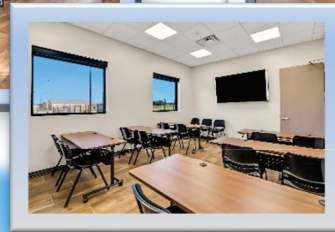
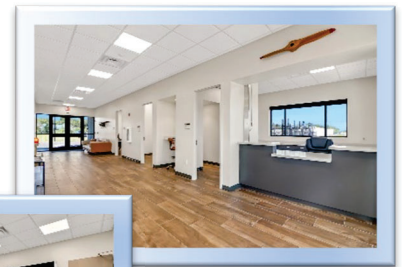
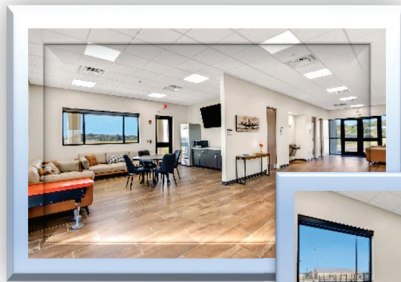


City of Umatilla, Florida

Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2024



City of Umatilla, Florida

Annual Comprehensive Financial Report

For the Year Ended September 30, 2024



Prepared By
Finance Department

	Page
I. Introductory Section	
Letter of Transmittal	i-iv
GFOA Certificate of Achievement	v
Organizational Chart	vi
Principal City Officials	vii
II. Financial Section	
Independent Auditor's Report	1-2
Management's Discussion and Analysis	3-12
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements:	
Balance Sheet-Governmental Funds	15
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	18
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Discretionary Tax Fund	19
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Community Redevelopment Agency Fund	20
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Fire Assessment Fund	21
Statement of Net Position - Proprietary Funds	22-23
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	24
Statement of Cash Flows - Proprietary Funds	25-26
Statement of Fiduciary Net Position - Fiduciary Fund	27
Statement of Changes in Fiduciary Net Position - Fiduciary Fund	28
Notes to Financial Statements	29-56
Required Supplementary Information:	
Schedule of Changes in the City's Net Pension Liability and Related Ratios	57
Schedule of Contributions - Police Pension	58
Schedule of Investment Returns - Police Pension	59
Schedule of the City's Proportionate Share of Net Pension Liability	60
Schedule of the City's Contributions	61
Schedule of Changes in the City's Total OPEB Liability and Related Ratios	62

	Page
Combining and Individual Fund Statements and Schedules:	
Nonmajor Governmental Funds:	63
Combining Balance Sheet - Nonmajor Governmental Funds	64
Combining Statement of Revenues, Expenditures, and Changes in Fund	
Balances - Nonmajor Governmental Funds	65
Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Police Education Fund	66
Police Education Fund	67
Police Impacts Fund	68
Fire Impacts Fund	69
III. Statistical Section	
Financial Trends	
Net Position by Components	70
Changes in Net Position	71-72
Governmental Activities Tax Revenues by Source	73
Fund Balances of Governmental Funds	74
Changes in Fund Balances of Governmental Funds	75
Revenue Capacity	
Assessed Value and Estimated Actual Value of Taxable Property	76
Property Tax Rates - Direct and Overlapping Governments	77
Principal Property Taxpayers	78
Property Tax Levies and Collections	79
Debt Capacity	
Ratios of Outstanding Debt by Type	80
Direct and Overlapping Governmental Activities Debt	81
Pledged Revenue Coverage	82
Demographic and Economic Information	
Demographic and Economic Statistics	83
Principal Employers	84
Operating Information	
Full-time Equivalent City Government Employees by Function	85
Operating Indicators by Function	86
Capital Asset Statistics by Function	87
IV. Compliance Section	
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 <i>Government Auditing Standards</i>	88
Independent Auditor's Report on Compliance for Each Major Federal Program and State Project	
and on Internal Control Over Compliance in Accordance with the Uniform Guidance and	
Chapter 10.550, Rules of the Auditor General	89-90
Schedule of Expenditures of Federal Awards and State Financial Assistance	91
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance	92
Schedule of Findings and Questioned Costs	93
Management Letter	94-95
Independent Accountant's Report on Compliance with the Requirements of	
Section 218.415, Florida Statutes	96

INTRODUCTORY SECTION



May 29, 2025

To the Honorable Mayor and Members of the City Council and Citizens of
City of Umatilla, Florida

The Annual Comprehensive Financial Report (ACFR) for the City of Umatilla, Florida, for the fiscal year ended September 30, 2024 is hereby submitted pursuant to Florida Statutes Chapter 166.241(4) and Chapter 10.500 of the Rules of the Auditor General of the State of Florida. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the data presented are accurate in all material aspects; the information is presented in a manner designed to fairly set forth the financial position and results of operation of the City as measured by the financial activity of its various funds; and includes all disclosures necessary to enable the reader to gain a maximum understanding of the City's financial affairs.

Government Structure

The City of Umatilla is operated under Council-City Manager form of government.

The City Council is the legislative body and the city's policy makers. The City Council approves the annual budget and adopts local laws and regulations. The Council also has focus on the community's big picture goals, such as community growth and sustainability. The City Manager, an appointed official, is the chief administrative official who serves as the Council's chief advisor by providing complete and objective information about local operations, community issues, and implements the policies established by the Council.

The City

The City of Umatilla, incorporated in 1904, is located in central Florida. The City has a population of 3,984. The City's property tax millage rate is 7.1089. The City is continuing a rebirth of its downtown core area with many infrastructure and redevelopment projects completed or underway. The population has remained relatively stable after the 2020 census reset back down to 3,675.

Discussion on Operations of the Enterprise Funds

The Water and Sewer department serves over 1,900 customers, providing potable water and wastewater services. The City undertook a Rate Study for the Water and Wastewater Enterprise Fund in order to provide for future planning and funding necessary to properly maintain the System Infrastructure, improve the quality of the operation and provide for future needs. As a result of this study rate increases went into effect October 1st of 2024 and additional increases every subsequent October 1st through 2029 are planned. The City continues to bill a base (availability) fee for each unit attached to the water and sewer system even when the unit is not utilizing service.

A significant benefit to our citizens is the consistent and dependable water and wastewater services provided. As such, every property owner is obligated to help absorb the fixed costs associated with this portion of the infrastructure, even when consumptive services are not being provided. Therefore, a “Service Availability Fee” is necessary. The balance is a variable charge based on consumption.

During this fiscal year, Water and Sewer fund operating revenues increased by 26.7% or \$451,986 due to growth in the City. Operating expenditures increased \$141,953 mainly due to increases in salaries resulting from pay rate increases and vacant positions being filled. Sanitation Fund operating revenues increased by \$13,473 or 1.7% due to increased development in the City. The Stormwater Fund operating revenues remained relatively stable with a nominal increase of \$650, or 0.5%. The Airport Fund operating revenues decreased by \$23,026 due to a reduction in miscellaneous revenue from the one-time sales of asphalt millings in the previous year.

Local Economic Condition & Outlook

The construction of 6.2 miles of 12” and 16” force main and two pump stations to interconnect with the City of Eustis for treatment and disposal of Umatilla’s wastewater has been complete for about a year as of the date of this letter. This project saved the taxpayers approximately \$8 million and has increased the City’s future treatment capacity. Umatilla’s wastewater plant has been fully decommissioned at this time.

The City sold approximately 22 acres of land, which was formerly the City’s spray field. This property will be the site of another industrial park. As of the date of this letter improvements to Lake Ferns Road have begun to allow for heavy duty truck traffic. An additional road north from Lake Ferns Road to the southern part of the industrial park property will also be constructed. Additional improvements include utilities that will provide water, sewer and power to the industrial park development.

The Magnolia Point 469-unit residential subdivision approved in 2022 is under construction with approximately 145 homes completed as of the date of this letter.

The \$1.5 million renovation of Southside Plaza is nearly complete and at least one new business has recently taken occupancy. The renovated plaza will attract new retail business to the City.

Major Initiatives

The Community Redevelopment Agency (CRA) has continued participating in visible community improvements and commercial redevelopment in the downtown core area of the City. These improvements were direct result of the CRA infrastructure improvements and our grant process functioning at its best. An increase in taxable values of these properties is anticipated to continue over the next few years. During fiscal year 2024, the City awarded three façade improvement grants totaling just under \$20,000 and was also able to continue sidewalk improvements, median landscaping and irrigation.

The Umatilla Municipal Airport (X23) recently unveiled a newly constructed Fixed Base Operator (FBO) facility (pictured on the cover), designed to serve as both a pilot lounge and a training center. This 2,500-square-foot terminal replaces the previous structure and is situated further from the airstrip to enhance safety and accessibility. The new facility offers a comfortable environment for pilots to rest, plan flights, and receive training, addressing the needs of those stranded due to weather or other unforeseen circumstances.

The One-Cent Discretionary Infrastructure Surtax has been in place since 2002 and in 2017 the voters of Lake County extended the tax for another 15-year term. This funding source continues to provide for infrastructure and capital project needs. Among other projects, the City has utilized these revenues for street improvements, water and sewer system improvements, public safety equipment, and parks and recreation improvements and equipment. In 2024, the purchase of two new patrol vehicles was delayed due to supply issues so funding was rolled over and delivery was taken in early FY 2025. Project funding for Lake Ferns Road was also rolled over into FY 2025 due to timeline delays.

Long-term Financial Planning

As part of the annual budget process, the City prepares a comprehensive capital budget for the next fiscal year and Capital Improvement Program for the following five fiscal years. Included in that process is a determination of the impact on future operating costs and a determination as to the appropriate funding mechanism for needed capital.

Accounting and Administrative Controls

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

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

The concept of reasonable assurance recognizes that:

1. The cost of the control should not exceed the benefits likely to be derived; and
2. The evaluation of costs and benefits requires estimates and judgments of management.

We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City of Umatilla maintains budgetary controls to ensure compliance with legal provisions contained in the annual appropriated budget approved by the City Council. Annual budgets are legally adopted for activities of the General Fund, the Discretionary Surtax Fund, the Community Redevelopment Fund (CRA), the Water and Sewer Enterprise Fund, the Sanitation Enterprise Fund, the Stormwater Enterprise Fund and the Airport Enterprise Fund, as well as non-major funds. Budgets are controlled at the fund level by the City Manager who is authorized to transfer budgeted amounts within any fund; however, any revisions that alter the net revenues, reserves, or expenditures of any fund must be approved by a majority vote of the City Council. The City Manager may amend the budget administratively to provide for grants awarded and insurance recoveries which result in no net change in revenues and expenditures.

Cash Management

Cash is invested in either money-market accounts or in certificates of deposit which are insured by Federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool. The criteria used for placement of the City's funds include:

1. Minimize risk to the invested capital.
2. Maintain reasonable liquidity.
3. Maximize return.

Risk Management

The City of Umatilla participates in the Public Risk Management of Florida pools for property, auto, general and professional liability and workers compensation as well as the PRM Group Health Trust to provide health and life insurance to employees.

Financial Reporting Standards

Florida Statutes require that an annual financial audit be performed by an independent certified public accountant. This year the audit was performed by McDirmit Davis & Company, LLC, Certified Public Accountants. The audit process includes a thorough examination of the records of the Finance department, independent verification of transactions, review of bank statements and other original documents, and analysis of account balances and activities.

In addition to the detailed audit performed by an independent auditor, the City submits the completed ACFR to the Government Finance Officers Association of the United States and Canada (GFOA) as part of their awards program.

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ended September 30, 2023. This was the twelfth year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgement

This report represents numerous hours of preparation and is made possible by the dedicated efforts of the City Manager and Finance Department. I would like to express my appreciation to all staff members who contribute to and maintain the records upon which this report is based. I also thank the Mayor, and Council Members, and Department Directors for their interest and support in planning and conducting the operations of the City in a responsible and progressive manner.

Respectfully Submitted,



Aaron Mercer
City Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Umatilla
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

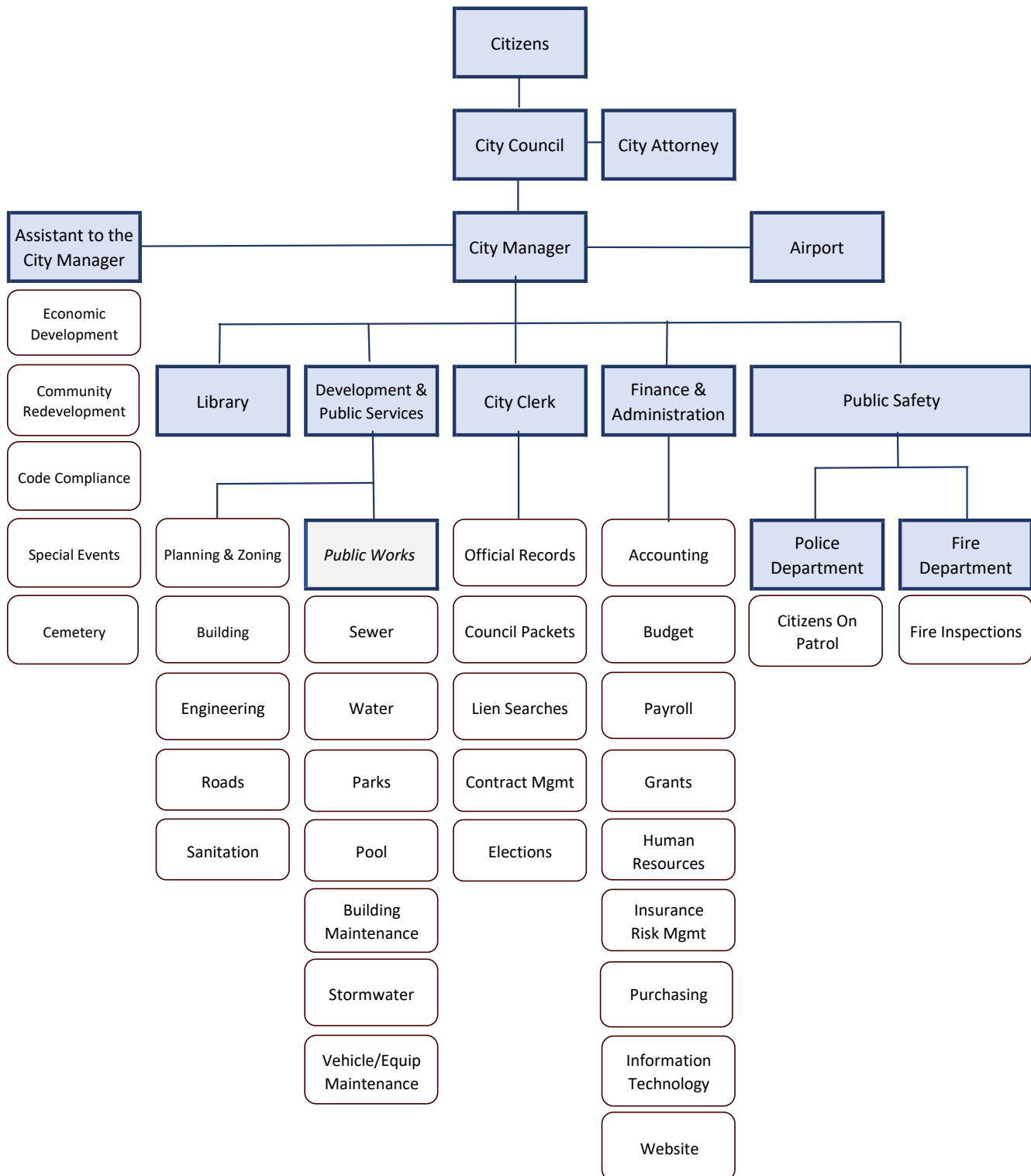
Christopher P. Morrell

Executive Director/CEO



CITY OF UMATILLA

Organizational Chart



CITY OF UMATILLA, FLORIDA
CITY COUNCIL AND OFFICIALS
SEPTEMBER 30, 2024

Mayor Chris Creech
Vice Mayor Katherine Adams
City Council Seat #1..... Fred Fetterolf
City Council Seat #2..... Chris Creech
City Council Seat #3..... John Nichols
City Council Seat #4..... Bear Crockett
City Council Seat #5..... Katherine Adams
City Attorney Kevin Stone
City Manager Aaron Mercer, MPA, AICP
City Clerk Jessica Burnham, FCRM
Finance & Administration Director Regina Frazier, CGFO, CPM

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Umatilla, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the *City of Umatilla, Florida*, (the "City"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows, thereof and the respective budgetary comparison for the general fund, discretionary tax special revenue fund, community redevelopment agency fund and fire assessment special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other post-employment benefit information on pages 3 through 12 and 57 through 62, respectively, 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 combining and individual nonmajor fund financial statements and schedules and the Schedule of Expenditures of State Financial Assistance (the "Schedule") as required by *Chapter 10.550*, Rules of the Auditor General, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated May 29, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

McDiarmid Davis

Orlando, Florida
May 29, 2025

As management of the City of Umatilla, we offer readers of the City of Umatilla's financial statements this narrative overview and analysis of the financial activities of the City of Umatilla for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i through iv of this report.

Financial Highlights

- The assets and deferred outflows of the City of Umatilla exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$46,020,829 (net position). Of this amount, \$3,396,451 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$1,711,658 or 4%.
- As of the close of the current fiscal year, the City of Umatilla's governmental funds reported combined ending fund balances of \$5,551,311. Approximately 33.7% of this total amount, \$1,871,488, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,871,488, or 46.8% of total general fund expenditures.
- The City of Umatilla's total debt increased by \$219,806 or 12.59% during the current fiscal year. All required debt service payments were made.

Overview of the Financial Statements

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

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

Government-wide financial statements

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

The *Statement of Net Position* presents information on all of the City of Umatilla's assets, liabilities, deferred inflows, and deferred outflows with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Umatilla is improving or declining.

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

Both of the government-wide financial statements distinguish functions of the City of Umatilla that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Umatilla include general government, public safety, physical environment, transportation (which includes roads and street maintenance), culture and recreation and economic environment. The business-type activities of the City of Umatilla include water and sewer utility services, sanitation services, airport activities, and stormwater utility.

The government-wide financial statements include only the City of Umatilla itself (known as the primary government) and one blended component unit (The City of Umatilla Community Redevelopment Fund). The Water and Sewer Utility, the Sanitation Utility, the Stormwater Utility, and Airport function as departments of the City of Umatilla, and therefore, have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 13 -14 of this report.

Fund Financial Statements

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

Governmental Funds

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

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

The City of Umatilla maintains eight individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the Discretionary Surtax Fund, the Community Redevelopment Fund and the Fire Assessment fund. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Umatilla adopts an annual appropriated budget for all governmental funds. Budgetary comparison statements have been provided for those funds to demonstrate budgetary compliance. Budgetary comparison statements have been provided for the General Fund, Discretionary Tax Fund, Community Redevelopment Agency Fund and the Fire Assessment Fund to demonstrate compliance with this budget on pages 18 - 21. Budgetary comparison schedules for the nonmajor funds are presented on pages 66 - 69.

The basic governmental fund financial statements can be found on pages 15 - 17 of this report.

Proprietary Funds

The City of Umatilla maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Umatilla uses enterprise funds to account for the Water and Sewer Utility, Sanitation Utility, Stormwater Utility and Airport activities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Utility, Sanitation Fund, Stormwater Utility, and Airport activities.

The basic proprietary fund financial statements can be found on pages 22 - 26 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Umatilla's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 27 - 28 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 - 56 of this report.

Required Supplementary Information (RSI)

RSI can be found on pages 57-62 of this report.

Other information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the Required Supplementary Information. Combining and individual fund statements and schedules can be found on pages 63 - 69 of this report.

Government-wide Financial Analysis

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Umatilla, assets exceeded liabilities by \$46,020,829 at the close of the most recent fiscal year.

Of the City of Umatilla's net position \$37,574,164 (or 82%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related outstanding debt used to acquire those assets. The City of Umatilla uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Umatilla's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net position that is subject to external restrictions as to how it may be used totals \$5,050,214 (11%). The remaining balance of *unrestricted net position* (\$3,396,451 or 7%) may be used to meet the government's ongoing obligations to citizens and creditors.

At September 30, 2024, the City of Umatilla is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. This was also the case at the close of the prior fiscal year.

"This Section Intentionally Left Blank"

The following table reflects the condensed *Statement of Net Position* for the current and prior year. For more detail see the *Statement of Net Position* on page 13.

