



## **CITY COMMISSION AND CRA BOARD WORKSHOP AGENDA**

**Monday, August 04, 2025 at 5:00 PM**

**Historic City Hall, Commission Chambers – 225 East Main Street, Suite 105**

**[www.cityofwauchula.gov](http://www.cityofwauchula.gov)**

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### **INVOCATION**

### **PLEDGE OF ALLEGIANCE**

### **CALL TO ORDER**

### **ROLL CALL**

### **OPEN COMMISSION WORKSHOP**

1. FMPA Reliability Award Presentation - Jacob Williams
2. September 30, 2024 Audit Presentation
3. Planning and Zoning Board Member Applications
4. National League of Cities Service Line Warranty Marketing Agreement
5. PRM By-Laws
6. Resolution 2025-12 Legislative Priorities for 2026-2027
7. Resolution 2025-13 Required Administrative Approval of Final Plats
8. Hogan Street Right of Way
9. Deed of ROW on S 1st Ave from Bay Street Holdings LLC to City of Wauchula
10. RFP 25-01 Lease for 723 Green Street Property
11. Mosaic Reclaimed Water Agreement Extension
12. Resolution 2025-14 FAA Grant Agreement (Expand Fuel Farm - Design)
13. Quarterly Financial Report
14. September Workshop and Budget Hearing Discussion

### **CITY ATTORNEY REPORTS**

### **CITY MANAGER REPORT**

### **CITY COMMISSIONER REPORTS**

### **CLOSE COMMISSION WORKSHOP**

### **OPEN CRA WORKSHOP**

15. RFP CRA 24-04 Award Recommendation

### **REMINDERS**

## ADJOURNMENT

**CITY OF WAUCHULA, FLORIDA**  
**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2024**

**CITY OF WAUCHULA, FLORIDA  
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**

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**CITY OF WAUCHULA, FLORIDA  
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**

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City of Wauchula, Florida  
Principal City Officials

September 30, 2024

**CITY COMMISSION**

Richard Nadaskay, Jr., Mayor  
Neda Cobb, Mayor Pro-Tem  
Sherri Albritton, Commissioner  
Gary Smith, Commissioner  
Russell Graylin Smith, Commissioner

**CITY MANAGER**

Olivia Minshe

**DEPUTY CITY MANAGER**

John M. Eason

**FINANCE DIRECTOR**

Sandee Braxton

## INDEPENDENT AUDITOR'S REPORT

To the Honorable City Commission  
City of Wauchula, Florida

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wauchula, Florida (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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

#### ***Required Supplementary Information***

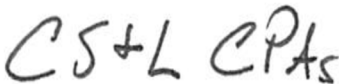
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis; budgetary comparison information; schedules of changes in net pension liability and related ratios, contributions, notes to required supplementary information, annual money-weighted rate of return on investments; schedules of changes in the City's net other post-employment benefit liability and related ratios, contributions, and investment returns as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying other supplementary information as listed in the table of contents, and the schedule of expenditures of federal awards and state financial assistance as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Florida Single Audit Act and 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 other supplementary information and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 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.



CS&L CPAs, P.A.

June 16, 2025  
Bradenton, Florida



## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Wauchula, Florida (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with the basic financial statements.

### Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$60,162,986 (net position).
- The government's total net position increased by \$12,492,109 during the year.
- The net post-employment benefit plan liability recognized under GASB Statement No. 75, *Financial Reporting and Accounting for Post-employment Benefit Plans Other Than Pensions* continues to impact the City. The net OPEB liability at year end is \$3,824,579, which decreased \$631,332 over prior year. The liability is based on an actuarially calculated amount. During 2016, the City established an Other Post-employment Benefit (OPEB) Trust Fund to reduce the related liability over time. At September 30, 2024, the trust fund balance was \$704,965.
- As of the close of the current fiscal year, the City's governmental funds reported ending fund balances of \$4,642,793, an increase of \$1,143,444 in comparison with the prior year. Of this amount, unassigned fund balance represents \$2,718,249.

### Overview of the Financial Statements

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

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

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported in a manner similar to the approach used by private-sector business in that revenues are recognized when earned or established criteria are satisfied and expenses reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the year and expenses are reported even though they may not have used cash during the current fiscal year.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the City include general government, police department, highways and streets and culture/recreation. The business-type activities of the City include the electric, water, sewer, and sanitation services, as well as the airport operations.

The government-wide financial statements can be found on pages 11 and 12 of this report.

**Fund financial statements:** Funds are a group of self-balancing accounts. Funds are used to account for specific activities of the City. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**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 governmental funds used by the City are the general fund and a special revenue fund. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund and special revenue fund.

The City adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the budget.

The basic governmental fund financial statements, including reconciliations, can be found on pages 13 through 16 of this report.

**Proprietary funds:** The City utilizes enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City's enterprise funds consist of the electric, water and sewer fund, airport fund, and the sanitation fund.

The basic proprietary fund financial statements can be found on pages 17 through 20 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 statements because the resources of those funds are not available to support the City's own programs.

The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 21 and 22 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 should be read in conjunction with the financial statements.

**Other information:** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's general fund and special revenue fund budgetary comparisons, as well as pension and other post-employment benefits information. Required supplementary information is listed in the table of contents.

### **Government-wide Financial Analysis**

The following table presents a condensed statement of net position as of September 30, 2024 with comparative totals as of September 30, 2023.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 8,983,717	\$ 7,083,667	\$ 14,709,950	\$ 14,594,394	\$ 23,693,667	\$ 21,678,061
Capital assets (net of depreciation)	14,151,199	12,729,137	38,480,744	28,555,965	52,631,943	41,285,102
Total assets	23,134,916	19,812,804	53,190,694	43,150,359	76,325,610	62,963,163
Deferred outflows of resources	2,052,300	2,777,090	2,127,492	2,768,415	4,179,792	5,545,505
Long-term liabilities outstanding						
Debt	73,313	125,044	3,176,537	2,805,843	3,249,850	2,930,887
Lease liability	5,280	9,416	-	36,688	5,280	46,104
Compensated absences	230,439	216,227	198,986	227,499	429,425	443,726
OPEB liability	1,896,730	2,252,522	1,927,849	2,203,389	3,824,579	4,455,911
	2,205,762	2,603,209	5,303,372	5,273,419	7,509,134	7,876,628
Other liabilities	1,612,382	2,136,024	3,341,811	4,498,822	4,954,193	6,634,846
Total liabilities	3,818,144	4,739,233	8,645,183	9,772,241	12,463,327	14,511,474
Deferred inflows of resources	4,329,897	3,641,283	3,549,192	2,685,034	7,879,089	6,326,317
Net position:						
Net investment in capital assets	14,077,628	12,603,518	33,916,159	25,494,678	47,993,787	38,098,196
Restricted	1,905,434	1,126,738	2,023,328	2,020,186	3,928,762	3,146,924
Unrestricted	1,056,113	479,122	7,184,324	5,946,635	8,240,437	6,425,757
<b>Total Net Position</b>	<b>\$ 17,039,175</b>	<b>\$ 14,209,378</b>	<b>\$ 43,123,811</b>	<b>\$ 33,461,499</b>	<b>\$ 60,162,986</b>	<b>\$ 47,670,877</b>

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, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$60,162,986 at the close of September 30, 2024.

The City's net position include net investment in capital assets of \$47,993,787, which reflect its capital assets (e.g., land, buildings and improvements in infrastructure, machinery, and equipment), net of depreciation, less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position, \$3,928,762, represents resources that are subject to external restrictions on how they may be used. The balance of *unrestricted net position* is \$8,240,437.



The following is a summary of the changes in net position for the year ended September 30, 2024, with comparative totals for the year ended September 30, 2023.

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Revenues:						
Program Revenues:						
Charges for services	\$ 293,123	\$ 320,312	\$ 13,086,686	\$ 13,410,755	\$ 13,379,809	\$ 13,731,067
Operating grants and contributions	93,116	115,602	-	698,728	93,116	814,330
Capital grants and contributions	2,046,997	1,150,102	9,511,155	9,547,123	11,558,152	10,697,225
General revenues:						
Taxes	3,523,917	3,280,709	-	-	3,523,917	3,280,709
Transfers	1,966,821	1,786,000	(1,966,821)	(1,786,000)	-	-
Other	92,959	193,057	456,519	995,807	549,478	1,188,864
Total revenues	8,016,933	6,845,782	21,087,539	22,866,413	29,104,472	29,712,195
Expenses:						
General government	2,167,553	1,987,490	-	-	2,167,553	1,987,490
Police department	1,863,082	2,081,730	-	-	1,863,082	2,081,730
Highways and streets	563,439	531,033	-	-	563,439	531,033
Culture and recreation	588,500	513,556	-	-	588,500	513,556
Interest on long-term debt	4,562	6,399	-	-	4,562	6,399
Water	-	-	1,540,621	1,650,701	1,540,621	1,650,701
Sewer	-	-	1,808,822	1,950,345	1,808,822	1,950,345
Electric	-	-	6,402,505	7,738,513	6,402,505	7,738,513
Airport	-	-	689,000	717,612	689,000	717,612
Sanitation	-	-	984,279	862,460	984,279	862,460
Total expenses	5,187,136	5,120,208	11,425,227	12,919,631	16,612,363	18,039,839
Change in Net Position	2,829,797	1,725,574	9,662,312	9,946,782	12,492,109	11,672,356
Net Position - Beginning	14,209,378	12,483,804	33,461,499	23,514,717	47,670,877	35,998,521
<b>Net Position - Ending</b>	<b>\$ 17,039,175</b>	<b>\$ 14,209,378</b>	<b>\$ 43,123,811</b>	<b>\$ 33,461,499</b>	<b>\$ 60,162,986</b>	<b>\$ 47,670,877</b>

**Governmental activities:** Governmental activities increased the City's net position by \$2,829,797. Compared to the prior year, revenues increased \$1,171,151, primarily due to increases in capital grants and contributions of \$896,895 and taxes of \$243,208. Expenses increased over the prior year by \$66,928.

**Business-type activities.** Business-type activities decreased the City's net position by \$9,662,312. Revenues decreased by \$1,778,874. Charges for services decreased by \$324,069 and operating and capital grants and contributions decreased by \$734,696. Additionally, the City received hurricane related insurance settlements during 2023 of approximately \$850,000 which decreased by approximately \$664,000 in 2024.

Expenses decreased by \$1,494,404 compared to the prior year. The decrease was largely due to decreased purchased power needs which decreased the expense by \$1,217,789.

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

As of the end of the current fiscal year, the City's general fund reported an ending fund balance of \$2,796,211, an increase of \$369,035 in comparison with the prior year. \$2,718,249 of total fund balance constitutes unassigned fund balance. The remainder of fund balance is either non-spendable for inventory or restricted to indicate that it is not available for new spending because it has already been restricted for the police department, culture/recreation, and storm disaster.

Activity during the current fiscal year included the following key components:

- Total general fund revenues increased by \$219,880 as a result of an increase in taxes of \$137,375 and grant revenues of \$76,395.
- The general fund expenditures increased by \$441,912 due mainly to increases in general government expenditures of \$154,613, culture/recreation of \$110,841, and capital outlay largely related to grants of \$83,202.

As of the end of the current fiscal year, the City's special revenue fund (CRA) reported an ending fund balance of \$1,846,582, an increase of \$774,409 from the prior year. All of the fund balance is restricted to activities of the Community Redevelopment Agency. Total revenues increased \$874,640 as a result of an increase in grants of \$798,014 and taxes of \$116,472. Expenditures decreased \$371,806 due to capital outlay related to projects within the CRA area.

**Proprietary funds.** The City's proprietary funds provide the same type of information found in the business-type activities of the government-wide financial statements, but in more detail. See the discussions above for the business-type activities.

**Fiduciary funds.** The City's pension trust include defined benefit pension plans and the OPEB trust fund. At year end, assets totaled \$29,754,692, which is an increase from the prior year of \$4,609,004. This was mainly due to market results in 2024 compared to 2023. For more information on these plans see Notes 4 and 5.

## **Governmental Fund Budgetary Highlights**

### **General Fund**

The original budgeted revenues were \$2,987,111, which were amended to \$3,701,074. The increase was related to expected grant revenues. The original budgeted expenditures were \$4,493,442, which were amended to \$5,207,405. The increase was related largely to capital outlay based on expected grant revenues. Total other financing sources (uses) were budgeted at \$1,506,331 and were not amended.

Actual revenues were greater than budgeted revenues by \$266,837 which was largely due to investment income. Actual expenditures were less than budget by \$67,119 due to general capital outlay being less than anticipated by \$75,455. Actual other financing sources were \$35,079 greater than budgeted.

### **Special Revenue Fund**

The original budgeted revenues of the CRA were \$4,883,994 and were not amended during the year. Original budgeted expenditures also \$6,344,652 and were not amended during the year. The budgeted difference were other financing sources of \$1,460,658, which were not amended during the year.

Actual revenues were under budget by \$2,725,592 due to grant revenues that were not realized in the current year. Similarly, actual expenditures were less than budgeted by \$3,897,258 due mainly to grant related capital outlay expenditures. Transfers in/out were less than the original and final budget by \$397,257.

### **Capital Assets and Debt Administration**

**Capital assets.** The City's capital assets for its governmental-type and business-type activities as of September 30, 2024, amounted to \$52,631,943 (net of accumulated depreciation). Capital assets includes land, buildings and improvements, electrical distribution system, sewer system improvements, water system improvements, machinery and equipment, and construction in progress.

#### **Capital Assets (Net of Depreciation)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Land	\$ 731,652	\$ 731,652	\$ 1,184,493	\$ 1,184,493	\$ 1,916,145	\$ 1,916,145
Building and improvements	11,164,028	6,523,375	7,382,029	2,453,865	18,546,057	8,977,240
Electrical distribution system	-	-	3,150,250	1,568,614	3,150,250	1,568,614
Water system improvements	-	-	8,925,487	9,549,170	8,925,487	9,549,170
Machinery and equipment	1,120,224	1,052,695	2,654,878	2,426,262	3,775,102	3,478,957
Construction in progress	1,135,295	4,421,415	15,183,607	11,373,561	16,318,902	15,794,976
Total	<b>\$ 14,151,199</b>	<b>\$ 12,729,137</b>	<b>\$ 38,480,744</b>	<b>\$ 28,555,965</b>	<b>\$ 52,631,943</b>	<b>\$ 41,285,102</b>

Additional information on the City's capital assets can be found in note 3.

**Long-Term Debt.** At the end of the current fiscal year, the City had total long-term debt outstanding of \$3,255,130. The City's debt represents bonds and revenue notes secured solely by specified revenue sources, as well as notes payable and lease liabilities.

#### **Long-Term Debt**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Bonds payable (net of deferred charges)	\$ -	\$ -	\$ 1,220,000	\$ 1,449,000	\$ 1,220,000	\$ 1,449,000
Notes payable	73,313	125,044	1,956,537	1,356,843	2,029,850	1,481,887
Lease liabilities	5,280	9,416	-	36,688	5,280	46,104
Total	<b>\$ 78,593</b>	<b>\$ 134,460</b>	<b>\$ 3,176,537</b>	<b>\$ 2,842,531</b>	<b>\$ 3,255,130</b>	<b>\$ 2,976,991</b>

Additional information on the City's long-term debt can be found in note 3.

### ***Economic Factors and Next Year's Budgets and Rates***

The following factors were considered in preparing the City of Wauchula's budget for the 2025 fiscal year:

- An increase in taxable assessed values of over 10% generating \$96,359 in additional ad valorem revenue
- The property tax millage rate will be the roll-back rate at 5.186 mills in 2025
- Annual indexing of rates for solid waste services
- Year 1 of 5-year plan increasing water and sewer rates
- Year 3 of a 3-year plan increasing electric rates
- The City of Wauchula is restricted in assessing ad valorem tax on only 52% of total property values. Due to government, educational, hospital and other tax-exempt entity property owners, 48% of the properties included in the City limits are not assessed property taxes. Ad valorem tax revenues collected and spent in the General Fund provide only 20% of the monies needed to operate the police department, maintain roads, streets, parks, code enforcement, community redevelopment needs, and other administrative expenses budgeted in the general fund.

With the previous factors considered, the City of Wauchula's budgeted revenue and expenditures for the fiscal year ending September 30, 2025 are \$23,649,655. The total budget for the previous fiscal year end September 30, 2024 was \$25,938,761. The transfer amount to the general fund increased by just under \$16,000 for the budget year 2024-25. There are no discernible or detectable deficiencies reported in level of services provided to the City of Wauchula customers while maintaining the level of this traditionally significant transfer.

#### **Pension and OPEB (Other Post-Employment Benefits)**

Both General Employee and Police Pension Funds experienced an increase in portfolio balances at fiscal year-end September 30, 2024. The balances are \$24,975,443 and \$3,953,037 respectively. Contributions to the General Fund Employee Pension Fund are from employees and the City (employer) as well as the profits from investment strategies in the fund's portfolio. The contributions to the Police Pension Fund are from the Casualty Loss Premium Tax payment from the state and profitable investment strategies in the pension fund's portfolio.

Although there is currently no requirement to fund the OPEB liability, the City has decided to divert funds, when budget allows, to this fund to begin to reduce the unfunded liability. The only contributions to the OPEB trust at this time are employer contributions from the City. The City contributed \$139,323 to the OPEB trust in fiscal year 2023-2024. During fiscal year 2019-2020 the City began using the funds in the OPEB trust to pay retiree benefits. The total disbursed for 2023-2024 fiscal year was \$142,396. Including gains and the prior year balance, the OPEB trust has a funded balance of \$704,965 as of September 30, 2024.

In order to maintain the funding status of the General Employee Pension Plan at 96%, the annual required contribution computed by Southern Actuarial Services will be 9.34% for fiscal year 2025. 0% will be deposited into the OPEB trust fund.

#### **Requests for Information**

This financial report is designed to provide a general overview of the City of Wauchula, Florida 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 City of Wauchula, 126 South 7<sup>th</sup> Avenue, Wauchula, Florida 33873.

CITY OF WAUCHULA, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2024

Item # 2.

	Governmental Activities	Business-type Activities	Total Activities
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,514,298	\$ 2,569,667	\$ 5,083,965
Receivables, net	273,707	2,014,792	2,288,499
Due from other governments	1,475,615	3,957,255	5,432,870
Inventory	19,110	1,148,316	1,167,426
Restricted assets:			
Cash	1,972,445	3,164,848	5,137,293
Net pension assets	1,825,129	1,855,072	3,680,201
Lease interest receivables	2,240	-	2,240
Lease receivables	896,151	-	896,151
Right-to-use assets	5,022	-	5,022
Capital assets (net of accumulated depreciation)			
Land	731,652	1,184,493	1,916,145
Buildings and improvements	11,164,028	7,382,029	18,546,057
Electrical distribution system	-	3,150,250	3,150,250
Water system improvements	-	8,925,487	8,925,487
Machinery and equipment	1,120,224	2,654,878	3,775,102
Construction in progress	1,135,295	15,183,607	16,318,902
<b>Total Assets</b>	<b>23,134,916</b>	<b>53,190,694</b>	<b>76,325,610</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of pension resources	1,439,359	1,462,974	2,902,333
Deferred outflows related to OPEB	612,941	622,998	1,235,939
Deferred charge on refunding of debt	-	41,520	41,520
<b>Total Deferred Outflows of Resources</b>	<b>2,052,300</b>	<b>2,127,492</b>	<b>4,179,792</b>
<b>LIABILITIES</b>			
Accounts payable and other current liabilities	278,479	2,182,723	2,461,202
Accrued interest	-	17,568	17,568
Rate stabilization funds	-	353,564	353,564
Unearned revenue	1,333,903	-	1,333,903
Liabilities payable from restricted assets	-	787,956	787,956
Noncurrent liabilities:			
Due within one year	229,080	529,732	758,812
Due in more than one year	1,976,682	4,773,640	6,750,322
<b>Total Liabilities</b>	<b>3,818,144</b>	<b>8,645,183</b>	<b>12,463,327</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of pension earnings	2,177,886	2,213,617	4,391,503
Deferred inflows related to OPEB	1,314,015	1,335,575	2,649,590
Lease-related inflows of resources	837,996	-	837,996
<b>Total Deferred Inflows of Resources</b>	<b>4,329,897</b>	<b>3,549,192</b>	<b>7,879,089</b>
<b>NET POSITION</b>			
Net investment in capital assets	14,077,628	33,916,159	47,993,787
Restricted	1,905,434	2,023,328	3,928,762
Unrestricted	1,056,113	7,184,324	8,240,437
<b>Total Net Position</b>	<b>\$ 17,039,175</b>	<b>\$ 43,123,811</b>	<b>\$ 60,162,986</b>

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

CITY OF WAUCHULA, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Item # 2.

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
General government	\$ 2,167,553	\$ 90,028	\$ -	\$ 326,725
Police department	1,863,082	74,466	88,506	-
Highways and streets	563,439	127,545	4,610	209,371
Culture and recreation	588,500	1,084	-	1,510,901
Interest on long-term debt	4,562	-	-	-
Total Governmental activities	<u>5,187,136</u>	<u>293,123</u>	<u>93,116</u>	<u>2,046,997</u>
<b>Business-type activities:</b>				
Electric	6,402,505	7,343,937	-	643,406
Water	1,540,621	1,415,966	-	2,547,916
Sewer	1,808,822	2,575,699	-	4,573,072
Airport	689,000	257,009	-	1,746,761
Sanitation	984,279	1,494,075	-	-
Total Business-type activities	<u>11,425,227</u>	<u>13,086,686</u>	<u>-</u>	<u>9,511,155</u>
<b>Total government</b>	<u><b>\$ 16,612,363</b></u>	<u><b>\$ 13,379,809</b></u>	<u><b>\$ 93,116</b></u>	<u><b>\$ 11,558,152</b></u>

**General revenues:**

Property taxes  
Franchise taxes  
Local option gas tax  
Hardee County TIF  
One cent sales tax  
Sales tax  
Other state revenue sharing  
Unrestricted investment earnings  
Other revenues (expense)  
Total general revenues  
Transfers  
Total general revenues and transfers  
Change in net position

Net Position – beginning

Net Position – ending

**Net (expense) Revenue and  
changes in Net Position**

<b>Governmental Activities</b>	<b>Business –type Activities</b>	<b>Total</b>
\$ (1,750,800)	\$ –	\$ (1,750,800)
(1,700,110)	–	(1,700,110)
(221,913)	–	(221,913)
923,485	–	923,485
(4,562)	–	(4,562)
<u>(2,753,900)</u>	<u>–</u>	<u>(2,753,900)</u>
–	1,584,838	1,584,838
–	2,423,261	2,423,261
–	5,339,949	5,339,949
–	1,314,770	1,314,770
–	509,796	509,796
–	<u>11,172,614</u>	<u>11,172,614</u>
<u>(2,753,900)</u>	<u>11,172,614</u>	<u>8,418,714</u>
917,387	–	917,387
641,043	–	641,043
118,204	–	118,204
779,010	–	779,010
558,840	–	558,840
223,826	–	223,826
285,607	–	285,607
144,897	94,523	239,420
(51,938)	<u>361,996</u>	<u>310,058</u>
<u>3,616,876</u>	<u>456,519</u>	<u>4,073,395</u>
<u>1,966,821</u>	<u>(1,966,821)</u>	<u>–</u>
<u>5,583,697</u>	<u>(1,510,302)</u>	<u>4,073,395</u>
<u>2,829,797</u>	<u>9,662,312</u>	<u>12,492,109</u>
14,209,378	33,461,499	47,670,877
<u>\$ 17,039,175</u>	<u>\$ 43,123,811</u>	<u>\$ 60,162,986</u>

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

CITY OF WAUCHULA, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2024

Item # 2.

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,514,298	\$ -	\$ 2,514,298
Accounts receivables (net of allowance)	58,345	-	58,345
Other receivables	28,862	186,500	215,362
Due from other governmental units	330,328	1,145,287	1,475,615
Inventory	19,110	-	19,110
Restricted Assets:			
Cash and cash equivalents	1,222,755	749,690	1,972,445
Total assets	<u>\$ 4,173,698</u>	<u>\$ 2,081,477</u>	<u>\$ 6,255,175</u>
<b>LIABILITIES</b>			
Liabilities:			
Accounts payable	\$ 175,384	\$ 63,507	\$ 238,891
Accrued expenses	38,200	1,388	39,588
Unearned revenue	1,163,903	170,000	1,333,903
Total liabilities	<u>1,377,487</u>	<u>234,895</u>	<u>1,612,382</u>
<b>FUND BALANCES:</b>			
Non-spendable	19,110	-	19,110
Spendable:			
Restricted	58,852	1,846,582	1,905,434
Unassigned	2,718,249	-	2,718,249
Total fund balances	<u>2,796,211</u>	<u>1,846,582</u>	<u>4,642,793</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,173,698</u>	<u>\$ 2,081,477</u>	<u>\$ 6,255,175</u>

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



CITY OF WAUCHULA, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2024

Item # 2.

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

Fund Balance – Governmental Fund	\$ 4,642,793
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	14,151,199
Lease assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds.	
Lease interest receivables	2,240
Lease receivables	896,151
Right-to-use assets	5,022
Long-term liabilities, including notes payable, compensated absences, and other post-employment benefits are not due and payable in the current period and therefore are not reported in the funds.	
Notes payable from direct borrowings	(73,313)
Lease liability	(5,280)
Compensated absences	(230,439)
Other postemployment benefits (OPEB)	(1,896,730)
Long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds. This amount represents net pension assets.	1,825,129
Deferred outflows of resources related to the pension plan do not utilize current financial resources and, therefore are not reported in the funds.	1,439,359
Deferred inflows of resources related to the pension plan are not available current financial resources and, therefore are not reported in the funds.	(2,177,886)
Deferred outflows of resources related to the OPEB plan do not utilize current financial resources and, therefore are not reported in the funds.	612,941
Deferred inflows of resources related to the OPEB plan are not available current financial resources and, therefore are not reported in the funds.	(1,314,015)
Deferred inflows of resources related to the lease are not available current financial resources and, therefore are not reported in the funds.	(837,996)
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 17,039,175</u></b>

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

CITY OF WAUCHULA, FLORIDA  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>REVENUES</b>			
Taxes	\$ 1,676,634	\$ 779,010	\$ 2,455,644
Charges for services	173,301	-	173,301
Fines and forfeitures	70,318	-	70,318
Intergovernmental revenue	1,068,273	-	1,068,273
Interest	108,357	36,540	144,897
Licenses and permits	12,390	-	12,390
Grant revenue	797,372	1,342,741	2,140,113
Miscellaneous revenues	61,266	111	61,377
Total Revenues	<u>3,967,911</u>	<u>2,158,402</u>	<u>6,126,313</u>
<b>Expenditures:</b>			
Current:			
General government	1,552,701	413,718	1,966,419
Police department	1,844,824	-	1,844,824
Highways and streets	300,592	-	300,592
Culture/recreation	507,798	-	507,798
Capital outlay	878,078	2,033,676	2,911,754
Debt service:			
Principal retirement	51,731	-	51,731
Interest	4,562	-	4,562
Total Expenditures	<u>5,140,286</u>	<u>2,447,394</u>	<u>7,587,680</u>
<b>Excess (deficiency) of Revenues (Under) Over Expenditures</b>	<u>(1,172,375)</u>	<u>(288,992)</u>	<u>(1,461,367)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from sale of capital assets	35,285	602,705	637,990
Transfers in	1,966,821	460,696	2,427,517
Transfers out	(460,696)	-	(460,696)
Total Other Financing Sources (Uses)	<u>1,541,410</u>	<u>1,063,401</u>	<u>2,604,811</u>
Net Change in Fund Balances	369,035	774,409	1,143,444
<b>FUND BALANCE – Beginning</b>	<u>2,427,176</u>	<u>1,072,173</u>	<u>3,499,349</u>
<b>FUND BALANCE – Ending</b>	<u><u>\$ 2,796,211</u></u>	<u><u>\$ 1,846,582</u></u>	<u><u>\$ 4,642,793</u></u>

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

**CITY OF WAUCHULA, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

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

Net changes in fund balance – total governmental fund	\$ 1,143,444
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital additions recorded as expenditures in the governmental funds	2,911,754
Loss on disposal of capital assets	(733,315)
Depreciation expense	(756,377)
	<u>1,422,062</u>
Revenues in the statement of activities that do not provide current financial resources as they do not meet the availability criteria and are not reported as revenues in the funds.	
Change in lease interest receivables	(98)
Change in lease receivables	(39,156)
Change in lease-related inflows of resources	58,378
Change in unavailable revenue	(22,705)
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. This amount represents the change in the right-to-use asset.	(3,819)
The repayment of principal of long-term debt consumes current financial resources of governmental funds. However, the transaction has no effect on net position.	51,731
The repayment of lease liabilities consumes current financial resources of governmental funds. However, the transaction has no effect on net position. This amount represents the change in the lease liability.	4,136
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. This amount represents the change in other postemployment benefits.	111,438
The effects of long term accounts and pension resources do not provide current financial resources and as such are not recorded in the governmental funds.	118,598
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. This amount represents the change in compensated absences.	<u>(14,212)</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 2,829,797</u></b>

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

CITY OF WAUCHULA, FLORIDA  
STATEMENT OF NET POSITION – PROPRIETARY FUNDS  
SEPTEMBER 30, 2024

Item # 2.

	Business-Type Activities			Total Enterprise Funds
	Utility	Airport	Sanitation	
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 1,865,406	\$ 140,555	\$ 563,706	\$ 2,569,667
Receivables (net of allowance)	1,784,875	16,872	213,045	2,014,792
Due from other governments	3,529,183	428,072	-	3,957,255
Due from other funds	750,000	-	-	750,000
Inventory	1,074,209	37,800	36,307	1,148,316
Total current assets	9,003,673	623,299	813,058	10,440,030
Noncurrent Assets:				
Restricted:				
Cash and cash equivalents	3,164,848	-	-	3,164,848
Total restricted assets	3,164,848	-	-	3,164,848
Net Pension Asset	1,652,301	-	202,771	1,855,072
Capital Assets				
Land	230,084	954,409	-	1,184,493
Buildings and improvements	1,015,930	15,108,944	-	16,124,874
Electrical distribution system improvements	9,031,820	-	-	9,031,820
Water and sewer system Improvements	34,195,646	-	-	34,195,646
Machinery and equipment	5,683,497	510,278	1,669,540	7,863,315
Construction in progress	14,753,213	430,394	-	15,183,607
Less accumulated depreciation	(36,127,541)	(8,155,021)	(820,449)	(45,103,011)
Total capital assets (net)	28,782,649	8,849,004	849,091	38,480,744
Total noncurrent assets	33,599,798	8,849,004	1,051,862	43,500,664
<b>TOTAL ASSETS</b>	<b>42,603,471</b>	<b>9,472,303</b>	<b>1,864,920</b>	<b>53,940,694</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of pension resources	1,303,062	-	159,912	1,462,974
Deferred outflows related to OPEB	554,900	-	68,098	622,998
Deferred charge on refunding of debt	41,520	-	-	41,520
	1,899,482	-	228,010	2,127,492
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	2,030,373	13,224	52,815	2,096,412
Accrued expense	62,353	19,293	4,665	86,311
Compensated absences	124,772	-	24,467	149,239
Due to other funds	-	750,000	-	750,000
Rate stabilization funds	353,564	-	-	353,564
Total current liabilities	2,571,062	782,517	81,947	3,435,526
Current liabilities payable from restricted assets:				
Accrued interest payable	17,568	-	-	17,568
Customer deposits	787,956	-	-	787,956
Long-term debt payable – current	380,493	-	-	380,493
Total current liabilities payable from restricted assets	1,186,017	-	-	1,186,017
Noncurrent liabilities:				
Compensated absences	41,591	-	8,155	49,746
Net other post-employment benefits liability	1,717,124	-	210,726	1,927,850
Long-term debt payable	2,796,044	-	-	2,796,044
Total noncurrent liabilities	4,554,759	-	218,881	4,773,640
<b>TOTAL LIABILITIES</b>	<b>8,311,838</b>	<b>782,517</b>	<b>300,828</b>	<b>9,395,183</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of pension earnings	1,971,655	-	241,962	2,213,617
Deferred inflows related to OPEB	1,189,588	-	145,987	1,335,575
	3,161,243	-	387,949	3,549,192
<b>NET POSITION</b>				
Net investment in capital assets	24,218,064	8,849,004	849,091	33,916,159
Restricted	2,023,328	-	-	2,023,328
Unrestricted	6,788,480	(159,218)	555,062	7,184,324
<b>TOTAL NET POSITION</b>	<b>\$ 33,029,872</b>	<b>\$ 8,689,786</b>	<b>\$ 1,404,153</b>	<b>\$ 43,123,811</b>

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

CITY OF WAUCHULA, FLORIDA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Business – Type Activities			Total Enterprise Funds
	Utility	Airport	Sanitation	
<b>Operating Revenues:</b>				
Charges for services and fees				
Electric sales	\$ 7,343,937	\$ –	\$ –	\$ 7,343,937
Water sales	1,415,966	–	–	1,415,966
Sewer sales	2,575,699	–	–	2,575,699
Airport fuel	–	182,107	–	182,107
Hanger rental	–	74,902	–	74,902
Sanitation	–	–	1,494,075	1,494,075
<b>Total Operating Revenues</b>	<b>11,335,602</b>	<b>257,009</b>	<b>1,494,075</b>	<b>13,086,686</b>
<b>Operating Expenses:</b>				
Cost of sales and services				
Personal services	2,399,777	1,490	314,374	2,715,641
Other operating expenses	2,584,197	266,964	514,458	3,365,619
Purchased power	3,068,407	–	–	3,068,407
Amortization	24,443	–	–	24,443
Depreciation	1,625,830	420,546	155,447	2,201,823
<b>Total Operating Expenses</b>	<b>9,702,654</b>	<b>689,000</b>	<b>984,279</b>	<b>11,375,933</b>
<b>Operating Income (Loss)</b>	<b>1,632,948</b>	<b>(431,991)</b>	<b>509,796</b>	<b>1,710,753</b>
<b>Non-Operating Revenues (Expenses)</b>				
Capital grants and contributions	7,764,394	1,746,761	–	9,511,155
Interest income	67,695	417	26,411	94,523
Interest expense	(49,294)	–	–	(49,294)
Gain on disposal of capital assets	52,382	–	–	52,382
Other income (expense)	240,698	68,916	–	309,614
<b>Total Non-Operating Items</b>	<b>8,075,875</b>	<b>1,816,094</b>	<b>26,411</b>	<b>9,918,380</b>
<b>Income (Loss) Before Transfers</b>	<b>9,708,823</b>	<b>1,384,103</b>	<b>536,207</b>	<b>11,629,133</b>
<b>Transfers</b>				
Transfers in	–	421,740	–	421,740
Transfers out	(1,876,727)	–	(511,834)	(2,388,561)
<b>Net Transfers</b>	<b>(1,876,727)</b>	<b>421,740</b>	<b>(511,834)</b>	<b>(1,966,821)</b>
<b>Change In Net Position</b>	<b>7,832,096</b>	<b>1,805,843</b>	<b>24,373</b>	<b>9,662,312</b>
<b>Net Position – Beginning</b>	<b>25,197,776</b>	<b>6,883,943</b>	<b>1,379,780</b>	<b>33,461,499</b>
<b>Net Position – Ending</b>	<b>\$ 33,029,872</b>	<b>\$ 8,689,786</b>	<b>\$ 1,404,153</b>	<b>\$ 43,123,811</b>

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

CITY OF WAUCHULA, FLORIDA  
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Item # 2.

	Business – Type Activities			Total Enterprise Funds
	Utility	Airport	Sanitation	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users	\$ 11,131,956	\$ 241,598	\$ 1,474,769	\$ 12,848,323
Payments to suppliers	(7,379,678)	(1,138,399)	(488,030)	(9,006,107)
Payments to employees	(2,583,561)	(1,490)	(324,949)	(2,910,000)
<b>Net cash provided (used) by operating activities</b>	<b>1,168,717</b>	<b>(898,291)</b>	<b>661,790</b>	<b>932,216</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Advances (to) from other funds	967,500	(967,500)	–	–
Subsidy from other governments	54,957	–	–	54,957
Transfers in (out)	(1,876,727)	421,740	(511,834)	(1,966,821)
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(854,270)</b>	<b>(545,760)</b>	<b>(511,834)</b>	<b>(1,911,864)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Payment of interest	(46,754)	–	–	(46,754)
Payment of debt principal	(367,367)	–	–	(367,367)
Payment on leases	(36,688)	–	–	(36,688)
Capital grants proceeds received	8,053,967	3,432,488	–	11,486,455
Proceeds from sales of capital assets	52,382	–	–	52,382
Capital expenditures	(8,531,461)	(1,848,382)	(357,633)	(10,737,476)
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(875,921)</b>	<b>1,584,106</b>	<b>(357,633)</b>	<b>350,552</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest received on investments	67,695	417	26,411	94,523
<b>Net cash provided (used) by investing activities</b>	<b>67,695</b>	<b>417</b>	<b>26,411</b>	<b>94,523</b>
Net increase (decrease) in cash and cash equivalents	(493,779)	140,472	(181,266)	(534,573)
Cash and cash equivalents at beginning of year	5,524,033	83	744,972	6,269,088
<b>Cash and cash equivalents at end of year</b>	<b>\$ 5,030,254</b>	<b>\$ 140,555</b>	<b>563,706</b>	<b>\$ 5,734,515</b>
 Cash and cash equivalents	 \$ 1,865,406	 \$ 140,555	 \$ 563,706	 \$ 2,569,667
Restricted:				
Cash and cash equivalents	3,164,848	–	–	3,164,848
	<b>\$ 5,030,254</b>	<b>\$ 140,555</b>	<b>563,706</b>	<b>\$ 5,734,515</b>

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

CITY OF WAUCHULA, FLORIDA  
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Item # 2.

	Business – Type Activities			Total Enterprise Funds
	Utility	Airport	Sanitation	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>				
OPERATING INCOME (LOSS)	\$ 1,632,948	\$ (431,991)	\$ 509,796	\$ 1,710,753
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Amortization expense	24,443	–	–	24,443
Depreciation expense	1,625,830	420,546	155,447	2,201,823
Non cash pension (increase) decrease	(136,687)	–	(20,850)	(157,537)
Non cash OPEB expense (increase) decrease	(18,818)	–	9,099	(9,719)
(Increase) decrease in assets:				
Accounts receivable	(259,758)	(15,411)	(19,306)	(294,475)
Inventory	(225,836)	(10,005)	4,923	(230,918)
Increase (decrease) in liabilities:				
Accounts payable	(1,513,599)	(865,755)	21,505	(2,357,849)
Accrued expenses	12,361	4,325	1,411	18,097
Customer deposits	56,112	–	–	56,112
Compensated absences	(28,279)	–	(235)	(28,514)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ 1,168,717</b>	<b>\$ (898,291)</b>	<b>\$ 661,790</b>	<b>\$ 932,216</b>

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

CITY OF WAUCHULA, FLORIDA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
SEPTEMBER 30, 2024

Item # 2.

	<b>Pension Trust Funds</b>
<b>ASSETS</b>	
Cash	\$ 72
Investments	29,625,753
Employer receivables	115,462
Employee receivables	13,405
	<hr/>
<b>TOTAL ASSETS</b>	<b>29,754,692</b>
	<hr/>
<b>NET POSITION</b>	
Held in trust for pension benefits	29,049,727
Restricted for post-employment benefits other than pension	704,965
	<hr/>
	<b>\$ 29,754,692</b>
	<hr/>

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



CITY OF WAUCHULA, FLORIDA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Item # 2.

	<b>Pension Trust Funds</b>
<b>ADDITIONS</b>	
<b>Contributions:</b>	
Employer	\$ 571,933
Plan members	361,678
Other income	63,065
<b>Total Contributions</b>	<u>996,676</u>
<b>Investment earnings:</b>	
Net increase in the fair value of investments	4,938,180
<b>Total Investment Earnings</b>	<u>4,938,180</u>
<b>Total Additions</b>	<b>5,934,856</b>
 <b>DEDUCTIONS</b>	
Pension benefits paid	1,117,456
OPEB refunds	142,396
Administrative expenses	66,000
<b>Total Deductions</b>	<u>1,325,852</u>
 <b>Change in Net Position</b>	 4,609,004
 <b>Net Position – Beginning</b>	 <u>25,145,688</u>
 <b>Net Position – Ending</b>	 <u><u>\$ 29,754,692</u></u>

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

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**REPORTING ENTITY**

The City of Wauchula, Florida (the City) was incorporated May 22, 1907, by the laws of Florida 1907, Chapter 5864. The City operates under a City Manager form of government and provides the following services as authorized by its charter: public safety (police), highway and streets, sanitation, health and social services, culture and recreation, education, public improvements, planning and zoning, electric and water systems, and general administrative services.

The City, for financial purposes, includes all of the funds and account groups relevant to the operations of the City of Wauchula, Florida. The Wauchula Municipal Airport Authority is considered a part of the primary government, as the City retains the corporate powers of the Authority. The operations of the Airport Authority are included in an enterprise fund. The City has established a Community Redevelopment Agency (CRA). The City Commission is the governing board of the CRA. As such, the CRA is considered part of the primary government. It is included in these financial statements as a special revenue fund. The CRA is responsible for carrying out the rehabilitation, conservation, and redevelopment of the Community Redevelopment Program. Unspent balances at year-end are included in restricted fund balance. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the City.

The financial statements of the City include those of separately administered organizations that are controlled by or dependent on the City. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board. No other potential component units exist.

The accounting policies of the City of Wauchula conform to U.S. generally accepted accounting principles (GAAP) as applicable to governments.

**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 non-fiduciary activities of the City. For the most part, the effect of inter-fund activity has been removed from these statements. Government-wide financial statements include a statement of net position and a statement of activities. The statement of net position reports all financial and capital resources of the City's governmental and business-type activities. It is presented in a net position format (assets and deferred outflows less liabilities and deferred inflows equal net position) and shown with three components: net investment in capital assets, restricted net position and unrestricted net position. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds, proprietary funds, and fiduciary funds. All governmental and enterprise funds are considered major funds and are presented 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 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 taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's business-type activities and governmental activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's utility fund, sanitation fund and airport fund are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for 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 non-operating revenues and expenses.

The City reports the following fund types:

**Governmental Funds**

**General Fund**

The general fund is the City's general operating fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges, and the budgeted capital improvement and debt service costs not paid through other funds.

**Special Revenue Fund**

The special revenue fund is used to account for the revenues and expenditures of the CRA, which are restricted for rehabilitation, conservation, and redevelopment of the Community Redevelopment Program.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION – CONTINUED**

**Proprietary Funds**

The proprietary funds are used to account for the operation of the City's electric, water, sewer, sanitation and airport operations. Proprietary Funds are used for activities a) that are financed with debt secured solely by a pledge of the net revenues from fees and charges of the activity, b) if laws and regulations require that the activity's costs of providing services, including capital costs, be recovered with fees and charges, rather than with taxes or similar revenues, or c) the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs. The City reports the following proprietary funds:

**Utility Fund**

The utility fund accounts for the operation of the City's electric, water, and sewer system.

**Sanitation Fund**

The sanitation fund accounts for the activities of the City's garbage operations.

**Airport Fund**

The airport fund accounts for the activities of the City's airport authority.

**Fiduciary Funds**

**Trust Funds**

Trust funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, other governments, and/or other funds. These include pension and OPEB trust funds. Pension and OPEB trust funds are accounted for essentially the same as a proprietary fund since capital maintenance is critical. The City uses Fiduciary Funds for the City of Wauchula – Employee Pension Plan, the City of Wauchula Police Pension Trust Fund and the OPEB Trust Fund.

**CASH AND INVESTMENTS**

The City invests in certificates of deposit and short-term investments such as money market accounts. All cash and investment accounts are with financial institutions qualified under laws and regulations of the State of Florida. Deposits whose values exceeded the limits of Federal depository insurance were entirely insured or collateralized pursuant to Chapter 280 of the Florida Statutes. The City does not have a formal investment policy that limits its exposure to fair value losses arising from increasing interest rates. However, at September 30, 2024, the City had only time deposits, demand deposits and short-term money market accounts.

State statutes section 218.415 authorizes the City to invest its surplus public funds in the following:

- Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized through the Florida Inter-local Cooperation Act.
- S.E.C. registered money market funds with the highest credit equality rating from a nationally recognized rating company.
- Interest bearing time deposits or savings accounts in state-certified Qualified Public Depositories as defined in Section 280.02 Florida Statutes.
- Direct Obligations of the U.S. Treasury.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**FAIR VALUE**

The City uses fair value measurements to record fair value adjustments to certain assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for certain assets or liabilities. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the asset or liability.

Fair value measurements focus on exit prices in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate.

In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires the use of significant judgment.

The three categories within the hierarchy are as follows:

**Level 1:** Quoted prices in active markets for identical assets and liabilities.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in markets that are not active, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, and market-corroborated inputs.

**Level 3:** Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgement.

**CASH AND CASH EQUIVALENTS**

For the purposes of the statement of cash flows all checking, savings, money market investments and any cash held with a fiscal agent are considered to be cash and cash equivalents. The City's policy is to consider all certificates of deposit to be investments.

**INVENTORIES**

Inventories are stated on a basis, which approximates cost determined by the first-in, first-out method. A physical count is completed annually. Inventory in the general fund consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are requisitioned by the operating department.

**RECEIVABLES AND PAYABLES**

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

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**RECEIVABLES AND PAYABLES – CONTINUED**

All trade receivables are shown net of allowance for doubtful accounts. At September 30, 2024 the reserve for bad debts in the general fund was \$5,702, the utility fund was \$151,453, the airport fund was \$2,295 and the sanitation fund was \$28,389.

**CAPITAL ASSETS**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, 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 government as assets with an initial, individual cost of more than \$5,000 and an estimated life of greater than one year. If purchased or constructed, assets are reported at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The City has elected to report general infrastructure assets on a prospective basis only.

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

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20 – 50
Machinery and equipment	5 – 15
Electrical distribution system	20 – 50
Water system improvements	20 – 50

**DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Three items qualify for reporting in this category. The deferred charge on refunding is reported in the government-wide and proprietary fund statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. In addition, a deferred outflow of pension resources and OPEB resources are reflected in the government-wide and proprietary fund statement of net position.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items that qualifies for reporting in this category. A deferred inflow of pension earnings and OPEB resources are reported in the government-wide and proprietary fund statement of net position. Additionally, lease-related inflows of resources are reported in the government-wide statement of net position.

On the governmental funds' balance sheet, unavailable revenue is also classified as deferred inflows of resources. This represents funds which did not meet the availability criteria under the modified accrual basis of accounting and therefore are considered to be deferred charges until available. There was not unavailable revenue as of September 30, 2024.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**COMPENSATED ABSENCES**

The City's personnel policy provides for the payment of accrued vacation, sick and comp time pay upon separation of its employees. A liability for this amount is recorded in the government-wide and proprietary fund financial statements. A liability for these amounts is recorded in the governmental funds only if they have matured. Liquidation of these liabilities is made through either the general fund or the utility fund.

**LONG-TERM OBLIGATIONS**

In the government-wide financial statements and proprietary 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. Debt issuance cost are recognized as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as debt issuance costs, during the period incurred. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

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

**NET POSITION**

The elements of net position are reported in three parts as applicable: net investment in capital assets, restricted and unrestricted. When both restricted and unrestricted resources are available, restricted resources are used first, and then unrestricted resources, as they are needed.

**FUND BALANCE**

The City follows Governmental Accounting Standards Board (GASB) Statement 54. GASB 54 established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications are non-spendable and spendable. Spendable is then further classified as restricted, committed, assigned, and unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the general fund. The general fund should be the only fund that reports a positive unassigned balance.

The City classified governmental fund balances are as follows:

Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Spendable Fund Balance:

- Restricted – includes amounts that can be spent only for specific purposes because of State or Federal laws or enabling legislation, or which are externally restricted by providers, such as creditors or grantors.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**FUND BALANCE – CONTINUED**

- Committed – includes amounts that can be spent only for specific purposes that are approved by a formal action of the City Commissioners through a resolution or the budget process.
- Assigned – includes amounts designated for a specific purpose by the City Commissioners through a resolution or the budget process, which are neither restricted nor committed.
- Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City uses restricted amounts first when both restricted and unrestricted fund balance are available, unless there are legal documents or contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made. The City does have a formal minimum fund balance policy to maintain general fund reserves at a minimum of 17% of general fund operating expenditure appropriations.

	<b>General Fund</b>	<b>CRA Fund</b>	<b>Totals</b>
Non-spendable			
Inventory	\$ 19,110	\$ –	\$ 19,110
Total Non-spendable	19,110	–	19,110
Spendable:			
Restricted:			
Storm disaster	7,495	–	7,495
Law enforcement trust	23,799	–	23,799
Police department	27,558	–	27,558
Community Redevelopment activities	–	1,846,582	1,846,582
Total restricted	58,852	1,846,582	1,905,434
Committed	–	–	–
Assigned	–	–	–
Unassigned	2,718,249	–	2,718,249
<b>Total fund balance</b>	<b>\$ 2,796,211</b>	<b>\$ 1,846,582</b>	<b>\$ 4,642,793</b>

**PROPERTY TAXES**

Property taxes are levied on November 1 of each year and are due and payable upon receipt of the notice of levy. The Hardee County, Florida Tax Collector's Office bills and collects property taxes on behalf of the City. The tax rate to finance general governmental services and general obligation debt service for the fiscal year ended September 30, 2024 was 5.2042 per \$1,000 of assessed taxable property value. Property tax revenues are recognized currently in the fiscal year for which the taxes are levied. On May 1 of each year, unpaid taxes become a lien on the property. The past due tax certificates are sold at public auction and the proceeds thus collected are remitted to the City.

No accrual for the property tax levy becoming due in November 2023 is included in the accompanying financial statements since taxes do not meet the necessary criteria.



**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

The property tax calendar is as follows:

July 1	Assessment roll validated
September 30	Millage resolution approved
October 1	Beginning of fiscal year for which tax is to be levied.
November 1	Tax bills rendered and due
November 1 – March 31	Property taxes due with various discount rates
April 1	Taxes delinquent
May 31	Tax certificates sold by County

**BUDGETARY INFORMATION**

Annual budgets are adopted on a basis consistent with U.S. generally accepted accounting principles for the governmental funds. Expenditures should not exceed total appropriations. All annual appropriations lapse at fiscal yearend. Budget amendments are approved by the City Commission.

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

1. The City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of an ordinance.
4. The City Manager is authorized to transfer budgeted amounts within a department; however, any revisions that alter the total expenditures of any fund or department must be approved by the City Commission. Appropriations lapse at the end of the fiscal year.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, CRA Fund, Electric, Water and Sewer System, and Airport Fund.
6. Budgets for the General Fund, CRA Fund and Enterprise Funds are adopted on the accrual basis.

The legal level of budgetary control is at the fund level.

**INSURANCE**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. These risks are covered by commercial insurance purchased from independent third parties including participation in various risk sharing pools. All significant accrued losses have been funded.

**ESTIMATES**

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

**NOTE 2 – DETAILED NOTES ON ALL FUNDS**

**CASH AND INVESTMENTS**

At year-end, the City's carrying amount of deposits was \$10,221,258 and the bank balance was \$10,520,071. All deposits were in State Certified Qualified Public Depositories.

