rates	Mortality Improvement Scale MP-2018 Healthy – Sex Distinct Female – PubS.H-2010 (Below Median), set forward one year Male – PubS.H-2010 (Below Median), set forward one year

NOTE 7 – PENSION PLANS (CONTINUED)

FIREFIGHTERS' RETIREMENT FUND (CONTINUED)

Change in Net Pension Liability - The change in the net pension liability for the year ended September 30, 2025 based on a September 30, 2024 measurement date is as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at October 1, 2024	$ 11,214,757	$ 7,669,176	$ 3,545,581
Changes for the current year:			
Service cost	270,069	--	270,069
Interest	805,583	--	805,583
Share plan allocation	10,049	--	10,049
Difference between expected and actual experience	253,347	--	253,347
Change of assumptions	482,014	--	482,014
Contributions - employer	--	495,524	(495,524)
Contributions - state	--	67,201	(67,201)
Contributions - employees	--	99,286	(99,286)
Net investment income (loss)	--	1,655,079	(1,655,079)
Benefit payments, including refund			--
of employee contributions	(746,686)	(746,686)	--
Administration expenses	--	(56,795)	56,795
Net Changes	1,074,376	1,513,609	(439,233)
Balances at September 30, 2025	$ 12,289,133	$ 9,182,785	$ 3,106,348

For the year ended September 30, 2025, using a measurement date of September 30, 2024, the City recognized pension expense for the Plan in the amount of $695,188.

NOTE 7 – PENSION PLANS (CONTINUED)

FIREFIGHTERS' RETIREMENT FUND (CONTINUED)

The City has reported Deferred Outflows and Deferred Inflows of Resources related to pensions in the Statement of Net Position as of September 30, 2025 as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience with regard to economic or demographic assumptions	$ 313,918	$ 94,542
Change of assumptions	469,138	38,905
Net difference between projected and actual earnings on pension plan investments	--	388,238
Employer and State contributions subsrquent to the measurement date	646,417	--
Total	$ 1,429,473	$ 521,685

Amounts reported as Deferred Outflows and Deferred Inflows of Resources related to the Plan, exclusive of employer contributions received subsequent to the measurement date, will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2026	$ 148,831
2027	332,447
2028	(146,142)
2029	(73,765)
Total	$ 261,371

NOTE 7 – PENSION PLANS (CONTINUED)

FIREFIGHTERS' RETIREMENT FUND (CONTINUED)

The financial statements for the Firefighters' Retirement Fund as of and for the year ended September 30, 2025 and 2024 are as follows:

Statement of Net Position
September 30,

	2025	2024
Assets		
Cash	$ 190	$ 190
Investments	10,043,366	9,096,073
Receivables	88,605	92,674
Prepaid Expenses	8,927	3,750
Total Assets	10,141,088	9,192,687
Liabilities		
Accounts payable	18,045	10,298
Employer prepaid contribution	5,002	5,002
Total Liabilities	23,047	15,300
Net Position Restricted for Pension Benefits	$10,118,041	$ 9,177,387

NOTE 7 – PENSION PLANS (CONTINUED)

FIREFIGHTERS' RETIREMENT FUND (CONTINUED)

Statement of Changes in Net Position
For the Year Ended September 30,

	2025	2024
Contributions		
Employer	$ 576,830	$ 495,524
Employee	107,886	99,286
Total Contributions	684,716	594,810
Intergovernmental revenue		
State excise tax rebate	69,587	67,202
Investment earnings		
Net change in fair value of investments	617,324	1,481,389
Interest and dividends	436,156	216,687
Total investment earnings	1,053,480	1,698,076
Less investment expense	(43,280)	(42,996)
Net investment earnings	1,010,200	1,655,080
Total additions	1,764,503	2,317,092
Deductions		
Benefits	743,736	746,685
Professional services	75,048	52,231
Trustee expenses	5,065	5,063
Total deductions	823,849	803,979
Change in Net Position	940,654	1,513,113
Net Position - October 1,	9,177,387	7,664,274
Net Position - September 30,	$10,118,041	$ 9,177,387

NOTE 7 – PENSION PLANS (CONTINUED)

FLORIDA MUNICIPAL PENSION TRUST FUND

Plan Description - The City, in accordance with Florida Statute 121, elected to opt out of the Florida Retirement System for newly hired general employees effective January 1, 1996. General employees are all employees of the City who are not required to be certified as firefighters as a condition for employment. The City contributes to the Florida Municipal Pension Trust Fund (FMPTF), a defined contribution pension plan that covers all full-time employees as of the first day of the month following one year from the date of hire, and is administered by the Florida League of Cities, Inc. FMPTF provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

Florida Statute 121 and 185 assigns the authority to establish and amend the benefit provisions of the plans that participate in FMPTF to the respective employer entities; for the City this is the City Commission. The Florida League of Cities, Inc. issues a publicly available financial report that includes financial statements and required supplementary information for the FMPTF.

That report may be obtained by writing to Florida League of Cities, Inc., P.O. Box 1757, Tallahassee, Florida 32302-1757 or by calling (850) 222-9684.

Funding Policy - The City is required to contribute 10% of eligible wages pursuant to the plan agreement. The City's contribution to the FMPTF for the years ended September 30, 2025, 2024 and 2023 was $16,355, $15,710, and $14,764, respectively. The City contributed the required amount in each of the three years.

Effective March 1, 2015, the City Commission approved rejoining the Florida Retirement System for all new eligible employees, other than certified firefighters, hired on or after the effective date. All employees participating in the Florida Municipal Pension Trust Fund can elect to participate in the Florida Retirement System.

NOTE 7 – PENSION PLANS (CONTINUED)

FLORIDA RETIREMENT SYSTEM

Plan Description - The City contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer public employee retirement system (PERS) defined benefit pension plan controlled by the State Legislature and administered by the State of Florida Department of Administration, Division of Retirement. FRS provides retirement and disability, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Chapter 121 of Florida Statutes assigns the authority to establish and amend benefit provisions to the State of Florida Department of Administration. The Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for FRS. That report may be obtained by writing to The Department of Management Services, Division of Retirement, Research, Education & Policy Section, Cedars Executive Center, Building C, 2639 North Monroe Street, Tallahassee, Florida 32399-1560 or by calling (850) 488-5706.

Funding Policy - Effective July 1, 2011, FRS requires contributions from covered members at a rate of 3%. The City is required by State statute to contribute, on a monthly basis, at an actuarially determined rate. Effective July 1, 2024 the contribution rates were 11.57% (regular members) and 32.46% (senior management members). As of July 1, 2025, these rates changed to 11.97% (regular members) and 31.18% (senior management members). The City's contributions to FRS for the years ended September 30, 2025, 2024 and 2023 were $320,985, $295,537, and $284,413, respectively, equal to the required contributions for each year.

Employees hired before January 1, 1996, other than certified firefighters, participate in the Florida Retirement System. As previously disclosed, effective March 1, 2015, all new employees, other than certified firefighters, will participate in the Florida Retirement System. Additionally, employees hired between January 1, 1996 and March 1, 2015, other than certified firefighters, can elect to participate in the Florida Retirement System and discontinue participating in the Florida Municipal Pension Trust Fund.

NOTE 7 – PENSION PLANS (CONTINUED)

FLORIDA RETIREMENT SYSTEM (CONTINUED)

Deferred Retirement Option Program - The FRS Deferred Retirement Option Program (DROP) is a defined contribution plan and is available to a member when the member first reaches eligibility for normal retirement. The Plan is controlled by the State Legislature and administered by the Florida Department of Management Services, Division of Retirement. Chapter 121 of the Florida Statutes assigns the authority to establish and amend benefit provisions to the State of Florida Department of Management Services. Effective July 1, 2023, DROP allows a member to retire while continuing employment for up to 96 months. Prior to July 1, 2023, DROP permitted a member to retire while continuing employment for 60 months. During DROP participation, the member's retirement benefits (increased by a cost-of-living adjustment each July) accumulate in the FRS Trust Fund and earn monthly interest equivalent to an annual rate of 4%. The member must cease employment after a maximum of 96 months, must satisfy the termination requirements for retirement, and, prior to July 1, 2024, is subject to reemployment restrictions thereafter. The member's DROP accumulation may be paid out as a lump sum payment, a rollover, or a combination partial lump sum payment and rollover. During the DROP eligibility period, the City is required to make contributions to FRS. The current rate, effective July 1, 2025 and continuing through September 30, 2025, based upon employees' gross earnings is 20.02%. The rate for the period July 1, 2024 through June 30, 2025 was 19.13%.

Pension liabilities, Pension expense and Deferred Outflows (Inflows) of Resources related to pensions - At September 30, 2025, as required by GASB 68 Accounting and Financial Reporting for Pensions, the City reported a net pension liability of $1,490,828 for the FRS Plan component and $490,052 for the HIS Plan component for its proportionate share of the FRS Pension Plan's net pension liability. The net pension liability, totaling $1,980,880, 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 at June 30, 2025 for the FRS Plan component was 0.004803679%. The City's proportionate share at June 30, 2025 for the HIS Plan component was 0.003823317%. The City's proportionate shares at June 30, 2024 were 0.004693160% and 0.003517542% for the FRS and HIS Plan components, respectively. For the fiscal year ended September 30, 2025 the City recognized a pension expense of $87,149 for the FRS component and $9,351 of pension expense for the HIS Plan component.

NOTE 7 – PENSION PLANS (CONTINUED)

FLORIDA RETIREMENT SYSTEM (CONTINUED)

At September 30, 2025, the City reported deferred outflows and inflows of resources related to FRS and HIS pensions from the following sources:

FRS Plan Component

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 159,236	$ --
Changes in assumptions	173,124	--
Net difference between projected and actual earnings on investments	--	248,908
Changes in proportion and differences between City contributions and proportionate share of contributions	158,044	70,423
Contributions subsequent to the measurement date	70,775	--
Total	$ 561,179	$ 319,331

HIS Plan Component

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 2,925	$ 777
Changes in assumptions	4,337	118,531
Net difference between projected and actual earnings on investments	--	408
Changes in proportion and differences between City contributions and proportionate share of contributions	71,408	3,400
Contributions subsequent to the measurement date	8,707	--
Total	$ 87,377	$ 123,116
Combined FRS and HIS Plan Components	$ 648,556	$ 442,447

NOTE 7 – PENSION PLANS (CONTINUED)

FLORIDA RETIREMENT SYSTEM (CONTINUED)

The deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the fiscal year ended September 30, 2025. Other amounts related to net deferred outflows and inflows of resources will be recognized as pension expense as follows:

Fiscal year ending September 30,	FRS Component	HIS Component
2026	$ 307,688	$ (8,049)
2027	(13,549)	(11,438)
2028	(70,958)	(9,849)
2029	(52,108)	(9,409)
2030	--	(5,701)
Thereafter	--	--
	$ 171,073	$ (44,446)

Actuarial Assumptions – The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions:

	FRS Component	HIS Component
Valuation date	July 1, 2025	July 1, 2024
Measurement date	June 30, 2025	June 30, 2025
Inflation	2.40%	2.40%
Salary increases	3.50%, average, includes inflation	3.50%, average, includes inflation
Investment rate of return	6.70%, net of expense, includes inflation	5.20%, Municipal Bond Rate
Mortality tables	PUB2010 base table varies by member category and sex, projected gennerationally with Scale MP-2021	Generational PUB-2010 with Projection Scale MP-2021
Discount rate	6.70%	5.20%

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023. There were no changes in actuarial assumptions in 2025 for the FRS component. For the HIS component, a change in the actuarial assumption was made increasing discount rate and the municipal bond rate used to determine total pension liability from 3.93% to 5.20%.