As of September 30

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Assets:						
Current and other assets	\$ 7,148,075	\$ 5,784,253	\$ 4,782,127	\$ 4,306,625	\$ 11,930,202	\$ 10,090,878
Capital assets	4,426,666	4,852,236	35,173,346	34,979,016	39,600,012	39,831,252
Total assets	11,574,741	10,636,489	39,955,473	39,285,641	51,530,214	49,922,130
Deferred Outflows of Resources	603,298	605,348	114,715	125,548	718,013	730,896
Liabilities:						
Current liabilities	666,961	741,149	821,142	1,145,096	1,488,103	1,886,245
Long term liabilities	1,937,942	2,158,768	2,123,036	1,860,785	4,060,978	4,019,553
Total liabilities	2,604,903	2,899,917	2,944,178	3,005,881	5,549,081	5,905,798
Deferred Inflows of Resources	402,321	195,794	275,996	242,263	678,317	438,057
Net Position:						
Net investment in capital assets	4,124,507	4,465,194	33,449,657	33,620,826	37,574,164	38,086,020
Restricted	3,818,718	2,487,766	1,231,496	780,919	5,050,214	3,268,685
Unrestricted	1,227,590	1,193,166	2,168,861	1,761,300	3,396,451	2,954,466
Total net position	\$ 9,170,815	\$ 8,146,126	\$ 36,850,014	\$ 36,163,045	\$ 46,020,829	\$ 44,309,171

Statement of Activities

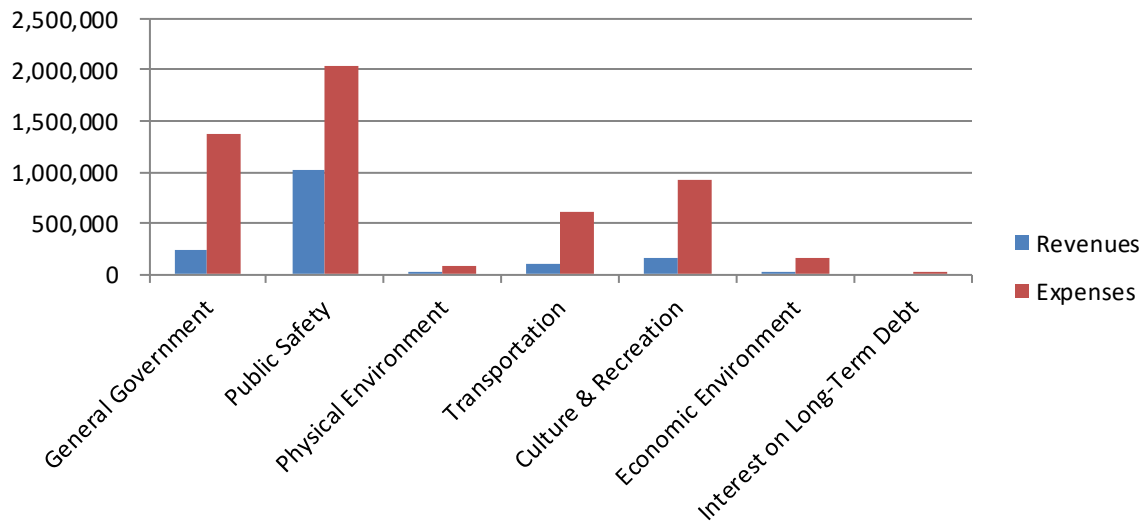
The following table reflects the condensed *Statement of Activities* for the current and prior year. For more detailed information see the *Statement of Activities* on page 14. Note that the government's total net position increased by \$1,711,658 or 4% in fiscal year 2024. For the previous fiscal year, 2023, net position increased by \$3,670,132.

Governmental activities increased by \$1,024,689 in fiscal year 2024 compared to an increase of \$881,975 in 2023. Revenues increased by \$296,646 from the previous year primarily due to an increase in property tax revenue driven by growth. Total expenses increased by \$98,392 due to salary increases and normal inflationary cost increases. Charges for services increased \$59,983. On the expense side, public safety expenses increased \$380,551 due to increases in pay, promotions and the addition of one new officer. Transportation expenses decreased \$145,913 due to a one-year delay in the paving program. Business-type activities increased net position by \$686,969 in fiscal year 2024 compared to an increase of \$2,788,157 in 2023. This is primarily the result of a decrease in grants received from outside agencies.

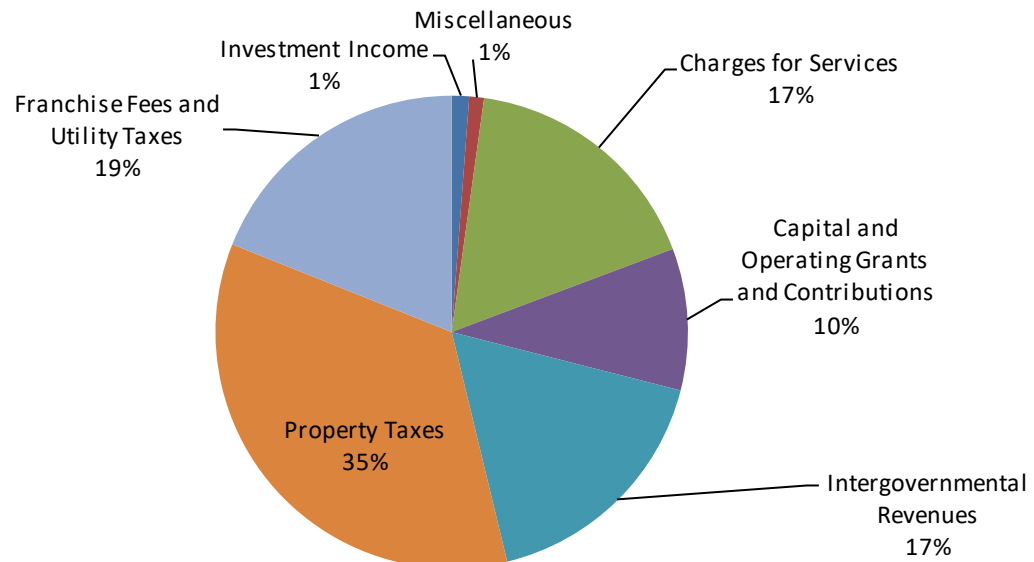
For the Year Ended September 30

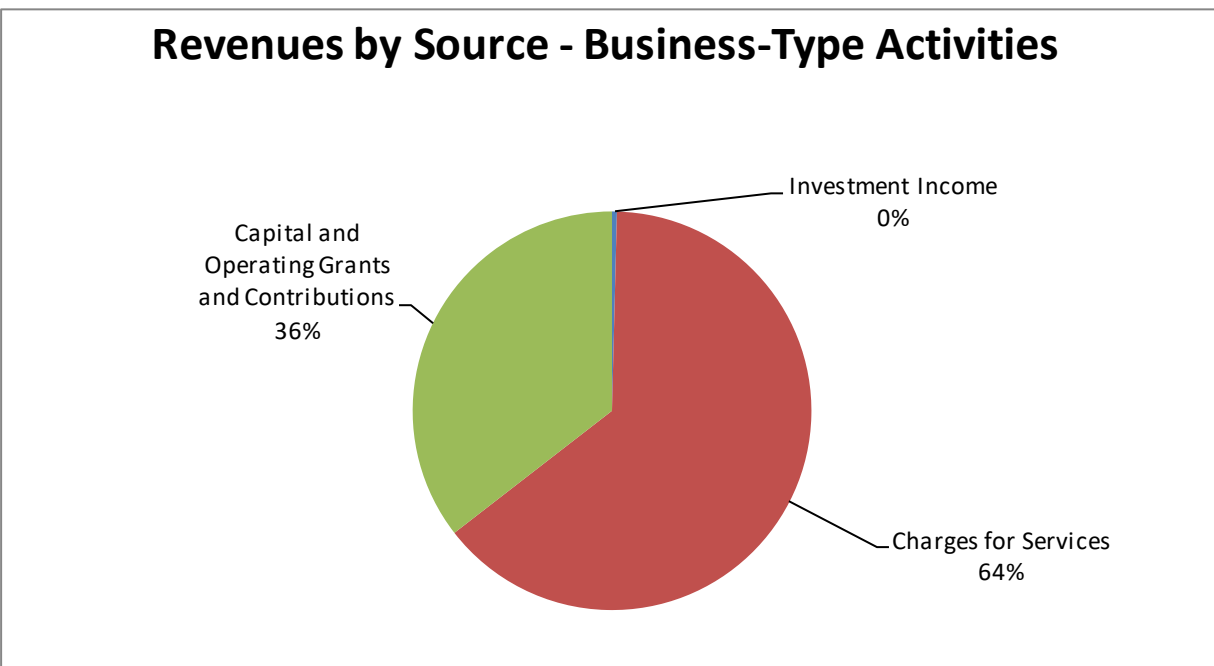
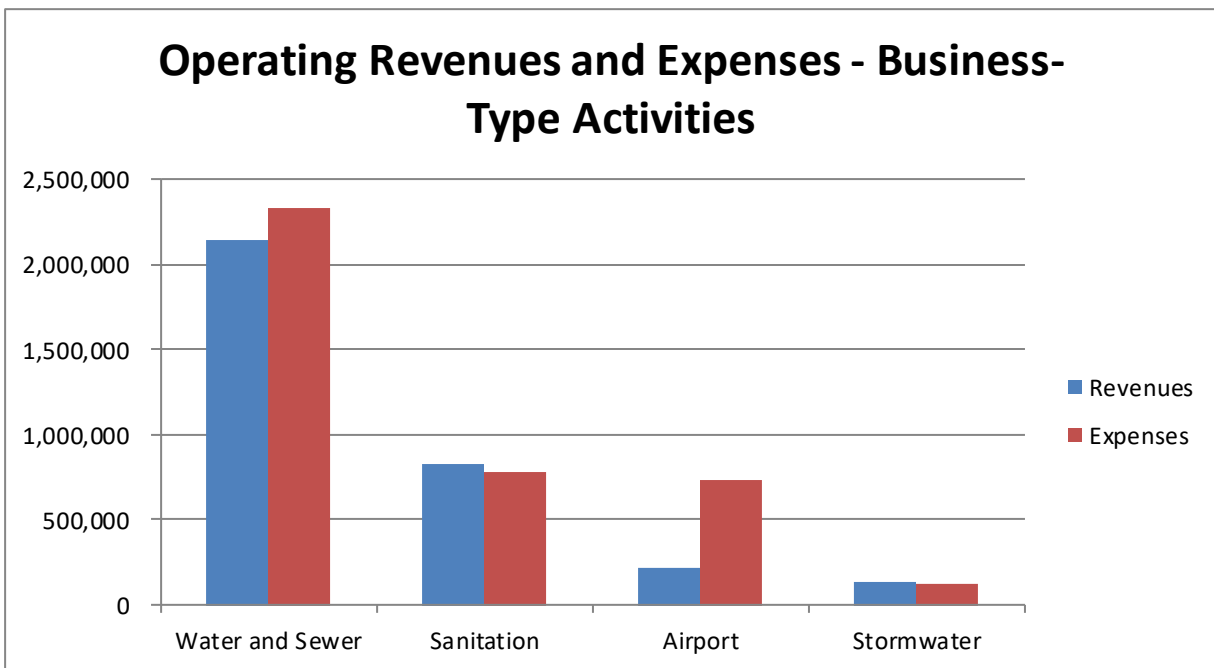
	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Program Revenues:						
Charges for services	\$ 965,919	\$ 905,936	\$ 3,331,755	\$ 2,889,972	\$ 4,297,674	\$ 3,795,908
Operating grants and contributions	267,690	240,309	-	-	267,690	240,309
Capital grants and contributions	279,982	341,808	1,844,271	3,482,966	2,124,253	3,824,774
General Revenues:						
Property taxes	1,968,507	1,669,106	-	-	1,968,507	1,669,106
Utility taxes and franchise fees	1,070,668	1,020,533	-	-	1,070,668	1,020,533
Intergovernmental, unrestricted	974,345	993,158	-	-	974,345	993,158
Unrestricted investment earnings	67,097	62,504	582	606	67,679	63,110
Miscellaneous	56,842	112,550	19,852	-	76,694	112,550
Gain on sale of capital asset	-	8,500	5,874	686,618	5,874	695,118
Total revenues	5,651,050	5,354,404	5,202,334	7,060,162	10,853,384	12,414,566
Expenses:						
General government	1,371,392	1,540,147	-	-	1,371,392	1,540,147
Public safety	2,030,683	1,650,132	-	-	2,030,683	1,650,132
Physical environment	79,784	84,249	-	-	79,784	84,249
Transportation	599,430	745,343	-	-	599,430	745,343
Culture and recreation	926,451	869,392	-	-	926,451	869,392
Economic environment	156,728	171,353	-	-	156,728	171,353
Interest on long-term debt	6,353	11,813	-	-	6,353	11,813
Water and sewer	-	-	2,325,937	2,449,370	2,325,937	2,449,370
Sanitation	-	-	780,504	543,927	780,504	543,927
Airport	-	-	739,816	534,928	739,816	534,928
Stormwater	-	-	124,648	143,780	124,648	143,780
Total expenses	5,170,821	5,072,429	3,970,905	3,672,005	9,141,726	8,744,434
Increase (Decrease) in Net Position Before Transfers	480,229	281,975	1,231,429	3,388,157	1,711,658	3,670,132
Transfers	544,460	600,000	(544,460)	(600,000)	-	-
Increase (Decrease) in Net Position	1,024,689	881,975	686,969	2,788,157	1,711,658	3,670,132
Net position, October 1	8,146,126	7,264,151	36,163,045	33,374,888	44,309,171	40,639,039
Net position, September 30	\$ 9,170,815	\$ 8,146,126	\$ 36,850,014	\$ 36,163,045	\$ 46,020,829	\$ 44,309,171

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities





Financial Analysis of the Government's Funds

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

Governmental Funds

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

As of September 30, 2024, the City of Umatilla's governmental funds reported combined ending fund balances of \$5,551,311, an increase of \$1,259,217 from the prior year. Approximately 34% or \$1,871,488 of this total amount constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance is restricted, committed, or assigned to indicate that it is not available for new spending because it has already been committed for such purposes as debt service, capital projects, community redevelopment, public safety, inventories, prepaid costs, and subsequent year's expenditures.

The General Fund is the chief operating fund of the City of Umatilla. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,871,488, while total fund balance was \$2,673,479. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned and total fund balance represent 46.8% and 66.8%, respectively, of total General Fund expenditures. General Fund revenues decreased \$78,173 over previous year primarily due to a decrease in administration reimbursements. Expenses increased \$354,871 due to increases in police salaries and the addition of one new officer. This is a combined decrease of \$276,698 over 2023. Including transfers in from enterprise funds, general fund balance increased \$108,565.

The Discretionary Tax fund accounts for the proceeds of the Discretionary Sales Surtax. Fund balance increased by \$491,358 due to unspent ARPA funds being held over for capital projects.

The Community Redevelopment Agency experienced an increase of \$553,269 due to continued increases in TIF revenues from higher taxable values within the district.

The Fire Assessment Fund did not change significantly.

Proprietary funds

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

Unrestricted net position of the Water and Sewer Utility Fund at the end of the year amounted to \$1,173,360 and total net position increased by \$970,534. Operating revenue increased by \$451,986 or 27% primarily due to the higher new meter sales from rate increases and growth, as well as new utility accounts. Operating expenses decreased by \$141,953 due to the sewer plant coming offline. This resulted in a net operating increase of \$593,939 when compared to 2023 and net operating loss of \$(158,002). That decrease was further improved by impact fees of \$564,548 and grant revenue of \$883,492, which is the primary reason that the Water and Sewer Fund had an increase in net position of \$970,534.

Unrestricted net position of the Sanitation Fund at the end of the year amounted to \$11,208 and total net position decreased \$154,195. An operating result of \$47,875 was offset by a transfer to the general fund of \$202,070.

Unrestricted net position of the Airport Fund at the end of the year amounted to \$154,884 and total net position decreased by \$131,818 which is a decrease from the 2023 result, primarily due to increased capital depreciation.

Unrestricted net position of the Stormwater Fund at the end of the year amounted to \$829,409 and total net position increased \$2,448 due to revenues continuing to outpace increases in operating expenses. Stormwater fees are collected for the purpose of maintenance and improvement of drainage structures as funds become available.

General Fund Budgetary Highlights

During the year revenues were lower than budgetary estimates by \$53,882, primarily due to lower than expected licenses and permits. Expenditures were less than budgetary estimates by \$275,985 as a result of conservative spending by all departments as well as staff vacancies.

The comparison of budgeted results to actual results for the General Fund is shown on page 18.

Capital Asset and Debt Administration

Capital assets

The City of Umatilla's investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounts to \$39,600,012 (net of accumulated depreciation), for a decrease of \$231,420 from the prior year. This investment in capital assets includes land, buildings, water system, infrastructure, improvements and equipment. The total decrease in the City of Umatilla's investment in capital assets for the current fiscal year was .58% (a 8.77% decrease for governmental activities, and a .56% increase for business-type activities).

Major capital asset events included the following:

- Ongoing construction of the wastewater interconnect with the City of Eustis
- Completion of Phase II improvements at Cadwell Park and Larkin Park
- Skyline Drive water main
- Ocala St. sewer line extension
- Airport runway extension

Additional information on the City of Umatilla's capital assets can be found in Note 6 on pages 38-39 of this report.

Capital Assets (Net of Depreciation)

As of September 30

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Land	\$ 740,890	\$ 740,890	\$ 2,921,475	\$ 2,921,475	\$ 3,662,365	\$ 3,662,365
Buildings	1,260,194	1,314,393	8,139,037	5,840,890	9,399,231	7,155,283
Improvements/Infrastructure	1,429,714	1,619,666	21,454,557	15,590,938	22,884,271	17,210,604
Subscription Assets	19,699	39,398	19,698	39,397	39,397	78,795
Machinery and Equipment	858,800	1,000,761	673,355	561,796	1,532,155	1,562,557
Construction in Progress	117,369	137,128	1,965,224	10,024,520	2,082,593	10,161,648
Total	\$ 4,426,666	\$ 4,852,236	\$ 35,173,346	\$ 34,979,016	\$ 39,600,012	\$ 39,831,252

Long-term debt

At September 30, 2024, the City of Umatilla had total debt outstanding of \$1,965,038, an increase of \$219,806 (12.59%) from \$1,745,232 at September 30, 2023.

There are no limitations placed on the amount of debt the City may issue either by the City's charter, code of ordinances or by the Florida State Statutes.

Additional information on the City of Umatilla's long-term debt can be found in Note 7 on pages 40-42 of this report.

Long Term Debt
As of September 30

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
SRF Notes Payable	\$ -	\$ -	\$ 1,596,744	\$ 1,258,121	\$ 1,596,744	\$ 1,258,121
Capital Improvement Revenue						
Note, Series 2018	209,731	258,282	-	-	209,731	258,282
SBITA Liability	20,091	39,787	20,089	39,786	40,180	79,573
Financed Purchases	72,337	88,973	46,046	60,283	118,383	149,256
Total	\$ 302,159	\$ 387,042	\$ 1,662,879	\$ 1,358,190	\$ 1,965,038	\$ 1,745,232

Requests for Information

This financial report is designed to provide a general overview of the City of Umatilla's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Post Office Box 2286, Umatilla, Florida, 32784.