**RESTRICTED ASSETS**

Restricted assets are cash and cash equivalents (all of which are held in Qualified Public Depositories), as provided for by resolutions adopted by the City for the issuance of Revenue Bonds and as designated by the Commission or imposed by the source of proceeds. Restricted assets held at September 30, 2024 included the following:

General Fund:	
Storm disaster contributions	\$ 7,495
Law enforcement trust	23,799
Police department	27,558
ARPA	1,163,903
<b>Total General Fund</b>	<b><u>\$ 1,222,755</u></b>
Special revenue fund:	
Community redevelopment fund	\$ 749,690
<b>Total special revenue fund</b>	<b><u>\$ 749,690</u></b>
Utility fund:	
Impact fees	\$ 527,964
Debt service	259,700
Capital improvement	1,235,664
Rate stabilization	353,564
Utility deposits	787,956
<b>Total utility fund</b>	<b><u>\$ 3,164,848</u></b>

**NOTE 2 – DETAILED NOTES ON ALL FUNDS – CONTINUED**

**CAPITAL ASSETS**

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

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Ending Balance</b>
Capital assets, not being depreciated:					
Land	\$ 731,652	\$ –	\$ –	\$ –	\$ 731,652
Construction in progress	4,421,415	2,446,921	(733,315)	(4,999,726)	1,135,295
Total capital assets, not being depreciated	5,153,067	2,446,921	(733,315)	(4,999,726)	1,866,947
Capital assets, being depreciated:					
Buildings and improvements	14,526,316	132,496	–	4,999,726	19,658,538
Machinery and equipment	2,981,835	332,337	(227,229)	–	3,086,943
Total capital assets being depreciated	17,508,151	464,833	(227,229)	4,999,726	22,745,481
Less accumulated depreciation for:					
Buildings and improvements	(8,002,941)	(491,569)	–	–	(8,494,510)
Machinery and equipment	(1,929,140)	(264,808)	227,229	–	(1,966,719)
Total accumulated depreciation	(9,932,081)	(756,377)	227,229	–	(10,461,229)
Total capital assets, being depreciated, net	7,576,070	(291,544)	–	4,999,726	12,284,252
Governmental activities capital assets, net	<u>\$ 12,729,137</u>	<u>\$ 2,155,377</u>	<u>\$ (733,315)</u>	<u>\$ –</u>	<u>\$ 14,151,199</u>

Depreciation expense was charged to the City's governmental activities as follows:

General government	\$ 255,869
Police department	132,923
Highway and streets	280,840
Culture and recreation	86,745
	<u>\$ 756,377</u>

Lease activity for governmental activities for the year ended September 30, 2024 was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Modifications and Remeasurements</b>	<b>Subtractions</b>	<b>Ending Balance</b>
Lease assets					
Equipment	\$ 21,097	\$ –	\$ –	\$ (12,340)	\$ 8,757
Copiers	4,106	–	–	–	4,106
Total lease assets	25,203	–	–	(12,340)	12,863
Less accumulated amortization					
Equipment	(15,078)	(2,793)	–	12,340	(5,531)
Copiers	(1,284)	(1,026)	–	–	(2,310)
Total capital assets being depreciated	(16,362)	(3,819)	–	12,340	(7,841)
Right-to-use assets	<u>\$ 8,841</u>	<u>\$ (3,819)</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 5,022</u>

**NOTE 2 – DETAILED NOTES ON ALL FUNDS – CONTINUED**

**CAPITAL ASSETS – CONTINUED**

Capital asset activity for business-type activities for the year ended September 30, 2024 was as follows:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Ending Balance</b>
Capital assets, not being depreciated:					
Land	\$ 1,184,493	\$ –	\$ –	\$ –	\$ 1,184,493
Construction in progress	11,373,561	10,967,261	–	(7,157,215)	15,183,607
Total capital assets, not being depreciated	12,558,054	10,967,261	–	(7,157,215)	16,368,100
Capital assets, being depreciated:					
Buildings and improvements	10,715,249	–	–	5,409,625	16,124,874
Electrical distribution system	7,237,846	65,936	–	1,728,038	9,031,820
Water System improvements	33,643,220	532,874	–	19,552	34,195,646
Machinery and equipment	7,302,784	560,531	–	–	7,863,315
Total capital assets being depreciated	58,899,099	1,159,341	–	7,157,215	67,215,655
Less accumulated depreciation for:					
Buildings and improvements	(8,261,384)	(481,461)	–	–	(8,742,845)
Electrical distribution system	(5,669,232)	(212,338)	–	–	(5,881,570)
Water System improvements	(24,094,050)	(1,176,109)	–	–	(25,270,159)
Machinery and equipment	(4,876,522)	(331,915)	–	–	(5,208,437)
Total accumulated depreciation	(42,901,188)	(2,201,823)	–	–	(45,103,011)
Total capital assets, being depreciated, net	15,997,911	(1,042,482)	–	7,157,215	22,112,644
Business-type activities capital assets, net	\$ 28,555,965	\$ 9,924,779	\$ –	\$ –	\$ 38,480,744

Depreciation expense was charged to the City's business-type activities as follows:

Utility Fund	1,625,830
Sanitation	155,447
Airport	420,546
	<u>2,201,823</u>

Lease activity for business-type activities for the year ended September 30, 2024 was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Modifications and Remeasurements</b>	<b>Subtractions</b>	<b>Ending Balance</b>
Lease assets					
Vehicle	\$ 108,246	\$ –	\$ –	\$ (108,246)	\$ –
Total lease assets	108,246	–	–	(108,246)	–
Less accumulated amortization					
Vehicle	(83,803)	(24,443)	–	108,246	–
Total capital assets being depreciated	(83,803)	(24,443)	–	108,246	–
Right-to-use assets	\$ 24,443	\$ (24,443)	\$ –	\$ –	\$ –

**INTER-FUND RECEIVABLES, PAYABLES, AND TRANSFERS**

Due to and from accounts represent amounts paid for by one fund on behalf of another. This is due to certain purchases being paid for out of the general fund, which are then reimbursed by the appropriate funds. In addition, the Airport Fund has borrowed monies from the Utility Fund in previous periods for capital improvements. The outstanding balance is \$750,000 as of September 30, 2024.

**NOTE 2 – DETAILED NOTES ON ALL FUNDS – CONTINUED**

**INTER-FUND RECEIVABLES, PAYABLES, AND TRANSFERS – CONTINUED**

Inter-fund transfers represent payments in lieu of taxes and insurance proceeds received in the general fund, which were then transferred to the appropriate fund. The composition of inter-fund balances as of September 30, 2024 are as follows:

	Transfers in:		
	General	CRA	Airport
Transfers out:			
General Fund	\$ –	\$ 460,696	\$ –
Utility	1,454,987	–	421,740
Sanitation	511,834	–	–
	<u>\$ 1,966,821</u>	<u>\$ 460,696</u>	<u>\$ 421,740</u>

**LESSOR LEASE AGREEMENTS**

The City is engaged in three lease agreements allowing lessees to lease space on City towers or utility poles.

The first lease agreement commenced in January 2012 with an initial lease term of five years with one additional five-year renewal. The lease, which was renewed after the initial lease term expires in December 2023 and monthly rental revenue is \$2,253 over the remaining lease periods. Effective January 2023, the lease terms are subject to an annual renewal period with the right for the City or lessee to terminate the agreement with a thirty-day written notice.

The second lease agreement commenced in April 2018 with an initial lease term of five years with four additional five-year renewals. The lease, including all renewal periods expire in June 2056 and monthly rental revenue ranges from \$1,450 to \$2,002 over the total lease periods.

The third lease agreement commenced in June 2021 with an initial lease term of five years with six additional five-year renewals. The lease, including all renewal periods expire in June 2056 and monthly rental revenue ranges from \$1,450 to \$3,354 over the total lease periods.

The City also entered into a lease agreement for space in the City’s Historic City Hall, which commenced on October 1, 2022. The initial lease term is for three years, with two additional one year renewal periods. Monthly rent is \$1,650.

Lease-related revenue for governmental activities for the year ended September 30, 2024 was as follows:

	Year Ending September 30, 2024
Lease revenue	
Equipment	\$ 39,418
Office space	18,960
Total lease revenue	<u>58,378</u>
Interest revenue	27,350
Variable and other revenue	–
Total lease-related revenue	<u>\$ 85,728</u>

**NOTE 2 – DETAILED NOTES ON ALL FUNDS – CONTINUED**

**LESSOR LEASE AGREEMENTS – CONTINUED**

Expected future minimum reductions of the lease receivable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 33,416	\$ 26,428	\$ 59,844
2026	15,012	25,684	40,696
2027	17,461	25,193	42,654
2028	18,182	24,661	42,843
2029	19,004	24,103	43,107
2030–2034	114,953	110,991	225,944
2035–2039	153,738	90,999	244,737
2040–2044	166,070	65,254	231,324
2045–2049	121,601	45,398	166,999
2050–2054	168,181	23,869	192,050
2055–2056	68,533	1,901	70,434
	<u>\$ 896,151</u>	<u>\$ 464,481</u>	<u>\$ 1,360,632</u>
Total future receipts			

**LONG-TERM DEBT**

**Governmental Activities – Notes Payable from Direct Borrowings**

**2020 Patrol Cars**

On August 19, 2020, the City borrowed \$150,096 from First National Bank of Wauchula to finance the purchase of three police vehicles. The note bears interest at 3.99% per annum and is due in annual payments of \$33,707, which includes interest. The note matures in August 2025 and is secured by the vehicles. At September 30, 2024, the principal balance outstanding was \$32,429.

**2021 Patrol Cars**

On August 31, 2021, the City borrowed \$100,516 from First National Bank of Wauchula to finance the purchase of two police vehicles. The note bears interest at 3.99% per annum and is due in annual payments of \$22,585, which includes interest. The note matures in August 2026 and is secured by the vehicles. At September 30, 2024, the principal balance outstanding was \$40,884.

**Governmental Activities – Notes Payable from Direct Borrowings – Future Maturities**

Future maturities of all governmental notes payable from direct borrowings are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 53,278	\$ 4,274	\$ 57,552
2026	20,035	889	20,924
<b>Total</b>	<b><u>\$ 73,313</u></b>	<b><u>\$ 5,163</u></b>	<b><u>\$ 78,476</u></b>

The City's vehicle loans describe events of default as failure to make required payments. In event of default, creditors may declare the total balance outstanding due on demand. The creditor may also repossess the collateralized property and seek any other remedies as allowed by law.

**NOTE 2 – DETAILED NOTES ON ALL FUNDS – CONTINUED**

**LONG-TERM DEBT – CONTINUED**

**Governmental Activities – Lease Liability**

The City has entered into various lease agreements as a lessee for financing copiers and equipment.

The first lease agreement commenced in July 2020 for a postage meter with a lease term of five years. The lease expires in June 2026 and requires monthly payments of \$168. The lease liability is determined using a discount rate of 4.00%.

The second lease agreement commenced in November 2020 for laptops with a lease term of four years. The lease expired in November 2023 and required annual payments of \$5,842. The lease liability was determined using a discount rate of 7.95%.

The third lease agreement commenced in July 2022 for a copier with a lease term of four years. The lease expires in June 2026 and requires monthly payments of \$92. The lease liability is determined using a discount rate of 4.00%.

Lease expense was reported as follows:

	<b><u>Year Ending September 30, 2024</u></b>
Lease expense	
Equipment	\$ 2,793
Copier	<u>1,026</u>
Total amortization expense	3,819
Interest on lease liabilities	273
Variable lease expense	<u>-</u>
Total lease expense	<u><u>\$ 4,092</u></u>

The maturity schedule is as follows:

	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2025	\$ 2,973	\$ 157	\$ 3,130
2026	<u>2,307</u>	<u>39</u>	<u>2,346</u>
Total future payments	<u><u>\$ 5,280</u></u>	<u><u>\$ 196</u></u>	<u><u>\$ 5,476</u></u>

**Business-Type Activities – Bonds**

**Utility Refunding Revenue Bond, Series 2016**

On October 3, 2016, the City issued Series 2016 Utility Refunding Revenue Note for \$2,732,000. The purpose of the note was to refund the Utility Refunding Revenue Bond, Series 2011 which refunded Utility Revenue Bonds, Series 2001A and Series 2001B. The bond and the interest thereon are payable from and secured by a prior lien and pledge of the net revenues derived by the City from the operation of its combined water, sewer and electric system. Interest on the bond is payable semi-annually at 2.02%.

**NOTE 2 – DETAILED NOTES ON ALL FUNDS – CONTINUED**

**LONG-TERM DEBT – CONTINUED**

Maturities vary from \$202,000 to \$254,000 from October 1, 2018 to October 1, 2028. The reacquisition price exceeded the net carrying amount of the old debt by \$124,560, which was reported as a deferred outflow of resources and amortized over the life of the new debt. The refunding resulted in a reduction of \$166,674 in future debt service costs and an economic gain of \$145,519 in net present value savings between the Utility Refunding Revenue Bond, Series 2011 and the Series 2016 Utility Refunding Revenue Note.

The bonds require the use of a sinking fund, of which is included in restricted cash. Failure to make timely payments will result in default. In addition to any remedies available to the creditor by law, upon default the City is required to pay interest due on unpaid amounts plus an additional 2% per annum from and five days after the date due until such overdue amount is paid. The City is also required to pay all costs of collection.

Future maturities of the revenue bonds are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 234,000	\$ 24,644	\$ 258,644
2026	239,000	19,917	258,917
2027	244,000	15,089	259,089
2028	249,000	10,160	259,160
2029	254,000	5,131	259,131
<b>Total</b>	<b><u>\$ 1,220,000</u></b>	<b><u>\$ 74,941</u></b>	<b><u>\$ 1,294,941</u></b>

**Business-Type Activities – Notes Payable from Direct Borrowings**

**State of Florida Department of Environmental Protection Loan WW62419P**

In September 2005, the City Commission passed resolution 2005-41, authorizing the City to obtain financing from the Florida Department of Environmental Protection (FDEP), which is available through the Clean Water State Revolving Fund. The purpose of the financing is the improvement and expansion of the City's wastewater facilities.

During 2006 and 2007, the City borrowed \$509,883 in accordance with the loan agreement. Payments began in July of 2009 and are due in semi-annual amounts of \$21,906 including interest of 0.71% per annum. The total amount outstanding, including capitalized interest, at September 30, 2024 is \$124,645.

**State of Florida Department of Environmental Protection Loan WW250201**

Pursuant to Resolution 2009-20, the City entered into a construction loan agreement with the Florida Department of Environmental Protection to finance or refinance the construction of public water systems, specifically for:

1. Water System Improvements – Well Number 5
2. Water System Improvements – Wellhead and Water Treatment Plant

The loan was also to assist the City in paying down the Series 2008 Water System Revenue Bond (Bridge Loan).

On February 9, 2010, the original agreement was amended to increase project funding to \$3,652,106. Of this amount, \$2,550,000 is "Principal Forgiveness" by the state and federal governments. The City drew funds under the agreement in 2011, 2012, and 2013. The semi-annual loan payments of \$37,966, include interest at 2.82%, 2.57%, and 1.86% for each draw. Payments started on June 15, 2011 and continue until all amounts



**NOTE 2 – DETAILED NOTES ON ALL FUNDS – CONTINUED**

**LONG-TERM DEBT – CONTINUED**

have been fully paid. The outstanding balance at September 30, 2024 is \$451,294. The City has pledged the revenues of the system for the repayment of the loan.

State of Florida Department of Environmental Protection Loan WW250200

On October 29, 2010, the City entered into a financing agreement with the Florida Department of Environmental Protection for the completion of the improvements noted above (companion loan). Semi-annual payments of \$13,647 (including interest at 2.61%) started on June 15, 2011, and will continue until the loan is fully repaid in 2031. The outstanding balance at September 30, 2024 is \$160,942. The City has pledged the revenues of the system for the repayment of the loan.

State of Florida Department of Environmental Protection Loan WW250150

On October 29, 2010, the City entered into a financing agreement with the Florida Department of Environmental Protection for the planning phase of drinking water improvements. The original agreement had project funding of \$180,000 of which \$75,000 is principal forgiveness by state and federal governments. During 2020, the original agreement was amended to include design activities. Amendment 1 increased the total project funding to \$721,600 and total principal forgiveness of \$360,800. Semi-annual payments of \$20,265 (including interest at 1.64%) commence on February 15, 2023, and will continue until the loan is fully repaid in 2031. The outstanding balance at September 30, 2024 is \$64,657. The City has pledged the revenues of the system for the repayment of the loan and a loan debt service account is required.

State of Florida Department of Environmental Protection Loan CW250160

On March 18, 2023, the City entered into a financing agreement with the Florida Department of Environmental Protection for the construction of a new concrete aerobic digester with a blower and sludge transfer facility. The original agreement had project funding of \$6,729,200 of which \$5,383,360 is principal forgiveness by state and federal governments. During 2023, the original agreement was amended which increased the total project funding to \$8,628,000 and total principal forgiveness of \$6,904,400. Semi-annual payments of \$38,636 (including interest at 0.39%) commence on August 15, 2025, and will continue until the loan is fully repaid. The outstanding balance at September 30, 2024 is \$1,016,230. The City has pledged the revenues of the system for the repayment of the loan.

State of Florida Department of Environmental Protection Loan DW250151

On March 16, 2023 the City entered into a financing agreement with the Florida Department of Environmental Protection for the repairs of the water distribution system and to construct a 150,000 gallon elevated storage tank. The original agreement had project funding of \$6,125,520 of which \$5,512,968 is principal forgiveness by state and federal governments. Semi-annual payments of \$14,123 (including interest at 0.89%) commence on April 15, 2026, and will continue until the loan is fully repaid. The outstanding balance at September 30, 2024 is \$138,769. The City has pledged the revenues of the system for the repayment of the loan.

Default Remedies on State of Florida Department of Environmental Protection Loans

Loans by the State of Florida Department Environmental Protection (SRF Revolving Loans) define events of default as failure to make any monthly loan deposits or semi-annual loan payments for a period of 30 days; failure to comply with the loan agreement; bankruptcy or insolvency; or failure to give immediate written notice of default when a default has continued for 30 days. State Revolving Fund loans provide for a number of remedies providing finance-related consequences in an event of default. The Florida Department of Environmental Protection may:

- Establish rates and collect fees and charges for the use of the City's Utility System.
- Intercept the delinquent amount plus six percent, as expressed as an annual interest rate from any unobligated funds due to the City under any revenue or tax sharing fund established by the State. Penalty interest shall accrue on any amount due and payable beginning on the 30<sup>th</sup> day following the date upon which payment is due.
- Notify financial market credit ratings agencies and potential creditors.

**NOTE 2 – DETAILED NOTES ON ALL FUNDS – CONTINUED**

**LONG-TERM DEBT – CONTINUED**

- Sue for payment of amounts due, as well as interest on overdue payments and associated costs.
- Accelerate the repayment schedule or increase the interest rate on the unpaid principal to as much as 1.667 times the original rate.

**Business-Type Activities – Notes Payable from Direct Borrowings – Future Maturities**

Future maturities of all notes payable from direct borrowings are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 146,493	\$ 20,344	\$ 166,837
2026	176,018	19,957	195,975
2027	182,272	16,368	198,640
2028	196,552	13,368	209,920
2029	159,494	10,453	169,947
2030 – 2034	447,433	22,509	469,942
2035 – 2039	278,826	12,556	291,382
2040 – 2044	284,889	6,493	291,382
2045 – 2049	50,971	2,151	53,122
2050 – 2054	25,664	985	26,649
2055 – 2056	7,925	69	7,994
<b>Total</b>	<b><u>\$ 1,956,537</u></b>	<b><u>\$ 125,253</u></b>	<b><u>\$ 2,081,790</u></b>

**Business-Type Activities – Lease Liability**

The City has entered into a lease agreement as a lessee for financing vehicles. The lease agreement commenced in April 2019 with a lease term of five years. The lease expired in April 2024 and required annual payments of \$37,770. The lease liability was determined using a discount rate of 2.91%.

Lease expense was reported as follows:

	<u>Year Ending September 30, 2024</u>
Lease expense	
Vehicles	\$ 24,443
Total amortization expense	24,443
Interest on lease liabilities	635
Variable lease expense	–
Total lease expense	<b><u>\$ 25,078</u></b>

**NOTE 2 – DETAILED NOTES ON ALL FUNDS – CONTINUED**

**LONG-TERM DEBT – CONTINUED**

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

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Governmental activities:</b>					
Notes payable from direct borrowings					
2020 Dodge Chargers	63,573	–	(31,144)	32,429	32,429
2021 Patrol Cars	61,471	–	(20,587)	40,884	20,849
Total	125,044	–	(51,731)	73,313	53,278
Lease liability	9,416	–	(4,136)	5,280	2,973
Compensated absences	216,227	182,809	(168,597)	230,439	172,829
Other post employment benefits	2,252,522	336,828	(692,620)	1,896,730	–
Governmental activity					
Long term liabilities	<u>\$ 2,603,209</u>	<u>\$ 519,637</u>	<u>\$ (917,084)</u>	<u>\$ 2,205,762</u>	<u>\$ 229,080</u>
<b>Business-type activities</b>					
Notes payable from direct borrowings					
SRF Revolving Loan WW62419P	\$ 151,283	\$ –	\$ (26,638)	\$ 124,645	\$ 28,041
SRF Revolving Loan WW250201	514,225	–	(62,931)	451,294	64,480
SRF Revolving Loan WW250200	183,382	–	(22,440)	160,942	23,420
SRF Revolving Loan WW250150	72,159	–	(7,502)	64,657	7,562
SRF Revolving Loan CW250160	278,169	738,061	–	1,016,230	22,990
SRF Revolving Loan DW250151	157,625	–	(18,856)	138,769	–
Total	1,356,843	738,061	(138,367)	1,956,537	146,493
Bonds payable:					
Utility Revenue Bond Refunding					
Series 2016	1,449,000	–	(229,000)	1,220,000	234,000
Lease liability	36,688	–	(36,688)	–	–
Compensated absences	227,499	134,592	(163,105)	198,986	149,239
Other post employment benefits	2,203,389	260,853	(536,393)	1,927,849	–
Business-type activity					
Long term liabilities	<u>\$ 5,273,419</u>	<u>\$ 1,133,506</u>	<u>\$ (1,103,553)</u>	<u>\$ 5,303,372</u>	<u>\$ 529,732</u>

**NOTE 3 – RETIREMENT PLANS**

The City has two defined benefit pension plans.

- The City of Wauchula Employee Pension Plan (WEPP)
- The City of Wauchula Police Pension Trust Fund (WPPP)

**Plan Description and Summary of Significant Accounting Policies**

**WEPP** – The Plan is a single employer, defined benefit public employee retirement system. Participation is mandatory for full time employees and employees are eligible on the date of hire. Benefit provisions and employer and employee contributions are authorized by the City Commission and trustees. The Plan was amended and restated pursuant to Ordinance 2014–3.

The Plan is accounted for in the accompanying financial statements as a pension trust fund. A separate financial statement is not issued for the Plan. Plan administrative costs are paid by the Plan. The Advisory Committee administers the Plan with final authority residing in the City Commission with powers to amend or extend the provisions of the Plan.

**WPPP** – The Plan is a single employer, defined benefit public employee retirement system plan. The City has established a special pension trust fund into which shall be paid all monies received by the City under the provisions of Chapter 185, Florida Statutes. Total contributions to the WPPP in 2024 were \$63,065, all of which are from the State.

**NOTE 3 –RETIREMENT PLANS – CONTINUED**

All police employed by the City who have completed one year of continuous service, are qualified as participants in the Police Pension Trust Fund. Participants are entitled to one share in the fund for each full year of service. Participants vest after ten years of service.

The total monies received, including interest earned, any gifts and the credits forfeited by the participants (all of which constitute income to the fund during each fiscal year), shall be allocated and the value of the respective participants' shares shall be determined as follows:

- (a) The Board of Trustees shall pay all costs and expenses of management and operation for the fiscal year.
- (b) The Board of Trustees shall set aside as much income as it considers advisable as a reserve for expenses for the then current fiscal year.
- (c) After deducting the monies called for by Subsection (a) and (b), the remaining monies shall be allocated and credited to the share accounts of the respective participants.

The number of shares to which each and every participant is entitled as of the close of each fiscal year shall be added together and the total number of shares thus determined shall be divided into the net amount of money available to be allocated and credited to the respective share accounts. The amount to be credited to the account of each participant will then be obtained by multiplying the value determined for one share by the total number of shares to which each participant is entitled.

An individual account shall be established for each participant, and the amount to which each participant is entitled shall be credited to his account as of the end of each fiscal year.

**Plan Membership**

At the October 1, 2023 valuation date membership consisted of:

Active	68
Retirees	44
Terminated with deferred vested pensions	<u>20</u>
Total	<u>132</u>

**Basis of Accounting**

The Pension Plans use the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each 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 each plan.

**Asset Valuation**

Investments are reported at market value based on quoted prices (Note 1). Investment income is recognized when earned. Gains and losses on sales and exchanges of securities are recognized on the transaction date.

**Benefit Provisions–WEPP**

Effective May 17, 2010, normal retirement is age 60 with 6 years of service, or any age with 30 years of service. The pension benefit is 2.50% of average earnings for each year of service up to 40 years. Benefits are available for early retirement at age 50 with at least 6 years of service. The pension benefit is reduced by 1% for each year down to age 55 and further reduced by 2% for each year down to age 60.

Death and disability benefits are also available under the Plan. In service disability benefits are calculated at the larger of the basic pension formula or 50% of average earnings. Non–service disability is calculated as the larger of the basic pension formula or 25% of average final compensation. Pre–retirement death benefits are calculated at 50% of the basic pension formula beginning at the earliest retirement age,

**NOTE 3 – RETIREMENT PLANS – CONTINUED**

and payable to the spouse of a vested participant for life. In addition, the beneficiary of any participant or retiree receives \$25,000, reduced by 10% for each year of service less than 10 years.

Vesting occurs after 6 years of service for general employees and 10 years for police officers. Participants who retire at age 50 or later with at least 6 years of service receive a \$100 monthly supplemental life annuity.

Contribution Information

WEPP members are required to contribute 10% of their annual covered salary. The City is required to contribute the greater of an actuarially determined rate or 10%. Total employer contributions were \$432,610 which were less than the required contributions for the year ended September 30, 2024, on covered payroll of \$3,427,583.

Plan Investments

Plan assets are held with the Florida Municipal Pension Trust Fund (FMPTF), an agent multiple employer pension plan administered by the FMPTF Board of Trustees. The FMPTF issues a publicly available report that includes the combined financial statements of all plan members which can be obtained from their website. Separate accounts are maintained for each employer group.

The plan follows the investment policies of the FMPTF. The Master Trustees of the FMPTF have the exclusive authority and discretion to manage and control the assets of the FMPTF. The City has selected to participate in the FMPTF 60/40 Target Fund. The maximum target asset allocation for equities is 60%. The following was the adopted asset allocation policy as of September 30, 2024:

<u>Asset Class</u>	<u>Total Allocation</u>
Equities	60%
Large Cap	25%
Small Cap	14%
International	21%
Fixed Income	40%
Core Bonds	15%
Core Plus	15%
Core Real Estate	10%

All employee pension plan assets with the FMPTF are included in the trust's master Trust Fund. Employee pension plan assets of the defined benefit type are invested by the FMPTF through the Florida Municipal Investment Trust (FMIvT) for the benefit of the participating employers, participating employees and beneficiaries. The FMIvT is a Local Government Investment Pool (LGIP) and, therefore, considered an external investment pool. The plans have a beneficial interest in shares in the FMIvT portfolios listed below. The plan's investment is the beneficial interest in the FMIvT portfolio, not the individual securities held within each portfolio.

As of September 30, 2024, the asset allocations for the various investment models were as follows:

<u>Asset Allocation and Model/Percentage</u>	<u>WEPP/WPPP</u>
	<u>60/40</u>
Cash and Money Market	1.4%
FMIvT Broad Market High Quality Bond	14.4%
FMIvT Diversified Large Cap	24.9%
FMIvT Diversified Small to Mid Cap Equity	14.5%
FMIvT Core Real Estate	9.4%
FMIvT International Equity	20.5%
FMIvT Core Plus Fixed Income	14.9%
	<u>100.0%</u>

**NOTE 3 – RETIREMENT PLANS – CONTINUED**

Credit Risk – Credit risk exists when there is a possibility that the issuer or other counterparty to an investment may be unable to fulfill its obligations.

The FMIvT Broad Market High Quality Bond Fund has a Fitch Rating of AAf/S4. The FMIvT Core Plus Fixed Income Fund and the equities portfolios are not rated.

Interest Rate Risk – Interest rate exists when there is a possibility that changes in interest rates could adversely affect an investment’s fair value.

The FMIvT Broad Market High Quality Bond Fund has a weighted average maturity of 7.10 years. The FMIvT Core Plus Fixed Income Fund has a weighted average to maturity of 6.66 years.

Foreign Currency Risk – Participating employer’s investments in the FMIvT are not subject to foreign currency risk.

Rate of Return – For the year ended September 30, 2024 the annual money-weighted rate of return on Pension Plan Investments, net of pension plan investment expense, was 19.83% for the WEPP. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The components of the net pension liability (asset) of the City at September 30, 2024 were as follows:

Total pension liability	\$ 21,363,575
Less fiduciary position	(25,043,776)
<b>Net pension liability (asset)</b>	<b><u>\$ (3,680,201)</u></b>
Plan fiduciary net position as a percentage of total pension liability (asset)	117.23%

**Net Pension Liability (Asset)–WEPP**

	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (Asset) (a – b)
Balance as of September 30, 2023	\$ 20,277,411	\$ (21,225,168)	\$ (947,757)
Change due to:			
Service cost	910,621	–	910,621
Expected interest growth	1,448,391	(1,473,553)	(25,162)
Unexpected investment income	–	(2,699,882)	(2,699,882)
Demographic experience	(155,392)	–	(155,392)
Employer contributions	–	(445,257)	(445,257)
Employee contributions	–	(368,046)	(368,046)
Benefit payments & refunds	(1,117,456)	1,117,456	–
Administrative expenses	–	50,674	50,674
Changes in benefit terms	–	–	–
Assumption changes	–	–	–
<b>Balance as of September 30, 2024</b>	<b><u>\$ 21,363,575</u></b>	<b><u>\$ (25,043,776)</u></b>	<b><u>\$ (3,680,201)</u></b>

The Sponsor’s net pension liability (asset) was measured as of September 30, 2024.

**NOTE 3 – RETIREMENT PLANS – CONTINUED**

Actuarial Assumptions–WEPP

The total pension liability, net pension liability (asset), and certain sensitivity information are based on an actuarial valuation performed as of October 1, 2023. The total pension liability was rolled-forward from the valuation date to the plan’s fiscal year ending September 30, 2024. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Investment rate of return (2.62% for inflation)	7.00%
Projected salary increases	5.00% per annum
COLA	None assumed

For eligible police officers, 20% are assumed to retire at each of ages 55 through 57, 30% are assumed to retire each of ages 58 and 59, and 100% are assumed to retire at age 60. For all other eligible participants, 10% are assumed to retire at each of ages 55 through 59 and 100% are assumed to retire at age 60. Regardless of the foregoing, participants who have earned at least 30 years of service are assumed to retire immediately and deferred vested participants are assumed to commence benefits at their normal retirement age.

Pre-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year; post-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Healthy Retiree Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year.

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

Actuarial Assumptions–WEPP – Continued

<b>Long-Term Expected Asset Class</b>	<b>Real Rate of Return</b>
Equities	
Large Cap	4.60%
Small Cap	5.50%
International	6.70%
Fixed Income	
Core Bonds	1.60%
Core Plus	2.10%
Core Real Estate	5.00%
Total or weighted arithmetic average	4.38%

Discount Rate

The discount rate used to measure the total pension liability (asset) was 7.00%. 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.

**NOTE 3 – RETIREMENT PLANS – CONTINUED**

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 (asset).

Sensitivity of the net pension liability (asset) to changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 7.00%, as well 1% higher and 1% lower than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Net pension liability (asset)	\$ (882,775)	\$ (3,680,201)	\$ (5,980,727)

Changes of Assumptions

There were no changes of assumptions since the prior measurement date.

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

For the year ended September 30, 2024 the City recognized pension expense of \$169,102. At September 30, 2024 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2023	\$ 4,220,866	\$ (3,253,747)
Amortization payments	(1,318,533)	1,717,518
Investment gain/loss	–	(2,699,882)
Demographic gain/loss	–	(155,392)
Assumption changes	–	–
Total change	–	–
<b>Balance as of September 30, 2024</b>	<b><u>\$ 2,902,333</u></b>	<b><u>\$ (4,391,503)</u></b>

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

<u>Year ended September 30:</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
2025	\$ 1,217,566	\$ (1,607,441)
2026	1,214,045	(1,065,150)
2027	271,122	(942,778)
2028	170,976	(717,610)
2029	25,558	(49,958)
Thereafter	3,066	(8,566)



**NOTE 3 – RETIREMENT PLANS – CONTINUED**

The following financial statements present the combining statement of fiduciary net position by pension trust fund as of and for the year ended September 30, 2024.

<b>COMBINING STATEMENT OF FIDUCIARY NET POSITION</b>				
	<b>Employee Pension Fund</b>	<b>Police Pension Fund</b>	<b>OPEB Trust Fund</b>	<b>Total</b>
<b>ASSETS</b>				
Cash	\$ –	\$ 72	\$ –	\$ 72
Investments	24,975,443	3,953,037	697,273	29,625,753
Receivable – Employer	44,705	63,065	7,692	115,462
Receivable – Employee	13,405	–	–	13,405
Total assets	<u>\$ 25,033,553</u>	<u>\$ 4,016,174</u>	<u>\$ 704,965</u>	<u>\$ 29,754,692</u>
<b>NET POSITION</b>				
Held in trust for pension benefits	\$ 25,033,553	\$ 4,016,174	\$ –	\$ 29,049,727
Restricted for OPEB benefits	–	–	704,965	704,965
Total net position	<u>\$ 25,033,553</u>	<u>\$ 4,016,174</u>	<u>\$ 704,965</u>	<u>\$ 29,754,692</u>

<b>COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION</b>				
	<b>Employee Pension Fund</b>	<b>Police Pension Fund</b>	<b>OPEB Trust Fund</b>	<b>Total</b>
<b>ADDITIONS</b>				
Contributions:				
Employer	\$ 432,610	\$ –	\$ 139,323	\$ 571,933
Plan members	361,678	–	–	361,678
Other income	–	63,065	–	63,065
Total contributions	<u>794,288</u>	<u>63,065</u>	<u>139,323</u>	<u>996,676</u>
Investment earnings:				
Net change in the fair value of investments	4,173,435	655,490	109,255	4,938,180
Total additions	<u>4,967,723</u>	<u>718,555</u>	<u>248,578</u>	<u>5,934,856</u>
<b>DEDUCTIONS</b>				
Pension benefits paid	1,117,456	–	–	1,117,456
OPEB refunds	–	–	142,396	142,396
Administrative expenses	50,674	8,178	7,148	66,000
Total deductions	<u>1,168,130</u>	<u>8,178</u>	<u>149,544</u>	<u>1,325,852</u>
Change in net position	<u>3,799,593</u>	<u>710,377</u>	<u>99,034</u>	<u>4,609,004</u>
Net Position – beginning	21,233,960	3,305,797	605,931	25,145,688
Net Position – ending	<u>\$ 25,033,553</u>	<u>\$ 4,016,174</u>	<u>\$ 704,965</u>	<u>\$ 29,754,692</u>

### NOTE 3 – RETIREMENT PLANS – CONTINUED

#### Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles which are measured on a recurring basis (Note 1). The pension plans have the following recurring fair value measurements as of September 30:

	September 30, 2024	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Mutual funds / short-term investments	\$ 405,696	\$ 405,696	\$ –	\$ –
FMIvT Broad market high quality bond	4,303,064	–	4,303,064	–
FMIvT Core plus fixed income	4,451,890	–	–	4,451,890
FMIvT diversified large cap	7,358,683	–	7,358,683	–
FMIvT Diversified small to mid cap	4,271,330	–	4,271,330	–
FMIvT International equity	6,053,058	–	6,053,058	–
FMIvT Core real estate	2,782,032	–	–	2,782,032
<b>Total investments</b>	<b>\$ 29,625,753</b>	<b>\$ 405,696</b>	<b>\$ 21,986,135</b>	<b>\$ 7,233,922</b>

Mutual funds and short-term investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Investments held with Florida Municipal Investment Trust (FMIvT) are held in a Local Government Investment Pool (LGIP) which are classified as either Level 2 or Level 3. Level 2 investments are invested in funds or portfolios in which the underlying asset values are based on quoted prices or market-corroborated inputs, however, the net asset value of the portfolio is not publicly quoted. FMIvT Core Plus Fixed Income and FMIvT Core Real Estate are funds classified as Level 3 since the shares of the funds are not publicly quoted and the underlying funds invest in a variety of financial instruments.

The City did not have any assets or liabilities included in the pension or OBEP plans that are not measured at fair value.

### NOTE 4 – OTHER POST-EMPLOYMENT BENEFIT PLAN

#### Plan Description

Plan Administration – The City of Wauchula administers a single employer defined benefit plan (Plan) that is used to provide post-employment benefits other than pensions (OPEB), through the City’s Personnel Rules and Regulations with the following provisions:

#### Employees hired prior to January 1, 1999:

- Entitled to participate in the City’s group medical insurance plan until becoming eligible for Medicare, and thereafter in the City approved Medicare Supplement, if the City has approved one, at their own expense unless prior to retirement of a particular employee, the City Commission decides otherwise.
- Retirees must pay a monthly premium as determined by the insurance carrier, less any explicit subsidies that are provided by the City. The premium varies depending on whether the retiree elects single, spousal, or family coverage.

#### Employees hired after January 1, 1999:

- Entitled to participate in any City plan upon retirement but at the employee’s own expense.

The Plan is vested and subject to change by approval of the City Commissioners. Separate financial statements of the Plan are not available.

**NOTE 4 – OTHER POST-EMPLOYMENT BENEFIT PLAN – CONTINUED**

Benefits Provided – For employees hired prior to January 1, 1999, the City provides an explicit health insurance subsidy equal to the premium for single coverage under the City’s health insurance plan, less \$100 per month which is provided under the City-sponsored pension plan. The subsidy is provided regardless of whether the retiree elects coverage under the City-sponsored health insurance plan, and the subsidy is provided for life. The City also provides a \$30 monthly utility subsidy. The utility subsidy is provided to the retiree for life and to the retiree’s spouse for life after the retiree’s death

Plan Membership – At September 30, 2024, membership in the Plan consisted of the following:

Current Retirees	28
Active Employees	<u>56</u>
	<u>84</u>

Contributions – Through 2015, the City’s OPEB benefits were unfunded. Effective October 1, 2015, the City established an Other Post-Employment Benefit Trust (Trust) of which the assets are held with the Florida Municipal Pension Trust (FMPT). Annual contributions to the OPEB Trust are not required and are determined annually by the City Commissioners. During the year ended September 30, 2024, the City contributed \$139,323 to the OPEB Trust. For the year ended September 30, 2024, the City’s average contribution rate was 4.94 percent of covered-employee payroll of \$2,699,152. Plan members are not required to contribute to the Plan.

**Investments**

Investment Policy – Plan assets are held with the Florida Municipal Pension Trust Fund (FMPTF) an agent multiple employer pension plan administered by the FMPTF Board of Trustees. The Plan follows the investment policies of the FMPTF. The Master Trustees of the FMPTF have the exclusive authority and discretion to manage and control the assets of the FMPTF. The ultimate subsidies that are not financed with assets in the trust, are financed directly by general assets of the City, which are invested in qualified public depositories. Payments for benefits or contributions to the OPEB Trust come from the City’s General Fund.

The City has selected to participate in the FMPTF OPEB 50/50 Fund. The following was the adopted asset allocation policy as of September 30, 2024:

<u>Asset Class</u>	<u>Total Allocation</u>
Equities	50%
Large Cap	29%
Small Cap	8%
International	13%
Fixed Income	50%
Core Bonds	20%
Core Plus	20%
Core Real Estate	10%

As of September 30, 2024, the asset allocations for the various investment models were as follows:

<u>Asset Allocation and Model/Percentage</u>	<u>OPEB 50/50</u>
Cash and Money Market	1.4%
FMLvT Broad Market High Quality Bond	14.4%
FMLvT Core Plus Fixed Income	14.9%
FMLvT Diversified Large Cap	24.9%
FMLvT Diversified Small to Mid Cap Equity	14.5%
FMLvT International Equity	20.5%
FMLvT Core Real Estate	<u>9.4%</u>
	<u>100.0%</u>

**NOTE 4 – OTHER POST-EMPLOYMENT BENEFIT PLAN – CONTINUED**

There were no changes in the investment policy during the year ended September 30, 2024. For all other investment disclosures, including fair value and risk, see Note 3.

Concentrations – The Plan did not hold investments in any one organization that represents 5 percent of 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 investments, net of investment expense, was 15.39 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Receivables**

As of September 30, 2024, the Plan did not have any receivables.

**Allocated Insurance Contracts**

As of September 30, 2024, the Plan did not have any allocated insurance contracts.

**Reserves**

As of September 30, 2024, the Plan did not have any reserves.

**Net OPEB Liability**

The components of the net OPEB liability of the City at September 30, 2024, were as follows:

Total OPEB liability	\$ 4,521,852
Plan fiduciary net position	(697,273)
<b>City's net OPEB liability</b>	<b><u>\$ 3,824,579</u></b>

Plan fiduciary net position as a percentage of the total OPEB liability 15.42%

The City’s net OPEB liability was measured as of September 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of October 1, 2023.

Actuarial Assumptions –The total OPEB liability was determined by an actuarial valuation as of October 1, 2023 in which the individual entry age normal cost method was used. The actuarial valuation’s determination of the OPEB liability, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

- Discount Rate: 4.21% per annum; this rate was used to discount all future benefit payments and is based on a blend of the expected long-term return on assets (for benefits payments during the first eight years after the valuation date) and a yield on 20-year Grade AA/Aa or higher municipal bonds of 4.06% per annum (for benefit payments beyond the first eight years after the valuation date); the expected long-term return on assets was determined by the Asset Consulting Group and the municipal bond yield is based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date.
- Expected Long-Term Return on Assets: 6.50% per annum (2.62% per annum is attributable to long-term inflation).
- Salary Increases: 3.00% per annum.
- Cost-of-Living Increases: Retiree contributions and health insurance premiums have been assumed to increase in accordance with the healthcare cost trend rates.
- Healthcare Cost Trend Rates: Increases in healthcare costs are assumed to be 6.50% for the 2024–25 fiscal year graded down by 0.50% per year to 5.00% for the 2027–28 and later fiscal years.
- Age-Related Morbidity: Healthcare costs are assumed to increase at the rate of 3.50% for each year of age.

**NOTE 4 – OTHER POST-EMPLOYMENT BENEFIT PLAN – CONTINUED**

- Mortality basis: Sex-distinct rates set forth in the PUB-2010 Mortality Table (without income adjustments) for general and public safety employees, with full generational improvements in mortality using Scale MP-2020.
- Retirement: 10% of eligible general employees are assumed to retire at each of ages 55 through 59 and 100% of eligible general employees are assumed to retire at age 60; 20% of eligible police officers are assumed to retire at each of ages 55 through 57, 30% of eligible police officers are assumed to retire at each of ages 58 and 59, and 100% of eligible police officers are assumed to retire at age 60; regardless of the foregoing, employees who have earned at least 30 years of service are assumed to retire immediately.
- Disability: Assumed disability uses age and gender based rates; general employee disability rates range from 0.075% (males) and 0.035% (females) at age 25, 0.096% (males) and 0.054% (females) at age 35, and 0.162% (males) and 0.085% (females) at age 45, to 0.400% (males) and 0.180% (females) at age 55; police officer disability rates range from 0.179% (males) and 0.075% (females) at age 25, 0.290% (males) and 0.096% (females) at age 35, and 0.795% (males) and 0.162% (females) at age 45, to 1.030% (males) and 0.040% (females) at age 55.
- Employment Termination: Assumed withdrawal uses age-based rates; general employee withdrawal rates range from 7.10% at age 25, 4.20% at age 35, 1.80% at age 45, and 0.80% at age 55 to 0.00% at age 60; police officer withdrawal rates range from 5.00% at age 25 and 3.00% at age 35, to 0.00% at age 45.
- Coverage Election: 25% of eligible employees are assumed to elect medical coverage under the City's health insurance plan for life upon retirement or disability and 80% of those electing coverage are also assumed to elect coverage for their spouse.
- Spouses and Dependents: Husbands are assumed to be three years older than wives; retirees are not assumed to have any dependent children.
- COBRA: Future healthcare coverage provided solely pursuant to COBRA was not included in the OPEB valuation; because the COBRA premium is determined periodically based on plan experience, the COBRA premium to be paid by the participant is assumed to fully cover the cost of providing healthcare coverage during the relevant period.
- Changes in Implied Monthly Subsidy: The implied monthly subsidy at age 60 for the 2023-24 fiscal year was changed from \$483.75 to \$450.00 for the retiree and from \$618.12 to \$575.00 for the retiree's spouse.
- Changes in Assumptions: Since the prior measurement date, the discount rate was decreased from 4.96% per annum to 4.21% per annum.

The long-term expected rate of return on OPEB 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 investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of September 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Core Bonds	1.60% per annum
Core Real Estate	5.00% per annum
Core Plus	2.10% per annum
U.S. Large Cap Equities	4.60% per annum
U.S. Small Cap Equities	5.50% per annum
Non-U.S. Equities	6.70% per annum

**NOTE 4 – OTHER POST-EMPLOYMENT BENEFIT PLAN – CONTINUED**

Discount Rate – The discount rate used to measure the total OPEB liability was 4.21 percent (decreased from 4.96% in the prior year). The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance as of September 30, 2023	\$ 5,060,027	\$ (604,116)	\$ 4,455,911
Changes due to:			
Service cost	72,593	–	72,593
Expected interest growth	212,407	(38,753)	173,654
Unexpected investment income	–	(70,502)	(70,502)
Differences between expected and actual experience	(1,025,064)	–	(1,025,064)
Employer contributions	–	(133,447)	(133,447)
Employee contributions	–	–	–
Benefit payments & refunds	(142,396)	142,396	–
Administrative expenses	–	7,149	7,149
Changes in benefit terms	–	–	–
Assumption changes	344,285	–	344,285
Balance as of September 30, 2024	<u>\$ 4,521,852</u>	<u>\$ (697,273)</u>	<u>\$ 3,824,579</u>

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

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

	1% Decrease 3.21%	Current Discount Rate 4.21%	1% Increase 5.21%
Net OPEB Liability	\$ 4,445,422	\$ 3,824,579	\$ 3,317,687

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

	1% Decrease	Current Discount 6.50% graded down to 5.00%	1% Increase
Net OPEB Liability	\$ 3,350,511	\$ 3,824,579	\$ 4,393,340

The financial statements of the OPEB Trust Fund are included in Note 3.

Payable to the OPEB Plan

At September 30, 2024, the City did not have any outstanding contributions payable to the Plan required for the year ended September 30, 2024.

**NOTE 4 – OTHER POST-EMPLOYMENT BENEFIT PLAN – CONTINUED**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**  
For the year ended September 30, 2024, the City recognized OPEB expense of \$12,289. At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2023	\$ 1,272,719	\$ (2,176,196)
Change due to:		
Amortization payments	(381,065)	622,172
Investment gain/loss	–	(70,502)
Demographic gain/loss	–	(1,025,064)
Assumption changes	–	–
Total change	344,285	–
<b>Balance as of September 30, 2024</b>	<b><u>\$ 1,235,939</u></b>	<b><u>\$ (2,649,590)</u></b>

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

<u>Year ended September 30:</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
2025	\$ 380,995	\$ (622,171)
2026	380,997	(606,140)
2027	288,454	(501,978)
2028	53,840	(418,120)
2029	43,976	(218,704)
Thereafter	87,677	(282,477)

**NOTE 5 – CONTINGENCIES**

From time to time, the City is involved in litigation with various parties. The outcome of these matters and potential losses to the City cannot be determined. As a result, no liability has been recorded in these financial statements. However, it is at least reasonably possible that a liability could result in the near term.

**NOTE 6 – COMMITMENTS**

The City has entered into long term construction contracts for the completion of various projects. The total commitment at September 30, 2024 is \$16,040,044, of which \$13,391,025 has been completed by September 30, 2024. Of the remaining balance, \$2,566,831 is expected to be funded by grant awards the City has received.

## REQUIRED SUPPLEMENTARY INFORMATION



CITY OF WAUCHULA, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET TO ACTUAL – GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Item # 2.

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>				
Taxes	\$ 1,625,943	\$ 1,625,943	\$ 1,676,634	\$ 50,691
Charges for services	170,665	170,665	173,301	2,636
Fines and forfeitures	30,700	30,700	70,318	39,618
Intergovernmental revenue	1,039,430	1,039,430	1,068,273	28,843
Interest	6,000	6,000	108,357	102,357
Licenses and permits	12,000	12,000	12,390	390
Grant revenue	52,073	766,036	797,372	31,336
Miscellaneous revenues	50,300	50,300	61,266	10,966
<b>Total Revenues</b>	<u>2,987,111</u>	<u>3,701,074</u>	<u>3,967,911</u>	<u>266,837</u>
<b>Expenditures</b>				
General government	1,628,654	1,657,877	1,552,701	105,176
Police department	1,740,992	1,750,699	1,844,824	(94,125)
Highways and streets	297,520	297,520	300,592	(3,072)
Culture/recreation	491,436	491,436	507,798	(16,362)
Capital outlay	278,500	953,533	878,078	75,455
Debt service	56,340	56,340	56,293	47
<b>Total expenditures</b>	<u>4,493,442</u>	<u>5,207,405</u>	<u>5,140,286</u>	<u>67,119</u>
<b>Excess of revenues over (under) expenditures</b>	(1,506,331)	(1,506,331)	(1,172,375)	333,956
<b>Other Financing Sources (Uses)</b>				
Proceeds from sales of assets	-	-	35,285	35,285
Transfers In	1,966,821	1,966,821	1,966,821	-
Transfers Out	(460,490)	(460,490)	(460,696)	(206)
<b>Total Other Financing Sources (Uses)</b>	<u>1,506,331</u>	<u>1,506,331</u>	<u>1,541,410</u>	<u>35,079</u>
<b>Net Change in Fund Balances</b>	-	-	369,035	369,035
<b>Fund Balance – October 1, 2023</b>	<u>2,427,176</u>	<u>2,427,176</u>	<u>2,427,176</u>	<u>-</u>
<b>Fund Balance – September 30, 2024</b>	<u><b>\$ 2,427,176</b></u>	<u><b>\$ 2,427,176</b></u>	<u><b>\$ 2,796,211</b></u>	<u><b>\$ 369,035</b></u>

**Note 1 – Budgetary Basis**

The general fund budget is adopted on a basis consistent with generally accepted accounting principles.

