# CITY OF WEST PARK, FLORIDA
# AUDITED FINANCIAL STATEMENTS
# FOR THE YEAR ENDED SEPTEMBER 30, 2025

S. Davis & Associates, P.A.
Certified Public Accountants & Consultants

**CITY OF WEST PARK, FLORIDA**

**TABLE OF CONTENTS**

**CITY OF WEST PARK, FLORIDA**

**TABLE OF CONTENTS**

# FINANCIAL SECTION

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# INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor, City Commissioners
and City Manager
City of West Park, Florida

## Report on the Audit of the Financial Statements

### *Opinions*

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining funds of the City of West Park, Florida (the "City") as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining funds of the City as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinions*

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

### *Responsibilities of Management for the Financial Statements*

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.

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

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

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

- Exercise professional 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 through 19, budgetary comparison schedules, schedules of proportionate share of net pension liability, schedule of pension contributions and the schedule of changes in the City´s total OPEB liability on page 50 through 58, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and

Chapter 10.550, Rules of the Auditor General is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards,* we have also issued our report dated July 30, 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, 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.

S. Davis & Associates, P.A.

Hollywood, Florida
July 30, 2026

## FINANCIAL MANAGEMENT DISCUSSION AND ANALYSIS

As management of the City of West Park, Florida, we offer readers of the City of West Park's financial statements this narrative overview and analysis of the financial activities of the City of West Park, Florida, for the year end September 30, 2025. Readers are encouraged to consider all the information presented in this report. The responsibility of preparing this report is the responsibility of the management of the City of West Park, Florida.

The City of West Park, Florida (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 City's financial statements (beginning on page 20).

The City was incorporated March 1, 2005, following a vote of residents in the formerly unincorporated Broward County. The City operates under a Commission/Administrator form of government. The Commission is elected by seat and the Mayor is elected directly. Those candidates receiving the highest votes are elected to individual seats. The Mayor is elected separately and the candidate for Mayor who receives the most votes is elected. Florida Law determines the City's fiscal year. The fiscal year begins October 1st of each year and ends September 30th the next year.

### Financial Highlights

- The assets and deferred outflows of the City of West Park exceeded its liabilities and deferred inflows of resources on September 30, 2025, by $90,914,514 (the "net position"). Of this amount, $11,830,342 (the "unrestricted net position") may be used to meet the government's ongoing obligations to citizens and creditors.

- The City's total net position increased by $2,035,199 over the prior year.

- At the close of fiscal year 2025, the City's General Fund reported $15,183,535 in total fund balance, an increase of $2,210,172 over the previous year. Of the total fund balance, $579,330 represents non-spendable assets comprised of property held for resale and should be considered illiquid. Property held for resale, which is property the City will likely develop into residential and other properties at some point in the future, was reported at the current estimated market value or cost, whichever was less. The City uses the Broward County Property Appraiser's estimate of the lower of cost or market value as of the January 1st date closest to the financial statement date. The City's Twin Lakes Water Control District special revenue fund ended with a fund balance of $71,302, a decrease of ($1,612) over FY2024. The City's Stormwater Utility Fund had a final fund balance of $1,179,965, a increase over the prior year of $217,979. The City's Capital Project's Fund had a negative fund balance of ($241,523) which is the amount owed to the General Fund that will be repaid in future years, generally from grant funds. The fund balance increased by $136,625 from the prior year..

- The LETF utilized ($211,614) with had the net effect of decreasing the fund balance.

- The City's General Fund Assigned Fund Balance of $1,617,901 is assigned for use in the 2026 fiscal year, all of which is earmarked for General Fund operations.

- The City's General Fund Unassigned Fund Balance of $12,986,304 represents immediately available resources that can be used for any lawful purpose. This is an increase from the fiscal year 2024 amount of $1,592,097 or an increase of about 31%, with $2,043,307 being limited federal ARPA funds used to support the General Fund's operations for the year.

- The City's General Fund Unassigned Fund Balance represents about 58% of the year's total expenditure for that fund, or about 6 months of expenditure, a slight increase from the FY2024 amount of 55%.

- The City's policy is to maintain at least a three-month level of unassigned fund balance and should strive to maintain a six-month balance. At fiscal year end, the City was slightly above the high end of that policy for the General Fund.

- The City's long-term liabilities in its governmental activities, exclusive of OPEB and pension liabilities, is comprised of employee compensated absences of $278,769, $51,234 of which is expected to be paid from budgeted resources in FY2026 and lease liabilities of $1,235,230 of which $325,541 is expected to be paid from FY2026 funds.

- The City's current assets (exclusive of illiquid assets) exceeded its current liabilities by about 6.4 times.

**City Achievements**

Over the past several years, through the vision and leadership of former elected officials (Mayor, Vice Mayor and Commissioners) and the dedication of every City employee and our partners throughout the community, West Park truly evolved into a city rich in opportunities and community resources. The City established policies to foster development and redevelopment that will rid our unique neighborhoods of blight; expansion of open-space and self-recreation opportunities; and continued local roadway infrastructure improvement.

Underlying all of this success is a unifying commitment across the administrative staff to exercise fiscal discipline, despite current commission's effort to eliminate some sources of revenue, to deliver services with maximum efficiency, and to provide improved results to the entire community. With the nation's current economic uncertainty, affordable housing challenges, and continued increased cost of living, the City will undoubtedly be continually challenged to maintain a structurally balanced budget. However, as we grow our base of resources, and continue to align our City around core services and live within our means, with continued fiscal prudence, we will be able to better ourselves as a community for years to come.

Therefore, in FY2024-25, we embraced the workload of administering and managing the following projects' and services, with pride:

## I. LIST OF ACTIVE INFRASTRUCTURE IMPROVEMENT:

1 Amphitheater at McTyre Park: Construction activities commenced at the City's Amphitheater at McTyre Park. The state of the art, 1,242 square feet reinforced concrete, amphitheater which shall include a covered stage platform; two dressing rooms; enclosed storage; electrical rooms; an outdoor seating area designed for community audiences; handicap accessible ramps and a standalone restroom building for public use. Upon completion, the amphitheater and support facilities will allow for event programming, productions, and presentation of music, dance, theatre art and it would serve as a venue for cultural enrichment activities.

2 Citywide Sidewalk Rehabilitation: In our continued effort to improve our infrastructure while providing safe streets for our residents, we secured funding from Broward County Community Development Block Grant Program to perform multiple phases of sidewalk repairs throughout the City. The project also provides for handicap ramps connectivity in compliance with American Disability Act.

3 SW 21st Street Complete Street Improvement: As part of improving our infrastructure, construction activities are ongoing for the complete street improvement along SW 21 Street. The improvement project runs from State Road 7 to SW 40th Avenue. This surtax-funded 1.5-mile complete street improvement includes asphalt-resurfacing, construction of bike lane, swale area improvement, installation of traffic calming elements, installation of regulatory signs, pavement marking, and ADA ramp upgrades.

4 SW 48th Avenue Complete Street Improvement: The SW 48th Avenue Complete Street Improvement is another surtax-funded construction project. The improvement project, which runs from County Line Road to Pembroke Road. The construction activities include asphalt pavement resurfacing, construction of bike lanes, swale area improvement, installation of traffic calming element, and installation of regulatory signs, pavement marking, landscaping and ADA ramp upgrades.

5 Pioneer Wall at Mary Saunders Park: Construction activities commenced, following the completion of the final architectural designs for the Pioneer Wall at Mary Saunders Park. The wall is intended to highlight the pioneers of the West Park community, symbolize its change, transformation, and "Positive Progression" while celebrating the culture of the early settlers.

## II. LIST OF ACTIVE DEVELOPMENT INITIATIVES:

**1.** Commercial Development Initiative along the Transit Oriented Corridor: As part of our ongoing initiative to develop our Transit Oriented Corridor, our partnership with Florida Department of Transportation (FDOT) and Wilferz Company has yielded a successful the development of the vacant parcels at the northeast corner of State Road 7 and SW 25th Street. Construction of an approximate 6,000 square foot commercial building commenced approximately couple of months ago. The proposed building consists of a restaurant on the ground floor and office/flex space on the second. The landscape and hardscape design further emphasize the desired pedestrian-friendly character for the corridor. The estimated construction completion date is with the first quarter of 2027.

2. West Park Plaza New Construction Project: The conceptual plans have been completed for this proposed construction of an approximate 13,500 square foot commercial shopping plaza, including two buildings and associated parking area. At 1.46 acres, the subject site is located along State Road, just south of Pembroke Road, and within the Transit Oriented Corridor (TOC) zoning district. The new

commercial plaza will include five retail bays and a fast-food building with a drive-through facility. The project is designed to comply with the intent of the Transit Oriented Corridor regulations.

3. Infill Lot Affordable Housing Development Initiative: Affordable housing has far reaching impact on economic growth, opportunity, social mobility and equity. Housing costs represent the single largest component of total household expenses for most families and households. Recognizing these impacts, in 2019, we established the Infill Lot Affordable Housing Development Initiative for five (5) vacant lots, in collaboration with Broward County. Following a formal procurement process, the City selected two non-profit affordable housing development firms to participate in the City's Infill Lot Affordable Housing Development initiative. As part of this public-private collaboration, the City provided vacant lots for the construction of new, single-family affordable homes in accordance with Housing and Urban Development guidelines. As part of our collaboration with the County, the County provided pre-construction expenditures in an amount up to $20,000 per lot. To further ensure home affordability, future homebuyers will receive down payment and closing cost assistance in an amount up to $80,000 as part of a Broward County homebuyer assistance program. The newly constructed homes consist of the highest quality materials and contain both three and four bedroom designs with two-car garages. The completed home provides a vital asset to the surrounding community and long-term housing affordability for new homebuyers. The five developed single-family homes were completed during the second quarter of FY2025.

## III. LIST OF INVESTMENTS IN SAFETY:

1. Storm Secure Underground Program by FPL: Our Florida Power & Light (FPL) partners have been working with interested residents to replace their overhead power line with underground line to improve reliability and storm resilience for our neighborhoods. City staff have been assisting interested residents and FPL team through the permitting process. The Storm Secure Underground Program is an initiative by FPL aimed at enhancing the resiliency of the electric grid and reducing power outages caused by trees and vegetation contacting overhead lines. The program is part of FPL's broader Storm Protection Plan, launched following the historic 2004-05 hurricane seasons.

2. Purchase of a New Emergency Medical Services (Fire Rescue) Truck: To continue ensuring the health, welfare and safety of our residents, staff continue to work with the manufacturing company on the specification of the purchased Emergency Rescue Truck (ambulance). The new ambulance will replace the old ambulance purchased over 10 years ago. The old ambulance has now reached its estimated life expectancy. This new ambulance will avoid increasing maintenance cost and more importantly, it would prevent delay in emergency response to our residents.

3. District BSO's Community Engagement: While protecting and serving the community, our law enforcement team continued to provide several community engagement initiatives during FY 2024-25, to include:

   a. Explorer Program: This program provides young adults, ages 14 through 20 years of age the opportunity to learn and experience lawful citizenship, as they participate side-by-side with law enforcement deputies and civilian personnel in on-going training and community service projects.
   b. Community Movie Night: This event continues to have significant impact on community engagement and trust. At each event, deputies get to connect with the community, share important information, and foster a sense of safety and belonging.

c. National Night Out: This annual event held in conjunction with the Back to School Book Giveaway event strengthens police-community partnership and promotes neighborhood safety.
d. Vacation Home Watch Program: This free service allows deputies to drive by unoccupied residences and perform a daily perimeter check for signs of break-in or suspicious activity. The program is designed to provide peace of mind and ensure that homes are safe while residents are away.
e. Citizen Observer Patrol (COP) Program: This program consists of volunteer residents who help BSO fight crime by patrolling the City, looking out for suspicious activity or potential hazards and assisting residents.
f. Coffee with a COP Program: This program is designed to foster positive relationships between law enforcement and residents. This program includes various events where residents can meet their local deputies, engage in casual conversations, and express concerns or ask questions.
g. Shred-A-thorn & Operation Medicine Cabinet Program: This program is a community initiative aimed at preventing prescription drug abuse and identity theft. Residents can participate in these events to safely dispose of unused, unwanted, or expired medications and sensitive documents.

**IV. LIST OF YOUTH & SENIOR PROGRAMS:**

During the FY2024-25, the following Youth & Senior Citizen Service Programs were provided:

1. Free youth tennis program in collaboration with First Serve Miami. This partnership with First Serve Miami ("Tennis with a Purpose"), focuses on building today's youth to become future champions in Education, Athletics, Work, and Life.

2. Free Tackle Football Program ("West Park Saints") for ages 5 through 14. This program build character through leadership and creates positive effect on youth in the community.

3. Free Cheerleading Program ("West Park Saints") for ages 5 through 14. The West Park Saints Cheerleading Program plays a vital role in promoting teamwork, building confidence, and enhancing the overall atmosphere of the City's youth tackle football program.

4. Free Youth Basketball Program for ages 5 through 14. The program not only enhance physical fitness but also contribute to mental and emotional development, social skills, and personal growth.

5. Youth Council started in 2012 for high school students in the City, has promoted meaningful civic engagement and continue to build stronger connections between students and local administrative leaders. They give students a firsthand look at how cities work while fostering leadership, responsibility, and public service.

6. Free Afterschool and Out-of-school program in collaboration with the Children's Services Council provides a safe and supportive environment for learning and growth. The City's program provides academic support, free snacks, and a variety of enrichment activities.

7. To improve overall wellbeing for residents, the City's recreation team also provide free outdoor fitness program by a Physical Fitness Professional. The outdoor fitness activities have a profound impact on physical health, offering numerous benefits that can help reduce negative emotions, fatigue, and stress, while increasing energy levels.

8. In collaboration with the Area Agency on Aging of Broward County since 2012, the City has provided transportation and recreation programs for seniors ages 60 and above in our community. The Senior Program provides array of services, to include fitness, trips to doctors' appointments, shopping trips, recreation tours and they participate in fun games, when at the center.

9. Free Tai Chi for seniors to reduce arthritis pain, improve balance, flexibility, and overall quality of life.

**V. LIST OF HEALTH & WELLNESS PROGRAMS:**

During the FY2024-25, the following programs were provided:

1. Each month the City provide free fresh produce, protein, and shelf store food to resident, in partnership with Farm Share. The City started this program in 2015 to address food insecurity and hunger. The monthly event has served, as beacons of hope and community unity, while letting residents know that we care and support them.