NOTE 7 – PENSION PLANS (CONTINUED)

FLORIDA RETIREMENT SYSTEM (CONTINUED)

The long-term expected rate of return of 6.70% on Pension Plan investments consists of two building block components: an inferred real return of 4.20% and a long-term average annual inflation assumption of 2.40%. 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 as follows:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	3.30%	3.20%	1.10%
Fixed income	29.00%	5.70%	5.40%	4.00%
Global equity	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%
	100%			
Assumed Inflation - Mean			2.40%	1.50%

(1) As outlined in the Pension Plan's Investment Policy

NOTE 7 – PENSION PLANS (CONTINUED)

FLORIDA RETIREMENT SYSTEM (CONTINUED)

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following table represents the City's proportionate share of the net pension liability calculated at the respective discount rates and the proportionate share using a rate 1% less than and 1% more than the current rate.

FRS component	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
City's proportionate share of the net pension liability	$ 2,925,727	$ 1,490,828	$ 287,830

HIS component	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
City's proportionate share of the net pension liability	$ 552,612	$ 490,052	$ 437,583

NOTE 7 – PENSION PLANS (CONTINUED)

FLORIDA RETIREMENT SYSTEM (CONTINUED)

Aggregate total amounts for City's defined benefit pension plans:

	FRS	HIS	Total FRS	Fire	Total
Net Pension Liability	$ 1,490,828	$ 490,052	$ 1,980,880	$ 3,106,348	$ 5,087,228
Deferred Outflows of Resources	561,179	87,377	648,556	1,429,473	2,078,029
Deferred Inflows of Resources	319,331	123,116	442,447	521,685	964,132
Pension expense	87,149	9,351	96,500	695,188	791,688

Employees' Deferred Compensation Plan

Plan Description: The City offers certain employees a deferred compensation plan (the Plan) under the provisions of Section 457 of the Internal Revenue Code (IRC), as amended. The Plan is a defined contribution plan that does not require employer contributions. The Plan is administered by Mission Square Retirement (formerly ICMA Retirement Corporation) and provides the plan participants with the option to invest in over twenty different registered investment funds (mutual funds). Under the provisions of IRC Section 457, all amounts of compensation deferred under the Plan, all property and rights purchased with those amounts and all income attributable to those amounts are held in trust for the exclusive benefit of the Plan participants and their beneficiaries. The deferred compensation is not available until termination, retirement, death or unforeseeable emergency. Employees are immediately vested in the full amount of compensation that is deferred under the Plan.

Funding Policy: The City is not required and does not contribute to the Plan. The net position of the Plan was $3,030,244 as of September 30, 2025.

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS

The City provides other postemployment benefits (OPEB) in the form of the Retiree Health Care Plan. GASB Statement 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,*" provides for the determination and disclosure of the total OPEB liability and the annual cost of providing other postemployment benefits.

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's Retiree Health Care Plan (Plan) and additions to / deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Plan Description - The City's Retire Health Plan is a single employer defined benefit postemployment health care plan that covers eligible retired employees of the City. The Plan, which is administered by the City, allows employees who retire and meet eligibility requirements under one of the City's retirement plans to continue medical insurance coverage as a participant in the City's plan.

In accordance with Section 112.0801, of the Florida Statutes, because the City provides a medical and dental plan to active employees of the City and their eligible dependents, the City is also required to provide retirees with the opportunity to participate in this Plan. The Plan is currently unfunded. There is no separate trust through which benefits for retirees are funded. No assets are currently accumulated or earmarked for the Plan.

Employees covered by benefit terms - To be eligible to participate in the Plan, general employees must have a minimum of 10 years of service with the City. Firefighter employees are eligible to participate in the Plan after 10 years of service upon retirement at age 55 or after completion of 25 years of service upon retirement at age 52. At September 30, 2025, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	--
Inactive plan members entitled to but not yet receiving benefits	--
Active plan members	42
Total Members	42

Benefits Provided - The benefits provided are the same as those provided for active employees. Spouses and dependents of eligible retirees are also eligible for medical, dental and vision coverage. All employees of the City are eligible to receive postemployment health care benefits.

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Contributions - The retired employees, including their eligible dependents that are eligible to participate in the Plan, are required to pay 100% of their respective health care insurance premiums. The City does not contribute toward this payment. In future years, contributions are assumed to increase the same rate as the premiums. The City subsidizes the premium rates paid by retirees by allowing them to participate in the plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. Medicare eligible retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The City does not issue stand-alone financial statements for the plan.

Funding Policy - While the City does not contribute directly towards the cost of retiree premiums via an explicit subsidy, the ability of retirees to obtain health insurance coverage at a group rate which includes active employees, constitutes a significant economic benefit to retirees, or an implicit subsidy. This implicit subsidy is considered to be another post employment benefit (OPEB) obligation of the City. The annual required contribution to fund the OPEB obligation is currently based on a pay-as-you-go funding approach.

Actuarial Assumptions - The actuarial valuation is based on an actuarial valuation performed as of September 30, 2024 and is applicable to the fiscal year ended September 30, 2025. The updated Total OPEB Liability was determined using the following actuarial assumptions:

Inflation	2.50%	Initial health care trend rate	6.75%
Salary increases	2.50%	Ultimate health care trend rate	4.00%
Discount rate	4.06%	Years until ultimate trend rate	50

Changes in assumptions reflect a change in the discount rate from 4.77% for fiscal year September 30, 2023 to 4.87% for the fiscal year ending September 30, 2024 and a change in the discount rate to 4.06% for the fiscal year ending September 30, 2025.

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Discount Rate - Given the City's decision not to fund the program, all future benefit payments were discounted using a high quality municipal bond rate of 4.06%. The high quality municipal bond rate was based on the week closest but not later than the measurement date of the S&P Municipal 20 Year High Grade Rate Index as published by S&P Dow Jones Indices. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor's Rating Services, Aa2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating is used.

Changes in Total OPEB Liability

	Increase (Decrease)
Reporting period ended September 30, 2024	$ 214,776
Changes for the year:	
Service cost	12,578
Interest	10,981
Differences between expected and actual experience	(19,420)
Changes of assumptions	(31,333)
Benefit payments, including refund of employee contributions	(3,833)
Net changes	(31,027)
Reporting period ended September 30, 2025	$ 183,749

Sensitivity of the Total OPEB Liability to changes in the discount rate - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if calculated using a discount rate that is one percentage-point lower or one percentage point higher than the current discount rate.

	1% Decrease (3.06%)	Current (4.06%)	1% Increase (5.06%)
Total OPEB liability	$ 210,325	$ 183,749	$ 161,596

NOTE 8 – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates - The following presents the Total OPEB Liability of the City, as well as what the City's total OPEB liability would be if calculated using healthcare cost trend rates that are one percentage-point lower or one-percentage point higher than the current healthcare cost trend rates.

	1% Decrease (3.00%-5.75%)	Current (4.00%-6.75%)	1% Increase (5.00%-7.75%)
Total OPEB liability	$ 159,240	$ 183,749	$ 213,465

OPEB Plan Fiduciary Total Position - The plan is unfunded and as a result the OPEB Plan's Fiduciary Position is $-0- as of September 30, 2025.

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources related to OPEB - For the year ended September 30, 2025, the City recognized an OPEB expenses of $25,494, including administrative expenses.

On September 30, 2025, the City reported Deferred Outflows and Deferred Inflows of Resources related to OPEB from the following resources:

	Deferred Outflows	Deferred Inflows
Employer contributions subsequent to the measurement date	$ 8,614	--
Total	$ 8,614	$ --

The deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction in the total pension liability in the fiscal year ended September 30, 2025.

NOTE 9 – RISK FINANCING

The City is subject to losses in the normal course of operations resulting from general liability, property and casualty, workers' compensation, employee health and accident, environmental, and antitrust matters. The City has purchased commercial insurance to protect against employee health losses. The City participates in Public Risk Management of Florida for purposes of protecting against workers' compensation losses; real and personal property losses; automobile damage; and general liability, including malpractice and errors and omissions.

The City does not self-insure against any risks. To the extent that the City has purchased commercial insurance, all risk of loss has been transferred to the insurance underwriter.

Public Risk Management of Florida is a risk pool that assumes the risk of loss for all participating members. The members are subject to additional premium assessments in the event that the risk pool requires additional funding to satisfy all claims. The City has not been assessed any additional insurance premiums during the year ended September 30, 2024, nor is the City aware of any contingent assessments. The City has not reduced insurance coverage from the prior year for any category of insurance risk. Settlement claims, if any, have not exceeded insurance coverage at any time for each of the past three fiscal years.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Law Enforcement: The Pinellas County Sheriff's Department has full and complete responsibility for providing the City with appropriate and necessary law enforcement services. The City has renewed its contract with the Pinellas County Sheriff's Department to provide law enforcement services, at an annual contract amount of $1,149,936 effective October 1, 2025 through September 30, 2026. The contract requires the City to make twelve monthly installment of $95,828 due on the first day of the month. The City paid $1,067,520 under the contract with the Pinellas County Sheriff's Department for fiscal year ended September 30, 2025.

Sewer Service - The City has contracted with the City of St. Petersburg whereby St. Petersburg accepts into its sanitary sewer system the flow from South Pasadena's sanitary sewer system. The City of South Pasadena is charged on the basis of average monthly flow rates and capacity charges determined by the City of St. Petersburg. Sewer disposal expense for the year ended September 30, 2025, was $1,108,543.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SOUTH PASADENA, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(WITH COMPARATIVE AMOUNTS FOR FISCAL YEAR ENDED SEPTEMBER 30, 2024)

	2025				2024
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive	
	Original	Final	(Budgetary Basis)	(Negative)	Actual
Resources (Inflows)					
Taxes					
Ad valorem taxes	$ 4,913,775	$ 4,913,775	$ 4,808,032	$ (105,743)	$ 4,438,935
Utility taxes	858,750	858,750	787,319	(71,431)	833,028
Communications service tax	140,000	140,000	141,648	1,648	128,516
Electric franchise	535,000	535,000	505,896	(29,104)	540,112
Gas franchise	6,400	6,400	5,618	(782)	6,217
Refuse franchise	60,000	60,000	69,524	9,524	64,130
Total Taxes	6,513,925	6,513,925	6,318,037	(195,888)	6,010,938
Licenses and permits					
Local business tax	118,000	118,000	99,363	(18,637)	114,434
Building permits	525,000	525,000	870,931	345,931	563,732
Mechanical permits	--	--	--	--	210
Planning and zoning fees	7,500	7,500	59,599	52,099	7,938
Grease management permits	2,300	2,300	2,000	(300)	1,400
Total Licenses and Permits	652,800	652,800	1,031,893	379,093	687,714
Intergovernmental Revenue					
County Emergency Medical Services Authority	1,162,750	1,162,750	1,243,745	80,995	1,174,633
State revenue sharing	244,000	244,000	224,742	(19,258)	222,542
Local 1/2 cent sales tax	445,000	445,000	434,424	(10,576)	439,287
State pro-rata share of alcoholic beverage licenses	6,500	6,500	5,702	(798)	7,960
State mobile home licenses distribution	3,400	3,400	3,356	(44)	3,419
State municipal tax refund	1,350	1,350	191	(1,159)	1,382
State excise tax rebate - Fire Pension	56,600	56,600	69,587	12,987	67,202
Local option gas tax	67,500	67,500	66,567	(933)	67,533
Fire Fighters supplemental compensation	9,000	9,000	7,922	(1,078)	7,030
Total Intergovernmental Revenue	1,996,100	1,996,100	2,056,236	60,136	1,990,988

(continued)

CITY OF SOUTH PASADENA, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025 (CONTINUED)
(WITH COMPARATIVE AMOUNTS FOR FISCAL YEAR ENDED SEPTEMBER 30, 2024)