CITY OF WAUCHULA, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET TO ACTUAL – SPECIAL REVENUE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Taxes	\$ 778,664	\$ 778,664	\$ 779,010	\$ 346
Interest	10,000	10,000	36,540	26,540
Grant revenue	4,056,289	4,056,289	1,342,741	(2,713,548)
Miscellaneous revenues	39,041	39,041	111	(38,930)
Total Revenues	4,883,994	4,883,994	2,158,402	(2,725,592)
<b>EXPENDITURES</b>				
General government	493,384	493,384	413,718	79,666
Capital outlay	5,851,268	5,851,268	2,033,676	3,817,592
Total Expenditures	6,344,652	6,344,652	2,447,394	3,897,258
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(1,460,658)	(1,460,658)	(288,992)	1,171,666
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sales of assets	480,000	480,000	602,705	122,705
Transfers in	980,658	980,658	460,696	(519,962)
Total Other Financing Sources (Uses)	1,460,658	1,460,658	1,063,401	(397,257)
Net change in Fund Balances	–	–	774,409	774,409
<b>FUND BALANCE – October 1, 2023</b>	1,072,173	1,072,173	1,072,173	–
<b>FUND BALANCE – September 30, 2024</b>	<b>\$ 1,072,173</b>	<b>\$ 1,072,173</b>	<b>\$ 1,846,582</b>	<b>\$ 774,409</b>

**Note 1 – Budgetary Basis**

The special revenue fund budget is adopted on a basis consistent with generally accepted accounting principles.

**CITY OF WAUCHULA, FLORIDA**  
**SCHEDULE OF CHANGES IN NET PENSION (ASSET) LIABILITY AND RELATED RATIOS**  
**WEPP**  
**LAST TEN FISCAL YEARS**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total pension liability										
Service cost	\$ 397,481	\$ 632,364	\$ 644,200	\$ 685,722	\$ 716,988	\$ 695,964	\$ 734,403	\$ 750,905	\$ 857,684	\$ 910,621
Expected interest growth	1,189,323	823,513	1,024,605	1,074,934	1,116,945	1,201,329	1,257,637	1,311,129	1,344,851	1,448,391
Demographic gain/loss	(1,115,993)	(580,470)	(856,549)	(339,093)	(115,371)	(265,122)	110,449	(801,206)	181,972	(155,392)
Employee contributions	-	-	-	-	-	-	-	-	-	-
Benefit payments, including refunds	(846,093)	(929,139)	(849,400)	(814,712)	(903,232)	(844,451)	(1,030,634)	(890,759)	(920,896)	(1,117,456)
Administrative expenses	-	-	-	-	-	-	-	-	-	-
Changes in benefit terms	-	-	-	-	406,441	-	-	-	-	-
Assumption changes	(1,180,305)	2,906,292	707,505	-	-	-	(326,442)	-	-	-
Net change in total pension liability	(1,555,587)	2,852,560	670,361	606,851	1,221,771	787,720	745,413	370,069	1,463,611	1,086,164
Total pension liability – Beginning	13,114,642	11,559,055	14,411,615	15,081,976	15,688,827	16,910,598	17,698,318	18,443,731	18,813,800	20,277,411
Total pension liability – Ending (a)	<u>\$ 11,559,055</u>	<u>\$ 14,411,615</u>	<u>\$ 15,081,976</u>	<u>\$ 15,688,827</u>	<u>\$ 16,910,598</u>	<u>\$ 17,698,318</u>	<u>\$ 18,443,731</u>	<u>\$ 18,813,800</u>	<u>\$ 20,277,411</u>	<u>\$ 21,363,575</u>
Plan fiduciary net position										
Contributions – Employer	262,201	13,515	277,978	208,949	133,519	4,783	155,637	229,950	7,765	445,257
Contributions – Employee	262,201	271,126	-	293,056	304,838	322,149	328,953	360,424	386,114	368,046
Investment Income	21,493	1,283,244	2,169,961	1,344,711	1,001,891	1,263,532	3,890,857	(3,081,357)	1,726,692	4,173,435
Benefit payments, including refunds of employee contributions	(1,108,162)	(929,139)	(849,400)	(814,712)	(903,232)	(844,451)	(1,030,634)	(890,759)	(920,896)	(1,117,456)
Administrative expense	(47,753)	(49,123)	(41,040)	(48,967)	(43,798)	(42,731)	(47,839)	(48,819)	(47,853)	(50,674)
Net change in plan fiduciary net position	(610,020)	589,623	1,557,499	983,037	493,218	703,282	3,296,974	(3,430,561)	1,151,822	3,818,608
Plan fiduciary net position – Beginning	16,490,294	15,880,274	16,469,897	18,027,396	19,010,433	19,503,651	20,206,933	23,503,907	20,073,346	21,225,168
Plan fiduciary net position – Ending (b)	<u>\$ 15,880,274</u>	<u>\$ 16,469,897</u>	<u>\$ 18,027,396</u>	<u>\$ 19,010,433</u>	<u>\$ 19,503,651</u>	<u>\$ 20,206,933</u>	<u>\$ 23,503,907</u>	<u>\$ 20,073,346</u>	<u>\$ 21,225,168</u>	<u>\$ 25,043,776</u>
Net pension liability (asset) – Ending (a) – (b)	<u>\$ (4,321,219)</u>	<u>\$ (2,058,282)</u>	<u>\$ (2,945,420)</u>	<u>\$ (3,321,606)</u>	<u>\$ (2,593,053)</u>	<u>\$ (2,508,615)</u>	<u>\$ (5,060,176)</u>	<u>\$ (1,259,546)</u>	<u>\$ (947,757)</u>	<u>\$ (3,680,201)</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	137.38%	114.28%	119.53%	121.17%	115.33%	114.17%	127.44%	106.69%	104.67%	117.23%
Covered employee payroll	\$ 2,483,561	\$ 2,590,078	\$ 2,537,297	\$ 2,685,252	\$ 2,817,015	\$ 2,775,343	\$ 2,944,531	\$ 2,999,018	\$ 3,342,507	\$ 3,427,583
Net pension liability as a percentage of covered employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

CITY OF WAUCHULA, FLORIDA  
SCHEDULE OF CONTRIBUTIONS  
WEPP  
LAST TEN FISCAL YEARS

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially determined contribution	\$ 144,844	\$ 195,961	\$ 198,198	\$ 94,657	\$ 133,084	\$ 160,430	\$ 152,963	\$ -	\$ 504,265	\$ 480,668
Contributions in relation to the actuarially determined contributions	262,201	13,515	-	208,949	133,519	4,783	155,637	229,950	7,765	445,257
Contribution deficiency (excess)	<u>\$ (117,357)</u>	<u>\$ 182,446</u>	<u>\$ 198,198</u>	<u>\$ (114,292)</u>	<u>\$ (435)</u>	<u>\$ 155,647</u>	<u>\$ (2,674)</u>	<u>\$ (229,950)</u>	<u>\$ 496,500</u>	<u>\$ 35,411</u>
Covered employee payroll	2,483,561	2,590,078	2,537,297	2,685,252	2,817,015	2,775,343	2,944,531	2,999,018	3,342,507	3,427,583
Contributions as a percentage of covered employee payroll	10.56%	0.52%	0.00%	7.78%	4.74%	0.17%	5.29%	7.67%	0.23%	12.99%

**CITY OF WAUCHULA, FLORIDA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**WEPP**

Employers reporting date: September 30, 2024  
 Measurement date: September 30, 2024  
 Valuation Date: October 1, 2023

Actuarially determined contribution rates are calculated as of October 1, prior to the end of the fiscal year in which contributions are reported.

Actuarial assumptions

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.
Salary increases:	5.00% per annum. Average pay is increased by 5.00% to reflect anticipated lump sum compensation payments upon termination.
Cost-of-living increases:	None assumed
Mortality basis:	Pre-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year; post-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Healthy Retiree Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year.
Retirement:	For eligible police officers, 20% are assumed to retire at each of ages 55 through 57, 30% are assumed to retire each of ages 58 and 59, and 100% are assumed to retire at age 60. For all other eligible participants, 10% are assumed to retire at each of ages 55 through 59 and 100% are assumed to retire at age 60. Regardless of the foregoing, participants who have earned at least 30 years of service are assumed to retire immediately and deferred vested participants are assumed to commence benefits at their normal retirement age.
Other decrements:	Assumed employment termination is based on age; for police officers, termination rates range from 5.00% at age 25 to 0.00% at age 45; for all other participants, termination rates range from 7.10% at age 25 to 0.00% at age 60. Assumed disability is based on gender and age; for police officers, disability rates range from 0.179% for males and 0.075% for females at age 25 to 1.03% for males and 0.04% for females at age 55, with 80% of disabilities assumed to be service-related; for all other participants, disability rates range from 0.075% for males and 0.035% for females at age 25 to 0.40% for males and 0.18% for females at age 55, with 20% of disabilities assumed to be service related.
Marriage assumption:	80% of non-retired participants are assumed to be married, with husbands three years older than wives.
Form of payment:	Future married retirees are assumed to select the 50% joint and contingent annuity; future unmarried police retirees are assumed to select the 10-year certain and life annuity; all other future unmarried retirees are assumed to select the single life annuity.
Non-investment expenses:	1.75% of covered payroll
Future contributions:	Contributions from the employer and employees are assumed to be made as legally required.
Changes of assumptions:	There were no changes of assumptions since the prior measurement date.

CITY OF WAUCHULA, FLORIDA  
SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE  
OF RETURN ON INVESTMENTS  
WEPP

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Item # 2.

SCHEDULE OF ANNUAL MONEY-WEIGHTED RETURN ON INVESTMENTS – LAST TEN YEARS

<u>Year Ended</u>	<u>PERCENTAGE</u>
09/30/24	19.83%
09/30/23	8.73%
09/30/22	-13.21%
09/30/21	19.54%
09/30/20	6.57%
09/30/19	5.34%
09/30/18	7.53%
09/30/17	13.42%
09/30/16	8.26%
09/30/15	0.13%

The annual money weighted return on investments is net of investment expense.

**CITY OF WAUCHULA, FLORIDA**  
**SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS**  
**AVAILABLE FISCAL YEARS \***

	2017	2018	2019	2020	2021	2022	2023	2024
Total OPEB liability								
Service cost	\$ 89,281	\$ 91,285	\$ 76,135	\$ 100,915	\$ 109,968	\$ 72,366	\$ 62,392	\$ 72,593
Interest	158,996	191,473	157,853	126,785	167,555	310,942	261,446	212,407
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	(871,543)	951,050	193,790	(414,919)	54,170	(314,198)	(1,025,064)
Changes of assumptions	-	(349,655)	(39,687)	1,187,996	147,769	(1,495,762)	(112,817)	344,285
Benefit payments	(122,410)	-	(120,565)	(125,871)	(129,990)	(114,129)	(149,804)	(142,396)
Net change in total OPEB liability	125,867	(938,440)	1,024,786	1,483,615	(119,617)	(1,172,413)	(252,981)	(538,175)
Total OPEB liability – Beginning	4,909,210	5,035,077	4,096,637	5,121,423	6,605,038	6,485,421	5,313,008	5,060,027
Total OPEB liability – Ending	<u>\$ 5,035,077</u>	<u>\$ 4,096,637</u>	<u>\$ 5,121,423</u>	<u>\$ 6,605,038</u>	<u>\$ 6,485,421</u>	<u>\$ 5,313,008</u>	<u>\$ 5,060,027</u>	<u>\$ 4,521,852</u>
Plan fiduciary net position								
Contributions – Employer	\$ 155,734	\$ 84,107	\$ 171,258	\$ 181,903	\$ 121,775	\$ 130,834	\$ 135,363	\$ 133,447
Interest	15,006	23,975	17,409	34,101	14,564	32,131	28,386	38,753
Net investment income	9,152	(2,713)	10,017	(354)	80,159	(119,142)	15,089	70,502
Benefit payments	-	-	(120,565)	(125,871)	(129,990)	(114,129)	(149,804)	(142,396)
Administrative expense	(6,445)	(6,869)	(6,949)	(7,017)	(7,133)	(8,651)	(8,608)	(7,149)
Net change in plan fiduciary net position	173,447	98,500	71,170	82,762	79,375	(78,957)	20,426	93,157
Plan fiduciary net position – Beginning	157,393	330,840	429,340	500,510	583,272	662,647	583,690	604,116
Plan fiduciary net position – Ending	<u>\$ 330,840</u>	<u>\$ 429,340</u>	<u>\$ 500,510</u>	<u>\$ 583,272</u>	<u>\$ 662,647</u>	<u>\$ 583,690</u>	<u>\$ 604,116</u>	<u>\$ 697,273</u>
City's net OPEB liability	<u>\$ 4,704,237</u>	<u>\$ 3,667,297</u>	<u>\$ 4,620,913</u>	<u>\$ 6,021,766</u>	<u>\$ 5,822,774</u>	<u>\$ 4,729,318</u>	<u>\$ 4,455,911</u>	<u>\$ 3,824,579</u>
Plan fiduciary net position as a percentage of the total OPEB liability	6.57%	10.48%	9.77%	8.83%	10.22%	10.99%	11.94%	15.42%
Covered–employee payroll	\$ 2,537,297	\$ 2,685,252	\$ 3,136,162	\$ 2,973,961	\$ 3,038,830	\$ 3,125,689	\$ 3,449,266	\$ 2,699,152
City's net OPEB liability as a percentage of covered–employee payroll	185.40%	136.57%	147.34%	202.48%	191.61%	151.30%	129.18%	141.70%

\* GASB No. 74 was adopted in fiscal year 2017 and GASB No. 75 was adopted in fiscal year 2018. Ultimately, this schedule will contain information for the last ten years.

**CITY OF WAUCHULA, FLORIDA  
SCHEDULE OF CONTRIBUTIONS – OPEB  
AVAILABLE FISCAL YEARS \***

	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially determined contribution	\$ 155,734	\$ 84,107	\$ 171,258	\$ 181,903	\$ 121,775	\$ 130,834	\$ 135,363	\$ 133,447
Contributions in relation to the actuarially determined contribution	155,734	84,107	171,258	181,903	121,775	130,834	135,363	133,447
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 2,537,297	\$ 2,685,252	\$ 3,136,162	\$ 2,973,961	\$ 3,038,830	\$ 3,215,689	\$ 3,449,266	\$ 2,699,152
Contributions as a percentage of covered-employee payroll	6.14%	3.13%	5.46%	6.12%	4.01%	4.07%	3.92%	4.94%

\* GASB No. 74 was adopted in fiscal year 2017 and GASB No. 75 was adopted in fiscal year 2018. Ultimately, this schedule will contain information for the last ten years.

**Notes to Schedule:**

Valuation Date: October 1, 2023

Measurement Date: September 30, 2024

**Methods and assumptions used to determine contribution rates:**

Discount rate	4.21% per annum
Expected long-term return on assets	6.50% per annum (2.62% attributable to long-term inflation)
Salary increases	3.00% per annum
Inflation	Retiree contributions and health insurance premiums have been assumed to increase in accordance with the healthcare cost trend rates
Healthcare cost trend rates	Increases in healthcare costs are assumed to be 6.50% for the 2024/25 fiscal year graded down by 0.50% per year to 5.00% for the 2027/28 and later fiscal years
Age-related morbidity	Healthcare costs are assumed to increase at the rate of 3.50% for each year of age
Mortality	Sex-distinct rates set forth in the PUB-2010 Mortality Table (without income adjustments) for general and public safety employees, with full generational improvements in mortality using Scale MP-2020
Retirement	10% of eligible general employees are assumed to retire at each ages of 55 through 59 and 100% of eligible general employees are assumed to retire at age 60; 20% of eligible police officers are assumed to retire at each of ages 55 through 57, 30% of eligible police officers are assumed to retire at each of ages 58 and 59, and 100% of eligible police officers are assumed to retire at age 60; regardless of the foregoing, employees who have earned at least 30 years of service are assumed to retire immediately
Disability	Assumed disability uses age and gender based rates: general employee disability rates range from 0.075% (males) and 0.035% (females) at age 25, 0.096% (males) and 0.054% (females) at age 35, and 0.162% (males) and 0.085% (females) at age 45, to 0.400% (males) and 0.180% (females) at age 55; police officer disability rates range from 0.179% (males) and 0.075% (females) at age 25, 0.290% (males) and 0.096% (females) at age 35, and 0.795% (males) and 0.162% (females) at age 45, to 1.030% (males) and 0.040% (females) at age 55
Employment termination	Assumed withdrawal uses age-based rates; general employee withdrawal rates range from 7.10% at age 25, 4.20% at age 35, 1.80% at age 45, and 0.80% at age 55 to 0.00% at age 60; police officer withdrawal rates range from 5.00% at age 25 and 3.00% at age 35 to 0.00% at age 45
Changes in assumptions	Since the prior measurement date, the discount rate was decreased from 4.96% per annum to 4.21% per annum
Changes in implied monthly subsidy	The implied monthly subsidy at age 60 for the 2023/24 fiscal year was changed from \$483.75 to \$450.00 for the retiree and from \$618.12 to \$575.00 for the retiree's spouse



CITY OF WAUCHULA, FLORIDA  
SCHEDULE OF INVESTMENT RETURNS – OPEB  
AVAILABLE FISCAL YEARS \*

	2017	2018	2019	2020	2021	2022	2023	2024
Annual money-weighted rate of return, net of investment expense	9.90%	5.59%	4.43%	5.15%	14.08%	-15.33%	5.90%	15.62%

\* GASB No. 74 was adopted in fiscal year 2017 and GASB No. 75 was adopted in fiscal year 2018. Ultimately, this schedule will contain information for the last ten years.

## OTHER SUPPLEMENTARY INFORMATION

**CITY OF WAUCHULA, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Item # 2.

Grantor / Pass-Through Grantor / Federal Awards / State Project	ALN / CSFA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Expenditures
<b>FEDERAL AWARDS</b>				
<b>U.S. Department of Justice</b>				
Bulletproof Vest Partnership Program	16.607	BVP – Bullet Proof Vests	\$ –	\$ 2,131
Passed through the State of Florida, Office of Attorney General		VOCA-2023-Wauchula		
Crime Victim Assistance	16.575	Police Department – 00044	–	52,053
Passed through the State of Florida, Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	R7073	–	8,707
Passed through the State of Florida, Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	R7041	–	1,000
Total U.S. Department of Justice			–	63,891
<b>Department of Treasury</b>				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Y5313	–	326,726
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	G2L79	–	10,600
Total Department of Treasury			–	337,326
<b>U.S. Department of Transportation</b>				
Passed through the State of Florida Department of Environmental Protection				
Recreational Trails Program	20.219	T1908	–	109,506
Airport Improvement Program	20.106	3-12-0084-018-2021	–	1,412,703
Total U.S. Department of Transportation			–	1,522,209
<b>Department of Homeland Security</b>				
Passed through the State of Florida Division of Emergency Management				
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	Z2868	–	40,355
Total Department of Treasury			–	40,355
<b>U.S. Department of Environmental Protection</b>				
Clean Water State Revolving Fund	66.458	WW-250160	–	3,697,134
Drinking Water State Revolving Fund	66.468	DE-250151	–	277,107
Total U.S. Department of Environmental Protection			–	3,974,241
<b>Total Expenditures of Federal Awards</b>			<b>\$ –</b>	<b>\$ 5,938,022</b>
<b>STATE PROJECTS</b>				
<b>Florida Department of Environmental Protection</b>				
Statewide Water Quality Restoration Projects	37.039	LPA0233	\$ –	\$ 1,195,097
Statewide Water Quality Restoration Projects	37.039	LPA0404	–	1,325,968
Statewide Water Quality Restoration Projects	37.039	LPA0405	–	123,485
Statewide Water Quality Restoration Projects	37.039	LPR0701	–	255,020
Total Statewide Water Quality Restoration Projects			–	2,899,570
Resilient Florida Program	37.098	23PLN112	–	117,910
Total Florida Department of Environmental Protection			–	3,017,480
<b>Florida Department of Transportation</b>				
Local Transportation Projects	55.039	G2M55	–	17,610
Local Transportation Projects	55.039	G2B86	–	20,745
Total Local Transportation Projects			–	38,355
Aviation Grant Programs	55.004	G2858	–	23,357
Aviation Grant Programs	55.004	G2H44	–	270,847
Total Aviation Grant Programs			–	294,204
Small County Outreach Program (SCOP)	55.009	G1U87	–	1,341
Small County Outreach Program (SCOP)	55.009	G2A21	–	83,690
Small County Outreach Program (SCOP)	55.009	G2A53	–	20,120
Small County Outreach Program (SCOP)	55.009	G2A55	–	19,640
Small County Outreach Program (SCOP)	55.009	G2A35	–	21,950
Small County Outreach Program (SCOP)	55.009	G2A54	–	20,920
Total County Outreach Program (SCOP)			–	167,661
Total Florida Department of Transportation			–	500,220
<b>Florida Department of Commerce</b>				
Regional Community Development and Infrastructure	40.042	D0282	–	50,250
Regional Community Development and Infrastructure	40.042	D0176	–	327,393
Total Regional Community Development and Infrastructure			–	377,643
Total Florida Department of Commerce			–	377,643
<b>Florida Department of State and Secretary of State</b>				
Acquisition, Restoration of Historic Properties	45.032	23.h.sc.100.052	–	70,500
Total Florida Department of State and Secretary of State			–	70,500
<b>Total Expenditures of State Financial Assistance</b>			<b>\$ –</b>	<b>\$ 3,965,843</b>

The Independent Auditor's Report should be read in connection with this schedule.

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of the City of Wauchula, Florida (City) and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Florida State Single Audit Act and Rules of the Auditor General of the State of Florida, Chapter 10.550. Some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Because the schedule presents only a selected portion of the City's operations, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are recognized following the cost principles contained in the Uniform Guidance and Chapter 10.550 Rules of the Auditor General wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The City elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE C – CONTINGENCIES**

Grant monies received and distributed by the City are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based on prior experience, the City does not believe that such allowances, if any, would have a material effect on the financial position of the City. As of June 16, 2025, there were no material questioned or disallowed costs as a result of grant audits in process or completed.

**NOTE D – LOANS**

The City has federal loans outstanding issued through the Environmental Protection Agency, under the Capitalization Grants for State Revolving Funds program. Both loans were issued during 2023. The outstanding loan balances as of September 30, 2024 are as follows:

<u>Grant Number</u>	<u>Assistance Listing Number</u>	<u>Program Name</u>	<u>Outstanding Balance at September 30, 2024</u>
CW-250160	66.458	Capitalization Grants for State Revolving Funds	\$ 1,016,230
DW-250151	66.468	Capitalization Grants for State Revolving Funds	\$ 138,769

**CITY OF WAUCHULA, FLORIDA  
DETAIL SCHEDULE OF REVENUES AND EXPENSES  
ELECTRIC, WATER AND SEWER SYSTEM  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Item # 2.

	<u>ELECTRIC</u>	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
Operating Revenues:				
Charges for services and fees	\$ 7,343,937	\$ 1,415,966	\$ 2,575,699	\$ 11,335,602
Total Operating Revenues	<u>7,343,937</u>	<u>1,415,966</u>	<u>2,575,699</u>	<u>11,335,602</u>
Operating Expenses:				
Personal services	1,243,649	543,297	612,831	2,399,777
Other operating expenses	1,264,931	584,867	734,399	2,584,197
Purchased power	3,068,407	-	-	3,068,407
Amortization	12,222	6,111	6,110	24,443
Depreciation	812,915	406,458	406,457	1,625,830
Total Operating Expenses	<u>6,402,124</u>	<u>1,540,733</u>	<u>1,759,797</u>	<u>9,702,654</u>
Operating Income (Loss)	941,813	(124,767)	815,902	1,632,948
Non-operating Revenues (Expenses):				
Capital grants and contributions	643,406	2,547,916	4,573,072	7,764,394
Interest income	-	-	67,695	67,695
Interest expense	(381)	112	(49,025)	(49,294)
Other income (expense)	<u>119,062</u>	<u>59,531</u>	<u>114,487</u>	<u>293,080</u>
Total Non-operating Revenue (Expenses)	<u>762,087</u>	<u>2,607,559</u>	<u>4,706,229</u>	<u>8,075,875</u>
Income (loss) before transfers	1,703,900	2,482,792	5,522,131	9,708,823
Transfers out	<u>(938,364)</u>	<u>(469,182)</u>	<u>(469,181)</u>	<u>(1,876,727)</u>
Change in Net Position	<u><u>\$ 765,536</u></u>	<u><u>\$ 2,013,610</u></u>	<u><u>\$ 5,052,950</u></u>	<u><u>\$ 7,832,096</u></u>

The Independent Auditor's Report should be read in connection with this schedule.

**CITY OF WAUCHULA, FLORIDA  
SCHEDULE OF INSURANCE COVERAGE**

Item # 2.

<b><u>INSURANCE COMPANY/GROUP</u></b>	<b><u>DESCRIPTION OF COVERAGE</u></b>	<b><u>LIMITS OF COVERAGE</u></b>
World Risk Management, LLC		Per occurrence:
	General liability	\$ 2,000,000
	Personal/Advertising Injury	\$ 2,000,000
	Law enforcement	\$ 2,000,000
	Public officials and errors and omissions Liability	\$ 2,000,000/\$6,000,000 (member aggregate)
	Auto liability	\$ 2,000,000
	Workers' compensation	Florida statutory limits
	Property	Based on valuation with a limit of \$50,582,053
	Employee Benefits Liability	\$ 2,000,000
	Money and securities	\$ 500,000
	Forgery/Alteration	\$ 500,000
	Employee dishonesty	\$ 500,000
	Sexual misconduct	\$ 2,000,000/\$ 3,000,000 (member aggregate)
	Sexual harassment	\$ 2,000,000/\$ 6,000,000 (member aggregate)
	Inverse Condemnation – Per Claim	\$ 100,000/\$ 100,000 (member aggregate)
	Bert Harris Act – Per Claim	\$ 300,000/\$ 300,000 (member aggregate)
	Non-Monetary Damages – Per Claim	\$ 100,000/\$ 100,000 (member aggregate)
	Cyber Liability	\$ 2,000,000
	Terrorism & Sabotage	\$ 25,000,000
	Active Shooter & Malicious Attack	\$ 2,000,000 (occurrence and pool annual aggregate)

**Policy Period:** For all coverage's listed above, the policy period is October 1, 2023 to October 1, 2024.

## **OTHER REPORTS**

**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***

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**MANAGEMENT LETTER**

**INDEPENDENT ACCOUNTANT'S REPORT  
ON INVESTMENT COMPLIANCE**

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

**To the Honorable City Commission  
City of Wauchula, Florida**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wauchula, Florida (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, and have issued our report thereon dated June 16, 2025.

**Report on Internal Control over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

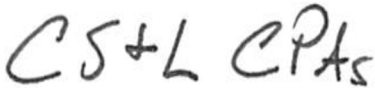
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect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

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**Purpose of This Report**

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

Handwritten signature in dark ink, reading "CS&L CPAs". The letters are cursive and slightly slanted.

CS&L CPAs, P.A.

June 16, 2025  
Bradenton, Florida

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

**To the Honorable City Commission  
City of Wauchula, Florida**

**Report on Compliance for Each Major Program and State Project**

***Opinion on Each Major Federal Program and State Project***

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

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

***Basis for Opinion on Each Major Federal Program and State Project***

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

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

***Responsibilities of Management for Compliance***

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

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

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.550, Rules of the Auditor General will always detect material noncompliance when it exists.

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The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program or state project as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

#### **Report on Internal Control over Compliance**

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Handwritten signature in dark ink that reads "CS&L CPAs". The letters are cursive and slightly slanted.

CS&L CPAs, P.A.

June 16, 2025  
Bradenton, Florida

CITY OF WAUCHULA, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Item # 2.

Section I – Summary of Auditors’ Results

**Financial Statements**

Type of report the auditor issued on whether the financial statements were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_ yes    x no

Significant deficiency(ies) identified?

\_\_\_ yes    x none reported

Noncompliance material to financial statements noted?

\_\_\_ yes    x no

**Federal Awards and State Financial Assistance**

Internal control over major federal programs or state projects:

Material weakness(es) identified?

\_\_\_ yes    x no

Significant deficiency(ies) identified?

\_\_\_ yes    x none reported

Type of auditor’s report issued on compliance for major federal programs and state projects:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a) or Chapter 10.550, Rules of the Auditor General?

\_\_\_ yes    x no

**Identification of Major Federal Programs:**

**AL Number**

Coronavirus State and Local Fiscal Recover Funds

21.027

Clean Water State Revolving Fund

66.458

Dollar threshold used to distinguish between Type A and Type B projects:

\$750,000

Auditee qualified as a low-risk auditee?

\_\_\_ yes    x no

**Identification of Major State Projects:**

**CSFA Number**

Statewide Water Quality Restoration Projects

37.039

Dollar threshold used to distinguish between Type A and Type B projects:

\$750,000

**Section II – Financial Statement Findings**

No matters were reported.

**PRIOR YEAR FINDINGS**

There were no prior audit findings.

**Section III – Findings and Questioned Costs for Federal Awards**

No matters were reported.

**Section IV – Findings and Questioned Costs for State Projects**

No matters were reported.

**PRIOR YEAR FINDINGS**

No summary schedule of prior year findings is required because there were no prior audit findings related to federal programs or state projects.

## MANAGEMENT LETTER

**To the Honorable City Commission  
City of Wauchula, Florida**

### **Report on the Financial Statements**

We have audited the financial statements of the City of Wauchula, Florida (City) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 16, 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

### **Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 16, 2025, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

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

### **Financial Condition and Management**

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

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

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

#### **Property Assessed Clean Energy (PACE) Programs**

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

#### **Special District Component Units**

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

#### **Specific Information for a Dependent Special District**

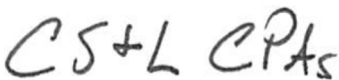
Information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General is reported in the City of Wauchula Community Redevelopment Agency's audited financial statements.

#### **Additional Matters**

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

#### **Purpose of this Letter**

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



CS&L CPAs, P.A.

June 16, 2025  
Bradenton, Florida



**INDEPENDENT ACCOUNTANT'S REPORT  
ON INVESTMENT COMPLIANCE**

**To the Honorable City Commission  
City of Wauchula, Florida**

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

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

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

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

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

This report is intended solely for the information and use of the City and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



**CS&L CPAs, P.A.**

June 16, 2025  
Bradenton, Florida

**CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
(A COMPONENT UNIT OF THE CITY OF WAUCHULA, FLORIDA)**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2024**

**CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
(A COMPONENT UNIT OF THE CITY OF WAUCHULA, FLORIDA)  
FINANCIAL STATEMENTS**

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Item # 2.

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable City Commission  
City of Wauchula Community Redevelopment Agency  
Wauchula, Florida

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities and major fund of the City of Wauchula Community Redevelopment Agency (CRA), a component unit of the City of Wauchula, Florida as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the CRA as of September 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the CRA'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 Responsibility for the Audit of the Financial Statements*

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

- 1 -

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CRA'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 CRA'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 and other required supplementary information as listed in the table of contents 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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2025, on our consideration of the CRA'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 CRA'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 CRA's internal control over financial reporting and compliance.

CS&L CPAs

CS&L CPAs, P.A.

June 16, 2025  
Bradenton, Florida



## CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Wauchula Community Redevelopment Agency (the CRA), we offer readers of the CRA's financial statements this narrative overview and analysis of the financial activities of the CRA for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with the basic financial statements.

### Financial Highlights

- The assets and deferred outflows of resources of the CRA exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$2,288,997 (net position).
- The CRA's total net position decreased by \$3,121,266 during the year.
- The net post-employment benefit plan liability recognized under GASB Statement No. 75, *Financial Reporting and Accounting for Post-employment Benefit Plans Other Than Pensions* continues to impact the CRA. The CRA's proportionate share of the net OPEB liability at year end is \$130,801, which decreased \$8,248 over the prior year. The liability is based on an actuarially calculated amount. During 2016, the City of Wauchula, Florida established an Other Post-employment Benefit (OPEB) Trust Fund to reduce the related liability over time, including the CRA's proportionate share of the liability. At September 30, 2024, the trust fund balance recognized by the City of Wauchula, Florida as a fiduciary fund was \$704,965.
- As of the close of the current fiscal year, the CRA's governmental fund reported an ending fund balance of \$1,846,582, an increase of \$774,409 in comparison with the prior year. Of this amount, the entire fund balance is restricted for redevelopment purposes within the CRA's boundaries.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the CRA's basic financial statements. The CRA's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required 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 CRA's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the CRA's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CRA is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported in a manner similar to the approach used by private-sector business in that revenues are recognized when earned or established criteria are satisfied and expenses reported when incurred.

Accordingly, revenues are reported even when they may not be collected for several months after the end of the year and expenses are reported even though they may not have used cash during the current fiscal year.

Both of the government-wide financial statements distinguish functions of the CRA 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 CRA is only involved in governmental activities.

The government-wide financial statements can be found on pages 8 and 9 of this report.

**Fund financial statements:** Funds are a group of self-balancing accounts. Funds are used to account for specific activities of the CRA. The CRA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

Because the focus of the governmental fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental fund 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 CRA's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between the governmental fund and governmental activities.

The CRA adopts an annual appropriated budget for its governmental fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the budget.

The basic governmental fund financial statements, including reconciliations, can be found on pages 10 through 13 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 should be read in conjunction with the financial statements.

**Other information:** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the CRA's budgetary comparisons, as well as pension and other post-employment benefits information. Required supplementary information is listed in the table of contents.

### Government-wide Financial Analysis

The following table presents a condensed statement of net position as of September 30, 2024 with comparative totals as of September 30, 2023.

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
Current and other assets	\$ 2,207,340	\$ 1,640,891
Capital assets (net of depreciation)	570,486	4,444,410
Total assets	2,777,826	6,085,301
Deferred outflows of resources	141,529	171,431
Long-term liabilities outstanding		
Compensated absences	23,856	21,538
OPEB liability	130,801	139,049
	154,657	160,587
Other liabilities	234,895	516,438
Total liabilities	389,552	677,025
Deferred inflows of resources	240,806	169,444
Net position:		
Net investment in capital assets	570,486	4,444,410
Restricted	1,718,511	965,853
Unrestricted	–	–
<b>Total Net Position</b>	<b>\$ 2,288,997</b>	<b>\$ 5,410,263</b>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the CRA, assets and deferred outflows exceeded liabilities and deferred inflows by \$2,288,997 at the close of September 30, 2024.

The CRA's net position include net investment in capital assets of \$570,486, which reflect its capital assets (e.g., land, buildings and improvements in infrastructure, machinery, and equipment), net of depreciation, less any related debt used to acquire those assets that are still outstanding. The CRA uses these capital assets to provide services to its citizens; consequently, these assets are *not* available for future spending. Although the CRA's investment in 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. The CRA does not have any debt as of September 30, 2024.

The remaining fund balance is restricted for redevelopment purposes.



The following is a summary of the changes in net position for the year ended September 30, 2024, with comparative totals for the year ended September 30, 2023.

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
Revenues:		
Program Revenues:		
Operating grants and contributions	-	-
Capital grants and contributions	1,342,741	544,727
Charges for services	-	-
General revenues:		
Taxes	779,010	662,538
Other	616,651	76,497
Total revenues	2,738,402	1,283,762
Expenses:		
General government	6,320,364	329,016
Total expenses	6,320,364	329,016
Transfers from the City of Wauchula	460,696	418,091
Change in Net Position	(3,121,266)	1,372,837
Net Position – Beginning	5,410,263	4,037,426
<b>Net Position – Ending</b>	<b>\$ 2,288,997</b>	<b>\$ 5,410,263</b>

Governmental activities decreased the CRA's net position by \$3,121,266. Compared to the prior year, revenues increased \$540,154, primarily due to increased capital grants and contributions of \$798,014, as well as proceeds from the sale of capital assets in the amount of \$602,705. Grant and contributions included auditorium and park improvements during the year. General government expenses increased by \$5,991,348. This amount included capital assets that were transferred to the City of Wauchula, Florida in the amount of \$5,180,448.

### **Financial Analysis of the Governmental Fund**

As noted earlier, the CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the CRA's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the CRA's financing requirements.

As of the end of the current fiscal year, the CRA's governmental fund reported an ending fund balance of \$1,846,582, an increase of \$774,409 in comparison with the prior year. The entire fund balance is restricted for redevelopment within the CRA's boundaries. Revenues during the year increased over the prior year by \$874,640 primarily due to an increase in capital grants and contributions of \$798,014. Additionally, proceeds from the sale of capital assets were reported as an other financing source during the current year.

Because expenditures at the fund level include capital outlay and do not include personnel costs that will be incurred in future years (compensated absences, pension and OPEB), the expenditures can vary significantly compared to expenses reported as governmental activities. At the fund level, expenditures decreased by \$371,806 over the prior year, which was primarily related to capital outlay expenditures.

### **Budgetary Highlights**

The budget was not amended during the year for the CRA. Budgeted revenues were \$4,883,994, expenditures were \$6,344,652 and other financing sources (uses) were \$1,460,658. Actual revenues were under budget by \$2,725,592 due to grant revenues that were not realized in the current year. Actual expenditures were less than budgeted by \$3,897,258 due mainly to less capital outlay expenditures than expected. Other financing sources, which includes transfers from the City of Wauchula, Florida, were less than budget by \$397,257.

### **Capital Assets and Debt Administration**

**Capital assets.** The CRA's capital assets for its governmental-type activities as of September 30, 2024, amounted to \$570,486 (net of accumulated depreciation). Capital assets includes buildings and improvements, as well as construction in progress. As noted previously, the CRA transferred capital assets totaling \$5,180,448 to the City of Wauchula, Florida during the current year. Capital assets, net of accumulated depreciation as of September 30, 2024 and 2023 are as follows:

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
Building and improvements	\$ 6,925	\$ 194,569
Construction in progress	563,561	4,249,841
Total	<u><u>\$ 570,486</u></u>	<u><u>\$ 4,444,410</u></u>

Additional information on the CRA's capital assets can be found in note 3.

**Long-Term Debt.** At the end of the current fiscal year, the CRA did not have any long-term debt. However, the CRA did recognize long-term liabilities for compensated absences of \$23,856 and it's proportionate share of the City of Wauchula's OPEB liability of \$130,801. Additional information on the CRA's long-term liabilities can be found in notes 3 and 5.

### ***Economic Factors and Next Year's Budgets and Rates***

The following factors were considered in preparing the CRA's budget for the 2025 fiscal year:

- The City of Wauchula, Florida experienced an increase in taxable assessed values of over 10%. This increase in property values is estimated to generate \$96,359 in additional revenue.
- The property tax millage rate will be the roll-back rate at 5.186 mills in 2025.
- The City of Wauchula, Florida is restricted in assessing ad valorem tax on only 52% of total property values. Due to government, educational, hospital and other tax-exempt entity property owners, 48% of the properties included in the City limits are not assessed property taxes. Ad valorem tax revenues are heavily relied upon for redevelopment within the CRA boundaries.

Budgeted revenues and expenditures for the CRA for the 2025 fiscal year are \$5,483,446, which include the use of reserves of \$1,277,192.

### **Requests for Information**

This financial report is designed to provide a general overview of the CRA'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 City of Wauchula, 126 South 7<sup>th</sup> Avenue, Wauchula, Florida 33873.

CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
(A COMPONENT UNIT OF THE CITY OF WAUCHULA, FLORIDA)  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2024

Item # 2.

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Restricted assets:	
Cash	\$ 749,690
Other receivables	186,500
Due from other governmental units	1,145,287
Net pension asset	125,863
Capital assets (net of accumulated depreciation):	
Buildings and improvements	6,925
Construction in progress	563,561
<b>Total Assets</b>	<b><u>2,777,826</u></b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of pension resources	99,260
Deferred outflows related to OPEB	42,269
<b>Total Deferred Outflows of Resources</b>	<b><u>141,529</u></b>
<b>LIABILITIES</b>	
Accounts payable and other current liabilities	64,895
Unearned revenue	170,000
Noncurrent liabilities:	
Due within one year	7,405
Due in more than one year	147,252
<b>Total Liabilities</b>	<b><u>389,552</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows of pension earnings	150,190
Deferred inflows related to OPEB	90,616
<b>Total Deferred Inflows of Resources</b>	<b><u>240,806</u></b>
<b>NET POSITION</b>	
Net investment in capital assets	570,486
Restricted	1,718,511
<b>Total Net Position</b>	<b><u>\$ 2,288,997</u></b>

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

CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
(A COMPONENT UNIT OF THE CITY OF WAUCHULA, FLORIDA)  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Item # 2.

	Program Revenues				Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
General government	\$ 6,320,364	\$ -	\$ -	\$ 1,342,741	\$ (4,977,623)
Total governmental activities	<u>\$ 6,320,364</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,342,741</u>	<u>\$ (4,977,623)</u>
General revenues:					
					779,010
					36,540
					580,111
					<u>1,395,661</u>
					460,696
					<u>1,856,357</u>
					<u>(3,121,266)</u>
					5,410,263
					<u>\$ 2,288,997</u>

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

CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
(A COMPONENT UNIT OF THE CITY OF WAUCHULA, FLORIDA)  
BALANCE SHEET – GOVERNMENTAL FUND  
SEPTEMBER 30, 2024

Item # 2.

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**ASSETS**

Restricted Assets:

Cash and cash equivalents	\$ 749,690
Other receivables	186,500
Due from other governmental units	1,145,287
Total assets	<u><u>\$ 2,081,477</u></u>

**LIABILITIES**

Liabilities:

Accounts payable	\$ 63,507
Accrued expenses	1,388
Unearned revenue	170,000
Total liabilities	<u>234,895</u>

**FUND BALANCE:**

Spendable:

Restricted	<u>1,846,582</u>
Total fund balance	<u>1,846,582</u>

Total liabilities, deferred inflows of resources and fund balance	<u><u>\$ 2,081,477</u></u>
---	----------------------------

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

**CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
(A COMPONENT UNIT OF THE CITY OF WAUCHULA, FLORIDA)  
RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUND  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2024**

Item # 2.

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

Fund Balance – Governmental Fund	\$ 1,846,582
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.	570,486
Long-term liabilities, including compensated absences and other post-employment benefits are not due and payable in the current period and therefore are not reported in the governmental fund.	
Compensated absences	(23,856)
Other postemployment benefits (OPEB)	(130,801)
Long term assets are not available to pay for current period expenditures and, therefore, are not reported in the governmental fund. This amount represents the net pension assets.	125,863
Deferred outflows of resources related to the pension plan do not utilize current financial resources and, therefore are not reported in the governmental fund.	99,260
Deferred inflows of resources related to the pension plan are not available current financial resources and, therefore are not reported in the governmental fund.	(150,190)
Deferred outflows of resources related to the OPEB plan do not utilize current financial resources and, therefore are not reported in the governmental fund.	42,269
Deferred inflows of resources related to the OPEB plan are not available current financial resources and, therefore are not reported in the governmental fund.	(90,616)
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 2,288,997</u></b>

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

CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
(A COMPONENT UNIT OF THE CITY OF WAUCHULA, FLORIDA)  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Item # 2.

<b>REVENUES</b>	
Taxes	\$ 779,010
Interest	36,540
Grant revenues	1,342,741
Miscellaneous revenues	111
Total Revenues	<u>2,158,402</u>
<b>Expenditures:</b>	
Current:	
General government	413,718
Capital outlay	<u>2,033,676</u>
Total Expenditures	<u>2,447,394</u>
<b>Excess (Deficiency) of Revenues (Under) Over Expenditures</b>	(288,992)
<b>OTHER FINANCING SOURCES (USES)</b>	
Proceeds from sale of capital assets	602,705
Transfers from the City of Wauchula, Florida	<u>460,696</u>
Total Other Financing Sources (Uses)	<u>1,063,401</u>
Net Change in Fund Balances	774,409
<b>FUND BALANCE – Beginning</b>	<u>1,072,173</u>
<b>FUND BALANCE – Ending</b>	<u><u>\$ 1,846,582</u></u>

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

CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
(A COMPONENT UNIT OF THE CITY OF WAUCHULA, FLORIDA)  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Item # 2.

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

Net changes in fund balance – governmental fund	\$ 774,409
The governmental fund reports capital outlays 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.	
Capital additions recorded as expenditures in the governmental fund	2,034,067
Loss on disposals and transfers to the City of Wauchula, Florida	(5,901,066)
Depreciation expense	(6,925)
	<u>(3,873,924)</u>
Revenues in the statement of activities that do not provide current financial resources as they do not meet the availability criteria and are not reported as revenues in the funds.	
Change in unavailable revenue	(22,705)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund. This amount represents the change in other postemployment benefits.	(11,906)
The effects of long term accounts and pension resources do not provide current financial resources and as such are not recorded in the governmental fund.	15,178
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund. This amount represents the change in compensated absences.	(2,318)
	<u>(2,318)</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ (3,121,266)</u></b>

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



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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**REPORTING ENTITY**

The City of Wauchula (the City) established the City of Wauchula Community Redevelopment Agency (CRA). The City of Wauchula Commission is the governing board of the CRA. As such, the CRA is considered part of the City's primary government. The CRA is responsible for carrying out the rehabilitation, conservation, and redevelopment of the Community Redevelopment Master Plan, which was last updated in 2019.

The financial statements present the financial position and results of the operations solely of the CRA. In evaluating the CRA as a reporting entity, management has addressed all potential component units for which the CRA may or may not be financially accountable. No component units exist which would require inclusion in the CRA's financial statements.

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements include a statement of net position and a statement of activities. These financial statements present only governmental activities, as the CRA conducts no business-type activities. The statement of net position reports all financial and capital resources of the CRA's governmental activities. It is presented in a net position format (assets and deferred outflows less liabilities and deferred inflows equal net position) and shown with three components: net investment in capital assets, restricted net position and unrestricted net position. Since all of the net position is restricted for redevelopment within the CRA's boundaries, there is no unrestricted net position in the statement of net position. Governmental activities are supported by taxes and intergovernmental revenues. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**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. 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 taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the CRA.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION – CONTINUED**

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

The CRA reports only one fund which is a governmental fund. This fund is used to account for the revenues and expenditures of the CRA, which are restricted for rehabilitation, conservation, and redevelopment of the Community Redevelopment Program.

**CASH AND INVESTMENTS**

The CRA's cash account is with a financial institution qualified under laws and regulations of the State of Florida. Deposits whose values exceeded the limits of Federal depository insurance were entirely insured or collateralized pursuant to Chapter 280 of the Florida Statutes. The CRA does not have a formal investment policy that limits its exposure to fair value losses arising from increasing interest rates. However, at September 30, 2024, the CRA did not have any investment accounts.

State statutes section 218.415 authorizes the CRA to invest its surplus public funds in the following:

- Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized through the Florida Inter-local Cooperation Act.
- S.E.C. registered money market funds with the highest credit equality rating from a nationally recognized rating company.
- Interest bearing time deposits or savings accounts in state-certified Qualified Public Depositories as defined in Section 280.02 Florida Statutes.
- Direct Obligations of the U.S. Treasury.

**PENSION**

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Wauchula Employee Pension Plan (the Plan) and additions to/deductions from Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

**CAPITAL ASSETS**

Capital assets, which include land, buildings and improvements, machinery and equipment, and construction in progress, are reported in the government-wide financial statements. Capital assets are defined by the CRA as assets with an initial, individual cost of more than \$5,000 and an estimated life of greater than one year. If purchased or constructed, assets are reported at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The CRA has elected to report general infrastructure assets on a prospective basis only.

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

Depreciable capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	20 – 50

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Two items qualify for reporting in this category. A deferred outflow of pension resources and OPEB resources are reflected in the government-wide statement of net position.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The CRA has two items that qualifies for reporting in this category. A deferred inflow of pension earnings and OPEB resources are reported in the government-wide statement of net position.

**COMPENSATED ABSENCES**

The CRA personnel policy provides for the payment of accrued vacation, sick and comp time pay upon separation of its employees. A liability for this amount is recorded in the government-wide financial statements. A liability for these amounts is recorded in the governmental fund only if they have matured.

**POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

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

**NET POSITION**

The elements of net position are reported in three parts as applicable: net investment in capital assets, restricted and unrestricted. When both restricted and unrestricted resources are available, restricted resources are used first, and then unrestricted resources, as they are needed. The CRA does not have unrestricted net position as of September 30, 2024.

**FUND BALANCE**

The CRA fund balance classifications comprise a hierarchy based primarily on the extent to which the CRA is bound to observe constraints imposed upon the use of the resources reported in the governmental fund. Fund balance classifications are non-spendable and spendable. Spendable is then further classified as restricted, committed, assigned, and unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements.

The CRA classified governmental fund balances as follows:

Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Spendable Fund Balance:

- Restricted – Includes amounts that can be spent only for specific purposes because of State or Federal laws or enabling legislation, or which are externally restricted by providers, such as creditors or grantors.
- Committed – Includes amounts that can be spent only for specific purposes that are approved by a formal action of the City Wauchula Commissioners through a resolution or the budget process.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**FUND BALANCE – CONTINUED**

- Assigned – Includes amounts designated for a specific purpose by the City of Wauchula Commissioners through a resolution or the budget process, which are neither restricted nor committed.
- Unassigned – Unassigned fund balance would include negative balances of the governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The CRA uses restricted amounts first when both restricted and unrestricted fund balance are available, unless there are legal documents or contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the CRA would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made. The CRA does not have a formal minimum fund balance policy.

As of September 30, 2024, the CRA only had restricted fund balance. Restricted fund balance of \$1,846,582 is restricted through enabling legislation to be utilized on redevelopment within the CRA's boundaries.

**BUDGETARY INFORMATION**

Annual budgets are adopted on a basis consistent with U.S. generally accepted accounting principles for the governmental funds. Expenditures should not exceed total appropriations. All annual appropriations lapse at fiscal yearend. Budget amendments are approved by the City of Wauchula Commission.

The CRA follows the same procedures as established by the City of Wauchula, Florida in establishing the budgetary data reflected in the financial statements. The legal level of budgetary control is at the fund level.

**INSURANCE**

The CRA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. These risks are covered by commercial insurance purchased from independent third parties including participation in various risk sharing pools. Any significant accrued losses have been funded.

**ESTIMATES**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles required management to make estimates and assumptions that affect reported amounts of assets, deferred outflows, liabilities, deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**CASH AND INVESTMENTS**

At year-end, the CRA's carrying amount of deposits was \$749,690. The CRA's deposits are held in a pooled cash account through the City of Wauchula, which had a bank balance of \$10,520,071. All deposits were in State Certified Qualified Public Depositories.

**RESTRICTED ASSETS**

Restricted assets consist of the CRA's cash and receivables. The entire amount of the CRA's assets are restricted through enabling legislation for redevelopment purposes.

**TRANSFERS FROM THE CITY OF WAUCHULA, FLORIDA**

During 2024, the City of Wauchula, Florida transferred \$460,696 to the CRA to participate along with the CRA in redevelopment projects.

**CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
(A COMPONENT UNIT OF THE CITY OF WAUCHULA, FLORIDA)  
NOTES TO FINANCIAL STATEMENTS**

Item # 2.