2. In collaboration with Memorial Healthcare Systems, mobile clinic for adult care and children a provided on the front lawn of City Hall twice a month. With this initiative, Memorial continues to provide exceptional patient- and family-centered care for residents.

**VI. LIST OF COMMUNITY SUPPORT PROGRAMS:** The following programs were administered during FY2025:

1. Minor Home Repair Grant Program: This program is designed to provide a forgivable loan to eligible residents for home repair projects. In an effort to ensure owner occupied units are not sold or rented for a three-year period, applicants are required to sign an agreement with the City.

2. Childcare Assistance Grant Program: This program provides financial assistance to eligible families to pay for quality childcare. The maximum grant award is $600 per applicant.

3. Tree Trimming Grant Program: This program was established to mitigate negative effects associated with trees encroaching on existing Florida Power and Light power lines.

4. Annual College Scholarship Program: Considering financial challenges nationwide due to inflation, the City issued eleven scholarship awards to high school seniors and college students who reside in West Park. The City Commission finds that disbursement of scholarship awards pursuant to the 2025 City of West Park Annual Scholarship Program is in the best interests of the residents of the City. The scholarships are to be used for tuition, fees, books, room and board, or other educational expenses owed to the school.

5. "Paint It Broward" & Household Hazardous Waste Program: In collaboration with Broward County, the City continued to provide free exterior house paint to residents. The City's residents are allowed four-gallon containers, with a selection from off-white, terracotta, beige, turquoise and light grey. The Household Hazardous Waste (HHW) Program is another free service the City offers to residents. Under a contractual service agreement with Broward County, the City pays for HHW disposal at the Broward County Trash Transfer Station by any resident. The transfer station is located at 5601 West Hallandale Beach Boulevard.

**Overview of the Financial Statements**

The financial statement 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 assess the particulars of the City's financial operations and provide for annual comparisons of the City's financial performance. The statements can also facilitate comparisons with other units of government.

**Government-wide Financial Statements**

The Government-wide Financial Statements (see pages 20 to 21) are designed to be corporate-like in that all governmental and business-type activities (though the City as yet does not operate any business-type activities) are consolidated into columns that add up to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be like bottom-line results for the City and its governmental and business-type activities. This statement combines and consolidates government funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations.

The Statement of Activities (see page 21) is focused on both the gross and net cost of various activities (including governmental, component units and business-type), which are supported by the City's taxes and other revenues. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities and/or components.

The Governmental Activities reflect the City's services, which reflect the full range of municipal services. The City provides police and fire rescue services through an interlocal agreement with the Broward Sheriff's Office (BSO). The Broward County Board of County Commissioners approves BSO's budget. The City provides solid waste services to residential properties of 10 dwelling units or less under a franchise agreement with a private company. Commercial waste streams are provided by licensed waste haulers under open market conditions with a franchise fee paid to the City by each hauler based upon the billings of each hauler. Finance, Development Services and Code Enforcement services are provided through contracts with various vendors. Employees hired by the City provide administration and Parks and Recreation services.

**Fund Financial Statements**

Traditional users of government financial statements will find the Fund Financial Statement presentations more familiar. The focus in those statements is on Major Funds.

The City's Major Fund presentation (see pages 22 to 25) is presented on a sources and uses of liquid resources basis. This is the way 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 22).

The Government Major Funds Total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources) that is reflected on the entity-wide statement (see pages 23 and 25 for the reconciliations). The flow of current financial resources will reflect interfund transfers and other financial sources, as well as capital expenditures. The reconciliation will eliminate these transactions and incorporate the capital asset and long-term obligations into the Government Activities column (in the Government-wide statements).

**Capital Assets**

Historically, a government's largest group of assets (infrastructure, buildings, roads, curbs, and sidewalks) have not been reported or depreciated in government financial statements. Pronouncements in governmental accounting require that these assets be valued and reported within the Government column of the Government-wide Statements. The City has $77,722,802 of net capital assets. Of that amount, $57,450,236 represents land and other non-depreciable assets, and $20,272,566 is the net value of depreciable capital assets.

## GOVERNMENT-WIDE STATEMENTS

**Statement of Net Position**

The largest portion of the City's non-capital total assets is investments and cash, totaling $14,908,117 The City also holds an estimated $579,330 in property held for resale, all of which is land. The remainder is largely receivables due from other governments for shared revenues. Cash and investments accounted for about 94% of these non-capital and illiquid assets.

The Unrestricted Net Asset balance is intended to be a corporate-style measurement of well-being (or a bottom line) for the City and its related governmental and business-type activities.

The following table reflects the condensed Statement of Net Position. The City has no business-type activities; therefore, totals have been eliminated from the presentation:

| | Governmental Activities | | |
|---|---|---|---|
| | 2025 | 2024 | Percent Change |
| **Assets** | | | |
| Cash and investments | $ 14,908,116 | $ 14,778,789 | 0.9% |
| Accounts receivable, net | 1,053,777 | 910,713 | 15.7% |
| Property held for resale | 579,330 | 869,810 | -33.4% |
| Capital assets, net of depreciation | 77,722,802 | 77,058,174 | 0.9% |
| Right-to-use lease assets, net | 1,170,206 | 1,076,525 | |
| **Total assets** | **95,434,231** | **94,694,011** | **0.8%** |
| **Deferred outflows of resources** | | | |
| Pensions | **344,051** | **562,018** | **-38.8%** |
| **Liabilities** | | | |
| Accounts payable and other | 1,264,496 | 522,649 | 141.9% |
| Unearned revenues | 157,018 | 2,326,399 | -93.3% |
| Current portion of long-term liabilities | 376,585 | 216,040 | 74.3% |
| Non-current portion of long-term liabilities | 2,612,130 | 3,104,260 | -15.9% |
| **Total liabilities** | **4,410,229** | **6,169,348** | **-28.5%** |
| **Deferred inflows of resoures** | | | |
| Pensions | **453,539** | **207,365** | **118.7%** |
| **Net position** | | | |
| Investment in capital assets, net | 77,722,802 | 77,058,174 | 0.9% |
| Restricted for: | | | |
| Law enforcement | 110,103 | 321,717 | -65.8% |
| Water control district | 71,302 | 72,914 | -2.2% |
| Stormwater | 1,179,965 | 961,986 | 22.7% |
| Unrestricted | 11,830,342 | 10,464,524 | 13.1% |
| **Total net position** | **$ 90,914,514** | **$ 88,879,315** | **2.3%** |

**Statement of Activities**

The following schedule presents a comparative Statement of Activities for the current and prior fiscal years. The City has no business-type activities; therefore, totals have been eliminated from the presentation. Further, the significant capital outlay in the General Fund financial statement is not included in the entity-wide full accrual presentation:

| | Governmental Activities | | |
|---|---|---|---|
| **Revenues** | **2025** | **2024** | **Percent Change** |
| **Program revenues** | | | |
| Charges for services | $ 7,508,762 | $ 7,770,441 | -3.4% |
| Operating grants and contributions | 3,206,990 | 3,035,305 | 5.7% |
| Capital grants and contributions | 1,025,057 | 393,043 | 160.8% |
| General revenue | | | |
| Taxes | 11,564,124 | 10,373,616 | 11.5% |
| Other | 2,189,565 | 2,801,090 | -21.8% |
| **Total revenues** | **25,494,498** | **24,373,495** | **4.6%** |
| **Expenses** | | | |
| General government | 3,400,857 | 3,078,508 | 10.5% |
| Public safety | 13,914,559 | 13,334,384 | 4.4% |
| Public works | 4,438,005 | 4,320,180 | 2.7% |
| Parks and recreation | 1,705,879 | 1,637,697 | 4.2% |
| **Total expenses** | **23,459,299** | **22,370,768** | **4.9%** |
| **Change in net position** | **$ 2,035,199** | **$ 2,002,727** | **1.6%** |

**Conditions and Impacts that can affect the City's Financial Operations**

Many factors and conditions can influence the current and long-term finances of the City:

**Limits on Tax Base Growth.** Under Florida's Constitution, residential properties that are owner-occupied and have a homestead exemption are limited to annual assessment increases of 3% or less. The effect of this limitation burdens the City's tax base by exempting from taxation, large portions of residential properties. Typically, municipalities in the South Florida market experience increases in annual expenditures well in excess of this 3% cap. Consequently, the City will be challenged to diversify its tax base while keeping its expenditures under control. The City could tax property up to 10 mills, or $10 for each $1,000 of taxable value. Since its inception, the City has been near this cap but has been able to gradually reduce its rate over the last few years due to tax base growth not limited to the homestead cap. The City has used about 79% of its taxing power on property taxes. A State Constitutional Amendment has been proposed that would substantially reduce the City's property tax revenue. If adopted by voters and implemented, the City as a going concern could be called into question if the State does not make up for the loss with other as yet unidentified sources of revenue.

**Economic Conditions.** The City is in South Florida. Demand for residential and commercial property has historically been very strong, but the effects of the recent recession have sent property tax values to a point less than when the City was first incorporated. Recent valuations have seen this trend start to reverse and activity suggests that more property is being bought and sold, indicating stronger investment in property within the City. The City is largely built-out and its tax base growth will likely need to come from redevelopment. Two-thirds of the City's housing stock was constructed over 50 years ago. Prior to incorporation, the County had undertaken a program of repairs to the infrastructure in the City and management believes that the infrastructure that has been inherited is in good shape and should not need any significant capital for many years.

**Contractual Police and Fire Services.** The City contracts with the Broward Sheriff's Office ("BSO") for police and fire services. The interlocal agreement with BSO provides for annual increases, with limits, of certain costs of the contract. BSO had provided similar services to the neighboring Town of Pembroke Park, which served to keep West Park's costs lower than they otherwise might have been. Effective October 1, 2022, Pembroke Park began operating its own Police Department and West Park's police contract saw a significant increase. West Park will utilize some of its ARPA funding to mitigate this impact, but the demand on future years after that funding is exhausted will put an increasing burden on the City and pressure on its tax rates. Both municipalities still operate fire rescue on a joint basis and there isn't a current movement to separate that joint service.

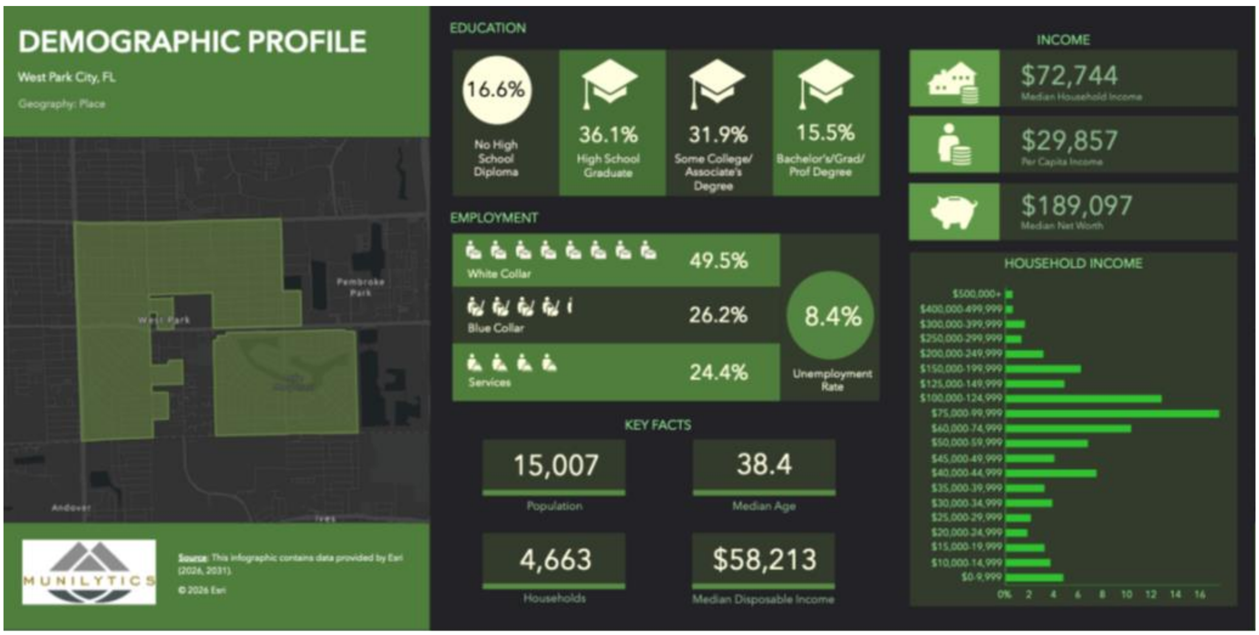
**Introduction of New Programs.** One of the impetuses for creating the City was the dearth of responsive services in the Community. Code enforcement and recreational opportunities have been areas of local concern, and the City continues its efforts in this area. The additional programs, though increasing fixed costs of City operations, are helping to bolster property values.

**Personnel Costs and Stresses.** The cost of attracting and keeping experienced and competent personnel in South Florida continues to be a challenge. The City must compete with the roughly 90 municipalities that exist in Miami-Dade, Broward, and Palm Beach counties. The level and cost of benefits offered to employees in this market is substantial and the employer contributions for these benefits are typically very high. As the City expands its services, it will face continual pressure on these costs. The City currently contracts for many of its services and expects to do so for some time to hold down costs.