	2025				2024
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive	
	Original	Final	(Budgetary Basis)	(Negative)	Actual
Resources (Inflows) (continued)					
Fines and forfeits -					
Police fines	$ 3,200	$ 3,200	$ 2,993	$ (207)	$ 2,975
Red light fines	--	--	375	375	525
	3,200	3,200	3,368	168	3,500
Interest	249,100	249,100	312,022	62,922	329,543
Change in fair value of investments	--	--	25,280	25,280	33,509
Rent	10,000	500	500	--	14,200
Miscellaneous	77,300	77,300	73,179	(4,121)	74,682
	339,600	330,100	414,349	84,249	455,434
Amounts Available for Appropriation	9,502,425	9,492,925	9,820,515	327,590	9,145,074
Charges to Appropriations (Outflows)					
Current					
General government					
Legislative					
Personal services	68,795	68,795	68,788	7	66,147
Other services and charges	101,230	101,230	95,433	5,797	94,187
Travel and conventions	11,000	11,000	5,890	5,110	9,904
Supplies	2,100	2,100	1,179	921	1,342
	183,125	183,125	171,290	11,835	171,580
Finance and Administration					
Personal services	1,116,980	1,141,040	1,040,290	100,750	860,507
Other services and charges	133,175	133,175	126,364	6,811	52,023
Insurance	43,330	43,330	43,330	--	41,635
Supplies	8,600	8,600	7,237	1,363	6,092
Maintenance	2,000	2,000	--	2,000	1,195
Utilities	16,725	16,725	12,355	4,370	15,755
Audit and accounting	36,355	36,355	35,110	1,245	22,620
Telephone	9,950	9,950	9,033	917	8,170
	1,367,115	1,391,175	1,273,719	117,456	1,007,997
Total General Government	$ 1,550,240	$ 1,574,300	$ 1,445,009	$ 129,291	$ 1,179,577

(continued)

CITY OF SOUTH PASADENA, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025 (CONTINUED)
(WITH COMPARATIVE AMOUNTS FOR FISCAL YEAR ENDED SEPTEMBER 30, 2024)

	2025				2024
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive	
	Budget	Final	(Budgetary Basis)	(Negative)	Actual
Charges to Appropriations (Outflows) (continued)					
Public Safety					
Law enforcement					
Pinellas County Sheriff - Department contract	$ 1,068,020	$ 1,068,020	$ 1,067,520	$ 500	$ 997,572
	1,068,020	1,068,020	1,067,520	500	997,572
Fire Department					
Personal services	3,347,970	3,367,185	3,325,869	41,316	3,176,547
Other services and charges	183,235	183,235	164,788	18,447	125,240
Insurance	190,750	190,750	191,487	(737)	92,066
Supplies	10,750	10,750	14,460	(3,710)	12,046
Maintenance	89,850	89,850	108,189	(18,339)	90,100
Utilities	21,500	21,500	47,895	(26,395)	30,725
Small tools and equipment	1,500	1,500	2,566	(1,066)	1,480
Traffic signals	5,335	5,335	5,175	160	4,875
Telephone	8,500	8,500	8,461	39	7,615
	3,859,390	3,878,605	3,868,890	9,715	3,540,694
Protective Inspections					
Personal services	644,230	747,760	659,479	88,281	529,009
Other services and charges	110,450	196,155	127,520	68,635	86,643
Supplies	9,425	9,425	10,694	(1,269)	8,052
Insurance	9,860	9,860	9,860	--	9,060
Maintenance	4,700	4,700	3,218	1,482	3,557
	778,665	967,900	810,771	157,129	636,321
Total Public Safety	5,706,075	5,914,525	5,747,181	167,344	5,174,587
Transportation - Public Works					
Personal services	914,250	967,790	944,048	23,742	849,847
Other services and charges	82,370	82,370	89,649	(7,279)	84,972
Insurance	97,015	97,015	97,015	--	96,865
Supplies	10,500	1,016,550	1,014,357	2,193	8,926
Maintenance	49,250	49,250	49,225	25	35,535
Telephone	6,900	6,900	5,067	1,833	4,578
Utilities	53,050	53,050	49,206	3,844	50,561
Total Transportation	$ 1,213,335	$ 2,272,925	$ 2,248,567	$ 24,358	$ 1,131,284

(continued)

CITY OF SOUTH PASADENA, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025 (CONTINUED)
(WITH COMPARATIVE AMOUNTS FOR FISCAL YEAR ENEDED SEPTEMBER 30, 2024)

	2025				2024
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive	
	Original	Final	(Budgetary Basis)	(Negative)	Actual
Charges to Appropriations (Outflows) (continued)					
Human services - welfare and other services	$ 8,500	$ 9,250	$ 6,750	$ 2,500	$ 2,750
Culture and Recreation					
Library	21,150	21,150	15,200	5,950	20,550
Culture services	1,500	1,500	--	1,500	1,000
Special events	33,600	33,600	7,358	26,242	19,951
Total Culture and Recreation	56,250	56,250	22,558	33,692	41,501
Other					
Contingencies	260,350	--	--	--	--
Total Other	260,350	--	--	--	--
Total Charges to Appropriations	8,794,750	9,827,250	9,470,065	357,185	7,529,699
Excess (Deficiency) of Resources over Charges to Appropriations	707,675	(334,325)	350,450	684,775	1,615,375
Other Financing Use					
Transfer out	(706,675)	(706,675)	(352,186)	354,489	(246,535)
Total Other Financing Use	(706,675)	(706,675)	(352,186)	354,489	(246,535)
Net Change	1,000	(1,041,000)	(1,736)	1,039,264	1,368,840
Fund Balance - Beginning	6,194,894	6,194,894	6,194,894	--	4,826,054
Fund Balance - Ending	$ 6,195,894	$ 5,153,894	$ 6,193,158	$ 1,039,264	$ 6,194,894

CITY OF SOUTH PASADENA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
FIREFIGHTERS' RETIREMENT FUND

SCHEDULE OF CHANGES IN NET PENSION LIABILITY

Reporting period ending:	9-30-25	9-30-24	9-30-23	9-30-22	9-30-21	9-30-20	9-30-19	9-30-18	9-30-17	9-30-16
Measurement date:	*9-30-24*	*9-30-23*	*9-30-22*	*9-30-21*	*9-30-20*	*9-30-19*	*9-30-18*	*9-30-17*	*9-30-16*	*9-30-15*
Total Pension Liability										
Service cost	$ 270,069	$ 230,116	$ 252,976	$ 238,667	$ 228,831	$ 244,566	$ 202,965	$ 139,049	$ 131,806	$ 121,564
Interest on the total pension liability	805,583	787,743	750,794	716,876	703,894	679,059	663,963	670,563	659,566	634,381
Change in benefit terms	--	--	--	--	--	(329)	--	--	--	--
Change in excess state money	--	--	--	--	--	--	--	(15,444)	--	--
Share plan allocation	10,049	9,470	2,950	--	--	--	--	7,722	--	--
Differences between expected and actual experience	253,347	(157,569)	114,903	168,759	54,156	46,240	120,334	67,857	(203,988)	129,765
Change of assumptions	482,014	--	--	250,580	(233,428)	265,739	--	--	305,372	--
Benefit payments, including refunds of employee contributions	(746,686)	(580,621)	(597,629)	(585,864)	(594,549)	(598,776)	(1,068,711)	(999,844)	(516,349)	(625,616)
Net Change in Total Pension Liability	1,074,376	289,139	523,994	789,018	158,904	636,499	(81,449)	(130,097)	376,407	260,094
Total Pension Liability - Beginning	11,214,757	10,925,618	10,401,624	9,612,606	9,453,702	8,817,203	8,898,652	9,028,749	8,652,342	8,392,248
Total Pension Liability - Ending (a)	$ 12,289,133	$ 11,214,757	$ 10,925,618	$ 10,401,624	$ 9,612,606	$ 9,453,702	$ 8,817,203	$ 8,898,652	$ 9,028,749	$ 8,652,342
Plan Fiduciary Net Position										
Contributions - employer	$ 495,524	$ 488,300	$ 485,420	$ 480,000	$ 419,769	$ 455,250	$ 340,140	$ 298,315	$ 303,240	$ 286,491
Contributions - State	67,201	66,042	53,002	44,538	83,007	--	44,493	43,206	50,450	48,347
Contributions - employees	99,286	91,319	95,361	88,339	84,354	78,932	68,864	54,426	45,265	42,620
Net investment income (loss)	1,655,079	708,918	(1,327,503)	1,294,221	482,152	257,832	405,725	785,892	466,375	(79,221)
Benefit payments, including refunds of employee contributions	(746,686)	(580,621)	(597,629)	(585,864)	(594,549)	(598,776)	(1,068,711)	(999,844)	(516,349)	(625,616)
Administrative expenses	(56,795)	(64,378)	(43,523)	(40,551)	(58,913)	(44,423)	(38,136)	(34,501)	(40,775)	(30,445)
Net Change in Plan Fiduciary Net Position	1,513,609	709,580	(1,334,872)	1,280,683	415,820	148,815	(247,625)	147,494	308,206	(357,824)
Plan Fiduciary Net Position - Beginning	7,669,276	6,959,696	8,294,568	7,013,885	6,598,065	6,449,250	6,696,875	6,549,381	6,241,175	6,598,999
Plan Fiduciary Net Position - Ending (b)	$ 9,182,885	$ 7,669,276	$ 6,959,696	$ 8,294,568	$ 7,013,885	$ 6,598,065	$ 6,449,250	$ 6,696,875	$ 6,549,381	$ 6,241,175
Net Pension Liability - Ending (a - b)	$ 3,106,248	$ 3,545,481	$ 3,965,922	$ 2,107,056	$ 2,598,721	$ 2,855,637	$ 2,367,953	$ 2,201,777	$ 2,479,368	$ 2,411,167
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.72%	68.39%	63.70%	79.74%	72.97%	69.79%	73.14%	75.26%	72.54%	72.13%
Covered Payroll	$ 1,654,755	$ 1,521,992	$ 1,589,357	$ 1,472,829	$ 1,405,886	$ 1,313,532	$ 1,147,416	$ 907,112	$ 753,762	$ 708,754
Net Pension Liability as a Percentage of Covered Payroll	187.72%	232.95%	249.53%	143.06%	184.85%	217.40%	206.37%	242.72%	328.93%	340.20%
Money-Weighted Rate of Return on Pension Plan Investments	21.90%	10.39%	-16.38%	18.73%	7.46%	6.36%	6.28%	12.51%	7.54%	-1.25%

This schedule is presented as required by accounting principles generally accepted in the United States of America.

CITY OF SOUTH PASADENA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

FIREFIGHTERS' RETIREMENT FUND

SCHEDULE OF CONTRIBUTIONS

Reporting period ending	9-30-25	9-30-24	9-30-23	9-30-22	9-30-21	9-30-20	9-30-19	9-30-18	9-30-17	9-30-16
Actuarially determined contribution	$ 635,172	$ 552,676	$ 555,277	$ 526,996	$ 518,247	$ 502,607	$ 455,310	$ 391,969	$ 341,520	$ 352,204
Contributions in relation to the actuarially determined contribution:										
City's contribution	576,830	485,474	489,235	473,994	473,709	419,600	455,310	347,477	298,315	301,754
State excise tax - contribution	69,587	67,202	66,042	53,002	44,538	83,007	--	44,492	43,205	50,450
Contribution deficiency (excess)	$ (11,245)	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Covered payroll	$ 1,798,093	$ 1,654,755	$ 1,521,992	$ 1,589,347	$ 1,472,829	$ 1,405,886	$ 1,313,532	$ 1,147,416	$ 907,112	$ 753,762
Contributions as a percentage of covered payroll	35.95%	33.40%	36.48%	33.16%	35.19%	35.75%	34.66%	34.16%	37.65%	46.73%

NOTES TO SCHEDULE

Valuation date: October 1, 2023
Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:

Funding Method:	Entry Age Normal Actuarial Cost Method
Amortization Method:	Level % of Pay, Closed
Remaining Amortization Period:	30 years as of 10-01-17
Mortality:	Female: PubS.H-2010 for Healthy Retirees, set forward one year. Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year. Disability: 80% PubG.H-2010 / 20% PubS.H-2010 for Disabled Retirees.
Discount Rate	7.00%
Inflation:	2.50% per year.
Retirement Rates:	Age and experience-based probability table considering eligibility for normal retirement.
Salary Increases	Service based
Disability Rates	Age based probability table.
Retirement Age	Earlier of the age 55 with 10 years of service or the completion of 25 years of service (earlier of age 55 or 25 years of service upon retirement at age 52). Also, any member who has reached normal retirement age is assumed to continue employment for one additional year.
Early Retirement	Commencing with eligibility at age 50 upon completion of 10 years of service. Members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
Actuarial Asset Method	Each year the prior actuarial value of assets is brought forward utilizing the historical geometric 4-year average market value return net of fees. It is possible that over time this technique will produce an insignificant bias above or below the market value of assets.
Payroll Growth:	None

This schedule is presented as required by accounting principles generally accepted in the United States of America.