BASIC FINANCIAL STATEMENTS

City of Umatilla, Florida
Statement of Net Position
September 30, 2024

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	\$ 5,863,058	\$ 3,173,379	\$ 9,036,437
Investments	54,225	-	54,225
Receivables, net	179,050	688,376	867,426
Inventories	-	45,364	45,364
Due from other governments	116,213	163,824	280,037
Prepaid costs	702	17,739	18,441
Restricted assets:			
Cash and cash equivalents	-	289,459	289,459
Investments	-	403,986	403,986
Net pension asset	934,827	-	934,827
Capital assets:			
Capital assets not being depreciated	858,259	4,886,699	5,744,958
Capital assets, net of accumulated depreciation	3,568,407	30,286,647	33,855,054
Total capital assets	4,426,666	35,173,346	39,600,012
Total assets	11,574,741	39,955,473	51,530,214
Deferred Outflows of Resources:			
Deferred outflows of pension earnings	603,298	114,715	718,013
Liabilities:			
Accounts payable and accrued liabilities	197,342	229,510	426,852
Accrued interest payable	5,024	4,619	9,643
Due to other governments	315,157	-	315,157
Unearned revenue	144,589	294,066	438,655
Customer deposits payable	4,849	292,947	297,796
Noncurrent Liabilities:			
Due within one year	110,769	117,198	227,967
Due in more than one year	1,827,173	2,005,838	3,833,011
Total liabilities	2,604,903	2,944,178	5,549,081
Deferred Inflows of Resources:			
Deferred inflows of leases	-	217,211	217,211
Deferred inflows of pension earnings	402,321	58,785	461,106
Total deferred inflows of resources	402,321	275,996	678,317
Net Position:			
Net investment in capital assets	4,124,507	33,449,657	37,574,164
Restricted for:			
Community redevelopment	1,041,498	-	1,041,498
Public safety	397,150	-	397,150
Capital projects	1,445,243	1,231,496	2,676,739
Pensions	934,827	-	934,827
Unrestricted	1,227,590	2,168,861	3,396,451
Total net position	\$ 9,170,815	\$ 36,850,014	\$ 46,020,829

City of Umatilla, Florida
Statement of Activities
Year Ended September 30, 2024

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Governmental activities							
General government	\$ 1,371,392	\$ 200,927	\$ 27,500	\$ -	\$ (1,142,965)	\$ -	\$ (1,142,965)
Public safety	2,030,683	668,227	63,837	279,530	(1,019,089)	-	(1,019,089)
Physical environment	79,784	18,025	-	-	(61,759)	-	(61,759)
Transportation	599,430	17,665	82,946	452	(498,367)	-	(498,367)
Culture and recreation	926,451	57,520	93,407	-	(775,524)	-	(775,524)
Economic environment	156,728	3,555	-	-	(153,173)	-	(153,173)
Interest on long-term debt	6,353	-	-	-	(6,353)	-	(6,353)
Total governmental activities	5,170,821	965,919	267,690	279,982	(3,657,230)	-	(3,657,230)
Business-type activities							
Water and sewer	2,325,937	2,144,065	-	1,448,040	-	1,266,168	1,266,168
Sanitation	780,504	828,379	-	-	-	47,875	47,875
Airport	739,816	219,895	-	396,231	-	(123,690)	(123,690)
Stormwater	124,648	139,416	-	-	-	14,768	14,768
Total business-type activities	3,970,905	3,331,755	-	1,844,271	-	1,205,121	1,205,121
Total primary government	\$ 9,141,726	\$ 4,297,674	\$ 267,690	\$ 2,124,253	(3,657,230)	1,205,121	(2,452,109)
General Revenues:							
Property taxes					1,968,507	-	1,968,507
Franchise fees and utility taxes					1,070,668	-	1,070,668
Intergovernmental-unrestricted					974,345	-	974,345
Unrestricted investment earnings					67,097	582	67,679
Miscellaneous					56,842	19,852	76,694
Gain on sale of capital assets					-	5,874	5,874
Transfers					544,460	(544,460)	-
Total general revenues and transfers					4,681,919	(518,152)	4,163,767
Change in net position					1,024,689	686,969	1,711,658
Net position, beginning					8,146,126	36,163,045	44,309,171
Net position, ending					\$ 9,170,815	\$ 36,850,014	\$ 46,020,829

City of Umatilla, Florida
Balance Sheet - Governmental Funds
September 30, 2024

	General Fund	Discretionary Tax	Community Redevelopment Agency	Fire Assessment Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:						
Cash and cash equivalents	\$ 2,917,146	\$ 1,518,248	\$ 1,044,313	\$ 1,637	\$ 381,714	\$ 5,863,058
Investments	54,225	-	-	-	-	54,225
Receivables, net	179,050	-	-	-	-	179,050
Due from other governments	52,720	54,084	-	9,409	-	116,213
Prepaid costs	702	-	-	-	-	702
Total assets	<u>\$ 3,203,843</u>	<u>\$ 1,572,332</u>	<u>\$ 1,044,313</u>	<u>\$ 11,046</u>	<u>\$ 381,714</u>	<u>\$ 6,213,248</u>
Liabilities:						
Accounts payable	\$ 40,575	\$ -	\$ 2,815	\$ 1,669	\$ -	\$ 45,059
Accrued liabilities	152,283	-	-	-	-	152,283
Due to other governments	315,157	-	-	-	-	315,157
Unearned revenue	17,500	127,089	-	-	-	144,589
Deposits	4,849	-	-	-	-	4,849
Total liabilities	<u>530,364</u>	<u>127,089</u>	<u>2,815</u>	<u>1,669</u>	<u>-</u>	<u>661,937</u>
Fund Balances:						
Nonspendable	702	-	-	-	-	702
Restricted	8,756	1,445,243	1,041,498	9,377	381,714	2,886,588
Assigned	792,533	-	-	-	-	792,533
Unassigned	1,871,488	-	-	-	-	1,871,488
Total fund balances	<u>2,673,479</u>	<u>1,445,243</u>	<u>1,041,498</u>	<u>9,377</u>	<u>381,714</u>	<u>5,551,311</u>
Total liabilities, and fund balances	<u>\$ 3,203,843</u>	<u>\$ 1,572,332</u>	<u>\$ 1,044,313</u>	<u>\$ 11,046</u>	<u>\$ 381,714</u>	

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	4,426,666
Net pension assets are not current financial resources and, therefore, are not reported in the funds.	934,827
Deferred inflows and outflows of resources related to pension earnings are not recognized in the governmental funds, however, they are recorded in net position under full accrual accounting.	200,977
Accrued interest payable is not due in the current period and, therefore, is not reported in the funds.	(5,024)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(1,937,942)
Net Position of Governmental Activities	<u>\$ 9,170,815</u>

City of Umatilla, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2024

	General Fund	Discretionary Tax	Community Redevelopment Agency	Fire Assessment Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:						
Taxes:						
Property taxes	\$ 1,212,907	\$ -	\$ 755,600	\$ -	\$ -	\$ 1,968,507
Franchise and utility taxes	1,070,668	-	-	-	-	1,070,668
Licenses and permits	200,927	-	-	-	-	200,927
Intergovernmental revenues	763,349	622,698	-	27,209	-	1,413,256
Charges for services	128,356	-	3,555	623,116	-	755,027
Impact fees	-	-	-	-	108,761	108,761
Fines and forfeitures	9,665	-	-	-	300	9,965
Investment income	67,097	-	-	-	-	67,097
Miscellaneous	55,564	-	-	1,278	-	56,842
Total revenues	3,508,533	622,698	759,155	651,603	109,061	5,651,050
Expenditures:						
Current:						
General government	1,229,196	-	-	-	-	1,229,196
Public safety	1,407,539	65,670	-	642,616	1,945	2,117,770
Physical environment	80,593	-	-	-	-	80,593
Transportation	479,660	452	-	-	-	480,112
Economic environment	-	-	149,206	-	-	149,206
Culture and recreation	783,628	-	-	-	-	783,628
Debt service:						
Principal	19,696	56,373	-	8,814	-	84,883
Interest and fiscal charges	796	8,845	-	1,264	-	10,905
Total expenditures	4,001,108	131,340	149,206	652,694	1,945	4,936,293
Excess (Deficiency) of Revenues Over Expenditures	(492,575)	491,358	609,949	(1,091)	107,116	714,757
Other Financing Sources (Uses):						
Transfers in	601,140	-	-	-	-	601,140
Transfers out	-	-	(56,680)	-	-	(56,680)
Total other financing sources (uses)	601,140	-	(56,680)	-	-	544,460
Net change in fund balances	108,565	491,358	553,269	(1,091)	107,116	1,259,217
Fund balances, beginning, as previously presented	2,564,914	953,885	488,229	-	285,066	4,292,094
Adjustments	-	-	-	10,468	(10,468)	-
Fund balances, beginning, as adjusted	2,564,914	953,885	488,229	10,468	274,598	4,292,094
Fund balances, ending	\$ 2,673,479	\$ 1,445,243	\$ 1,041,498	\$ 9,377	\$ 381,714	\$ 5,551,311

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

Year Ended September 30, 2024

Net Change in Fund Balances - Total Governmental Funds:	\$	1,259,217
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report outlays for capital assets as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital assets	\$	164,956	
Less: current year depreciation		<u>(548,786)</u>	(383,830)

Repayments of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

84,883

The net effect of various transactions involving capital assets (i.e. sales, trade-ins and disposals) is to decrease net position.

(41,740)

Governmental funds report cash contributions to pensions as expenditures because they consume current financial resources. The statement of activities reports the change in pension liability and related deferrals as pension expense. This is the amount of the difference between the two amounts.

121,086

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in accrued interest	\$	4,552	
Change in other post employment benefits		8,465	
Change in long-term compensated absences		<u>(27,944)</u>	<u>(14,927)</u>

Change in Net Position of Governmental Activities

\$ **1,024,689**

Statement of Revenues, Expenditures and Changes in Fund Balance**Budget and Actual - General Fund**

Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 1,193,762	\$ 1,193,762	\$ 1,212,907	\$ 19,145
Franchise and utility taxes	888,268	972,703	1,070,668	97,965
Licenses and permits	150,000	500,000	200,927	(299,073)
Intergovernmental revenues	652,230	657,430	763,349	105,919
Charges for services	91,500	123,470	128,356	4,886
Fines and forfeitures	7,150	8,350	9,665	1,315
Investment income	25,000	58,200	67,097	8,897
Miscellaneous	22,000	48,500	55,564	7,064
Total revenues	3,029,910	3,562,415	3,508,533	(53,882)
Expenditures:				
Current:				
General government	1,434,921	1,434,921	1,229,196	205,725
Public safety	1,304,519	1,372,524	1,407,539	(35,015)
Physical environment	63,205	83,570	80,593	2,977
Transportation	605,293	584,928	479,660	105,268
Culture and recreation	748,979	801,150	783,628	17,522
Capital:				
Principal	-	-	19,696	(19,696)
Interest	-	-	796	(796)
Total expenditures	4,156,917	4,277,093	4,001,108	275,985
Excess (Deficiency) of Revenues Over Expenditures	(1,127,007)	(714,678)	(492,575)	222,103
Other Financing Sources (Uses):				
Transfers in	655,680	601,140	601,140	-
Transfers out	(740,000)	-	-	-
Total other financing sources (uses)	(84,320)	601,140	601,140	-
Net change in fund balance	(1,211,327)	(113,538)	108,565	222,103
Fund balance, beginning	2,564,914	2,564,914	2,564,914	-
Fund balance, ending	\$ 1,353,587	\$ 2,451,376	\$ 2,673,479	\$ 222,103

City of Umatilla, Florida
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Discretionary Tax
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ 519,317	\$ 514,409	\$ 622,698	\$ 108,289
Total revenues	<u>519,317</u>	<u>514,409</u>	<u>622,698</u>	<u>108,289</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	104,310	169,980	65,670	104,310
Transportation	1,458,765	718,765	452	718,313
Culture and recreation	-	-	-	-
Debt Service:				
Principal	56,373	56,373	56,373	-
Interest and fiscal charges	9,134	9,134	8,845	289
Total expenditures	<u>1,628,582</u>	<u>954,252</u>	<u>131,340</u>	<u>822,912</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,109,265)</u>	<u>(439,843)</u>	<u>491,358</u>	<u>931,201</u>
Other Financing Sources (Uses):				
Transfer in	740,000	-	-	-
Total other financing sources (uses)	<u>740,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>(369,265)</u>	<u>(439,843)</u>	<u>491,358</u>	<u>931,201</u>
Fund balance, beginning	953,885	953,885	953,885	-
Fund balance, ending	<u>\$ 584,620</u>	<u>\$ 514,042</u>	<u>\$ 1,445,243</u>	<u>\$ 931,201</u>

City of Umatilla, Florida
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Community Redevelopment Agency
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Taxes	\$ 743,079	\$ 743,079	\$ 755,600	\$ 12,521
Charges for services	6,875	6,875	3,555	(3,320)
Total revenues	749,954	749,954	759,155	9,201
Expenditures:				
Current:				
Economic environment	903,781	903,781	149,206	754,575
Total expenditures	903,781	903,781	149,206	754,575
Excess (Deficiency) of Revenues Over Expenditures	(153,827)	(153,827)	609,949	763,776
Other Financing Sources (Uses):				
Transfer out	(56,680)	(56,680)	(56,680)	-
Total expenditures	(56,680)	(56,680)	(56,680)	-
Net change in fund balance	(210,507)	(210,507)	553,269	763,776
Fund balance, beginning	488,229	488,229	488,229	-
Fund balance, ending	\$ 277,722	\$ 277,722	\$ 1,041,498	\$ 763,776

City of Umatilla, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Fire Assessment Fund
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ -	\$ 17,800	\$ 27,209	\$ 9,409
Charges for services	571,880	619,500	623,116	3,616
Investment income	450	-	-	-
Miscellaneous	-	1,235	1,278	43
Total revenues	572,330	638,535	651,603	13,068
Expenditures:				
Current:				
Public safety	510,129	638,516	642,616	(4,100)
Debt Service:				
Principal	8,814	8,814	8,814	-
Interest and fiscal charges	1,590	1,590	1,264	326
Total expenditures	520,533	648,920	652,694	(3,774)
Excess (Deficiency) of Revenues Over Expenditures	51,797	(10,385)	(1,091)	9,294
Other Financing Sources (Uses):				
Transfers out	(54,540)	-	-	-
Total other financing sources(uses)	(54,540)	-	-	-
Net change in fund balance	(2,743)	(10,385)	(1,091)	9,294
Fund balance, beginning	10,468	10,468	10,468	-
Fund balance, ending	\$ 7,725	\$ 83	\$ 9,377	\$ 9,294

City of Umatilla, Florida
Statement of Net Position - Proprietary Funds
September 30, 2024

	Enterprise Funds				Total
	Water and Sewer Fund	Sanitation Fund	Airport Fund	Stormwater Fund	
Assets:					
Current assets:					
Cash and cash equivalents	\$ 2,210,151	\$ -	\$ 144,278	\$ 818,950	\$ 3,173,379
Restricted cash	279,198	-	10,261	-	289,459
Restricted investments	403,986	-	-	-	403,986
Receivables, net	312,341	129,700	233,012	13,323	688,376
Due from other governments	163,824	-	-	-	163,824
Due from other funds	12,927	-	-	-	12,927
Inventories	-	-	45,364	-	45,364
Prepaid Items	17,739	-	-	-	17,739
Total current assets	3,400,166	129,700	432,915	832,273	4,795,054
Noncurrent assets:					
Capital assets:					
Land	582,971	-	2,338,504	-	2,921,475
Improvements	23,364,865	-	7,820,805	3,475,554	34,661,224
Buildings	3,636,980	-	6,476,152	-	10,113,132
Equipment	1,590,535	127,418	339,968	71,297	2,129,218
Subscription Assets	59,096	-	-	-	59,096
Construction in progress	1,661,565	-	303,659	-	1,965,224
Less: accumulated depreciation	(9,521,279)	(127,418)	(5,331,333)	(1,695,993)	(16,676,023)
Total capital assets (net of depreciation)	21,374,733	-	11,947,755	1,850,858	35,173,346
Total noncurrent assets	21,374,733	-	11,947,755	1,850,858	35,173,346
Total assets	24,774,899	129,700	12,380,670	2,683,131	39,968,400
Deferred Outflows of Resources:					
Deferred outflows of pension earnings	90,121	17,155	7,439	-	114,715

Liabilities:**Current Liabilities:**

Accounts payable and accrued liabilities	160,347	49,371	19,292	500	229,510
Customer deposits payable	279,198	843	12,906	-	292,947
Unearned revenue	292,891	-	1,175	-	294,066
Due to other funds	-	12,927	-	-	12,927
Compensated absences	3,129	12	350	-	3,491
Accrued interest payable	2,255	-	-	2,364	4,619
Financed purchases	14,777	-	-	-	14,777
Notes and subscriptions payable	65,925	-	-	33,005	98,930
Total current liabilities	818,522	63,153	33,723	35,869	951,267

Noncurrent liabilities:

Compensated absences	28,162	108	3,145	-	31,415
Financed purchases	31,269	-	-	-	31,269
Notes and subscriptions payable	1,143,388	-	-	374,515	1,517,903
Net pension liability	334,078	63,595	27,578	-	425,251
Total noncurrent liabilities	1,536,897	63,703	30,723	374,515	2,005,838
Total liabilities	2,355,419	126,856	64,446	410,384	2,957,105

Deferred Inflows of Resources:

Deferred inflows of pension earnings	46,181	8,791	3,813	-	58,785
Deferred inflows - leases	-	-	217,211	-	217,211
Total deferred inflows of resources	46,181	8,791	221,024	-	275,996

Net Position:

Net investment in capital assets	20,058,564	-	11,947,755	1,443,338	33,449,657
Restricted for utility capital projects	1,231,496	-	-	-	1,231,496
Unrestricted	1,173,360	11,208	154,884	829,409	2,168,861
Total net position	\$ 22,463,420	\$ 11,208	\$ 12,102,639	\$ 2,272,747	\$ 36,850,014

Statement of Revenues, Expenses and Changes in Fund Net Position**Proprietary Funds**

Year Ended September 30, 2024

	Enterprise Funds				
	Water and Sewer Fund	Sanitation Fund	Airport Fund	Stormwater Fund	Total
Operating Revenues:					
Charges for services	\$ 2,140,888	\$ 782,938	\$ 216,179	\$ 137,634	\$ 3,277,639
Miscellaneous operating revenues	3,177	45,441	3,716	1,782	54,116
Total operating revenues	2,144,065	828,379	219,895	139,416	3,331,755
Operating Expenses:					
Personal services	584,240	133,414	50,834	-	768,488
Contract services	468,348	636,495	19,137	9,669	1,133,649
Utilities	120,878	-	49,271	-	170,149
Insurance	90,816	-	28,120	-	118,936
Operating supplies	92,691	-	-	-	92,691
Depreciation and amortization	818,253	-	549,695	106,186	1,474,134
Other operating expenses	79,786	10,595	22,759	2,626	115,766
Repairs and maintenance	47,055	-	20,000	171	67,226
Total operating expenses	2,302,067	780,504	739,816	118,652	3,941,039
Operating income (loss)	(158,002)	47,875	(519,921)	20,764	(609,284)
Nonoperating Revenue (Expenses):					
Investment income	582	-	-	-	582
Insurance proceeds	-	-	19,852	-	19,852
Gain (loss) on sale of capital assets	5,874	-	-	-	5,874
Interest expense	(23,870)	-	-	(5,996)	(29,866)
Total nonoperating revenue (expenses)	(17,414)	-	19,852	(5,996)	(3,558)
Income (loss) before contributions and transfers	(175,416)	47,875	(500,069)	14,768	(612,842)
Capital Contributions:					
Impact fees	564,548	-	-	-	564,548
Grants	883,492	-	396,231	-	1,279,723
Total capital contributions	1,448,040	-	396,231	-	1,844,271
Transfers out	(302,090)	(202,070)	(27,980)	(12,320)	(544,460)
Change in net position	970,534	(154,195)	(131,818)	2,448	686,969
Net Position, beginning	21,492,886	165,403	12,234,457	2,270,299	36,163,045
Net Position, ending	\$ 22,463,420	\$ 11,208	\$ 12,102,639	\$ 2,272,747	\$ 36,850,014

City of Umatilla, Florida
Statement of Cash Flows - Proprietary Funds
Year Ended September 30, 2024

	Enterprise Funds				
	Water and Sewer Fund	Sanitation Fund	Airport Fund	Stormwater Fund	Total
Cash Flows from Operating Activities:					
Receipts from customers	\$ 2,068,846	\$ 799,470	\$ 219,414	\$ 138,118	\$ 3,225,848
Payments to suppliers	(990,959)	(600,970)	(385,570)	(11,966)	(1,989,465)
Payments to employees	(599,510)	(126,201)	(41,252)	-	(766,963)
Net cash provided by (used in) operating activities	478,377	72,299	(207,408)	126,152	469,420
Cash Flows from Noncapital Financing Activities:					
Decrease in due from other funds	381,406	-	-	-	381,406
Increase (decrease) in due to other funds	-	12,927	(394,333)	-	(381,406)
Transfers to other funds	(302,090)	(202,070)	(27,980)	(12,320)	(544,460)
Net cash provided by (used in) noncapital financing activities	79,316	(189,143)	(422,313)	(12,320)	(544,460)
Cash Flows from Capital and Related Financing Activities:					
Capital grants	1,094,564	-	1,084,113	-	2,178,677
Insurance proceeds	-	-	19,852	-	19,852
Proceeds from notes payable	398,153	-	-	-	398,153
Acquisition of capital assets	(1,308,313)	-	(329,791)	-	(1,638,104)
Sale of capital assets	5,874	-	-	-	5,874
Principal paid on revenue bonds, notes and leases	(61,105)	-	-	(32,359)	(93,464)
Interest paid on revenue bonds, notes and leases	(23,870)	-	-	(5,996)	(29,866)
Impact fees	564,548	-	-	-	564,548
Net cash provided by (used in) capital and related financing activities	669,851	-	774,174	(38,355)	1,405,670
Cash Flows from Investing Activities:					
Sale (purchase) of investments	-	-	-	-	-
Investment income	582	-	-	-	582
Net cash provided by (used in) investing activities	582	-	-	-	582
Net increase (decrease) in cash and cash equivalents	1,228,126	(116,844)	144,453	75,477	1,331,212
Cash and cash equivalents, beginning	1,261,223	116,844	10,086	743,473	2,131,626
Cash and cash equivalents, ending	\$ 2,489,349	\$ -	\$ 154,539	\$ 818,950	\$ 3,462,838
Classified as:					
Cash and cash equivalents	\$ 2,210,151	\$ -	\$ 144,278	\$ 818,950	\$ 3,173,379
Restricted cash and cash equivalents	279,198	-	10,261	-	289,459
Total cash and cash equivalents	\$ 2,489,349	\$ -	\$ 154,539	\$ 818,950	\$ 3,462,838