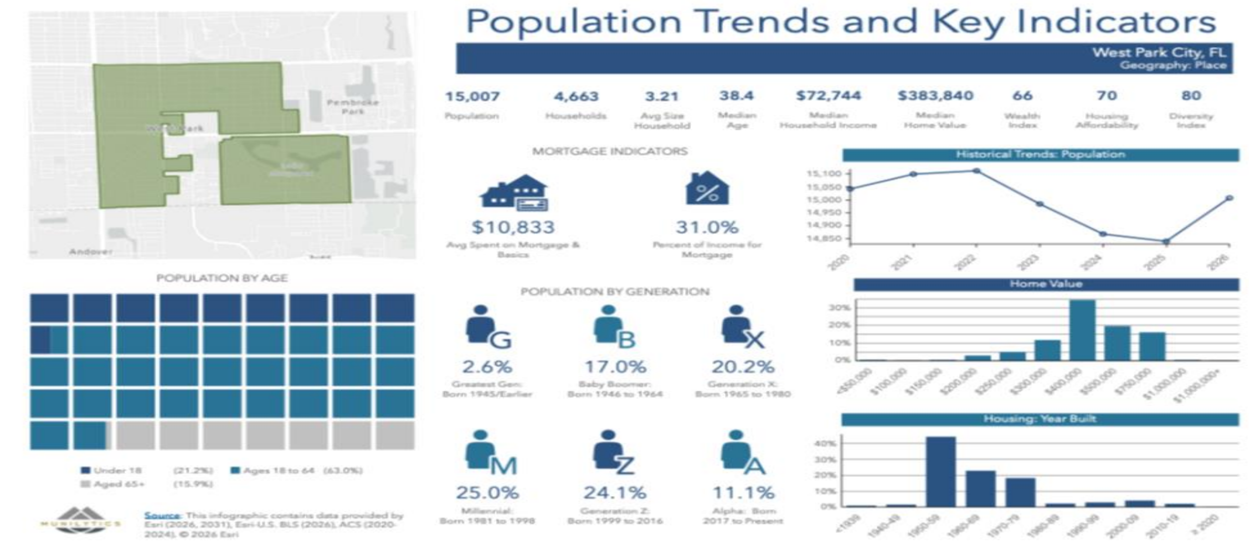
**Inflation.** While overall inflation in the recent past had been extremely low, it has increased of late. The City is now exposed to many costs that have historically been much lower. Chief among these costs are insurances and wages. Reduced inflation rates generally mirror reduced interest rates. Higher inflation has brought with it higher interest rates, and while the City has no outstanding debt, should it need to borrow it can expect to do so at a higher rate. Mitigating this impact will be the expectation that the City will be earning more on its deposits and investments.

**Community Profile**

**Demographic profile**. The City is estimated to have a population of 14,769 across 4,583 households, with a median age at 38.2 years. Median household income is estimated to be $66,168 with a median net worth of $163,697. 47.5% of the population has at least some college, with 17.1% having obtained at least a bachelor's degree. The labor force is mostly white collar, but also has 26.2% of its workforce in blue collar occupations. The unemployment rate is estimated at 6.4%, reflecting some recovery from the pandemic.



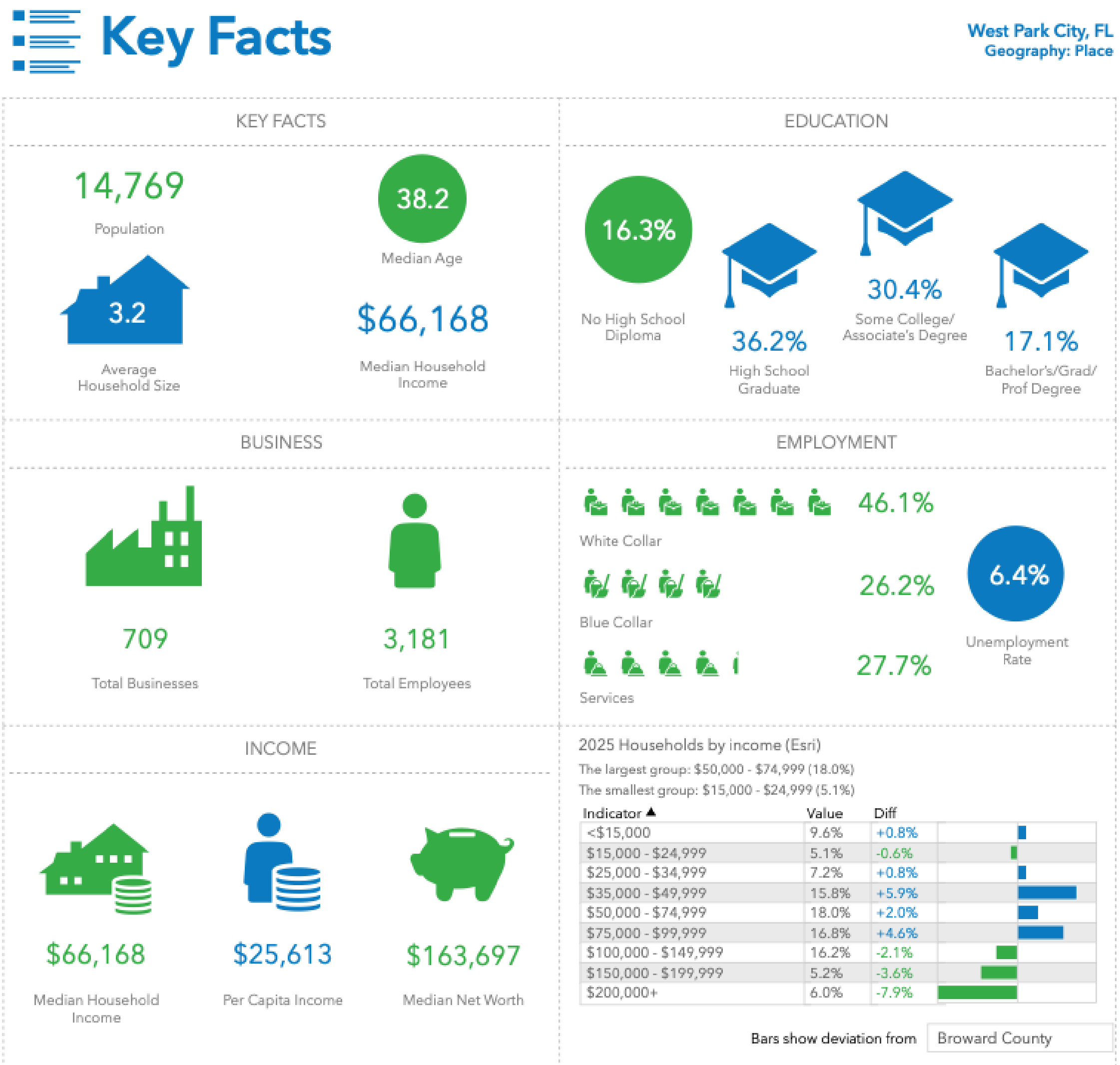

**Population Trends and Key Indicators**. The City's population has grown from 14,065 people in 2010 to its current 14,769 level. The median home value is $382,012 and, for those with mortgages, the percent of income devoted to a mortgage payment is 36.1%. The typical amount spent on mortgage payments and basic housing expenses is $9,586. The population has a wealth index that is 60% of the national average and housing is generally affordable for the income present. The City has a diverse population, both in age and race;




**Tapestry Market Segmentation**. The City can be segmented into three major categories. The largest group, at 34.6% are family-centric and diverse. The population is younger and has larger family sizes than the U.S. average, and households typically include parents supporting young children, adult children living with parents, and other multigenerational family structures. Single-parent families and households without couples or children are also notably common. One in five residents were born outside the U.S., and the rate of linguistic isolation is more than twice the national average. Employment tends to be in skilled and service-related sectors, including construction, and household income is typically in the middle tier. The housing stock tends to be owner-occupied, single-family detached units. The housing market is characterized by low vacancy rates and moderately high rents. Households frequently own multiple vehicles to both accommodate large family sizes and navigate large metropolitan neighborhoods. The average household size is 3.0. Their commute can take up to an hour, and many of them use public transportation, walk, or bike to work. They tend to be young, with a median age of 38.4 and a household income of $72,700. 20.5% of this group has at least a bachelor's degree. About 68% of this group tend to own the own single-family home. Unemployment is high at 8.4%, but the labor participation rate is also high at 65%. Most of this population derives their income from wages or salaries, but the rate of poverty is higher than the national average.

The second largest group, at 22.7% of the population consist of large, multigenerational families. This diverse segment is multigenerational and multilingual, with average family sizes that exceed 3.5 people. Children are present in a third of households, and adult children often remain living in the family home. One in three individuals was born outside the United States, with most having lived in the U.S. for 10 or more years. Nearly half of this segment has either a college degree or some college education, and workers typically hold jobs in health care, retail trade, manufacturing, construction, and transportation. Household incomes are primarily in the middle tier. Housing stock is composed of older single-family homes, mostly built before 1970. Vacancy rates are among the lowest in the nation, making these neighborhoods highly sought after and leaving little room for development or new construction. For nearly a third of households that rent, rental prices are significantly higher than the national average. The average household size is 3.21 and they have a higher median age of 38.4. Their median household income is $72,700. Neighborhoods are stable with little change over a decade. Most households have 2 or more vehicles and about 1/3 currently receive social security. They have a strong focus on religion and character.

The third largest group accounts for 16.4% of the population. This population is relatively youthful with many residents born outside the United States. Households are a blend of families, married couples, single parents with younger or adult children, and single people living alone. A sizable proportion of these households are multigenerational. Household incomes are typically in the middle tier, sometimes supplemented with social security or public assistance. Roughly half of residents have some college education or a bachelor's degree or higher. Employment is in a variety of professional and service jobs, including office administration, health care, transportation, and social or protective services. The vast majority of these residents rent their homes, due to the very high property values in these neighborhoods (more than twice the U.S. median). Similarly, housing costs often exceed 35 percent or more of the household's income. Commute times for a quarter of this population may exceed an hour, as many residents work outside of their county. Public transportation is used widely, and more than a third of these households do not own a vehicle. This is a multicultural, multigenerational, and multilingual group. They tend to focus on their children and maintain gardens. couples with children and grandparents with an average household size of 3.78.:




| Indicator ▲ | Value | Diff |
|---|---|---|
| <$15,000 | 9.6% | +0.8% |
| $15,000 - $24,999 | 5.1% | -0.6% |
| $25,000 - $34,999 | 7.2% | +0.8% |
| $35,000 - $49,999 | 15.8% | +5.9% |
| $50,000 - $74,999 | 18.0% | +2.0% |
| $75,000 - $99,999 | 16.8% | +4.6% |
| $100,000 - $149,999 | 16.2% | -2.1% |
| $150,000 - $199,999 | 5.2% | -3.6% |
| $200,000+ | 6.0% | -7.9% |

Source: This infographic contains data provided by Esri (2025, 2030), Esri-Data Axle (2025). © 2025 Esri

## THE CITY FUNDS

### Governmental Funds

As of the year-end, the Governmental Funds (as presented on the balance sheet) reported a total fund balance of $13,710,263, of which $11,016,059 is unassigned.

### Business Type Funds

Currently, the City does not have any Business-type funds.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

As of year-end, the City had $77,722,802 in capital assets, net of related depreciation. Of that amount, $57,450,236 was invested in land and work-in-progress and $20,272,566 was invested in depreciable assets, net of depreciation.

### Debt

The City had $265,226 in accrued employee compensated absences; $8,597 in net other post-employment benefits owed to employees and retirees of the City, and $1,969,952 in net pension liabilities, which is the City's share of the Florida Retirement System (FRS), a multi-employer pension plan. The City also had $1,076,525 in lease liabilities.

## FINANCIAL INFORMATION CONTACTS

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 any questions about the report or need additional financial information, contact the City's Finance Director at 1965 S. SR-7, West Park, Florida 33023, or by phone at (954) 989-2688.

# FINANCIAL STATEMENTS

# CITY OF WEST PARK, FLORIDA
# STATEMENT OF NET POSITION
# SEPTEMBER 30, 2025

| | Governmental Activites |
|---|---|
| ASSETS | |
| Cash and equity in pooled cash | $ 28,968 |
| Restricted cash | 730,828 |
| Investments | 14,148,321 |
| Accounts receivable, net | 1,053,777 |
| Property held for resale | 579,330 |
| Non current assets: | |
| Right to use leased assets, net of amortization | 1,170,206 |
| Capital assets: | |
| Nondepreciable capital assets | 57,450,236 |
| Depreciable capital assets, net | 20,272,566 |
| Total assets | 95,434,231 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Pensions | 344,051 |
| Total deferred outflows of resources | 344,051 |
| LIABILITIES | |
| Liabilities: | |
| Accounts payable and other liabilities | 1,264,497 |
| Unearned revenues | 157,018 |
| Current liabilities: | |
| Due within one year: | |
| Compensated absences | 51,234 |
| Lease liabilities | 325,351 |
| Noncurrent liabilities: | |
| Due in more than one year: | |
| Lease liabilities | 909,879 |
| Compensated absences | 227,337 |
| Net other post employment benefit (OPEB) Liability | 6,078 |
| Net pension liabilitiy | 1,468,836 |
| Total liabilities | 4,410,229 |
| DEFFERED INFLOWS OF RESOURCES | |
| Pension | 453,539 |
| Total deferred inflows of resources | 453,539 |
| NET POSITION | |
| Net investment in capital assets | 77,722,802 |
| Restricted for: | |
| Law enforcement trust | 110,103 |
| Water control district | 71,302 |
| Stormwater | 1,179,965 |
| Unrestricted | 11,830,342 |
| Total net position | $ 90,914,514 |

See notes to financial statements.

# CITY OF WEST PARK, FLORIDA
## STATEMENT OF ACTIVITIES
## SEPTEMBER 30, 2025

| Functions/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grant and Contributions | Net (Expense) Revenue and Change in Net Position: Governmental Activities |
|---|---|---|---|---|---|
| Primary government: | | | | | |
| Governmental activities: | | | | | |
| General government | $ 3,400,857 | $ 177,782 | $ 2,264,380 | $ - | $ (958,694) |
| Public safety | 13,914,558 | 4,846,757 | 15,316 | - | (9,052,484) |
| Public works | 4,438,005 | 2,478,939 | 277,362 | 1,025,057 | (656,646) |
| Parks and recreation | 1,705,879 | 5,283 | 649,931 | - | (1,050,665) |
| Total governmental activities | $ 23,459,299 | $ 7,508,762 | $ 3,206,990 | $ 1,025,057 | $ (11,718,490) |

| | |
|---|---|
| General revenues: | |
| Property taxes | 8,277,272 |
| Franchise taxes and utility taxes | 2,892,892 |
| Communications services tax | 197,694 |
| Grants and intergovernmental revenue not restricted to specific programs | 1,675,449 |
| Business taxes | 196,266 |
| Unrestricted investment earnings | 499,982 |
| Miscellaneous revenues | 14,134 |
| Total general revenues and transfers | 13,753,689 |
| Change in net position | 2,035,199 |
| Net position-beginning | 88,879,315 |
| Net position-ending | $ 90,914,514 |

See notes to financial statements.