**NOTE 2 – DETAILED NOTES ON ALL FUNDS**

**CAPITAL ASSETS**

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:					
Construction in progress	\$ 4,249,841	\$ 2,034,067	\$ (720,618)	\$ (4,999,729)	\$ 563,561
Total capital assets, not being depreciated	<u>4,249,841</u>	<u>2,034,067</u>	<u>(720,618)</u>	<u>(4,999,729)</u>	<u>563,561</u>
Capital assets, being depreciated:					
Buildings and improvements	293,585	–	–	(224,338)	69,247
Total capital assets being depreciated	<u>293,585</u>	<u>–</u>	<u>–</u>	<u>(224,338)</u>	<u>69,247</u>
Less accumulated depreciation for:					
Buildings and improvements	(99,016)	(6,925)	–	43,619	(62,322)
Total accumulated depreciation	<u>(99,016)</u>	<u>(6,925)</u>	<u>–</u>	<u>43,619</u>	<u>(62,322)</u>
Total capital assets being depreciated, net	<u>194,569</u>	<u>(6,925)</u>	<u>–</u>	<u>(180,719)</u>	<u>6,925</u>
<b>Governmental activities capital assets, net</b>	<b><u>\$ 4,444,410</u></b>	<b><u>\$ 2,027,142</u></b>	<b><u>\$ (720,618)</u></b>	<b><u>\$ (5,180,448)</u></b>	<b><u>\$ 570,486</u></b>

Depreciation expense was charged to the CRA's general government in the amount of \$6,925 in 2024.

**LONG-TERM LIABILITIES**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Compensated absences	\$ 21,538	\$ 7,603	\$ (5,285)	\$ 23,856	\$ 7,405
Other postemployment benefits	139,049	7,809	(16,057)	130,801	–
Governmental activity					
Long-term liabilities	<b><u>\$ 160,587</u></b>	<b><u>\$ 15,412</u></b>	<b><u>\$ (21,342)</u></b>	<b><u>\$ 154,657</u></b>	<b><u>\$ 7,405</u></b>

**NOTE 3 – RETIREMENT PLAN**

**General Information about the Pension Plan and Plan Administration**

The employee of the CRA is provided with pension benefits provided through the City of Wauchula Employee Pension Plan (the Plan). The City of Wauchula (City) administers a single employer defined benefit public employee retirement system (the Plan).

Participation is mandatory for full time employees and employees are eligible on the date of hire. Benefit provisions and employer and employee contributions are authorized by the City Commission and trustees. The Plan was amended and restated pursuant to Ordinance 2014-3.

A separate financial statement is not issued for the Plan. Plan administrative costs are paid by the Plan. The Advisory Committee administers the Plan with final authority residing in the City Commission with powers to amend or extend the provisions of the Plan.

**Benefit Provisions**

Effective May 17, 2010, normal retirement is age 60 with 6 years of service, or any age with 30 years of service. The pension benefit is 2.50% of average earnings for each year of service up to 40 years. Benefits are available for early retirement at age 50 with at least 6 years of service. The pension benefit is reduced by 1% for each year down to age 55 and further reduced by 2% for each year down to age 50.

**NOTE 3 – RETIREMENT PLAN – CONTINUED**

Death and disability benefits are also available under the Plan. In service disability benefits are calculated at the larger of the basic pension formula or 50% of average earnings. Non-service disability is calculated as the larger of the basic pension formula or 25% of average earnings. Pre-retirement death benefits are calculated at 50% of the basic pension formula beginning at the earliest retirement age, and payable to the spouse of a vested participant for life. In addition, the beneficiary of any participant or retiree receives \$25,000, reduced by 10% for each year of service less than 10 years.

Vesting occurs after 6 years of service for general employees and 10 years for police officers. Participants who retire at age 50 or later with at least 6 years of service receive a \$100 monthly supplemental life annuity.

**Contributions**

Employees in the Plan are required to contribute 10% of their annual covered salary. The City is required to contribute the greater of an actuarially determined rate or 10%. Contributions to the pension plan from the CRA were \$10,537 for the year ended September 30, 2024.

**Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At September 30, 2024, the CRA reported a net pension asset of \$125,863 for its proportionate share of the net pension asset. The net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2023. The CRA's proportion of the net pension liability was based on the CRA's proportion of covered-employee payroll. At September 30, 2024, the CRA's proportion was 3.42%.

For the year ended September 30, 2024, the CRA recognized pension expense of \$5,783. At September 30, 2024, the CRA reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2023	\$ 131,715	\$ (101,535)
Change due to:		
Amortization payments	(45,094)	58,739
Investment gain/loss	–	(92,336)
Demographic gain/loss	–	(5,314)
Assumption changes	–	–
Change in proportion and differences between the CRA contributions and proportionate share of contributions	12,639	(9,744)
Total change	(32,455)	(48,655)
<b>Balance as of September 30, 2024</b>	<b>\$ 99,260</b>	<b>\$ (150,190)</b>

**NOTE 3 – RETIREMENT PLAN – CONTINUED**

Pension (Asset) Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Continued

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

<u>Year ended September 30:</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2025	\$ 41,641	\$ (54,975)
2026	41,520	(36,428)
2027	9,272	(32,243)
2028	5,847	(24,542)
2029	874	(1,709)
Thereafter	106	(293)

Actuarial Assumptions

The total pension liability, net pension liability (asset), and certain sensitivity information are based on an actuarial valuation performed as of October 1, 2023. The total pension liability was rolled-forward from the valuation date to the plan's fiscal year ending September 30, 2024. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Investment rate of return (2.62% for inflation)	7.00%
Projected salary increases	5.00% per annum
COLA	None assumed

For all eligible participants, 10% are assumed to retire at each of ages 55 through 59 and 100% are assumed to retire at age 60. Regardless of the foregoing, participants who have earned at least 30 years of service are assumed to retire immediately and deferred vested participants are assumed to commence benefits at their normal retirement age.

Pre-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year; post-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Healthy Retiree Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year.

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

<u>Long-Term Expected Asset Class</u>	<u>Real Rate of Return</u>
Equities	
Large Cap	4.60%
Small Cap	5.50%
International	6.70%

### NOTE 3 – RETIREMENT PLAN – CONTINUED

#### Actuarial Assumptions – Continued

Fixed Income	
Core Bonds	1.60%
Core Plus	2.10%
Core Real Estate	5.00%
Total or weighted arithmetic average	4.38%

#### Discount Rate

The discount rate used to measure the total pension liability (asset) was 7.00%. 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 (asset).

#### Sensitivity of the net pension liability (asset) to changes in the discount rate

The following presents the net pension liability (asset) of the CRA, calculated using the discount rate of 7.00%, as well 1% higher and 1% lower than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Net pension liability (asset)	\$ (30,191)	\$ (125,863)	\$ (204,542)

#### Changes of Assumptions

There were no changes of assumptions since the prior measurement date.

#### Pension Plan Fiduciary Net Position.

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements of the City of Wauchula, Florida.

#### Payable to the Pension Plan

At September 30, 2024, the CRA did not have any outstanding contributions payable to the Plan required for the year ended September 30, 2024.

### NOTE 4 – OTHER POST-EMPLOYMENT BENEFIT PLAN

Plan Administration – The employee of the CRA is provided with post-employment benefits other than pensions (OPEB) through the City of Wauchula OPEB Plan (the Plan). The City administers a single employer defined benefit plan (Plan) that is used to OPEB benefits, through the City's Personnel Rules and Regulations with the following provisions:

#### Employees hired prior to January 1, 1999:

- Entitled to participate in the City's group medical insurance plan until becoming eligible for Medicare, and thereafter in the City approved Medicare Supplement, if the City has approved one, at their own expense unless prior to retirement of a particular employee, the City Commission decides otherwise.
- Retirees must pay a monthly premium as determined by the insurance carrier, less any explicit subsidies that are provided by the City. The premium varies depending on whether the retiree elects single, spousal, or family coverage.



**NOTE 4 – OTHER POST-EMPLOYMENT BENEFIT PLAN – CONTINUED**

Employees hired after January 1, 1999:

- Entitled to participate in any City plan upon retirement but at the employee's own expense.

The Plan is vested and subject to change by approval of the City Commissioners. Separate financial statements of the Plan are not available.

Benefits Provided

For employees hired prior to January 1, 1999, the City provides an explicit health insurance subsidy equal to the premium for single coverage under the City's health insurance plan, less \$100 per month which is provided under the City-sponsored pension plan. The subsidy is provided regardless of whether the retiree elects coverage under the City-sponsored health insurance plan, and the subsidy is provided for life. The City also provides a \$30 monthly utility subsidy. The utility subsidy is provided to the retiree for life and to the retiree's spouse for life after the retiree's death.

Contributions

Through 2015, the City's OPEB benefits were unfunded. Effective October 1, 2015, the City established an Other Post-Employment Benefit Trust (Trust) of which the assets are held with the Florida Municipal Pension Trust (FMPT). Annual contributions to the OPEB Trust are not required and are determined annually by the City Commissioners.

During the year ended September 30, 2024, the CRA contributed \$4,564 to the OPEB Trust. Plan members are not required to contribute to the Plan.

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

At September 30, 2024, the CRA reported a liability of \$130,801 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of September 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of October 1, 2023. The CRA's proportion of the net OPEB liability was based on the CRA's proportion of covered-employee payroll. At September 30, 2024, the CRA's proportion was 3.42%.

For the year ended September 30, 2024, the CRA recognized OPEB expense of \$420. At September 30, 2024, the CRA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2023	\$ 39,716	\$ (67,909)
Change due to:		
Amortization payments	(13,032)	21,278
Investment gain/loss	-	(2,411)
Demographic gain/loss	-	(35,057)
Assumption changes	11,775	-
Change in proportion and differences between the CRA contributions and proportionate share of contributions	3,810	(6,517)
Total change	2,553	(22,707)
<b>Balance as of September 30, 2024</b>	<b>\$ 42,269</b>	<b>\$ (90,616)</b>

**NOTE 4 – OTHER POST-EMPLOYMENT BENEFIT PLAN – CONTINUED**

**OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – Continued**

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

<u>Year ended September 30:</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2025	\$ 13,030	\$ (21,278)
2026	13,030	(20,730)
2027	9,865	(17,168)
2028	1,841	(14,300)
2029	1,504	(7,480)
Thereafter	2,999	(9,660)

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of October 1, 2021 in which the individual entry age normal cost method was used. The actuarial valuation's determination of the OPEB liability, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

- Discount Rate: 4.21% per annum; this rate was used to discount all future benefit payments and is based on a blend of the expected long-term return on assets (for benefits payments during the first eight years after the valuation date) and a yield on 20-year Grade AA/Aa or higher municipal bonds of 4.06% per annum (for benefit payments beyond the first eight years after the valuation date); the expected long-term return on assets was determined by the Asset Consulting Group and the municipal bond yield is based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date.
- Expected Long-Term Return on Assets: 6.50% per annum (2.62% per annum is attributable to long-term inflation).
- Salary Increases: 3.00% per annum.
- Cost-of-Living Increases: Retiree contributions and health insurance premiums have been assumed to increase in accordance with the healthcare cost trend rates.
- Healthcare Cost Trend Rates: Increases in healthcare costs are assumed to be 6.50% for the 2024–25 fiscal year graded down by 0.50% per year to 5.00% for the 2027–28 and later fiscal years.
- Age-Related Morbidity: Healthcare costs are assumed to increase at the rate of 3.50% for each year of age.
- Mortality basis: Sex-distinct rates set forth in the PUB-2010 Mortality Table (without income adjustments) for general employees, with full generational improvements in mortality using Scale MP-2020.
- Retirement: 10% of eligible general employees are assumed to retire at each of ages 55 through 59 and 100% of eligible general employees are assumed to retire at age 60; regardless of the foregoing, employees who have earned at least 30 years of service are assumed to retire immediately.
- Disability: Assumed disability uses age and gender based rates; general employee disability rates range from 0.075% (males) and 0.035% (females) at age 25, 0.096% (males) and 0.054% (females) at age 35, and 0.162% (males) and 0.085% (females) at age 45, to 0.400% (males) and 0.180% (females) at age 55.
- Employment Termination: Assumed withdrawal uses age-based rates; general employee withdrawal rates range from 7.10% at age 25, 4.20% at age 35, 1.80% at age 45, and 0.80% at age 55 to 0.00% at age 60.

**NOTE 4 – OTHER POST-EMPLOYMENT BENEFIT PLAN – CONTINUED**

**Actuarial Assumptions – Continued**

- Coverage Election: 25% of eligible employees are assumed to elect medical coverage under the City's health insurance plan for life upon retirement or disability and 80% of those electing coverage are also assumed to elect coverage for their spouse.
- Spouses and Dependents: Husbands are assumed to be three years older than wives; retirees are not assumed to have any dependent children.
- COBRA: Future healthcare coverage provided solely pursuant to COBRA was not included in the OPEB valuation; because the COBRA premium is determined periodically based on plan experience, the COBRA premium to be paid by the participant is assumed to fully cover the cost of providing healthcare coverage during the relevant period.
- Changes in Implied Monthly Subsidy: The implied monthly subsidy at age 60 for the 2023–24 fiscal year was changed from \$483.75 to \$450.00 for the retiree and from \$618.12 to \$575.00 for the retiree's spouse.
- Changes in Assumptions: Since the prior measurement date, the discount rate was decreased from 4.96% per annum to 4.21% per annum.

The long-term expected rate of return on OPEB 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 investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of September 30, 2024 are summarized in the following table:

<b><u>Asset Class</u></b>	<b><u>Long-Term Expected Real Rate of Return</u></b>
Core Bonds	1.60% per annum
Core Real Estate	5.00% per annum
Core Plus	2.10% per annum
U.S. Large Cap Equities	4.60% per annum
U.S. Small Cap Equities	5.50% per annum
Non-U.S. Equities	6.70% per annum
Total or Weighted Arithmetic Average	3.88% per annum

**Discount Rate**

The discount rate used to measure the total OPEB liability was 4.21% (decreased from 4.96% in the prior year). The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**NOTE 4 – OTHER POST-EMPLOYMENT BENEFIT PLAN – CONTINUED**

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

The following presents the CRA's proportionate share of the net OPEB liability of the Plan, as well as what the CRA's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease 3.21%	Current Discount Rate 4.21%	1% Increase 5.21%
Net OPEB liability	\$ 152,034	\$ 130,801	\$ 113,465

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents CRA's proportionate share of the net OPEB liability of the Plan, as well as what the CRA's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Discount 6.50% graded down 5.00%	1% Increase
Net OPEB liability	\$ 114,588	\$ 130,801	\$ 150,252

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued financial statements of the City of Wauchula, Florida.

Payable to the OPEB Plan

At September 30, 2024, the CRA did not have any outstanding contributions payable to the Plan required for the year ended September 30, 2024.

**NOTE 5 – CONTINGENCIES**

From time to time, the CRA is involved in litigation with various parties. The outcome of these matters and potential losses to the CRA cannot be determined. As a result, no liability has been recorded in these financial statements. However, it is at least reasonably possible that a liability could result in the near term.

## REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
(A COMPONENT UNIT OF THE CITY OF WAUCHULA, FLORIDA)  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET TO ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Taxes	\$ 778,664	\$ 778,664	\$ 779,010	\$ 346
Interest	10,000	10,000	36,540	26,540
Grant revenue	4,056,289	4,056,289	1,342,741	(2,713,548)
Miscellaneous revenues	39,041	39,041	111	(38,930)
Total Revenues	4,883,994	4,883,994	2,158,402	(2,725,592)
<b>EXPENDITURES</b>				
General government	493,384	493,384	413,718	79,666
Capital outlay	5,851,268	5,851,268	2,033,676	3,817,592
Total Expenditures	6,344,652	6,344,652	2,447,394	3,897,258
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(1,460,658)	(1,460,658)	(288,992)	1,171,666
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of assets	480,000	480,000	602,705	122,705
Transfers in	980,658	980,658	460,696	(519,962)
Total Other Financing Sources (Uses)	1,460,658	1,460,658	1,063,401	(397,257)
Net change in Fund Balances	-	-	774,409	774,409
<b>FUND BALANCE – October 1, 2023</b>	1,072,173	1,072,173	1,072,173	-
<b>FUND BALANCE – September 30, 2024</b>	<u>\$ 1,072,173</u>	<u>\$ 1,072,173</u>	<u>\$ 1,846,582</u>	<u>\$ 774,409</u>

**Note 1 – Budgetary Basis**

The special revenue fund budget is adopted on a basis consistent with generally accepted accounting principles.

**CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
SCHEDULE OF THE CRA'S PROPORTIONATE SHARE OF THE NET PENSION (ASSET) LIABILITY  
AVAILABLE FISCAL YEARS \***

Item # 2.

	2020	2021	2022	2023	2024
CRA's proportion of the collective net pension liability (asset)	3.33%	3.23%	3.45%	3.12%	3.42%
CRA's proportionate share of the collective net pension liability (asset)	\$ (83,611)	\$ (163,248)	\$ (43,425)	\$ (29,575)	\$ (125,863)
CRA's covered payroll	\$ 60,564	\$ 60,948	\$ 63,170	\$ 63,453	\$ 68,562
CRA's proportionate share of the collective net pension liability (asset) as a percentage of the CRA's covered payroll	138.05%	267.85%	68.74%	46.61%	183.58%
Plan fiduciary net position as a percentage of total pension liability	114.17%	127.44%	106.69%	104.67%	117.23%

\* The CRA commenced stand-alone statements for the year ended September 30, 2020. Ultimately, this schedule will contain information for the last ten years.

CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
SCHEDULE OF THE CRA'S CONTRIBUTIONS – PENSION  
AVAILABLE FISCAL YEARS \*

Item # 2.

	2020	2021	2022	2023	2024
Contractually required contribution	\$ 4,783	\$ 4,935	\$ –	\$ 15,736	\$ 16,439
Contributions in relation to the contractually required contribution	159	5,214	–	2,424	10,537
	<b>\$ 4,624</b>	<b>\$ (279)</b>	<b>\$ –</b>	<b>\$ 13,312</b>	<b>\$ 5,902</b>
Contribution deficiency (excess)					
CRA's covered-employee payroll	\$ 60,564	\$ 60,948	\$ 63,170	\$ 63,453	\$ 68,562
Contributions as a percentage of covered-employee payroll	0.26%	8.55%	0.00%	3.82%	15.37%

\* The CRA commenced stand-alone statements for the year ended September 30, 2020.  
Ultimately, this schedule will contain information for the last ten years.

Notes to Required Supplementary Schedules for Pension:

Changes in benefit terms: There were no changes in benefit terms since the prior measurement date.

Changes in assumptions: There were no changes in assumptions since the prior measurement date.



**CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
SCHEDULE OF THE CRA'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
AVAILABLE FISCAL YEARS \***

Item # 2.

	2020	2021	2022	2023	2024
CRA's proportion of the collective net OPEB liability	3.33%	3.23%	3.45%	3.12%	3.42%
CRA's proportionate share of the collective net OPEB liability	\$ 200,703	\$ -	\$ 163,053	\$ 139,049	\$ 130,801
CRA's covered payroll	\$ 60,564	\$ 60,948	\$ 63,170	\$ 63,453	\$ 68,562
CRA's proportionate share of the collective net OPEB liability as a percentage of the CRA's covered payroll	331.39%	0.00%	258.12%	219.14%	190.78%
Plan fiduciary net position as a percentage of total OPEB liability	8.83%	10.22%	10.99%	11.94%	15.42%

\* The CRA commenced stand-alone statements for the year ended September 30, 2020. Ultimately, this schedule will contain information for the last ten years.

**CITY OF WAUCHULA COMMUNITY REDEVELOPMENT AGENCY  
SCHEDULE OF THE CRA'S CONTRIBUTIONS – OPEB  
AVAILABLE FISCAL YEARS \***

Item # 2.

	2020	2021	2022	2023	2024
Contractually required contribution	\$ 6,063	\$ 3,929	\$ 4,511	\$ 4,224	\$ 4,564
Contributions in relation to the contractually required contribution	6,063	3,929	4,511	4,224	4,564
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
CRA's covered-employee payroll	\$ 60,564	\$ 60,564	\$ 63,170	\$ 63,453	\$ 68,562
Contributions as a percentage of covered-employee payroll	10.01%	6.49%	7.14%	6.66%	6.66%

\* The CRA commenced stand-alone statements for the year ended September 30, 2020. Ultimately, this schedule will contain information for the last ten years.

Notes to Required Supplementary Schedules for OPEB:

Changes in implied monthly subsidy	The implied monthly subsidy at age 60 for the 2023/24 fiscal year was changed from \$483.75 to \$450.00 for the retiree and from \$618.12 to \$575.00 for the retiree 's spouse
Changes in assumptions	Since the prior measurement date, the discount rate was decreased from 4.96% per annum to 4.21% per annum.

**OTHER REPORTS**

**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***

**MANAGEMENT LETTER**

**INDEPENDENT ACCOUNTANT'S REPORT**

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

**To the Honorable City Commission  
City of Wauchula Community Redevelopment Agency  
Wauchula, Florida**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of the City of Wauchula Community Redevelopment Agency (CRA), a component unit of the City of Wauchula, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated June 16, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the CRA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA'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 CRA's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

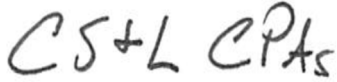
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

**Report on Compliance and Other Matters**

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

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA'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 CRA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Handwritten signature in dark ink that reads "CS&L CPAs". The letters are cursive and slightly slanted.

CS&L CPAs, P.A.

June 16, 2025  
Bradenton, Florida

## MANAGEMENT LETTER

**To the Honorable City Commission  
City of Wauchula Community Redevelopment Agency  
Wauchula, Florida**

### **Report on the Financial Statements**

We have audited the financial statements of the City of Wauchula Community Redevelopment Agency (CRA), a component unit of the City of Wauchula, Florida, as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 16, 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 Auditor General.

### **Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; 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 June 16, 2025, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

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

### **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the CRA met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify of the specific conditions met. In connection with our audit, we determined that the CRA was not in a state of financial emergency as it 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 CRA. It is management's responsibility to monitor the CRA's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

### **Special District Component Units**

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

### **Specific Information for a Dependent Special District**

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the CRA reported:


- a. The total number of CRA employees compensated in the last pay period of the CRA's fiscal year was 1.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the CRA's fiscal year was 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$68,562.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was \$0.
- e. Each construction project with a total cost of at least \$65,000 approved by the CRA that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project was:
  - i. \$802,374 – Auditorium. Fiscal year 2024 expenditures were \$97,784.
  - ii. \$1,209,021 – Auditorium Parking Lot. Fiscal year 2024 expenditures were \$1,111,004.
  - iii. \$674,716 – Crews Park. Fiscal year 2024 expenditures were \$661,878.
  - iv. \$2,867,458 – Farr Field. Fiscal year 2024 expenditures were \$11,080.
  - v. \$618,996 – In-Fill Housing. Fiscal year 2024 expenditures were \$42,423.
  - vi. \$1,438,720 – Peace River Park. Fiscal year 2024 expenditures were \$109,506.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the CRA amends a final adopted budget under Section 189.016(6), Florida Statutes. The budget variance is presented on page 26.

### **Additional Matters**

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

**Purpose of this Letter**

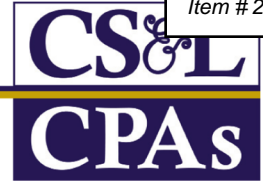
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the City of Wauchula Commission, and applicable CRA management,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

Handwritten signature in black ink that reads "CS&L CPAs". The letters are cursive and slightly slanted.

CS&L CPAs, P.A.

June 16, 2025  
Bradenton, Florida





## INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable City Commission  
City of Wauchula Community Redevelopment Agency  
Wauchula, Florida

We have examined the City of Wauchula Community Redevelopment Agency's (CRA), a component unit of the City of Wauchula, Florida, compliance with Section 218.415, Florida Statutes, regarding the investment of public funds, and Sections 163.387(6) and (7), Florida Statutes, regarding community redevelopment agencies, during the year ended September 30, 2024. Management of the CRA is responsible for the CRA's compliance with the specified requirements. Our responsibility is to express an opinion on the CRA's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the CRA complied, in all material respects, with the specified requirements for the year ended September 30, 2024.

This report is intended solely for the information and use of the CRA and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

*CS&L CPAs*

CS&L CPAs, P.A.

June 16, 2025  
Bradenton, Florida

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# INFORMATIONAL DATA

## FOR

# BOARD APPOINTMENTS

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07/24/2025  
Date Completed

1. Name: Will DOWDEN William BRETT  
MR./MRS./MS. LAST FIRST MIDDLE/MAIDEN

2. Residence Address: 1024 BRIARWOOD DR. NAUCHOLA HANDLER  
STREET CITY COUNTY

POST OFFICE BOX STATE ZIP CODE AREA CODE/PHONE NUMBER

3. Board of Interest: Planning and Zoning

4. Current Employer and Occupation: Roberts Family Funeral Home - LEO  
Bowling Green Police - CAPTAIN

5. Are you a United States citizen? Yes ☒ No ☐ If "No" explain:

If you are a naturalized citizen, date of naturalization: \_\_\_\_\_

6. How long have you continuously resided at the address listed above in question 2? 4 years

7. Education  
A. High School: Oscar High School Year Graduated: 1984  
B. College: ST. PETERSBURG COLLEGE Year Graduated: 2019  
(NAME AND LOCATION)

8. Concerning your current employer and for all of your employment during the last five years, list your employer's name, business address, type of business, occupation or job title, and period(s) of employment.

EMPLOYER'S NAME & ADDRESS	TYPE OF BUSINESS	OCCUPATION/JOB TITLE	PERIOD OF EMPLOYMENT
Bowling Green Police / Law Enforcement		Captain	26 years
Roberts Family Funeral Home	Funeral Home	Funeral Director	18 years

9. A. State your experiences and interests or elements of your personal history that qualify you for this appointment.

Approximately 37 years law enforcement / government  
military experience. Lifetime Funeral Home employee  
and administrator.

B. Have you received any degree(s), professional certification(s), or designations(s) related to the subject matter of this appointment? Yes ☐ No ☒ If "Yes", list:

C. Have you received any awards or recognitions relating to the subject matter of this appointment? Yes ☐ No ☒ If "Yes", list:

D. Identify all association memberships and association offices held by you that relate to this appointment:

Waukegan Lodge 17 Free and Accepted Masons  
Rotary of Waukegan

10. List three persons who have known you well within the past five (5) years. Include a current, complete address and telephone number. Exclude your relatives.

NAME	MAILING ADDRESS	ZIP CODE	AREA CODE/PHONE NUMBER
Garry Phillips	324 Shelton Ave Waukegan IL	60091	815-448-2561
David Horton	417 W. Main St. Waukegan IL	60091	815-447-0476
George Allen	1014 Birchwood Dr. Waukegan IL	60091	815-255-0425

11. Do you know of any reason why you will not be able to attend fully to the duties of the office or position to which you have

been or will be appointed? Yes ☐ No ☒ If "Yes", explain:

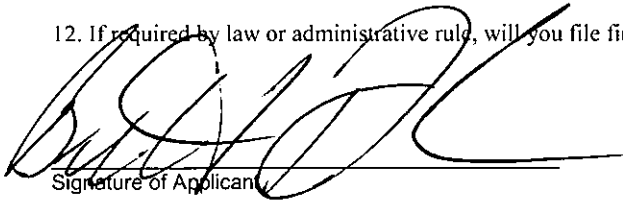
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12. If required by law or administrative rule, will you file financial disclosure statements? Yes ☐ No ☒

  
Signature of Applicant

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# INFORMATIONAL DATA FOR BOARD APPOINTMENTS

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7-25-2025  
Date Completed

1. Name: MR STANTON THOMAS EUGENE  
MR./MRS./MS. LAST FIRST MIDDLE/MAIDEN

2. Residence Address: 504 E ORANGE ST WAUCHULA HANDEE  
STREET CITY COUNTY  
FLORIDA 33873 516-343-9305  
POST OFFICE BOX STATE ZIP CODE AREA CODE/PHONE NUMBER

3. Board of Interest: ZONING

4. Current Employer and Occupation: RETIRED

5. Are you a United States citizen? Yes ☒ No ☐ If "No" explain:

If you are a naturalized citizen, date of naturalization: \_\_\_\_\_

6. How long have you continuously resided at the address listed above in question 2? 3 YEARS

7. Education

A. High School: Chelsea Voc High School Year Graduated: 1976

B. College: UNIVERSITY OF RHODE ISLAND Year Graduated: \_\_\_\_\_  
(NAME AND LOCATION)

8. Concerning your current employer and for all of your employment during the last five years, list your employer's name, business address, type of business, occupation or job title, and period(s) of employment.

EMPLOYER'S NAME & ADDRESS	TYPE OF BUSINESS	OCCUPATION/JOB TITLE	PERIOD OF EMPLOYMENT
LOCAL #3 / BEN	ELECTRICAL	ELECTRICIAN	29 YEARS

9. A. State your experiences and interests or elements of your personal history that qualify you for this appointment.

LICENSED MASTER ELECTRICIAN  
LICENSED ASBESTOS HANDLER  
CERTIFIED WELDER N.Y.S. D.O.T.



B. Have you received any degree(s), professional certification(s), or designations(s) related to the subject matter of this appointment? Yes ☐ No ☐ If "Yes", list:

MASTER ELECTRICIAN N.Y.C. - 1985 →  
 LICENSED ASBESTOS HANDLER 1999 →  
 CERTIFIED WELDER 1977

C. Have you received any awards or recognitions relating to the subject matter of this appointment? Yes ☐ No ☒  
 If "Yes", list:

D. Identify all association memberships and association offices held by you that relate to this appointment:

10. List three persons who have known you well within the past five (5) years. Include a current, complete address and telephone number. Exclude your relatives.

NAME	MAILING ADDRESS	ZIP CODE	AREA CODE/PHONE NUMBER
PRISCO LAUDISIO	440 DEGRAW ST BROOKLYN NY	11217	917-337-4226
MARC QUITSCH	103 RAILY COURT STATEN ISLAND NY	10312	646 423-7302
MARIO THALASSINOS	3 KONEFA AVENUE PINE BUSH NY	12566	845-709-4767

11. Do you know of any reason why you will not be able to attend fully to the duties of the office or position to which you have



been or will be appointed? Yes ☐ No ☒ If "Yes", explain:

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12. If required by law or administrative rule, will you file financial disclosure statements? Yes ☒ No ☐

  
Signature of Applicant

# NLC Service Line Warranty Program

by



Ashley Shiwarski  
Sr. Director, Business Development  
Ashley.Shiwarski@homeserveusa.com  
412-874-9454 (cell)



# NLC Service Line Warranty Program by HomeServe



Offering  
services for  
over 20 years



4.8 out of 5 stars  
customer  
satisfaction



Program endorsed  
since 2010

*“The National League of Cities is proud to partner with this highly reputable and reliable program. Their exemplary record of customer service and transparency is what has driven the success of this partnership over the years.”*

*Clarence Anthony, Executive Director  
National League of Cities*



## HomeServe Key Statistics\*

- Over **4.8 million** customers
- Over **8.5 million** policies
- Over **1,300** municipal and utility partnerships
- Job serviced **every 34 seconds**
- Customer savings to date:  
**over \$2 Billion**

\* As of January 2023





# Aging Infrastructure

Challenging for cities and homeowners

## Lateral lines are subjected to the same elements as public lines

- Ground shifting, fluctuating temperatures, tree root penetration, corrosion, and more

## Out of sight, out of mind

- Water and sewer lines located outside, usually underground

## Failed lines waste thousands of gallons of water

- Presents a potential environmental hazard

## Common homeowner misconceptions

- City is responsible for maintenance of the water and sewer lines on their property
- Repairs are covered by their homeowner's policy





# Homeowners are unprepared for emergencies and expect solutions from the city/utility



**78% of homeowners** believe the utility provider should educate them on repairs and preventative measures. (Ipsos Public Affairs/HomeServe 2019)



**56% of Americans** can't cover a \$1,000 emergency expense with savings. (Bankrate 2022)



**60% of homeowners** with annual household incomes under \$50,000 a year reported **having \$500 or less or no money set aside** for a home repair emergency. (Harris Poll/HomeServe 2021)





# Solution for Municipalities and their Residents



## Residents

Optional low-cost protection against potentially expensive water, sewer, plumbing repairs



Educates residents about their responsibility for exterior lines



## Municipality/Utility



Reduces calls to the Utility



Timely repairs reduce water loss from line breaks - use of local contractors infuses money into the local economy



Turnkey program - provides marketing, billing, claims, customer service

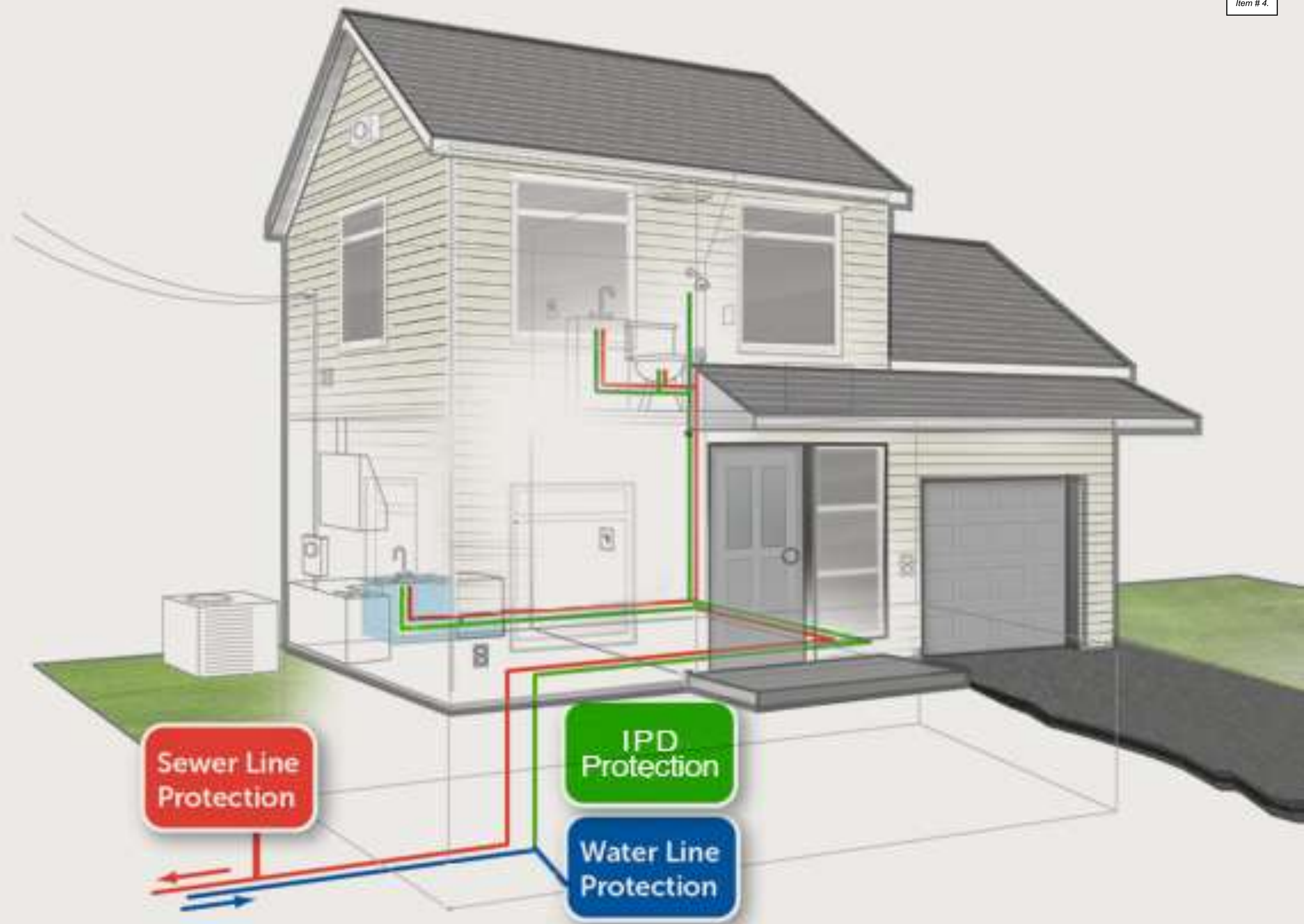


No cost for the municipality/utility to participate

# NLC Service Line Warranty Program



Endorsed by





# Optional Homeowner Protection



## External Water Line

Up to \$8,500 per incident to repair/replace broken, cracked, or clogged exterior lines



## External Sewer Line

Up to \$8,500 per incident to repair/replace broken, cracked, or clogged exterior lines



## In-home Plumbing & Drain

Up to \$3,000 per incident on all water, sewer, and drain lines inside the home after point of entry



No annual or lifetime limits, deductibles, service fees, forms, or paperwork



No pre-inspection - 30 day waiting period



Homeowner opt in or out at any time - no penalty



Locally based, fully licensed and vetted contractors



Toll-free emergency number available 24 hours a day, 365 days a year



Guaranteed repairs

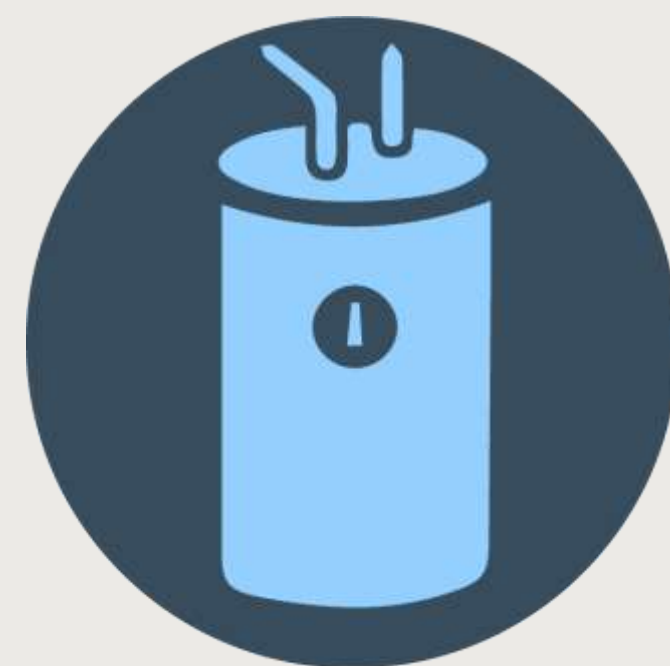


# Optional Energy Products



Interior  
Electric

- Up to \$4,000 per call
- \$4,000 annually



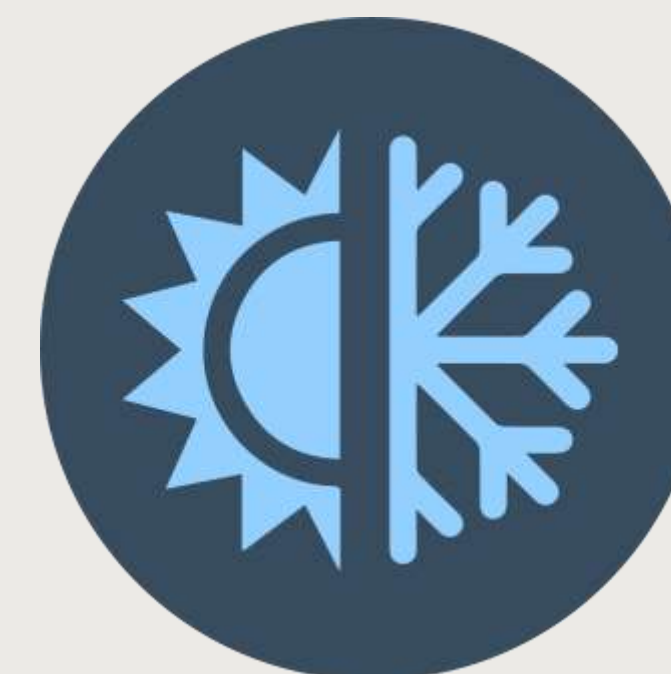
Water  
Heater

- Up to \$1,500 per call
- \$1,500 annually for repair/replacement



Heating  
System

- Up to \$2,500 per call
- \$2,500 annually



Cooling

- Up to \$2,500 per call
- \$2,500 annually

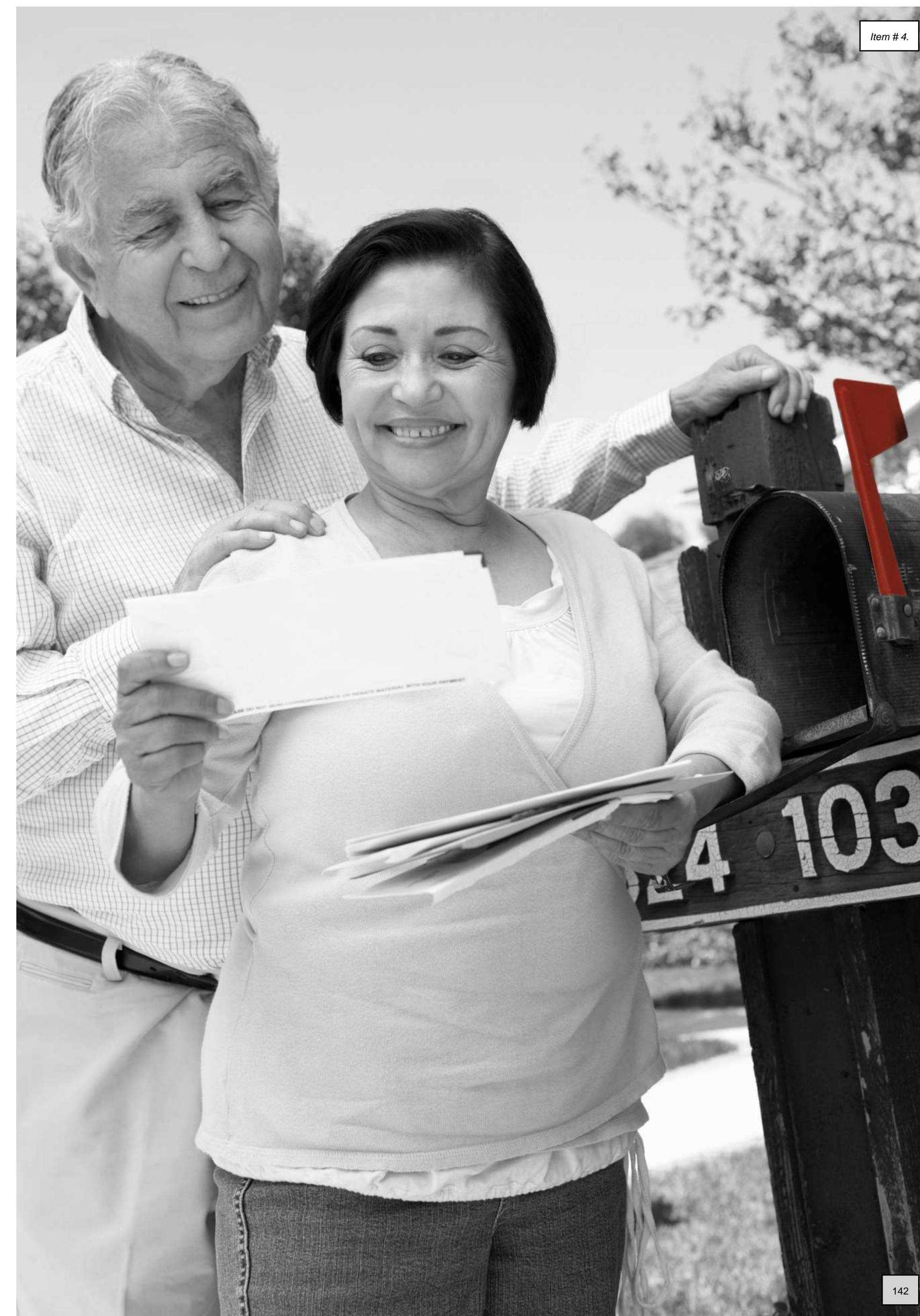


# Homeowner Education

- No public funds used in marketing, distribution, or administration of the program
- Direct mail only – Limited to 3 mailing campaigns per year
- Partner must review and approve marketing material before each and every campaign
- Marketing clearly states city does not provide program and is voluntary for homeowner
- Easy enrollment options – consumer choice of mail, phone or web

## Revenue Share

- Non-tax revenue share for the City/Town
- City/Town utilize funds for important initiatives including:
  - ✓ Infrastructure improvements
  - ✓ Low-income assistance/community charities
  - ✓ Partially offset rate increases





# CURRENT FLORIDA PARTNERS (32)

- *Town of Havana*
- *City of Hallandale Beach*
- *City of Riviera Beach*
- *City of Lake Wales*
- *Village of Pinecrest*
- *City of Longwood*
- *City of Sanford*
- *Town of Pembroke Park*
- *City of Mary Esther*
- *City of Dania Beach*
- *City of N. Miami Beach*
- *City of Pompano Beach*
- *Town of Eatonville*
- *City of Winter Haven*
- *City of Valparaiso*
- *City of Opa locka*
- *City of Mount Dora*
- *City of Lauderdale Lakes*
- *City of Deerfield Beach*
- *City of Lake Worth Beach*
- *City of Boynton Beach*
- *City of Miramar*
- *City of Wildwood*
- *City of Haines City*
- *Village of Biscayne Park*
- *City of Miami Springs*
- *Town of Hilliard*
- *City of Bowling Green*
- *City of Punta Gorda*
- *Village of Indiantown*
- *City of Fellsmere*
- *City of Arcadia*



# Our Promise:

We will be a trusted steward  
of your brand and reputation.

## Questions?

For more information contact:

**Ashley Shiwarski**

**Sr. Director, Business Development**

**[Ashley.Shiwarski@homeserveusa.com](mailto:Ashley.Shiwarski@homeserveusa.com)**

**412-874-9454**



126 S. 7th Avenue  
Wauchula, FL 33873



Phone (863) 773-3535  
Fax (863) 773-0773

August 1, 2025

TO: City Commission  
FROM: Olivia Minshew, City Manager  
RE: National Leagues of Cities Service Line Warranty Program

**RECOMMENDATION:** Staff recommends the City Commission authorize the City Manager, or their designee, to enter into the royalty Marketing agreement with Utility Service Partners, Inc. (USP) for an initial term of three (3) years, subject to Attorney review with an additional (1) year renewal.

**BACKGROUND:** The National League of Cities (NLC) Service Line Warranty Program, offered by City Service Partners, a HomeServe Company, was conceived in partnership with the National League of Cities to educate property owners about their service line responsibilities and to help residents avoid the out-of-pocket expense for unanticipated and potentially costly service line repairs and replacements. The program, the only one of its kind endorsed by the NLC, will help the City of Wauchula and its residents by:

- Providing homeowners affordable protection against significant and unexpected costs to remedy leaking/broken/ clogged water lines, sewer lines, in-home plumbing lines, interior electric, heating and cooling systems, and water heaters
- Ensuring the delivery of timely, high-quality repair services in adherence to all applicable codes
- Stimulating the local economy by using fully vetted local contractors to complete the repairs.
- Generating an ongoing, sustainable source of revenue for partner municipalities, for instance the City would receive 10% of the premiums collected in the form of a royalty (paid annually).

**COVERAGE:** NLC Service Line Warranty Program offers three complete and separate voluntary programs. There is never a service fee/deductible. Residents can cancel the warranties at any time.

**Exterior Water Service Line:** Includes service to locate, excavate and repair/replace a leaking exterior water service line. Covered repairs include, but are not limited to leaks, breaks, corrosion, blockages, root intrusion, and other types of damage (such as from freezing) that impair or limit the intended function of the system. Includes thawing of frozen water lines. Includes restoration of ground surface features after excavation for service line repair, including filling, raking, reseeding, reinstallation of existing soft landscaping and shrubbery, and patching of paved surfaces.

**Exterior Sewer Service Line:** Includes services to locate, excavate and repair/replace a leaking exterior sewer service line. Covered repairs include, but are not limited to leaks, breaks, corrosion, blockages (due to fats, oils and grease), root intrusion, and other types of



damage (such as from freezing) that impair or limit the intended function of the system. Includes restoration of ground surface features after excavation for service line repair, including filling, raking, reseeding, reinstallation of existing soft landscaping and shrubbery, and patching of paved surfaces.

Item # 4.

**Internal Plumbing and Drainage:** Coverage includes the emergency breakdown costs of repairing or replacing interior water, sewer, and drainage pipe materials, valves and other plumbing-related material, including unblocking, repair and replacement. Repair of clogged toilets.

There are also additional energy products that the City can choose to make available. Those include: **Interior Electric, Heating Plan, Cooling Plan and Water Heater Repair.**

Product	Monthly	Annual Coverage Limit	Annual Service Calls/Per Call Coverage	Royalty for the City
External Water Line	\$5.99	Unlimited	Unlimited Calls \$8,500 Per Call	10% of premiums collected
External Sewer Line	\$7.99	Unlimited	Unlimited Calls \$8,500 Per Call	10% of premiums collected
In-Home Plumbing*	\$9.99	Unlimited	Unlimited Calls \$3,000 Per Call	10% of premiums collected
Interior Electric Line*	\$5.99	\$4,000 annual limit	Unlimited Calls \$4,000 annual limit	10% of premiums collected
Heating Plan*	\$12.99	\$2,500 annual limit	Unlimited Calls \$2,500 annual limit	10% of premiums collected
Cooling Plan*	\$14.99	\$2,500 annual limit	Unlimited Calls \$2,500 annual limit	10% of premiums collected
Water Heater*	\$12.99	\$1,500 annual limit	Unlimited Calls \$1,500 annual limit	10% of premiums collected

**IMPLEMENTATION:** The NLC Service Line Program will utilize the City logo to brand the materials used to educate City customers about the repair service plans. Program marketing literature clearly discloses that the Program and the City are separate entities and that the program is voluntary for residents. The NLC Service Line Warranty Program will create all marketing materials with input from the City and will submit all marketing/communications materials to the City for final approval.

**ENROLLMENT AND BILLING:** The NLC Service Line Program offers residents simple options if they choose to enroll either via mail, phone, or web. They will handle all customer billing and residents can choose annual, quarterly, or monthly billing and may pay by check, direct debit/ACH, or credit card. Homeowners can enroll or cancel at any time.

**FINANCIAL IMPACT:** No cost to the City to participate and the City would receive 10% of the premiums collected in the form a royalty (paid annually).

## MARKETING AGREEMENT

This MARKETING AGREEMENT (“**Agreement**”) is entered into and made effective as of \_\_\_\_\_, (“**Effective Date**”), by and between the City of Wauchula, Florida (“**City**”), and Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America (“**SLWA**,” and together with City, the “**Parties**,” and each, a “**Party**”).

**WHEREAS**, individual residential property owners (“**Customer(s)**”) residing in the City own and are responsible for sewer and water lines between the mainlines and the connection on their property;

**WHEREAS**, City desires to announce to Customers the opportunity, but not the obligation, to purchase plans as set forth in Exhibit A or as otherwise mutually agreed by the Parties in writing (including by email) (“**Plan(s)**”) to repair such lines; and

**WHEREAS**, SLWA, a subsidiary of HomeServe USA Corp. (“**HomeServe**”), is the administrator of the National League of Cities (“**NLC**”) Service Line Warranty Program.

**NOW, THEREFORE**, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and with the intent to be legally bound hereby, the Parties agree as follows:

1. **Purpose.** City grants to SLWA the right to offer and market service Plans subject to the terms and conditions of this Agreement.