City of Umatilla, Florida
Statement of Cash Flows - Proprietary Funds
Year Ended September 30, 2024

	Enterprise Funds				Total
	Water and Sewer Fund	Sanitation Fund	Airport Fund	Stormwater Fund	
Reconciliation of Operating Income to					
Net Cash Provided by (Used in) Operating Activities					
Operating income (loss)	\$ (158,002)	\$ 47,875	\$ (519,921)	\$ 20,764	\$ (609,284)
Adjustments not affecting cash:					
Depreciation and amortization	818,253	-	549,695	106,186	1,474,134
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	(96,288)	(28,909)	6,670	(1,298)	(119,825)
(Increase) decrease in inventories	-	-	4,333	-	4,333
(Increase) decrease in prepaids	(1,612)	-	-	-	(1,612)
(Increase) decrease deferred outflows of pension earnings	14,473	(1,624)	(2,016)	-	10,833
Increase (decrease) in accounts payable	(89,773)	46,120	(250,616)	500	(293,769)
Increase (decrease) in accrued liabilities	(6,733)	(1,416)	(400)	-	(8,549)
Increase (decrease) in deferred inflows of leases	-	-	(7,946)	-	(7,946)
Increase (decrease) in customer deposits	21,069	-	795	-	21,864
Increase (decrease) in compensated absences	4,057	(1,653)	1,730	-	4,134
Increase (decrease) in net pension liability	(58,997)	5,231	7,194	-	(46,572)
Increase (decrease) in deferred inflows of pension earnings	31,930	6,675	3,074	-	41,679
Total adjustments	(181,874)	24,424	(237,182)	(798)	(395,430)
Net cash provided by (used in) operating activities	\$ 478,377	\$ 72,299	\$ (207,408)	\$ 126,152	\$ 469,420

City of Umatilla, Florida
Statement of Fiduciary Net Position - Fiduciary Fund
September 30, 2024

	Police Pension Trust Fund
Assets:	
Cash and cash equivalents	\$ 41,608
Investments, at fair value:	
Fixed income	904,273
Equity	1,845,223
Real estate	290,946
Total investments	3,040,442
Total assets	3,082,050
Net Position:	
Net position restricted for pensions	\$ 3,082,050

City of Umatilla, Florida
Statement of Changes in Fiduciary Net Position - Fiduciary Fund
Year Ended September 30, 2024

	Police Pension Trust Fund
Additions:	
Contributions:	
Employer	\$ 61,727
Plan members	17,773
State	60,429
Total contributions	139,929
Investment income:	
Net increase (decrease) in fair value of investments	497,906
Less: investment expense	(5,436)
Net investment income (loss)	492,470
Total additions	632,399
Deductions:	
Benefit payments	46,876
Administrative expenses	16,928
Total deductions	63,804
Change in net position	568,595
Net position, beginning	2,513,455
Net position, ending	\$ 3,082,050

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The *City of Umatilla*, Florida (the "City") is a political subdivision of the State of Florida located in Lake County. The City is governed by an elected Mayor and five-member City Council. The City was established by the adoption of its Charter in the Laws of Florida, Chapter 8376, on May 9, 1904. The City provides services to its citizens including Public Safety (Police and Fire), Transportation (Roads & Streets), Culture and Recreation (Library, Parks, and Recreation), Public Improvements, Physical Environment (Cemetery), Economic Environment (Community Development), Planning and Zoning, and General Government Services. The City operates Water & Sewer, Sanitation, Stormwater, and Airport enterprises. The Mayor and City Council are responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the City Manager.

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

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. In applying the above criteria, the City has one blended component unit as follows:

The City of Umatilla Community Redevelopment Agency

The *City of Umatilla* created the Community Redevelopment Agency in April of 1980. This is a dependent taxing district established in accordance with Chapter 163, Part III, Florida Statutes. Notification to affected taxing agency was done in compliance with Chapter 163.346, Part III, Florida Statutes. The incremental annual increase in tax over the base years will be used to fund projects designed to enhance and improve the described area. The City Council, being the duly elected governmental body for the designated area, passed Ordinance 1980-B, which established the *City of Umatilla* as the Redevelopment Agency for the purpose of carrying out the community redevelopment programs and plans within the area. Through Ordinance 1980-B the City established the Community Redevelopment Trust Fund to account for all transactions generated by this special revenue fund. The *City of Umatilla* Community Redevelopment Fund is presented as a blended component unit, since the City Council is the governing board and the City has operational responsibility for the fund.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Property taxes, franchise fees, 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 considered to be measurable and available only when cash is received by the City.

The government reports the following funds:

Major Governmental Funds

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

The *Discretionary Tax Fund* was established as a special revenue fund to account for discretionary sales surtax revenues that are legally restricted for expenditure on certain non-capital expenditures and on infrastructure.

The *Community Redevelopment Fund* was established as a dependent taxing district. The incremental annual increase in tax over the base years will be used to fund projects designed to enhance and improve the described area.

The *Fire Assessment Fund* was established to account for the proceeds of the Fire Assessment Property Tax and its use for fire protection services provided to the City.

Nonmajor Governmental Fund Types

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Major Proprietary Funds

Water and Sewer Fund is used to account for the operations of the City's water and sewer utility operations, which are financed in a manner similar to private business enterprises, where the costs, including depreciation, of providing services to the general public on an ongoing basis are financed primarily through user charges.

Sanitation Fund is used to account for the fiscal activities of the City's refuse collection and disposal operation.

Airport Fund is used to account for operation and maintenance of the Umatilla Municipal Airport.

Stormwater Fund is used to account for the fiscal activities of the City's stormwater drainage operation, as well as the funding and payment of related debt.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary Funds

Pension Trust Fund accounts for activities of the police officer's retirement plan which accumulates resources for pension benefit payments to qualified employees.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the City's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's water and sewer, sanitation, airport and stormwater utility funds are charges to customers for sales and services. The City also recognizes as operating revenue the meter fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Deposits and Investments

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

Investments of the City are reported at fair value and are categorized within the fair value hierarchy established in accordance with GASB Statement No. 72 *Fair Value Measurement and Application*. The City's investments consist of investments authorized in accordance with Section 218.415, Florida Statutes.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables are shown net of an allowance for uncollectibles. The County bills and collects property taxes and remits them to the City. City property tax revenues are recognized when levied to the extent that they result in current receivables.

All property is reassessed according to its fair value on the lien date, or January 1 of each year. Taxes are levied on October 1 of each year. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. On or around May 31 following the tax year, certificates are sold for all delinquent taxes on real property.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

Restricted Assets

Certain proceeds of the City's enterprise fund long term debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate accounts and their use is limited by applicable bond covenants. Assets so designated are identified as restricted assets on the balance sheet.

Capital Assets

Capital assets, which include property, plant, equipment, intangible and infrastructure assets (e.g., roads, sidewalks, drainage systems, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition 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 asset 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 assets constructed.

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

Assets	Years
Buildings	30-40
Improvements Other Than Buildings	10-20
Water and Sewer Systems	10-50
Equipment	5-20
Intangibles	5
Infrastructure	30

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements. A portion of sick pay is accrued for employees with at least five (5) years of service. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category, which is the deferred inflows of pension earnings and deferred inflows of leases.

Net Position Flow Assumptions

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

Fund Balance Flow Assumptions

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

Fund Balance Policies

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

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

The amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The City Council holds the authority to assign fund balance. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Estimates

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New GASB Statements Implemented

In fiscal year 2024, the City has implemented Government Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*. This statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections for greater consistency, resulting in more understandable, reliable, relevant, and comparable information.

NOTE 2 RECONCILIATION OF GOVERNMENT WIDE AND FUND FINANCIAL STATEMENTS

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance - *total governmental funds* and *net position of governmental activities* as reported in the government-wide statement of net position.

Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances* - *total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities.

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

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

- (1) Prior to the end of the fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public budget workshops are held where the Mayor, City Council, City Manager and department heads refine budget detail items.
- (3) The general summary of the budget and notice of public hearing is published in the local newspaper.
- (4) Public hearings are conducted to obtain taxpayer comments.
- (5) Prior to October 1, the budgets are legally enacted through passage of a resolution.
- (6) The City Manager is authorized to transfer budgeted amounts between departments; however, any revisions that alter the total appropriations of any fund must be approved by a majority vote of the City Council.
- (7) The level of classification detail at which expenditures may not legally exceed appropriations is the fund level.
- (8) Unexpended appropriations lapse at the close of the fiscal year.
- (9) Budgets are adopted for the general fund and special revenue funds on a basis consistent with generally accepted accounting principles. Budgets are also adopted for the enterprise funds, however, this data is not presented under generally accepted accounting principles.
- (10) The City Council, by Ordinance or Resolution, may make supplemental appropriations in excess of those originally estimated for the year up to the amount of available revenues. Budgeted amounts presented in the accompanying financial statements have been adjusted for legally authorized revisions.

NOTE 4 CASH AND INVESTMENTS

Deposits

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.

Investments

Investments in all fund types are stated at fair value, which is the amount for which an investment could be exchanged in a current transaction between willing parties, other than in a forced liquidation sale. Fair value is based on quoted market prices. Changes in the fair value of investments are recognized as revenue and included in investment income.

The City's investment policies are governed by state statute and City policy. Authorized investments, other than those held in pension funds, are:

- (a) U.S. Treasury securities and government agency bonds
- (b) Certificates of deposits (CDs) from banks with FDIC insurance
- (c) Commercial paper rated A-1 or better by a recognized rating agency
- (d) Repurchase agreements secured by U.S. government obligations
- (e) Local government investment pools (LGIPs) established by state law
- (f) Bonds issued by the municipality or other governmental entities.

The assets of the City's police pension fund are invested in the pooled investment fund for the Florida Municipal Pension Trust Fund (FMPTF). Investments held in this fund consist of corporate bonds and stocks and cash equivalents. The fund is stated at fair value, and investment earnings are allocated to participants in the fund based on their equity in this pooled investment account as provided by the Florida Municipal Pension Fund. The Fund is not subject to U.S. Securities Exchange Commission or other regulatory oversight; the Fund's Board of Trustees provides oversight.

Investments made by the *City of Umatilla* at September 30, 2024 are summarized below. Defined benefit pension plan investments, are included below. In accordance with GASB 31, investments are reported at fair value, except certificates of deposit, which are reported at amortized cost, which approximates fair value.

Investment Type	Fair Value	Credit Rating	Weighted Average Maturity
Certificates of Deposit	\$ 458,211	Unrated	318 days
FMLvT Broad Market HQ Bond Fund	443,815	AAf/S4	7.10 years
FMLvT Core Plus Fixed Income	460,458	Unrated	6.66 years
	<u>\$ 1,362,484</u>		

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NOTE 4 CASH AND INVESTMENTS (CONTINUED)

The City and the Police Pension Trust Fund have the following recurring fair value measurements as of September 30, 2024:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	9/30/2024			
Police Officers' Pension				
Mutual Funds				
Equities				
FMLvT Diversified Large Cap Equity	\$ 768,047	\$ -	\$ 768,047	\$ -
FMLvT Diversified Small to Mid Cap	446,897	-	446,897	-
FMLvT International Equity	630,279	-	630,279	-
Fixed Income				
FMLvT Broad Market HQ Bond	443,815	-	443,815	-
FMLvT Core Plus Fixed Income	460,458	-	-	460,458
Real Estate				
FMLvT Core Real Estate Fund	290,946	-	-	290,946
Total	\$ 3,040,442	\$ -	\$ 2,289,038	\$ 751,404

Investments categorized as Level 2 are reported at the net asset value of the fund portfolio, whereby the underlying assets are valued based on quoted prices or market-corroborated input. Investments categorized as Level 3 are reported at the net asset value of the fund portfolio, which is invested in a variety of financial instruments, some of which are valued using significant unobservable inputs.

Credit Risk

Credit risk exists when there is a possibility that the issuer, or the counterparty to an investment, may be unable to fulfill its obligations. The City's investment policy limits credit risk by restricting authorized investments to those described above. Pension investments, other than those identified above, are not rated by any nationally recognized organization.

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposits Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2024, all of the City's bank deposits were in qualified public depositories.

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2024, none of the investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk:

The City's investment policy requires diversification but does not specify limits on types of investments.

NOTE 4 CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk:

The City's investment policy does not specifically address interest rate risk; however, the general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments. The City manages its exposure to declines in fair values by investing primarily in pooled investments that have a weighted average maturity of less than three months.

NOTE 5 RECEIVABLES

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

	General Fund	Water & Sewer Fund	Sanitation Fund	Airport Fund	Stormwater Fund	Total
Accounts Receivable	\$ 179,050	\$ 403,440	\$ 157,765	\$ 15,801	\$ 15,518	\$ 771,574
Lease Receivables	-	-	-	217,211	-	217,211
Less:						
Allowance for uncollectibles	-	(91,099)	(28,065)	-	(2,195)	(121,359)
	<u>\$ 179,050</u>	<u>\$ 312,341</u>	<u>\$ 129,700</u>	<u>\$ 233,012</u>	<u>\$ 13,323</u>	<u>\$ 867,426</u>

Lease Receivables

In August 2021, the City's Airport Fund entered into a 30 year lease agreement as lessor for the use of an airport hangar. An initial lease receivable was recorded in the amount of \$107,102 in the year of implementation of *GASB statement No. 87, Leases*. The lessee is required to make yearly fixed payments of \$3,590. Every year (*or fraction of a year*), rent will increase by the increase in the base index CPI-U (*Consumer Price Index*). The lease has an interest rate of 0%. As of September 30, 2024, the value of lease receivable and deferred inflow of resources is \$96,332 and the City recognized lease revenue of \$3,590 during the fiscal year.

In July 2022, the City's Airport Fund, entered into a 30 year lease agreement as lessor for the use of an airport hangar. An initial lease receivable was recorded in the amount of \$130,680. The lessee is required to make yearly fixed payments of \$4,356. Every year (*or fraction of a year*), rent will increase by the increase in the base index CPI-U (*Consumer Price Index*). The lease has an interest rate of 0%. As of September 30, 2024, the value of lease receivable and deferred inflow of resources is \$120.879 and the City recognized lease revenue of \$4,356 during the fiscal year.

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NOTE 5 RECEIVABLES (CONTINUED)

Total minimum future lease payments received under lessor agreements in years subsequent to September 30, 2024, are:

Year Ending September 30,	Principal	Interest	Total
2025	\$ 7,946	\$ -	\$ 7,946
2026	7,946	-	7,946
2027	7,946	-	7,946
2028	7,946	-	7,946
2029	7,946	-	7,946
2030-2034	39,730	-	39,730
2035-2039	39,730	-	39,730
2040-2044	39,730	-	39,730
2045-2049	39,730	-	39,730
2050-2052	18,561	-	18,561
	<u>\$ 217,211</u>	<u>\$ -</u>	<u>\$ 217,211</u>

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, not being depreciated:				
Land	\$ 740,890	\$ -	\$ -	\$ 740,890
Construction in progress	137,128	21,981	(41,740)	117,369
Total capital assets, not being depreciated	878,018	21,981	(41,740)	858,259
Capital Assets, being depreciated:				
Buildings	3,088,148	65,670	(26,535)	3,127,283
Improvements/infrastructure	3,659,015	-	(2,495)	3,656,520
Subscription assets	59,097	-	-	59,097
Machinery and equipment	3,055,551	77,305	(218,589)	2,914,267
Total capital assets being depreciated	9,861,811	142,975	(247,619)	9,757,167
Less Accumulated Depreciation for:				
Buildings	(1,773,755)	(119,869)	26,535	(1,867,089)
Improvements/infrastructure	(2,039,349)	(189,952)	2,495	(2,226,806)
Subscription assets	(19,699)	(19,699)	-	(39,398)
Machinery and equipment	(2,054,790)	(219,266)	218,589	(2,055,467)
Total accumulated depreciation	(5,887,593)	(548,786)	247,619	(6,188,760)
Total capital assets being depreciated, net	3,974,218	(405,811)	-	3,568,407
Governmental activities capital assets, net	\$ 4,852,236	\$ (383,830)	\$ (41,740)	\$ 4,426,666

NOTE 6 CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital Assets, not being depreciated:				
Land	\$ 2,921,475	\$ -	\$ -	\$ 2,921,475
Construction in progress	10,024,520	1,623,210	(9,682,506)	1,965,224
Total capital assets, not being depreciated	12,945,995	1,623,210	(9,682,506)	4,886,699
Capital Assets, being depreciated:				
Buildings	7,522,747	2,590,385	-	10,113,132
Improvements/infrastructure	27,737,821	6,923,403	-	34,661,224
Subscription assets	59,096	-	-	59,096
Machinery and equipment	1,929,420	213,972	(14,174)	2,129,218
Total capital assets being depreciated	37,249,084	9,727,760	(14,174)	46,962,670
Less Accumulated Depreciation for:				
Buildings	(1,681,857)	(292,238)	-	(1,974,095)
Improvements/infrastructure	(12,146,883)	(1,059,784)	-	(13,206,667)
Subscription assets	(19,699)	(19,699)	-	(39,398)
Machinery and equipment	(1,367,624)	(102,413)	14,174	(1,455,863)
Total accumulated depreciation	(15,216,063)	(1,474,134)	14,174	(16,676,023)
Total capital assets being depreciated, net	22,033,021	8,253,626	-	30,286,647
Business-type activities capital assets, net	\$34,979,016	\$ 9,876,836	\$ (9,682,506)	\$35,173,346

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General government	\$ 80,479
Public safety	172,846
Physical environment	1,537
Transportation	152,707
Economic environment	7,522
Culture and recreation	133,695
Total depreciation expense - governmental activities	\$ 548,786
Business-type Activities	
Water and sewer	\$ 818,253
Airport	549,695
Stormwater	106,186
Total depreciation expense - business-type activities	\$ 1,474,134

NOTE 7 LONG-TERM DEBT

Financed Purchases

The City has entered into an agreement for financing the acquisition of water meter equipment. Payments are due annually. The loan period is for 10 years with an interest rate of 3.9%.

The City has entered into an agreement for financing the acquisition of radio equipment. Payments are due annually. The loan period is for 10 years with an interest rate of 3.3%.

Annual debt service requirements to maturity for financed purchases are as follows:

<u>Year Ending September 30</u>	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 17,190	\$ 2,446	\$ 14,777	\$ 1,745
2026	17,776	1,859	15,337	1,185
2027	18,376	1,260	15,932	603
2028	18,995	640	-	-
Total	\$ 72,337	\$ 6,205	\$ 46,046	\$ 3,533

Notes Payable - Direct Borrowing

The City issued the Infrastructure Sales Surtax Revenue Note, Series 2018 for the acquisition of certain equipment in the amount of \$480,000. Annual payments of principal and interest commence in November 2018 through 2027. The Note bears interest at 2.99% and is secured by infrastructure sales surtax revenues. For the fiscal year, total principal and interest paid on the note was \$56,274, and total revenues pledged were \$478,686. In the event of default, the note holder may make the outstanding amount due and payable immediately.

The City entered into the State Revolving Fund Loan Agreement SW350720 for the purpose of constructing stormwater improvements. The City borrowed \$672,067 plus capitalized interest under the agreement at an interest rate of 1.34%. The loan is secured by gross revenues of the stormwater utility after payment of operation and maintenance costs. For the fiscal year, total principal and interest paid on the note was \$37,627, and total revenues pledged were \$126,950.

The City entered into the State Revolving Fund Loan Agreement CW350750 for the planning and design phase of sewer improvements. The City is authorized to borrow up to \$568,597 plus capitalized interest at an interest rate of 1.14%. The loan is secured by gross revenues of the water and sewer utility after payment of operation and maintenance costs. For the fiscal year, total principal and interest paid was \$8,066 total revenues pledged were \$1,543,743.

The City entered into the State Revolving Fund Loan Agreement WW350752 for the construction of a pump station and force main connection to the City of Eustis wastewater. The City is authorized to borrow up to \$3,853,300, including principal forgiveness of \$3,082,640 plus capitalized interest at an interest rate of 0%. The loan is secured by gross revenues of the water and sewer utility after payment of operation and maintenance costs. At September 30, 2024, the loan balance was \$1,067,004. For the fiscal year, total principal and interest paid was \$20,401 and total revenues pledged were \$1,543,743.