CITY OF SOUTH PASADENA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
FLORIDA RETIREMENT SYSTEM - CITY'S PROPORTIONATE SHARE

SCHEDULE OF CHANGES IN NET PENSION LIABILITY

	9-30-25	9-30-24	9-30-23	9-30-22	9-30-21	9-30-20	9-30-19	9-30-18	9-30-17	9-30-16
FRS Pension Plan										
Employer's Proportion for the FRS Pension	0.004803679%	0.004693160%	0.005048341%	0.004607587%	0.003823528%	0.003376602%	0.003885280%	0.003859612%	0.003723260%	0.002924305%
City's Proportionate Share										
Total Pension Liability	$ 11,702,745	$ 11,140,167	$ 11,419,559	$ 10,018,481	$ 8,015,493	$ 6,918,986	$ 7,693,334	$ 7,384,109	$ 6,837,119	$ 4,884,496
Plan Fiduciary Net Position	(10,211,917)	(9,324,632)	(9,407,955)	(8,304,088)	(7,726,669)	(5,455,517)	(6,355,298)	(6,221,574)	(5,735,804)	(4,146,107)
Net Pension Liability	$ 1,490,828	$ 1,815,535	$ 2,011,604	$ 1,714,393	$ 288,824	$ 1,463,469	$ 1,338,036	$ 1,162,535	$ 1,101,315	$ 738,389
Plan Net Position as a Percentage of Total Net Pension Liability	87.26%	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%
Service Cost	$ 161,645	$ 143,021	$ 139,845	$ 121,441	$ 101,265	$ 89,394	$ 98,028	$ 93,556	$ 173,845	$ 86,833
Interest on the total pension liability	753,235	700,742	723,506	645,621	524,327	454,418	512,659	495,880	1,046,562	492,974
Plan changes	--	--	67,290	4,575	--	--	443	--	7,728	1,315
Effect of economic/demographic gain or loss	39,642	55,954	166,533	67,432	20,787	4,867	10,248	25,269	118,408	39,905
Effect of assumptions	--	212,315	20,196	152,842	35,067	13,695	64,133	99,844	871,705	41,960
Employer contributions	(244,059)	(378,860)	(117,677)	18,563	(5,970)	(241,781)	(115,303)	(85,683)	(218,233)	(99,280)
Member contributions	(39,337)	(37,943)	(39,824)	(35,443)	(28,926)	(25,272)	(29,249)	(28,807)	(62,441)	(28,934)
Net investment income	(997,260)	(892,660)	(664,023)	449,502	(1,822,026)	(170,616)	(366,219)	(539,618)	(1,576,186)	(33,407)
Administrative expense	1,427	1,362	1,365	1,036	831	728	761	779	1,538	753
Net change in net pension liability	(324,707)	(196,069)	297,211	1,425,569	(1,174,645)	125,433	175,501	61,220	362,926	502,119
Net pension liability - beginning	1,815,535	2,011,604	1,714,393	288,824	1,463,469	1,338,036	1,162,535	1,101,315	738,389	236,270
Net pension liability - ending	$ 1,490,828	$ 1,815,535	$ 2,011,604	$ 1,714,393	$ 288,824	$ 1,463,469	$ 1,338,036	$ 1,162,535	$ 1,101,315	$ 738,389
Covered payroll	$ 1,847,316	$ 1,505,382	$ 1,444,587	$ 1,209,090	$ 1,066,381	$ 1,041,948	$ 1,052,168	$ 1,021,075	$ 988,476	$ 942,075
Net pension liability as a percentage of covered payroll	81%	121%	139%	142%	27%	140%	127%	114%	111%	78%
Retiree Health Insurance Subsidy (HIS Plan)										
Employer's Proportion for the HIS Plan	0.003823317%	0.003517542%	0.003481838%	0.003289038%	0.002994066%	0.002919720%	0.003109028%	0.003119899%	0.003059396%	0.002962991%
City's Proportionate Share										
Total Pension Liability	$ 523,324	$ 554,285	$ 576,702	$ 365,970	$ 380,819	$ 367,537	$ 357,260	$ 337,466	$ 332,580	$ 348,698
Plan Fiduciary Net Position	(33,272)	(26,620)	(23,740)	(17,608)	(13,552)	(11,044)	(9,391)	(7,252)	(5,455)	(3,374)
Net Pension Liability	$ 490,052	$ 527,666	$ 552,962	$ 348,362	$ 367,267	$ 356,493	$ 347,869	$ 330,214	$ 327,125	$ 345,324
Plan Net Position as a Percentage of Total Net Pension Liability	6.36%	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%
Service Cost	$ 10,118	$ 11,050	$ 7,252	$ 9,565	$ 8,403	$ 7,752	$ 7,217	$ 8,063	$ 5,761	$ 35,080
Interest on the total pension liability	23,467	21,154	13,645	9,058	8,346	11,758	13,001	12,158	6,384	53,398
Plan changes	--	--	194,854	172	--	--	--	--	--	--
Effect of economic/demographic gain or loss	--	126	530	(588)	364	12,980	(16)	5,857	--	(4,212)
Effect of assumptions	(81,490)	(32,477)	(9,849)	(50,791)	3,023	13,348	16,038	(12,098)	(20,310)	184,818
Employer contributions	(34,171)	(23,839)	(1,055)	13,697	(9,342)	(37,040)	(18,392)	(10,790)	(10,011)	(70,044)
Member contributions	(3)	(9)	(8)	(2)	(2)	(11)	(6)	(7)	--	--
Net investment income	(1,414)	(1,308)	(776)	(22)	(24)	(168)	(193)	(99)	(26)	(77)
Administrative expense	10	7	7	6	6	5	6	5	3	26
Net change in net pension liability	(83,483)	(25,296)	204,600	(18,905)	10,774	8,624	17,655	3,089	(18,199)	198,989
Net pension liability - beginning	573,535	552,962	348,362	367,267	356,493	347,869	330,214	327,125	345,324	146,335
Net pension liability - ending	$ 490,052	$ 527,666	$ 552,962	$ 348,362	$ 367,267	$ 356,493	$ 347,869	$ 330,214	$ 327,125	$ 345,324
Covered payroll	$ 1,847,316	$ 1,505,382	$ 1,444,587	$ 1,209,090	$ 1,066,381	$ 1,041,948	$ 1,052,168	$ 1,021,075	$ 988,476	$ 942,075
Net pension liability as a percentage of covered payroll	27%	35%	38%	29%	34%	34%	33%	32%	33%	37%
Combined FRS and HIS Pension Plan										
Total Pension Liability	$ 12,226,069	$ 11,694,453	$ 11,996,261	$ 10,384,451	$ 8,396,312	$ 7,286,523	$ 8,050,594	$ 7,721,575	$ 7,169,699	$ 5,233,194
Plan Fiduciary Net Position	(10,245,189)	(9,351,252)	(9,431,695)	(8,321,696)	(7,740,221)	(5,466,561)	(6,364,689)	(6,228,826)	(5,741,259)	(4,149,481)
Net Pension Liability	$ 1,980,880	$ 2,343,201	$ 2,564,566	$ 2,062,755	$ 656,091	$ 1,819,962	$ 1,685,905	$ 1,492,749	$ 1,428,440	$ 1,083,713

This schedule is presented as required by accounting principles generally accepted in the United States of America.

CITY OF SOUTH PASADENA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

FLORIDA RETIREMENT SYSTEM

SCHEDULE OF CONTRIBUTIONS

	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
FRS Pension Plan										
Contractually required contribution	$ 225,195	$ 265,756	$ 261,290	$ 204,031	$ 159,436	$ 123,043	$ 119,395	$ 116,387	$ 108,450	$ 72,614
Contributions in relation to the contractually required contribution	(225,195)	(265,756)	(261,290)	(204,031)	(159,436)	(123,043)	(119,395)	(116,387)	(108,450)	(72,614)
Contribution deficiency (excess)	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Covered payroll	$ 1,504,853	$ 1,322,706	$ 1,392,956	$ 1,209,684	$ 1,073,053	$ 1,017,892	$ 1,085,837	$ 993,506	$ 994,407	$ 928,886
Contributions as a percentage of covered payroll	14.96%	20.09%	18.76%	16.87%	14.86%	12.09%	11.00%	11.71%	10.91%	7.82%
Retiree Health Insurance Subsidy (HIS Plan)										
Contractually required contribution	$ 34,172	$ 29,781	$ 23,123	$ 20,081	$ 17,813	$ 16,897	$ 18,025	$ 16,492	$ 16,507	$ 15,420
Contributions in relation to the contractually required contribution	(34,172)	(29,781)	(23,123)	(20,081)	(17,813)	(16,897)	(18,025)	(16,492)	(16,507)	(15,420)
Contribution deficiency (excess)	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Covered payroll	$ 1,504,853	$ 1,322,706	$ 1,392,956	$ 1,209,684	$ 1,073,053	$ 1,017,892	$ 1,085,837	$ 993,506	$ 994,407	$ 928,886
Contributions as a percentage of covered payroll	2.27%	2.25%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%

This schedule is presented as required by accounting principles generally accepted in the United States of America.

CITY OF SOUTH PASADENA, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

RETIREE HEALTH CARE PLAN

SCEHDULE OF CHANGES IN TOTAL OPEB LIABILITY

Reporting period ending:	9-30-25	9-30-24	9-30-23	9-30-22	9-30-21	9-30-20	9-30-19	9-30-18	9-30-17
Measurement date:	9-30-24	9-30-23	9-30-22	9-30-21	9-30-20	9-30-19	9-30-18	9-30-17	9-30-16
Total OPEB Liability									
Service cost	$ 12,578	$ 12,453	$ 12,517	$ 12,814	$ 10,978	$ 9,727	$ 9,552	$ 9,319	$ 7,977
Interest on the total pension liability	10,981	9,981	5,934	5,256	6,807	7,091	4,856	3,903	4,034
Change in benefit terms	(19,420)	--	--	--	--	--	--	--	--
Differences between expected and actual experience	--	--	8,704	--	562	--	18,098	--	--
Change of assumptions	(31,333)	(2,646)	(55,531)	(10,123)	44,835	12,324	8,921	(6,410)	6,579
Benefit payments, including refunds of employee contributions	(3,833)	(3,574)	(9,381)	(8,767)	(10,285)	(9,523)	(1,246)	(1,145)	(1,145)
Net change in total pension liability	(31,027)	16,214	(37,757)	(820)	52,897	19,619	40,181	5,667	17,445
Total OPEB liability beginning	214,776	198,562	236,319	237,139	184,242	164,623	124,442	118,775	101,330
Total pension liability ending	$ 183,749	$ 214,776	$ 198,562	$ 236,319	$ 237,139	$ 184,242	$ 164,623	$ 124,442	$ 118,775
Covered Employee Payroll	$ 3,631,400	$ 3,109,274	$ 3,033,438	$ 2,587,275	$ 2,524,171	$ 2,553,130	$ 2,490,858	$ 2,277,871	$ 2,168,110
Total OPEB liability as a percentage of covered employee payroll	5.06%	6.91%	6.55%	9.13%	9.39%	7.22%	6.61%	5.46%	5.48%

NOTES: (1) GASB 75 requires 10 year of information. Information is only available for 9 years. Additional years of information will be added as the information becomes available.
(2) There are no assets accumulated in a trust that meets the criteria of GASB 75 to pay related benefits for the OPEB plan.

This schedule is presented as required by accounting principles generally accepted in the United States of America.