2. **Obligations of the Parties.**

A. **Mutual Grant of License.** City grants to SLWA a non-exclusive license (“**License**”) to use the designated names, symbols, trademarks, service marks, logotypes, trade names and insignias (“**Marks**”) owned by City or its Affiliates (defined below), which may include the use of City’s logo and name in advertising (including on SLWA’s websites or social media sites), in signature lines, and in marketing materials to be sent to Customers, all at SLWA’s sole cost and subject to City’s prior review and approval, which will not be unreasonably conditioned, delayed, denied, or withheld. SLWA grants to City a License to use SLWA’s Marks which shall be limited to the use of SLWA’s logo and name in advertising (including on City’s websites or social media sites), in all cases subject to SLWA’s prior review and approval, which will not be unreasonably conditioned, delayed, denied, or withheld. Each Party’s use of the other Party’s Marks in accordance with this Agreement will not infringe any other party’s rights. In the event that City extends a similar license to a competitor of SLWA during the Term, City shall provide thirty (30) days’ written notice prior to such grant of license and SLWA may immediately terminate this Agreement.

B. **Data.** If City elects to do so, City may provide SLWA with “zip code” data for Customers in an agreed-upon format.

3. **Term; Termination.** The term of this Agreement shall be for the number of years in Exhibit A commencing with the Effective Date (“**Initial Term**”). The Agreement will automatically renew for additional one (1) year terms, unless one of the Parties gives the other written notice at least ninety (90) days prior to the end of the then current term (each a “**Renewal Term**” and collectively with the Initial Term, the “**Term**”) that the Party does not intend to renew this Agreement. In the event that a Party is in material breach of this Agreement, the non-breaching Party may terminate this Agreement thirty (30) days after giving written notice to the breaching Party of such breach, (i) if said breach is not cured during said thirty (30) day period, or, (ii) if such breach is incapable of being cured in such period, the breaching Party has failed to take during such period substantive steps to cure such breach. Beginning twelve (12) months after the Effective Date, either Party may terminate this Agreement without cause upon sixty (60) days’ prior written notice to the other Party. SLWA will, to the extent permissible under Applicable Laws, be permitted to complete any marketing initiative approved by City prior to termination of this Agreement.

4. **Consideration.** SLWA shall pay City a fee based on the success of the marketing efforts using the Marks subject to the License as described herein (“**License Fee**”), as set forth in Exhibit A. The first payment of the License Fee shall be due

by January 30th of the year immediately following the Effective Date. Subsequent payments shall be made on an annual basis throughout the Term, due and payable on January 30th of each succeeding year.

5. **Applicable Laws.** Each Party shall comply at all times with all applicable laws, statutes, treaties, rules, codes, ordinances, regulations, permits, official guidelines, judgements, orders and interpretations, as well as licensing or registration requirements (“**Applicable Laws**”) with respect to its obligations under this Agreement.

## 6. **Public Records.**

A. Public Records. The Parties acknowledge and agree that the City is a public agency subject to Chapter 119, Florida Statutes. To the extent SLWA is a company acting on behalf of the City pursuant to Section 119.0701, Florida Statutes, SLWA must comply with all public records laws in accordance with Chapter 119, Florida Statutes. In accordance with Chapter 119, Florida Statutes, SLWA agrees to:

- i. Keep and maintain all records that ordinarily and necessarily would be required by the City to perform the services under this Agreement.
- ii. Upon request from the City, provide the City with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the costs provided in Chapter 119, Florida Statutes, or as otherwise provided by Applicable Laws.
- iii. Ensure that public records that are exempt, or confidential and exempt, from public records disclosures are not disclosed as except as authorized by Applicable Laws for the duration of the Agreement and following completion of the Agreement if SLWA does not transfer the records to the City.
- iv. Upon completion of the services under this Agreement, at no cost, either transfer to the City all public records in SLWA’s possession or keep and maintain public records required by the City to perform the services. If SLWA transfers all public records to the City upon completion of the services, SLWA must destroy any duplicate public records that are exempt, or confidential and exempt, from public records disclosure requirements. If SLWA keeps and maintains public records upon completion of the services under this Agreement, SLWA must meet all applicable requirements for retaining public records. All records stored electronically must be provided to the City, upon request from the City, in a format that is compatible with the information technology systems of the City.
- v. IF SLWA HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE COMPANY’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CITY’S CUSTODIAN OF PUBLIC RECORDS AT: 863-773-3131.

7. **Trade Secrets and Proprietary Confidential Business Information.** Documents submitted by SLWA that SLWA contends constitute trade secrets as defined in Sections 812.081 and 688.002, Florida Statutes, or confidential and propriety business information when held by the City as a utility owner, consistent with Section 119.0713(5), Florida Statutes, and which are clearly marked or stamped as confidential by SLWA at the time of submission to the City, will not be subject to public access. However, should a requestor of public records challenge SLWA’s claim of trade secret or confidential and proprietary business information, within five (5) calendar days of such challenge, SLWA must provide a separate written affidavit that includes an indemnification and release guarantee, as approved by the City Attorney or designee, to the City to support its claim that the alleged trade secrets or proprietary and confidential business information actually constitutes same as defined by law. SLWA must demonstrate the need for confidentiality of the documentation by showing a business advantage or opportunity to obtain an advantage would be gained if the documentation were released. Otherwise, SLWA is required to timely seek a protective order in the Circuit Court of Hardee County to prevent the City’s release of the requested records.

8. **Ruling and/or Code Change; Coverage Changes.** In the event that: (i) a change or proposed change in Applicable Laws, or municipal or similar codes; or (ii) an interpretation, policy, ruling, or order by any court, tribunal, arbitrator, regulatory agency, commission, including a public service commission or similar body of a municipality, or other instrumentality of the United States, or any state, county, City, or other political subdivision; negatively or potentially



negatively impacts the terms of this Agreement or the obligations of the Parties set forth in this Agreement, the Parties shall negotiate in good faith to modify the terms of this Agreement accordingly. Should the Parties be unable to reach a mutual agreement to revise this Agreement, then either Party may terminate this Agreement on thirty (30) days' written notice to the other Party. Notwithstanding the above, the coverages under the Plans are subject to change by SLWA due to changes required by Applicable Laws or the service agreements for the Plans.

9. **Independent Contractor Status.** The obligations performed by each Party in this Agreement shall be executed as an independent contractor. SLWA shall have responsibility for and control over the details and means for providing the Plans under this Agreement. Neither Party nor any of its directors, managers, members, officers, employees, contractors, subcontractors, and agents, and in the case of City, also its elected officials ("**Representatives**") shall be considered an employee, representative, agent or subcontractor of the other Party or its Representatives.

10. **Indemnification.** The parties agree that one percent (1%) of the total compensation SLWA receives from Plans arising out of or related to this Agreement constitutes specific consideration to SLWA for the indemnification to be provided under this paragraph. SLWA hereby agrees to and shall protect, indemnify, defend, and hold City, its elected officials, officers, employees and agents (collectively or individually, "**Indemnitee**") harmless from and against any and all third party claims, damages, losses, expenses, suits, actions, decrees, judgments, awards, and expenses (including, without limitation, reasonable attorneys' fees and court costs incurred through litigation and all appeals therefrom) (individually or collectively, "**Claim**"), which an Indemnitee may suffer or which may be sought against or are recovered or obtainable from an Indemnitee, as a result of or arising out of any breach of this Agreement by SLWA, or any allegation of negligent or fraudulent acts or omissions of SLWA or its officers, employees, contractors, subcontractors, or agents in the performance of services under the Plans, or any allegation that SLWA, its officers, employees, contractors, subcontractors, or agents breached their duties or obligations under the Plans; provided that the applicable Indemnitee notifies SLWA of any such Claim within a time that does not prejudice the ability of SLWA to defend against such Claim. Any Indemnitee hereunder may participate in its, his, or her own defense, but will be responsible for all costs incurred to provide its, his, or her own defense, including payment of its, his, or her own attorneys' fees, in connection with such participation in such defense. The terms and conditions of this Section 10 shall survive termination of this Agreement for any reason.

#### 11. **Anti-Bribery and Corruption.**

A. Each Party warrants to the other that:

- i. it has not offered, promised, given, accepted, or agreed to give or accept, and shall not during the Term offer, promise, give, accept, or agree to give to or accept from any person any bribe on behalf of the other Party or otherwise with the object of obtaining a business advantage for the other Party or otherwise;
- ii. it will not engage in any activity or practice which would constitute an offense under any applicable anti-bribery and corruption laws, including but not limited to the United States Foreign Corrupt Practices Act of 1977, the United Kingdom's Bribery Act 2010 and Canada's Corruption of Foreign Public Officials Act, and it will notify the other Party as soon as practicable of any offense of the foregoing acts in connection with this Agreement, or any breach of the undertakings contained in this section of which it becomes aware;
- iii. it has in place, and during the Term will maintain, its own policies, procedures, and internal controls, including accounting procedures to record expenditures in connection with this Agreement, necessary to ensure compliance with any applicable anti-bribery and corruption laws;
- iv. it will ensure that any person who performs or has performed services for or on its behalf ("**Associated Person**") complies with this section, it will not enter into an agreement with any Associated Person in connection with this Agreement unless such agreement contains terms substantially similar to those contained in this section, and it shall be responsible for any breach of such terms, or these terms, by any Associated Person that is a subcontractor of the Party hereunder;
- v. from time to time during the Term, at the reasonable request of the other Party, it will confirm in writing that it has complied with the terms of this section and will provide any information reasonably requested by the other Party to demonstrate such compliance; and
- vi. in the case of City, it will abide by the "Reporting Hotline" section of SLWA's Business Partner Code of Conduct (described in "Business Partner Code of Conduct" section) to report to SLWA any request or demand for any improper payments or other improper advantage of any kind in connection with the performance of this Agreement.

12. **Records; Audit.** Each Party shall, at all times during the Term and for a period of seven (7) years after the termination or expiration of this Agreement, maintain complete and accurate records, together with supporting or underlying documents and materials, kept and maintained by such Party, its employees, contractors, agents, assigns, successors, or subcontractors, to substantiate such Party's compliance with its obligations and responsibilities under this Agreement. Up to once per year of the Term, each Party shall have the right, upon at least ten (10) days' prior written notice and during normal business hours, at its sole cost and expense, to audit and inspect, on its own or through a Representative, the other Party's records for the purpose of confirming such other Party's compliance with the terms of this Agreement.

13. **Notice.** Any notice required to be given under this Agreement shall be deemed to have been received when delivered (i) by personal service, (ii) by electronic mail with confirmation of delivery and receipt (provided a hard copy is sent promptly by regular mail), or (iii) by registered or certified mail, return receipt requested, with the United States Postal Service, addressed as follows.

**To:** City:  
City of Wauchula  
126 South 7th Ave.  
Wauchula, FL 33873-2802  
Attention: Olivia Minshew  
email: ominshew@cityofwauchula.com

**To:** SLWA:  
Utility Service Partners Private Label, Inc.  
d/b/a Service Line Warranties of America  
45 Glover Ave., 6th Fl.  
Norwalk, CT 06850  
Attention: Michael Backus, Chief Revenue Officer  
email: michael.backus@homeserveusa.com

With a copy to:  
Legal Department  
email: legal@homeserveusa.com

14. **Entire Agreement; No Third-Party Beneficiaries; Severability.** The Parties acknowledge that no representations, agreements, or promises were made by the other Party or by any of its Representatives other than those specifically contained in this Agreement. This Agreement, including the recitals as well as any attachments or exhibits, constitutes the entire agreement of the Parties with respect to the matters contemplated in this Agreement, and supersedes any prior agreement or understanding with respect to them. The Parties agree that this Agreement was entered into solely for the respective benefit of each of them and their respective successors and assigns, and nothing in this Agreement is intended to create any third-party beneficiaries. This Agreement may be amended or modified only by a written instrument executed by an authorized representative of each of the Parties. No term or provision hereof shall be deemed waived and no breach excused unless such waiver or consent is in writing and signed by the Party claimed to have waived or consented. Subject to Applicable Laws, the invalidity or unenforceability of a specific provision in the Agreement shall not render any other provision(s) invalid, inoperative, or unenforceable.

15. **Assignment.** Neither Party may assign or transfer any of its rights under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably delayed, withheld, conditioned, or denied, except to an affiliate of the assigning Party or an acquirer of all or substantially all of the assets of the assigning Party. Any purported assignment or delegation in violation of this section shall be null and void. No assignment or transfer of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement. This Agreement shall be binding upon and shall inure to the benefit of the Parties as well as their respective successors or permitted assigns. For purposes of this Agreement, "Affiliate(s)" means any person or entity directly or indirectly controlling, controlled by, or under common

control with a Party. In the case of SLWA, this shall mean its parent, HomeServe USA Corp., and its direct and indirect subsidiaries.

**16. Counterparts; Electronic Delivery.** This Agreement may be executed in counterparts delivered by email, DocuSign, or other electronic transmission; such counterparts will be deemed originals and binding upon the Parties upon receipt, regardless of whether originals are delivered thereafter. All such counterparts will constitute one and the same contract, and the signature of any Party to any counterpart will be deemed a signature to any other counterpart.

**17. Governing Law; Venue; Waiver of Jury Trial.** The Parties shall comply with all Applicable Laws with respect to their respective obligations under this Agreement. This Agreement is governed by and shall be construed in accordance with the laws of Florida, without regard to the choice of law principles of the forum state. Any action at law, suit in equity, or other proceeding against any Party with respect to this Agreement or in connection with any of the matters contemplated by this Agreement shall be brought and maintained exclusively in the state or federal courts located in Hardee County, Florida, as applicable. THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHT THAT MAY EXIST TO HAVE A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED UPON OR ARISING OUT OF, UNDER, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT.

**18. Public Entity Crimes, Scrutinized Companies, Anti-Trust Vendor Violator, Anti-Discrimination, and E-Verify.**

A. Pursuant to Section 287.133(2)(a), Florida Statutes, SLWA hereby certifies that neither it nor its Affiliate(s) have been placed on the convicted vendor list following a conviction for a public entity crime. If placed on that list, SLWA must notify the City immediately and may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO for a period of thirty-six (36) months following the date of being placed on the convicted vendor list.

B. SLWA hereby certifies that it: (a) has not been placed on the Scrutinized Companies that Boycott Israel List, nor is engaged in a boycott of Israel; (b) has not been placed on the Scrutinized Companies with Activities in Sudan List nor the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List; and (c) has not been engaged in business operations in Cuba or Syria. If City determines that SLWA has falsely certified facts under this Paragraph or if SLWA is found to have been placed on the Scrutinized Companies Lists or is engaged in a boycott of Israel after the execution of this Agreement, City will have all rights and remedies to terminate this Agreement consistent with Section 287.135, Florida Statutes.

C. SLWA has a continuous duty, throughout the entire Term, to disclose to the City if SLWA or any of its affiliates, as defined by section 287.137(1), Fla. Stat., are placed on the Antitrust Violator Vendor List. Pursuant to section 287.137, Fla. Stat., "A person or an affiliate who has been placed on the antitrust violator vendor list following a conviction or being held civilly liable for an antitrust violation may not submit a bid, proposal, or reply for any new contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply for a new contract with a public entity for the construction or repair of a public building or public work; may not submit a bid, proposal, or reply on new leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a new contract with a public entity; and may not transact new business with a public entity."

D. SLWA hereby acknowledges its continuous duty to disclose to the City if SLWA or any of its affiliates, as defined by Section 287.134(1)(a), Florida Statutes, has been placed on the Discriminatory Vendor List. Pursuant to Section 287.134(2)(a), Florida Statutes: "An entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity."

19. **E-Verify Requirements.**

A. Pursuant to Section 448.095(5), Florida Statutes, a public agency must require in any contract the contractor, and any subcontractor thereof register with, and use the E-Verify system in order to verify the work authorization status of all newly hired employees. As used in this Section 19, “contractor,” “employee,” “E-Verify system,” “public agency,” and “subcontractor,” are defined as they are in Section 448.095, Florida Statutes. To the extent applicable, SLWA’s parent company, HomeServe, shall:

- i. Utilize the U.S. Department of Homeland Security’s E-Verify System to verify the employment eligibility of all new employees hired by HomeServe during the Term; and
- ii. Expressly require all persons (including subcontractors/subvendors/subconsultants) assigned by HomeServe to perform work or provide services pursuant to the Agreement with the City to utilize the U.S. Department of Homeland Security’s E-Verify System to verify the employment eligibility of all new employees hired by the subcontractors/subvendors/subconsultants during the Term. HomeServe acknowledges and agrees that the use of the U.S. Department of Homeland Security’s E-Verify System during the Term is a condition of this Agreement with the City.

B. By entering this Agreement with the City, to the extent applicable, HomeServe shall use the E-Verify System to verify the work authorization status of all newly hired employees, and requiring all subcontractors to provide an affidavit to HomeServe attesting that the subcontractor does not employ, contract with, or subcontract with, an unauthorized alien. HomeServe agrees to maintain a copy of such affidavit for the duration of this Agreement. Failure to comply with this section will result in the termination of this Agreement as provided in Section 448.095, Florida Statutes, and SLWA may not be awarded a public contract for at least one (1) year after the date on which the Agreement was terminated.

20. **Business Partner Code of Conduct.** SLWA and City are committed to conducting their business activities with the highest standards of honesty and integrity. City acknowledges that it has received and reviewed SLWA’s Business Partner Code of Conduct (available at <https://www.homeserve.com/sc/cobc>) as updated from time to time, and City agrees to abide by SLWA’s Business Partner Code of Conduct as a material condition of this Agreement. Should City suspect or become aware of any actual or suspected violation of SLWA’s Business Partner Code of Conduct, City shall promptly notify SLWA or its anonymous ethics hotline (*see* SLWA’s Business Partner Code of Conduct).

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement as of the Effective Date.

**CITY OF WAUCHULA**

**UTILITY SERVICE PARTNERS  
PRIVATE LABEL, INC.  
D/B/A SERVICE LINE  
WARRANTIES OF AMERICA**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: Michael Backus

Title: Chief Revenue Officer

**Exhibit A**

## Marketing Agreement

City of Wauchula  
Term Sheet

- I. **Initial Term.** Three (3) Years, with the option for Renewal Term(s).
- II. **License Fee.** Ten percent (10%) of the fees actually received from Members during the Term under any Plans sold under the Agreement, **net** of any discount, rebates, refunds, chargebacks, credits, and sales or similar taxes incurred or paid by SLWA in connection with such Plans.
- III. **License Conditions.** Use of City's Marks in accordance with Section 2.A of the Agreement.
- IV. **Plans; Plan Fees; Scope of Coverage.** The summary of coverage is accurate as of the Effective Date. SLWA will offer the following rates to Customers:
  - A. Exterior water service line plan (initially, \$ 5.99 per month)
    - i. Covers Customers' responsibility: From the meter and/or curb box to the main shut-off valve inside the home.
    - ii. Covers well service lines if applicable: From the external wall of Customers' well casing to the external foundation wall of the home.
    - iii. Coverage Cap: Unlimited number of calls/\$8,500 per call/unlimited annual maximum.
  - B. Exterior sewer/septic line plan (initially, \$ 7.99 per month)
    - i. Covers Customers' responsibility: From the external wall of the home to the sewer main.
    - ii. Covers septic lines if applicable: From the external foundation wall of the home to the point of connection to the septic tank.
    - iii. Coverage Cap: Unlimited number of calls/\$8,500 per call/unlimited annual maximum.
  - C. Interior plumbing and drainage plan (initially, \$ 9.99 per month)
    - i. Covers repair or replacement of the following inside the home, for which the Customers have sole responsibility, that is damaged due to normal wear and tear:
      - a. The blocked or leaking interior water supply and drainage system pipes that carry fresh or drinkable water and wastewater.
    - ii. Coverage Cap: Unlimited number of calls/\$3,000 per call/unlimited annual maximum.
  - D. \*Interior electrical line plan (initially, \$ 5.99 per month)
    - i. Covers Interior electrical lines within the home.
    - ii. Coverage Cap: Multiple calls/\$4,000 per call/\$4,000 annual maximum.
  - E. \*Heating plan (initially, \$ 12.99 per month)
    - i. Covers various heating components.
    - ii. Coverage Cap: Multiple calls/\$2,500 per call/\$2,500 annual maximum.
  - F. \*Cooling plan (initially, \$ 12.99 per month)
    - i. Covers various cooling components.
    - ii. Coverage Cap: Multiple calls/\$2,500 per call/\$2,500 annual maximum.

G. \*Water heater plan (initially, \$ 12.99 per month)

- i. Covers water heater repair or replacement.
- ii. Coverage Cap: Multiple number of calls/\$1,500 per call/\$1,500 annual maximum.

Pricing above does not include taxes which will be collected by SLWA as well. SLWA may adjust the Plan fees; provided, that, any such adjustment shall not exceed one dollar (\$1.00) per month per Plan in any twelve (12) month period. If such adjustment shall exceed one dollar (\$1.00), both Parties must agree in writing.

V. **Marketing Campaigns.** SLWA shall have the right to conduct up to three (3) campaigns per year through such channels as may be mutually agreed by the Parties. Initially, Company anticipates offering the interior plumbing and drainage plan, and interior electrical line plan, heating plan, cooling plan and water heater plan Products via in-bound channels only.

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\* Products are not currently included in the endorsed product list of the National League of Cities Service Line Warranty Program.

# **THE INTERGOVERNMENTAL COOPERATIVE AGREEMENT**

## **A CONTRACT AND BY-LAWS**

### **FOR**

## **PUBLIC RISK MANAGEMENT OF FLORIDA HEALTH TRUST**



**(PRM-HT)**

**AS AMENDED AND RESTATED THROUGH JUNE 16, 2023**



THE INTERGOVERNMENTAL COOPERATIVE AGREEMENT  
(A CONTRACT AND BY-LAWS FOR  
PUBLIC RISK MANAGEMENT OF FLORIDA HEALTH TRUST)  
(PRM-HT)

I N D E X

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ARTICLES OF ASSOCIATION  
AND BY-LAWS  
OF  
PUBLIC RISK MANAGEMENT OF FLORIDA HEALTH TRUST  
(PRM-HT)

BE IT KNOWN THAT:

The below named local government unit or units of the State of Florida for the purpose of forming a risk management and self-insurance association pursuant to the terms of section 112.08, Florida Statutes, do bind themselves contractually to and adopt these Articles of Association and By-Laws.

Article 1 - Name

- 1.1 Name. The name of this association shall be Public Risk Management of Florida Health Trust, referred to hereinafter as “the Trust”.

Article 2 - Definitions and Purpose

- 2.1. Definitions: As used in this agreement, the following terms shall have the meaning hereinafter set out:

"Aggregate Excess Insurance": Stop Loss Insurance purchased by the Trust from insurance companies or other similar entities, approved by the Board of Directors, or any committee appointed by the Board for such purpose, to protect the Trust from an accumulation of losses in any policy year.

"Fiscal Year": The Fiscal Year of the Trust shall begin on October 1<sup>st</sup> and end on September 30<sup>th</sup>.

"Health Trust": A fund of public monies established by the Trust to jointly self-insure and self-fund health coverages and any other appropriate coverage lines approved by the Board of Directors.

"Members": The local governmental units, as defined by section 112.08, Florida Statutes, which initially or later enter into the intergovernmental association established by this Intergovernmental Agreement.

"Premium Payments": The amount each Member must pay to fully fund the fixed costs of the full operation of the Trust including reinsurance, administrative and claims costs.

"Self-Funded": A program in which Members agree to fully fund the operations of the Health Trust.

"Specific Excess Insurance": Insurance purchased by the Trust from insurance companies approved by the Board of Directors, or any committee appointed by the Board for such purpose, that provides catastrophe coverage up to the limit(s) chosen by the Trust.

2.2. Purpose: The Trust is a cooperative consortium voluntarily established by Members as set forth in section 112.08, Florida Statutes, for the purpose of providing health coverage to its Members and their employees and to carry out and effect the agreed upon functions and purposes of this Intergovernmental Agreement as stated herein.

It is the intent of the Members of this Trust to create an entity, which will administer a Health Trust and utilize such funds to provide the benefits described herein, in accordance with this Intergovernmental Agreement. This Agreement shall constitute the substance of a contract among the Members.

All funds contained within the Health Trust are funds directly derived from its Members who are local governmental units of the State of Florida. It is the intent of the Members in entering into this Intergovernmental Agreement that, to the fullest extent possible, the scope of Risk Management undertaken by them through a joint self-insurance or self-funded program using governmental funds shall not waive, on behalf of any Member or such Member's employees as defined in Florida Statutes Section 768.28, any defenses or immunities therein provided, or provided by the laws of the State of Florida. The Trust and the Members of this Trust intend to effect no waiver of sovereign immunities through their use of public funds retained within the Health Trust. Such funds being utilized to protect against risks in accordance with Florida Statutes Section 768.28 are not intended to constitute the existence, issuance or purchase of a policy for insurance. This Intergovernmental Agreement is not to be considered such as would cause this Trust to be treated as an "insurer" within the meaning of any legislation giving risk to liability or applicability to "insurer", for damages, costs, fees or expenses, etc., under Florida Statutes Sections 624.155, 626.9541, 626.9561, 627.426, 627.428, or other statutes applicable to Public Entity Self Insurance in the State of Florida.

2.3 Non-Assessable: Public Risk Management of Florida Health Trust is a non-assessable Trust.

### Article 3 - Power and Duties

3.1. Powers: The powers of the Trust to perform and accomplish the functions and purposes set forth herein, within the budgetary limits and procedures set forth in this Intergovernmental Agreement, shall be as follows:

3.1.1. To establish By-Laws and Amendments to By-Laws, and operational procedures governing the operations of the Trust which are consistent with this Intergovernmental Agreement and in accordance with section 112.08, Florida Statutes, and to not waive any sovereign immunity not waived statutorily under Florida Law, and to expressly negate any past, present, or future waiver of sovereign immunity under Florida Statutes, and to continue to negate any waiver of sovereign immunity for discretionary and planning functions of government.

3.1.2. To employ agents and independent contractors and approve the rate of compensation, benefits and/or contracts that apply to Trust employees, Trust officers and service providers, and to ensure all benefits of applicable Florida Statutes.

3.1.3. To lease real property and to purchase or lease equipment, machinery or personal property necessary to carry out the purpose of the Trust.

3.1.4. To carry out educational and other programs relating to health benefits in managing the Members' Participants' health coverage.

3.1.5. To cause the creation of this Trust and see to the collection of funds for the continued administration of the Health Trust.

3.1.6. To purchase Aggregate Excess Insurance and Specific Excess Insurance to supplement the Health Trust without such being a waiver of sovereign immunity under Florida Law.

3.1.7. To provide utilization review and other services to insure the delivery of appropriate health coverage.

3.1.8. To negate, pursuant to Florida Statutes, any implication of a waiver of sovereign immunity, and to negate any waiver of sovereign immunity other than to the extent required under Florida Statutes Section 768.28.

3.1.9. To act solely within the budgetary limits established by the Members to carry out such other activities as are necessarily implied or required to carry out the purposes of the Trust.

3.1.10. To sue or be sued as a separate legal entity.

3.1.11. To expel or terminate Members in accordance with the requirements of these By-Laws for non-payment.

#### Article 4 - Participation and Term

4.1. Term: The initial term of the Trust was from 12:01 a.m. on October 1, 1989, to 12:01 a.m. September 30, 1991. After the initial two (2) year term of the Trust, the term was and shall automatically be renewed for additional terms of one (1) year each. Provided, however, the Members may, through the manner provided in Section 6.9.4., terminate the Trust as of the end of the initial or any additional term during which such action is taken.

4.2. Notice of Intent to Withdraw: So long as the Trust shall continue in existence, any current or new Member joining the Trust shall remain a Member for an initial two years from the date coverage began. The amounts charged in establishing the rates for all of the Member's covered employees and dependents will be guaranteed for up to twelve (12) months of the new Member's initial term.

Any Member's withdrawal from the Trust must occur at the end of the Fiscal Year upon serving on the Trust at least forty-five (45) calendar days prior written notice of Intent to Withdraw. Such notice shall be in the form of an adopted resolution of the governing body of the Member accompanied by a letter to the Executive Director of the Trust, with intent to withdraw from the Trust.

4.3. Actual Withdrawal / Required Withdrawal. Any Member who has served the Executive Director with prior written notice of its intent to withdraw at least forty-five (45) calendar days prior to the beginning of the Fiscal Year for which the notice to withdraw is applicable, shall serve in writing to the Executive Director, on or before ten (10) calendar days prior to the beginning of such Fiscal Year, a verification as to whether the Member intends to actually withdraw from the Trust at the end of the current Fiscal Year. Failure to serve such verification on or before ten (10) calendar days prior to the beginning of the Fiscal Year for which notice of intent to withdraw is applied, shall be deemed a revocation of the prior notice of intent to withdraw; thus, binding the Member to the Trust for the ensuing Fiscal Year. An action to expel a Member shall be taken by the Board of Directors prior to August 1 of the current Fiscal Year in the manner described in Article 16 hereafter. Upon a Member's withdrawal, the Trust shall be responsible for the payment of claims for covered services rendered to the Member's employees and dependents incurred during the time period prior to the withdrawal; however, the withdrawn Member shall be responsible for payment of reasonable administrative charges, as determined by the Board, through the period during which claims may be paid.

4.4. Admission of New Members: The Executive Director and Board of Directors shall establish and periodically review standards and the approval process for the admission of new Members. Upon approval of these standards and of the approval process for admission by the Board of Directors, the Trust's Executive Director may grant or deny admission to proposed new Members.

## Article 5 - Commencement of the Trust

5.1. Commencement Date: The Trust commenced operations on October 1, 1989.

## Article 6 - Board of Directors of the Trust

6.1. The Board: There is hereby established a Board of Directors (sometimes hereinafter referred to as the "Board") of the Trust. Each Member shall appoint one (1) person to represent that body (the "Representative") on the Board of Directors along with another person to serve as an alternate representative (the "Alternate") when the Representative is unable to carry out that Representative's duties. The Representative and Alternate shall be appointed in writing by the governing body of the Member and a copy of the written appointment shall be provided to the Executive Director of the Trust. Once such appointments are made known to the Trust, the persons appointed shall remain in office until the Trust receives evidence in writing of the appointment of other persons by the Member's governing body. The Representative and Alternate selected must be an employee, an appointed official or elected official of the entity.

6.2. The Chair and Vice Chair: The Board of Directors shall, commencing the 2003 Fiscal Year, select a Chair for a three-year term. The Board of Directors shall, for all subsequent years, bi-annually select a Chair to serve a two-year term. The term of office for the Chair shall

begin on the 1<sup>st</sup> day of a Fiscal Year and expire on the last day of a Fiscal Year. The Chair shall preside at all meetings of the Board. The Chair shall vote on all matters that come before the Board. The Chair shall have such other powers as may be given from time to time by action of the Board.

The Board of Directors shall, bi-annually select a Vice Chair during the final quarter of each two-year term to serve during the subsequent two-year term. The term of office for the Vice Chair shall begin on the first day of a Fiscal Year and expire on the last day of a Fiscal Year. The Vice Chair shall carry out all duties of the Chair of the Board during the absence or inability of the Chair to perform such duties and shall carry out such other functions as are assigned from time to time by the Chair or the Board of Directors. The Board of Directors may from time to time appoint other officers of the Board.

6.3. Board Responsibilities. The Board of Directors shall have the responsibility for: (1) hiring of Trust officers, agents, and independent contractors; (2) setting of compensation for all persons, firms and corporations employed by the Trust; (3) approval of amendments to the Intergovernmental Agreement; (4) approval of the acceptance of new Members and expulsion of Members, except that the approval may be delegated to the Executive Director under Article 4.4. above, or by such procedures as are contained in the motion making delegation; (5) approval and amendment of the annual budget of the Trust; (6) approval of the operational procedures developed by the Executive Director; (7) monitoring the financial condition of the Trust; and (8) termination of the Trust in accordance with this Intergovernmental Agreement.

6.4. Voting: Each Member shall be entitled to one (1) vote on the Board of Directors. Such vote may be cast only by the Representative of the Member or in the Representative's absence by the Alternate. No proxy votes or absentee votes shall be permitted. Voting shall be conducted by show of hands or any method established by the Board that is consistent with Florida law. A simple majority vote of those Representatives present shall be required to pass on any motion. On such matters, the Chair and the Executive Director of the Trust shall cause each Member's Representative and Alternate to receive the proposed ballot which will include at a minimum the text of the motion to be voted upon and the purpose of such motion. Only the Representative or the Alternate may vote on such ballots (not both). If both the Alternate and Representative submit ballots, only the Representative's ballot will be counted. Favorable votes by a majority of the Members' Representatives (or Alternates in their absence) entitled to vote shall pass any action unless an action is taken which is subject to 6.9 below, in which case passage will be based on the required number of votes as if each Member's Representative or Alternate was present at a regular or special meeting called to decide such question.

6.5 Representatives: The Representative selected by the Member shall serve until a successor has been selected or the Member has withdrawn from the Trust. The Representative chosen by the Member may be removed at any time by the vote of the Member's governing body. In the event that a vacancy occurs in the position of Representative or Alternate selected by the governing body of a Member, that body shall appoint a successor in writing within sixty (60) calendar days of such vacancy occurring. The failure of a Member to select a Representative or the failure of that person to participate shall not affect the responsibilities or duties of a Member under this Intergovernmental Agreement.

6.6. The Executive Board and other Committees: The Board of Directors shall establish an Executive Board. That Executive Board shall consist of the Chair of the Board of Directors, the Vice Chair of the Board of Directors, the Treasurer and four (4) Representatives elected by the Board of Directors. The Executive Board shall have the power to establish both standing and ad hoc committees to further the functions and purpose of this Trust. Unless the Board of Directors establishes some other procedure, the authority for selection of Representatives or Alternates serving on the Board of Directors who shall serve on such committees and chair them shall reside with the Chair of the Board of Directors. The Chair of the Board of Directors may appoint non-voting and non-paid persons who are not Members of the Board of Directors to serve on committees of the Trust. The Board of Directors shall bi-annually select the four (4) Representatives during the final quarter of each two-year term to serve during the subsequent two-year term. The term of office for the four (4) Representatives shall begin on the first day of a Fiscal Year and expire on the last day of a Fiscal Year. The Executive Board shall have the specific authority and power, as afforded herein by the Board of Directors, to grant binding approval for, and on behalf of, the Trust to bind any and all coverages for insurers, reinsurers, specific excess insurers, insurance underwriters, insurance wholesalers, insurance brokers and/or intermediaries, and with independent insurance contractors providing and/or affording both insurance and self-insurance coverages to the Trust Members. The Board of Directors shall grant to the Executive Board the authority to approve expenditures, authorize a settlement of claims and suits and take such other action as shall be specifically delegated to the Executive Board. The Executive Board may from time to time appoint interim replacements for any Executive Board member or Trust Officer who vacates their position on the Executive Board, who shall serve until the next scheduled election of such Executive Board member.

6.7. Operating Rules: The Board of Directors may establish rules governing its own conduct and procedure not inconsistent with this Intergovernmental Agreement.

6.8. Quorum: A quorum shall consist of a majority of the Representatives (or in their absence their Alternates) serving on the Board of Directors. Except as provided in Section 6.9 herein, or elsewhere in this Intergovernmental Agreement, a simple majority of a quorum shall be sufficient to pass upon all matters.

6.9. Super-Majority Voting: A greater vote than a majority of a quorum shall be required to approve the following matters:

6.9.1. Such matters as the Board of Directors shall establish within its rules as requiring for passage a vote greater than a majority of a quorum, provided, however, that such a rule can only be established by a greater than a majority vote at least equal to the greater than majority vote required by the proposed rule.

6.9.2. The expulsion of a Member shall require two-thirds (2/3) vote of all the Representatives serving on the Board of Directors.

6.9.3. Any amendment of this Intergovernmental Agreement, except as provided in Subsection 4 below, shall require two-thirds (2/3) vote of all the Representatives serving on the Board of Directors.

6.9.4. The amendment of this Intergovernmental Agreement to cause a reduction or elimination of the scope of loss protection as set out in Article 10 to be furnished by the self-insured Trust derived from payment from the members shall require that specific written notice of the proposed change be sent to the governing body of the Member and to the Representative and Alternate of the Member serving on the Board of Directors, no less than ten (10) calendar days prior to a meeting of the Executive Board at which this matter is proposed and the amendment as proposed or as amended must receive the approval of at least five (5) of the seven (7) of the then current Executive Board representing the Members of the Trust.

6.9.5 In the event of a reduction or elimination in the scope of loss protection as set forth in Article 10 of this Intergovernmental Agreement receives the approval of at least five (5) out of the seven (7) Representatives of the then-current Executive Board as set forth in section 6.9.4, any Member may request, within twenty (20) days of the Executive Board voting to approve such reduction or elimination in the scope of loss protections as set forth in Article 10 of this Intergovernmental Agreement, in writing to the Chair of the Board of Directors that the Executive Board, at a special meeting, take official action to affirm, modify or reverse a decision of the Executive Board affecting the reduction or elimination in the scope of loss protection as set forth in section 6.9.4. The Member shall be provided a full opportunity to explain their position to the Executive Board. The Executive Board, by majority vote, may affirm, modify, reverse or defer to the Board of Directors.

Any Member who disagrees with the Executive Board's final determination may request in writing, within twenty (20) days of the Executive Board's final determination, that the Board of Directors take action to affirm, modify or reverse the decision of the Executive Board. The Member shall be provided a full opportunity at a special, or regular, meeting to explain their position to the Board of Directors. The Board of Directors, by majority vote of the Members, may affirm, modify or reverse the final determination or decision of the Executive Board. Failure on the part of any Member to comply timely with the requirements for appealing the determination by the Executive Board to the Board of Directors within twenty (20) days thereof shall be deemed to be a waiver of any contractual, legal or other rights of appeal by, or on the part of, that Member.

6.10. Compensation of Board of Directors: No Representative or Alternate serving on the Board of Directors shall receive any salary from the Trust or from any person or entity providing services to the Trust.

6.11 Conflict of Interest: Representatives and Alternates shall abide by the guidelines established by the State Ethics Commission in the performance of their duties, particularly as it applies to conflicts of interest and financial disclosure.

## Article 7 - Board of Directors Meetings

7.1. Meetings: The Executive Board will establish regular meetings, which shall be held at least three (3) times a year. Regular meetings of the Board of Directors shall be held up to



four (4) times a year. The tentative times, dates, and locations of regular meetings of the Board shall be established at the beginning of each Fiscal Year and the Executive Board will establish the tentative times, dates and locations of its regular meetings, and give timely and appropriate prior notices for said meetings to all members. Any item of business may be considered at a regular meeting, including the scheduling of future regular meetings. The Executive Director shall attend all Board meetings and Executive Board meetings to serve as an advisor and to report as the administrative officer of the Trust.

7.2. Special Meetings: Special meetings of the Board of Directors or the Executive Board may be called by its Chair, or by any three Representatives (or in their absence their Alternates). The Chair or in his/her absence, the Vice Chair, shall give ten (10) calendar days written notice of regular or special meetings to the Representative and Alternate of each Member and an agenda specifying the subject of any special meeting shall accompany such notice. Business conducted at special meetings shall be limited to those items specified in the agenda. The time, date and location of special meetings of the Board of Directors shall be determined by the Chair of the Board of Directors, or in his/her absence, by the Vice Chair. Emergency meetings may be held with less than ten (10) calendar days written notice, if determined necessary by the Chair or Vice Chair as applicable, and if notice is provided to all Members and their representatives as early as is reasonably possible. The Executive Board shall have the authority to call such special meetings when: (1) a threatened or actual disaster or other emergency exists which requires the scheduling of a special meeting; (2) it is substantially certain that a quorum of voting members will not be present for a scheduled, or upcoming, regular meeting of either the Board of Directors or Executive Board, such that consideration should be given to cancelling or rescheduling said meeting, and/or; (3) the Executive Board is requested to authorize the renegotiation of existing excess, reinsurance and any and all other coverages which occur or take place at that time.

7.3. Conduct of Meetings: To the extent not contrary to this Intergovernmental Agreement and except as modified by the Board of Directors, Robert's Rules of Order, latest edition, shall govern all meetings of the Board of Directors. Minutes of all regular and special meetings of the Board of Directors shall be sent to all Representatives (or in their absence their Alternates) serving on the Board of Directors.

## Article 8 - Trust Officers

8.1. Officers: Officers of the Trust shall consist of an Executive Director, a Treasurer, a Secretary and such other officers as are established from time to time by the Board of Directors. All Trust officers, with the exception of the Board Secretary, who is hired by and reports directly to the Executive Director, shall be appointed by the Board of Directors.

8.2. Executive Director: The Executive Director shall be the chief administrative officer of the Trust and shall in general supervise and control the day to day operations of the Trust and shall carry out the policy and operational procedures of the Trust as established in this Intergovernmental Agreement and by the Board of Directors. Among the Executive Director's duties shall be the following:

8.2.1. The Executive Director may sign, with such other person authorized by the Board of Directors or by the Executive Board, any instruments which the Board of

Directors have authorized to be executed and, in general, shall perform all duties incident to the office of Executive Director and such other duties as may be prescribed by the Board of Directors.

8.2.2. The Executive Director shall prepare a proposed annual budget and shall submit such proposals to the Executive Board and the Board of Directors.

8.2.3. The Executive Director shall, where necessary, make recommendations regarding policy decisions, the creation of other Trust officers and the employment of agents and independent contractors. At each regular meeting of the Board of Directors and at such other times, as the Executive Director shall be required to do so, he/she shall present a full report of his/her activities and the fiscal condition of the Trust.

8.2.4. The Executive Director shall report quarterly to all Members aggregate information on all claims paid.

8.2.5. The Executive Director shall, within the constraints of the approved or amended budget, employ all secretarial, clerical and other similar help and expend funds for administrative expenses.

8.2.6. Audit: The Executive Director shall provide to the Members an annual audit of the financial affairs of the Trust to be made by a certified public accountant at the end of each Fiscal Year in accordance with generally accepted auditing principles. The annual report shall be delivered to the representative of each Member entity.

8.3. Treasurer: The Treasurer shall:

8.3.1. Provide general financial oversight of the Trust; shall have the authority and shall perform the duties prescribed by the Board of Directors or the Executive Board or by direction of any Officer authorized by this Interlocal Agreement or the Board of Directors or Executive Board and shall be selected by the Board of Directors

8.3.2. In general, perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to that individual by the Board of Directors.

8.4 Secretary: The Secretary shall issue notices of all Board meetings and shall attend and keep the minutes of same. The Secretary shall have charge of all corporate books, records and papers; shall be custodian of the corporate seal; and shall keep all written contracts of the Trust. In general, the Secretary shall perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Executive Director or the Board of Directors.

8.5. Third Party Delegations: The Board may select a financial institution or certified public accountant to carry out some or all of the functions which would otherwise be assigned to a Treasurer and may select a company, administrator or agent to serve as claims administrator or to carry out some or all of the functions which would otherwise be assigned to the Executive

Director. The Board may also employ persons or companies as independent contractors to carry out some or all of the functions of officers of the Trust.

8.6. Officer Vacancies: In the absence of the Executive Director, Treasurer or Secretary, or in the event of the inability or refusal of such officers to act, the Chair of the Board of Directors may perform the duties of the Executive Director, Treasurer or Secretary, and, when so acting, shall have all of the powers of and be subject to all of the restrictions upon the Executive Director, Treasurer or Secretary.

#### Article 9 - Finances and Health Trust

9.1. Budget: The Board of Directors shall approve a preliminary budget for the administration of the Trust. Copies of all preliminary and final budgets shall be provided to each Member of the Board of Directors. The Board of Directors shall adopt a final budget by August 1<sup>st</sup>.

9.2. Premium Payment Factors: In determining the amount of the Premium Payment due from each Member, some or all of the following factors may be considered:

- 9.2.1 Number of employees and the age, sex, and family or dependent coverage status of the employees who are expected to receive coverage through the Trust;
- 9.2.2 Past and prospective experience of the Member;
- 9.2.3 Geographic area of the Member, including the expected medical trend in that geographic area;
- 9.2.4. Administrative costs associated with providing coverage to the Member and its employees; and
- 9.2.5. Any other factor relevant in determining the expected costs of providing health coverages to the Member's employees;
- 9.2.6. Determination of Rates: New Members' rates will be determined on an experience rated basis using claims history, group demographics, and current plan designs and rates.

First year renewing Members will receive the average increase for the entire Trust.

- 9.2.7 Overall Trust Renewal: Rates will be calculated by determining the participating entities combined loss ratios, claims and fixed costs versus required premium.

Second year and subsequent renewing Members' rates will be determined by the Trust average, then each Member will be individually underwritten to develop the group's loss ratio. Should the group's individual loss ratio

be ten percent better than the total Trust average, a decrement will be applied to the final renewal calculation. Should the group's individual loss ratio be ten percent worse than the Trust average, an increment will be applied to the renewal. These increments and decrements may vary slightly year-to-year depending on the overall Trust's required premium.

9.3. Budget Amendments: Budgets may be amended at any time by majority vote of a quorum of the Board of Directors.

9.4. Retirement Fund Obligations: Members shall be both severally and jointly liable to the State of Florida Department of Administration, Division of Retirement for any Florida Retirement Systems' contributions, which are owed by the Trust for Trust employees. Each member shall be responsible for expenses incurred which are attributable to the years of membership as outlined in the Intergovernmental Agreement, Article 11.

9.5. Distribution of Surplus Upon Cessation of the Trust: If, in the event that the Trust ceases to exist or operate for any year during which the Trust was in existence, all claims known or unknown have either been paid or provision has been made for such payment, the Board of Directors as then constituted shall distribute surplus funds to the Members who constituted the membership of the Trust in that prior year, after first deducting therefrom reasonable administrative and other non-allocated costs incurred by the Trust in the processing of the claims in years other than the one in which the claim was made. The distribution among the Members shall be in the same proportion to the total as was their Premium Payment for that year to the Premium Payments of all Members for such year.

#### Article 10 - Excess Insurance

10.1. Specific Excess Insurance: The Trust may purchase Specific Excess Insurance from underwriters of insurance and/or insurance companies, approved by the Board of Directors or Executive Board, or any committee appointed by the Board for such purpose, in such amounts which shall be approved by the Board and/or the Executive Board. The purchase of Specific Excess Insurance does not, and is not, intended to waive sovereign immunity under Florida law.

10.2. Aggregate Excess Insurance: The Trust may purchase Aggregate Excess Insurance from underwriters of insurance and/or insurance companies approved by the Board of Directors, or Executive Board or any committee appointed by the Board of Directors or the Executive Board for such purpose, in such amounts which shall be approved by the Board of Directors and/or the Executive Board. The purchase of Aggregate Excess Insurance does not, and is not, intended to waive sovereign immunity under Florida law.

10.3. Losses: The Health Trust (Loss Fund), the Specific Excess Insurance and Aggregate Excess Insurance shall provide payment for covered losses in any one Fiscal Year for members up to the limits approved by the Board of Directors. Should losses in any one Fiscal Year extinguish all available funds provided by the Trust, then the individual Member shall be responsible for all valid claims of its employees. The Trust shall make payments in the order in which the claims have been submitted and determined to be valid. In addition, pursuant to section 112.08(2)(b)7., Florida Statutes, each Member is responsible for payment of valid claims of its employees that are not paid within sixty (60) calendar days by the Trust. If the Board or

the administrator acting on the Board's behalf has determined that appropriate funds are available, the Member shall be reimbursed for the payment of such valid claims. Membership in the Trust shall not preclude any Member from purchasing any insurance coverage above those amounts purchased by the Trust.

#### Article 11 - Obligations of Members

11.1. Member Obligations: The obligations of Members of the Trust shall be as follows:

11.1.1. To budget for, where necessary, to levy for and to promptly pay all payments to the Health Trust at such times and in such amounts as shall be established by the Board of Directors within the scope of this Intergovernmental Agreement. Any delinquent payments shall be paid with a penalty, which shall be set by the Board, but such rate shall not exceed the highest interest rate allowed by statute to be paid by a Florida public agency.

11.1.2. To select, in writing, a Representative to serve on the Board of Directors and to select an Alternate Representative.

11.1.3. To allow the Trust reasonable access to all records including employee demographic information and financial records, which relate to the purpose or powers of the Trust.

11.1.4. To allow attorneys employed by the Trust to represent the Member in investigation, settlement discussions and all levels of litigation arising out of any dispute or claim for medical services relating to the purpose or powers of the Trust.

11.1.5. To furnish full cooperation with the Trust attorneys, third party administrators, the Executive Director and any agent, employee, officer or independent contractor of the Trust relating to the purpose or powers of the Trust.

11.1.6. To follow in its operations all health education and procedures established by the Trust within its purpose or powers.

11.1.7. To be solely responsible for payment of all premium or contributions for group health benefits. Failure to remit contributions or premiums due in accordance with Article 9 or to provide required information shall be grounds for immediate termination of coverage and benefits by the Program or Providers.

11.1.8. To notify its employees of group health benefits being provided by the Program or Providers. Members shall be solely responsible for furnishing all data and information to Participants required by applicable state or federal law.

Failure of a Member to abide by these requirements shall also be grounds for expulsion from the Trust.

11.2. Cancellation/Suspension of Coverage: In the event that a Member has made a material misstatement, non-payment, or failed to comply with an underwriting requirement including misstatements regarding the number or family status of its employees, or the Member's health experience, the Executive Board has the authority to rescind, cancel or suspend coverage. The Member shall be notified of the reason in writing by the Executive Director and may be given a reasonable time to take corrective measure prior to the Executive Board's action.

#### Article 12 - Liability of Board of Directors or Officers of the Trust

12.1. Liability of Directors and Officers: The Representatives (or in their absence their Alternates) serving on the Board of Directors or officers of the Trust should use ordinary care and reasonable diligence in the exercise of their power and in the performance of their duties hereunder; they shall not be liable for any mistake of judgment or other action made, taken or omitted by them in good faith; nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care; nor for loss incurred through investment of Trust funds, or failure to invest. No Representative shall be liable for any action taken or omitted by any other Representative. Representatives shall have the immunities provided by law and in particular Florida Statutes Section 163.01. The Trust may purchase insurance providing liability coverage for such Representatives or officers.

#### Article 13 - Additional Insurance Coverage

13.1. Member's Option to Purchase Additional Insurance: The Trust may make available to Members, optional group health benefits through one or more group health benefit plans offered by or through insurance, including self-insurance, as may be from time to time approved and endorsed by the Trust.

#### Article 14 - Coverage & Indemnity Dispute Resolution

14.1. After having reviewed a claim forwarded to the Trust, the Executive Director, officer, employee or independent contractor/administrator shall, in writing, be permitted to decline to provide coverage or indemnification for such claim not believed to be within the scope of coverage provided by the Trust.

14.2. Any Member may request in writing to the Chair of the Board of Directors, that the Board of Directors, at a regular scheduled meeting, take official action to affirm, modify or reverse a decision that a particular matter is or is not within the scope of coverage provided by the Trust. The Member shall be provided a full opportunity to explain its position to the Board of Directors. The Board of Directors, by majority vote, may affirm, modify, reverse, or defer the matter, subject to any insurance or reinsurance contractual obligations. The decision of the Board will be final.

#### Article 15 - Contractual Obligation

15.1. Enforcement: This document shall constitute a binding contract among those public agencies which become Members of the Trust. The obligations and responsibilities of the Members set forth herein, including the obligation to take no action inconsistent with this Intergovernmental Agreement as originally written or validly amended, shall remain a continuing

obligation and responsibility of the Member. The terms of this Intergovernmental Agreement may be enforced in a court of law by the Trust.