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

NOTE 7 LONG-TERM DEBT (CONTINUED)

The annual debt service payments as of September 30, 2024 on the notes, based on balances outstanding at year end are as follows:

<u>Year ending September 30,</u>	Governmental Activities		Business - Type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 50,057	\$ 6,271	\$ 78,841	\$ 6,576
2026	51,608	4,774	79,355	6,062
2027	53,208	3,231	79,874	5,543
2028	54,858	1,640	80,401	5,016
2029	-	-	80,935	4,482
2030-2034	-	-	412,927	14,158
2035-2039	-	-	290,385	2,458
2040-2044	-	-	206,962	121
2045-2049	-	-	194,985	-
2050-2052	-	-	92,079	-
Total	\$ 209,731	\$ 15,916	\$ 1,596,744	\$ 44,416

Subscription Based Information Technology Arrangements

In August 2021, the City entered into a five year subscription for the use of accounting software. At implementation, an initial subscription liability was recorded in the amount of \$118,193. As of September 30, 2024, the value of the subscription liability is \$40,180. The city is required to make annual fixed payments of \$40,984. The subscription has an interest rate of 2%. The value of the right to use asset as of September 30, 2024 of \$118,193 with accumulated amortization of \$78,796 is included with subscription assets in Note 6. This subsection is split 50/50 between governmental activities and the water and sewer fund.

Annual debt service requirements to maturity for SBITA's are as follows:

<u>Year Ending September 30,</u>	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 20,091	\$ 402	\$ 20,089	\$ 402
Total	\$ 20,091	\$ 402	\$ 20,089	\$ 402

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NOTE 7 LONG-TERM DEBT (CONTINUED)

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

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
Governmental Activities					
Revenue notes payable	\$ 258,282	\$ -	\$ (48,551)	\$ 209,731	\$ 50,057
Financed purchases	88,973	-	(16,636)	72,337	17,190
SBITA liability	39,787	-	(19,696)	20,091	20,091
Compensated absences	206,366	86,213	(58,269)	234,310	23,431
Total OPEB liability	18,050	-	(8,465)	9,585	-
Net pension liability	1,547,310	-	(155,422)	1,391,888	-
Governmental activity long-term liabilities	\$ 2,158,768	\$ 86,213	\$ (307,039)	\$ 1,937,942	\$ 110,769
Business-type Activities					
SRF notes payable	\$ 1,258,121	\$ 398,153	\$ (59,530)	\$ 1,596,744	\$ 78,841
Financed purchases	60,283	-	(14,237)	46,046	14,777
SBITA liability	39,786	-	(19,697)	20,089	20,089
Compensated absences	30,772	12,102	(7,968)	34,906	3,491
Net pension liability	471,823	-	(46,572)	425,251	-
Business-type activity long-term liabilities	\$ 1,860,785	\$ 410,255	\$ (148,004)	\$ 2,123,036	\$ 117,198

For governmental activities, compensated absences, pension and OPEB liabilities are generally liquidated by the general fund.

NOTE 8 CONDUIT DEBT

In 2012, 2016, and 2019, the City issued Revenue Bonds to provide financial assistance to a private-sector entity for the acquisition and construction of commercial facilities deemed to be in the public interest. In 2021 the outstanding bonds were restructured and reissued modifying interest rates and payment terms. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. In addition, no commitments beyond collateral and the payments from the private-sector entity of the conduit debt obligation were extended by the City for any of these bonds. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2024, there was an outstanding principal balance of \$61,695,000 of the \$75,455,000 originally issued.

NOTE 9 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

During the year ended September 30, 2024, the water and sewer fund transferred \$302,090 to the general fund, the sanitation fund transferred \$202,070 to the general fund, the airport fund transferred \$27,980 to the general fund, the stormwater fund transferred \$12,320 to the general fund and the fire assessment fund transferred \$56,680 to the general fund. These transfers were authorized per the central service model for services provided by the general fund. The general fund did not transfer any additional funds at year end.

Interfund receivables and payables are the result of transfers of resources resulting from utility billing transactions, as well as pooled cash transactions.

NOTE 10 RETIREMENT PLANS

Police Officers' Retirement Trust Fund

The City has established a defined benefit pension plan for Police Officers. The investment and administrative agent for the defined benefit plan is the Florida Municipal Pension Trust Fund, an agent of the multiple-employer Public Employee Retirement System.

Plan Administration

The City of Umatilla Municipal Police Officers' Retirement Trust Fund is independently governed by a separate board of trustees. The Board consists of five Trustees, two of whom are legal residents of the City who are appointed by the City Council, two of whom are Members of the plan who are elected by a majority of the police officers who are members of the plan and a fifth trustee who is chosen by a majority of the first four trustees. Assets may not be used for any purpose other than to benefit the plan's participants as defined in their authorizing ordinance. The board contracts with the Florida Municipal Pension Trust Fund (FMPTF), a private, not-for-profit corporation established by the Florida League of Cities (FLC) for FLC members who wish to use its services. The FMPTF acts as a common investment and administrative agent for its members, contracting with a bank custodian, investment manager, and actuary to provide a commingled investment fund and plan valuation services. The plan is included as part of the City's reporting entity in the Police Pension Trust Fund. The Umatilla City Council adopted and may amend plan provisions by resolution.

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

Summary of Significant Accounting Policies

Basis of Accounting

The Plans' financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due 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 the plan.

Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Publicly available financial reports for each plan, that include detailed actuarial data, can be obtained from the City's Finance and Administrative Services Department.

Membership of the police officers' pension plan consisted of the following at September 30, 2024:

	Police Officers
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	2
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	7
Active Plan Members	9
	<u>18</u>

Plan Description

The police officers' defined benefit pension plan is a local law, single employer, defined benefit pension plan as defined under Florida Statutes, Chapters 175 and 185, which covers all sworn police officers. Employees are eligible to participate after one year of service.

NOTE 10 RETIREMENT PLANS (CONTINUED)

Benefits Provided

The plan provides retirement, termination, disability and death benefits. Retirement age is the earlier of the attainment of age 52 and 25 years of service, or attainment of age 55 and 10 years of service. The normal retirement benefit is the number of years of credited service multiplied by 2.5%, of average final compensation. Effective October 1, 2019, the retirement benefit is the number of years of credited service after September 30, 2019 multiplied by 3%. Early retirement is available after age 50 and 10 years of service; however, the early retirement benefit is reduced by 3% for each year before the normal retirement date.

Members are 100% vested after 10 years of credited service. Vested members will receive the vested portion of accrued benefit payable at the otherwise normal retirement date.

Disability incurred in service is covered from the date of employment. Non-service incurred disability is covered after 10 years of credited service. Benefits are accrued to date of disability but not less than 42% of average final compensation for service incurred disability or 25% of average final compensation for non-service incurred disability.

Pre-retirement death benefits for vested employees is the monthly accrued benefit payable to the designated benefited beneficiary for 10 years at the otherwise normal or early retirement rate. Beneficiaries of nonvested employees will receive a refund of accumulated contributions without interest.

Contributions

Police officers contribute 3% of pensionable earnings. The City is required to contribute the amount required in order to pay current costs and amortization of the accrued past service liability, if any, as provided in Chapter 112, Florida Statutes.

Concentrations

The plan did not hold investments in any one organization that represents 5 percent or more of the plan's fiduciary net position.

Rate of Return

For the year ended September 30, 2024, the annual money-weighted rate of return on the plan investments, net of pension plan investment expense, was 21.14 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Asset of the Sponsor

The components of the net pension asset of the sponsor on September 30, 2024 were as follows:

Total Pension Liability	\$ 2,149,270
Plan Fiduciary Net Position	(3,084,097)
Net Pension Liability (Asset)	<u>\$ (934,827)</u>
Plan Net Position as a Percentage of Total Pension Liability (Asset)	-143.50%

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of October 1, 2023 using the following actuarial assumptions:

Inflation	2.62%
Salary Increases	Service based
Discount Rate	7.00%
Investment Rate of Return	7.00%

Mortality assumptions are based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table, with full generational improvements in mortality using Scale MP-2018.

NOTE 10 RETIREMENT PLANS (CONTINUED)

The significant assumptions are based upon the most recent actuarial experience study dated December 1, 2013.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. For 2024, the inflation rate assumption of the advisor was 2.62%. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2024 are summarized in the following table:

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

Discount Rate

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Asset to Changes in the Discount Rate

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Net Pension Liability (Asset)	\$ (607,657)	\$ (934,827)	\$ (1,202,592)

NOTE 10 RETIREMENT PLANS (CONTINUED)

Changes in Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at September 30, 2023	\$ 1,754,190	\$ (2,514,776)	\$ (760,586)
Changes for Year:			
Service cost	45,176	-	45,176
Interest	124,088	(497,906)	(373,818)
Demographic experience	272,692	-	272,692
Contributions-employer & state	-	(122,156)	(122,156)
Contributions-employee	-	(18,498)	(18,498)
Benefit payments and refunds	(46,876)	46,876	-
Administrative expense	-	22,363	22,363
Balances at September 30, 2024	\$ 2,149,270	\$ (3,084,097)	\$ (934,827)

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

For the year ended September 30, 2024, the City recognized pension expense of \$(16,061). On September 30, 2024, the City reported deferred outflows and inflows of resources related to the plan from the following sources:

Description	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 227,819	\$ 46,104
Changes of assumptions	-	46,210
Net difference between projected and actual earnings on investments	-	117,600
Balances at September 30, 2024	\$ 227,819	\$ 209,914

Amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

Year Ended September 30,	
2025	\$ (15,590)
2026	55,582
2027	(32,501)
2028	(17,493)
2029	27,907
	\$ 17,905

NOTE 10 RETIREMENT PLANS (CONTINUED)

Florida Retirement System (FRS)

All City employees, other than sworn police officers, are covered under the Florida Retirement System (FRS), a cost-sharing multiple employer public employee retirement system administered by the State of Florida Department of Management Services, Division of Retirement, to provide retirement and survivor benefits to participating public employees. Chapter 121, Florida Statutes, establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions.

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

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

The State of Florida issues a report that includes financial statements and required supplementary information for FRS. The report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the website:

www.dms.myflorida.com/workforce_operations/retirement/publications.

Funding Policy: Three (3) of the FRS membership classes are applicable to the City's eligible employees. These classes, with descriptions and contribution rates in effect during the period ended September 30, 2024 are as follows:

Regular Class - Members not qualifying for other classes (16.57% [includes 3% employee contribution] from October 1, 2023 through June 30, 2024 and 16.63% [includes 3% employee contribution] from July 1, 2024 through September 30, 2024).

Deferred Retirement Option Program (DROP) – 21.13% [DROP participants are not required to contribute] from October 1, 2023 through June 30, 2024 and 21.13% from July 1, 2024 through September 30, 2024.

Senior Management – 37.52% [includes 3% employee contribution] from October 1, 2023 through June 30, 2024 and 37.52% [includes 3% employee contribution] from July 1, 2024 through September 30, 2024.

These employer contribution rates include 2.00% HIS Plan subsidy for both periods October 1, 2023 through June 30, 2024 and from July 1, 2024 through September 30, 2024.

Florida Retirement System Pension Plan

Plan Description

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

Benefits Provided

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service.

NOTE 10 RETIREMENT PLANS (CONTINUED)

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

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

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

Contributions

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

The City's contributions to the Pension Plan totaled \$177,936 for the fiscal year ended September 30, 2024.

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

At September 30, 2024, the City reported a liability of \$1,178,596 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The City's proportionate share of the net pension liability was based on the City's 2024 fiscal year contributions relative to the 2023 fiscal year contributions of all participating members. At June 30, 2024, the City's proportionate share was .00305 percent, which was a decrease of .00026 percent from its proportionate share measured as of June 30, 2023.

For the fiscal year ended September 30, 2024, the City recognized pension expense of \$198,796. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 119,070	\$ -
Change of Assumptions	161,537	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	78,335
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	68,095	68,384
Pension Plan Contributions Subsequent to the Measurement Date	47,195	-
	<u>\$ 395,897</u>	<u>\$ 146,719</u>

NOTE 10 RETIREMENT PLANS (CONTINUED)

The deferred outflows of resources related to the Pension Plan, totaling \$47,195 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Year Ended September 30,	
2025	\$ 1,132
2026	199,889
2027	8,911
2028	(13,863)
2029	5,914
Thereafter	-
	<u>\$ 201,983</u>

Actuarial Assumptions

The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates were based on the PUB2010 base table, with variation by member category and sex, projected generationally with Scale MP 2021.

The actuarial assumptions used in the June 30, 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.

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NOTE 10 RETIREMENT PLANS (CONTINUED)

The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash Equivalents	1.00%	3.30%	3.30%	1.10%
Fixed Income	29.00%	5.70%	5.60%	3.90%
Global Equity	45.00%	8.60%	7.00%	18.20%
Real Estate	12.00%	8.10%	6.80%	16.60%
Private Equity	11.00%	12.40%	8.80%	28.40%
Strategic Investments	2.00%	6.60%	6.20%	8.70%
Total	100.00%			
Assumed Inflation - Mean			2.40%	1.50%

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

Discount Rate

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

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

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

	Discount Rate Minus 1% 5.70%	Current Discount Rate 6.70%	Discount Rate Plus 1% 7.70%
City's Proportionate Share of Net Pension Liability (FRS)	\$ 2,073,108	\$ 1,178,596	\$ 429,251

Pension Plan Fiduciary Net Position

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

Payables to the Pension Plan

At September 30, 2024, the City reported no amounts payable for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2024.

Florida Retirement System HIS Plan

Plan Description

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

NOTE 10 RETIREMENT PLANS (CONTINUED)

Benefits Provided

For the fiscal year ended September 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2024, the HIS contribution for the period October 1, 2023 through June 30, 2024 was 2% and from July 1, 2024 through September 30, 2024 was 2%. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The City's contributions to the HIS Plan totaled \$36,891 for the fiscal year ended September 30, 2024.

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

At September 30, 2024, the City reported a liability of \$638,543 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The City's proportionate share of the net pension liability was based on the City's 2024 fiscal year contributions relative to the 2023 fiscal year contributions of all participating members. At June 30, 2024, the City's proportionate share was 0.00426 percent, which was a decrease of 0.00015 percent from its proportionate share measured as of June 30, 2023.

For the fiscal year ended September 30, 2024, the City recognized pension expense of \$36,891. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 6,166	\$ 1,226
Change of Assumptions	11,301	75,595
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	231
Changes in Proportion and Differences Between Pension Plan Contributions and Proportionate Share of Contributions	67,395	27,421
Pension Plan Contributions Subsequent to the Measurement Date	9,435	-
	<u>\$ 94,297</u>	<u>\$ 104,473</u>

NOTE 10 RETIREMENT PLANS (CONTINUED)

The deferred outflows of resources related to the HIS Plan, totaling \$9,435 resulting from City contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Year Ended September 30,	
2025	\$ 4,494
2026	1,295
2027	(6,868)
2028	(6,729)
2029	(8,775)
Thereafter	(3,028)
	<u>\$ (19,611)</u>

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:

Inflation	2.40%
Salary Increases	3.50%, average, including inflation
Investment Rate of Return	3.93% net of pension plan investment expense

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

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 3.93%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

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

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 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 one percentage point lower (2.93%) or one percentage point higher (4.93%) than the current rate:

	Discount Rate Minus 1% 2.93%	Current Discount Rate 3.93%	Discount Rate Plus 1% 4.93%
City's Proportionate Share of Net Pension Liability (FRS)	\$ 726,899	\$ 638,543	\$ 565,193

Pension Plan Fiduciary Net Position

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

NOTE 10 RETIREMENT PLANS (CONTINUED)

Florida Retirement System Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Senior Management, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2024 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 11.30% and Senior Management Service class 12.67% (percentages include 3% employee contributions).

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 Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested 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. For the fiscal year ended September 30, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the City.

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 Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income. The contribution expense for the City's Investment Plan for the fiscal year ended September 30, 2024 was \$140,097.

Aggregate Amounts of All Pension Plans

The aggregate amounts for all of the City's defined benefit pension plans at September 30, 2024 are as follows:

	Net Pension Asset (Liability)	Deferred Inflows	Deferred Outflows	Pension Expense
Police Pension Plan	\$ 934,827	\$ (209,914)	\$ 227,819	\$ (16,061)
FRS Pension Plan	(1,178,596)	(146,719)	395,897	198,796
HIS Pension Plan	(638,543)	(104,473)	94,297	39,102
	<u>\$ (882,312)</u>	<u>\$ (461,106)</u>	<u>\$ 718,013</u>	<u>\$ 221,837</u>

NOTE 11 OTHER POST-EMPLOYMENT BENEFITS (OPEB)

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

Retirement Eligibility

General Employees

Participants are eligible for OPEB based on the FRS retirement requirements as detailed in Note 10.

Police Officers

Police officers are eligible for OPEB based on the Police Pension Plan retirement requirements as detailed in Note 10.

Benefits Provided

<u>Type of Coverage</u>	<u>Employee</u>	<u>Spouse</u>
<u>Medical, Dental, and Vision Coverage</u>		
Eligibility	Retiree meets City of Umatilla Retirement eligibility	Same as Retiree
Retiree cost sharing	Retiree pays 100% of premium	Retiree pays 100% of spousal premium
Coverage ceases	All forms of coverage cease upon the earlier of death or discontinuance of required cost sharing	All forms of coverage cease upon the earlier of death or discontinuance of required cost sharing

Employees Covered by Benefit Terms

At September 30, 2024, the following employees were covered by the benefit terms:

	<u>OPEB</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	2
Inactive Employees Entitled to But Not Yet Receiving Benefits	-
Active Employees	35
	<u>37</u>

Employer Contributions

None.

Total OPEB Liability

The City's total OPEB liability is \$9,585 as of September 30, 2024 for the City's fiscal year and reporting period of October 1, 2023 to September 30, 2024. During 2024, the City recognized OPEB expense of \$(8,049). There are no assets accumulated in a trust to pay related benefits. The values for this fiscal year and reporting period are based on a measurement date of September 30, 2024.

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

Key Assumptions and Methods

The City has elected to use the alternative valuation method prescribed under GASB 75 for small employers with fewer than 100 participants. The key assumptions used in this valuation are as follows:

Discount Rate	3.81%
Salary Scale	3.50%
Health Care Cost Trend Rates	Getzen Model
Mortality	PUB-2010 Generational Table projected using MP-21 gender specific
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Termination Rates	Derived from withdrawal assumption used in the the Florida Retirement System, July 1, 2023 actuarial valuation.

Changes in Total OPEB Liability

	OPEB Liability
Balance at September 30, 2023	\$ 18,050
Changes for Year:	
Service cost	1,240
Interest	775
Differences between expected and actual	(12,627)
Benefit payments	(416)
Changes of assumptions	2,563
Balance at September 30, 2024	\$ 9,585

Deferred Outflows and Inflows of Resources Related to OPEB

Since the City has elected to use the alternative valuation method and holds no assets in trust for the Plan, no amounts are reported for deferred inflows or outflows related to OPEB.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability/(asset) of the employer as of the measurement date calculated using the discount rate, as well as what the employer's total OPEB liability would be if it were calculated using a discount rate that is 1- percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease 2.81%	Discount Rate 3.81%	1% Increase 4.81%
Total OPEB Liability	\$ 11,000	\$ 9,585	\$ 8,000

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

	1% Decrease	Trend Rate	1% Increase
Total OPEB Liability	\$ 8,000	\$ 9,585	\$ 11,000

NOTE 12 RISK MANAGEMENT

The City is a member of Public Risk Management of Florida (the pool), a local government liability risk pool. The pool has 52 local government agency members.

The pool administers insurance activities relating to property, general liability, police, professional, automobile liability, public officials' liability, workers' compensation, and boiler and machinery. The pool absorbs losses up to a specified amount for each pool year and purchases excess and other specific coverages from third-party carriers. The pool assesses each member its pro rata share of the estimated amount required to meet current year losses and operating expenses. If total member assessments do not produce sufficient funds to meet its obligations, the pool can make additional limited assessments. Losses, if any, in excess of the pools ability to assess its members would revert back to the member that incurred the loss. There has been no significant reduction in insurance coverage from the prior year, and no settlements in excess of insurance coverage in any of the prior three years. There were no additional assessments levied against the City for the fiscal year ended September 30, 2024. The cost of the insurance is allocated among the appropriate departments and funds.

NOTE 13 COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor are subject to audit and adjustment by grantor agencies, principally federal and state government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor, cannot be determined at this time, although the City expects such amounts to be immaterial.

The City is engaged in various liability claims incidental to the conduct of its general government operations at September 30, 2024. While the ultimate outcome of the litigation cannot be determined at this time, management believes that any amounts not covered by insurance, if any, resulting from these lawsuits would not materially affect the financial position of the City.