SUPPLEMENTARY INFORMATION

CITY OF SOUTH PASADENA, FLORIDA

BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENTS FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS FOR FISCAL YEAR ENDED SEPTEMBER 30, 2024)

	2025				2024
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive	
	Original	Final	(Budgetary Basis)	(Negative)	Actual
Resources (Inflows)					
Taxes, licenses and permits -					
Impact fees/assessments	$ --	$ --	$ --	$ --	$ 7,651
Intergovernmental revenue					
Infrastructure tax	760,000	760,000	777,475	17,475	764,583
Public safety grants	--	--	--	--	37,834
Environmental grants	738,375	738,375	3,137	(735,238)	3,891
Interest	178,750	178,750	182,648	3,898	410,223
Change in fair value of investments	--	--	31,020	31,020	40,986
Miscellaneous	--	704,500	802,932	98,432	--
Proceeds from sale of capital assets	1,288,150	--	27	27	131
Amounts Available for Appropriations	2,965,275	2,381,625	1,797,239	(584,386)	1,265,299
Charges to Appropriations (Outflows)					
Public Safety					
Fire Department and Protective Inspections					
Supplies	--	--	--	--	30,429
	--	--	--	--	30,429
Transportation					
Public Works					
Supplies	--	4,000	3,847	153	3,891
	--	4,000	3,847	153	3,891
Total Transportation	--	4,000	3,847	153	34,320
Capital outlay					
General government					
Legislative					
Equipment	103,835	103,835	12,208	91,627	--
Finance and administration					
Equipment	72,550	86,150	21,908	64,242	3,415
Total General Government	$ 176,385	$ 189,985	$ 34,116	$ 155,869	$ 3,415

(continued)

CITY OF SOUTH PASADENA, FLORIDA

BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENTS FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024)

	2025				2024
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive	
	Original	Final	(Budgetary Basis)	(Negative)	Actual
Charges to Appropriations (Outflows) (continued)					
Public Safety					
Fire Department					
Building improvements	$ --	$ --	$ --	$ --	$ 6,342,140
Equipment	132,450	188,850	147,803	41,047	271,860
Vehicle	--	80,000	75,225	4,775	--
	132,450	268,850	223,028	45,822	6,614,000
Protective inspections					
Building improvements	34,250	34,250	13,429	20,821	--
Equipment	34,450	46,950	34,741	12,209	30,682
	68,700	81,200	48,170	33,030	30,682
Total Public Safety	201,150	350,050	271,198	78,852	6,644,682
Transportation - public works					
Building improvements	498,250	498,250	36,702	461,548	41,450
Recreation	199,000	199,000	98,806	100,194	--
Equipment	10,950	11,795	7,944	3,851	--
Vehicle	185,000	297,155	297,111	44	52,948
Land purchases	--	450,000	537,987	(87,987)	6,484
Highways, streets and bridges	280,000	90,000	70,151	19,849	69,382
Total Transportation - Public Works	1,173,200	1,546,200	1,048,701	497,499	170,264
Physical environment					
Visioning / beautification	1,145,000	1,145,000	852,087	292,913	205,181
Flood control	75,000	75,000	37,870	37,130	3,274
Total Physical environment	1,220,000	1,220,000	889,957	330,043	208,455
Total Capital Outlay Charges to Appropriations	2,770,735	3,306,235	2,243,972	1,062,263	7,026,816
Debt service					
Principal retirement	554,000	554,000	554,000	--	533,000
Interest	352,190	352,190	352,186	4	372,760
Total Debt Service	906,190	906,190	906,186	4	905,760
Total Charges to Appropriations	3,676,925	4,216,425	3,154,005	1,062,420	7,966,896
Excess (Deficiency) of Resources Over Charges to Appropriations	(711,650)	(1,834,800)	(1,356,766)	478,034	(6,701,597)
Other Financing Sources					
Transfer in	706,675	706,675	352,186	(354,489)	246,535
Total Other Financing Sources	706,675	706,675	352,186	(354,489)	246,535
Net Change	(4,975)	(1,128,125)	(1,004,580)	123,545	(6,455,062)
Fund Balance - Beginning	5,733,143	5,733,143	5,733,143	--	12,188,205
Fund Balance - Ending	$ 5,728,168	$ 4,605,018	$ 4,728,563	$ 123,545	$ 5,733,143

(continued)

CITY OF SOUTH PASADENA, FLORIDA

BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENTS FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024)

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenses		
Sources / Inflows of Resources		
Actual amounts (budgetary basis) "available for appropriations" from the budgetary comparison schedule.	$	1,797,239
Differences - budget to GAAP:		
Proceeds from sale of surplus capital assets are inflows of budgetary resources but are not revenues for financial reporting purposes.		(27)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$	1,797,212
Uses/Outflows of Resources		
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	$	3,154,005
Differences - budget to GAAP:		
None		--
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$	3,154,005

CITY OF SOUTH PASADENA, FLORIDA

BUDGETARY COMPARISON SCHEDULE
SEWER FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024)

	2025				2024
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive	
	Original	Final	(Budgetary Basis)	(Negative)	Actual
Resources (Inflows)					
Charges for services	$ 1,898,730	$ 1,578,730	$ 1,553,901	$ (24,829)	$ 1,708,915
Interest earned	80,200	80,200	91,829	11,629	100,582
Miscellaneous revenue	--	59,700	59,673	(27)	--
Amount Available for Appropriation	1,978,930	1,718,630	1,705,403	(13,227)	1,809,497
Charges to Appropriations (Outflows)					
Supervisory services	84,465	84,465	84,465	--	65,121
Utilities	13,000	13,000	11,849	1,151	12,499
City of St. Petersburg:					
Sewer processing	1,527,695	1,177,695	1,108,543	69,152	1,494,614
Sewer administration charge	3,450	3,450	2,991	459	3,275
Insurance	13,840	13,840	13,840	--	17,500
Audit	9,095	9,095	9,095	--	3,950
Repairs, maintenance, renewals and replacement	207,900	186,200	147,381	38,819	51,743
Capital outlay	79,385	190,785	--	190,785	--
Administrative service charge	36,250	36,250	36,250	--	29,313
Miscellaneous	3,850	3,850	3,436	414	3,363
Total Charges to Appropriations	1,978,930	1,718,630	1,417,850	300,780	1,681,378
Excess (Deficiency) of Resources Over Charges to Appropriations	$ --	$ --	$ 287,553	$ 287,553	$ 128,119

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenses

Uses /Outflows of Resources

Actual amounts (budgetary basis) total charges to appropriations from the budgetary comparison schedule.	$ 1,417,850
Differences - budget to GAAP:	
Depreciation	138,259
Total expenses as reported on the statement of revenues, expenses, and changes in net position - proprietary funds	$ 1,556,109

CITY OF SOUTH PASADENA, FLORIDA

BUDGETARY COMPARISON SCHEDULE
RECLAIMED WATER

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
(WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024)

	2025				2024
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive	
	Original	Final	(Budgetary Basis)	(Negative)	Actual
Resources (Inflows)					
Charges for services	$ 291,500	$ 291,500	$ 292,530	$ 1,030	$ 277,173
Interest earned	74,400	74,400	87,727	13,327	93,803
Amount Available for Appropriation	365,900	365,900	380,257	14,357	370,976
Charges to Appropriations (Outflows)					
Supervisory services	64,990	64,990	64,990	--	50,175
City of St. Petersburg:					
Administration charge	600	600	575	25	578
Pinellas County:					
Reclaimed water	129,740	129,740	119,103	10,637	98,345
Audit	1,135	1,135	1,135	--	1,065
Consultants	1,000	1,000	--	1,000	--
Repairs, maintenance, renewals and replacement	35,000	35,000	772	34,228	10,658
Administrative service charge	17,715	17,715	17,715	--	14,421
Other - contingencies	115,720	115,720	--	115,720	--
Total Charges to Appropriations	365,900	365,900	204,290	161,610	175,242
Excess (Deficiency) of Resources Over Charges to Appropriations	$ --	$ --	$ 175,967	$ 175,967	$ 195,734

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenses

Uses /Outflows of Resources	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	$ 204,290
Differences - budget to GAAP:	
Depreciation	112,211
Total expenses as reported on the statement of revenues, expenses, and changes in net position - proprietary funds	$ 316,501

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE OF REVENUES AND EXPENDITURES
- DEEPWATER HORIZON - BP OIL SPILL SETTLEMENT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Revenues	
Deepwater Horizon Oil Spill Settlement	$ --
Expenditures	
Operating - Legal and related settlement costs	--
Excess of Revenues over Expenditures	--
Fund Balance - Beginning	76,206
Fund Balance - Ending	$ 76,206
Reflected in the Governmental Funds Balance Sheet as:	
Fund Balance - General Fund	
Unassigned	$ 76,206

CITY OF SOUTH PASADENA, FLORIDA

COMPARATIVE BALANCE SHEET
GENERAL FUND

	September 30, 2025	September 30, 2024
Assets		
Cash, cash equivalents and pooled cash and investments	$ 6,634,274	$ 6,624,577
Receivables - other	2,830	6,836
Due from other governments	99,063	82,793
Inventory of supplies	11,267	14,800
Prepaid expenditures	100,330	55,001
Total Assets	$ 6,847,764	$ 6,784,007
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 243,676	$ 174,747
Accrued liabilities	289,079	303,338
Unearned revenue	52,264	43,826
Due to other funds	69,587	67,202
Total Liabilities	654,606	589,113
Fund Balances		
Nonspendable:		
Inventories and prepaids	111,597	71,110
Unassigned	6,081,561	6,123,784
Total Fund Balances	6,193,158	6,194,894
Total Liabilities and Fund Balances	$ 6,847,764	$ 6,784,007

CITY OF SOUTH PASADENA, FLORIDA

COMPARATIVE BALANCE SHEET
CAPITAL IMPROVEMENTS FUND

	September 30, 2025	September 30, 2024
Assets		
Cash, cash equivalents and pooled cash and investments	$ 4,746,122	$ 6,302,201
Receivables - other	2,425	5,000
Due from other governments	54,702	61,401
Total Assets	$ 4,803,249	$ 6,368,602
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 74,686	$ 628,139
Retainage payable	--	7,320
Total Liabilities	74,686	635,459
Fund Balances		
Restricted for:		
Infrastructure	4,728,563	5,733,143
Total Fund Balances	4,728,563	5,733,143
Total Liabilities and Fund Balances	$ 4,803,249	$ 6,368,602

STATISTICAL SECTION

STATISTICAL SECTION

TABLE OF CONTENTS

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

The City of South Pasadena's Charter makes no provision for a general obligation legal debt margin.

The City of South Pasadena has had no special assessment collections during the last ten fiscal years.