The consideration for the duties herewith imposed upon the Members to take certain actions and to refrain from certain other actions shall be based upon the mutual promises and agreements of the Members set forth herein. This Intergovernmental Agreement may be executed in duplicate originals and its passage by the Member's governing body shall be evidenced by a certified copy of a resolution passed by the members of the governing body in accordance with the rules and regulations of such public agency, provided, however, that except to the extent of the limited financial contributions to the Trust agreed to herein or such additional obligations as may come about through amendments to this Intergovernmental Agreement no Member agrees or contracts herein to be held responsible for any claims in tort or contract made against any other Member. The Members intend in the creation of the Trust to establish an organization to provide coverage only within the scope herein set out and have not herein created as between Member and Member any relationship of surety, indemnification or responsibility for the debts of or claims against any Member.

15.2. Attorneys' Fees: In any legal action between the parties arising out of this Agreement, any attempts to enforce this Agreement, or any breach of this Agreement, the prevailing party may recover its expenses of such legal action including, but not limited to, its costs of litigation (whether taxed by the court or not) and its reasonable attorneys' fees (including fees generated on appeals) from the other party.

#### Article 16 - Expulsion or Termination of Members

16.1. Notice: No Member may be expelled except after notice from the Trust of the alleged failure along with a reasonable opportunity of not less than thirty (30) calendar days to cure the alleged failure. The Member may request a hearing before the Executive Board before any decision is made as to whether the expulsion shall take place. The Executive Board shall set the date for a hearing which shall not be less than fifteen (15) calendar days after the expiration of the time to cure has passed.

A decision by the Executive Board to expel a Member after notice and hearing and a failure to cure the alleged failure shall be final. The Executive Board may establish the date at which the expulsion of the Member shall be effective at any time not less than sixty (60) calendar days after the vote expelling the Member has been made by the Executive Board. If the motion to expel the Member made by the Executive Board or a subsequent motion does not state the time at which the expulsion shall take place, such expulsion shall take place sixty (60) calendar days after the date of the vote by the Executive Board expelling the Member.

16.2. Responsibilities of Terminated Member: A former Member shall only continue to be fully responsible only for its' portion of any obligations incurred but not satisfied during the period of time they were a Member of the Trust. Such obligations may include, but not be limited to, premiums, loss fund payments, final audit and administrative fees, etc., owed or unpaid by the former Member. The former Member shall no longer be entitled to participate or vote on the Board of Directors. The Trust shall not be responsible for payment of any Terminated Member's covered employees' or dependents' claims unless the Member has

satisfied all such obligations. Upon satisfaction of the obligations, the covered claims will be treated as if such Member has withdrawn pursuant to Article 4.3. and the Member shall be responsible for continued administrative payments as discussed in Article 4.3.

#### Article 17 - Termination of the Trust

17.1. Termination: If, at the conclusion of any term of the Trust, the Board of Directors votes to discontinue the existence of the Trust in accordance with Article 6.9.4., then the Trust shall cease its existence at the close of the then current Fiscal Year. Under those circumstances, the Board of Directors shall continue to meet on such a schedule as shall be necessary to carry out the termination of the affairs of the Trust. It is contemplated that the Board of Directors may be required to continue to hold meetings for some substantial period of time in order to accomplish this task, including the settlement of all covered claims incurred during the term of the Trust. The Trust shall continue to be fully responsible and obligated to pay covered claims and expenses owed by the Trust, which accrued before the Trust's termination. The money used to pay such covered claims and expenses shall remain with the Trust until such claims are settled and expenses are paid.

17.2. Distribution of Surplus upon Termination of Trust: Any excess funds remaining in the Trust after satisfaction of all obligations or assessments shall be distributed to the Members. Each Member current with the Trust at termination shall receive a proportionate share of the excess based upon that Member's premiums paid to the Trust during the five-year period immediately preceding the termination compared to the total amount of premium paid during that five-year period by all Members current with the Trust at termination. The Trust may make only partial distributions to the remaining Members in order to assure that all obligations of the Trust are satisfied. Once all such obligations have been satisfied, the remaining funds shall be distributed in accordance with the above.

17.3. Deficit: Should the Trust discontinue operations in a deficit position, the participating Members at termination, will be assessed an amount equal to the group's percentage of total enrollment.

17.4. Post-Termination Responsibilities of Member: After termination of the Trust, the Member shall continue to hold membership on the Board of Directors but only for the purpose of voting on matters affecting their limited continuing interest in the Trust for such years as they were Members of the Trust.

#### Article 18 – Constitutional Officers

18.1. Membership: Certain Constitutional Officers of the State of Florida may be located within the jurisdiction of a Member, and the Member may agree to include such Constitutional Officer's employees or retirees, their dependents, and others receiving continuation coverage, in the number of persons to be covered under the health coverage program discussed in these By-Laws and established by the PRM Health Trust. If such Constitutional Officer agrees to enroll in the coverage program, it must irrevocably agree in writing to be bound by all of PRM Health Trust's rules and regulations, as may be amended from time to time.



In witness whereof, this agreement has been executed by the Entity: City of Wauchula.  
 The approval of the foregoing agreement was passed by the Entity: City of Wauchula on the  
 day of \_\_\_\_\_, 2025, and attached hereto, I do hereby execute and the  
 \_\_\_\_\_ does hereby attest to my signature as evidence that the City of  
Wauchula has approved and hereby becomes a bound signatory member of the  
 "Intergovernmental Cooperative Agreement" for Public Risk Management of Florida Health  
 Trust, a copy of which is attached hereto, and which is pursuant to Florida Statutes Section  
 112.08, which commenced its term on October 1, 1989.

\_\_\_\_\_  
 Chair of Board, or Council

Print Name: \_\_\_\_\_

\_\_\_\_\_  
 Chair, Public Risk Management  
 of Florida Health Trust

ATTEST:

This \_\_\_\_\_ day of \_\_\_\_\_, 2025.

**RESOLUTION 2025-12****A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF  
WAUCHULA, FLORIDA, RELATING TO THE 2026-2027  
LEGISLATIVE SESSION.**

**WHEREAS**, the City Commission of the City of Wauchula has identified several state and local issues of importance to the City; and

**WHEREAS**, the Commission has determined that these issues should be addressed during the 2026–2027 Legislative Session in the best interests of the residents of the City of Wauchula; and

**WHEREAS**, the Commission finds that the most effective method to communicate these priorities is through the development of a Legislative Packet;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF  
WAUCHULA, FLORIDA, THAT:**

1. The Commission requests continued support and funding for the Municipal Airport Deep Well Potable Water and Fire Suppression Safety Improvements project.
2. The Commission requests support and funding for critical citywide roadway improvements as identified in the Wauchula Pavement Evaluation report.
3. The Commission requests support and funding for the development of Municipal Airport T Hanger structures and related access improvements.
4. The Commission requests support and funding for Farr Field Park Improvements – Phase 2 to include the remodel and potential expansion of the press box, concessions, and bathrooms, new fencing, new safety nets, rehabilitation of existing ball fields, and conversion to LED lighting to complement recent upgrades at Farr Field.
5. The Commission requests support and funding for the acquisition and development of property to serve as a spray field for effluent water disposal.
6. The Commission requests support and funding for the addition of a dewatering system at the Wastewater Treatment Plant.

7. The Commission requests support and funding for the purchase of a mechanical street sweeper to enhance the economic vitality of our neighborhoods and commercial corridors by implementing stormwater management best practices through the regular removal of debris and pollutants from roadways, resulting in cleaner streets and reduced localized flooding.
8. The Commission requests support and funding for the development of a court park for pickleball and basketball.
9. The Commission requests support and funding for the Oak Street Park Public Restrooms Improvements project.
10. The Commission urges opposition to any legislation that undermines local home rule authority, including bills that impose preemptions, create unfunded mandates, or require local governments to seek state approval before adopting. The City supports the right of local governments to develop and implement ordinances that protect residents and address local issues without state interference.
11. The Commission supports preserving the authority of local governments to levy ad valorem property taxes and opposes any constitutional amendments or legislation that would restrict this authority or further reduce the property tax base in ways that are not revenue neutral. If such measures are adopted, the Commission urges the Legislature to provide recurring financial support to offset lost revenue for municipalities designated as Rural Areas of Opportunity, like the City of Wauchula, to ensure the continued delivery of essential public services.
12. The Commission supports the continued authorization and protection of Community Redevelopment Agencies (CRAs) as a critical tool for revitalizing blighted areas, promoting economic development, and improving infrastructure and public spaces, particularly in fiscally constrained and rural communities where access to other redevelopment funding sources is limited.
13. The Commission requests support for protection of our budgets and to decide and manage the transfer of utility revenues to the city's general fund, a long-standing, legally protected practice. This is a reinvestment to help ensure the adequacy of life, health, safety and welfare of our community and our right as a utility owner to earn a reasonable return on the investment in its utility systems, a recognized right of every utility owner and operator, to

provide essential public safety services, i.e., first responders, such as police, fire, EMS, E911, utility workers, etc. and promote a higher quality of life in our community;

14. The Commission supports the reintroduction and passage of legislation similar to the original 2025 “Rural Renaissance” proposal, which provided meaningful programs and funding mechanisms to support economic development, infrastructure, housing, and community revitalization in rural areas. Such efforts are vital to addressing long-standing challenges and promoting sustainable growth in small and fiscally constrained communities.

15. The Commission requests support for Florida Trust for Historic Preservation legislation of a state tax credit for historic structures to provide incentives for revitalizing historic places and supporting economic development.

16. The Commission supports the preservation of Florida’s Regional Planning Councils (RPCs), which serve as vital forums for intergovernmental coordination, technical assistance, and strategic regional planning. The Commission opposes any legislation that would eliminate or weaken RPCs, especially given their importance to small and rural communities that rely on RPCs for grant writing, planning expertise, and access to regional and state-level resources.

17. The Commission recognizes that modest inflation related adjustments to sovereign immunity caps may be warranted over time but opposes any legislation that proposes dramatic increases, which would impose significant financial burdens on fiscally constrained municipalities, increase litigation exposure, and divert limited resources from essential public services and infrastructure needs.

18. The Commission approves and endorses the Florida League of Cities’ policy to SUPPORT protection of general revenue sources, including the Communications Services Tax and the Local Business Tax.

19. The Commission approves and supports the Florida League of Cities’ issues, as appropriate to small rural cities and to the City of Wauchula.

20. The Commission requests continued support and increased funding of State grant programs – Florida Recreational Development Assistance Program (FRDAP), Economic Development Transportation Fund (EDTF), Rural Infrastructure Fund, Division of Historical Resources Grants, FDEP Water Quality and Resilient Florida Grant Programs, and the FDOT Small County Outreach Program (SCOP) for Rural Areas of Opportunity.

21. The Commission provides support to Hardee County Legislative issues.

22. The Commission provides support to Hardee County School Legislative issues.
23. This resolution shall become effective upon adoption by the Commission.

On Motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the above Resolution was introduced and approved by the City Commission of the City of Wauchula, Florida, on the \_\_\_\_ day of \_\_\_\_\_, 2025.

(SEAL)

ATTEST:

CITY OF WAUCHULA

\_\_\_\_\_  
Stephanie Camacho, City Clerk

By:\_\_\_\_\_  
Richard Keith Nadaskay, Jr., Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
Thomas A. Cloud, City Attorney

**RESOLUTION 2025-13**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WAUCHULA, FLORIDA DESIGNATING THE CITY MANAGER AS THE ADMINISTRATIVE AUTHORITY RESPONSIBLE FOR FINAL PLAT AND REPLAT APPROVALS IN COMPLIANCE WITH FLORIDA LAW; ALLOWING FOR DESIGNEE TO ACT ON CITY MANAGER'S BEHALF; ADDRESSING COMMENCEMENT OF NEW SUBDIVISION STANDARDS IN CITY CODE AMENDMENTS AS SOON AS REASONABLY POSSIBLE TO ENSURE LEGAL COMPLIANCE; PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, in 2025, the Florida Legislature approved Committee Substitute for Committee Substitute for Senate Bill 784, amending s.177.071 and s.177.111 *Florida Statutes* pertaining to platting; and

**WHEREAS**, Senate Bill 784 was approved by the Governor on June 20, 2025, and subsequently filed in the Office of the Florida Secretary of State as Chapter 2025-164, Laws of Florida; and

**WHEREAS**, among other changes related to platting, this new law requires the approval of plats and replats for the subdivision of land by an administrative authority; and

**WHEREAS**, this new law defines the term "administrative authority" as a department, division, or other agency of the county or municipality and for the purposes of issuing a final administrative approval of a plat or replat submittal, the term also includes an administrative officer or employee designated by the governing body of a county or municipality, including but not limited to, a county administrator or manager, a city manager, a deputy county administrator or manager, a deputy city manager, an assistant county administrator or manager, an assistant city manager or other high-ranking county or city department or division director with direct or indirect oversight responsibility for the county's or municipality's land development, housing, utilities, or public works programs; and

**WHEREAS**, the Unified Land Development Code of the City of Wauchula addresses the administration and enforcement of the City's Subdivision Standards in Section 7.06.00 "Subdivision Regulations"; and

**WHEREAS**, Chapter 2025-164 shall take effect on July 1, 2025, making it necessary for the City Commission to designate an administrative officer or employee ahead of a broader package of Land Development Code amendments to ensure compliance with this and other recent State legislation affecting the county and municipal development review processes that have subsequently been signed into law.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WAUCHULA, FLORIDA:**

**SECTION 1.** The City Manager is hereby designated as the administrative authority responsible for issuing final administrative approval of a plat or replat submittal. The City Manager may designate a qualified administrative staff member to act on their behalf.

**SECTION 2.** The City will initiate amendments to the Land Development Code to ensure compliance with Chapter 205-164, Laws of Florida, as soon as reasonably possible.

**SECTION 3.** If any word, sentence, clause, phrase, or provision of this Resolution, for any reason, is held to be unconstitutional, void, or invalid, the validity of the remainder of this Resolution shall not be affected thereby.

**SECTION 4.** This Resolution shall become effective upon passage.

**INTRODUCED AND PASSED** on first reading in regular session of the City Commission of the City of Wauchula, the \_\_\_\_ day of \_\_\_\_, 2025.

This resolution was moved for adoption by Commissioner \_\_\_\_\_.

The motion was seconded by Commissioner \_\_\_\_\_, and upon being put to a vote, the vote was as follows:

Commissioner Anne Miller \_\_\_\_\_ insert yes or no

Commissioner Russell Graylin Smith \_\_\_\_\_ insert yes or no

Commissioner Keith Nadaskay, Jr \_\_\_\_\_ insert yes or no

Commissioner Dr. Sherri Albritton \_\_\_\_\_ insert yes or no

Commissioner Gary Smith \_\_\_\_\_ insert yes or no

(SEAL)

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
Stephanie Camacho, City Clerk

\_\_\_\_\_  
Richard Keith Nadaskay, Jr., Mayor

**APPROVED AS TO FORM AND LEGALITY:**

\_\_\_\_\_  
Thomas A. Cloud, City Attorney

## CHAPTER 2025-164

Committee Substitute for Committee Substitute for  
Committee Substitute for Senate Bill No. 784

An act relating to platting; amending s. 177.071, F.S.; requiring that certain plat or replat submittals be administratively approved with no further action by certain entities under certain circumstances; requiring the governing body of such county or municipality to designate an administrative authority to receive, review, and process plat or replat submittals; providing requirements for such designation; defining the term “administrative authority”; requiring the administrative authority to submit a certain notice to an applicant; providing requirements for such notice; requiring the administrative authority to approve, approve with conditions, or deny a plat or replat submittal in accordance with the timeframe in the initial written notice to the applicant; requiring the administrative authority to notify the applicant in writing if it declines to approve a plat or replat submittal; requiring that the written notification contain the reasons for denial and other information; prohibiting the administrative authority or other official, employee, agent, or designee from requesting or requiring that the applicant request an extension of time; amending s. 177.111, F.S.; conforming provisions to changes made by the act; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 177.071, Florida Statutes, is amended to read:

177.071 Administrative approval of plats plat by designated county or municipal official governing bodies.—

(1)(a) A plat or replat submitted under this part must be administratively approved and no further action or approval by the governing body of a county or municipality is required if the plat or replat complies with the requirements of s. 177.091. The governing body of the county or municipality shall designate, by ordinance or resolution, an administrative authority to receive, review, and process the plat or replat submittal, including designating an administrative official responsible for approving, approving with conditions, or denying the proposed plat or replat.

(b) As used in this section, the term “administrative authority” means a department, division, or other agency of the county or municipality. For purposes of issuing a final administrative approval of a plat or replat submittal, the term also includes an administrative officer or employee designated by the governing body of a county or municipality, including but not limited to, a county administrator or manager, a city manager, a deputy county administrator or manager, a deputy city manager, an assistant county administrator or manager, an assistant city manager, or other high-ranking county or city department or division director with direct or indirect



oversight responsibility for the county's or municipality's land development, housing, utilities, or public works programs.

(2) Within 7 business days after receipt of a plat or replat submittal, the administrative authority shall provide written notice to the applicant acknowledging receipt of the plat or replat submittal and identifying any missing documents or information necessary to process the plat or replat submittal for compliance with s. 177.091. The written notice must also provide information regarding the plat or replat approval process, including requirements regarding the completeness of the process and applicable timeframes for reviewing, approving, and otherwise processing the plat or replat submittal.

(3) Unless the applicant requests an extension of time, the administrative authority shall approve, approve with conditions, or deny the plat or replat submittal within the timeframe identified in the written notice provided to the applicant under subsection (2). If the administrative authority does not approve the plat or replat, it must notify the applicant in writing of the reasons for declining to approve the submittal. The written notice must identify all areas of noncompliance and include specific citations to each requirement the plat or replat submittal fails to meet. The administrative authority, or an official, an employee, an agent, or a designee of the governing body, may not request or require the applicant to file a written extension of time.

(4)(1) Before a plat or replat is offered for recording, it must be administratively approved as required by this section by the appropriate governing body, and evidence of such approval must be placed on the plat or replat. If not approved, the governing body must return the plat or replat to the professional surveyor and mapper or the legal entity offering the plat or replat for recordation. For the purposes of this part:

(a) When the plat or replat to be submitted for approval is located wholly within the boundaries of a municipality, the governing body of the municipality has exclusive jurisdiction to approve the plat or replat.

(b) When a plat or replat lies wholly within the unincorporated areas of a county, the governing body of the county has exclusive jurisdiction to approve the plat or replat.

(c) When a plat or replat lies within the boundaries of more than one county, municipality, or both governing body, two plats or replats must be prepared and each county or municipality governing body has exclusive jurisdiction to approve the plat or replat within its boundaries, unless each county or municipality with jurisdiction over the plat or replat agrees the governing bodies having said jurisdiction agree that one plat is mutually acceptable.

(5)(2) Any provision in a county charter, or in an ordinance of any charter county or consolidated government chartered under s. 6(e), Art. VIII of the

State Constitution, which provision is inconsistent with anything contained in this section shall prevail in such charter county or consolidated government to the extent of any such inconsistency.

Section 2. Section 177.111, Florida Statutes, is amended to read:

177.111 Instructions for filing ~~plats~~ plat.—After the approval by the appropriate administrative authority governing body required by s. 177.071, the plat or replat must ~~shall~~ be recorded by the circuit court clerk or other recording officer upon submission thereto of such approved plat or replat. The circuit court clerk or other recording officer shall maintain in his or her office a book of the proper size for such papers so that they ~~will~~ shall not be folded, to be kept in the vault. A print or photographic copy must be filed in a similar book and kept in his or her office for the use of the public. The clerk shall make available to the public a full size copy of the record plat or replat at a reasonable fee.

Section 3. This act shall take effect July 1, 2025.

Approved by the Governor June 20, 2025.

Filed in Office Secretary of State June 20, 2025.



**CITY OF WAUCHULA  
REQUIRED ADMINISTRATIVE APPROVAL OF FINAL PLATS**

---

**TO:** City of Wauchula City Commission

**PREPARED BY:** Central Florida Regional Planning Council

**AGENDA DATE:** August 11, 2025

**REQUESTED ACTION:** **Approval of the Resolution 2025-13 designating the City Manager as the administrative authority responsible for issuing final administrative approval of a plat or replat submittal consistent with Senate Bill 784 (Chapter 2025-164, Laws of Florida)**

---

**BACKGROUND:**

- On June 20, 2025, the Governor approved Senate Bill 784 and subsequently filed in the Office of the Florida Secretary of State as Chapter 2025-164, Laws of Florida (see attached).
- Among other changes related to platting, this new law requires the approval of plats and replats for the subdivision of land by an administrative authority.
- This new law defines the term "administrative authority" as a department, division, or other agency of the county or municipality and for the purposes of issuing a final administrative approval of a plat or replat submittal, the term also includes an administrative officer or employee designated by the governing body of a county or municipality, including but not limited to, a county administrator or manager, a city manager, a deputy county administrator or manager, a deputy city manager, an assistant county administrator or manager, an assistant city manager or other high-ranking county or city department or division director with direct or indirect oversight responsibility for the county's or municipality's land development, housing, utilities, or public works programs.
- The Unified Land Development Code of the City of Wauchula addresses the administration and enforcement of the City's Subdivision Standards in Section 7.06.00 "Subdivision Regulations".

- Chapter 2025-164 took effect on July 1, 2025, making it necessary for the City Commission to designate an administrative officer or employee ahead of a broader package of Land Development Code amendments to ensure compliance with this and other recent State legislation affecting the county and municipal development review processes that have subsequently been signed into law.

### **RESOLUTION:**

- The attached resolution designated the City Manager as the administrative authority responsible for issuing final administrative approval of a plat or replat submittal. The City Manager may designate a qualified administrative staff member to act on their behalf.
- The Resolution recognized that the City will initiate amendments to the Land Development Code to ensure compliance with Chapter 2025-164, Laws of Florida, as soon as reasonably possible.

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### **PUBLIC HEARING:**

### **MOTION OPTIONS:**

1. I move **approval of the Resolution** regarding the administrative approval of final plats.
2. I move **approval of the Resolution with changes** regarding the administrative approval of final plats.
3. I move **continuation to a date and time certain**.

---

### Attachments:

Resolution 2025-13  
Florida Senate Bill 784 (Laws of Florida 2025-164)

*Sketch & Description*  
**Hogan Street Right of Way Extension**  
**Right-of-Way Dedication**  
**Sections 9 & 10, Township 34 South, Range 25 East**  
**Hardee County, Florida**

**Right-of-way Dedication: As Written by SurvTech Solutions**

A strip of land being of portion of Lots 12, 13, 14 of Block B, FOSTERS ADDITION TO WAUCHULA, according to the plat thereof, as recorded in Plat Book 3, Page 3, of the Public Records of Hardee County, Florida, and being a portion of Lots 6, 7, 16 and 17, FOSTER'S ADDITION TO THE CITY OF WAUCHULA, as recorded in Plat Book 2, Page 41, of the Public Records of Hardee County, Florida, together with that portion of vacated Hogan Street and those certain alleys vacated per Resolution 2021-03, recorded in Instrument No. 202125003601, of the Public Records of Hardee County, Florida, said strip lying and being in Sections 9 and 10, Township 34 South, Range 25 East, Hardee County, Florida, and being more particularly described as follows:

COMMENCE at a point marking the intersection of the North boundary of Lot 34, FOSTERS ADDITION TO WAUCHULA, Plat Book 3, Page 3 of the Public Records of Hardee County, Florida and the Easterly right-of-way boundary of 6th Avenue South (State Road No. 35) per Florida Department of Transportation right-of-way Map Section 0601-1044; thence coincident with said Easterly right-of-way boundary, S 12°09'41" E a distance of 143.72 feet to the POINT OF BEGINNING; thence departing said Easterly right-of-way boundary, N 89°39'01" E a distance of 315.09 feet to a point coincident with the Westerly right-of-way boundary of 5th Avenue South (State Road No. 35) per Florida Department of Transportation right-of-way Map Section 06010-2801; thence coincident with said Westerly right-of-way boundary, S 12°11'40" E a distance of 61.31 feet; thence departing said Westerly right-of-way boundary, S 89°39'01" W a distance of 315.13 feet to a point coincident with the aforesaid Easterly right-of-way boundary of 6th Avenue South; thence coincident with said Easterly right-of-way boundary, N 12°09'41" W a distance of 61.30 feet to the POINT OF BEGINNING.

Containing an area of 18,906.61 square feet, 0.434 acres, more or less.

## Legend

(P1)	Plat Book 3, Page 3 Reference
(P2)	Plat Book 2, Page 41 Reference
(R)	Right-of-way Map Reference
(D)	Deed Reference
PSM	Professional Surveyor and Mapper
Id.	Identification
LB	Licensed Business
OR	Official Records
FT.	Feet
W/	With
No.	Number
FDOT	Florida Department of Transportation

**SURVEY NOTES:**

- 1.) Paper copies of this survey are not valid without the original signature and raised seal of a Florida Licensed Surveyor and Mapper. Digital copies are not valid without the digital signature of a Florida Licensed Surveyor and Mapper.
- 2.) The bearing structure for this survey is based on a Florida West State Plane grid bearing of S 12°09'41" E for the Easterly right-of-way boundary of 6th Avenue South.
- 3.) THIS IS NOT A BOUNDARY SURVEY.

Stacy L. Brown P.S.M. No. 6516  
 SurvTech Solutions, Inc. LB No. 7340

*Drafted By: D. DeRoche*  
*Date Drafted: 07/15/25*

*Approved By: S. Brown*  
*Date Approved: 07/16/25*

*Last Field Date: N/A*  
*Field Book/Page: N/A*

*Project No.: 250713*  
*Ref. No.: N/A*

*Drawing Name: 250713\_SK*  
*Revision Date: N/A*

SURVEYING TODAY WITH  
 TOMORROW'S TECHNOLOGY



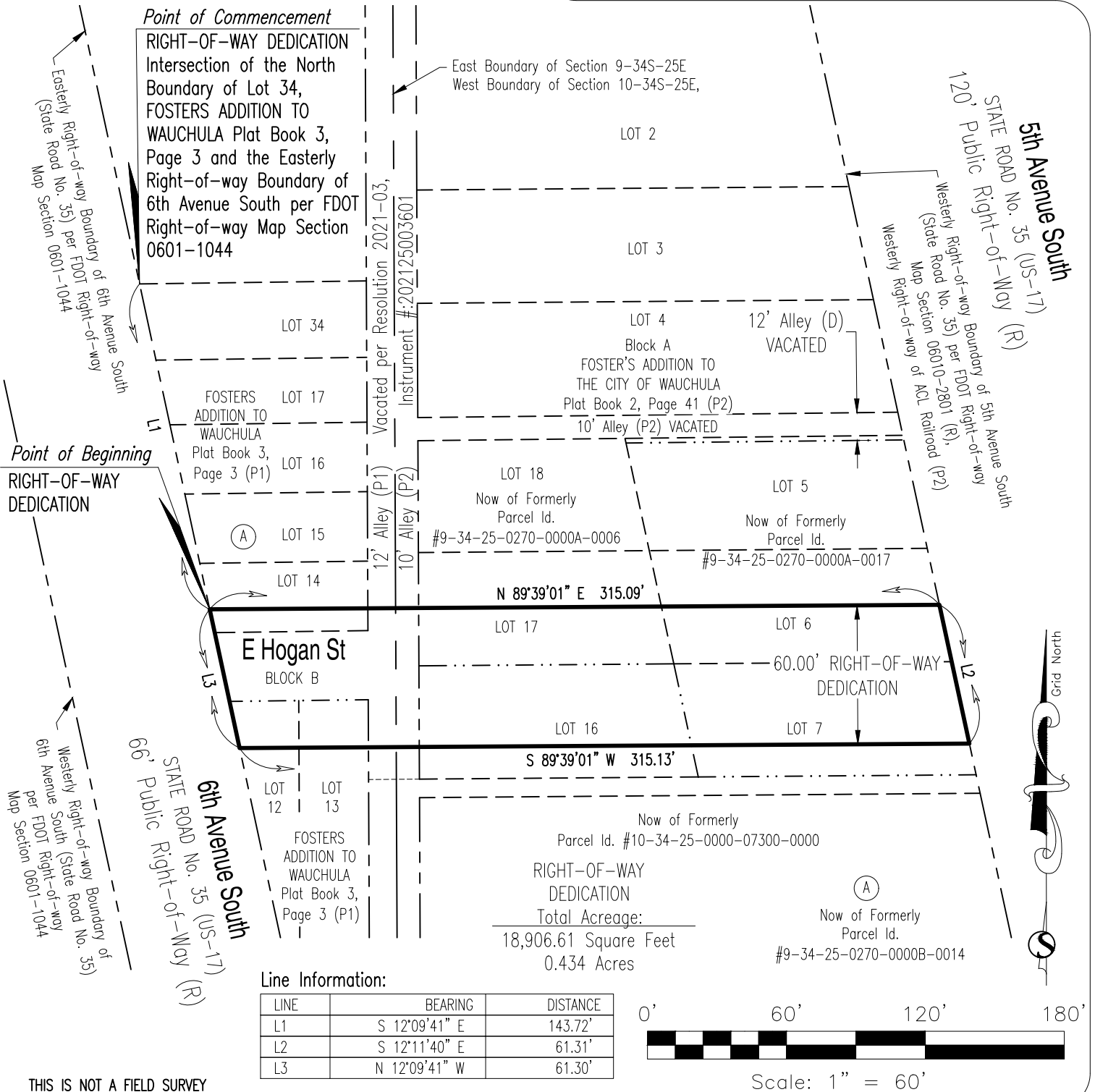
**SURVTECH SOLUTIONS, INC.** SURVEYORS AND MAPPERS

10220 U.S. Highway 92 East, Tampa, FL 33610

phone: (813)-621-4929, fax: (813)-621-7194, Licensed Business #7340

email: sbrown@survtechsolutions.com <http://www.survtechsolutions.com>

**Sketch & Description**  
**Hogan Street Right of Way Extension**  
**Right-of-Way Dedication**  
**Sections 9 & 10, Township 34 South, Range 25 East**  
**Hardee County, Florida**



PROJECT NO.: 250713  
 REF. No.: N/A  
 LAST FIELD DATE: N/A



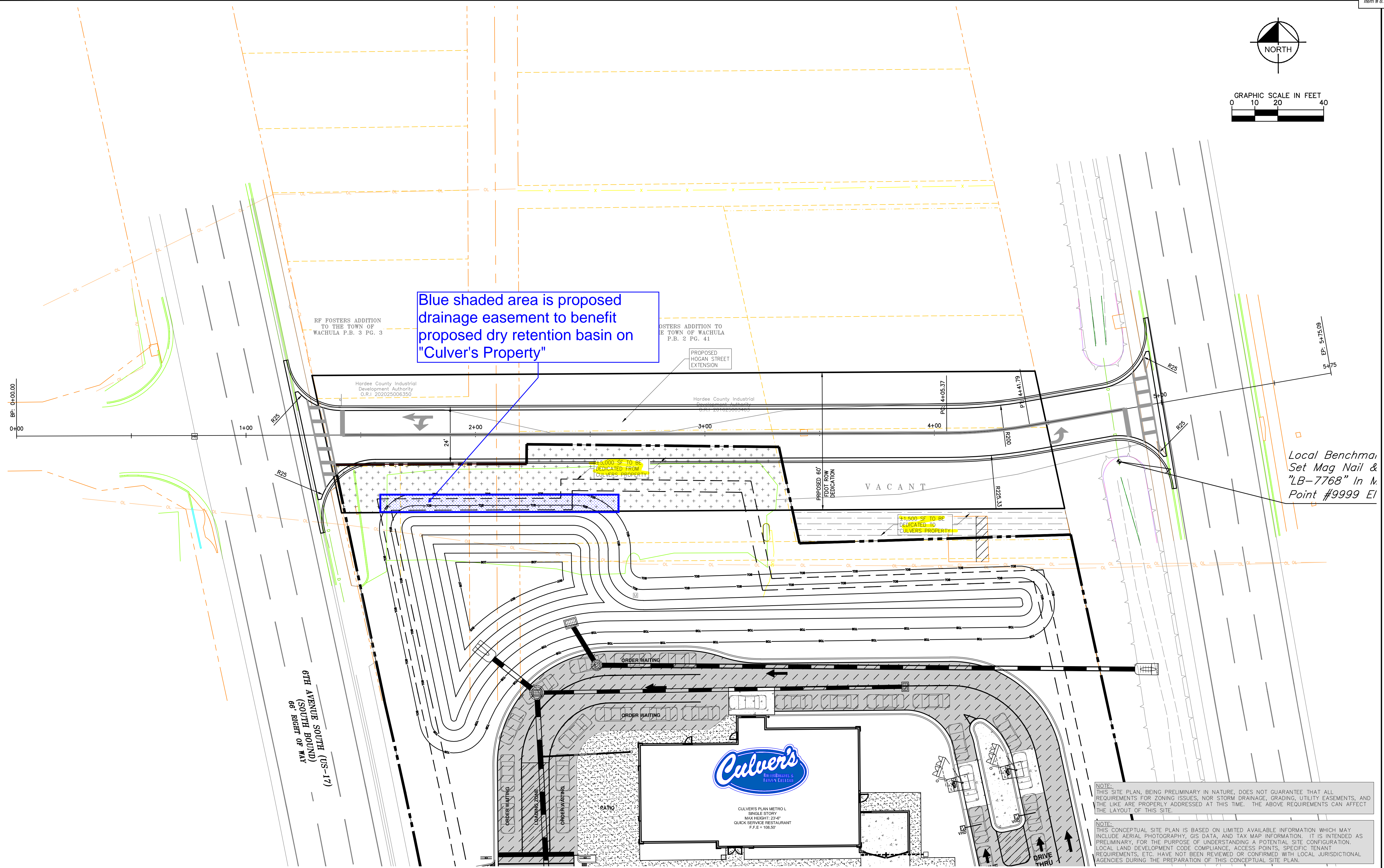
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email: sbrown@survtechsolutions.com <http://www.survtechsolutions.com>





Prepared by and return to:  
 Elisabeth Crane, Esq.  
 GrayRobinson, P.A.  
 301 E. Pine Street, Suite 1400  
 Orlando, Florida 32801

NOTE TO RECORDER: This deed is a conveyance of unencumbered property for no consideration and is exempt from documentary stamp tax pursuant to Florida Administrative Code Rule 12B-4.014(2)(b). Minimum documentary stamp tax of \$0.70 is being paid hereon.

### WARRANTY DEED

**THIS INDENTURE** is made this \_\_\_\_ day of \_\_\_\_\_, 2025 by and between **Bay Street Wauchula Holdings, LLC**, a Florida limited liability company, whose address is 12629 New Brittany Boulevard, Bldg. 16, Fort Myers, Florida 33907, hereinafter the “**Grantor**”, and **The City of Wauchula**, a Florida municipal corporation, whose address is 126 South 7<sup>th</sup> Avenue, Wauchula, Florida 33873, hereinafter the “**Grantee**”.

**WITNESSETH:** That the Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other valuable consideration, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the Grantee, all that certain land situate in Hardee County, Florida, as follows:

See **Exhibit “A”** attached hereto and incorporated herein.

**TOGETHER** with all the tenements, hereditaments, and appurtenances thereto belonging or in anywise appertaining.

**TO HAVE AND TO HOLD**, the same in fee simple forever.

**AND** the Grantor hereby covenants with said Grantee that the Grantor is lawfully seized of said land in fee simple; that the Grantor has good right and lawful authority to sell and convey said land; that the Grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances whatsoever, save and except only for the following, to wit:

1. Ad valorem real property taxes for the year 2025 (which will become a lien on said lands as of January 1, 2025) and any taxes or assessments levied or assessed against said lands subsequent to the date hereof, if any.

**[SIGNATURE PAGE FOLLOWS]**



**IN WITNESS WHEREOF**, the Grantor has duly caused the execution of this Warranty Deed as of the date set forth above.

**WITNESSES:**

Signed, sealed and delivered  
in our presence:

\_\_\_\_\_  
(Signature of Witness #1)

\_\_\_\_\_  
(Printed name of Witness #1)

\_\_\_\_\_  
(Mailing Address of Witness #1)

\_\_\_\_\_  
(Signature of Witness #2)

\_\_\_\_\_  
(Printed name of Witness #2)

\_\_\_\_\_  
(Mailing Address of Witness #2)

**GRANTOR:**

**Bay Street Wauchula Holdings, LLC,**  
a Florida limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

THE FOREGOING INSTRUMENT was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_ day of \_\_\_\_\_, 2025, by \_\_\_\_\_, as \_\_\_\_\_ of Bay Street Wauchula Holdings, LLC, a Florida limited liability company, on behalf thereof, who ☐ is personally known to me, or ☐ produced \_\_\_\_\_ as identification.

[AFFIX NOTARY SEAL]

\_\_\_\_\_  
Notary Public Signature

Print Notary Name: \_\_\_\_\_

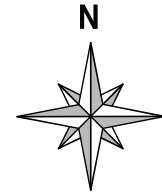
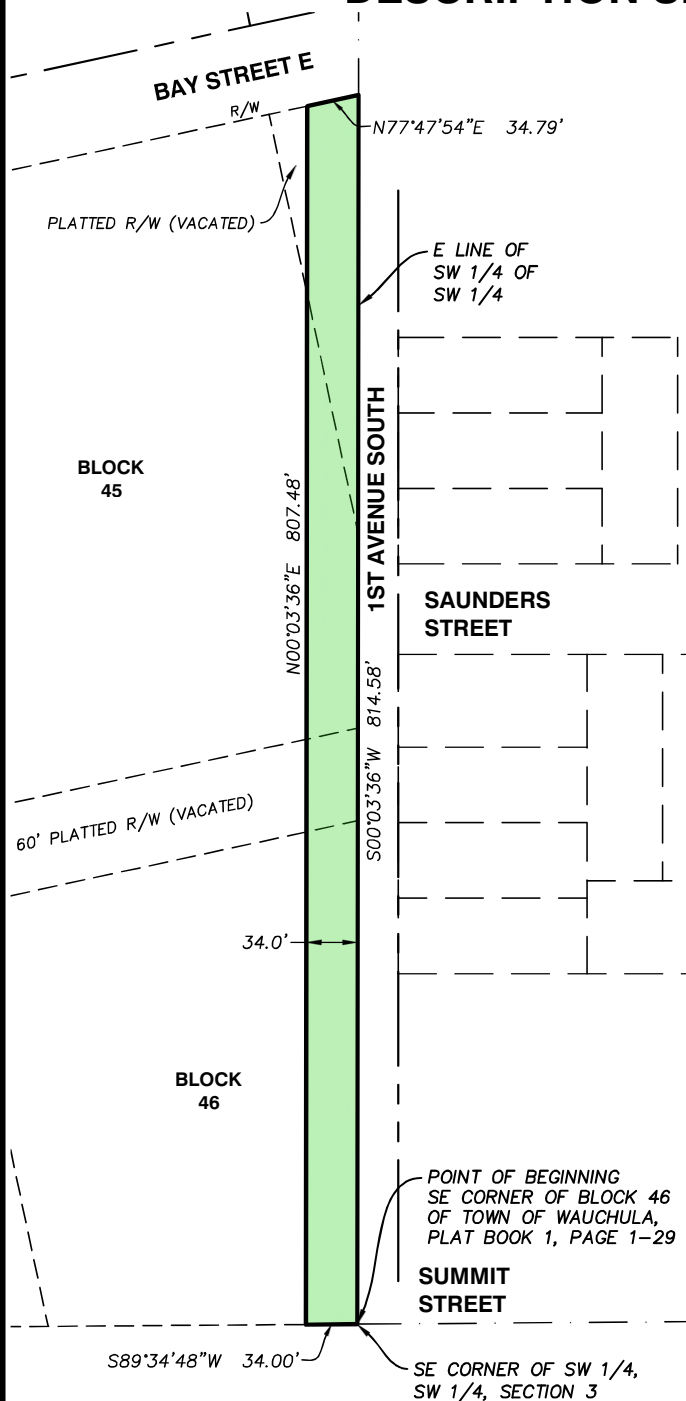
My commission expires: \_\_\_\_\_

**EXHIBIT "A"**

**LEGAL DESCRIPTION AND SKETCH OF DESCRIPTION**

# RIGHT-OF-WAY DEDICATION DESCRIPTION SKETCH

Item # 9.



0 50 100  
1 INCH = 100 FEET  
GRAPHIC & INTENDED DISPLAY SCALE

## LEGAL DESCRIPTION:

A portion of the SW 1/4 of the SW 1/4 of Section 3, Township 34 South, Range 25 East, Hardee County, Florida also being a part of fractional Blocks 45 and 46 of the Original Survey of the Town of Wauchula as recorded in Plat Book 1, Page 1-29 of the Public Records of Hardee County, Florida and being more particularly described as follows:

Begin at the Southeast corner of said Block 46 also being the Southeast corner of said SW 1/4 of the SW 1/4 corner of Section 3; thence S89°34'48\"W along south line of said Block 46 a distance of 34.00 feet; thence N00°03'36\"E a distance of 807.48 feet to the south right-of-way line of Bay Street; thence N77°47'54\"E along said south right-of-way line a distance of 34.79 feet to the east line of said SW 1/4 of the SW 1/4 of Section 3; thence S00°03'36\"W along said east line a distance of 814.58 feet to the Point of Beginning.

## SURVEYOR'S NOTES:

- 1.) North and the bearings shown hereon are referenced to the West Zone of the Florida State Plane Coordinate System (NAD 83, 2011 adjustment).
- 2.) THIS IS NOT A BOUNDARY SURVEY.



John M Clyatt Digitally signed  
by John M Clyatt 7/10/25

JOHN M. CLYATT, P.S.M.  
FLORIDA REGISTRATION No. 4092  
30 SOUTH, LLC.  
FLORIDA REGISTRATION No. LB 8474

SURVEY DATE

LOCATED IN SECTION 3,  
TOWNSHIP 34 SOUTH, RANGE 25 EAST  
HARDEE COUNTY, FLORIDA  
PREPARED FOR:  
BAY STREET WAUCHULA HOLDINGS, LLC



30 SOUTH, LLC.  
425 SOUTH FIRST AVENUE  
BARTOW, FLORIDA 33830  
PHONE: (863)-800-3539  
LICENSED BUSINESS No. LB 8474

Project No.:	400	No.		Date	7/10/25	Approved	JMC	REVISION		NOT VALID WITHOUT THE ORIGINAL SIGNATURE AND THE RAISED SEAL OR THE ELECTRONIC SIGNATURE AND COMPUTER GENERATED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER
Horiz. Scale:	1"=100'	O.R.						Original Release		
DWG. Name:	400-FARR-DS									
Drawn By:	NQP									
Field Bk / Pg.:	N/A									
Drawing No.:	794									

PLOTTED: Friday, July 11, 2025



## **City of Wauchula**

### **Request for Proposals (RFP)**

**For the Lease of City-owned building at 723 Green Street, Wauchula, FL 33873**

**RFP Number:** 25-01

**Issue Date:** August 12, 2025

**Deadline for Submitting Questions:** August 20, 2025 at 2:00 pm

**Proposals Due:** August 27, 2025, at 2:00 pm

**Contact Person:** Stephanie Camacho, City Clerk

**Email:** scamacho@cityofwauchula.com

**Phone:** 863-773-3535

**Mailing Address:** City of Wauchula, City Clerk, 126 S. 7<sup>th</sup> Ave., Wauchula, FL 33873

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## **1. Introduction**

The City of Wauchula is requesting sealed proposals from interested parties for the lease of a City-owned property located at 723 Green Street (West Building – See Exhibit A for description and location map). The City seeks a lessee that will lease the property for a use compatible with existing zoning and the surrounding area, and community objectives, and that will preserve, protect, maintain, and utilize the property in a responsible, professional, and beneficial manner.

---

## **2. Property Description**

- **Location:** 723 Green Street, Wauchula, FL 33873 (West Building – See Exhibit A for legal description and location map)
- **Zoning:** P-SP (Public / Semi-Public)
- **Square Footage:** 1120
- **Amenities:** Grass Parking Area, Open Floor Plan, Restroom, Inside Storage Area
- **Condition:** As-Is

---

### 3. Lease Terms

- **Lease Duration:** Up to 3 years with 2 additional one-year renewal options
- **Monthly Rent:** City is requesting proposals for monthly rental amount at or above a minimum of \$550 per month.
- **Utilities:** Tenant shall be responsible for payment of any and all Utilities to include Water, Sewer, Electric and Garbage Collection.
- **Maintenance Responsibilities:** Tenant shall repair and maintain in good order and condition the non-structural interior portions of the Leased Premises, including the store fronts, show windows, doors, windows, plate and window glass, floor covering, plumbing, heating, air conditioning, electrical and sewer system, facilities, and appliances.
- **Permitted Uses:** Uses permitted under P-SP (Public / Semi-Public) zoning regulations

---

### 4. Proposal Requirements

Proposals must include the following:

- **Business/Organization Name & Contact Info**
  - **Proposed Use of the Facility**
  - **Experience and Qualifications**
  - **Proposed Lease Terms (Rent, Term Length, etc.)**
  - **Financial Capacity to Perform**
  - **Improvements or Renovations Proposed (if any)**
  - **Community Benefits or Public Value**
-

## 5. Evaluation Criteria

The City will evaluate proposals based on:

- Compatibility with City goals and zoning
  - Financial offer and capacity
  - Benefit to the Wauchula community
  - Proposed improvements and property use
- 

## 6. Submission Instructions

Submit **one (1) original** and **4 copies** of the proposal in a sealed envelope marked:  
**“RFP 25-01 Proposal for Lease – 723 Green Street, Wauchula, FL 33873”**

Deliver to:

**City of Wauchula**

City Clerk – Stephanie Camacho

126 S. 7<sup>th</sup> Ave.

Wauchula, FL 33873

By: **August 27<sup>th</sup>, 2025 at 2:00 pm**

Late or incomplete proposals may not be considered.

The delivery of the proposal on the above date and prior to the specified time is solely the responsibility of the proposer.

The proposal may be withdrawn either by written notice to the City Clerk or in person, if properly identified, at any time prior to the above submittal deadline.

---

## 7. Additional Information and Requirements

- The property is leased **as-is** unless otherwise negotiated.
- Site visits can be scheduled by contacting Ward Grimes at 863-773-3115.
- Questions must be submitted in writing to [scamacho@cityofwauchula.com](mailto:scamacho@cityofwauchula.com) by August 20<sup>th</sup>, 2025 at 2:00pm.
- Exhibit A – Description and Location Map

- Exhibit B – Sample Lease Agreement
- LIMITATIONS: This RFP does not commit the City of Wauchula to award a lease agreement. Proposers will assume all costs incurred in the preparation of their response to this RFP. The City reserves the right to: 1) accept or reject proposals in part or in whole; 2) request additional information; 3) obtain information for use in evaluating submittals from any source and 4) reject any and all submittals. All leases are subject to final approval by the City Commission.
- CONTACT: After the issuance of any Request for Proposal, prospective proposers shall not contact, communicate with, or discuss any matter relating in any way to the Request for Proposal with any member of the City Commission or any employee of the City of Wauchula other than the City Clerk as directed in this Request for Proposal, or Ward Grimes for the purpose of scheduling a site visit only. This prohibition begins with the issuance of any Request for Proposal and ends upon the Commission's vote to enter into a lease agreement. Any such communication initiated by a submitter shall be grounds for disqualifying the offending submitter from consideration for award of the proposal and/or any future proposal.
- INSURANCE AND INDEMNITY REQUIREMENTS: Any proposer selected as a lessee will be required to provide insurance for the types of coverage and amounts of coverage set forth in the Sample Lease attached to this RFP, and shall be required to indemnify the City as set forth in the Sample Lease attached to this RFP.
- PUBLIC ENTITY CRIMES STATEMENT: Pursuant to Section 287.133, Florida Statutes, a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid or proposal on a contract to provide any goods or services to a public entity, may not submit a bid or proposal on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list. By submitting a proposal, the proposer hereby certifies that they have complied with said statute.
- SCRUTINIZED COMPANIES: By submitting a proposal, the proposer hereby certifies that it: (a) has not been placed on the Scrutinized Companies that Boycott Israel List, nor is engaged in a boycott of Israel; (b) has not been placed on the Scrutinized Companies with Activities in Sudan List nor the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List; and (c) has not been engaged in business operations in Cuba or Syria. If City determines that the proposer has falsely certified facts under this Paragraph or if the proposer is found to have been placed on the

Scrutinized Companies Lists or is engaged in a boycott of Israel after the execution of a lease agreement, City will have all rights and remedies to terminate the lease agreement consistent with Section 287.135, Florida Statutes.

- **ANTITRUST VIOLATOR VENDOR LIST:** Any proposer awarded a lease has a continuous duty, throughout the entire lease term, and any renewal, to disclose to the City if the proposer or any of its affiliates, as defined by section 287.137(1), Fla. Stat., are placed on the Antitrust Violator Vendor List. Pursuant to section 287.137, Fla. Stat., “A person or an affiliate who has been placed on the antitrust violator vendor list following a conviction or being held civilly liable for an antitrust violation may not submit a bid, proposal, or reply for any new contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply for a new contract with a public entity for the construction or repair of a public building or public work; may not submit a bid, proposal, or reply on new leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a new contract with a public entity; and may not transact new business with a public entity.”
- **APPLICABLE LAWS AND COURTS:** This RFP and any resulting agreements shall be governed in all respects by the laws of the State of Florida and any litigation with respect thereto shall be brought only in the courts of Hardee County, Florida or the United States District Court, Middle District of Florida, located in Hillsborough County, Florida. The proposer shall comply with all applicable federal, state and local laws and regulations.

**PROPRIETARY INFORMATION:** In accordance with Chapter 119 of the Florida Statutes (Public Records Law), and except as may be provided by other applicable State and Federal Law, all proposers should be aware that Request for Proposals and the responses thereto are in the public domain and are public records under Chapter 119, Florida Statutes. Proposers are required to identify specifically any information contained in their proposals which they consider confidential and/or proprietary, or trade secrets and which they believe to be exempt from disclosure. All proposals received in response to this Request for Proposals will become the property of the City and will not be returned to the proposers. In the event of contract award, all documentation produced as part of the contract will become the exclusive property of the City.