# CITY OF WEST PARK, FLORIDA
# BALANCE SHEET GOVERNMENTAL FUNDS
# SEPTEMBER 30, 2025

| | Major Funds | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | General Fund | Twin Lakes Fund | Stormwater Fund | ARPA Grant Fund | LETF | Capital Projects Fund | Transportation Surtax Fund | Total Governmental Funds |
| ASSETS | | | | | | | | |
| Cash and equity in pooled cash | $ 28,968 | $ - | $ - | $ - | $ - | $ - | $ - | $ 28,968 |
| Restricted cash | - | 71,302 | 549,423 | - | 110,103 | - | - | 730,828 |
| Investment | 14,148,321 | - | - | - | - | - | - | 14,148,321 |
| Accounts receivable, net | 365,277 | - | 193,012 | - | - | - | - | 558,289 |
| Due from other governments | 505,070 | - | - | - | - | - | (9,582) | 495,488 |
| Due from other funds | 1,174,091 | - | 442,263 | - | - | - | - | 1,616,354 |
| Property held for sale | 579,330 | - | - | - | - | - | - | 579,330 |
| Total assets | $ 16,801,056 | $ 71,302 | $ 1,184,698 | $ - | $ 110,103 | $ - | $ (9,582) | $ 18,157,578 |
| LIABILITIES AND FUND BALANCES | | | | | | | | |
| Liabilities: | | | | | | | | |
| Accounts payable and other liabilities | $ 1,259,764 | $ - | $ 4,733 | $ - | $ - | $ - | $ - | $ 1,264,497 |
| Due to other funds | 200,740 | - | - | - | - | 241,523 | 1,174,091 | 1,616,354 |
| Unearned revenue | 157,018 | - | - | - | - | - | - | 157,018 |
| Total liabilities | 1,617,522 | - | 4,733 | - | - | 241,523 | 1,174,091 | $ 3,037,869 |
| Fund balances: | | | | | | | | |
| Nonspendable: | | | | | | | | |
| Prepaid items and property held for sale | 579,330 | - | - | - | - | - | - | 579,330 |
| Restricted for: | | | | | | | | - |
| Law enforcement | - | - | - | - | 110,103 | - | - | 110,103 |
| Water control district | - | 71,302 | - | - | - | - | - | 71,302 |
| Stormwater | - | - | 750,719 | - | - | - | - | 750,719 |
| Assigned for : | | | | | | | | - |
| Subsequent year's expenditures | 1,617,901 | - | 429,246 | - | - | - | - | 2,047,147 |
| Unassigned | 12,986,304 | - | - | - | - | (241,523) | (1,183,673) | 11,561,108 |
| Total fund balances (deficit) | 15,183,535 | 71,302 | 1,179,965 | - | 110,103 | (241,523) | (1,183,673) | 15,119,709 |
| Total liabilities and fund balances (deficits) | $ 16,801,056 | $ 71,302 | $ 1,184,698 | $ - | $ 110,103 | $ - | $ (9,582) | $ 18,157,578 |

See notes to financial statements.

# CITY OF WEST PARK, FLORIDA
# RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
# SEPTEMBER 30, 2025

| | | |
|---|---|---|
| Fund balance - governmental funds | $ | 15,119,709 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Capital assets used in governmental activities are not financial assets and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the assets of the government as a whole: | | |
| Cost of capital assets, net of depreciation | | 77,722,802 |
| Right to Use Assets, Leases | | 1,170,206 |
| Revenues that do not meet the availability criteria are reported as unavailable revenue in the governmental fund financial statements; these amounts are reported as revenues in the government-wide financial statements | | - |
| Deferred outflows of resources related to the pension are recorded in the statement of net position. | | 344,051 |
| Deferred inflows of resources related to the pension are recorded in the statement of net position. | | (453,539) |
| Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund financial statements. All liabilities, both current and long-term, are reported in the government-wide financial statements: | | - |
| Obligations under leases | | (1,235,230) |
| Compensated absences | | (278,571) |
| Net pension liability- Florida Retirement System | | (1,468,836) |
| Net OPEB liability | | (6,078) |
| Net position of government activities | $ | 90,914,514 |

See notes to financial statements.

**CITY OF WEST PARK, FLORIDA**
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS**
**FISCAL YEAR ENDED SEPTEMBER 30, 2025**

| | Major Funds | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | General Fund | Twin Lakes Fund | Stormwater Fund | ARPA Grant Fund | LETF Fund | Capital Projects Fund | Transportation Surtax Fund | Total Governmental Funds |
| Revenues: | | | | | | | | |
| Taxes | | | | | | | | |
| Property taxes | $ 8,277,272 | $ - | $ - | $ - | $ - | $ - | $ - | $ 8,277,272 |
| Motor fuel taxes | 227,881 | - | - | - | - | - | - | 227,881 |
| Franchise taxes | 1,468,076 | - | - | - | - | - | - | 1,468,076 |
| Utility taxes | 1,424,815 | - | - | - | - | - | - | 1,424,815 |
| Communications services tax | 197,694 | - | - | - | - | - | - | 197,694 |
| Licenses and permits | 1,045,536 | - | - | - | - | - | - | 1,045,536 |
| Intergovernmental | 2,373,137 | - | - | 2,264,380 | - | 140,221 | 884,836 | 5,662,574 |
| Charges for services | 811,076 | - | | - | - | - | - | 811,076 |
| Fines and forfeitures | 744,505 | - | - | - | 15,316 | - | - | 759,821 |
| Interest and Investment Income | 499,982 | - | - | - | - | - | - | 499,982 |
| Special assessments | 4,658,245 | 16,249 | 429,417 | - | - | - | - | 5,103,911 |
| Miscellaneous revenues | 15,859 | - | - | - | - | - | - | 15,859 |
| Total revenues | 21,744,078 | 16,249 | 429,417 | 2,264,380 | 15,316 | 140,221 | 884,836 | 25,494,498 |
| Expenditures: | | | | | | | | |
| Current: | | | | | | | | |
| General government | 3,132,759 | - | - | 56,077 | - | - | - | 3,188,836 |
| Public safety | 13,711,222 | - | - | - | 16,930 | - | - | 13,728,152 |
| Public works | 2,996,009 | 17,860 | 211,439 | - | - | - | - | 3,225,309 |
| Parks and recreation | 1,551,252 | - | - | - | - | - | - | 1,551,252 |
| Debt service - Principal payments leases | 305,098 | - | - | - | - | - | - | 305,098 |
| Debt Service - Interest on leases | 47,979 | - | - | - | - | - | - | 47,979 |
| Lease acquisition | 463,804 | - | - | - | - | - | - | 463,804 |
| Capital outlay | 43,205 | - | - | 164,374 | - | 3,596 | 1,827,250 | 2,038,426 |
| Total expenditures | 22,251,328 | 17,860 | 211,439 | 220,451 | 16,930 | 3,596 | 1,827,250 | 24,548,855 |
| Excess (deficiency) of revenues over (under) expenditures | (507,250) | (1,612) | 217,979 | 2,043,929 | (1,614) | 136,625 | (942,414) | 945,643 |
| Other financing sources and (uses) | | | | | | | | |
| Lease proceeds | 463,804 | - | - | - | - | - | - | 463,804 |
| Transfers in | 2,253,618 | - | - | - | - | - | - | 2,253,618 |
| Transfers out | - | - | - | (2,043,618) | (210,000) | - | - | (2,253,618) |
| Total other financing sources and (uses) | 2,717,422 | - | - | (2,043,618) | (210,000) | - | - | 463,804 |
| Net change in fund balances | 2,210,172 | (1,612) | 217,979 | 311 | (211,614) | 136,625 | (942,414) | 1,409,447 |
| Fund balance (deficit), beginning | 12,973,363 | 72,914 | 961,986 | (311) | 321,717 | (378,148) | (241,259) | 13,710,262 |
| Fund balance (deficit) ending | $ 15,183,535 | $ 71,302 | $ 1,179,965 | $ - | $ 110,103 | $ (241,523) | $ (1,183,673) | $ 15,119,709 |

See notes to financial statements.

**CITY OF WEST PARK, FLORIDA**
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**
**FISCAL YEAR ENDED SEPTEMBER 30, 2025**

| | | |
|---|---|---|
| Net change in fund balances - total governmental funds | $ | 1,409,447 |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Capital assets are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of certain of those assets are eliminated and capitalized as capital assets. | | 2,502,229 |
| Depreciation and amortization of capital assets and right to use assets are not recognized in the governmental fund financial statements, but are reported as an expense on the statement of activities. | | (1,669,772) |
| Repayment of long-term liabilities are reported as expenditures in the governmental fund, but such repayments reduce liabilities in the statement of net position and are eliminated from the statement of activities. | | (463,804) |
| Expenses reported in the statemnt of activities that do not require the use of current financial resources are not reported as expenditures in the fund financial statements. The details of the differences are as follows: | | |
| Obligations under leases principal payments | | 305,098 |
| Change in compensated absences | | (13,543) |
| Change in Net OPEB liability | | 2,519 |
| Change in Net Pension liability and related deferred inflows and outflows | | (36,975) |
| Change in net position of governmental activities | $ | 2,035,199 |

See notes to financial statements.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of West Park, Florida (the "City"), located in Broward County, Florida, is a municipal corporation in the state of Florida. The City, which was incorporated on March 1, 2005, operates under a Commission/Administrator form of government. In addition to the general government function, the City provides its residents and businesses with parks and recreational services. Through contractual arrangements, the City also provides public works, development services (building, planning and zoning, code enforcement) and financial management services. Through inter-local agreements and arrangements, the City also receives Police and Fire/Rescue services from Broward County. Through franchise agreements, a private contractor who pays a franchise fee to the City provides solid waste services. The City sets the rates for solid waste services.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting and reporting policies and practices used by the City are described below.

### 1. Financial Reporting Entity

The financial statements were prepared in accordance with government accounting standards that establish standards for defining and reporting on the financial reporting entity. The definition of the financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. One of the objectives of financial reporting is to provide users of financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the City, organizations for which the City is financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The City is financially accountable for a component unit if it appoints a voting majority of the organization's governing board and it can impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City.

#### Blended Component Unit

The Twin Lakes Water Control District ("the District") provides drainage and waterway management services to select properties located within the City of West Park. Created by Broward County ("the County") as a special purpose unit of local government, the County transferred control of and responsibility for the District to the City of West Park on October 15, 2007. The District serves 217 properties and levies an annual special assessment to pay for the costs of maintenance within the District. The District is governed by the Board, which is also the City Commission, and is advised by an appointed volunteer group. The City Commission sets the rates and charges to the affected properties and the legal liability for the District remains with the City of West Park. The District is reported within these financial statements as the Twin Lakes Special Revenue Fund.

### 2. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the *Statement of Net Position* and the *Statement of Activities*) report information on all the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities* which rely, to a significant extent, on fees and charges for support. The City does not have any business-type activities.

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

Separate financial statements are provided for governmental funds. The City maintains seven funds - the General Fund, the Twin Lakes Special Revenue Fund, the Stormwater Fund, the American Rescue Plan Act (ARPA) Fund, the Capital Projects Fund, the Law Enforcement Trust Fund, and the Transportation Surtax Fund.

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are *available* when they are collectible within the current period or soon enough, thereafter, to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting, except for debt service payments of principal and interest, these amounts are recorded when due.

Property taxes, franchise fees, and other taxes, intergovernmental revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are measurable and available only when the City receives cash and are recognized as revenue at that time.

The City reports the following major governmental funds. The City also has elected to consider its Twin Lakes Special Revenue Fund and Capital Project funds as a major funds:

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

The *Twin Lakes Special Revenue Fund* accounts for all financial resources associated with the operations of the Twin Lakes Water Control District, a special purpose unit of local government controlled by the City and shown as a blended component unit within the financial statements. The assessments and other revenues collected are legally restricted and can only be used for costs associated with the activities of the District.

The *Stormwater Special Revenue Fund* accounts for all financial resources associated with the operations of the stormwater operations of the City. The activities within this fund are paid for through user charges levied on improved property within the City. The revenues of this fund are legally restricted and can only be used for costs associated with the construction and maintenance of stormwater systems throughout the City.

The *American Rescue Plan Act (ARPA) Fund* accounts for the activity associated with federal grant funds provided to the City under the Act. The fund retired with the sunsetting of grant on December 30, 2024. The City has opted to use all its funding under the terms of the special allowance provided in the final rules.

The *Law Enforcement Trust Fund (LETF)* accounts for the revenues and expenditures of activities associated with court awards of money and property associated with state contraband violations.

The *Capital Projects Fund* accounts for all financial resources associated with the acquisition or construction of major capital assets funded either by grants or borrowings of both and which are not accounted for in other funds. It is not unusual for this fund to have a negative fund balance as grant reimbursements follow grant expenditures, creating cash flow issues. The City's General Fund will usually cover the cash flow deficits until the grant reimbursements are received. A liability is recorded in the fund for amounts temporarily borrowed and a receivable is recorded in the General Fund for amounts advanced.

The *Transportation Surtax Fund* accounts for activity associated with an interlocal agreement with the Broward County Board of County Commissioners related to the City's portion of a County-levied local option sales tax which is to be used for approved infrastructure projects. The projects under the interlocal agreement are generally advanced funded with any unspent funding classified as unearned revenue. As the funds are expended, the unearned revenue is reclassified as revenue. Generally, this fund will not have a fund balance.

***Leases***

The City is a lessee for noncancellable leases of office spaces and photocopiers. The City recognizes a lease liability and an intangible right-to-use lease assets (lease asset) in the financial statements. The City recognizes lease assets and liability with an initial value of $5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payment made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines 1) the discount rate it uses to discount the expected lease payments to present value, 2) lease term, and 3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.