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

SCHEDULES OF FINANCIAL TRENDS INFORMATION

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 1

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	(Restated) 2022	2023	2024	2025
Governmental Activities										
Net investment in capital assets	$ 7,248,467	$ 7,776,157	$ 7,471,268	$ 7,208,370	$ 7,198,510	$ 6,977,639	$ 7,325,320	$ 10,774,691	$ 10,658,778	$ 12,263,356
Restricted	4,569,676	4,174,483	4,673,236	5,201,648	5,444,363	5,882,882	6,407,103	12,188,205	5,733,143	4,728,563
Unrestricted (deficit)	860,223	523,370	362,827	155,304	(440,226)	(312,921)	(14,368)	(5,861,590)	1,610,563	1,654,761
Total Governmental Activities Net Position	$ 12,678,366	$ 12,474,010	$ 12,507,331	$ 12,565,322	$ 12,202,647	$ 12,547,600	$ 13,718,055	$ 17,101,306	$ 18,002,484	$ 18,646,680
Business-Type Activities										
Net investment in capital assets	$ 2,550,469	$ 2,310,729	$ 2,070,929	$ 1,940,537	$ 1,694,679	$ 1,538,523	$ 1,351,659	$ 1,381,231	$ 1,277,440	$ 1,159,546
Unrestricted	2,734,889	2,853,010	3,060,234	3,210,911	3,544,880	3,649,615	3,889,471	3,952,964	4,122,805	4,453,749
Total Business-Type Activities Net Position	$ 5,285,358	$ 5,163,739	$ 5,131,163	$ 5,151,448	$ 5,239,559	$ 5,188,138	$ 5,241,130	$ 5,334,195	$ 5,400,245	$ 5,613,295
Primary Government										
Net investment in capital assets	$ 9,798,936	$ 10,086,886	$ 9,542,197	$ 9,148,907	$ 8,893,189	$ 8,516,162	$ 8,676,979	$ 12,155,922	$ 11,936,218	$ 13,422,902
Restricted	4,569,676	4,174,483	4,673,236	5,201,648	5,444,363	5,882,882	6,407,103	12,188,205	5,733,143	4,728,563
Unrestricted	3,595,112	3,376,380	3,423,061	3,366,215	3,104,654	3,336,694	3,875,103	(1,908,626)	5,733,368	6,108,510
Total Primary Government Activities Net Position	$ 17,963,724	$ 17,637,749	$ 17,638,494	$ 17,716,770	$ 17,442,206	$ 17,735,738	$ 18,959,185	$ 22,435,501	$ 23,402,729	$ 24,259,975

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 2

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	(Restated) 2022	2023	2024	2025
Expenses										
Governmental activities:										
General government	$ 804,196	$ 840,118	$ 887,455	$ 999,635	$ 1,043,304	$ 970,276	$ 1,160,989	$ 1,295,451	$ 1,400,327	$ 1,536,778
Public safety - Police	881,550	772,949	786,522	810,378	834,420	856,752	885,672	924,072	1,028,001	1,067,521
Public safety - Fire	2,331,312	2,558,760	2,633,364	2,838,432	3,167,311	3,121,082	3,111,920	3,791,779	4,251,247	4,528,453
Public safety - Protective inspections	369,046	369,852	397,196	458,251	420,474	422,863	519,097	721,895	707,785	841,401
Transportation - Public Works	931,613	926,658	1,014,262	992,511	1,044,856	944,246	1,044,054	1,242,097	1,305,248	2,371,001
Human services	3,286	4,223	10,162	9,402	10,829	6,417	7,324	9,448	9,114	6,750
Culture and recreation	62,198	62,164	54,475	56,469	50,905	53,236	70,546	74,843	112,088	57,367
Physical environment	108,423	110,779	156,794	156,934	166,398	180,716	208,683	177,210	322,494	212,074
Interest	2	--	--	--	--	--	1,671	178,393	372,760	352,186
Issuance costs on long-term debt	--	--	--	--	--	--	--	36,808	--	--
Total Governmental Activities Expenses	5,491,626	5,645,503	5,940,229	6,322,011	6,738,497	6,555,588	7,009,956	8,451,996	9,509,064	10,973,531
Business-type activities:										
Sewer	1,027,658	1,082,192	1,025,922	1,174,549	1,248,053	1,422,861	1,453,909	1,518,990	1,826,970	1,556,109
Reclaimed water	195,261	191,780	212,074	188,877	211,695	246,654	264,462	291,457	287,453	316,501
Total business-type activities expenses	1,222,919	1,273,972	1,237,996	1,363,426	1,459,748	1,669,515	1,718,371	1,810,447	2,114,423	1,872,610
Total Primary Government Expenses	$ 6,714,545	$ 6,919,475	$ 7,178,225	$ 7,685,437	$ 8,198,245	$ 8,225,103	$ 8,728,327	$ 10,262,443	$ 11,623,487	$ 12,846,141
Program Revenues										
Governmental activities:										
Charges for services	$ 857,705	$ 397,383	$ 513,550	$ 495,840	$ 393,349	$ 546,156	$ 498,145	$ 736,714	$ 705,414	$ 1,035,761
Operating grants and contributions	730,936	744,612	819,272	869,746	928,742	1,046,504	1,582,602	3,290,707	1,216,358	1,246,882
Capital grants and contributions	200,204	--	--	--	--	--	--	--	--	--
Total Governmental Activities Program Revenues	1,788,845	1,141,995	1,332,822	1,365,586	1,322,091	1,592,660	2,080,747	4,027,421	1,921,772	2,282,643
Business-type activities:										
Charges for services	1,046,723	1,133,811	1,166,250	1,323,268	1,518,803	1,615,696	1,750,295	1,750,421	1,986,088	1,846,431
Operating grants and contributions	--	--	--	--	--	--	--	--	--	--
Total business-type activities program revenues	1,046,723	1,133,811	1,166,250	1,323,268	1,518,803	1,615,696	1,750,295	1,750,421	1,986,088	1,846,431
Total Primary Government Program Revenues	$ 2,835,568	$ 2,275,806	$ 2,499,072	$ 2,688,854	$ 2,840,894	$ 3,208,356	$ 3,831,042	$ 5,777,842	$ 3,907,860	$ 4,129,074
Net (Expense)/Revenue										
Governmental activities net expense	$ (3,702,781)	$ (4,503,508)	$ (4,607,407)	$ (4,956,425)	$ (5,416,406)	$ (4,962,928)	$ (4,929,209)	$ (4,424,575)	$ (7,587,292)	$ (8,690,888)
Business-type activities net revenue	(176,196)	(140,161)	(71,746)	(40,158)	59,055	(53,819)	31,924	(60,026)	(128,335)	(26,179)
Total primary government net expense	$ (3,878,977)	$ (4,643,669)	$ (4,679,153)	$ (4,996,583)	$ (5,357,351)	$ (5,016,747)	$ (4,897,285)	$ (4,484,601)	$ (7,715,627)	$ (8,717,067)

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 2

CHANGES IN NET POSITION (CONTINUED)

LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	(Restated) 2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Ad valorem	$ 1,570,705	$ 1,730,425	$ 1,820,247	$ 2,095,658	$ 2,216,228	$ 2,514,741	$ 2,970,495	$ 3,868,420	$ 4,438,935	$ 4,808,032
Franchise fees	467,936	473,192	509,999	533,672	522,323	530,215	563,914	586,210	610,459	581,038
Utility taxes	648,746	650,481	663,585	703,744	733,155	734,185	767,546	828,575	833,028	787,319
Communication services tax	231,531	233,979	247,881	212,307	190,185	164,739	160,106	178,071	128,516	141,648
Sales tax - infrastructure	563,632	581,267	609,637	643,325	584,673	629,401	737,769	764,697	764,583	777,475
Half-cent sales tax	319,883	321,020	329,118	334,408	316,827	363,983	407,783	453,437	439,287	434,424
Local option gas tax	81,708	81,739	75,738	71,246	65,364	66,504	67,968	68,723	67,533	66,567
Other taxes	64,689	58,273	60,288	18,898	102,689	64,177	66,945	82,877	94,644	86,758
State revenue sharing	160,186	161,033	161,955	165,471	161,155	169,368	211,715	229,843	222,542	224,742
Investment income	23,319	48,881	97,760	148,657	74,652	7,213	64,862	638,930	739,766	494,670
Change in fair value of investments	7,161	8,176	13,951	33,454	28,185	117	(11,158)	42,761	74,495	56,300
Miscellaneous	38,592	52,016	50,569	53,576	58,295	63,238	68,081	65,282	74,682	876,111
Total Governmental Activities	4,178,088	4,400,482	4,640,728	5,014,416	5,053,731	5,307,881	6,076,026	7,807,826	8,488,470	9,335,084
Business-type activities										
Investment income	8,773	18,542	39,170	60,443	29,056	2,398	21,068	153,091	194,385	179,556
Miscellaneous	--	--	--	--	--	--	--	--	--	59,673
Total business-type activities	8,773	18,542	39,170	60,443	29,056	2,398	21,068	153,091	194,385	239,229
Total Primary Government	$ 4,186,861	$ 4,419,024	$ 4,679,898	$ 5,074,859	$ 5,082,787	$ 5,310,279	$ 6,097,094	$ 7,960,917	$ 8,682,855	$ 9,574,313
Change in Net Position										
Governmental activities	$ 475,307	$ (103,026)	$ 33,321	$ 57,991	$ (362,675)	$ 344,953	$ 1,146,817	$ 3,383,251	$ 901,178	$ 644,196
Business-type activities	(167,423)	(121,619)	(32,576)	20,285	88,111	(51,421)	52,992	93,065	66,050	213,050
Total Primary Government	$ 307,884	$ (224,645)	$ 745	$ 78,276	$ (274,564)	$ 293,532	$ 1,199,809	$ 3,476,316	$ 967,228	$ 857,246

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 3

FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	(Restated) 2022	2023	2024	2025
General Fund										
Nonspendable	$ 24,403	$ 32,486	$ 38,991	$ 42,544	$ 73,005	$ 84,106	$ 45,337	$ 54,639	$ 71,110	$ 111,596
Restricted	1,651	2,651	2,651	1,651	1,651	--	--	--	--	--
Assigned	104,340	160,230	126,280	208,260	133,165	214,390	--	--	--	--
Unassigned	2,467,165	2,490,642	2,723,043	2,845,909	2,875,270	2,985,194	3,510,623	4,771,415	6,123,784	6,081,562
Total General Fund	$ 2,597,559	$ 2,686,009	$ 2,890,965	$ 3,098,364	$ 3,083,091	$ 3,283,690	$ 3,555,960	$ 4,826,054	$ 6,194,894	$ 6,193,158
All Other Governmental Funds										
Restricted	$ 4,568,025	$ 4,171,832	$ 4,670,585	$ 5,199,997	$ 5,442,712	$ 5,882,882	$ 6,407,103	$ 12,188,205	$ 5,733,143	$ 4,728,563
Assigned to:										
Capital improvement projects	433,616	387,876	240,878	200,255	66,806	--	--	--	--	--
Total All Other Governmental Funds	$ 5,001,641	$ 4,559,708	$ 4,911,463	$ 5,400,252	$ 5,509,518	$ 5,882,882	$ 6,407,103	$ 12,188,205	$ 5,733,143	$ 4,728,563

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 4

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	(Restated) 2022	2023	2024	2025
Revenues										
Taxes	$ 2,921,293	$ 3,088,677	$ 3,246,996	$ 3,546,478	$ 3,668,516	$ 3,971,331	$ 4,462,061	$ 5,476,746	$ 6,018,589	$ 6,318,037
Licenses and permits	551,956	360,643	476,897	475,885	375,713	511,552	483,970	705,406	687,714	1,031,893
Intergovernmental revenue	2,121,238	1,946,944	2,056,008	2,103,094	2,159,450	2,334,737	3,074,382	4,889,484	2,797,296	3,541,295
Fines and forfeitures	298,600	26,742	21,062	7,523	5,181	4,996	3,718	3,961	3,500	3,368
Interest	23,319	48,881	97,760	148,657	74,652	7,213	64,862	638,930	739,766	494,670
Change in fair value of investments	7,161	8,176	13,951	33,454	28,185	117	(11,158)	42,761	74,495	56,300
Rent	3,600	8,600	9,950	11,335	5,830	1,400	5,500	10,236	14,200	500
Miscellaneous revenue	39,766	49,114	50,926	53,576	58,295	69,195	73,438	67,723	74,682	171,664
Total revenues	5,966,933	5,537,777	5,973,550	6,380,002	6,375,822	6,900,541	8,156,773	11,835,247	10,410,242	11,617,727
Expenditures										
General government	735,542	736,468	771,751	810,750	853,883	929,722	1,015,157	1,058,651	1,179,577	1,445,009
Public safety	3,365,382	3,312,183	3,540,403	3,796,629	4,014,598	4,198,257	4,468,212	4,778,315	5,194,820	5,747,181
Transportation - public works	787,372	757,592	754,024	790,564	858,725	852,793	911,913	1,006,384	1,135,175	2,252,414
Human services	2,000	4,000	4,000	3,000	4,650	3,500	3,500	6,000	2,750	6,750
Culture and recreation	24,960	27,577	25,825	28,469	21,479	17,632	32,912	36,598	41,501	22,558
Physical environment	--	14,228	99,233	4,229	4,953	8,156	36,313	--	--	--
Capital outlay	482,967	1,043,912	221,963	250,173	523,541	316,518	860,374	7,314,219	7,037,012	2,243,972
Debt service										
Principal retirement	686	--	--	--	--	--	34,935	278,483	533,000	554,000
Interest and fiscal charges	2	--	--	--	--	--	1,671	178,393	372,760	352,186
Issuance costs	--	--	--	--	--	--	--	36,808	--	--
Total Expenditures	5,398,911	5,895,960	5,417,199	5,683,814	6,281,829	6,326,578	7,364,987	14,693,851	15,496,595	12,624,070
Excess of Revenues Over (Under) Expenditures	568,022	(358,183)	556,351	696,188	93,993	573,963	791,786	(2,858,604)	(5,086,353)	(1,006,343)
Other Financing Sources (Uses)										
Proceeds from sale of surplus capital assets	--	4,700	360	--	--	--	4,705	9,800	131	27
Proceeds from issuance of debt	--	--	--	--	--	--	--	9,900,000	--	--
Total Other Financing Sources (Uses)	--	4,700	360	--	--	--	4,705	9,909,800	131	27
Net Change in Fund Balances	568,022	(353,483)	556,711	696,188	93,993	573,963	796,491	7,051,196	(5,086,222)	(1,006,316)
Fund Balances - Beginning	7,839,585	7,599,200	7,245,717	7,802,428	8,498,616	8,592,609	9,166,572	9,963,063	17,014,259	11,928,037
Fund Balances - Ending	$ 8,407,607	$ 7,245,717	$ 7,802,428	$ 8,498,616	$ 8,592,609	$ 9,166,572	$ 9,963,063	$ 17,014,259	$ 11,928,037	$ 10,921,721
Debt Service as a Percentage of Noncapital Expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%	6.7%	10.7%	8.7%