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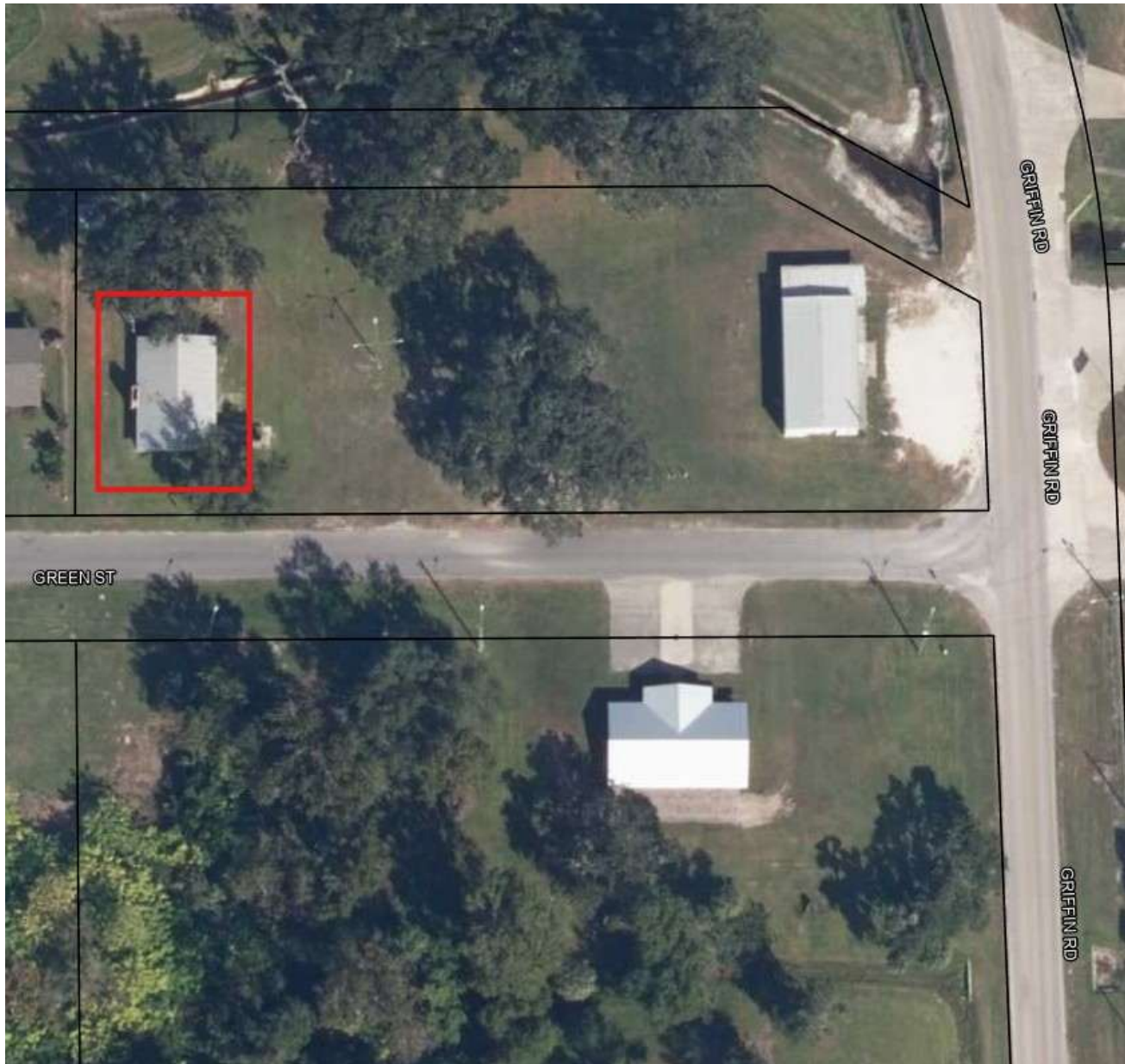
#### **Exhibit A – Description and Location Map**

723 Green Street, Wauchula, FL 33873



Legal Description: Beginning at the Southeast corner of Lot 1 of the Smith Addition to Wauchula as recorded in Platt Book 4, Page 61; head East 75ft, thence North 70ft, thence West 75ft, thence South 70ft to point of beginning.

Structure outlined in Red below



**Exhibit B to RFP 25-01**

## **SAMPLE LEASE AGREEMENT**

**723 Green Street, Wauchula, FL 33873**

THIS AGREEMENT ("Agreement") is made to be effective as of the \_\_\_\_ day of \_\_\_\_\_, 2025 (the "Effective Date"), by and between New Tenant ("Tenant"), and the CITY OF WAUCHULA, FLORIDA, a municipal corporation created under the laws of the State of Florida (hereafter the "CITY").

### **RECITALS**

1. The CITY owns certain property at 723 Green Street, , City of Wauchula, Florida, described and depicted in Exhibit "A" attached to and incorporated in this Agreement (hereafter the "Premises").
2. The buildings and improvements depicted on Exhibit "A" hereof shall hereafter be referred to as the "723 Green Street – West Building ."
3. The parties wish to enter into this Lease Agreement to address the operation of the programs provided by New Tenant.

**ACCORDINGLY**, in consideration of the mutual covenants and agreements hereinafter set forth, and the rent reserved by CITY to be paid by Tenant, CITY hereby leases and demises unto Tenant, and Tenant hereby does lease from CITY that certain real property situated in Hardee County, Florida, hereinafter described, for the terms, and at the rentals, and upon the terms and conditions, hereinafter set forth:

**Section 1. Recitals.** The above Recitals are true and correct and form a material part of this Agreement.

**Section 2. Premises.** CITY is the owner of certain property, the legal description of which is attached as Exhibit "A" hereto.

**Section 3. Term.** The term of this Agreement, and the accrual of rents hereunder, shall commence on the following date: October 1, 2025 (hereinafter referred to as the "Commencement Date") and the term shall extend for a period of three (3) years thereafter, ending at 11:59 p.m. on the following date: September 30, 2028 ("Expiration Date"). The City shall have the option of extending the Agreement for two (2) one (1) year terms and the City Manager will approve and execute each extension or terminate the agreement at the end of any given term. Provided, however, that Tenant may terminate this Agreement upon by providing written notice to the CITY of Tenant's intent to terminate which shall have the effect of terminating this Agreement effective the sixtieth (60th) day following the day Tenant delivers its notice of termination to CITY.

**Section 4. Rent; Utilities.** Tenant agrees to pay CITY, without demand, setoff or deduction, a fixed minimum rent of \$TBD per month. Tenant shall be solely responsible for and promptly pay all charges for water, sewage, gas, electricity, and trash removal used or consumed in the Leased Premises.

**Section 5. Use; Conditions.** Tenant, its successors and assigns, agrees to use the Premises continuously and exclusively for the purposes outlined in tenant's response to RFP 25-01., and for no other use or purpose whatsoever. Tenant, at Tenant's expense, shall comply with all laws, ordinances, rules and regulations of governmental authorities, now in force or which may hereafter be in force, which shall impose any duty upon CITY or Tenant with respect to the use, occupation or alteration of the Premises.

**Section 6. Governmental Regulation; Compliance with Laws.** Tenant, at Tenant's sole expense, shall promptly and fully comply with all federal, state, county, and city laws and ordinances, and all rules of any duly constituted authority, present and future, affecting or respecting the use or occupancy of the Premises, and with any directions of any public officer (pursuant to law) having jurisdiction over the Premises and the operation of the Tenant's business thereon. Tenant will indemnify, defend and hold the City harmless from and against any and all claims, liability, loss and damage whatsoever with respect to any notice of violation or penalties charged against the City or imposed upon the Premises because of Tenant's failure to comply with the provisions of this paragraph. Furthermore, Tenant shall, at Tenant's sole expense, obtain all licenses or permits required for the conduct of Tenant's use of the Premises.

**Section 7. Responsibilities of Tenant Concerning Repairs and Maintenance of Premises.**

(a) Tenant agrees to repair and maintain in good order and condition the non-structural interior portions of the Premises, including the store fronts, show windows, doors, windows, plat and window glass, and floor covering, plumbing, heating, air conditioning, electrical and sewerage system, facilities and appliances.

(b) Tenant will not install any equipment which exceeds the capacity of the utility lines leading into the building on the Premises.

(c) Tenant shall comply with the requirements of all laws, orders, ordinances and regulations of all governmental authorities and will not permit any waste of property or same to be done and will take good care of the Premises at all times.

(d) Tenant shall fully perform all of Tenant's duties under this Section promptly and without notice. However, if Tenant fails or refuses to perform any required maintenance or to make any required repairs and replacements within a maximum period of thirty (30) days after notice from the City, then the City may, but shall not be obligated to, perform any such maintenance or make any such repairs and replacements for Tenant's account, and all amounts expended therefor shall be paid by Tenant to the City within ten (10) days after demand by Landlord.

(e) The City reserves the right to enter the Premises and to make such repairs and to do such work on or about said premises as the City may deem desirable, necessary or proper or that the City may be lawfully required to make. The City reserves the right to visit and inspect the Premises at all reasonable times and show same to prospective Tenants, purchasers, or mortgagees.

(f) Neither the City nor its agents or servants shall be liable for any damages caused by or growing out of any breakage, leakage, or defective condition of the electric wiring, air conditioning or heating pipes and equipment, closets, plumbing, appliances, sprinklers, other equipment, or other facilities serving the Premises. Neither the City nor its agents or servants shall be liable for any damages caused by, or growing out of any defect in the Premises or any part thereof, or caused by or growing out of fire, rain, wind or other cause.

(g) All property belonging to Tenant or any occupant of the Premises shall be there at the risk of Tenant or such other person only, and the City shall not be liable for damage thereto or theft or misappropriation thereof

(h) Tenant shall at its own expense perform all janitorial and cleaning services within the Premises in order to keep same in a neat, clean and orderly condition.

**Section 8. Surrender of Premises.** Tenant shall, upon expiration of the term hereof, or any earlier termination of this Agreement for any cause, surrender to CITY the Premises, including without limitation, all building apparatus, and all alterations, improvements and other additions thereto that have been made or installed by either party in or upon the Premises. If Tenant is not then in default, Tenant may remove its business equipment, signs and other non-attached personal property, and trade fixtures, provided that if any of the aforementioned personal property is removed that Tenant shall restore and repair any damage to the floors, walls or exterior of the buildings occasioned by said removal. If any part of the Premises has been rendered untenable by a casualty for which the Tenant is solely insured, then tenant shall, prior to surrender of Premises, remove debris and restore the Premises to a grade suitable for reconstruction of buildings similar to those previously existing upon the Premises.

**Section 9. Quiet Enjoyment.** CITY covenants that so long as Tenant pays the rent reserved in this Agreement and performs its agreements hereunder, Tenant shall have the right to quietly enjoy and use the Premises for the term hereof subject only to the provisions of this Agreement.

**Section 10. Assignment.** Tenant acknowledges that Tenant's agreement to operate in the Premises for the use permitted in hereunder was a primary inducement and precondition to CITY's agreement to lease the Premises to Tenant. Accordingly, Tenant shall not assign the Agreement nor any right hereunder, nor let or sublet all or any part of the Premises, nor suffer or permit any person or corporation to use any part of the Premises, without first obtaining the express prior written consent of CITY, which consent shall not be unreasonably withheld, and any attempted assignment contrary to this section shall terminate this Agreement.

**Section 11. Alterations, Additions, and Improvements.** Tenant shall not make any alterations, additions, or improvements to the Premises, except for very minor, non-structural alterations, additions, or improvements necessary for the conduct of Tenant's business upon the

Premises, without the City's prior written consent, which consent shall be within the City's sole and absolute discretion. Notwithstanding the foregoing, if Tenant makes any unauthorized alterations, additions, or improvements to the Premises, the City shall have the right to require Tenant to immediately place the affected part of the Premises into the same condition as it existed upon the commencement of the Lease Term.

In the event that the City consents to the making of any alterations, additions, or improvements to the Premises by Tenant, Tenant shall not undertake to make any such alterations, additions, or improvements until Tenant has procured and paid for all required permits and authorizations of the various municipal departments and governmental divisions having jurisdiction of the Premises. Furthermore, all work done in connection with any alterations, additions, or improvements shall be performed in a good and workmanlike manner and in compliance with all applicable laws, orders, rules, regulations, and requirements of all federal, state, and municipal governments and the appropriate departments, commissions, boards, and officers thereof applicable to the Premises, and Tenant shall procure certificates of occupancy or other certificates which may be required by any applicable law. At all times when any alterations, additions, or improvements are in progress, there shall be maintained, at Tenant's sole expense, worker's compensation insurance in accordance with the laws covering all persons employed in connection therewith, and general liability insurance for the mutual benefit of the City and Tenant expressly covering the additional hazards due thereto. All alterations, additions, or improvements made by Tenant shall be at Tenant's sole expense. Tenant shall not commence any alterations, additions, or improvements to the Premises without first obtaining a waiver from all contractors, subcontractors, and materialmen. In the event said waivers are not obtained, Tenant shall provide the City, at Tenant's sole cost and expense, a lien and completion bond in an amount equal to one and one-half (1 1/2) times the estimated cost of such alterations to insure the City against any liability for mechanics' and materialmen's liens and to insure completion of the work. Tenant shall promptly pay all contractors and materialmen so as to minimize the possibility of a lien attaching to the Premises, and should any such lien be made or filed, Tenant shall bond against or discharge same within ten (10) days after written request by the City. No lien shall attach to the interest of the City in the Premises for any work done by or on the order of City.

With respect to any alterations, additions, or improvements made by Tenant to the Premises, upon the expiration or sooner termination of this Lease, the City shall have the option of requiring Tenant to either: (a) remove all such alterations, additions, or improvements, thereby restoring the Premises to substantially the same condition which it is in at the commencement of the Lease Term; or (b) return the Premises, including all alterations, additions, and improvements made by Tenant, to the City. In the event that Tenant is permitted by the City to remove any alterations,

additions, and improvements, Tenant, at Tenant's sole expense, shall promptly repair any damage caused to the Premises as a result of any such removal. The City may, at its sole option, require Tenant to furnish a deposit to cover the estimated costs of repairing any such damage before permitting the removal of any alterations, additions, or improvements from the Premises.

**Section 12. Liens.** Tenant agrees that it will make full and prompt payment of all sums necessary to pay for the cost of repairs, alterations, improvements, changes or other work done by Tenant to the Premises and further agrees to indemnify and hold harmless CITY from and against any and all such costs and liabilities incurred by Tenant, and against any and all mechanic's, material man's or laborer's liens arising out of or from such work or the cost thereof which may be asserted, claimed or charged against the Premises.

**Section 13. Property Insurance.** So long as this Lease remains in effect, Tenant shall keep all of the improvements constituting a part of the Premises insured against loss or damage by fire and such other risks as may be included in the standard form of fire and extended coverage insurance customarily used in the Hardee County, Florida area in an amount not less than one hundred percent (100%) of the then full insurable value thereof. The term "full insurable value" shall mean actual replacement cost. The foregoing insurance shall be issued by an insurance company of recognized responsibility which is at least A rated, in form satisfactory to the City, shall name the City as an insured along with the Tenant, and shall provide for at least ten (10) days' prior written notice to the City in the event of cancellation or material change. At least ten (10) days prior to the commencement of the Lease Term, and thereafter from time to time upon the City's request, Tenant shall furnish to the City the original or a copy of such policy or policies. At least ten (10) days prior to the expiration date of any insurance policy procured by Tenant pursuant to the provisions of this paragraph, the original or a copy of the renewal policy for such insurance shall be delivered by Tenant to the City. Furthermore, within ten (10) days after the premium on any policy becomes due and payable, Tenant shall furnish to the City proof satisfactory to the City of payment of such premium. The proceeds payable from all such insurance policies shall be payable to City and Tenant, as their respective interests appear. The City and Tenant shall fully cooperate with each other regarding the settlement and adjustment of insurance claims. The City is hereby authorized to collect from any insurance company issuing an insurance policy insuring the Premises or any part thereof any amount that may become due under any such policy or policies.

Tenant shall not keep upon the Premises any article or thing of a dangerous, inflammable, or explosive character that might unreasonably increase the danger of fire or that might be considered hazardous by a responsible insurance carrier. Tenant shall use every reasonable precaution to protect the Premises against fire, explosion, and other casualties. Tenant shall provide fire extinguishers in size and number as required by any applicable fire codes, regulations, and by insurance underwriters. Such fire extinguishers shall be on the Premises and be fully operable at all times.

**Section 14. Public Liability Insurance.** Throughout the Lease Term and any extension thereof, Tenant, at Tenant's sole expense, shall provide and keep in force, for the benefit of the City and Tenant, respectively, comprehensive general liability insurance on the entire Premises naming the City and Tenant as insureds, with a minimum single limit of \$1,000,000.00. The insurance shall protect the City and Tenant, jointly and severally, against any and all claims for injuries to or death of persons, and for damage to, destruction of, or loss of use of property occurring in, upon, or about the Premises. Such insurance shall be issued by an insurance company having at least an A rating and in form satisfactory to the City and shall provide for at least ten (10) days' prior written notice to the City in the event of cancellation or material change. A copy of such insurance policy or policies and all renewals thereof shall be furnished to the City prior to the commencement of the Lease Term, and thereafter from time to time upon the City's request, together with evidence satisfactory to the City that premiums have been paid and that such insurance remains in force.

**Section 15. Waiver of Subrogation Rights.** Neither the City nor Tenant shall be liable to the other for any business interruption, or for any loss of or damage to property or injury to or death of persons occurring in, upon, or about the Premises or in any manner arising out of or connected with Tenant's use and occupancy of the Premises, whether or not caused by the negligence or other fault of the City or Tenant, or their respective agents, employees, subtenants, licensees, or assignees, to the extent that such business interruption, loss of or damage to property, or injury to or death of persons is covered by insurance, regardless of whether or not such insurance is payable to or protects the City or Tenant, or both. Nothing in this paragraph shall be construed to impose any other or greater liability upon either the City or Tenant than would have existed in the absence of this paragraph. This release shall remain in effect only so long as it does not prevent the insured from recovering under such policies.

**Section 16. Indemnification and Waiver by Tenant.** The City shall not be liable, in any manner whatsoever, for any injury to or death of any person or for any damage to, destruction of, or loss of use of any property which at any time may be suffered or sustained by any person



or entity arising out of or resulting from Tenant's use of the Premises, including but not limited to, any failure of Tenant to perform or comply with any of the covenants, terms, conditions, and agreements required to be performed or complied with by Tenant under the terms of this Lease (hereinafter referred to as "Tenant's Defaults"), nor for any such injury, death, damage, destruction, or loss of use arising out of or resulting from any act or omission, negligent or otherwise, of Tenant or any employee, agent, contractor, or subtenant of Tenant (hereinafter referred to as "Tenant's Acts or Omissions"). Tenant shall indemnify, protect, defend, and hold the City harmless, and the City's officers, employees, successors, and assigns, from and against any and all claims, demands, actions, causes of action, liability, loss, and damage whatsoever on account of any such injury, death, damage, destruction, or loss of use attributable in any manner to Tenant's use of the Premises, including but not limited to, any Tenant acts, omissions, or defaults, and from and against any and all costs and expenses, including attorneys' fees incurred at the trial level and in connection with all appellate proceedings, arising therefrom. Furthermore, Tenant hereby waives any and all claims against the City for any injury to or death of any person or for any damage to, destruction of, or loss of use of any property which at any time may be suffered or sustained by Tenant, or by any employee, agent, contractor, or subtenant of Tenant, or by any other person or entity, arising out of or resulting from the use or condition of the Premises or arising out of or resulting from any acts of any person or entity or the acts of the City or its agents (unless such acts amount to active gross negligence or willful misconduct). The foregoing indemnification agreement and waiver shall continue in full force and effect notwithstanding any termination of this Lease. Furthermore, such indemnification agreement and waiver shall not be construed as limiting or otherwise affecting in any manner the liability of any insurer under the terms of any liability insurance policy procured by the City or Tenant.

**Section 17. Default.** In the event Tenant shall (a) fail to make any rental or other payment due hereunder (all of such payment obligations being referred to as "monetary obligation") within ten (10) days after same shall become due, or (b) be adjudged bankrupt, or (c) make an assignment for the benefit of its creditors, or (d) have its leasehold estate taken upon execution against Tenant, or (e) abandon the Premises during the term hereof, or (f) breach or fail to perform any of the agreements herein (other than a monetary obligation), and shall fail to cure such breach within ten (10) days after written notice from CITY, such event shall constitute an event of default and may, at CITY's option, constitute a premature termination. Upon the occurrence of any one or more events of default specified herein, CITY may pursue such remedies as are available under applicable law. In the event either party files legal action to enforce its rights hereunder, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, in connection therewith (and including appellate actions).

**Section 18. Waiver or Estoppels.** The failure of CITY to insist, in any one or more instances, upon strict performance of any covenants or agreements of this Agreement, or exercise any option of CITY herein contained, shall not be construed as a waiver or relinquishment of any right or remedy of CITY hereunder and shall not be deemed a waiver of any subsequent breach or default by Tenant of the covenants or conditions herein. Receipt of rent by CITY, with knowledge of the breach of any covenant or agreement hereof, shall not be deemed a waiver of such breach and no waiver by CITY of any provision hereof shall be deemed to have been made unless expressed in writing and signed by CITY.

**Section 19. Condemnation.** If the Premises is taken by reason of the exercise of the power of eminent domain, or by private purchase in lieu thereof, this Lease shall terminate on the date title to the Premises vests in the taking authority, and the rent shall be prorated to the date of such termination. If a portion of the Premises is so taken and the part not so taken is, in the City's opinion, insufficient for the operation of Tenant's business thereon (such opinion to be delivered to Tenant within ten (10) days after title to such portion of the Premises vests in the taking authority), then either the City or Tenant may terminate this Lease at any time within thirty (30) days after such opinion is given, by giving the other notice of termination of this Lease, and the rent and all other payments for which Tenant may be liable under the terms of this Lease shall be prorated to the effective date of termination. If neither party gives such notice to the other of the termination of this Lease, this Lease shall continue in full force and effect as to that portion of the Premises not so taken under the same terms and conditions set forth in this Lease, except that the rent thereafter payable shall be reduced by such equitable amount as shall be agreed upon by the City and Tenant through good faith negotiations, taking into account the amount of the Premises so taken, the extent to which Tenant's ability to use and occupy the Premises is diminished, and other pertinent factors. The City shall, at its expense, make such restoration as may be reasonably required, provided that the total cost thereof does not exceed the net proceeds of the condemnation award which the City receives upon such partial taking, and provided further that in no event shall the City be responsible for restoring any alterations, additions, or improvements made to the Premises by Tenant. All damages and compensation awarded or paid upon such total or partial taking shall belong to the City as compensation for the diminution in value of its interest in this Lease and in the Premises. Nothing contained in this paragraph shall be construed so as to preclude Tenant from prosecuting any claim directly against the taking authority for loss of business, or depreciation of, damage to, or the cost of removal of, or for the value of trade fixtures, furniture, equipment, and other personal property belonging to Tenant, provided that no such claim diminishes or otherwise adversely affects the City's condemnation award.

**Section 20. Notices.** All notices and payments to be made to CITY under the terms of this Agreement shall be delivered to CITY at 126 S. 7th. Avenue, Wauchula, Florida 33873. All notices to be sent to Tenant under the terms of this Agreement, and legal notices which might be delivered to Tenant in conjunction with actions concerned with enforcement of terms of this Agreement or recoveries there under, shall be delivered to Tenant at \_\_\_\_\_, or to such other address as either party may subsequently request in writing.

**Section 21. Renewal.** The parties agree to enter into good faith negotiation to renew this Agreement under the same rent, terms, and conditions for an additional period to be negotiated upon written notice of intent to renew by Tenant to CITY. Tenant agrees to provide this Notice at least 180 days prior to the Expiration Date.

**Section 22. Severability** Whenever possible, each part of this Lease shall be interpreted in such a manner as to be valid under applicable law. However, if it shall be found that any part of this Lease is illegal or unenforceable, such part or parts shall be of no force and effect to the extent of such illegality or unenforceability, without invalidating the legal and enforceable remainder of such part or parts or any other part of this Lease.

**Section 23. Miscellaneous Provisions, Governing Law, Venue, Waiver of Jury Trial.**

- (a) This Agreement and the exhibit(s) attached hereto constitute the sole and exclusive agreement between the parties with respect to the Premises. No amendment, modification or revision of this Agreement shall be effective unless in writing and executed by both parties hereto.
- (b) Except as otherwise expressly stated, any reference to or requirement for CITY's consent shall use a reasonableness standard.
- (c) If any term or provision of this Agreement or the application thereof to any present or circumstantial, to any extent, be held to be invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be in full force and effect, and only the provision found to be unenforceable shall be stricken from the terms hereof.
- (d) Should CITY be unable to perform any of its obligations contained in this Agreement due to circumstances beyond its control, including but not limited to labor disputes, governmental regulations or controls, fire or other casualty, inability to obtain material or services, strikes, acts of nature, or any other cause, CITY shall not be considered in default under the terms of this Agreement and Tenant shall not be excused from the

obligation to pay all rents and charges required under this Agreement as the same become due.

- (e) This Lease Agreement shall be construed according to Florida law. Any action brought hereunder shall be filed and heard in Hardee County, Florida, where the Premises is located. The terms and conditions of this Agreement are binding upon the heirs, successors, and assigns of the parties hereto.

**(f) Waiver of Jury Trial. EACH PARTY HERETO ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS LEASE OR THE TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE, EACH OF THEM HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT ANY OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS LEASE AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.**

- (g) Paragraph Titles. Paragraph titles are used solely for convenience herein and shall not be used in interpreting or construing any provision of this Lease.

IN WITNESS WHEREOF, the undersigned have executed this Agreement effective as of the day and year first above written.

**CITY OF WAUCHULA, a Florida  
municipal corporation**

By: \_\_\_\_\_

**Richard K. Nadaskay, Jr. Mayor**

Date: \_\_\_\_\_

**ATTEST:**

APPROVED AS TO FORM AND LEGALITY FOR THE USE  
AND RELIANCE OF THE CITY OF WAUCHULA, FLORIDA,  
ONLY

\_\_\_\_\_  
**Stephanie Camacho, City Clerk**

\_\_\_\_\_  
**Kristie Hatcher-Bolin, City Attorney**

Signed, sealed, and delivered in the  
presence of:

**New Tenant**

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

\_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

Print Name: \_\_\_\_\_

[CORPORATE SEAL]

**RATIFICATION AND FOURTH AMENDMENT  
TO AGREEMENT FOR FURNISHING RECLAIMED WATER**

This **RATIFICATION AND FOURTH AMENDMENT TO AGREEMENT FOR FURNISHING RECLAIMED WATER** (this “**Amendment**”) is made as of **August 12th, 2024** (the “**Effective Date**”), between Mosaic Fertilizer, LLC, a Delaware limited liability company, with a mailing address of 13830 Circa Crossing Drive, Lithia, FL 33547 (“**Mosaic**”), South Fort Meade Land Management Inc., a Delaware corporation, with a mailing address of 414 West Main Street, Wauchula, Florida 33873 (“**SFMLM**”), and the City of Wauchula, a Florida municipal corporation, with a mailing address of 126 South 7th Avenue, Wauchula, FL 33873 (“**City**”), each of which may herein be referred to individually as “**Party**” or collectively as “**Parties**”.

**WHEREAS**, Mosaic, as successor in interest to CF Industries, Inc., and City entered into that certain Agreement for Furnishing Reclaimed Water dated as of December 13, 2001, as amended by that certain First Amendment to Agreement for Furnishing Reclaimed Water dated as of June 19, 2003, that certain Second Amendment to Agreement for Furnishing Reclaimed Water dated as of August 15, 2006 and that certain Third Amendment to Agreement for Furnishing Reclaimed Water dated as of March 6, 2007 (as amended, the “**Agreement**”) under which the City supplies Reclaimed Water to Mosaic;

**WHEREAS**, the Agreement provided for a term beginning on December 13, 2001 and expiring twenty (20) years from the effective date of the Agreement or as long as Mosaic conducts mining operations on Mosaic’s property in Hardee County, Florida, whichever is earlier;

**WHEREAS**, SFMLM, as successor in interest to CF Industries, Inc., and the City entered into that Easement for Reclaimed Water Pipeline dated as of October 7, 2003 and recorded on October 8, 2003 in Book 651, Page 772 of the Hardee County Clerk of Court (the “**Easement**”) granting City an easement to construct, operate, and maintain a pipeline and pumping system and supporting structures to transport Reclaimed Water under the Agreement;

**WHEREAS**, the City continued to supply Mosaic with Reclaimed Water after the expiration of the term provided in the Agreement, and Mosaic continued to accept Reclaimed Water as provided in the Agreement following the expiration of the Agreement;

**WHEREAS**, the Parties desire the City to continue to provide Reclaimed Water on the same terms and conditions as the Agreement, except as otherwise provided herein;

**NOW THEREFORE** for valuable consideration, Mosaic and the City agree as follows:

1. The Recitals set forth at the beginning of this Amendment are incorporated into and made a part of this Amendment by reference as if they were fully restated hereunder, and constitute representations and understandings of the Parties.

2. The Agreement in its entirety is incorporated herein by reference, except as otherwise provided in this Amendment.
3. The Parties acknowledge and agree that the City furnished and Mosaic accepted Reclaimed Water after the expiration of the term of the Agreement subject to the same terms and conditions as provided in the Agreement, notwithstanding the modifications provided herein. The Parties acknowledge and agree that any dispute arising out of such Reclaimed Water shall be governed by the Agreement.
4. Without limiting Section 3 of this Amendment, Mosaic and the City agree that the following Sections 2 and 4 of the Agreement, including all prior amendments to those sections, are hereby deleted in their entirety and replaced with the following:

“2. Term of Agreement. Except as provided below, the term of this Agreement shall be for a period of time commencing on December 13, 2001 and expiring at 5:00 P.M. (EST) on December 31, 2025.”

“4. Furnishing of Reclaimed Water. This Agreement is applicable only to Reclaimed Water to be utilized in Mosaic’s mining and beneficiation facilities which take water from the industrial recirculation system shown in Exhibit B, or the ARRP, and nothing herein shall be construed or interpreted to limit, affect or explain the rights and obligations of the City to make available or to provide Reclaimed Water to any point or location other than the Delivery Point to Mosaic’s industrial recirculation system at the site located on land more particularly described in Exhibit B. The parties acknowledge that the existing and future wastewater treatment and pumping and conveying facilities are or will be owned and operated by the City and the City shall, at its sole cost and expense, operate, maintain, repair, replace, and modify (if necessary) the pumping station and pipeline to the Delivery Point and, through the term of this Agreement, deliver and furnish Reclaimed Water to the Delivery Point within the average daily flow (ADF) range of 500,000 to 3,500,000 gpd, computed on an annual basis, from the City owned wastewater treatment plant, inclusive of any reclaimed water the City may accept from the Hardee County or Bowling Green owned wastewater treatment plants. In addition, the City agrees, at its sole cost and expense during the entire term of this Agreement:

- (a) To operate its wastewater treatment plant and treat the Reclaimed Water in accordance with good engineering practices and applicable federal, state and local laws, rules, regulations, codes, ordinances, orders and permits.
- (b) To obtain and maintain any and all permits necessary for the operation of its wastewater treatment plant and the delivery and discharge of the Reclaimed water into Mosaic’s industrial recirculation system at the Delivery Point.
- (c) To produce Reclaimed Water from its wastewater treatment plant which has been treated and purified to the extent required for reuse for Slow Rate Land Applications, Public Access Areas, Residential Irrigation, and Edible Crops as defined in 62-610, part III FAC (except for the requirement that the City have a “reject” tank with a storage capacity of one day permitting discharge as long as such reject tank is not required by any governmental agency or authority having jurisdiction over the operation of the wastewater treatment plant) and in full

compliance with all applicable federal, state or local laws, rules, regulations, codes, ordinances, orders or permits and which meets the standards set forth in Exhibit C attached hereto. This quality is required at the point of discharge from the City wastewater treatment plant.

(d) To pump and convey Reclaimed Water to the Delivery Point which has been treated and disinfected in accordance with the requirements of 62-610, part VII FAC and in full compliance with all applicable federal, state or local laws, rules, regulations, codes, ordinances, orders or permits and which meets the water quality standards set forth in Exhibit C attached hereto.

(e) Should the County wastewater treatment technology improvements be implemented such that a higher quality effluent is required by applicable permits, rules or regulations, the Reclaimed Water quality required by the permitted improvements will become the minimum Reclaimed Water quality required under subsection 4(c) or 4(d), whichever is more stringent.

(f) To furnish Mosaic with copies of all operating data, records and analytical results [including those required by 62-600, 410(10) FAC] that are prepared for and submitted to the Florida Department of Environmental Protection (FDEP) and/or EPA or any other governmental or regulatory agency or authority.

(g) The parties recognize that the City obtained all permits required for the construction of the pumping station and the pipeline. To the extent maintenance, repair, replacement, modification, or relocation is necessary, the City agrees to obtain all permits required for such work.

(h) To provide immediate notice to Mosaic of any upsets, by-passes, permit violations or violations of the terms and conditions of this Agreement and Mosaic shall have the right to refuse deliveries until the upset, by-pass or violation has been corrected or cured.

(i) To maintain, repair, replace, and modify and relocate (if necessary) all facilities transporting the Reclaimed Water to the Delivery Point, including, without limitation, pipes or pipelines, lift stations, pumping facilities, and appurtenances thereto. The design, location, materials and standard of repairs and conditions of all such facilities shall be subject to Mosaic's prior written approval. Anything in this Agreement to the contrary notwithstanding, and despite any requirements herein for Mosaic's approval, the parties acknowledge and agree that City and its successors in interest shall be solely responsible and liable for the proper design, construction, location, materials, standards of repair, and other aspects of the construction, operation and maintenance of the pumps, pipes, and other facilities transporting the Reclaimed Water to the Delivery Point, and Mosaic shall have no responsibility or liability therefor.

(j) To install, monitor, operate, and maintain any groundwater monitoring wells around the Delivery Point that may be required specifically of the City by the FDEP or any other governmental entity having jurisdiction over the City's operations or the Reclaimed Water.

(k) To perform at City's sole cost and expense, any remediation or acts to correct any violations of its obligations stated in this Section 4.



(l) To pay all costs and expenses necessary to return Mosaic's property to the condition existing on the date of the execution of this Agreement if this Agreement expires or terminates for any reason whatsoever.

(m) The provisions of 4(j), (k), and (l) shall survive the expiration or termination of this Agreement."

5. The Parties agree that Exhibit C to the Agreement is hereby replaced in its entirety with the attached Exhibit C.
6. The Parties acknowledge and agree that the Easement continued after the expiration of the term of the Agreement subject to the terms and conditions as provided in the Easement, and that the Easement continues in full force and effect according to the terms and conditions of the Easement.
7. Except as set forth in this Amendment, all of the terms and provisions of the Agreement shall remain unmodified and in full force and effect. These terms may only be modified or amended in writing signed by an authorized representative of each Party.
8. All capitalized terms used but not defined herein shall have the meaning given to them in the Agreement.
9. The terms and conditions of the Agreement are hereby modified by this Amendment. If there is any conflicting language between the Agreement and this Amendment after the expiration of the Agreement, the Parties agree that the terms of this Amendment shall govern.
10. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. The Parties may execute this Amendment by delivery of facsimile or pdf. signatures, which shall have the same effect as original signatures.

IN WITNESS HEREOF, the Parties have executed this Amendment as of the Effective Date.

**Mosaic Fertilizer, LLC:**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**City of Wauchula:**

Signature: Neda Cobb

Print Name: Neda Cobb

Title: Mayor Pro Tem

**South Fort Meade Land Management Inc.:**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Exhibit C**  
**RECLAIMED WATER LIMITATIONS AND MONITORING REQUIREMENTS**

Parameter	Units	Sample Frequency	Sample Location	Maximum/Minimum	Reclaimed Water Limitation			
					Annual Average	Monthly Average	Weekly Average	Single Sample
CEOD5	mg/L	Weekly	Delivery Point	Maximum	10	30	45	60
Total Suspended Solids	mg/L	Weekly	Delivery Point	Maximum	5	20	30	45
Fecal Coliform Bacteria	#/100 mL	Weekly	Delivery Point	Maximum				25
pH	Std. Units	Weekly	Delivery Point	Range				6.0-9.5
Nitrate	mg/L	Weekly	Delivery Point	Maximum				12
*Total Residual Chlorine	mg/L	Weekly	Plant FGD	Minimum				0.5
Chloride	mg/L	Weekly	Delivery Point	Maximum				250
Total Dissolved Solids	mg/L	Weekly	Delivery Point	Maximum				1000
Fluor	MSP	Weekly	Delivery Point	Range	0.5-3.5			

\* Total Residual Chlorine requirement to be met at the point of discharge from the City and County WWTp's.

**FIFTH AMENDMENT  
TO AGREEMENT FOR FURNISHING RECLAIMED WATER**

This **FIFTH AMENDMENT TO AGREEMENT FOR FURNISHING RECLAIMED WATER** (this “**Amendment**”) is made as of \_\_\_\_\_, 2025 (the “**Effective Date**”), between Mosaic Fertilizer, LLC, a Delaware limited liability company, with a mailing address of 13830 Circa Crossing Drive, Lithia, FL 33547 (“**Mosaic**”), and the City of Wauchula, a Florida municipal corporation, with a mailing address of 126 South 7th Avenue, Wauchula, FL 33873 (“**City**”), each of which may herein be referred to individually as “**Party**” or collectively as “**Parties**”.

**WHEREAS**, Mosaic, as successor in interest to CF Industries, Inc., and City entered into that certain Agreement for Furnishing Reclaimed Water dated as of December 13, 2001, as amended by that certain First Amendment to Agreement for Furnishing Reclaimed Water dated as of June 19, 2003, that certain Second Amendment to Agreement for Furnishing Reclaimed Water dated as of August 15, 2006, that certain Third Amendment to Agreement for Furnishing Reclaimed Water dated as of March 6, 2007, and that certain Ratification and Fourth Amendment to Agreement for Furnishing Reclaimed Water dated as of August 12, 2024 (as amended and ratified, the “**Agreement**”) under which the City supplies Reclaimed Water to Mosaic;

**WHEREAS**, the Agreement provides for a term beginning on December 13, 2001 and expiring at 5:00 P.M. (EST) on December 31, 2025; and

**WHEREAS**, the Parties desire to extend the term of the Agreement;

**NOW THEREFORE** for valuable consideration, Mosaic and the City agree as follows:

1. The Recitals set forth at the beginning of this Amendment are incorporated into and made a part of this Amendment by reference as if they were fully restated hereunder, and constitute representations and understandings of the Parties.
2. The Agreement in its entirety is incorporated herein by reference, except as otherwise provided in this Amendment.
3. The Parties agree that Section 2 of the Agreement, including all prior amendments to that section, is hereby deleted in its entirety and replaced with the following:
 

“2. Term of Agreement. Except as provided below, the term of this Agreement shall be for a period of time commencing on December 13, 2001 and expiring at 5:00 P.M. (EST) on December 31, 2027.”
4. Except as set forth in this Amendment, all of the terms and provisions of the Agreement shall remain unmodified and in full force and effect. These terms may only be modified or amended in writing signed by an authorized representative of each Party.
5. All capitalized terms used but not defined herein shall have the meaning given to them in the Agreement.

6. The terms and conditions of the Agreement are hereby modified by this Amendment. If there is any conflicting language between the Agreement and this Amendment, the Parties agree that the terms of this Amendment shall govern.
7. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. The Parties may execute this Amendment by delivery of facsimile or pdf. signatures, which shall have the same effect as original signatures.

**IN WITNESS HEREOF**, the Parties have executed this Amendment as of the Effective Date.

**Mosaic Fertilizer, LLC:**

**City of Wauchula:**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**RESOLUTION 2025-14**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WAUCHULA, FLORIDA, PROVIDING FOR THE AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH THE FEDERAL AVIATION ADMINISTRATION; AUTHORIZING THE CITY MANAGER TO EXECUTE SAID AGREEMENT ON BEHALF OF THE CITY OF WAUCHULA, FLORIDA; PROVIDING FOR THE DESIGNATION OF AN AUTHORIZED REPRESENTATIVE TO PROVIDE THE ASSURANCES AND COMMITMENTS ON BEHALF OF THE CITY OF WAUCHULA, FLORIDA, PURSUANT TO THE REQUIREMENT OF THE AGREEMENTS; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City Commission of the City of Wauchula believes it to be in the best interest of the public health, safety and general welfare of the City and its residents to enter into an agreement with the Federal Aviation Administration (FAA) for improvements at the Wauchula Municipal Airport; and

**WHEREAS**, the City has submitted to the FAA an Airport Improvement Program Pre-Application, for a grant of Federal funds for a project at or associated with the Wauchula Municipal Airport, which is included as part of this Grant Agreement; and,

**WHEREAS**, the FAA has approved a project for the Wauchula Municipal Airport (herein called the "Project") to Expand Fuel Farm – Design which is more fully described in the Project Application; and,

**WHEREAS**, the City Commission of the City of Wauchula, Florida, intends to enter into an agreement with the FAA and accept its offer of grant assistance subject to the terms and conditions there.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WAUCHULA, FLORIDA, THAT:**

1. The Federal Aviation Administration Infrastructure Investment and Jobs Act (IIJA) Airport Infrastructure Grant (AIG) Project Number 3-12-0084-021-2025, offer dated July 30<sup>th</sup>, 2025, a copy of which is attached hereto and made a part hereof by this reference is accepted.
2. The City of Wauchula City Commission designates the City Manager as its authorized representative to provide assurances and commitments on the City's behalf and authorizes the City Manager to execute and enter into the FAA Infrastructure Investment and Jobs Act (IIJA) Airport Infrastructure Grant (AIG) Project Number 3-12-0084-021-2025 Agreement for the Expand Fuel Farm – Design Project and any subsequent amendments and other documents specifically related to said Agreement.
3. This resolution shall become effective upon adoption by the Commission.

**DULY PASSED AND ADOPTED** by the City Commission of the City of Wauchula, Florida, this 11<sup>th</sup> day of August, 2025, at a regular meeting of the City Commission of the City of Wauchula, Florida.

(SEAL)

ATTEST:

CITY OF WAUCHULA

\_\_\_\_\_  
Stephanie Camacho, City Clerk

By:\_\_\_\_\_  
Richard Keith Nadaskay, Jr., Mayor

APPROVED AS TO FORM  
CORRECTNESS:

By:\_\_\_\_\_  
Thomas Cloud, City Attorney



City of Wauchula Municipal Airport  
1202 Maurice Sonny Clavel Road  
Wauchula, FL 33873

Item # 12.

November 26, 2024

Scott W. Carrero, PE  
Program Manager  
Federal Aviation Administration  
Orlando Airports District Office  
8427 Southpark Circle, Suite 524  
Orlando, FL 32819

Scott,

**Subject:** Wauchula Municipal Airport; Wauchula, FL  
FY 2025 Airport Improvement Program  
**Pre-Application Cover Letter**

In accordance with the Airport Improvement Program (AIP) and as established in our 5-year Capital Improvement Plan (CIP), enclosed please find the 2025 AIP pre-application for the following projects:

1. **New Fuel Farm – Design \ Permitting including but not limited to:**
  - a. (1) 12,000 gallon Jet-A Fuel Tank System with dispenser
  - b. (1) 12,000 gallon AvGas Fuel Tank System with dispenser
  - c. (1) Waste oil tank and all appurtenances
2. **New Airport Standby Generator – Design \ Permitting including but not limited to:**
  - a. Engine generator set, convault fuel tank, day tank, electrical equipment, fuel piping, first tank of fuel, additives, turnkey and tested
  - b. Automatic transfer Switch and connections
  - c. Civil and Electrical Site work
  - d. Utilities, fittings, connections, incidentals, all appurtenances

The following items are enclosed for each of the above projects in the grant pre-application:

- ✓ Airport Grant Pre-Application Checklist
- ✓ Detailed Project Information Sheet
  - Description and Justification (scope of work for planning or environmental projects)
  - Special Circumstances
  - Project Funding
  - Project Cost Estimate
  - Project Preliminary Checklist






City of Wauchula Municipal Airport  
1202 Maurice Sonny Clavel Road  
Wauchula, FL 33873

Item # 12.

- Proposed Project Schedule
- Project Sketch
- ✓ Environmental Determination Documentation for each project

At this time, we are requesting \$159,000 in federal AIG dollars based on recent fees of similar sized and scoped projects as reflected in the airport's CIP in which resembles the information provided to the ADO via the JACIP most recent updates. The current construction estimate is approximated to be \$1.67M. We understand that any substantial increase in federal funding request may jeopardize funding for the enclosed project(s). An application based on consultant qualifications and final fee proposal can be expected to be submitted to the ADO in January 2025 and not later than June 2025 or the established deadline issued by your office.

Sincerely,



John Eason  
Deputy City Manager  
City of Wauchula

Cc (via email):\\  
Kyle Stevens, Program Planner, FAA  
Olivia Minshew, City Manager, City of Wauchula  
John Eason, Deputy City Manager, City of Wauchula  
Russ Holliday, PE, Sr. Project Manager – Airports, AVCON



**Federal Aviation Administration (FAA)**  
**Orlando Airports District Office**

## Airport Grant Pre-application Checklist

(COMPLETE ONE CHECKLIST PER GRANT REQUEST)

Airport: Wauchula Municipal Airport  
 Sponsor: City of Wauchula  
 City, State: Wauchula, FL  
 Date of Pre- Application: October 16, 2024 \ **November 26, 2024 Update**

☐ **We do not plan on having a project this fiscal year. The FAA is authorized to carry our entitlements into the next fiscal year. (If checked, skip below pre-application checklist, sign/date and return to ADO)**

**Items Required with Pre-application (select N/A only if applicable to the project)**

No.	Document	Yes	N/A
1.	Cover Letter	<input checked="" type="checkbox"/>	
2.	Detailed Project Information Sheet (per project item)	<input checked="" type="checkbox"/>	
a.	Project Description and Justification ( <i>for Planning or Environmental Projects include Scope of Work</i> )	<input checked="" type="checkbox"/>	
b.	Special Circumstances	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c.	Project Funding (be aware of your federal funding entitlement dollars)	<input checked="" type="checkbox"/>	
d.	Project Cost Estimate	<input checked="" type="checkbox"/>	
e.	Project Preliminary Checklist	<input checked="" type="checkbox"/>	
f.	Proposed Project Schedule	<input checked="" type="checkbox"/>	
g.	Project Sketch	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3.	Environmental Determination Documentation (per project item)	<input checked="" type="checkbox"/>	

John M. Eason, Deputy City Manager

Sponsor's Designated Official Representative (*Type or Print*)

Sponsor's Designated Official Representative (*Signature*)

12/05/2024

Date

The purpose of this checklist is to identify some of the requirements and considerations associated with requesting Airport Improvement Program (AIP) funds. This checklist was created by the Orlando ADO for Florida airport sponsors to submit in lieu of SF 424, 5100-100 / 101 (OMB 4040-004, 2120-0569) in order to simplify the AIP pre-application package. **Note SF 424 and the 5100 forms are still required components of the AIP APPLICATION package.**



**Project No. 1: Detailed Project Information Sheet****Airport Improvement Program (AIP)**

Airport : Wauchula Municipal Airport (CHN)  
 City, ST: Wauchula, FL  
 DUNS / UEI / TAX ID No. 093848653 / XB3NL4KUKND3 / 59-6000446  
 SAM Expiration Date: 01/23/2025 (CAGE# 34HY9)  
 Project Title: **New Fuel Farm & Engine Genset – DESIGN**

**Project Description:**

This project consists of the design effort required to produce bid \ construction documents for a new 2-tank fuel farm at the Airport to replace the existing small single tank. The new fuel farm will consist of two larger tanks, one 12,000 gallon AvGas tank and one 12,000 gallon Jet-A tank, with fuel flowage piping, containment, waste oil tank, and dispensers. The effort consists of the design and permitting with the local AHJ, SWFWMD, and other agencies necessary prior to the start of the construction. The Design effort includes civil, mechanical, electrical, plumbing, and specialty subconsultants. The project consists of re-using the existing primary containment as well as expansion of new spill containment per FDEP and NFPA requirements, including that required for tanker truck loading/unloading. The project includes a new Airport Engine Generator set with convault fuel tank, foundations, site work, ATS, day tank piping, access, connections to be used for emergencies.

**Project Justification:**

The existing equipment on the airport is too small (6,000 gallons), aged and intermittently malfunctioning, and currently unreliable. The existing avgas tank infrastructure is too old and difficult to maintain. There is current demand for not only Aviation Gas for piston aircraft and swamp-boats, but also jet fuel for the increase in turbo prop, and business jet traffic the Airport is seeing (see the Virtower count documentation). Additionally, the runway extension will bring more jet traffic into the Airport within two years, which increase demand due to the Streamsong championship golf course and resort within 11 miles of the Airport, just north in the town of Bowling Green. The Virtower counts show jet and turbo-prop counts increasing, with the demand for Jet-A on the rise, there is a need for jet fuel. The Streamsong resort is huge, consisting of 3 separate golf courses Red, Blue, and Black, tied together with a central resort hub. There currently is no back up power at the Airport to support the electrical vault, rotating beacon, or FDOT GPS equipment essential for Airport operation.

Was this project in the airport's Capital Improvement Plan (CIP) in JACIP and accepted as eligible/justified in the FAA's Airport Capital Improvement Plan (ACIP)?

☒ Yes ☐ No (explain below)

**Special Circumstances (check if applicable to the project):**

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Force Account Services      | <input type="checkbox"/> Benefit Cost Analysis | <input type="checkbox"/> [Enter Other] |
| <input type="checkbox"/> Mods. To Standards          | <input type="checkbox"/> Design-build or CMR   | <input type="checkbox"/> [Enter Other] |
| <input type="checkbox"/> AIP eligible & non-eligible | <input type="checkbox"/> Exceeds FAA Stds.     | <input type="checkbox"/> [Enter Other] |

N/A



**Project Funding:**

Total Cost (100%)	FAA Share (95%)	State (4%)	Local (1%)
\$167,368.42	<b>\$159,000.00</b>	\$6,694.74	\$1,673.68

Type of Funding Proposed (FAA Share Only)			
<u>Fund Type</u>	<u>Funds Available</u>	<u>Funds to be Used</u>	<u>Funds Remaining</u>
BIL AIG Entitlements FY2022	\$159,000.00	\$159,000.00	\$0.00
<b>Total</b>	<b>\$159,000.00</b>	<b>\$159,000.00</b>	<b>\$0.00</b>

Alternate Funding Plan: *Provide an alternate funding plan if discretionary funding is unavailable, such as a substitute entitlement only project, reduce scope through bid alternates, move the project out to a future year, etc.*

The BIL AIG funds are immediately unencumbered and ready for use.