- The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

## 4. Cash and Equity in Pooled Cash

The City's cash and cash equivalents include cash-on-hand and demand deposits. Cash of individual funds is combined to form a pool of cash. Interest earned because of pooling is distributed to the appropriate fund based on the average pooled cash balance of each fund during the period. The balances for "cash" reflected in the financial statements of each individual fund represent that fund's allocated share of the pooled cash account. From time-to-time, available deposits in any fund may be insufficient to pay the expenditures of that fund. Rather than liquidate securities to pay for what is generally a temporary event, cash may be lent from one fund to another, creating a liability ("Due to") in the borrowing fund and an asset ("Due from") in the lending fund. Generally, investments that could be liquidated are far in excess of the amount borrowed.

The City's cash balances were entirely covered by Federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. As of September 30, 2025, the carrying amount of the City's deposits was $730,828.

## 5. Deposits and Investments (New)

As required by Florida Statutes, the City Commission has adopted a written investment policy, which may, from time to time, be amended. Under the current policy, City officials are generally authorized to invest funds in the Florida Local Government Surplus Funds Trust Fund ("SBA Pool" or "Florida PRIME") or other similar common trust fund. The policy also allows for other the City to directly invest in U.S. Treasury and Agency instruments with primary securities dealers designated by the Federal Reserve Bank of New York and commercial banks within the City's geographical service with other certain restrictions. During the fiscal year, the City's only investments that it directly controlled were with the SBA Pool.

Investments are carried at estimated fair value. Unrealized gains and losses in fair value are recognized. The City-owned direct investments are wholly invested at the State of Florida's State Board of Administration's (SBA) Florida PRIME fund, a AAAm (S&P Global) rated money market fund. The fund maintains a net asset value (NAV) of at least $1.00. It is possible that the fund can lose money as well as gain money, but the City and the SBA consider the possibility of loss, given the investment policy of the fund, to be very low. At fiscal year end, the amount held by the SBA on behalf of the City was $14,148,321.

### 6. Receivables and Payables

All receivables are shown net of any allowance for uncollectible and are generally recorded as the amounts received after and for the reported fiscal period. No estimates of the amounts owed at fiscal year-end were required.

All payables are recorded at the amounts that were subsequently paid.

### 7. Property Held for Resale

The City owns several parcels of land that were granted to it by Broward County. These parcels are located throughout the City and will not be used in the normal course of operations. The City maintains the vacant parcels. The City plans to sell or develop the parcels at some point in the future. The amount reflected on the financial statements is the lower of historical value that was booked when the parcels were conveyed to the City or estimated market value of the sum of all the parcels, as determined by the Broward County Property Appraiser's Office as of January 1, 2025. The City was in negotiations to redevelop five of the parcels as affordable housing. It is likely that those vacant parcels will be donated as part of the redevelopment and that transaction will result in losses. The future taxes to be paid on those parcels will outweigh any temporarily recorded loss.

### 8. Capital Assets

Capital assets which include property, plant and equipment, and certain infrastructure assets (e.g., utility plant, roads, bridges, sidewalks, and similar items) are reported in the applicable governmental activities columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost or component of $25,000 or more and an estimated useful life more than three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

| Assets | Years |
|---|---|
| Infrastructure | 30-50 |
| Buildings | 20-30 |
| Improvements other than buildings | 10-30 |
| Furniture and equipment | 3-10 |

### 9. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. In most years, this amount represents business taxes received in advance of being earned.

**10. Compensated Absences**

It is the City's policy to permit employees to accumulate, within certain limits, earned but unused vacation time and sick leave, which will be paid to employees upon separation from City service. All vacation and sick leave pay is accrued when incurred in the government-wide fund financial statements. In the governmental funds, a liability would be recorded only for vacation and sick leave payouts for employee separations that occurred prior to September 30, 2025, and were subsequently paid with current available financial resources. In the entity-wide financial statements, costs for compensated absences are accrued as expenses and further recorded as liabilities. The liability is further distinguished between short-term and long-term portions.

**11. Prepaid Amounts**

Expenditures for insurance and other administrative expenses extending over more than one accounting period are accounted for as prepaid expenses and allocated between accounting periods. There were no prepaid amounts recorded at year end.

**12. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has pension transactions that resulted in deferred outflows of resources.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has pension transactions that resulted in deferred inflows of resources.

**13. Fund Equity/Net Position**

The City has adopted a Fund Balance Policy ("Policy") to implement the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions.* The Policy applies only to the General Fund of the City. The Special Revenue Funds will generally reflect only Restricted Fund Balances. Fund Balance shall be composed of restricted, committed, assigned, non-spendable and unassigned amounts. Fund Balance information is used to identify the available resources to provide for emergencies, repay long-term debt, reduce property taxes, add governmental programs, expand existing ones, or enhance the financial position of the City in accordance with policies established by the City Commission.

A. Definitions

Non-Spendable Fund Balance - Amounts that are not in a spendable form, such as inventory, or are legally or contractually required to be maintained intact (principal of an endowment fund, for example).

Restricted Fund Balance - Amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers.

Committed Fund Balance - Amounts that can be used only for the specific purposes determined by a formal action of the City Council, the City's highest level of decision-making authority. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally.

Assigned Fund Balance - Amounts that the City intends to use for a specific purpose that are neither considered restricted nor committed. Assignments of fund balance may be made by management based upon the direction of the City Commission annually through the budget process.

Unassigned Fund Balance - Amount of remaining fund balance within the general fund that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

B. Minimum Level of Unassigned Fund Balance

The unassigned fund balance of the General Fund at each fiscal year end shall not be less than 25% of the following year's projected budgeted expenditures. In any fiscal year where the City is unable to maintain this 25% minimum reservation of fund balance as required in this section, the City shall not budget any amounts of unassigned fund balance for the purpose of balancing the budget.

C. Disbursement of Fund Balance Reserves

Disbursements of funds within the fund balance reserves shall be authorized by an ordinance of the City Council and may be approved by inclusion in the approved annual budget and amendments thereto or shall be authorized pursuant to any ordinances or procedures adopted by the City Council (such as the City's procurement code).

D. Annual Review and Determination of Fund Balance Reserve Amounts

Compliance with the provisions of this policy shall be reviewed as a part of the annual budget adoption process and the amounts of restricted, committed, assigned, non-spendable and the minimum level of unassigned fund balance shall be determined during this process.

E. Additional Information Requirements/Responsibilities

It will be the responsibility of the City's Finance Director to keep this policy current.

**14. Pension**

In the government-wide statement of net position, liabilities are recognized for the City's proportionate share of the net pension liability for the Florida Retirement System pension plan and Retiree Health Insurance Subsidy Program. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Florida Retirement System defined benefit pension plan (FRS Pension Plan) and the Retiree Health Insurance Subsidy Program defined benefit pension plan (HIS Program), and additions to/deductions from the FRS Pension Plan's and the HIS Program's fiduciary net position have been determined on the same basis as they are reported by the FRS Pension Plan and the HIS Program plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

**15. Use of Estimates**

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

**16. Subsequent Events**

Subsequent events are events or transactions that occur after the balance sheet date, but before the financial statements are issued or are available to be issued. Subsequent events should be disclosed in the financial statements if exclusion of such disclosure would cause the financial statements to be misleading.

Management has evaluated subsequent events through July 30, 2026, the date the financial statements were available, and does not believe that there are any other events or transactions that require disclosure.

## NOTE 2. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Budgets are adopted and controlled at the fund level. Annual appropriations that are not encumbered at fiscal year-end lapse. Encumbrances are paid from the fiscal year appropriations for which an expenditure was originally made (the "lapse" period).

While controlled ultimately at the fund level, annual budgets are prepared using fund, department, and object of expenditure levels. The City Administrator may adjust within the fund level without the City Council approval but may not exceed the total amount set at the fund level.

The City usually amends its budgets within 60 days of fiscal year end. However, the City Commission did not adopt a routine budget amendment proposed in November 2025, having tabled the item, along with several other items, for several meetings. The item was eventually removed from consideration since the audited financial statements were issued.

## NOTE 3. DEPOSITS

In addition to insurance provided by the Federal Depository Insurance Corporation, all the City's deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act.* Under the Act, every qualified public depository shall deposit with the Treasurer eligible collateral of the depository to be held subject to his or her order. The Treasurer, by rule, shall establish minimum required collateral pledging levels. The pledging level may range from 25% to 125% of the average monthly balance of public deposits depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any potential losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default. Accordingly, all amounts reported as deposits are insured or collateralized with securities held by the entity or its agent in the entity's name.

## NOTE 4. RECEIVABLES

Receivables as of September 30, 2025, including the allowance for uncollectible accounts, are as follows:

| | General Fund | Stormwater Fund | Transportation Surtax Fund | Total |
|---|---|---|---|---|
| Receivables | | | | |
| Franchise taxes | $ 291,623 | $ - | $ - | $ 291,623 |
| Utility taxes | 39,506 | - | - | 39,506 |
| Intergovernmental | 505,070 | - | - | 505,070 |
| Other | 34,148 | - | (9,582) | 24,566 |
| Stormwater | - | 193,012 | - | 193,012 |
| Total receivables | $ 870,347 | $ 193,012 | $ (9,582) | $ 1,053,777 |

## NOTE 5. CAPITAL ASSETS

Capital asset activities for the fiscal years ended September 30, 2025, and 2024, were as follows:

| | Balance September 30, 2024 | Increases | Decreases | Balance September 30, 2025 |
|---|---|---|---|---|
| Capital assets not being depreciated | | | | |
| Land and easements | $ 54,838,968 | $ - | $ - | $ 54,838,968 |
| Work in process | 572,843 | 2,038,425 | - | 2,611,268 |
| Total capital assets not being depreciated | 55,411,811 | 2,038,425 | - | 57,450,236 |
| Capital Assets being depreciated | | | | |
| Infrastructure | 35,438,220 | - | - | 35,438,220 |
| Buildings | 470,563 | - | - | 470,563 |
| Improvements other than bulidings | 1,857,262 | - | - | 1,857,262 |
| Equipment | 1,480,256 | - | - | 1,480,256 |
| **Total Capital assets being depreciated** | **39,246,301** | **-** | **-** | **39,246,301** |
| Less: accumulated depreciation for: | | | | |
| Infrastruture | 15,239,210 | 1,180,362 | - | 16,419,572 |
| Buildings | 287,899 | 14,103 | - | 302,002 |
| Improvements other than bulidings | 769,256 | 114,709 | - | 883,965 |
| Equipment | 1,303,573 | 64,624 | - | 1,368,197 |
| Total depreciation | 17,599,938 | 1,373,798 | - | 18,973,736 |
| Total capital assets being depreciated, net | 21,646,363 | (1,373,798) | - | 20,272,566 |
| **Governmental activities capital assets, net** | **$ 77,058,174** | **$ 664,627** | **$ -** | **$ 77,722,802** |

Depreciation expense and amortization of right-to-use asset for the fiscal year ended September 30, 2025, was charged to functions/programs as follows:

| | |
|---|---|
| General government | $ 173,765 |
| Public works | 1,200,730 |
| Public safety | 183,027 |
| Parks and recreation | 144,643 |
| **Total depreciation & amortization expense** | **$ 1,702,164** |

**Right-to-use lease assets**

The City has recorded the right-to-use lease assets as a result of implementing GASB Statement No. 87. The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payment made. The right-to-use lease assets are amortized on a straight-line basis over the shorter of the life of the asset or of the related lease. Refer to Note 8 for information on the liabilities relating to the right-to-use lease assets.

| Right to use assets | Beginning Balance | Additions | Reductions | Ending Balance |
|---|---|---|---|---|
| Leased -building | $ 1,374,477 | $ 463,804 | $ - | $ 1,838,281 |
| Leased equipment | 181,586 | - | - | 181,586 |
| Total right to use assets | 1,556,063 | 463,804 | - | 2,019,867 |
| Less accumulated amortization for: | | | | |
| Leased - buiding | 412,343 | 292,049 | - | 704,392 |
| Leased - equipment | 108,952 | 36,317 | - | 145,269 |
| Right to use assets, net | $ 1,034,768 | $ 135,438 | $ - | $ 1,170,206 |

## NOTE 6. INVESTMENTS

At fiscal year end, the amount held by the SBA on behalf of the City was $14,148,321.

| | | |
|---|---|---|
| Investment | $ | 13,821,363 |
| Gain on Investments | | 326,958 |
| Total Investment | $ | 14,148,321 |

Investments are carried at estimated fair value. Unrealized gains and losses in fair value are recognized. The City-owned direct investments are wholly invested at the State of Florida's State Board of Administration's (SBA) Florida PRIME fund, a AAAm (S&P Global) rated money market fund. The fund maintains a net asset value (NAV) of at least $1.00. It is possible that the fund can lose money as well as gain money, but the City and the SBA consider the possibility of loss, given the investment policy of the fund, to be very low.

## NOTE 7. PROPERTY TAXES

Property values are assessed on a countywide basis by the Broward County Property Appraiser as of January 1st of each year and are due November 1st of each year. The Property Appraiser certifies taxable value of property within the City and the City levies a tax millage rate upon the taxable value, which will provide revenue required for the fiscal year beginning October 1st. Property taxes and some non-ad valorem special assessments levied each November 1st by the City and all other taxing authorities within the County are centrally billed and collected by the County, with remittances to the City of its proportionate share of collected taxes.

Property taxes are levied on October 1st of each year and due as of November 1st of each year. Broward County collects the taxes and remits the funds to the City, less a collection fee. Taxes may be paid upon receipt of such notice by Broward County, with a discount rate of four percent (4%) if paid in November, three percent (3%) if paid in December, two percent (2%) if paid in January, and one percent (1%) if paid in February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent and liens are placed in April of the year following the year in which taxes were assessed. Procedures for the collection of delinquent taxes by Broward County are provided for in the laws of Florida. Non-Ad Valorem Special Assessments for Solid Waste, Fire Services, and Twin Lakes Water Control District services are levied on benefited properties and collected in the same manner as property taxes.

The millage rate levied by the City for the fiscal year ended September 30, 2024, was 8.5000 mills.

## NOTE 8. LONG TERM LIABILITIES

### Compensated absences

The City's policy is to permit regular employees to accumulate limited earned and unused vacation pay benefits of vacation time. The liability for accumulated vacation hours is reflected in the statement of net position.