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 5

PROGRAM REVENUE BY FUNCTION / PROGRAM

LAST TEN FISCAL YEARS

	2016	2017	2018	2019	2020	2021	(Restated) 2022	2023	2024	2025
Function / Program										
Governmental Activities :										
Charges for services										
General government	$ 87,309	$ 97,102	$ 105,383	$ 104,819	$ 107,872	$ 108,501	$ 98,234	$ 118,052	$ 123,982	$ 160,962
Public safety - Police	298,600	26,742	21,062	7,523	5,181	4,996	3,718	3,961	3,500	3,368
Public safety - Protective inspections	468,196	264,939	377,155	372,163	274,466	431,259	390,693	604,465	563,732	870,931
Culture and recreation	3,600	8,600	9,950	11,335	5,830	1,400	5,500	10,236	14,200	500
Total Charges for Services	857,705	397,383	513,550	495,840	393,349	546,156	498,145	736,714	705,414	1,035,761
Operating grants and contributions										
General government	--	--	--	40,793	36,891	104,448	567,775	1,984,074	3,891	3,137
Public safety - Fire	730,936	743,612	813,282	825,974	888,216	933,226	1,014,427	1,302,283	1,212,467	1,243,745
Human services	--	1,000	--	--	--	--	--	--	--	--
Culture and recreation	--	--	5,990	2,979	963	--	--	--	--	--
Physical environment	--	--	--	--	2,672	8,830	400	4,350	--	--
Total Operating Grants and Contributions	730,936	744,612	819,272	869,746	928,742	1,046,504	1,582,602	3,290,707	1,216,358	1,246,882
Capital grants and contributions										
Public safety - Fire	196,418	--	--	--	--	--	--	--	--	--
Culture and recreation	3,786	--	--	--	--	--	--	--	--	--
Total capital grants and contributions	200,204	--	--	--	--	--	--	--	--	--
Sub-Total Governmental Activities	1,788,845	1,141,995	1,332,822	1,365,586	1,322,091	1,592,660	2,080,747	4,027,421	1,921,772	2,282,643
Business-type activities:										
Charges for services										
Sewer	857,922	945,215	977,692	1,133,869	1,328,968	1,394,330	1,503,184	1,498,424	1,708,915	1,553,901
Reclaimed water	188,801	188,596	188,558	189,399	189,835	221,366	247,111	251,997	277,173	292,530
Total charges for services	1,046,723	1,133,811	1,166,250	1,323,268	1,518,803	1,615,696	1,750,295	1,750,421	1,986,088	1,846,431
Sub-total business-type activities	1,046,723	1,133,811	1,166,250	1,323,268	1,518,803	1,615,696	1,750,295	1,750,421	1,986,088	1,846,431
Total Primary Government Revenues	$ 2,835,568	$ 2,275,806	$ 2,499,072	$ 2,688,854	$ 2,840,894	$ 3,208,356	$ 3,831,042	$ 5,777,842	$ 3,907,860	$ 4,129,074

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 6

TAX REVENUE BY SOURCE, GENERAL FUND

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Ad Valorem	Franchise Fees	Utility Tax	Communications Service Tax	Total
2025	$ 4,808,032	$ 581,038	$ 787,319	$ 141,648	$ 6,318,037
2024	4,438,935	610,459	833,028	128,516	6,010,938
2023	3,868,420	586,210	828,575	178,071	5,461,276
2022	2,970,495	563,914	767,546	160,106	4,462,061
2021	2,514,741	530,215	734,185	164,739	3,943,880
2020	2,216,228	522,323	733,155	190,185	3,661,891
2019	2,095,658	533,672	703,744	212,307	3,545,381
2018	1,820,247	509,999	663,585	247,881	3,241,712
2017	1,730,425	473,192	650,481	233,979	3,088,077
2016	1,570,705	467,936	648,746	231,531	2,918,918

SCHEDULES OF REVENUE CAPACITY INFORMATION

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 7

ASSESSED VALUE AND ACRUAL VALUE OF TAXAB:E PROPERTY

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Residential Property	Commercial Property	Governmental Property	Institutional Property	Other Real Property	Personal Property	Total Assessed Value	Less : Tax-Exempt Property and Assessed Value Differentials	Total Taxable Assessed Value	Total Direct Tax Rate
2025	$ 1,131,338,286	$ 147,573,261	$ 10,700,683	$ 56,763,510	$ 504,834	$ 46,655,635	$ 1,393,536,209	$ 421,026,342	$ 972,509,867	5.1750
2024	1,111,379,208	139,839,617	9,383,460	58,060,323	515,295	39,222,498	1,358,400,401	451,581,005	906,819,396	5.0638
2023	981,025,663	123,165,826	8,864,517	60,840,044	473,537	36,578,433	1,210,948,020	395,585,523	815,362,497	4.9650
2022	750,534,327	111,799,966	6,031,034	57,739,560	424,290	35,333,625	961,862,802	232,267,330	729,595,472	4.2474
2021	700,467,745	109,291,465	5,574,192	59,344,003	340,345	35,116,663	910,134,413	220,058,136	690,076,277	3.7806
2020	679,175,520	102,573,317	5,039,636	57,433,419	306,241	32,506,362	877,034,495	220,500,019	656,534,476	3.5000
2019	650,233,004	93,190,898	4,876,837	55,424,780	328,937	36,112,949	840,167,405	216,587,668	623,579,737	3.5000
2018	604,199,011	90,577,695	4,363,171	53,634,619	241,263	30,317,874	783,333,633	202,539,441	580,794,192	3.2500
2017	554,928,355	88,608,662	3,588,527	57,196,449	210,427	30,406,520	734,938,940	184,848,867	550,090,073	3.2500
2016	519,146,873	84,195,176	3,108,304	36,473,740	209,884	30,100,445	673,234,422	172,125,048	501,109,374	3.2500

Source: Pinellas County Property Appraiser

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 8

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS
(RATES PER $1,000 OF ASSESSED VALUE)

		Pinellas County				Pinellas County School Board				Other Taxing Districts					
Fiscal Year	City	Operating	Mosquito Control	Health Department	Total County - Operating	State School	Local School	Total School Board	Transit District	Emerg. Medical Services	Pinellas Planning Council	Juvenile Welfare Board	SW Fla. Wtr. Management District	Total Other	Total
2025	5.1750	4.5947	0.0000	0.0713	4.6660	3.0740	2.7480	5.8220	0.7342	0.8050	0.0200	0.8250	0.1909	1.8409	18.2381
2024	5.0638	4.7398	0.0000	0.0713	4.8111	3.1900	2.7480	5.9380	0.7500	0.8418	0.0210	0.8250	0.2043	1.8921	18.4550
2023	4.9650	4.7398	0.0000	0.0790	4.8188	3.2150	2.7480	5.9630	0.7500	0.8775	0.0210	0.8508	0.2260	1.9753	18.4721
2022	4.2474	5.1302	0.0000	0.0790	5.2092	3.5770	2.7480	6.3250	0.7500	0.9158	0.0150	0.8981	0.2535	2.0824	18.6140
2021	3.7806	5.2755	0.0000	0.0835	5.3590	3.6790	2.7480	6.4270	0.7500	0.9158	0.0150	0.8981	0.2669	2.0958	18.4124
2020	3.5000	5.2755	0.0000	0.0835	5.3590	3.8360	2.7480	6.5840	0.7500	0.9158	0.0150	0.8981	0.2801	2.1090	18.3020
2019	3.5000	5.2755	0.0000	0.0835	5.3590	3.9790	2.7480	6.7270	0.7500	0.9158	0.0150	0.8981	0.2955	2.1244	18.4604
2018	3.2500	5.2755	0.0000	0.0835	5.3590	4.2610	2.7480	7.0090	0.7500	0.9158	0.0150	0.8981	0.3131	2.1420	18.5100
2017	3.2500	5.2755	0.0000	0.0622	5.3377	4.5700	2.7480	7.3180	0.7500	0.9158	0.0150	0.8981	0.3317	2.1606	18.8163
2016	3.2500	5.2755	0.0000	0.0622	5.3377	5.0220	2.7480	7.7700	0.7305	0.9158	0.0160	0.8981	0.3488	2.1787	19.2669

Notes:

1. N/A - The detail for certain overlapping property tax rates was not available.
2. The Ad valorem tax rate for the City of South Pasadena pertains to operating expenditures only, and therefore, no further breakdown of the direct rate can be shown.

Source:

Pinellas County Tax Collector

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 9

PRINCIPAL PROPERTY TAX PAYERS

AS OF SEPTEMBER 30, 2025 AND NINE YEARS AGO
(RATES PER $1,000 OF ASSESSED VALUE)

	2025			2016		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Pasadena Ave Landlord / Fountains Property, Inc. - Majestic Towers	$ 41,980,690	1	4.32%	$ 22,285,858	1	4.45%
Waters Pointe Apartments LLC	36,100,000	2	3.71%	20,875,000	3	4.17%
West Florida PPH - Palms of Pasadena	29,571,445	3	3.04%	22,153,975	2	4.42%
South Pasadena R2G Owner, LLC	29,300,000	4	3.01%	--		0.00%
Causeway Village MHC LLC	14,624,058	5	1.50%	8,545,434	5	1.71%
Bay Pointe Tower Apartments LLC	12,900,000	6	1.33%	7,475,000	6	1.49%
Extra Space Properties Two LLC	12,884,080	7	1.32%	7,170,000	7	1.43%
Grevilla Self Storage LLC	11,250,000	8	1.16%	--		0.00%
Pasadena Bayside LLC	10,675,000	9	1.10%	--		0.00%
Duke Energy Florida	8,501,774	10	0.87%	6,209,413	9	1.24%
Publix Super Markets	--		--	6,145,439	10	1.23%
V.V. FL, Inc. (Pasadena Shopping Center)	--		--	17,447,812	4	3.48%
McKinley Gulf of Mexico LLC	--		--	6,310,000	8	1.26%
Total Principal Taxpayers	207,787,047		21.37%	124,617,931		24.87%
All Other Taxpayers	764,722,820		78.63%	376,491,443		75.13%
Total	$ 972,509,867		100.00%	$ 501,109,374		100.00%

Source:

Pinellas County Property Appraiser

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 10

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy	
		Amount	Percentage of Levy
2025	$ 5,032,739	$ 4,808,032	95.54%
2024	4,591,952	4,438,935	96.67%
2023	4,048,275	3,868,420	95.56%
2022	3,098,884	2,970,495	95.86%
2021	2,608,903	2,970,495	113.86%
2020	2,297,872	2,514,741	109.44%
2019	2,185,025	2,216,228	101.43%
2018	1,887,582	2,095,658	111.02%
2017	1,787,793	1,820,247	101.82%
2016	1,628,606	1,730,425	106.25%

Notes:

Subsequent year collections are minimal, therefore only total tax collected within the fiscal year is presented.