NOTE 14 FUND BALANCES

	General Fund	Discretionary Tax Fund	Community Redevelopment Fund	Fire Assessment Fund	Other Governmental Funds	Total
Fund Balances						
Nonspendable						
Prepays	\$ 702	\$ -	\$ -	\$ -	\$ -	\$ 702
Spendable						
Restricted for:						
Community redevelopment	-	-	1,041,498	-	-	1,041,498
Capital projects	-	1,445,243	-	-	-	1,445,243
Public safety	6,059	-	-	9,377	381,714	397,150
Library	2,697	-	-	-	-	2,697
Assigned for:						-
Roads and streets	54,225	-	-	-	-	54,225
Other	273,797					273,797
Subsequent year expenditures	464,511	-	-	-	-	464,511
Unassigned	1,871,488	-	-	-	-	1,871,488
	<u>\$ 2,673,479</u>	<u>\$ 1,445,243</u>	<u>\$ 1,041,498</u>	<u>\$ 9,377</u>	<u>\$ 381,714</u>	<u>\$ 5,551,311</u>

Required Supplementary Information

Schedule of Changes in the City's Net Pension Liability and Related Ratios - Police Pension

September 30, 2024

	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Total Pension Liability										
Service cost	\$ 45,176	\$ 27,409	\$ 30,370	\$ 28,084	\$ 25,773	\$ 26,807	\$ 59,977	\$ 62,352	\$ 52,149	\$ 48,398
Interest	124,088	118,092	114,689	110,202	100,389	106,874	100,016	87,800	79,144	73,867
Benefit changes	-	-	-	-	84,631	-	-	-	-	-
Differences between expected and actual experience	272,692	(30,458)	(45,616)	11,284	(22,741)	(1,645)	18,443	73,619	-	-
Changes of assumptions	-	-	-	(36,831)	-	(176,857)	-	-	25,280	-
Benefit payments, including refunds of employee contributions	(46,876)	(46,876)	(46,876)	(49,640)	(49,819)	(46,876)	(46,876)	(46,876)	(46,876)	(46,876)
Net Change in Total Pension Liability	395,080	68,167	52,567	63,099	138,233	(91,697)	131,560	176,895	109,697	75,389
Total pension liability, beginning	1,754,190	1,686,023	1,633,456	1,570,357	1,432,124	1,523,821	1,392,261	1,215,366	1,105,669	1,030,280
Total pension liability, ending (a)	<u>\$ 2,149,270</u>	<u>\$ 1,754,190</u>	<u>\$ 1,686,023</u>	<u>\$ 1,633,456</u>	<u>\$ 1,570,357</u>	<u>\$ 1,432,124</u>	<u>\$ 1,523,821</u>	<u>\$ 1,392,261</u>	<u>\$ 1,215,366</u>	<u>\$ 1,105,669</u>
Plan Fiduciary Net Position										
Contributions, employer	61,727	3,770	7,363	13,563	20,014	8,465	14,688	14,618	20,798	47,980
Contributions, state	60,429	51,582	44,463	38,895	37,470	35,832	32,337	28,623	35,314	23,731
Contributions, employee	18,498	15,286	10,565	12,344	11,436	2,148	2,227	2,155	2,120	1,889
Net investment income	497,906	197,009	(348,150)	432,315	136,997	106,627	138,930	222,596	125,610	(3,466)
Benefit payments, including refunds of employee contributions	(46,876)	(46,876)	(46,876)	(49,640)	(49,819)	(46,876)	(46,876)	(46,876)	(46,876)	(46,876)
Administrative expense	(22,363)	(20,846)	(22,311)	(24,739)	(35,560)	(16,217)	(25,976)	(5,109)	(10,191)	(7,692)
Net change in plan fiduciary net position	569,321	199,925	(354,946)	422,738	120,538	89,979	115,330	216,007	126,775	15,566
Plan fiduciary net position, beginning	2,514,776	2,314,851	2,669,797	2,247,059	2,126,521	2,036,542	1,921,212	1,705,205	1,578,430	1,562,864
Plan fiduciary net position, ending (b)	<u>\$ 3,084,097</u>	<u>\$ 2,514,776</u>	<u>\$ 2,314,851</u>	<u>\$ 2,669,797</u>	<u>\$ 2,247,059</u>	<u>\$ 2,126,521</u>	<u>\$ 2,036,542</u>	<u>\$ 1,921,212</u>	<u>\$ 1,705,205</u>	<u>\$ 1,578,430</u>
Net pension liability (asset), ending (a) - (b)	<u>\$ (934,827)</u>	<u>\$ (760,586)</u>	<u>\$ (628,828)</u>	<u>\$ (1,036,341)</u>	<u>\$ (676,702)</u>	<u>\$ (694,397)</u>	<u>\$ (512,721)</u>	<u>\$ (528,951)</u>	<u>\$ (489,839)</u>	<u>\$ (472,761)</u>
Plan fiduciary net position as a percentage of total pension liability	143.50%	143.36%	137.30%	163.44%	143.09%	148.49%	133.65%	137.99%	140.30%	142.76%
Covered payroll	\$ 502,112	\$ 344,322	\$ 376,721	\$ 382,074	\$ 403,295	\$ 473,258	\$ 445,231	\$ 431,000	\$ 424,000	\$ 377,800
Net pension liability as a percentage of covered payroll	-186.18%	-220.89%	-166.92%	-271.24%	-167.79%	-146.73%	-115.16%	-122.73%	-115.53%	-125.14%

Notes to Schedule:

Ordinance No. 2016-D, adopted August 16, 2016, transitioned the plan to "Local Law"

Effective for the City's fiscal year ending 9/30/16, the GASB 68 measurement date of the pension expense has been changed from 9/30/15 to 9/30/16.

Changes of assumptions - For measurement date 9/30/2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System for special risk employees. The inflation assumption rate was lowered from 3.00% to 2.92%, matching the long-term inflation assumption utilized by the plan's investment consultant.

Changes of assumptions - For measurement date 9/30/2019, the mortality basis was changed from various blends of the RP-2000 Mortality Tables to the RP-2000 Blue Collar Mortality Table, both with full generational improvements in mortality using scale BB.

Changes of benefits - For measurement date 9/30/2020, the benefit multiplier for service after September 30, 2019 was increased from 2.50% to 3.00% and the employee contribution rate was increased from 0.50% to 3.00%.

Fiscal year ended	Contributions in Relation to			Contributions as a	
	Actuarially Determined Contribution	Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll	Percentage of Covered Payroll
9/29/2024	\$ 39,170	\$ 122,156	(82,986)	\$ 502,112	24.33%
9/29/2023	-	55,352	(55,352)	344,322	16.08%
9/30/2022	7,650	51,826	(44,176)	376,721	13.76%
9/30/2021	12,066	52,458	(40,392)	382,074	13.73%
9/30/2020	42,899	57,484	(14,585)	403,295	14.25%
9/30/2019	32,149	44,297	(12,148)	473,258	9.36%
9/30/2018	32,149	47,025	(14,876)	445,231	10.56%
9/30/2017	-	43,241	(43,241)	431,000	10.03%
9/30/2016	-	56,112	(56,112)	424,000	13.23%
9/30/2015	57,048	71,711	(14,663)	377,800	18.98%

Notes to Schedule

Valuation Date 10/1/2023

Methods and assumptions used to determine contribution rates:

Discount Rate 7.00% per annum (2.62% per annum is attributable to long-term inflation); this rate was used to discount all future benefit payments.

COL Increases None assumed

Mortality Basis Sex distinct rates set forth in the PUB-2010 Headcount-Weighted Mortality Table, with full generational improvements in mortality using Scale MP-2018

Retirement 5% are assumed to retire at each eligible retirement age prior to normal retirement, 10% are assumed to retire at each age after normal retirement, and 100% are assumed to retire at age 58 with 13 years of service or at age 55 with 28 years of service; no retirements are assumed to occur on the valuation date for those who are eligible for normal retirement.

Expenses Non-investment expenses are assumed to be equal to the prior year's actual expenses.

Future contributions Contributions from the employer and employees are assumed to be made as legally required.

Changes no assumptions were changed since the prior measurement date

Disability Rates		Termination and Salary Increases		
Age	% Becoming Disabled During the Year	Years of Service	Withdrawal Assumption	Salary Increases
20	0.03%	0	20.00%	10.00%
30	0.04%	1	20.00%	8.00%
40	0.07%	2	20.00%	7.00%
50	0.18%	3	15.00%	7.00%
		4	15.00%	7.00%
		5+	5.00%	5.50%

	Annual Money-Weighted Rate of Return Net of Investment Expense
9/29/2024	21.14%
9/29/2023	8.99%
9/30/2022	-13.44%
9/30/2021	6.84%
9/30/2020	6.49%
9/30/2019	5.26%
9/30/2018	7.31%
9/30/2017	13.18%
9/30/2016	7.95%
9/30/2015	-0.22%

REQUIRED SUPPLEMENTARY INFORMATION

City of Umatilla, Florida
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability - Florida Retirement System
September 30, 2024

Florida Retirement System Pension Plan Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	0.00305%	0.00331%	0.00323%	0.00298%	0.00287%	0.00256%	0.00255%	0.00259%	0.00256%	0.00287%
City's Proportionate Share of the Net Pension Liability	\$ 1,178,596	\$ 1,319,471	\$ 1,200,396	\$ 225,353	\$ 1,242,591	\$ 883,076	\$ 769,416	\$ 766,489	\$ 645,198	\$ 370,720
City's Covered Payroll	\$ 1,029,054	\$ 1,134,251	\$ 1,020,368	\$ 931,023	\$ 968,735	\$ 898,884	\$ 911,943	\$ 977,002	\$ 1,059,722	\$ 952,663
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	114.53%	116.33%	117.64%	24.20%	128.27%	98.24%	84.37%	78.45%	60.88%	38.91%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

Florida Retirement System HIS Plan Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's Proportion of the Net Pension Liability	0.00426%	0.00441%	0.00408%	0.00359%	0.00375%	0.00341%	0.00331%	0.00339%	0.00343%	0.00314%
City's Proportionate Share of the Net Pension Liability	\$ 638,543	\$ 699,662	\$ 431,753	\$ 440,941	\$ 457,508	\$ 381,457	\$ 350,048	\$ 362,635	\$ 400,075	\$ 319,803
City's Covered Payroll	\$ 1,029,054	\$ 1,134,251	\$ 1,020,368	\$ 931,023	\$ 968,735	\$ 898,884	\$ 911,943	\$ 977,002	\$ 1,059,722	\$ 952,663
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	62.05%	61.68%	42.31%	47.36%	47.23%	42.44%	38.38%	37.12%	37.75%	33.57%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

City of Umatilla, Florida
Required Supplementary Information
Schedule of the City's Contributions Florida Retirement System
September 30, 2024

Florida Retirement System Pension Plan Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 177,936	\$ 161,555	\$ 143,156	\$ 121,674	\$ 98,480	\$ 82,866	\$ 74,510	\$ 65,828	\$ 66,214	\$ 68,627
Contributions in Relation to the Contractually Required Contributions	177,936	161,555	143,156	121,674	98,480	82,866	74,510	65,828	66,214	68,627
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll	\$ 1,059,588	\$ 1,108,899	\$ 1,052,160	\$ 964,296	\$ 974,625	\$ 930,902	\$ 943,961	\$ 951,864	\$ 966,107	\$ 918,501
Contributions as a Percentage of Covered Payroll	16.79%	14.57%	13.61%	12.62%	10.10%	8.90%	7.89%	6.92%	6.85%	7.47%

Florida Retirement System HIS Plan Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 36,891	\$ 30,636	\$ 25,772	\$ 23,013	\$ 21,524	\$ 19,481	\$ 18,024	\$ 17,407	\$ 18,227	\$ 13,435
Contributions in Relation to the Contractually Required Contributions	36,891	30,636	25,772	23,013	21,524	19,481	18,024	17,407	18,227	13,435
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll	\$ 1,059,588	\$ 1,108,899	\$ 1,052,160	\$ 964,296	\$ 974,625	\$ 930,902	\$ 943,961	\$ 951,864	\$ 966,107	\$ 918,501
Contributions as a Percentage of Covered Payroll	3.48%	2.76%	2.45%	2.39%	2.21%	2.09%	1.91%	1.83%	1.89%	1.46%

Required Supplementary Information

Schedule of Changes in the City's Total OPEB Liability and Related Ratios

Last Ten Fiscal Years*

	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability							
Service cost	\$ 1,240	\$ 1,253	\$ 6,625	\$ 600	\$ 7,216	\$ 8,045	\$ 8,045
Interest	775	718	216	83	3,323	2,872	2,782
Differences between expected and actual experience	(12,627)	-	26,696	-	9,062	-	-
Changes of assumptions	2,563	(77)	(19,515)	64	(91,771)	(5,102)	(2,405)
Benefit Payments	(416)	(876)	(818)	-	-	-	-
Effect of economic/demographic changes or inputs	-	-	-	-	-	(2,740)	(648)
Net change in total OPEB liability	(8,465)	1,018	13,204	747	(72,170)	3,075	7,774
Total OPEB liability, beginning	18,050	17,032	3,828	3,081	75,251	72,176	64,402
Total OPEB liability, ending (a)	<u>\$ 9,585</u>	<u>\$ 18,050</u>	<u>\$ 17,032</u>	<u>\$ 3,828</u>	<u>\$ 3,081</u>	<u>\$ 75,251</u>	<u>\$ 72,176</u>
Plan Fiduciary Net Position							
Contributions, employer	-	-	-	-	-	-	-
Contributions, employee	-	-	-	-	-	-	-
Benefit payments	-	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position, beginning	-	-	-	-	-	-	-
Plan fiduciary net position, ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability, ending (a) - (b)	<u>\$ 9,585</u>	<u>\$ 18,050</u>	<u>\$ 17,032</u>	<u>\$ 3,828</u>	<u>\$ 3,081</u>	<u>\$ 75,251</u>	<u>\$ 72,176</u>
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	\$ 2,071,960	\$ 1,988,000	\$ 1,921,098	\$ 1,535,000	\$ 1,497,671	\$ 1,614,843	\$ 1,638,610
Net OPEB liability as a percentage of covered-employee payroll	0.46%	0.91%	0.89%	0.25%	0.21%	4.66%	4.40%

Notes to Schedule: For plan year ended September 30, 2020, the plan participation assumption rate was lowered from 50% to 10%.

There are no assets accumulated in a trust

* Data before 2018 not available.

NONMAJOR GOVERNMENTAL FUNDS

OTHER GOVERNMENTAL FUNDS

Special Revenue Funds

Police Education Fund

This fund was established to account for the additional assessment on each traffic citation that is restricted for criminal justice education and training.

Police Automation Fund

This fund was established to account for fines and forfeitures that are restricted for the acquisition of equipment to upgrade technology of existing equipment.

Police Impacts Fund

This fund was established to account for Police Impact Fees collected for the purpose of acquisition of facilities and equipment determined to be needed to provide police services for new development within the City.

Fire Impacts Fund

This fund was established to account for Fire Impact Fees collected for the purpose of acquisition of facilities and equipment determined to be needed to provide fire services for new development within the City.

Combining Balance Sheet - Nonmajor Governmental Funds

September 30, 2024

	Special Revenue						Total Nonmajor Governmental Funds
	Police Education	Police Automation	Fire Assessment Fund	Police Impacts Fund	Fire Impacts Fund	Total Special Revenue Funds	
Assets:							
Cash and cash equivalents	\$ 2,894	\$ -	\$ -	\$ 219,303	\$ 159,517	\$ 381,714	\$ 381,714
Total assets	<u>\$ 2,894</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219,303</u>	<u>\$ 159,517</u>	<u>\$ 381,714</u>	<u>\$ 381,714</u>
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:							
Restricted	2,894	-	-	219,303	159,517	381,714	381,714
Total fund balances	<u>2,894</u>	<u>-</u>	<u>-</u>	<u>219,303</u>	<u>159,517</u>	<u>381,714</u>	<u>381,714</u>
Total liabilities and fund balances	<u>\$ 2,894</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219,303</u>	<u>\$ 159,517</u>	<u>\$ 381,714</u>	<u>\$ 381,714</u>

Combining Statement of Revenues, Expenditures and Changes in Fund Balances**Nonmajor Governmental Funds**

Year Ended September 30, 2024

	Special Revenue						Total Nonmajor Governmental Funds
	Police Education	Police Automation	Fire Assessment Fund	Police Impacts Fund	Fire Impacts Fund	Total Special Revenue Funds	
Revenues:							
Impact fees	\$ -	\$ -	\$ -	\$ 67,567	\$ 41,194	\$ 108,761	\$ 108,761
Fines and forfeitures	300	-	-	-	-	300	300
Total revenues	<u>300</u>	<u>-</u>	<u>-</u>	<u>67,567</u>	<u>41,194</u>	<u>109,061</u>	<u>109,061</u>
Expenditures:							
Current:							
Public safety	1,945	-	-	-	-	1,945	1,945
Total expenditures	<u>1,945</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,945</u>	<u>1,945</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,645)</u>	<u>-</u>	<u>-</u>	<u>67,567</u>	<u>41,194</u>	<u>107,116</u>	<u>107,116</u>
Net change in fund balances	<u>(1,645)</u>	<u>-</u>	<u>-</u>	<u>67,567</u>	<u>41,194</u>	<u>107,116</u>	<u>107,116</u>
Fund balances, beginning, as previously presented	4,539	-	10,468	151,736	118,323	285,066	285,066
Adjustments			(10,468)			(10,468)	(10,468)
Fund balances, beginning, as adjusted	<u>4,539</u>	<u>-</u>	<u>-</u>	<u>151,736</u>	<u>118,323</u>	<u>274,598</u>	<u>274,598</u>
Fund balances, ending	<u>\$ 2,894</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219,303</u>	<u>\$ 159,517</u>	<u>\$ 381,714</u>	<u>\$ 381,714</u>

City of Umatilla, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Police Education
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 500	\$ 500	\$ 300	\$ (200)
Total revenues	<u>500</u>	<u>500</u>	<u>300</u>	<u>(200)</u>
Expenditures:				
Current:				
Public safety	2,250	2,250	1,945	305
Total expenditures	<u>2,250</u>	<u>2,250</u>	<u>1,945</u>	<u>305</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,750)</u>	<u>(1,750)</u>	<u>(1,645)</u>	<u>105</u>
Net change in fund balance	<u>(1,750)</u>	<u>(1,750)</u>	<u>(1,645)</u>	<u>105</u>
Fund balance, beginning	4,539	4,539	4,539	-
Fund balance, ending	<u>\$ 2,789</u>	<u>\$ 2,789</u>	<u>\$ 2,894</u>	<u>\$ 105</u>

City of Umatilla, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Police Automation
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Current:				
Public safety	1,340	-	-	-
Total expenditures	1,340	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	(1,340)	-	-	-
Net change in fund balance	(1,340)	-	-	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ (1,340)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Umatilla, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Police Impacts Fund
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 20,000	\$ 20,000	\$ 67,567	\$ 47,567
Total revenues	20,000	20,000	67,567	47,567
Expenditures:				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over Expenditures	20,000	20,000	67,567	47,567
Net change in fund balance	20,000	20,000	67,567	47,567
Fund balance, beginning	151,736	151,736	151,736	-
Fund balance, ending	<u>\$ 171,736</u>	<u>\$ 171,736</u>	<u>\$ 219,303</u>	<u>\$ 47,567</u>

City of Umatilla, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Fire Impacts Fund
Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Impact fees	\$ 17,500	\$ 17,500	\$ 41,194	\$ 23,694
Total revenues	<u>17,500</u>	<u>17,500</u>	<u>41,194</u>	<u>23,694</u>
Expenditures:				
Current:				
Public safety	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>17,500</u>	<u>17,500</u>	<u>41,194</u>	<u>23,694</u>
Net change in fund balance	<u>17,500</u>	<u>17,500</u>	<u>41,194</u>	<u>23,694</u>
Fund balance, beginning	<u>118,323</u>	<u>118,323</u>	<u>118,323</u>	<u>-</u>
Fund balance, ending	<u><u>\$ 135,823</u></u>	<u><u>\$ 135,823</u></u>	<u><u>\$ 159,517</u></u>	<u><u>\$ 23,694</u></u>

STATISTICAL SECTION

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	70
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant revenue source, the property tax.	76
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	80
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	83
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	85

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

**CITY OF UMATILLA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Governmental Activities:										
Net investment in capital assets	\$ 3,307,812	\$ 3,503,133	\$ 3,547,466	\$ 3,858,370	\$ 4,075,657	\$ 4,111,128	\$ 4,693,546	\$ 4,534,462	\$ 4,465,194	\$ 4,124,507
Restricted for:										
Capital Improvements	188,379	82,424	80,904	147,626	288,254	755,663	287,122	659,755	953,885	1,445,243
Community Redevelopment	113,029	182,695	244,660	296,561	290,107	275,126	85,754	99,618	488,229	1,041,498
Public Safety	50,127	36,286	19,755	14,209	112,349	201,774	244,059	287,154	285,066	397,150
Pensions	-	-	-	-	-	-	-	628,828	760,586	934,827
Unrestricted	661,597	629,780	484,885	239,259	450,999	581,186	1,083,358	1,054,334	1,193,116	1,227,590
Total Governmental Activities Net Position	\$ 4,320,944	\$ 4,434,318	\$ 4,377,670	\$ 4,556,025	\$ 5,217,366	\$ 5,924,877	\$ 6,393,839	\$ 7,264,151	\$ 8,146,076	\$ 9,170,815
Business-Type Activities:										
Net investment in capital assets	\$ 13,918,695	\$ 15,215,811	\$ 18,954,319	\$ 19,670,391	\$ 21,294,766	\$ 21,475,695	\$ 24,536,522	\$ 31,125,649	\$ 33,620,826	\$ 33,449,657
Restricted for:										
Capital Improvements	161,730	203,480	305,414	396,966	466,690	521,894	626,845	734,813	780,919	1,231,496
Unrestricted	752,373	1,089,053	1,187,262	1,305,943	1,710,493	1,898,664	1,882,965	1,514,426	1,761,300	2,168,861
Total Business-type Activities Net Position	\$ 14,832,798	\$ 16,508,344	\$ 20,446,995	\$ 21,373,300	\$ 23,471,949	\$ 23,896,253	\$ 27,046,332	\$ 33,374,888	\$ 36,163,045	\$ 36,850,014
Primary Government:										
Net investment in capital assets	\$ 17,226,507	\$ 18,718,944	\$ 22,501,785	\$ 23,528,761	\$ 25,370,423	\$ 25,586,823	\$ 29,230,068	\$ 35,660,111	\$ 38,086,020	\$ 37,574,164
Restricted for:										
Capital Improvements	350,109	285,904	386,318	544,592	754,944	1,277,557	913,967	1,394,568	1,734,804	2,676,739
Community Redevelopment	113,029	182,695	244,660	296,561	290,107	275,126	85,754	99,618	488,229	1,041,498
Law Enforcement	50,127	36,286	19,755	14,209	112,349	201,774	244,059	287,154	285,066	397,150
Fire Department	-	-	-	-	-	-	-	628,828	760,586	934,827
Unrestricted	1,413,970	1,718,833	1,672,147	1,545,202	2,161,492	2,479,850	2,966,323	2,568,760	2,954,416	3,396,451
Total City of Umatilla Net Position	\$ 19,153,742	\$ 20,942,662	\$ 24,824,665	\$ 25,929,325	\$ 28,689,315	\$ 29,821,130	\$ 33,440,171	\$ 40,639,039	\$ 44,309,121	\$ 46,020,829

Note: This schedule reports trend information for all years beginning with the year the City implemented GASB 34.