### Lease (Lessee)

The City has a lease agreement, expiring September 30, 2031, with Interstate Pembroke LLC., for 7,900 square feet of office space for City Hall. The lease requires payments of $145,378 annually, increased by 3% each October 1st. The annual lease payments for fiscal year 2026 total $163,533 which has been budgeted. The lease is inclusive of all common area maintenance. The lease requires the City to annually appropriate funds for the lease. Should the City not appropriate funds for the lease, an early termination fee designed to recover the unamortized cost of improvements made by the owner of the property will be required. GASB Statement 87, *Leases,* requires the City to record the net present value of the cash flows of the lease. The City records principal and interest payments in lieu of lease payments in its financial statements. The principal and interest payments equal the lease payments.

The City has a three-year lease agreement, beginning October 1, 2024, with Wilferz, Inc. for a police substation to be occupied by the Broward Sheriff's Office for its West Park operations. The lease required an annual lease payment of $154,000 for fiscal year 2026 and payments of $165,500 and $177,966 in fiscal years 2026 and 2027, respectively. The fiscal year 2026 payment has been budgeted. The lease requires the City to annually appropriate funds for the lease. Should the City not appropriate funds for the lease, an early termination fee designed to recover the unamortized cost of any improvements made by the owner of the property will be required. The City records principal and interest payments in lieu of lease payments in its financial statements. The principal and interest payments equal the lease payments.

Long-term liability activity for the year ended September 30, 2025, is as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due in One year |
|---|---|---|---|---|---|
| Compensated Absences | 265,028 | 13,543 | | 278,571 | 51,234 |
| Net Pension liability | 2,021,740 | | 552,904 | 1,468,836 | - |
| Net OPEB liability | 8,597 | 3,010 | - | 11,607 | - |
| Leases payable | 1,076,525 | 158,705 | | 1,235,230 | 325,351 |
| Total long-term liabiities | $ 3,371,890 | $ 175,258 | $ 552,904 | $ 2,994,244 | $ 376,585 |

Future payment requirements related to the City's lease liabilities under lease agreements as of September 30, 2025, are as follows:

| Year Ending September 30, | Principal Payments | Interest | Total |
|---|---|---|---|
| 2026 | $ 325,351 | $ 43,992 | $ 369,343 |
| 2027 | 310,941 | 35,559 | 346,500 |
| 2028 | 143,162 | 30,427 | 173,589 |
| 2029 | 137,448 | 32,280 | 169,728 |
| 2030 | 137,447 | 33,248 | 170,695 |
| Thereafter | 180,881 | 31,340 | 212,221 |
| Total | $ 1,235,229 | $ 206,846 | $ 1,442,076 |

## NOTE 9. INTERLOCAL AGREEMENT

The City entered into an inter-local agreement in 2011 with Broward County that allows the City to operate McTyre Park for a period of 10 years with options to renew the agreement every 10 years. The State of Florida owns the property upon which the park is located. In turn, the State of Florida leases the property to the School Board of Miami-Dade County. The School Board of Miami-Dade County utilizes the property for a radio and television transmission tower. Under the terms of the agreement, the City must maintain the property during the term of the agreement and Broward County must pay the City $12,000 annually to assist with the maintenance of the park.

## NOTE 10. FLORIDA RETIREMENT SYSTEM

*General Information* – The City participates in the statewide Florida Retirement System ("FRS"). All the City's full-time employees and elected officials who are employed by the City for at least 6 consecutive months are eligible to enroll as members of the FRS. All rates, benefits and amendments are established by the State of Florida through its legislative body. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services (DMS), Division of Retirement, Bureau of Research and Member Communications, P.O. Box 9000, Tallahassee, Florida, 32315-9000; phone 850-488-5706; website (www.dms.myflorida.com).

*Plan Description* – The FRS Pension Plan (the "Plan") is a cost-sharing, multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees. The classes of membership within the City are as follows:

- Regular Class – Member of the FRS who do not qualify for membership in another class.
- Senior Management Service Class – Members in senior management level positions.
- Elected Officers' Class (EOC) – Members who are the elected officers of cities and special districts that choose to place their elected officials in this class.

Beginning July 1, 2001, through June 30, 2011, the Plan provided for vesting of benefits after six years of creditable service for members initially enrolled during this period.

Members not actively working in a position covered by the FRS on July 1, 2001, must return to covered employment for up to one work year to be eligible to vest with less service than was required under the law in effect before July 1, 2001. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service. Members are eligible for normal retirement when they have met the requirements listed below. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, there is a 5 percent benefit reduction for each year prior to the normal retirement age.

*Regular Class, Senior Management Service Class, and Elected Officers' Class Members* – For members initially enrolled in the FRS before July 1, 2011, six or more years of creditable service and age 62, or the age after completing six years of creditable service if after age 62. Thirty years of creditable service regardless of age before age 62.
For members initially enrolled in the FRS on or after July 1, 2011, eight or more years of creditable service and age 65, or the age after completing eight years of creditable service if after age 65. Thirty-three years of creditable service regardless of age before age 65.

The DROP is available under the FRS Pension Plan when the member first reaches eligibility for normal retirement. The DROP allows a member to retire while continuing employment for up to 60 months. While in the DROP, the member's retirement benefits accumulate in the FRS Trust Fund increased by a cost-of-living adjustment ("COLA") each July and earn monthly interest equivalent to an annual rate of 1.3%. DROP participants with an effective DROP begin date before July 1, 2011, earn monthly interest equivalent to an annual rate of 6.5%. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

*Basis of Accounting* – The FRS fiduciary financial statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Member contributions are recognized in the period for which the contributions are assessed. Employer contributions are recognized when due in the period in which employee services are performed and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

*Benefits Provided* – Benefits under the Plan are computed based on age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation ("AFC"). For members initially enrolled before July 1, 2011, the AFC is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the AFC is the average of the eight highest fiscal years' earnings.
The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

If the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

The following chart shows the percentage value for each year of service credit earned:

| Class, Initial Enrollment, and Retirement Age/Years of Service | % Value |
|---|---|
| **Regular Class members initially enrolled before July 1, 2011** | |
| Retirement up to age 62 or up to 30 years of service | 1.60 |
| Retirement at age 63 or with 31 years of service | 1.63 |
| Retirement at age 64 or with 32 years of service | 1.65 |
| Retirement at age 65 or with 33 years of service | 1.68 |
| **Regular Class members initially enrolled on or after July 1, 2011** | |
| Retirement up to age 65 or up to 33 years of service | 1.60 |
| Retirement at age 66 or with 34 years of service | 1.63 |
| Retirement at age 67 or with 35 years of service | 1.65 |
| Retirement at age 68 or with 36 years of service | 1.68 |
| **Senior Management Service Class** | 2.00 |
| **Elected Officers' Class** | 3.00 |

*Contributions* – The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2024 fiscal year were as follows:

| | Percent of Gross Salary October 1, 2024, to June 30, 2025 | | Percent of Gross Salary July 1, 2025, to September 30, 2025 | |
|---|---|---|---|---|
| | Employee | Employer | Employee | Employer |
| FRS Regular | 3% | 13.63% | 3% | 14.03% |
| FRS Senior Management | 3% | 34.52% | 3% | 33.24% |
| FRS Elected Officers | 3% | 58.68% | 3% | 54.57% |

Employer rates include .06% for administrative cost of the plan and 2.00% for the postemployment HIS contribution

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions* – At September 30, 2025, the City reported a liability of $1,468,836 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share of the net pension liability was based on the City's contributions for the fiscal year ended June 30, 2025, relative to the contributions made during the fiscal year ended June 30, 2024, of all participating members. At June 30, 2025, the City's proportionate share was .003%, which represents a 2.8% increase to its proportionate share measured as of June 30, 2024.

For the fiscal year ended September 30, 2025, the City recognized pension expense of $38,917 related to the Pension Plan. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 93,346 | $ - |
| Change of assumptions | 101,487 | - |
| Net difference between projected and actual earnings of FRS pension plan investments | - | 145,913 |
| Changes in proportion and diferences between City´s FRS contributions and proportionate share of FRS contributions | 20,155 | 81,054 |
| City´s contribution subsequent to measurement date | - | 47,263 |
| Total | $ 214,988 | $ 274,230 |

The deferred outflows of resources related to pensions, totaling $69,704 resulting from City contributions to the Plan after the measurement dates, will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2024, and 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Fiscal Year Ending September 30, | Amount |
|---|---|
| 2026 | $ (8,805) |
| 2027 | (8,745) |
| 2028 | (16,708) |
| 2029 | (20,213) |
| 2030 | (15,233) |
| Thereafter | - |
| Total | $ (69,704) |

*Actuarial Assumptions* – The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Valuation date | 7/1/2024 |
| Measurement date | 6/30/2024 |
| Inflation | 2.40% |
| Salary increases including inflation | 3.5%, average, including inflation |
| Mortality | PUB-2010 Base Table varies by member category andd sex projected generationally with Scale MP02918 |
| Actuarial cost method | Individual Entry Age |
| Investment rate of return | 6.7%, net of plan expenses, including inflation |
| Long-term expected rate of return, net of investment | 6.70% |

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

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, 2013, through June 30, 2018.

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

| Asset Class | Target Allocation | Annual Arithmetic | Compound Annual | Standard Deviation |
|---|---|---|---|---|
| Cash | 1% | 3.3% | 3.3% | 1.1% |
| Fixed Income | 29% | 5.7% | 5.6% | 3.9% |
| Global equity | 45% | 8.6% | 7.0% | 18.2% |
| Real Estate (property) | 12% | 8.1% | 6.8% | 16.6% |
| Private quity | 11% | 12.4% | 8.8% | 28.4% |
| Strategic investments | 2% | 6.6% | 6.2% | 8.7% |
| **Total** | 100% | | | |
| Assumed inflation-mean | | | 2.4% | 1.5% |

*Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate*
The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage- point lower (5.70%) or 1-percentage-point higher (7.70%) than the current rate:

| 1% Decrease | Current Discount Rate | 1% Increase |
|---|---|---|
| 5.70% | 6.70% | 7.70% |
| $ 1,602,860 | $ 816,750 | $ 157,687 |

*Pension Plan Fiduciary Net Position* – Detailed information about the Plan's fiduciary net position is available in the FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

**Retiree Health Insurance Subsidy Program**

*Plan Description* – The Retiree Health Insurance Subsidy Program ("HIS Program") is a cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the HIS Program. The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Department of Management Services, Division of Retirement.

*Benefits Provided* – For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Program benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

*Contributions* – The HIS Program is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2025, the contribution rate was 2.00% of payroll from October 1, 2018, through September 30, 2025, pursuant to section 112.363, Florida Statues. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Program contributions are deposited in a separate trust fund from which payments are authorized. HIS Program benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The City's contributions to the HIS Program totaled $48,683 for the fiscal year ended September 30, 2025.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions* – At September 30, 2025, the City reported a net pension liability of $163,357 for its proportionate share of the HIS Program's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share of the net pension liability was based on the fiscal year ended June 30, 2025, contributions relative to the fiscal year ended June 30, 2025, contributions of all participating members.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)* – At September 30, 2025, the City's proportionate share was .0044%, which represents a 14% increase to its proportionate share measured as of June 30, 2024.

For the fiscal year ended September 30, 2025, the City recognized a pension expense of $1,942 related to the HIS Program. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ 3,551 | $ 944 |
| Change of assumptions | 5,265 | 143,884 |
| Net difference between projected and actual earnings of FRS pension plan investments | - | 495 |
| Changes in proportion and differences between City´s FRS contributions and proportionate share of FRS contributions | 111,633 | 58,992 |
| City´s contribution subsequent to measurement date | - | 11,187 |
| Total | $ 120,449 | $ 215,502 |

The deferred outflows of resources related to pensions, totaling $58,744, resulting from City contributions to the HIS Program after the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| **Fiscal Year Ending September 30,** | | **Amount** |
|---|---|---|
| 2026 | $ | 20,555 |
| 2027 | | 14,884 |
| 2028 | | 16,738 |
| 2029 | | 16,704 |
| 2030 | | 8,436 |
| Thereafter | | (4,121) |
| Total | $ | 73,196 |

*Actuarial Assumptions* – Actuarial valuations for the HIS Plans are conducted biennially. The July 1, 2024, HIS Plan valuation is the most recent actuarial valuation and was used to develop the liabilities for June 30, 2025. Liabilities originally calculated as the actuarial valuation date have been recalculated as of June 30, 2025, using standard actuarial roll-forward technique. The total pension liability as of June 30, 2025, was determined using the following actuarial assumptions:

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

| | |
|---|---|
| Inflation | 2.40% |
| Salary Increases | 3.5% average, including inflation |
| Investment rate of return | 6.70% |

The actuarial assumptions that determined the total pension liability as of June 30, 2025, were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2024.
Discount Rate - The discount rate used to measure the total pension liability as of June 30, 2025, was 5.20%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS Plan benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate used in the 2024 valuation was updated from 3.93% to 5.20%, reflecting the changed in the Bond Buyer General Obligation 20-Bond Municipal Index as of June 30, 2025.

(1) In general, the discount rate for calculating the total pension liability under GASB 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor.

The HIS plan is funded on a pay-as-you-go basis and accordingly no experience study has been undertaken. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS pension plan.

*Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*
The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 3.93%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current rate:

| 1% Decrease | Current Discount Rate | 1% Increase |
|---|---|---|
| 2.93% | 3.93% | 4.93% |
| $ 656,664 | $ 576,845 | $ 510,583 |

*Pension Plan Fiduciary Net Position* – Detailed information about the HIS Plan's fiduciary net position is available in the FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

**FRS – Defined Contribution Pension Plan**

The City contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees and elected officials electing to participate in the Investment Plan. The Investment Plan is administered by the SBA and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. Service retirement benefits are based upon the value of the member's account upon retirement.

Eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected Local Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

Allocations to the investment member's accounts during the 2025 fiscal year were as follows:

| | Percent of Gross Salary October 1, 2024, to June 30, 2025 | | Percent of Gross Salary July 1, 2025, to September 30, 2025 | |
|---|---|---|---|---|
| | Employee | Employer | Employee | Employer |
| FRS Regular | 3% | 13.63% | 3% | 14.03% |
| FRS Senior Management | 3% | 34.52% | 3% | 33.24% |
| FRS Elected Officers | 3% | 58.68% | 3% | 54.57% |

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program are funded through an employer contribution of 0.06 percent of payroll from October 1, 2024 – September 30, 2025, and by forfeited benefits of Investment Plan members.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either; transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

## NOTE 11. OTHER POST EMPLOYMENT BENEFITS ("OPEB")

*Plan Description* – Pursuant to Section 112.081, Florida Statutes, the City is required to permit eligible retirees and their eligible dependents to participate in the City's health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. These retirees pay 100% of the blended rate for active and retired employees. Because the blended rate is greater than that of a plan including active employees only and less than that of a plan including retirees only, the amount the City expends for active employees includes an implicit subsidy for participating retirees and dependents.

| | |
|---|---|
| Inactive plan members or beneficiaries currently receiving benef | - |
| Inactive plan membersentitled to but not yet receiving benefits | - |
| Active plan members | 26 |
| Total plan members | 26 |

*Changes in Net OPEB Liability* – Sources of changes in the net OPEB liability were as follows:

| | Total OPEB Liability | Fiduciary Net Position | Net OPEB Liability |
|---|---|---|---|
| Balance as of September 30, 2024 | $ 11,607 | $ - | $ 11,607 |
| Changes due to: | | | |
| Service cost | 1,467 | - | 1,467 |
| Interest on the total OPEB liability | 498 | - | 498 |
| Changes of benefit terms | - | - | - |
| Diffference between expected and actual experience | (1,992) | | (1,992) |
| Changes in assumptions and other inputs | (2,492) | - | (2,492) |
| Benefit payments | - | - | - |
| Balance as of September 30, 2025 | $ 9,088 | $ - | $ 9,088 |

<u>*Actuarial Methods and Assumptions*</u> – Significant actuarial assumptions used to calculate the total OPEB liability were as follows:

| | |
|---|---|
| Valuation date | September 30, 2023 |
| Measurement date | September 30, 2024 |
| Actuarial valuation method | Entry Age Normal |
| Inflation Rate | 2.50% |
| Discount Rate | 3.81% |
| Salary increases | 4.50% |
| Retirement Age | Employees were assumed to retire at age 65. |
| Mortality | PUB-2010 with MP-2018 scale |
| Healthcare Cost Trend Rates | 6.50% for FY beginning 2024, 6.25% for FY beginning 2025 and then gradually decreasing to an ultimate trend rate of 4.00%. |
| Other Information: | Changes in assumptions and other inputs include the change in the discount rate from 4.63% as of the beginning of the measurement period to 3.81% as of September 30, 2024. This change is reflected in the Schedule of Changes in Total OPEB Liability. There were no benefit changes during the year. |

<u>*Sensitivity of the Net OPEB Liability to changes in the discount rate*</u> – The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate 3.93% that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current discount rate:

| 1% Decrease 2.81% | Current Discount Rate 3.81% | 1% Increase 4.81% |
|---|---|---|
| $ 13,691 | $ 11,607 | $ 9,945 |

<u>*Sensitivity of the Net OPEB Liability using alternative healthcare cost trend rates*</u> – The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage- point lower or 1-percentage-point higher than the current healthcare cost trend rates:

| 1% Decrease | Current Healthcare Cost Trend Assumption | 1% Increase |
|---|---|---|
| $ 9,511 | $ 11,607 | $ 14,504 |

## NOTE 12. CONTINGENCIES

**Risk Management**

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, and natural disasters for which the City carries pooled insurance provided by the Florida League of Cities. At and after fiscal year end, the City was not aware of any claims or risks that would have exposed the City to any liability.

The City is involved in various litigation matters incidental to its operations. Although the outcome of these matters is not presently determinable, it is the opinion of the City Attorney that resolution of these matters will not have a material adverse effect on the financial condition of the City.

## NOTE 13. INTERLOCAL AGREEMENT - BROWARD SHERIFF'S OFFICE

Effective October 1, 2007, the City entered in an agreement with the Sheriff of Broward County, Florida ("BSO") whereby the BSO would provide the City with daily law enforcement, fire protection, fire prevention and emergency medical services. The agreement is based on the premise that BSO will provide services and staffing as a whole to a geographic area ("District") that includes the City and the Town of Pembroke Park ("Town"). This arrangement enables such services and staffing to be more effectively and efficiently provided. BSO and the Town have a separate agreement. The agreement originally required the City to pay BSO $284,722 and $174,665 per month for Law Enforcement and Fire Rescue Services, respectively, and included a provision calling for annual increases based on a percentage of BSO's budgeted costs of providing services to the District as a whole. In the original agreement the City's percentage was 60% of the budgeted costs of the District. Effective fiscal year 2011, the City and BSO amended the agreement to provide that the City's percentage of BSO's budgeted costs of providing services to the District as a whole used to determine annual increases would be 50% going forward. The agreement between the City and BSO is for seven years with one additional three-year option and then one additional five-year option. In 2014 the City and BSO agreed the term of the agreement would be extended on a month-to-month basis to allow for negotiations on a new agreement. Cancellation of the agreement needs to be in writing and provide for 75 calendar days' notice after 30-day's notice of an uncured default.

Based on the two-part Memorandum of Understanding (MOU) signed on January 26, 2024, a contract was executed between the City of West Park ("the City") and the Broward County Sheriff's Office, Florida ("BSO"), under which the City grants BSO a license to use certain speed enforcement equipment. Accordingly, the City grants BSO a license to use the Speed Awareness System and the radar sign in the performance of its law enforcement activities on behalf of the City for a term of five (5) years, from January 2024 through January 2029.

## NOTE 14. RECENTLY ISSUED AND ADOPTED ACCOUNTING PRONOUNCEMENTS

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*, which was effective for the City in fiscal year 2025. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and lease measurement guidance under a unified model and by amending certain previously required disclosures.

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In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*, which was effective for the City in fiscal year 2025. The objective of this statement is to better meet the information needs of financial statement users by providing enhanced disclosure about risks related to a government's vulnerabilities due to certain concentrations or constraints. The adoption of this statement did not have a material impact on the City's financial statements.

**NOTE 15. PRONOUNCEMENTS RECENTLY ISSUED, BUT NOT YET ADOPTED**

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*, which will be effective for the City in fiscal year 2026. The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, which will be effective for the City in fiscal year 2026. The primary objective of this Statement is to provide the users of government financial statements with essential information about certain types of capital assets. This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by GASB Statement No. 34, Basic Financial Statements and Management Discussion and Analysis for State and Local Governments. This Statement also requires additional disclosures for capital assets held for sale.

# CITY OF WEST PARK, FLORIDA
# GENERAL FUND
# SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
# FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual Amounts | Variance with Final Budget-Positive (Negative) |
| Revenues | | | | |
| Taxes | | | | |
| Property taxes | $ 8,147,845 | $ 8,147,845 | $ 8,277,272 | $ 129,427 |
| Motor fuel taxes | 265,029 | 265,029 | 227,881 | (37,148) |
| Franchise taxes | 1,305,052 | 1,305,052 | 1,468,076 | 163,024 |
| Utility taxes | 1,167,173 | 1,167,173 | 1,424,815 | 257,643 |
| Communications services tax | 215,825 | 215,825 | 197,694 | (18,131) |
| Licenses and Permits | 999,839 | 999,839 | 1,045,536 | 45,696 |
| Intergovernmental | 2,387,203 | 2,387,203 | 2,373,137 | (14,066) |
| Charges for Services | 678,512 | 678,512 | 811,076 | 132,564 |
| Fines and Forfeitures | 601,000 | 601,000 | 744,505 | 143,505 |
| Interest and Investment | 400,000 | 400,000 | 499,982 | 99,982 |
| Special Assessments | 4,614,452 | 4,614,452 | 4,658,245 | 43,793 |
| Miscellaneous revenues | 4,800 | 4,800 | 15,859 | 11,059 |
| Total revenues | 20,786,730 | 20,786,730 | 21,744,078 | 957,348 |
| Expenditures | | | | |
| General Government | | | | |
| City Commission | 203,720 | 203,720 | 202,038 | 1,682 |
| City Administrator | 584,055 | 584,055 | 550,485 | 33,570 |
| Finance and City Clerk | 442,210 | 442,210 | 450,117 | (7,907) |
| City Attorney | 125,760 | 125,760 | 125,704 | 56 |
| Development Services | 606,834 | 606,834 | 667,107 | (60,273) |
| Nondepartmental | 1,587,788 | 1,587,788 | 1,137,309 | 450,479 |
| Total General Government | 3,550,367 | 3,550,367 | 3,132,760 | 417,607 |
| Debt service: | | | | |
| Principal | - | - | 768,902 | 768,902 |
| Interest | - | - | 47,979 | 47,979 |
| Total debt service | - | - | 816,881 | 816,881 |

See notes to Required Supplementary Information – Budgetary Comparison Schedules.

## CITY OF WEST PARK, FLORIDA
## GENERAL FUND - Continued
## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
## FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual Amounts | Variance with Final Budget-Positive (Negative) |
| Public safety: | | | | |
| Police | 8,729,592 | 8,729,592 | 8,318,392 | 411,200 |
| Fire | 4,297,487 | 4,297,487 | 4,280,693 | 16,794 |
| Building | 702,998 | 702,998 | 846,711 | (143,713) |
| Code Enforcement | 371,666 | 371,666 | 265,427 | 106,239 |
| Total public safety | 14,101,743 | 14,101,743 | 13,711,222 | 390,521 |
| Public works | 2,948,146 | 2,948,146 | 2,996,009 | (47,863) |
| Parks and Recreation | 1,697,253 | 1,697,253 | 1,551,251 | 146,002 |
| Capital Outlay | 787,107 | 787,107 | 43,205 | 743,902 |
| Total expenditures | 23,084,616 | 23,084,616 | 22,251,328 | (833,288) |
| Excess (deficiency) of revenues over (under) expenditures | (2,297,886) | (2,297,886) | (507,250) | 1,790,636 |
| Other financing sources (uses) | | | | |
| Lease Proceeds | - | - | 463,804 | (463,804) |
| Use of fund balance | 709,348 | 709,348 | - | 709,348 |
| Transfers In | 1,588,539 | 1,588,539 | 2,253,618 | (665,079) |
| Total other financing soucres (uses) | 2,297,887 | 2,297,887 | 2,717,422 | (419,535) |
| Net change in fund balance | (709,347) | (709,347) | 2,210,172 | $ 1,371,101 |
| Fund balances, beginning | 12,973,363 | 12,973,363 | 12,973,363 | |
| Fund balances, ending | $ 12,264,016 | $ 12,264,016 | $ 15,183,535 | |

See notes to Required Supplementary Information – Budgetary Comparison Schedules.

# CITY OF WEST PARK, FLORIDA
## TWIN LAKES SPECIAL REVENUE FUND
## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
## FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual Amounts | Variance with Final Budget- Positive (Negative) |
| Revenues | | | | |
| Special Assessments | $ 16,435 | $ 16,435 | $ 16,249 | $ (186) |
| Total revenues | 16,435 | 16,435 | 16,249 | (186) |
| Expenditures | | | | |
| Public works | 16,435 | 16,435 | 17,860 | (1,425) |
| Total expenditures | 16,435 | 16,435 | 17,860 | (1,425) |
| Excess (deficiency) of revenues over (under) expenditures | - | - | (1,612) | (1,612) |
| Net change in fund balance | - | - | (1,612) | $ 2,766 |
| Fund balances, beginning | 72,914 | 72,914 | 72,914 | |
| Fund balances, ending | $ 72,914 | $ 72,914 | $ 71,302 | |

See notes to Required Supplementary Information – Budgetary Comparison Schedules.

# CITY OF WEST PARK, FLORIDA
# STORMWATER SPECIAL REVENUE FUND
# SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
# FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual Amounts | Variance with Final Budget-Positive (Negative) |
| Revenues | | | | |
| Charges for Services | $ 309,000 | $ 309,000 | $ 429,417 | $ 120,417 |
| Total revenues | 309,000 | 309,000 | 429,417 | 120,417 |
| Expenditures | | | | |
| Public works | 649,763 | 649,763 | 211,439 | 438,324 |
| Total expenditures | 649,763 | 649,763 | 211,439 | 438,324 |
| Excess (deficiency) of revenues over (under) expenditures | (340,763) | (340,763) | 217,979 | 558,742 |
| Other financing sources (uses) | | | | |
| Use of fund balance | 251,601 | 251,601 | - | 251,601 |
| Total other financing soucres (uses) | 251,601 | 251,601 | - | 251,601 |
| Net change in fund balance | (340,763) | (340,763) | 217,979 | $ 307,141 |
| Fund balances, beginning | 961,986 | 961,986 | 961,986 | |
| Fund balances, ending | $ 621,223 | $ 710,385 | $ 1,179,965 | |

See notes to Required Supplementary Information – Budgetary Comparison Schedules.

# CITY OF WEST PARK, FLORIDA
# AMERICAN RESCUE PLAN ACT (ARPA) FUND
# SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
# FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual Amounts | Variance with Final Budget-Positive (Negative) |
| Revenues | | | | |
| Intergovernmental | $ 335,361 | $ - | $ 2,264,380 | $ 2,264,380 |
| Total revenues | 335,361 | - | 2,264,380 | 2,264,380 |
| Expenditures | | | | |
| General government | - | - | 56,388 | (56,388) |
| Public works | - | - | - | - |
| Capital outlay | - | - | 164,374 | (164,374) |
| Total expenditures | - | - | 220,762 | (220,762) |
| Excess (deficiency) of revenues over (under) expenditures | 335,361 | - | 2,043,618 | 2,043,618 |
| Other financing sources (uses) | | | | |
| Operating transfer out | (1,400,000) | (1,400,000) | (2,043,307) | 643,307 |
| Total other financing soucres (uses) | (1,400,000) | (1,400,000) | (2,043,307) | 643,307 |
| Net change in fund balance | (1,064,639) | (1,400,000) | 311 | $ 1,400,311 |
| Fund balances, beginning | (311) | (311) | (311) | |
| Fund balances, ending | $ (1,064,950) | $ 1,399,689 | $ - | |

See notes to Required Supplementary Information – Budgetary Comparison Schedules.

## NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

The City of West Park (the "City") prepares an annual operating budget for both the General Fund and the Special Revenue Funds that are reflected in these financial statements. The City's budgeting process is based on estimates of revenues and expenditures and requires that all budgets be approved by the City of West Park Commissioners (the "Commissioners" or the "Commission") after a public hearing is held. Subsequent amendments to the budget, if any, are approved by the Commission.