Source:

Pinellas County Property Appraiser

SCHEDULES OF DEBT CAPACITY INFORMATION

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 11

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities Capital Lease Obligation	Governmental Activities Revenue Bonds Payable	Governmental Activities Right-to Use Subscription Liability (SBITA)	Total Debt	Percentage of Personal Income	Per Capita
2025	$ --	$ 8,570,000	$ --	$ 8,570,000	0.446%	$ 1,658
2024	--	9,124,000	--	9,124,000	0.519%	1,693
2023	--	9,657,000	36,041	9,693,041	0.577%	1,833
2022	--	--	71,524	71,524	0.004%	13
2021	--	--	--	--	0.000%	--
2020	--	--	--	--	0.000%	--
2019	--	--	--	--	0.000%	--
2018	--	--	--	--	0.000%	--
2017	--	--	--	--	0.000%	--
2016	--	--	--	--	0.000%	--

Notes:

1. The Constitution of the State of Florida, Florida Statute 200.181 and the Charter of the City of South Pasadena, Florida set no legal debt margin.

2. The City did have any business-type activities debt during the ten year period.

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 12

DIRECT AND OVERLAPPING GOVERNMENT ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2025

Governmental Unit	Debt Outstanding	(1) Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Overlapping debt:			
Pinellas County SBITAs Outstanding (2)	$ 11,385,648	0.719%	$ 81,879
Pinellas County Leases (2)	27,162,465	0.719%	195,337
Pinellas County Notes Outstanding (2)	--	0.719%	--
	$ 38,548,113		277,216
City direct debt Revenue bonds payable	$ 8,570,000		8,570,000
Total direct and overlapping debt			$ 8,847,216
Total direct and overlapping debt per capita			$ 1,673

Note:

(1) The City's share is calculated based on the ratio of the 2024 City Taxable Value of $972,509,867 to the County's Taxable Value of $135,231,638,681.

(2) The City of South Pasadena is not responsible for the debt of the County.

Source:

Pinellas County Property Appraiser
Pinellas County School Board

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 13

PLEDGED-REVENUE COVERAGE

LAST TEN FISCAL YEARS

Year	Revenue Source (1)	Less: Operating Expenses (2)	Add: Depreciation	Net Available Revenue	Principal	Interest	Coverage
2025	$ 6,809,695	$ 9,473,912	$ --	$ (2,664,217)	$ 554,000	$ 352,186	(2.94)
2024	5,971,307	7,553,823	--	(1,582,516)	533,000	372,760	(1.75)
2023	7,966,827	6,885,948	--	1,080,879	278,483	178,393	2.37
2022	--	--	--	--	--	--	--
2021	--	--	--	--	--	--	--
2020	--	--	--	--	--	--	--
2019	--	--	--	--	--	--	--
2018	--	--	--	--	--	--	--
2017	--	--	--	--	--	--	--
2016	--	--	--	--	--	--	--

(1) On April 14, 2023, the City issued the Capital Improvement Revenue Bonds, Series 2023, in the amount of $9,900,000. The bonds will be repaid from non-pledged, non-Ad Valorem revenues. There has been no specific revenue source pledged towards payment of the SBITA obligation. The revenue source amount includes all Governmental Funds' revenues excluding Ad-Valorem revenues. No new indebtedness has been issued for which specific revenue sources have been pledged.

(2) Operating expenses include all Governmental Funds' expenditures exclusive of capital outlay expenditures.

SCHEDULES OF DEMOGRAPHIC AND ECONOMIC INFORMATION

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 14

DEMOGRAHIC AND ECONOMIC STATISTICS

LAST TEN CALENDAR YEARS

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (1)	Median Age (3)	School Enrollment (4)	Unemployment Rate (5)
2025	5,169	$ 1,922,906,514	$ 50,170	69.8	87,876	4.20%
2024	5,389	1,758,292,580	55,544	69.8	91,021	3.60%
2023	5,288	1,678,782,277	46,038	70.5	93,702	3.10%
2022	5,319	1,604,008,439	38,954	70.5	95,446	2.50%
2021	5,342	1,469,989,593	38,931	70.5	96,068	3.50%
2020	5,358	1,378,872,247	38,803	70.6	99,798	5.50%
2019	5,344	1,325,891,784	40,801	70.4	100,987	2.70%
2018	5,245	1,249,843,004	38,890	70.2	101,824	3.00%
2017	5,317	1,201,817,154	38,718	69.6	103,481	3.50%
2016	5,153	1,153,032,216	36,359	69.5	103,768	4.50%

Sources:

(1) United States Census Bureau

(2) U. S. Department of Commerce - Bureau of Economic Analysis Numbers for Pinellas County used to approximate South Pasadena.

(3) Pinellas County Economic Development Department.

(4) Florida Department of Education - elementary through high school for Pinellas County School District.

(5) U. S. Department of Labor - Bureau of Labor Statistics.

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 15

PRINCIPAL EMPLOYERS, PINELLAS COUNTY

CURRENT YEAR AND NINE YEARS AGO

	2025		2016	
Employer	Employees	Rank	Employees	Rank
Publix	7,575	1	--	--
Walmart	4,676	2	--	--
Raymond James & Associates	4,600	3	3,500	1
All Children's Health Systems	3,865	4	--	--
Morton F Plant Hospital	3,363	5	--	--
Mease Hospital Trustees	2,582	6	--	--
Honeywell International	2,200	7	1,500	8
St. Anthony's Hospital	2,113	8	--	--
Charter Communication / Spectrum	2,023	9	2,000	3
Jabil & Subsidiaries	1,987	10	1,600	6
Home Shopping Network	--	--	2,800	2
TD Synnex / Tech Data Corp.	1,512	--	1,500	7
Fidelity Information Svc.	1,436	--	1,800	4
Nielsen Media Research	--	--	1,800	5
ThinkDirect Marketing Group	--	--	1,000	9
Ceridian Benefits Services, Inc.	--	--	1,000	10
	37,932		18,500	

Note:
Numbers are based on Pinellas County since numbers for South Pasadena are not available.
The percentage of each employer's employment to the total is not presented as the total Pinellas County employment amount is not available.

Source:

Pinellas County Economic Development

SCHEDULES OF OPERATING INFORMATION

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 16

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION / PROGRAM

LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of September 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Function / Program										
General government										
Legislative	-	-	-	-	-	-	-	-	-	-
Administration	5.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Financial Administration	4.0	4.0	3.5	3.75	3.0	3.0	3.0	3.0	3.0	3.0
Fire										
Administration	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Fire Operations	17.0	18.0	18.0	17.0	17.0	18.0	18.0	18.0	16.0	15.0
Fire Inspections	-	-	-	-	-	-	-	-	-	-
Public Works										
Administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Parks / Horticulture	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Bldg / Parks / Facility Maint.	7.0	7.0	7.0	6.0	6.0	4.0	6.0	6.0	6.0	6.0
Building Permitting / Licensing										
Administration	5.0	3.0	3.5	3.0	3.0	2.0	2.0	3.0	3.0	3.0
Inspectors	1.0	1.0	1.0	1.0	-	0.75	0.75	0.5	-	-
Code Enforcement	-	-	-	-	-	-	-	-	-	-
	45.00	42.00	42.00	39.75	38.00	36.75	38.75	39.50	37.00	36.00

Source:

City of South Pasadena Finance Department

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 17

OPERATING INDICATORS BY FUNCTION / PROGRAM

LAST TEN FISCAL YEARS

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fire										
EMS responses	1,725	2,944	2,683	2,505	2,589	2,761	2,991	2,895	2,652	2,540
Fire dept. responses	647	591	619	504	483	518	497	503	755	783
Water										
New connections	--	--	--	--	--	--	--	--	--	--
Avg. daily consumption (thousands of gallons)	392	479	486	502	496	512	437	470	480	461
Sewer										
Average daily flow (mgd)	0.37	0.55	0.46	0.47	0.51	0.49	0.50	0.52	0.52	0.55

Sources:
City of South Pasadena Fire and Public Works Departments

CITY OF SOUTH PASADENA, FLORIDA

SCHEDULE 18

CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM

LAST TEN FISCAL YEARS

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police	- - - - - Provided by Pinellas County Sheriff's Department (two patrol cars provide 24-hour protection) - - - - -									
Fire										
Stations	1	1	1	1	1	1	1	1	1	1
Public works										
Streets (miles)	4.23	4.23	4.23	4.23	4.23	4.23	4.23	4.23	4.23	4.23
Recreation										
Number of playgrounds	1	1	1	1	1	1	1	1	1	1
Parks (acres)	3.32	3.32	3.32	3.32	3.32	3.32	3.32	3.32	3.32	3.32
Tennis courts	2	2	2	2	2	2	2	2	2	2
Water	- - - - - - - - - - - - - - - - - - - Provided by the City of St. Petersburg -									
Wastewater										
Sanitary sewers (miles)	7	7	7	7	7	7	7	7	7	7
Treatment capacity (mgd)	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67	0.67

Sources:

City of South Pasadena Fire and Public Works Departments

REPORTING SECTION

CBIZ CPAs P.C.

201 East Kennedy Boulevard
Suite 1500
Tampa, FL 33602

P: 813.397.4800

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Mayor, City Commission
and City Clerk, Director of Administration
City of South Pasadena, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of South Pasadena 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 June 29, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

CBIZ CPAs P.C.

Tampa, Florida
June 29, 2026

CITY OF SOUTH PASADENA, FLORIDA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

FINANCIAL STATEMENT FINDING

SD 2024-001 – Was addressed and not repeated in the current year.

SD 2024-002 – Was addressed and not repeated in the current year.

CBIZ CPAs P.C.

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P: 813.397.4800

Management Letter in Accordance with the
Rules of the Auditor General for the State of Florida

To the Honorable Mayor, City Commission
City of South Pasadena, Florida

Report on the Financial Statements

We have audited the financial statements of the City of South Pasadena, Florida (the "City"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 29, 2026.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards,* Summary Schedule of Prior Audit Findings and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated June 29, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

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 is disclosed in Note 1 to the financial statements.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes, as of and for the fiscal year ended September 30, 2025.

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 as of September 30, 2025. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. The results of our procedures disclosed no matters that are required to be reported. Our assessment was performed as of the fiscal year end.

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

Deepwater Horizon Oil Spill

Section 10.556(10)(e), Rules of the Auditor General, requires a determination of the City's compliance with Federal and State laws, regulations, contracts or grant agreements related to the receipt and expenditures of funds related to the Deepwater Horizon oil spill. The City's Deepwater Horizon oil spill funds received are unrestricted and, therefore, do not have related compliance requirements.

Property Assessed Clean Energy (PACE) Program

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the City's geographical boundaries during the fiscal year under audit. There was no PACE Program operating within the City's geographical boundaries.

Special District Component Units

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

Additional Matters

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

Purpose of this Letter

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

CBIZ CPAs P.C.

Tampa, Florida
June 29, 2026

CBIZ CPAs P.C.

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Independent Accountants' Report on Compliance
Pursuant to Section 218.415, Florida Statutes

To the Honorable Mayor, City Commission and City Manager
City of South Pasadena, Florida

We have examined the City of South Pasadena, Florida (the "City") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies for the fiscal year ended September 30, 2025. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

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

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

In our opinion, the City complied, in all material respects, with Section 218.415, Florida Statutes, as of and for the fiscal year ended September 30, 2025.

This report is intended to describe our testing of compliance with Section 218.415, Florida Statutes, and is not suitable for any other purpose.

CBIZ CPAs P.C.

Tampa, Florida
June 29, 2026