**CITY OF UMATILLA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Expenses:										
Governmental Activities:										
General Government	\$ 635,092	\$ 764,931	\$ 767,664	\$ 848,842	\$ 830,168	\$ 970,312	\$ 1,222,161	\$ 1,317,604	\$ 1,540,147	\$ 1,371,392
Public Safety	1,067,052	1,160,901	1,281,196	1,259,464	1,396,021	1,535,507	1,402,646	1,606,329	1,650,132	2,030,683
Physical Environment	532,366	53,898	52,626	40,458	50,924	60,119	10,789	30,867	84,249	79,784
Transportation	46,388	622,962	681,336	570,917	565,552	517,541	596,600	419,206	745,343	599,430
Culture and Recreation	539,648	611,094	597,212	568,952	666,910	764,738	661,306	666,166	869,392	926,451
Economic Environment	47,396	56,026	89,457	132,582	131,432	209,281	112,920	373,490	171,353	156,728
Interest on Long-term Debt	3,796	6,491	1,055	24,615	17,211	16,135	14,690	12,309	11,813	6,353
Total Governmental Activities Expenses	2,871,738	3,276,303	3,470,546	3,445,830	3,658,218	4,073,633	4,021,112	4,425,971	5,072,429	5,170,821
Business-Type Activities:										
Water and Sewer	1,029,580	978,641	1,048,099	1,360,938	1,340,564	1,565,931	1,637,666	1,876,148	2,449,370	2,325,937
Sanitation	351,219	365,137	384,668	419,796	459,007	447,583	358,650	545,562	543,927	780,504
Airport	313,408	319,492	320,499	371,517	405,421	519,044	402,822	463,987	534,928	739,816
Stormwater	84,976	89,182	130,088	281,229	112,793	133,625	111,610	129,997	143,780	124,648
Total Business-Type Activities Expenses	1,779,183	1,752,452	1,883,354	2,433,480	2,317,785	2,666,183	2,510,748	3,015,694	3,672,005	3,970,905
Total Expenses	\$ 4,650,921	\$ 5,028,755	\$ 5,353,900	\$ 5,879,310	\$ 5,976,003	\$ 6,739,816	\$ 6,531,860	\$ 7,441,665	\$ 8,744,434	\$ 9,141,726
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General Government	\$ 35,014	\$ 139,627	\$ 101,173	\$ 87,429	\$ 117,885	\$ 231,431	\$ 137,453	\$ 401,011	\$ 323,207	\$ 200,927
Public Safety	11,887	10,348	27,481	38,651	330,373	338,876	360,915	376,879	505,461	668,227
Physical Environment	-	-	12,100	8,275	9,225	19,125	17,025	23,700	20,675	18,025
Transportation	9,021	20,348	15,178	13,290	17,382	19,372	20,843	9,694	8,120	17,665
Culture and Recreation	32,815	29,891	33,290	69,019	38,936	27,386	26,697	38,166	46,372	57,520
Economic Environment	775	1,720	7,705	1,335	5,155	7,618	3,170	7,180	2,101	3,555
Operating Grants and Contributions	242,961	242,969	243,937	193,886	228,475	675,922	188,326	259,914	240,309	267,690
Capital Grants and Contributions	11,240	4,164	3,530	48,035	251,812	75,794	67,559	138,565	341,808	279,982
Total Governmental Activities Program Revenues	343,713	449,067	444,394	459,920	999,243	1,395,524	821,988	1,255,109	1,488,053	1,513,591
Business-Type Activities:										
Charges for Services:										
Water and Sewer	1,185,548	1,307,834	1,385,436	1,468,938	1,542,102	1,600,844	1,666,429	1,689,923	1,692,079	2,144,065
Sanitation	652,895	660,063	663,234	669,481	672,245	706,215	742,400	767,354	814,906	828,379
Airport	79,918	83,564	80,139	121,613	128,030	135,153	140,949	157,188	242,921	219,895
Stormwater	99,782	102,685	103,461	104,040	105,159	120,505	139,410	139,057	140,066	139,416
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	1,915,418	1,853,449	4,089,333	1,506,290	2,568,704	1,127,683	3,571,585	7,101,690	3,482,966	1,844,271
Total Business-Type Activities Program Revenues	3,933,561	4,007,595	6,321,603	3,870,362	5,016,240	3,690,400	6,260,773	9,855,212	6,372,938	5,176,026
Total Program Revenues	\$ 4,277,274	\$ 4,456,662	\$ 6,765,997	\$ 4,330,282	\$ 6,015,483	\$ 5,085,924	\$ 7,082,761	\$ 11,110,321	\$ 7,860,991	\$ 6,689,617
Net Revenues (Expenses):										
Governmental Activities	\$ (2,528,025)	\$ (2,827,236)	\$ (3,026,152)	\$ (2,985,910)	\$ (2,658,975)	\$ (2,678,109)	\$ (3,199,124)	\$ (3,170,862)	\$ (3,584,376)	\$ (3,657,230)
Business-Type Activities	2,154,378	2,255,143	4,438,249	1,436,882	2,698,455	1,024,217	3,750,025	6,839,518	2,700,933	1,205,121
Total Net Expense	\$ (373,647)	\$ (572,093)	\$ 1,412,097	\$ (1,549,028)	\$ 39,480	\$ (1,653,892)	\$ 550,901	\$ 3,668,656	\$ (883,443)	\$ (2,452,109)

Continued on Next Page

**CITY OF UMATILLA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
General Revenues and Transfers:										
Governmental Activities:										
Taxes:										
Property taxes	\$ 861,702	\$ 906,859	\$ 918,170	\$ 959,644	\$ 1,044,923	\$ 1,089,533	\$ 1,227,348	\$ 1,399,086	\$ 1,669,106	\$ 1,968,507
Franchise fees and utility taxes	654,633	707,492	695,947	762,299	787,513	830,406	863,394	908,614	1,020,533	1,070,668
Intergovernmental revenues	679,715	727,568	835,531	818,056	840,816	812,105	942,399	1,079,801	993,158	974,345
Unrestricted investment earnings	8,417	11,756	6,108	8,645	25,252	21,955	13,820	12,199	62,504	67,097
Miscellaneous	28,181	6,935	13,748	36,734	21,812	31,621	21,125	41,474	112,550	56,842
Gain(loss) on sale of capital assets	41,536	-	-	-	-	-	-	-	8,500	-
Transfers	540,000	580,000	500,000	500,000	600,000	600,000	600,000	600,000	600,000	544,460
Total Governmental Activities	2,814,184	2,940,610	2,969,504	3,085,378	3,320,316	3,385,620	3,668,086	4,041,174	4,466,351	4,681,919
Business-Type Activities:										
Unrestricted investment earnings	35	403	402	128	194	87	54	38	606	582
Gain(loss) on sale of capital assets	-	-	-	-	-	-	-	-	686,618	5,874
Transfers	(540,000)	(580,000)	(500,000)	(500,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(544,460)
Franchise fees & utility taxes	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	-	-	-	-	-	19,852
Total Business-Type Activities	(539,965)	(579,597)	(499,598)	(499,872)	(599,806)	(599,913)	(599,946)	(599,962)	87,224	(518,152)
Total General Revenues and Transfers	\$ 2,274,219	\$ 2,361,013	\$ 2,469,906	\$ 2,585,506	\$ 2,720,510	\$ 2,785,707	\$ 3,068,140	\$ 3,441,212	\$ 4,553,575	\$ 4,163,767
Change in Net Assets:										
Governmental activities	\$ 286,159	\$ 113,374	\$ (56,648)	\$ 99,468	\$ 661,341	\$ 707,511	\$ 468,962	\$ 870,312	\$ 881,975	\$ 1,024,689
Business-type activities	1,614,413	1,675,546	3,938,651	937,010	2,098,649	424,304	3,150,079	6,239,556	2,788,157	686,969
Total Change in Net Position	\$ 1,900,572	\$ 1,788,920	\$ 3,882,003	\$ 1,036,478	\$ 2,759,990	\$ 1,131,815	\$ 3,619,041	\$ 7,109,868	\$ 3,670,132	\$ 1,711,658

CITY OF UMATILLA
GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

FISCAL YEAR	PROPERTY TAXES	INFRA- STRUCTURE SALES SURTAX	LOCAL OPTION GAS TAXES	FRANCHISE FEES	UTILITY TAXES	COMMUNICATIONS SERVICE TAX	CASUALTY INSURANCE PREMIUM TAX	TOTAL TAXES
2015	\$ 861,702	\$ 325,566	\$ 93,967	\$ 221,217	\$ 304,005	\$ 129,411	\$ 23,731	\$ 1,959,599
2016	906,859	343,348	88,917	233,921	340,262	133,308	35,315	2,081,930
2017	918,170	413,896	86,084	228,138	338,328	129,481	28,623	2,142,720
2018	959,644	383,495	83,625	275,082	350,536	136,681	32,337	2,221,400
2019	1,044,923	388,248	82,964	294,932	379,133	113,448	35,832	2,339,480
2020	1,089,533	379,600	75,357	299,100	407,878	123,428	37,470	2,412,366
2021	1,227,348	437,515	75,244	314,428	424,151	124,815	38,895	2,642,396
2022	1,399,086	506,311	77,029	340,270	443,723	124,621	44,463	2,935,502
2023	1,669,106	468,118	75,357	375,691	509,467	135,375	51,582	3,284,696
2024	1,968,507	478,326	77,113	401,149	512,072	157,447	60,429	3,655,043

**CITY OF UMATILLA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Fund										
Nonspendable	\$ 1,555	\$ 997	\$ 1,010	\$ 9,855	-	\$ 1,863	\$ 3,946	\$ 1,037	\$ 569	\$ 702
Committed	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	9,664	8,756
Assigned	289,430	455,350	349,388	53,347	53,540	176,942	303,841	535,327	1,265,471	792,533
Unassigned	596,619	407,892	395,917	531,796	832,353	922,222	1,089,113	1,473,081	1,289,210	1,871,488
Total General Fund	<u>\$ 887,604</u>	<u>\$ 864,239</u>	<u>\$ 746,315</u>	<u>\$ 594,998</u>	<u>\$ 885,893</u>	<u>\$ 1,101,027</u>	<u>\$ 1,396,900</u>	<u>\$ 2,009,445</u>	<u>\$ 2,564,914</u>	<u>\$ 2,673,479</u>
All Other Governmental Funds (Special Revenue Funds)										
Nonspendable	\$ -	\$ -	\$ -	\$ 480,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	351,535	301,405	345,319	458,396	690,710	1,232,563	616,935	1,046,527	1,727,180	2,877,832
Assigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 351,535</u>	<u>\$ 301,405</u>	<u>\$ 345,319</u>	<u>\$ 938,396</u>	<u>\$ 690,710</u>	<u>\$ 1,232,563</u>	<u>\$ 616,935</u>	<u>\$ 1,046,527</u>	<u>\$ 1,727,180</u>	<u>\$ 2,877,832</u>

CITY OF UMATILLA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues										
Taxes	\$ 1,610,302	\$ 1,703,268	\$ 1,700,201	\$ 1,721,943	\$ 1,832,436	\$ 1,919,939	\$ 2,090,742	\$ 2,307,700	\$ 2,689,639	\$ 3,039,175
Licenses and permits	35,014	139,627	101,173	87,429	117,885	231,431	137,453	401,011	403,853	200,927
Intergovernmental revenues	839,949	885,784	996,914	1,059,977	1,288,065	1,491,100	1,139,529	1,406,338	1,541,672	1,413,256
Charges for services	40,149	51,905	68,560	87,684	383,550	405,183	420,191	448,145	495,622	755,027
Impact fees	-	-	-	-	33,038	72,721	46,628	84,069	33,603	108,761
Fines and forfeitures	14,349	10,402	27,194	42,886	17,521	7,194	8,459	7,474	6,461	9,965
Investment income	8,417	11,756	6,108	8,645	25,252	21,955	13,820	12,199	62,504	67,097
Miscellaneous	28,181	6,935	13,748	36,734	21,812	31,621	21,125	41,474	112,550	56,842
Total revenues	<u>2,576,361</u>	<u>2,809,677</u>	<u>2,913,898</u>	<u>3,045,298</u>	<u>3,719,559</u>	<u>4,181,144</u>	<u>3,877,947</u>	<u>4,708,410</u>	<u>5,345,904</u>	<u>5,651,050</u>
Expenditures										
General government	935,884	784,770	759,265	805,550	735,389	903,823	1,487,816	1,243,460	1,290,562	1,229,196
Public safety	1,063,373	1,210,427	1,212,409	1,364,194	2,147,180	1,503,767	1,350,059	1,484,208	1,593,171	2,117,770
Physical environment	42,665	76,752	43,831	41,947	36,699	41,364	6,667	23,804	71,801	80,593
Transportation	569,062	602,827	704,746	668,715	553,865	588,347	470,408	501,980	765,435	480,112
Economic environment	130,606	81,504	95,651	119,470	214,410	228,541	487,349	365,165	163,717	149,206
Culture and recreation	508,783	557,591	618,009	541,612	690,541	682,604	920,259	572,461	738,360	783,628
Debt Service:										
Principal	115,856	142,367	52,905	22,850	61,314	57,758	59,350	61,244	82,495	84,883
Interest & issuance costs	4,054	6,934	1,092	19,200	7,058	17,953	15,794	13,951	13,241	10,905
Total Expenditures	<u>3,370,283</u>	<u>3,463,172</u>	<u>3,487,908</u>	<u>3,583,538</u>	<u>4,446,456</u>	<u>4,024,157</u>	<u>4,797,702</u>	<u>4,266,273</u>	<u>4,718,782</u>	<u>4,936,293</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(793,922)	(653,495)	(574,010)	(538,240)	(726,897)	156,987	(919,755)	442,137	627,122	714,757
Other Financing Sources (Uses)										
Transfers in	540,000	580,000	500,000	500,000	669,936	638,128	615,000	615,000	615,000	601,140
Transfers out	-	-	-	-	(69,936)	(38,128)	(15,000)	(15,000)	(15,000)	(56,680)
Debt proceeds	130,200	-	-	480,000	-	-	-	-	9,000	-
Capital leases	-	-	-	-	170,106	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>670,200</u>	<u>580,000</u>	<u>500,000</u>	<u>980,000</u>	<u>770,106</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>609,000</u>	<u>544,460</u>
Net Change in Fund Balances	<u>\$ (123,722)</u>	<u>\$ (73,495)</u>	<u>\$ (74,010)</u>	<u>\$ 441,760</u>	<u>\$ 43,209</u>	<u>\$ 756,987</u>	<u>\$ (319,755)</u>	<u>\$ 1,042,137</u>	<u>\$ 1,236,122</u>	<u>\$ 1,259,217</u>
Debt service as a percentage of noncapital expenditures	4.30%	4.79%	1.77%	1.33%	2.11%	2.09%	1.97%	1.89%	2.22%	2.01%

CITY OF UMATILLA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

FISCAL YEAR	REAL PROPERTY		PERSONAL PROPERTY		CENTRALLY ASSESSED PROPERTY		TOTAL		(IN MILLS) DIRECT TAX RATE	TOTAL TAXABLE VALUE PERCENTAGE OF TOTAL JUST VALUE
	TAXABLE VALUE	ESTIMATED JUST VALUE	TAXABLE VALUE	ESTIMATED JUST VALUE	TAXABLE VALUE	ESTIMATED JUST VALUE	TAXABLE VALUE	ESTIMATED JUST VALUE		
2015	\$ 99,525,397	\$ 160,283,636	\$ 12,458,051	\$ 15,108,906	\$ -	\$ -	\$ 111,983,448	\$ 175,392,542	7.2980	63.85%
2016	107,770,097	173,648,089	11,815,767	14,370,614	-	-	119,585,864	188,018,703	7.2980	63.60%
2017	110,695,343	178,604,508	12,669,583	16,306,588	-	-	123,364,926	194,911,096	7.1089	63.29%
2018	114,768,783	186,329,263	13,690,524	17,096,492	-	-	128,459,307	203,425,755	7.1089	63.15%
2019	125,384,838	210,726,653	13,303,537	16,807,756	-	-	138,688,375	227,534,409	7.1089	60.95%
2020	133,776,860	230,017,976	14,560,606	18,311,316	-	-	148,337,466	248,329,292	7.1089	59.73%
2021	167,499,257	276,030,504	12,954,840	16,617,089	-	-	180,454,097	292,647,593	7.1089	61.66%
2022	192,837,532	338,339,544	14,535,040	18,339,287	-	-	207,372,572	356,678,831	7.1089	58.14%
2023	219,624,746	394,160,953	20,276,140	24,632,424	-	-	239,900,886	418,793,377	7.1089	57.28%
2024	261,474,131	453,783,332	20,006,685	24,069,663	-	-	281,480,816	477,852,995	7.1089	58.90%

Source: Lake County Property Appraiser's Office

The property appraiser is required to physically inspect the property at least once every 5 years. Homesteaded property is reassessed annually on January 1. Any change resulting from such reassessment shall not exceed the lower of 3% of the prior year's assessed value or the percentage change in the Consumer Price Index for All Urban Consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics.

The estimated just value is adjusted down to the taxable value due to governmental exemptions, widows/widowers exemption, disability/blind exemption, institutional exemption for charitable, religious, scientific, literary and educational, \$25,000 homestead exemption, additional \$25,000 homestead exemption age 65 and older, and the homestead assessment differential (just value minus capped value).