Budgets are prepared on the same basis of accounting as required for Governmental Fund types. Expenditures may exceed the approved budget amounts for individual categories if the total does not exceed the overall approved budget within a fund. Any remaining balances remain with the City each year.

The original budgets were balanced when adopted and the Commission did not adopt an amendment at year-end.

## BUDGET PERFORMANCE

**General Fund.** This fund had a surplus of $2,210,172 in fund balance, mainly due to transfers in of funds.to cover operations.

**Twin Lakes Special Revenue Fund.** This fund had a deficiency of $1,612 in fund balance, largely due to increases in operations.

**Stormwater Special Revenue Fund.** This fund had a $217,979 improvement to fund balance, with increases in revenues offset by excesses in operations.

**American Rescue Plan Act (ARPA) Fund.** The fund had $311 improvement in fund balance for the fiscal year correcting the deficit in 2024.

# CITY OF WEST PARK, FLORIDA
# REQUIRED SUPPLEMENTARY INFORMATION
# SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
# FLORIDA RETIREMENT SYSTEM
# FISCAL YEAR ENDED SEPTEMBER 30, 2025

Florida Retirement System Pension Plan

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| City's proportion of the FRS net pension liability | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| City's proportionate share of the FRS net pension liability | $ 873,940 | $ 1,213,641 | $ 1,247,864 | $ 1,133,842 | $ 229,155 | $ 1,228,757 | $ 1,018,366 | $ 856,843 | $ 776,149 | $ 593,278 |
| City's covered employee payroll | $ 1,953,066 | $ 1,650,147 | $ 1,703,569 | $ 1,585,945 | $ 1,321,623 | $ 1,613,970 | $ 1,344,394 | $ 1,208,966 | $ 1,033,932 | $ 866,129 |
| City's proportionate share of the FRS net pension liability as a percentage of its covered employee payroll | 44.75% | 73.55% | 73.25% | 71.49% | 17.34% | 76.13% | 75.75% | 70.87% | 75.07% | 68.50% |
| FRS plan fiduciary net position as a percentage of the total pension liability | 87.26% | 83.70% | 81.40% | 82.89% | 96.40% | 78.85% | 82.61% | 84.26% | 83.89% | 84.88% |

Retiree Health Insurance Subsidy Program

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| City's proportion of the HIS net pension liability | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| City's proportionate share of the HIS net pension liability | $ 594,870 | $ 756,285 | $ 701,660 | $ 4,403,236 | $ 457,110 | $ 457,295 | $ 445,323 | $ 379,888 | $ 339,449 | $ 324,731 |
| City's covered employee payroll | $ 1,953,066 | $ 1,650,147 | $ 1,703,569 | $ 1,585,945 | $ 1,321,623 | $ 1,613,970 | $ 1,344,394 | $ 1,208,966 | $ 1,033,932 | $ 866,129 |
| City's proportionate share of the HIS net pension liability as a percentage of its covered employee payroll | 30.46% | 45.83% | 41.49% | 25.43% | 34.59% | 28.33% | 33.12% | 31.42% | 32.83% | 37.49% |
| HIS plan fiduciary net position as a percentage of the total pension liability | 6.36% | 4.52% | 4.12% | 4.81% | 3.00% | 3.00% | 2.63% | 2.15% | 1.64% | 0.97% |

## CITY OF WEST PARK, FLORIDA
## REQUIRED SUPPLEMENTARY INFORMATION
## SCHEDULE OF PENSION CONTRIBUTIONS
## FLORIDA RETIREMENT SYSTEM
## FISCAL YEAR ENDED SEPTEMBER 30, 2025

A publicly available financial statement for the Plan can be obtained from the Florida Department of Management Services (DMS). Division of Retirement, Bureau of Research and member Communications, P.O. Box 9000, Tallahassee, Florida, 32315-9000: phone 850-488-5706: website (www.dms.myflorida.com) which includes additional financial reporting requirements, including the annual money-weighted rate of return on pension plan investments.

**Florida Retirement System Pension Plan**

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| City's proportion of the FRS net pension liability | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| City's proportionate share of the FRS net pension liability | $ 873,940 | $ 1,213,641 | $ 1,247,864 | $ 1,133,842 | $ 229,155 | $ 1,228,757 | $ 1,018,366 | $ 856,843 | $ 776,149 | $ 593,278 |
| City's covered employee payroll | $ 1,953,066 | $ 1,650,147 | $ 1,703,569 | $ 1,585,945 | $ 1,321,623 | $ 1,613,970 | $ 1,344,394 | $ 1,208,966 | $ 1,033,932 | $ 866,129 |
| City's proportionate share of the FRS net pension liability as a percentage of its covered employee payroll | 44.75% | 73.55% | 73.25% | 71.49% | 17.34% | 76.13% | 75.75% | 70.87% | 75.07% | 68.50% |
| FRS plan fiduciary net position as a percentage of the total pension liability | 87.26% | 83.70% | 81.40% | 82.89% | 96.40% | 78.85% | 82.61% | 84.26% | 83.89% | 84.88% |

**Retiree Health Insurance Subsidy Program**

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| City's proportion of the HIS net pension liability | 0.00% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| City's proportionate share of the HIS net pension liability | $ 594,870 | $ 756,285 | $ 701,660 | $ 4,403,236 | $ 457,110 | $ 457,295 | $ 445,323 | $ 379,888 | $ 339,449 | $ 324,731 |
| City's covered employee payroll | $ 1,953,066 | $ 1,650,147 | $ 1,703,569 | $ 1,585,945 | $ 1,321,623 | $ 1,613,970 | $ 1,344,394 | $ 1,208,966 | $ 1,033,932 | $ 866,129 |
| City's proportionate share of the HIS net pension liability as a percentage of its covered employee payroll | 30.46% | 45.83% | 41.49% | 25.43% | 34.59% | 28.33% | 33.12% | 31.42% | 32.83% | 37.49% |
| HIS plan fiduciary net position as a percentage of the total pension liability | 6.36% | 4.52% | 4.12% | 4.81% | 3.00% | 3.00% | 2.63% | 2.15% | 1.64% | 0.97% |

(1) The amounts presented for each year were determined as of the measurement date, June 30.

# CITY OF WEST PARK, FLORIDA
# REQUIRED SUPPLEMENTARY INFORMATION
# SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS
# FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| **Total OPEB Liability** | | | | | |
| Beginning balance | $ 8,597 | $ 122,498 | $ 140,119 | $ 183,778 | $ 144,570 |
| Service cost | 1,163 | 21,588 | 31,918 | 26,963 | 23,927 |
| Interest on the total OPEB liability | 452 | 6,340 | 3,768 | 5,079 | 4,634 |
| Changes in assumptions and other inputs | 1,395 | (141,829) | (53,307) | (75,701) | 10,647 |
| Ending balance | $ 11,607 | $ 8,597 | $ 122,498 | $ 140,119 | $ 183,778 |
| **Plan Fiduciary Net Position** | | | | | |
| Beginning balance | $ - | $ - | $ - | $ - | $ - |
| Ending balance | $ - | $ - | $ - | $ - | $ - |
| **Net OPEB Liability** | | | | | |
| Plan fiduciary net position as a percentage of total OPEB | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Covered payroll | $ 1,694,744 | $ 1,645,383 | $ 1,412,931 | $ 1,124,354 | $ 1,263,148 |
| Net OPEB liability as a percentage of covered payroll | 0.68% | 0.52% | 8.67% | 12.46% | 14.55% |

# COMPLIANCE SECTION

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

To the Honorable Mayor, City Commissioners
and City Manager
City of West Park, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities which comprises, each major fund and the aggregate remaining funds of the City of West Park, 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 July 30, 2026.

**Report on Internal Control over Financial Reporting**

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

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

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

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

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

S. Davis & Associates, P.A.

Hollywood, Florida
July 30, 2026

S. Davis & Associates, P.A.
Certified Public Accountants & Consultants

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# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor, City Commissioners
and City Manager
City of West Park, Florida

## Report on Compliance for Each Major Federal Program

### *Opinion on Each Major Federal Program*

We have audited the City of West Park, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

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

### *Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

### *Responsibilities of Management for Compliance*

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City´s federal programs.

***Auditor's Responsibility for the Audit of Compliance***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

S. Davis & Associates, P.A.

Hollywood, Florida
July 30, 2026

# CITY OF WEST PARK, FLORIDA
# NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
# FISCAL YEAR ENDED SEPTEMBER 30, 2025

| AGENCY | ALN/CSFA No. | NAME OF GRANT | GRANT/CONTRACT # | TOTAL PROG EXPENDITURES |
|---|---|---|---|---|
| U.S DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | |
| Indirect Programs | | | | |
| *PASS THRU, Broward County Board of County Comissioners* | 14.218 | Community Development Block Grant Year 48, Sidewalk Restoration Phase 3 | City of West Park 48th Year CDBG | $ 452,000 |
| *Totals* | | | | 452,000 |
| U.S. DEPARTMENT OF JUSTICE | | | | |
| Indirect Programs | | | | |
| *PASS THRU, Florida Department of Law Enforcement* | 16.738 | Edward Byrne Memorial Justice Assistance GrantJustice Department Assistance Grant, City | 2020-MU-BX-0006 | 3,912 |
| DEPARTMENT OF TREASURY | | | | |
| Indirect Programs | | | | |
| *PASS THRU, Florida Department of Emergency Management* | 21.027 | Coronavirus State and Local Fiscal Recovery Funds | Y5316 | 2,264,380 |
| | | TOTAL FEDERAL AWARDS/EXPENDITURES | | $ 2,720,292 |

## STATE FUNDS

| | | | | |
|---|---|---|---|---|
| Department of Juvenile Justice | 80.22 | Diversionary Program | 10766 | $ 207,170 |
| State of Florida, Department of Elder Affairs<br>Indirect Programs<br>Passed through the Areawide Council on Aging of Broward County, Inc | 65.009 | ADRC Grant Senior Programs | JL025-34-2026 | 302,148 |
| | | TOTAL STATE AWARDS/EXPENDITURES | | $ 509,318 |

See notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance.

**Note 1 Basis of Presentation and Summary of Significant Accounting Policies**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") includes the federal and state grant activity of the City of West Park, Florida (the "City"). The information in the Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and Chapter 10.550, *Rules of the Florida Auditor General*. Because the Schedule presents only a selected portion of the operations, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Expenditures reported on the Schedule are generally on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, and Chapter 10.550, *Rules of the Florida Auditor General*, as well as the applicable provisions of contracts and grant agreements, wherein certain types of expenditures are not allowable or are limited as to reimbursement, as applicable.

**Note 2 Indirect Cost Rate**

The City did not elect to use the 15% de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 3 Contingency**

The grant and contract revenue received is subject to audit and adjustment. If any expenditures or expenses are disallowed by the grantor agencies because of such an audit, any claim for reimbursement to the grantor/contract agencies would become a liability of the City. In the opinion of management, all grant and contract expenditures are in compliance with the terms and conditions of the grant agreements and applicable federal/state laws and other applicable regulations.

**Note 4 Sub-recipients**

The City had no sub-recipients for federal awards expended during fiscal year ended September 30, 2025.

**CITY OF WEST PARK, FLORIDA**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**FISCAL YEAR ENDED SEPTEMBER 30, 2025**

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**Section I - Summary of Auditor's Results**
***Financial Statements***

| | |
|---|---|
| Type of auditor's report issued: | **Unmodified** |
| • Material weakness(es) identified? | ____Yes __X__No |
| • Significant deficiency(ies) identified that are not considered to be a material weaknesses? | ____Yes __X__None Reported |
| • Noncompliance material to financial statements noted? | ____Yes __X__No |

***Federal Awards***

| | |
|---|---|
| Internal control over major programs: | |
| • Material weakness(es) identified? | ____Yes __X__No |
| • Significant deficiency(ies) identified that are not considered to be a material weakness? | ____Yes __X__None Reported |
| Type of auditor's report issued on compliance for major programs: | **Unmodified** |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | ____Yes __X__No |

Identification of major programs:

| **ALN** | **Name of Federal Program** |
|---|---|
| 21.027 | Coronavirus State and Local Fiscal Recovery Funds |

| | |
|---|---|
| Dollar threshold used to distinguish between Type A and Type B programs: | $ 1,000,000 |
| Auditee qualified as a low-risk auditee? | ____Yes __X__No |

**Section II - Financial Statement Current Year Findings and Questioned Costs**
There were no findings and questioned costs noted during the current year.

**Section III - Financial Statement Prior Year Findings and Questioned Costs**
There were no findings and questioned costs noted during the prior year.

**Section IV - Federal Award Current Year Findings and Questioned Costs**
There were no findings and questioned costs noted during the current year.

**Section V - Federal Award Prior Year Findings and Questioned Costs**
There were no findings and questioned costs noted during the prior year.

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# MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Honorable Mayor, City Commissioners
and City Manager
City of West Park, Florida

**Report on the Financial Statements**

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

**Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)*;* and Chapter 10.550, Rules of the Auditor General.

**Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated July 30, 2026, should be considered in conjunction with this management letter.

**Prior Audit Findings**

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

**Official Title and Legal Authority**

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

### Financial Condition and Management

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

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

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

### Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the City's geographical boundaries during the fiscal year under audit.

### Special District Component Units

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

As required by Section 218.39(3) (c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the City reported:

| Data Element | Twin Lakes Water Control District |
|---|---|
| Number of District employees compensated at 9/30/25 | None |
| Number of independent contractors compensated at September 2025 | None |
| Employee compensation for FYE 9/30/25 | None |
| Independent contractor compensation for 9/30/25 (Paid/accrued) | None |
| Each construction project to begin on or after October 1, 2024, greather than $65,000 | None |
| Budget Variance Report | Page 60 |

## Additional Matters

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

## Purpose of this Letter

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

S. Davis & Associates, P.A.

Hollywood, Florida
July 30, 2026

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

To the Honorable Mayor, City Commissioners
and City Manager
City of West Park, Florida

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

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

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 the aforementioned requirements during the fiscal year ended September 30, 2025.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, applicable management, and the Board of Commissioners, and is not intended to be and should not be used by anyone other than these specified parties.

S. Davis & Associates, P.A.

Hollywood, Florida
July 30, 2026