CITY OF UMATILLA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUE)
LAST TEN FISCAL YEARS

FISCAL YEAR	OPERATING RATE CITY	OVERLAPPING GOVERNMENTS AND RATES							TOTAL
		LAKE COUNTY	SCHOOL DISTRICT	AMBULANCE DISTRICT	COUNTY DEBT SERVICE	HOSPITAL DISTRICT	WATER MANAGEMENT DISTRICT	WATER CONSERVATION AUTHORITY	
2015	7.2980	5.3051	7.2460	0.4629	0.1600	1.0000	0.3164	0.2554	22.0438
2016	7.2980	5.3051	7.1970	0.4629	0.1600	1.0000	0.3023	0.2554	21.9807
2017	7.1089	5.118	6.8750	0.4629	0.1524	1.0000	0.2885	0.2554	21.2611
2018	7.1089	5.118	6.6030	0.4629	0.1524	1.0000	0.2724	0.2554	20.9730
2019	7.1089	5.0734	6.8830	0.4629	0.1100	0.9500	0.2414	0.3557	21.1853
2020	7.1089	5.0327	6.6990	0.4629	0.1100	0.8950	0.2287	0.3368	20.8740
2021	7.1089	5.0529	6.5920	0.4629	0.0918	0.0000	0.2189	0.3229	19.8503
2022	7.1089	5.0364	6.2480	0.4629	0.0918	0.5000	0.1974	0.3083	19.9537
2023	7.1089	5.0364	6.2060	0.4629	0.0918	0.1500	0.1793	0.2940	19.5293
2024	7.1089	5.0364	6.1220	0.4629	0.0918	0.4100	0.1793	0.2940	19.7053

Source: Lake County Property Appraiser's Office

Notes:

Overlapping rates are those of local and county governments that apply to property owners within the City of Umatilla

Taxes levied for the fiscal year are based on the prior year taxable value

**CITY OF UMATILLA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND NINE YEARS AGO**

Taxpayer	Fiscal Year 2024			Fiscal Year 2015		
	Taxable Assessed		Rank	Taxable Assessed		Rank
	Value	Value		Value	Value	
COMMUNITY SUPPORTS INC	\$ 36,058,327	1	12.81%	\$ 11,905,014	1	10.63%
FORESTAR (USA) REAL ESTATE GROUP INC	8,420,209	2	2.99%			
EVERS ENTERPRISES LLLP	7,228,098	3	2.57%	3,662,417	2	3.27%
UMATILLA PROPERTIES LLC	5,638,452	4	2.00%			
LAKEVIEW TERRACE RETIREMENT	4,025,824	5	1.43%			
DUKE ENERGY FLORIDA LLC	3,824,553	6	1.36%	1,915,689	4	1.71%
RICHMOND AMERICAN HOMES OF FLORIDA LP	3,000,000	7	1.07%			
D.R. HORTON INC	2,820,000	8	1.00%			
FLORIDA ATLANTIC IRONWORKS	2,766,265	9	0.98%			
NATIONWIDE INVESTMENTS UM LLC	2,705,950	10	0.96%			
ARGUELLES HOLDINGS LLC				3,479,561	3	3.11%
NATIONWIDE UMATILLA PLAZA LLC				1,658,982	5	1.48%
GOLDEN ESTATES MHP				1,532,510	6	1.37%
EMBARQ-FLORIDA INC				1,248,941	7	1.1%
QUANTUM LAKE POWER LP				1,129,301	8	1.01%
UNITED SOUTHERN BANK				1,095,728	9	0.98%
UMATILLA STATE BANK				1,016,197	10	0.91%
Total	<u>\$ 76,487,678</u>		<u>27.17%</u>	<u>\$ 28,644,340</u>		<u>25.58%</u>

Source: Lake County Property Appraiser's Office

**CITY OF UMATILLA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

<u>FISCAL YEAR</u>	<u>TOTAL TAX LEVY</u>	<u>CURRENT TAX COLLECTIONS</u>	<u>PERCENT OF LEVY COLLECTED</u>	<u>DELINQUENT TAX COLLECTIONS</u>	<u>TOTAL TAX COLLECTIONS</u>	<u>% TOTAL TAX COLLECTIONS TO TAX LEVY</u>
2015	\$ 923,639	\$ 834,946	90.40%	\$ 37,800	\$ 872,746	94.49%
2016	872,738	804,536	92.19%	35,450	839,986	96.25%
2017	876,989	809,442	92.30%	41,141	850,583	96.99%
2018	913,204	839,941	91.98%	43,585	883,526	96.75%
2019	985,922	898,142	91.10%	53,955	952,097	96.57%
2020	1,054,516	956,632	90.72%	40,313	996,945	94.54%
2021	1,133,730	1,057,309	93.26%	40,768	1,098,077	96.86%
2022	1,282,830	1,233,724	96.17%	1,269	1,234,993	96.27%
2023	1,473,946	1,398,910	94.91%	26,475	1,425,385	96.71%
2024	1,705,431	1,682,102	98.63%	734	1,682,836	98.68%

**CITY OF UMATILLA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities			Business-Type Activities				SBITA Liability	Total Primary Government	Percentage of Personal Income^a	Per Capita^a
	Financed Purchases	SBITA Liability	Loans Payable	Utility Revenue Bonds	Loans Payable	Financed Purchases					
2015	\$ 118,122	\$ -	\$ 100,000	\$ 57,000	\$ -	\$ -	\$ -	\$ -	\$ 275,122	0.23%	72
2016	10,044	-	65,711	-	475,383	-	-	-	551,138	0.40%	141
2017	-	-	22,850	-	627,051	-	-	-	649,901	0.42%	162
2018	-	-	480,000	-	596,555	124,025	-	-	1,200,580	0.80%	294
2019	-	-	438,322	-	625,279	112,207	-	-	1,175,808	0.82%	283
2020	135,682	-	395,352	-	1,093,003	99,941	-	-	1,723,978	1.45%	411
2021	120,634	-	351,050	-	687,279	87,211	-	-	1,246,174	1.05%	311
2022	105,066	-	305,374	-	1,237,437	73,997	-	-	1,721,874	1.48%	444
2023	88,973	39,787	258,282	-	1,258,121	60,283	39,786		1,745,232	1.15%	450
2024	72,337	20,091	209,731	-	1,596,744	46,046	20,089		1,965,038	1.25%	493

Note: Details regarding the City's outstanding debt can be found Note 8 to the financial statements.

^a See following "DEMOGRAPHIC AND ECONOMIC STATISTICS" for personal income and population data.

**CITY OF UMATILLA, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

The City of Umatilla has had no general bonded debt during the last ten fiscal years

**CITY OF UMATILLA, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2024**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Other Debt			
Lake County Board of County Commissioners	\$ 4,895,000	0.98%	\$ 47,923
School District of Lake County	-	0.98%	-
Subtotal, overlapping debt			47,923
Direct debt	302,159		302,159
Total direct and overlapping debt			<u>\$ 350,082</u>

Note: The City of Umatilla has no ordinance which limits general obligation debt to a percentage of assessed property values.

(1) The estimated percentage is based on the city's population to total county population

**CITY OF UMATILLA
PLEDGED-REVENUE COVERAGE
WATER/SEWER UTILITY REVENUES, FRANCHISE AND UTILITY TAXES
LAST TEN FISCAL YEARS**

Fiscal Year	Operating Revenues ²	Operating Expenses ¹	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2015	\$ 1,185,546	\$ 736,906	\$ 448,640	\$ 7,000	\$ 2,800	\$ 9,800	45.78
2016	1,302,841	663,366	639,475	20,342	1,837	22,179	28.83
2017	103,461	15,821	87,640	38,115	2,694	40,809	2.15
2018	104,040	15,198	88,842	30,496	7,842	38,338	2.32
2019	1,647,261	806,783	840,478	38,356	44,109	82,465	10.19
2020	1,721,349	1,037,537	683,812	43,138	7,435	50,573	13.52
2021	1,666,429	1,049,849	616,580	460,976	21,337	482,313	1.28
2022	1,689,923	1,335,929	353,994	38,343	67,094	105,437	3.36
2023	2,736,184	1,885,766	850,418	38,343	80,139	118,482	7.18
2024	3,197,236	2,748,825	448,411	41,405	23,078	64,483	6.95

¹ Operating expenses are exclusive of depreciation.

² Operating revenues are inclusive of franchise taxes, utility taxes, miscellaneous income, and interest income as specified in the debt indentures.

**CITY OF UMATILLA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population	Total Personal Income of all Umatilla Residents	Per Capita Personal Income	Median Age	Lake County Unemployment Rate
2015	3,798	119,052,108	31,346	50.10	5.10%
2016	3,908	139,386,636	35,667	52.40	4.80%
2017	4,021	154,651,681	38,461	44.70	3.20%
2018	4,081	149,850,239	36,719	44.00	2.70%
2019	4,154	142,934,986	34,409	44.30	2.80%
2020	4,196	119,267,104	28,424	52.80	5.50%
2021	4,005	118,660,140	29,628	52.60	4.30%
2022	3,875	116,571,625	30,083	55.60	2.80%
2023	3,881	151,747,100	39,100	61.40	3.50%
2024	3,984	157,224,576	39,464	52.10	3.90%

Population from the Florida Bureau of Economic and Business research (BEBR)
Income and age data from www.city-data.com

**CITY OF UMATILLA
PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS AGO**

<u>Employer</u>	<u>2024</u>			<u>2015</u>			
	<u>Rank</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>	<u>Employer</u>	<u>Rank</u>	<u>Employees</u>	<u>Percentage of Total City Employment</u>
Lake County School Board	1	251	*	Lake County School Board		234	*
Lakeview Terrace	2	215	*	Lakeview Terrace		170	*
Recovery Village	3	110	*	Recovery Village		110	*
United Southern Bank	4	55	*	United Southern Bank		46	*
City of Umatilla	5	50	*	City of Umatilla		46	*
McDonald's	6	49	*	McDonalds		44	*
Walker Building Corporation	7	45	*	Lake County Health Clinic		39	*
Lake County Health Clinic	8	40	*	Utility Technicians		27	*
Bryan Groves	9	30	*	Faryna Grove Care		23	*
Mammoth Constructors	10	28	*	Sunsational Citrus		9	*

* Data not available
Source: City staff

CITY OF UMATILLA
FULL TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
General Government										
City Manager	1	1	1	1	1	1	1.5	1.5	1.5	1.5
City Clerk	1	1	1	1	1	1	1	1	1	1
Finance	3	4	4	4	4	4	5	5	5	5
Permitting	1	1	1	0	0	0	0	0	0	0
Total General Government	6	7	7	6	6	6	7.5	7.5	7.5	7.5
Public Safety										
Police Officers	9	9	9	9	9	9	9	9	9	9
Police Civilians	1	1	1	1	1	1	1	1	1	1
Code Enforcement	1	0	1	1	1	1	0.5	0.5	0.5	0.5
Crossing Guards (FTE)	1	1	1	1	1	1	1	1	1	1
Total Public Safety	12	11	12	12	12	12	11.5	11.5	11.5	11.5
Building, Planning & Zoning	0	0	0	1	1	2.5	2.5	2.5	2.5	2.5
Airport	0	0	0	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Public Works										
Administration	2	3	3	3	3	3	3	3	3	3
Cemetery	1	1	1	1	1	1	1	1	1	1
Facilities Maint.	1	1	1	1	1	1	1	1	1	1
Street Maint.	6	6	6	6	6	6	6	6	6	6
Total Public Works	10	11	11	11	11	11	11	11	11	11
Culture and Recreation										
Library	8	8	7	7	7	7	7	7	7	7
Parks and Recreation	2	2	3	3	3	3	3	3	3	3
Total Culture and Recreation	10	10	10	10	10	10	10	10	10	10
Utilities										
Water	3	3	4	4	4	4	4	4	4	4
Sewer	2	2	2	2	2	2	2	2	2	2
Sanitation	0	0	1	1	1	1	1	1	1	1
Total Utilities	5	5	7	7	7	7	7	7	7	7
Total Government Employees	43	44	47	48	48	49.0	50.0	50.0	50.0	50.0

Source: Finance Department
* Position moved from General Government

**CITY OF UMATILLA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Arrests	139	178	130	161	243	86	89	103	100	155
Traffic/DUI Citations	356	197	215	441	302	104	127	108	114	180
Traffic Accidents	57	77	74	88	102	74	116	83	77	101
Warrants	21	28	38	46	30	34	2	22	24	17
Building Department:										
Building Permits	298	204	274	291	283	398	347	390	367	472
Roads and Streets										
Potholes repaired	504	510	250	100	125	50	45	50	65	80
Street resurfacing (by mile)	0.50	1.25	1.27	1.26	1.91	1.52	1.46	1.39	0.00	0
Library										
Total Circulation (Library materials checked out)	103,353	124,245	73,102	54,269	58,570	43,534	38,896	39,762	37,286	42,744
Total Users of Public Internet Computers	21,153	31,009	25,700	18,651	17,967	2,023	1,602	2,671	3,267	4,452
Total Reference Transactions	15,652	11,206	10,088	15,862	13,791	859	3,952	2,600	386	648
Total Annual Programs	536	566	340	402	436	0	70	293	416	424
Total Program Attendance	14,689	14,078	8,964	7,322	11,242	0	704	4,476	4,105	6,142
Total Number of registered card holders	4,309	5,545	5,798	6,402	6,147	6,193	5,111	5,374	5,841	4,573
Number of hours spent on public technology instruction	62	0	36	20	32	10	10	13	13	156
Total Library visitors	103,353	105,636	91,517	88,369	102,430	52,595	52,093	32,671	42,176	53,194
Parks and Recreation										
Number of Recreation Leases	317	317	125	86	12	12	12	16	16	16
Number of Bookings at the Community Building	0	0	12	103	46	17	15	49	93	76
Water										
Commercial Connections	179	206	197	195	198	233	273	279	249	258
Residential Connections	1,486	1,543	1,337	1,454	1,489	1,702	1,887	1,794	1,577	1,723
Total Connections	1,665	1,749	1,534	1,649	1,687	1,935	2,160	2,073	1,826	1,981
Average Daily Consumption (gallons per day)	448,000	496,000	467,000	389,000	412,577	381,474	432,000	458,000	458,000	415,000
Treatment capacity (gallons per day)	1,000,000	1,000,000	1,000,000	650,000	650,000	650,000	650,000	650,000	650,000	650,000
Wastewater										
Commercial Connections	132	131	130	130	118	145	146	148	127	128
Residential Connections	917	919	933	926	971	1,108	1,163	1,178	1,009	1,085
Total Connections	1,049	1,050	1,063	1,056	1,089	1,253	1,309	1,326	1,136	1,213
Average Daily Sewage Treatment (gallons per day)	179,000	144,000	143,000	137,000	159,000	155,000	156,000	164,000	164,000	0
Treatment Capacity (gallons per day)	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	0

Note: Indicators are not available for the general government and growth management functions.

Sources: Various city departments

* Data not available

CITY OF UMATILLA
CAPITAL ASSET AND INFRASTRUCTURE STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Stations (Includes substations)	1	1	1	1	1	1	1	1	1	1
Patrol Units (2 shifts/2 officers per shift)	4	4	4	4	4	4	4	4	4	4
Sworn Officers (positions filled at year end)	9	9	9	9	9	9	9	9	9	9
Support	1	1	1	1	1	1	1	1	1	1
Roads and Streets										
Paved Roads	21 miles	21 miles	21 miles	21 miles	21 miles	21 miles	21 miles	21 miles	21 miles	21 miles
Unpaved Roads	2.0 miles	2.0 miles	2.0 miles	2.0 miles	2.0 miles	2.0 miles	2.0 miles	2.0 miles	2.0 miles	2.0 miles
Sidewalks	56,836 feet	56,836 feet	56,836 feet	56,836 feet	56,836 feet	56,836 feet	56,836 feet	56,836 feet	56,836 feet	56,836 feet
Culture and Recreation										
Libraries	1	1	1	1	1	1	1	1	1	1
Acreage	35	35	35	35	35	35	35	35	35	35
Parks	6	6	6	6	6	6	6	6	6	6
Recreation Centers	1	1	1	1	1	1	1	1	1	1
Basketball Courts	2	2	2	2	2	2	2	2	2	2
Tennis Courts	2	2	2	2	2	2	2	2	2	2
Baseball Fields	1	1	1	1	1	1	1	1	1	1
Playgrounds	3	3	3	3	3	3	3	3	3	3
Soccer Fields	1	1	1	1	1	1	1	1	1	1
Swimming Pool	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	30.9	30.9	30.9	30.9	30.9	31.5	31.5	31.5	31.5	33
Storage Capacity (gallons)	250,000	250,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
Fire Hydrants	151	151	151	151	151	156	156	156	156	214
Water Plants	1	1	2	2	2	2	2	2	2	2
Wastewater										
Sewers-Force Mains/Gravity (miles)	14.1	14.1	14.1	14.1	14.1	14.1	14.1	14.1	14.1	14.7
Treatment Capacity (gallons/daily)	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	0
Lift Stations	9	9	10	10	10	10	10	10	10	12

Note: No capital asset and infrastructure statistics are available for the general government, building or growth management functions.

Sources: Various city departments

COMPLIANCE SECTION

**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**

Honorable Mayor and City Council
City of Umatilla, Florida, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS) issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Umatilla, Florida as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise City of Umatilla, Florida's basic financial statements, and have issued our report thereon dated May 29, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

McDermitt Davis

Orlando, Florida
May 29, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

Honorable Mayor and City Council
City of Umatilla, Florida, Florida

Report on Compliance for Each Major State Project Opinion on Each Major State Project

We have audited the *City of Umatilla, Florida's* (the City) compliance with the types of compliance requirements identified as subject to audit in the requirements described in the Department of Financial Services' *State Projects Compliance Supplement*, and Chapter 10.550, Rules of the Auditor General, that could have a direct and material effect on each of the City's major state projects for the year ended September 30, 2024. The City's major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major state project for the year ended September 30, 2024.

Basis for Opinion on Each Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards 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 state project. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding The City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the 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 have not been 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 Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

McDiarmid Davis

Orlando, Florida
May 29, 2025

City of Umatilla, Florida
Schedule of Expenditures of
State Financial Assistance
Year Ended September 30, 2024

Award Type			
Grantor			
Pass-Through Grantor	CSFA	Agency or	
Grantor Program Title	Number	Pass-through	
		Entity Grant Number	Expenditures
State Awards			
Florida Department of Environmental Protection			
Statewide Water Quality Restoration Projects *	37.039	LPA0400	\$ 710,747
Statewide Water Quality Restoration Projects *	37.039	LPA0231	222,007
Wastewater Treatment Facility Construction - Eustis Interconnect	37.077	WW350752	148,392
Total Department of Environmental Protection			<u>1,081,146</u>
Florida Department of Transportation			
Aviation Grant Programs - GA Terminal Design	55.004	FM#431620-1-94-01	186,883
Aviation Grant Programs - Parking Apron and Rotating Beacon Design	55.004	FM#453566-1-94-01	5,880
Aviation Grant Programs - Hangars with Taxilanes	55.004	FM#449782-1-94-01	11,500
Total Department of Environmental Protection			<u>204,263</u>
Total state awards			<u><u>\$ 1,285,409</u></u>

* Denotes a major project

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state grant activity of the City of Umatilla, Florida (the City) under projects of the state government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Chapter 10.550, Rules of the Auditor General, and Section 215.97, Florida Statutes. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Therefore, amounts reported on the Schedule are based on expenditures incurred as of September 30, 2024, even if grant or loan was received subsequent to that date. State expenditures are recognized following the cost principles contained in the State Projects Compliance Supplement and Chapter 10.550, Rules of the Auditor General wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 LOANS AND LOAN GUARANTEES

In April 2021, the City executed a State Revolving Fund Loan agreement WW350752 for the City's sewer project. Loan balance as of September 30, 2024 is \$1,067,004. Loan expenditures reported in the current year Schedule are \$148,392.

Section I - Summary of Independent Auditor's Results:

Financial Statements

Type of auditors' report issued:	Unmodified Opinion	
Internal control over financial reporting:		
<ul style="list-style-type: none"> Material weakness identified? 	___ Yes	<u> X </u> No
<ul style="list-style-type: none"> Significant deficiency identified 	___ Yes	<u> X </u> None reported
Noncompliance material to financial Statements noted?	___ Yes	<u> X </u> No

State Awards

Type of auditors' report issued on compliance for major state projects:	Unmodified Opinion	
Internal control over major state projects:		
<ul style="list-style-type: none"> Material weakness identified? 	___ Yes	<u> X </u> No
<ul style="list-style-type: none"> Significant deficiency identified 	___ Yes	<u> X </u> None reported
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550?	___ Yes	<u> X </u> No

Identification of Major State Projects

CSFA No. 37.039 Statewide Water Quality Restoration
Projects

Dollar threshold used to distinguish between type A and type B projects	State \$385,623
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Section II - Financial Statement Findings: None

Section III - State Project
Findings and Questioned Costs: None

Section IV -State Project
Summary Schedule of Prior Year Findings: No Prior Year Findings

MANAGEMENT LETTER

Honorable Mayor and City Council
City of Umatilla, Florida

Report on the Financial Statements

We have audited the financial statements of the City of *Umatilla, Florida*, as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated May 29, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Florida 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* (GAS); Independent Auditor's Report on Compliance for each Major State Project and Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 29, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Property Assessed Clean Energy (PACE) Programs

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

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

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

Not applicable, no PACE programs.

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

Not applicable, no PACE programs.

Additional Matters

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

Purpose of this Letter

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

McDiarmid Davis

Orlando, Florida
May 29, 2025



1800 Pembroke Drive, Suite 170
Orlando, Florida 32810
407-843-5406
www.mcderritdavis.com

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

Honorable Mayor and City Council
City of Umatilla, Florida

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

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

In our opinion, City of Umatilla, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

McDermitt Davis

Orlando, Florida
May 29, 2025