**Project Cost Estimate Breakdown:****Project #1: New Fuel Farm – DESIGN****Engineering (Design)**

Cost (100%)

\$167,368.42

FAA (95%)

\$159,000

Total Amount

\$167,368.42

\$159,000

Total Estimated Project Cost (100%)      \$ 167,368.42

Total FAA Share Cost (95%)                \$ 159,000

*\*NOTE: FAA does not participate on allowances / contingencies. By FAA policy, a line item for estimated administrative costs can be included in the grant application if the sponsor cannot accurately calculate the total administrative costs. However, these estimated administrative costs must not exceed 2% of the grant amount or \$10,000, whichever is less.*

**Project Preliminary Checklist:**

AIP Document Pre-requisites	Dates	
Date of FAA Approved ALP	2019	
Date of last 5010, Airport Master Record verification for data corrections.	10/18/2024	
Date of last FAA approved Exhibit "A" Property Inventory Map w/ Exhibit "C", Title of Opinion	2012/2013	
Date of Environmental Determination	10/18/2024 (CatEx)	
Date of last Airport Pavement Maintenance Program.	09/2017	
Date of Land Acquisition (if applicable)	N/A	
Impacts to FAA Facilities	Yes	No
Does the project impact FAA facilities?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes, provide a statement with the status of FAA Reimbursable Agreement w/ FAA Planning & Requirements		

**Project #1: New Fuel Farm – DESIGN**  
**PROPOSED PROJECT SCHEDULE**

<b><u>Proposed Project Schedule:</u></b>	<b><u>Dates:</u></b>
Selection of Consultant	05/2023
Pre-Application Submittal to FAA ADO Planner	10/2024
Application Submittal to FAA ADO Engineer - DESIGN	01/2025
Grant Offer	10/1/2025
Execution of FAA Grant	10/01/2025
Pre-design Conference	11/2025
CSPP and Airspace Coordination in iOE/AAA <sup>1</sup>	12/2025
Completion of Plans, Specifications and Engineers Report	<b>03/2026</b>
Submit Plans and Specs to FAA <sup>2</sup>	<b>03/2026</b>
Advertisement of Project for Bids	<b>03/2026</b>
Bid Opening	<b>04/2026</b>
Bid Tabulation Submittal and Recommendation of Award	<b>04/2026</b>
Application Submittal to FAA ADO Engineer - DESIGN	05/2026
Project Close-Out (Design) <sup>3</sup>	10/2026

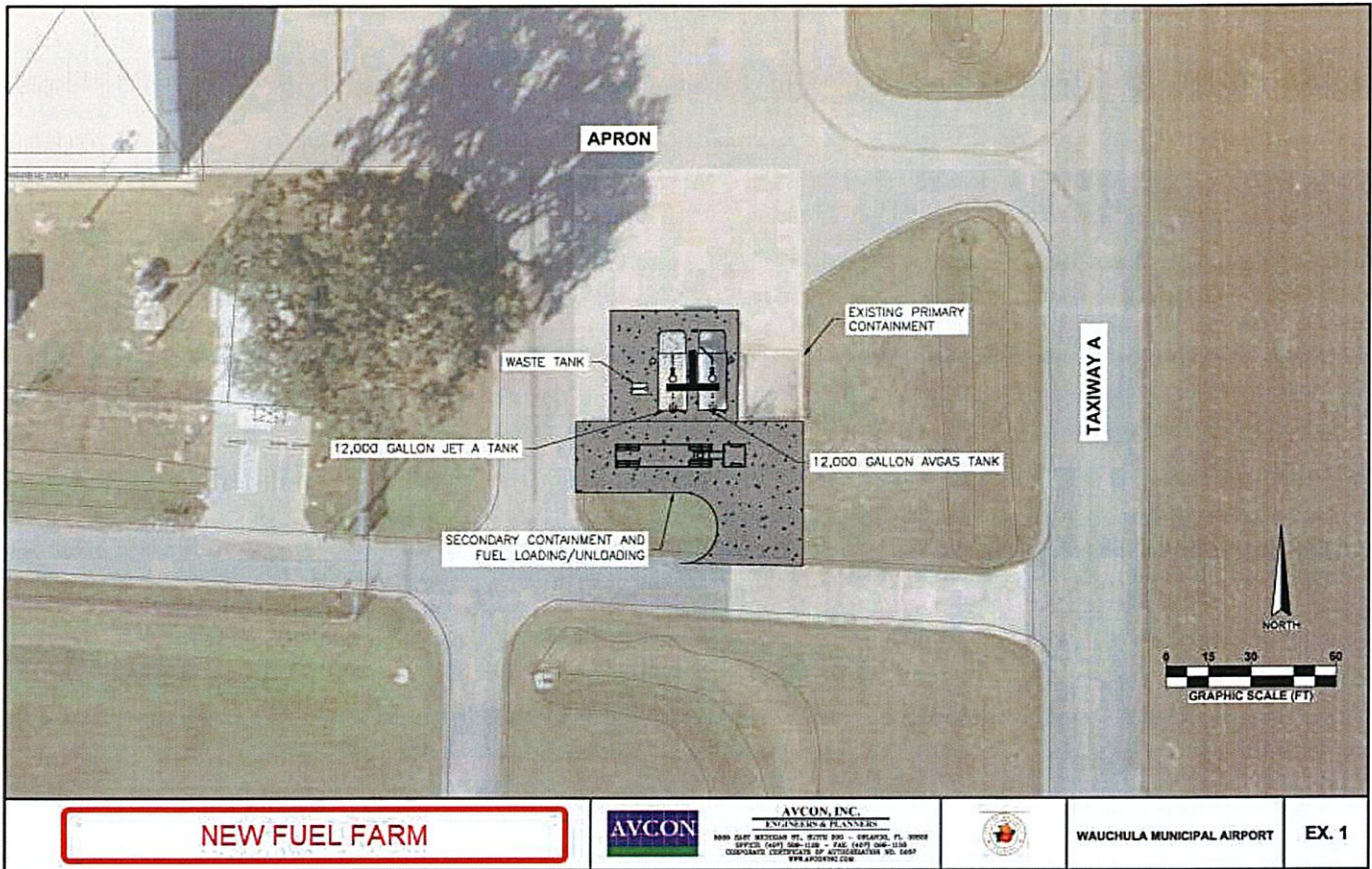
**= To be coordinated with the ADO Engineer prior to grant application submittal.**

<sup>1</sup> Coordination of CSPP and airspace in iOE/AAA shall be completed / determined before grant application submittal. Refer to CSPP SOP 1.00 for CSPP project applicability requirements.

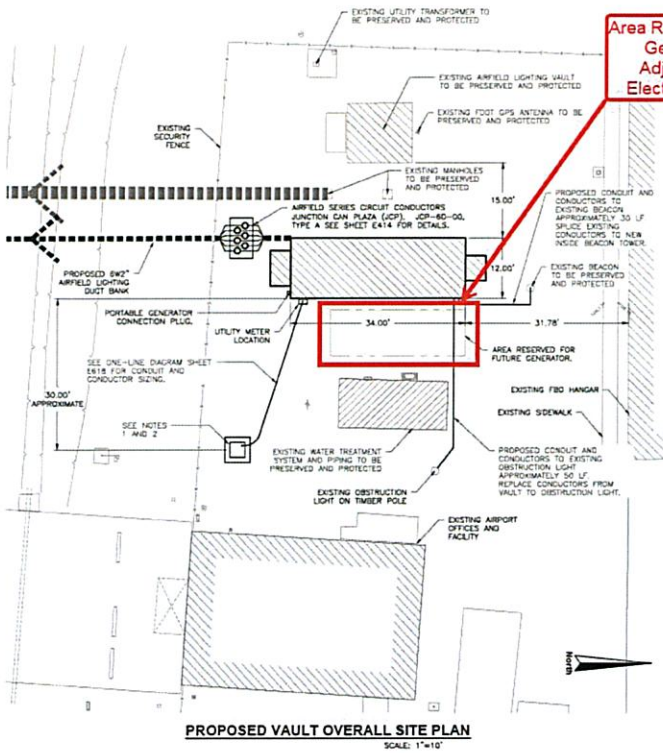
<sup>2</sup> For any construction grants, Plans / Specs & the Engineers Report must be submitted to the ADO PM for review and approval prior to bid advertisement in accordance with 2 CFR 200. Sponsor will be responsible for removing / prorating all non-AIP eligible bid items identified prior to grant execution.

<sup>3</sup> Project shall remain on schedule as shown above. Note that closeout of an AIP grant must not exceed four (4) years after grant execution date. You may refer to the AIP Handbook - Chapter 5, Section 8, Grant Closeout for additional details.









Area Reserved For Generator Adjacent to Electrical Vault



① EXISTING VAULT SITE OVERALL



② OPEN AREA FOR PROPOSED AIRFIELD LIGHTING VAULT STRUCTURE

**NOTES:**

1. EXISTING UTILITY OVERHEAD POWER POLE AND RISER TO BE REMOVED BY UTILITY COMPANY AND REPLACED WITH PAD MOUNT TRANSFORMER TO POWER NEW AIRFIELD LIGHTING VAULT AND EXISTING WATER TREATMENT EQUIPMENT.
2. CONTRACTOR SHALL COORDINATE ALL UTILITY WORK WITH CITY OF WAUGHOLA UTILITY COMPANY. CONTACT PHIBS POLICE 1178 F MAIN STREET WAUGHOLA MS 39078 PHONE 662-773-1114

**FAA ORLANDO AIRPORTS DISTRICT OFFICE – CATEGORICAL EXCLUSION (CATEX)  
SHORT FORM**

**Airport:** Wauchula Municipal Airport (CHN)

**Project Title:** New Fuel Farm \ New Generator – DESIGN

Use this CATEX Short Form if the Proposed Action is a federal action subject to NEPA and normally would not individually or cumulatively have a significant effect on the human environment. **Identify the applicable paragraph on the line below from FAA Order 1050.1F, paragraphs 5-6.1 through 5-6.6 for the Proposed Action : Paragraph 5.6.4 u – Facility Siting, Construction, and Maintenance -Above ground fuel storage tanks**

List all components of the Proposed Action and Connected Actions (if any) on a separate sheet. *A CATEX should not be used for a segment or an interdependent part of a larger proposed action.* Include a summary of existing conditions at the Proposed Action site. Attach a site map identifying the Proposed Action area on the airport's current ALP and a recent aerial of the Proposed Action area.

**Certify** that the Proposed Action and Connected Actions are **NOT** likely to have extraordinary circumstances or significant impacts. Significance thresholds and factors to consider are in FAA Order 1050.1F Exhibit 4-1.

Extraordinary circumstances are listed in FAA Order 1050.1F paragraph 5-2, and summarized below:

- An adverse effect on cultural resources protected under the National Historic Preservation Act of 1966, as amended, 54 U.S.C. §300101 et seq.;
- An impact on properties protected under Section 4(f);
- An impact on natural, ecological, or scenic resources of Federal, state, tribal, or local significance (e.g., federally listed or proposed endangered, threatened, or candidate species, or designated or proposed critical habitat under the Endangered Species Act, 16 U.S.C. §§ 1531-1544);
- An impact on the following resources: resources protected by the Fish and Wildlife Coordination Act, 16 U.S.C. §§ 661-667d; wetlands; floodplains; coastal zones; national marine sanctuaries; wilderness areas; National Resource Conservation Service-designated prime and unique farmlands; energy supply and natural resources; resources protected under the Wild and Scenic Rivers Act, 16 U.S.C. §§ 1271-1287, and rivers or river segments listed on the Nationwide Rivers Inventory (NRI); and solid waste management;
- A division or disruption of an established community, or a disruption of orderly, planned development, or an inconsistency with plans or goals that have been adopted by the community in which the project is located;
- An increase in congestion from surface transportation (by causing decrease in level of service below acceptable levels determined by appropriate transportation agency, such as a highway agency);
- An impact on noise levels of noise sensitive areas;
- An impact on air quality or violation of Federal, state, tribal, or local air quality standards under the Clean Air Act, 42 U.S.C. §§ 7401-7671q;
- An impact on water quality, sole source aquifers, a public water supply system, or state or tribal water quality standards established under the Clean Water Act, 33 U.S.C. §§ 1251-1387, and the Safe Drinking Water Act, 42 U.S.C. §§ 300f-300j-26;
- Impacts on the quality of the human environment that are likely to be highly controversial on environmental grounds. The term "highly controversial on environmental grounds" means there is a substantial dispute involving reasonable disagreement over the degree, extent, or nature of a proposed action's environmental impacts or over the action's risks of causing environmental harm.
- Likelihood to be inconsistent with any Federal, state, tribal, or local law relating to the environmental aspects of the proposed action; or
- Likelihood to directly, indirectly, or cumulatively create a significant impact on the human environment, including, but not limited to, actions likely to cause a significant lighting impact on residential areas or commercial use of business properties, likely to cause a significant impact on the visual nature of surrounding land uses, likely to cause environmental contamination by hazardous materials, or likely to disturb an existing hazardous material contamination site such that new environmental contamination risks are created.

Based on the information in this Short Form CATEX and supporting information, I certify that the Proposed Action and Connected Actions meet(s) all requirements for a CATEX in accordance with FAA Order 1050.F and do not have any extraordinary circumstances or significant impacts.

\_\_\_\_\_  
Signature of Authorized Airport Representative

\_\_\_\_\_  
Date

FAA Determination (signature of Program Manager):

Categorically Excluded: \_\_\_\_\_ Date: \_\_\_\_\_

Requires further environmental analysis: \_\_\_\_\_ Date: \_\_\_\_\_

Final 7-8-2016

## CATEGORICAL EXCLUSION ENVIRONMENTAL DETERMINATION CHECKLIST

Airport: Wauchula Municipal Airport (CHN)

Prepared and certified by: John Eason, Dep. City Manager

Date: 11/26/24

	YES* *	NO	COMMENTS
<b>THE PROPOSED ACTION MUST BE LISTED IN FAA ORDER 1050.1F PARAS. 5-6.1-5-6.6 AS AN ACTION THAT WOULD NORMALLY BE CATEGORICALLY EXCLUDED</b>	X		These items are listed in Order 1050.1F, Paragraph 5.6.4 u – Facility Siting, Construction, and Maintenance -Above ground fuel storage tanks and 5.6.3 f Engine Generators
<b>THE PROPOSED ACTION CONSISTS OF:</b>			
Helicopter facilities or operations		X	
Land acquisition		X	
New airport serving general aviation		X	
Access or service road construction		X	
New airport location		X	
New runway		X	
Runway extension, strengthening, reconstruction, resurfacing or widening		X	
Converting prime or unique farmland		X	
Runway Safety Area (RSA) improvements		X	
ILS or ALS installation		X	
Airport development (hangars, terminal expansion)		X	
On-airport aboveground or <del>underground</del> fuel storage tanks	X		
Construction, reconstruction, or relocation of an ATCT		X	
<b>THE PROPOSED ACTION WILL AFFECT:</b>			
Historic/Archeological/Cultural Resources		X	
Section 4(f) or 6(f) resources		X	
Federally listed, endangered, threatened, or candidate species, or designated/proposed critical habitat		X	
Federal, state, tribal, or local natural, ecological, or scenic resources		X	
Wetlands, floodplains, waterways		X	
Energy supply or natural resources		X	
Protected rivers or river segments		X	
Established community(s), planned development, or plans/goals adopted by the local community		X	
Surface vehicular traffic (reduce LOS)		X	
Air quality or violate Federal, state, tribal or local standards		X	
Water quality, a sole source aquifer, public water supply system, or federal, state, or tribal water quality standards		X	

THE PROPOSED ACTION IS LIKELY TO:			
Be Highly Controversial on Environmental Grounds		X	
Be Inconsistent with Federal, state, tribal, or local law relating to environmental aspects		X	
Cause residential or business relocations		X	
Increase noise levels over Noise Sensitive Land Uses within the 65 dBA noise contour or newly include Noise Sensitive Land Uses within the 65 dBA noise contour.		X	
Cause Environmental Justice Impacts		X	
Contain Hazardous Materials or Affect Hazardous Materials/Sites		X	
Create a Wildlife Hazard per AC 150/5200-33		X	
Increase lighting impacts on residential communities or impact the visual nature of surrounding land uses		X	

\*\* Attach detailed explanations or analysis for all "yes" answers on a separate sheet that supports a Categorical Exclusion determination.

Final 7-8-2016



# AIRPORT MASTER RECORD

Item # 12.

Data Source: [https://www.faa.gov/air\\_traffic/flight\\_info/aeronav/aero\\_data/](https://www.faa.gov/air_traffic/flight_info/aeronav/aero_data/) Print Date: 10/18/2024

1 ASSOC CITY: WAUCHULA	4 STATE: FL	LOC ID: CHN	FAA SITE NR: 03546.1*A
2 AIRPORT NAME: WAUCHULA MUNI		5 COUNTY: HARDEE, FL	
3 CBD TO AIRPORT (NM): 5 SW	6 REGION/ADO: ASO /ORL	7 SECT AERO CHT: MIAMI	

GENERAL		SERVICES	BASED AIRCRAFT
10 OWNERSHIP: PUBLIC		70 FUEL: 100LL	90 SINGLE ENG: 19
11 OWNER: CITY OF WAUCHULA			91 MULTI ENG: 0
12 ADDRESS: 126 S 7TH AVE.		71 AIRFRAME RPRS: MINOR	92 JET: 0
WAUCHULA, FL 33873		72 PWR PLANT RPRS: MINOR	93 HELICOPTERS: 1
13 PHONE NR: 863-773-3131		73 BOTTLE OXYGEN: NONE	TOTAL: 20
14 MANAGER: WARD GRIMES		74 BULK OXYGEN: NONE	
15 ADDRESS: 1202 MAURICE SONNY CLAVEL RD.		75 TSNT STORAGE: TIE	94 GLIDERS: 0
WAUCHULA, FL 33873		76 OTHER SERVICES: AGRI,PAJA	95 MILITARY: 0
16 PHONE NR: 863-773-3115			96 ULTRA-LIGHT: 0
			VTOL:

17 ATTENDANCE SCHEDULE:

MONTHS	DAYS	HOURS
UNATTND		

18 AIRPORT USE: PUBLIC

19 ARPT LAT: 27-30-53.7N ESTIMATED

20 ARPT LONG: 81-52-49.7W

21 ARPT ELEV: 107.8 SURVEYED

22 ACREAGE: 106

23 RIGHT TRAFFIC: NO

24 NON-COMM LANDING: NO

25 NPIAS/FED AGREEMENTS: YES / NGY

26 FAR 139 INDEX: /

**FACILITIES**

80 ARPT BCN: WG

81 ARPT LGT SKED: SEE RMK

BCN LGT SKED: SS-SR

82 UNICOM:

83 WIND INDICATOR: YES-L

84 SEGMENTED CIRCLE:

85 CONTROL TWR: NO

86 FSS: SAINT PETERSBURG

87 FSS ON ARPT: NO

88 FSS PHONE NR:

89 TOLL FREE NR: 1-800-WX-BRIEF

**OPERATIONS**

Information on aircraft operations is available from FAA's Aviation System Performance Metrics <https://aspm.faa.gov>

## RUNWAY DATA

30 RUNWAY IDENT:	18/36
31 LENGTH:	4,005
32 WIDTH:	75
33 SURF TYPE-COND:	ASPH-E
34 SURF TREATMENT:	NONE
35 GROSS WT: S	24.0
36 (IN THSDS) D	39.0
37 2D	
38 2D/2DS	
39 PCN / PCR:	7/F/B/Y/T (PCN)

## LIGHTING/APCH AIDS

40 EDGE INTENSITY:	MED
42 RWY MARK TYPE-COND:	NPI- F / NPI- F
43 VGSI:	P4L / P4L
44 THR CROSSING HGT:	47 / 48
45 VISUAL GLIDE ANGLE:	4.00 / 3.00
46 CNTRLN-TDZ:	- / -
47 RVR-RVV:	- / -
48 REIL:	Y / Y
49 APCH LIGHTS:	/

## OBSTRUCTION DATA

50 FAR 77 CATEGORY:	A(NP) / A(NP)
51 DISPLACED THR:	/
52 CTLG OBSTN:	TREES / BRUSH
53 OBSTN MARKED/LGTD:	/
54 HGT ABOVE RWY END:	21 / 5
55 DIST FROM RWY END:	600 / 205
56 CNTRLN OFFSET:	130L / 225R
57 OBSTN CLNC SLOPE:	19:1 / 1:1
58 CLOSE-IN OBSTN:	N / N

## DECLARED DISTANCES

60 TAKE OFF RUN AVBL (TORA):	/
61 TAKE OFF DIST AVBL (TODA):	/
62 ACLT STOP DIST AVBL (ASDA):	/
63 LNDG DIST AVBL (LDA):	/

## 110 REMARKS:

A 011 CTC PERSON: OLIVIA MINSHEW

A 014 AIRPORT PHYSICAL ADDRESS: 1202 MAURICE SONNY CLAVEL ROAD.

A 070 FUEL 24 HR CREDIT CARD SVC AVBL.

A 081 ACTVT REIL RWY 18 & 36; MRL RWY 18/36 - CTAF.

A 110-002 FOR CD CTC MIAMI ARTCC AT 305-716-1731.

111 INSPECTOR: ( S ) 112 LAST INSP: 07/17/2024 113 LAST INFO RES:

## 2020 e-Sign Grant Request Form

The SOAR Core Group is administering e-Signature processing until the process can be partially or fully incorporated into SOAR. This template, along with a PDF of the grant package, is required for all requests for e-Signature processing.

Land grants should not be submitted via e-Signature at this time.

Be aware that documents are emailed in the order specified below, and that one and only one signature is required for each step (known as a signature group) in the process. The request for signature is sent by email sequentially (1 – 3) only after the signature from the previous group is complete.

For each signature group, you may submit more than one individual to have an equal right to sign. The first individual in each group to sign, advances the grant to the next signature group. I.e., you can put multiple FAA Managers in the first signature group however only one is required to sign.

When the process is completed, everyone, including the individuals who did not sign even though they were included in a group, will receive an email copy of the signed document and an audit file.

Note: If your grant requires multiple Sponsor signatures, please contact Sarah Smith and Kevin Luey for further instructions.

Please also identify the highest airport official if he or she is not in the Sponsor signature group with a self-evident Title.

**Press Submit at the bottom of this form and also attach a PDF copy of the Grant Package (Please use this format when saving your Grant Document: 3Locid-Region+G-grant number-Grant Agreement...i.e. SFB-SOG-3-12-0069-2020-Grant Agreement)**

**Grant Title:** Please use the same format recommended above (3Locid-Region+G-grant number-Grant Agreement...i.e. SFB-SOG-3-12-0069-2020-Grant Agreement): CHN-SOG-3-12-0084-0XX-202X

### Signature Group 1 – FAA Management:

Full Name	Title	Email Address	Phone Number
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

### Signature Group 2 – Sponsor Signature:

Full Name	Title	Email Address	Phone Number
Olivia Minshew	City Manager	ominshew@cityofwauchula.com	(863) 773-3131
_____	_____	_____	_____
_____	_____	_____	_____

**Signature Group 3 – Attorney Signature:**

Full Name	Title	Email Address	Phone Number
Kristie Hatcher-Bolin	City Attorney	Kristie-Hatcher-Bolin@gray-robinson.com	(863)284-2200

**CC Recipient – (Read only access to grant – will receive email and copy of grant when submitted and completed)**

Full Name	Title	Email Address	Phone Number
	Program Manager	Scott.A.McGary@faa.gov	(407) 487-7222
Marisol Elliott	Planner	marisol.elliott@faa.gov	(407) 487-7231
Migdalia Williams	Mgt & Program Analyst	migdalia.williams@faa.gov	(407) 487-7221
Harriette Fraticelli	Mgt & Program Analyst	harriette.c.fraticelli@faa.gov	(407) 487-7088

**NOTE: Regions are responsible for maintaining records of signed grants. Electronic files are not retained by the SOAR Core Group, and Adobe administrative files are subject to deletion every 30 days as needed. All Adobe administrative files will be deleted 30 days after the end of the fiscal year.**

**Highest Airport Official:**

Full Name	Title	Email Address	Phone Number

**Don't Forget to Attach Your PDF Grant Agreement After Pressing Submit**

**Submit Form**



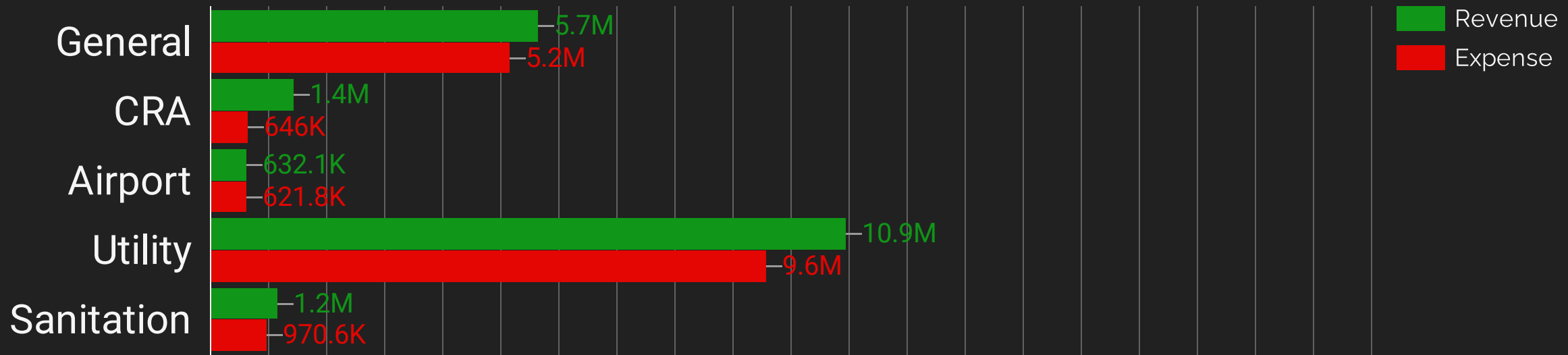
# Quarterly Financial Update

Item # 13.

FUND

Budget

27.4M



Year to Date Total

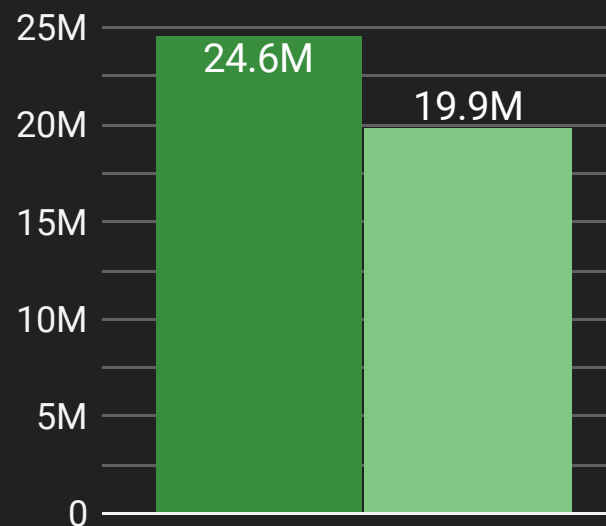
Year-to-Date Quarter 3 Comparison

Revenue

% of Budget  
73%

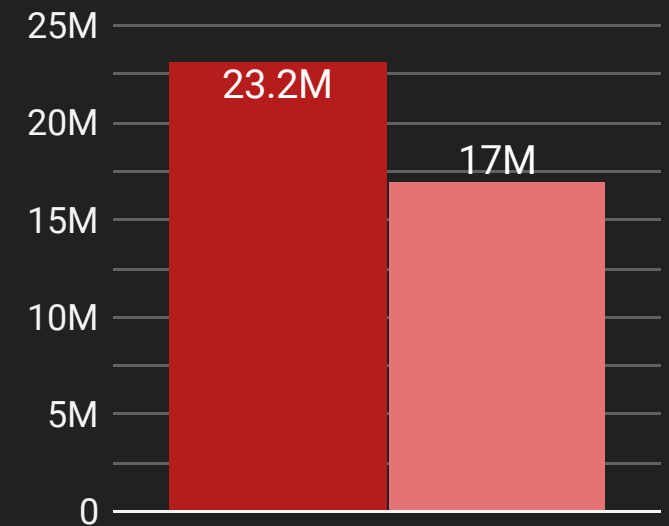
Expense

% of Budget  
62%



Revenue

2024 2025



Expense

2024 2025

237

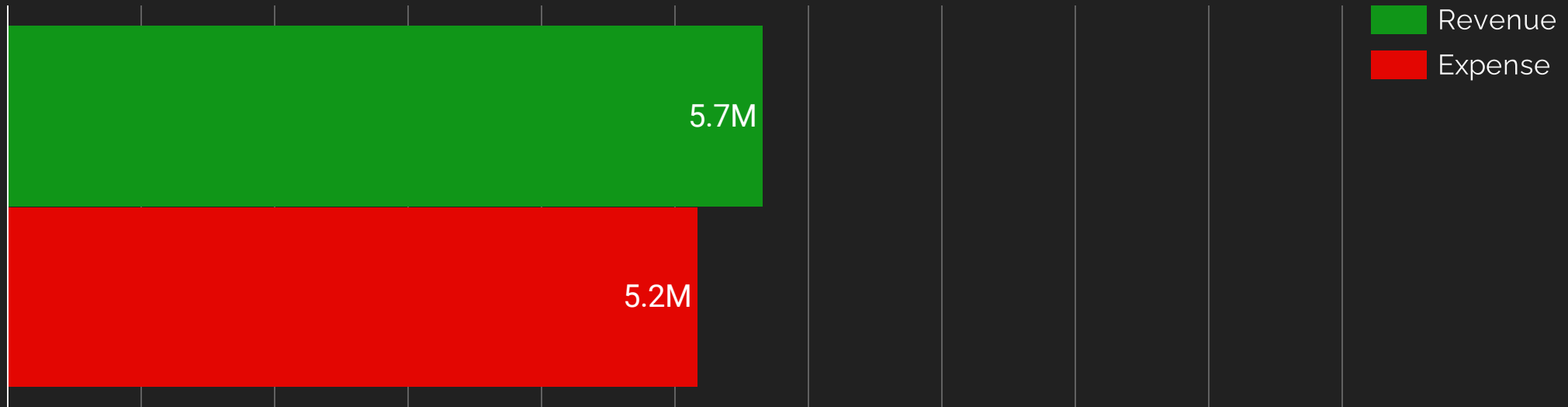
# Quarterly Financial Update

Item # 13.

FUND: General (1) ▼

Budget  
6.5M

General



Year to Date Total

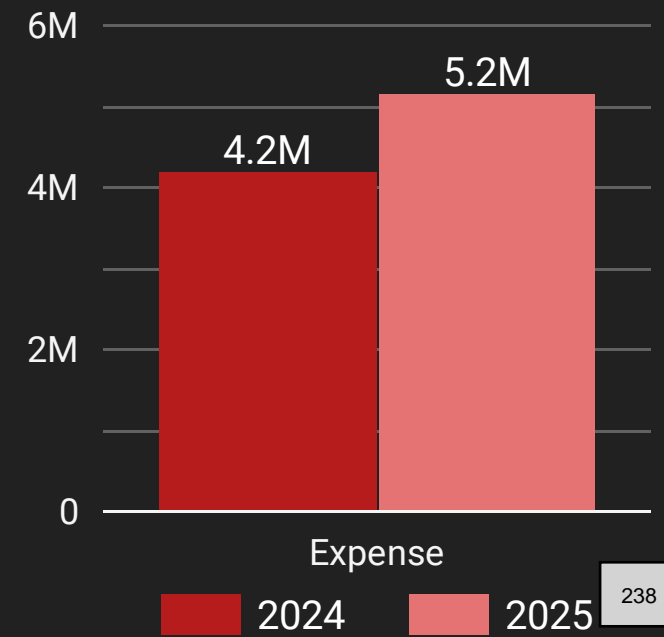
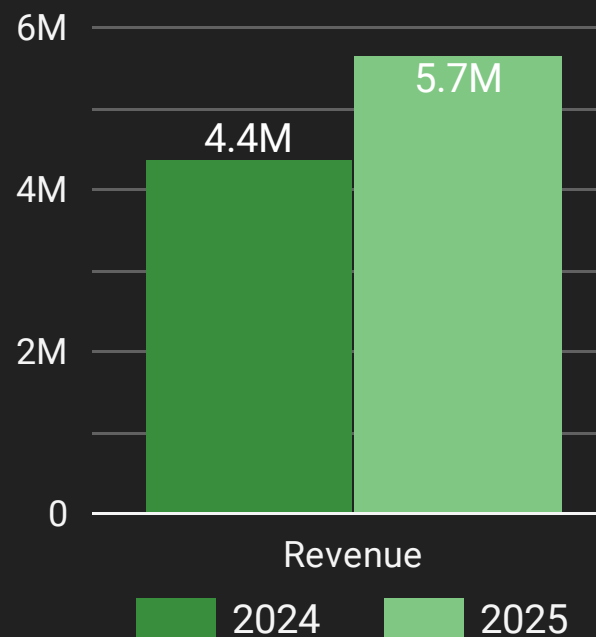
Year-to-Date Quarter 3 Comparison

Revenue

% of Budget  
87%

Expense

% of Budget  
79%



# Quarterly Financial Update

Item # 13.

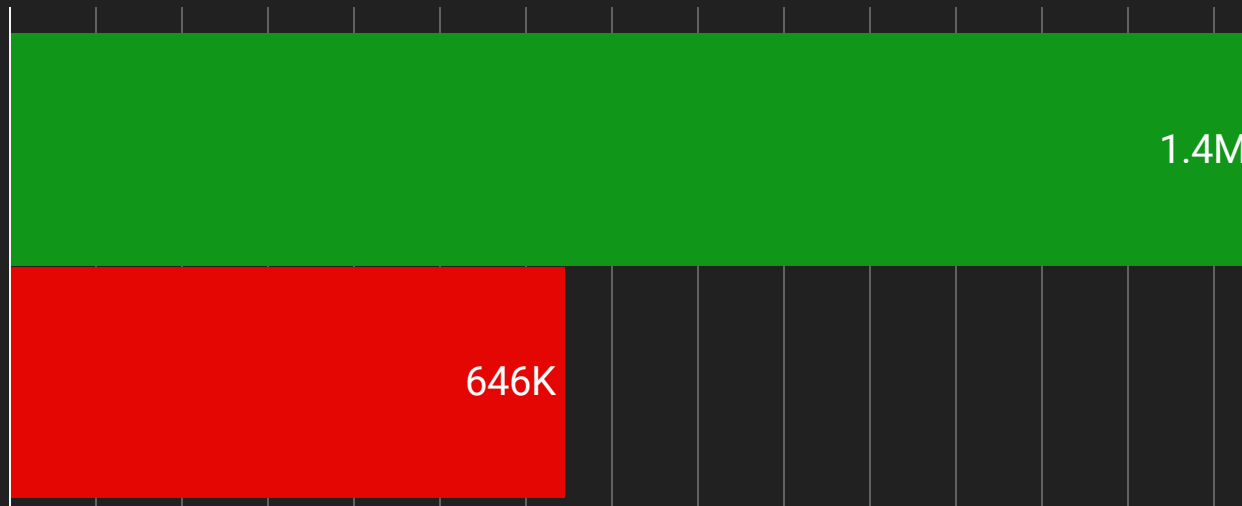
FUND: CRA

(1) ▼

Budget

5.5M

CRA



Revenue  
Expense

*Year to Date Total*

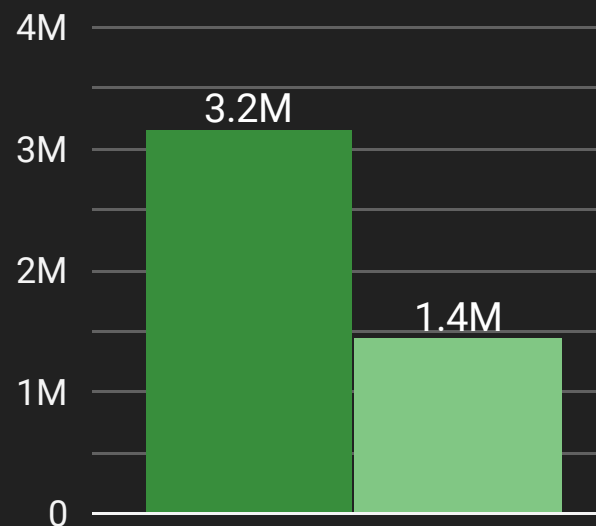
Year-to-Date Quarter 3 Comparison

Revenue

% of Budget  
26%

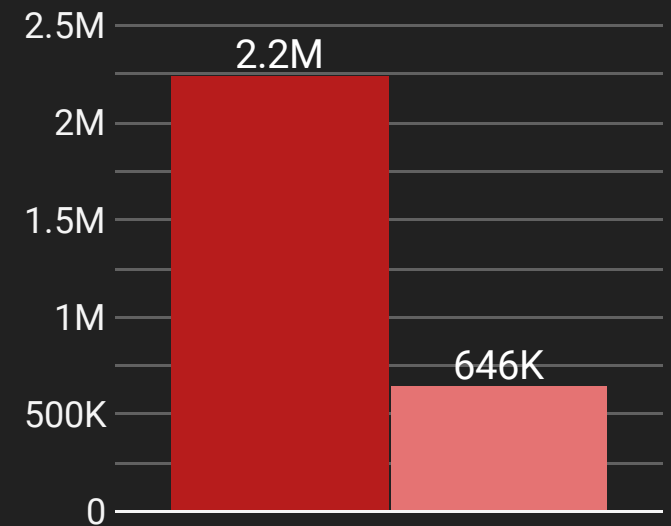
Expense

% of Budget  
12%



Revenue

2024 2025



Expense

2024 2025

239

# Quarterly Financial Update

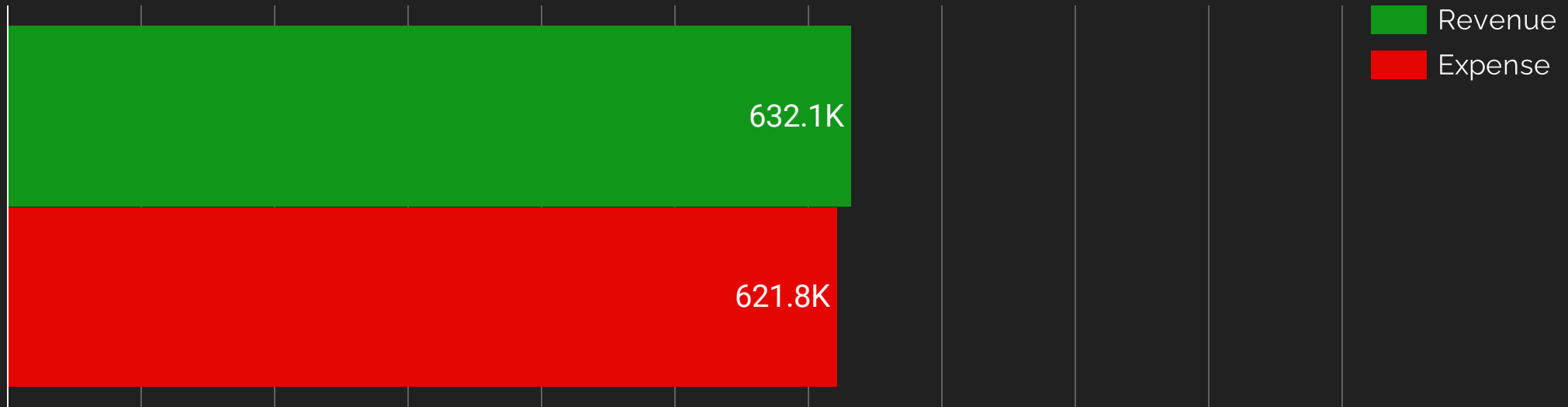
Item # 13.

FUND: Airport (1) ▼

Budget

737.4K

Airport



Year to Date Total

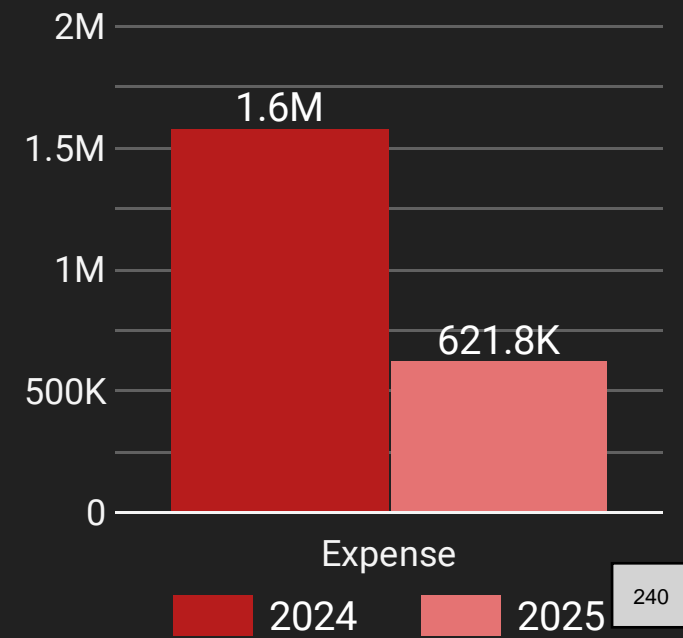
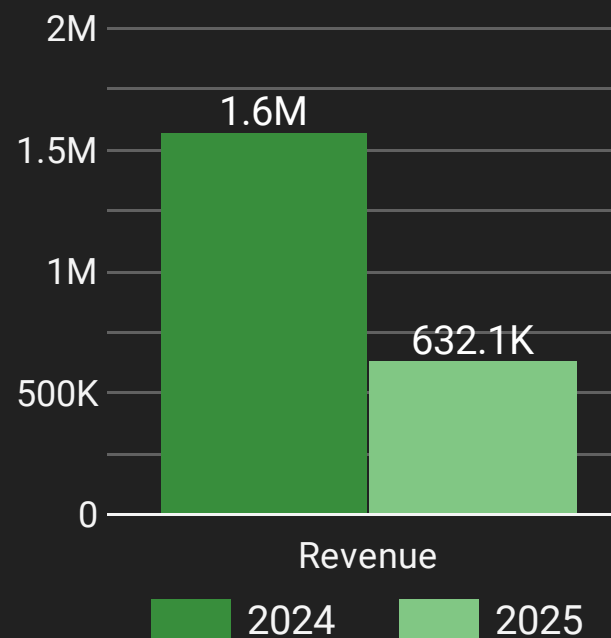
Revenue

% of Budget  
86%

Expense

% of Budget  
84%

Year-to-Date Quarter 3 Comparison



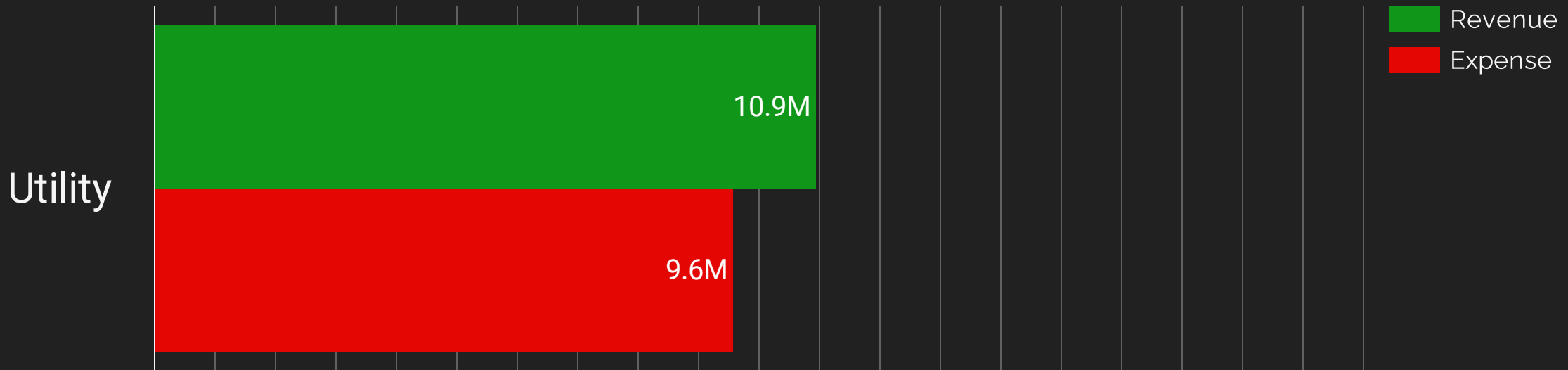
# Quarterly Financial Update

Item # 13.

FUND: Utility

(1) ▼

Budget  
**13.2M**



*Year to Date Total*

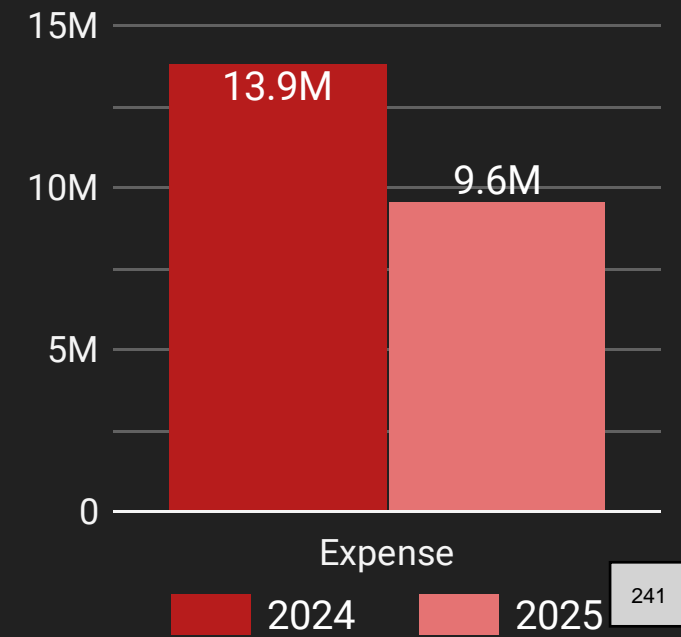
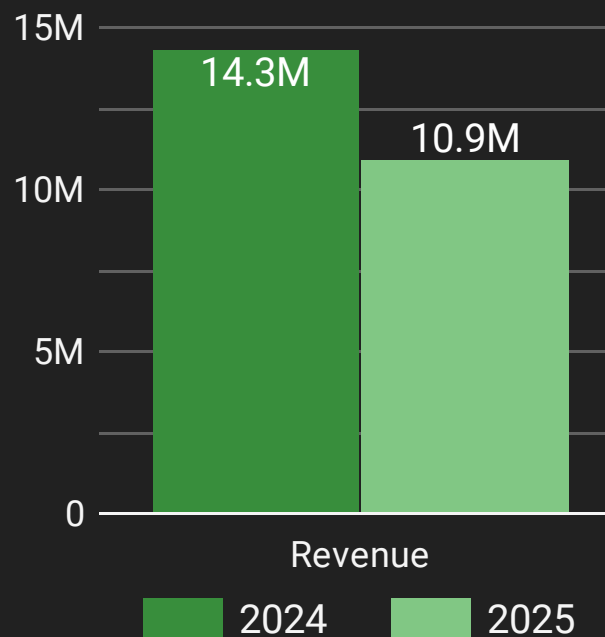
Year-to-Date Quarter 3 Comparison

Revenue

% of Budget  
**83%**

Expense

% of Budget  
**73%**



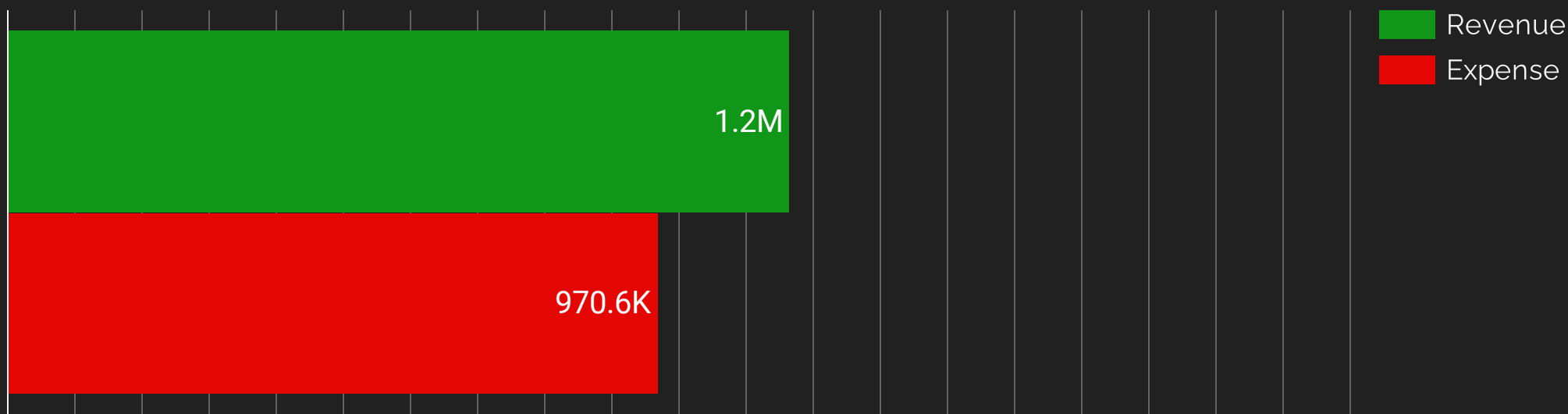
# Quarterly Financial Update

Item # 13.

FUND: Sanitation (1) ▼

Budget  
1.4M

Sanitation



Year to Date Total

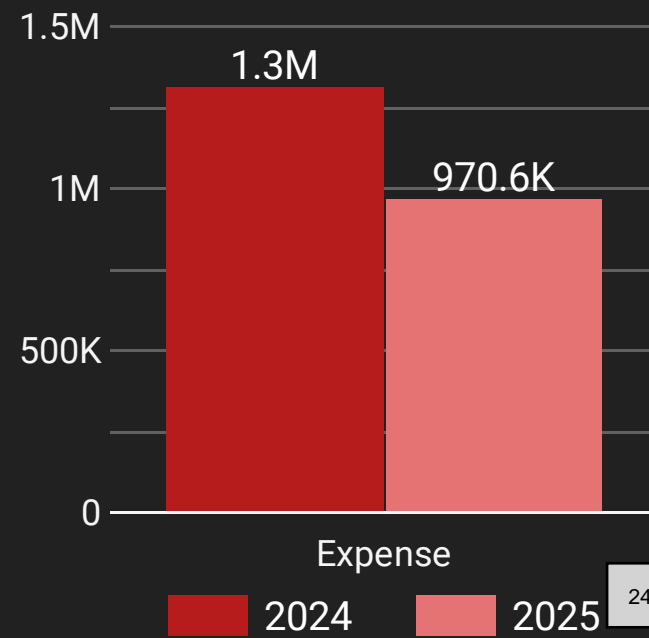
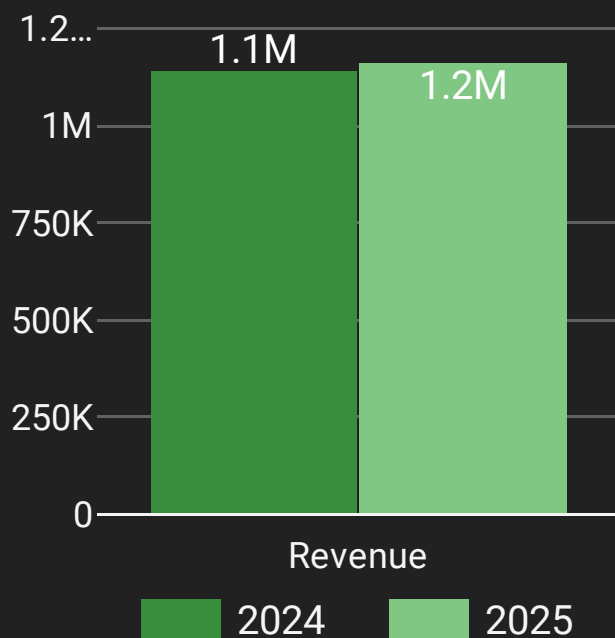
Year-to-Date Quarter 3 Comparison

Revenue

% of Budget  
83%

Expense

% of Budget  
69%



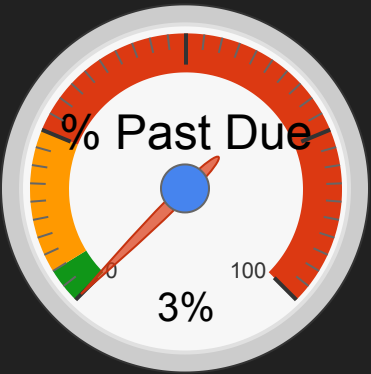
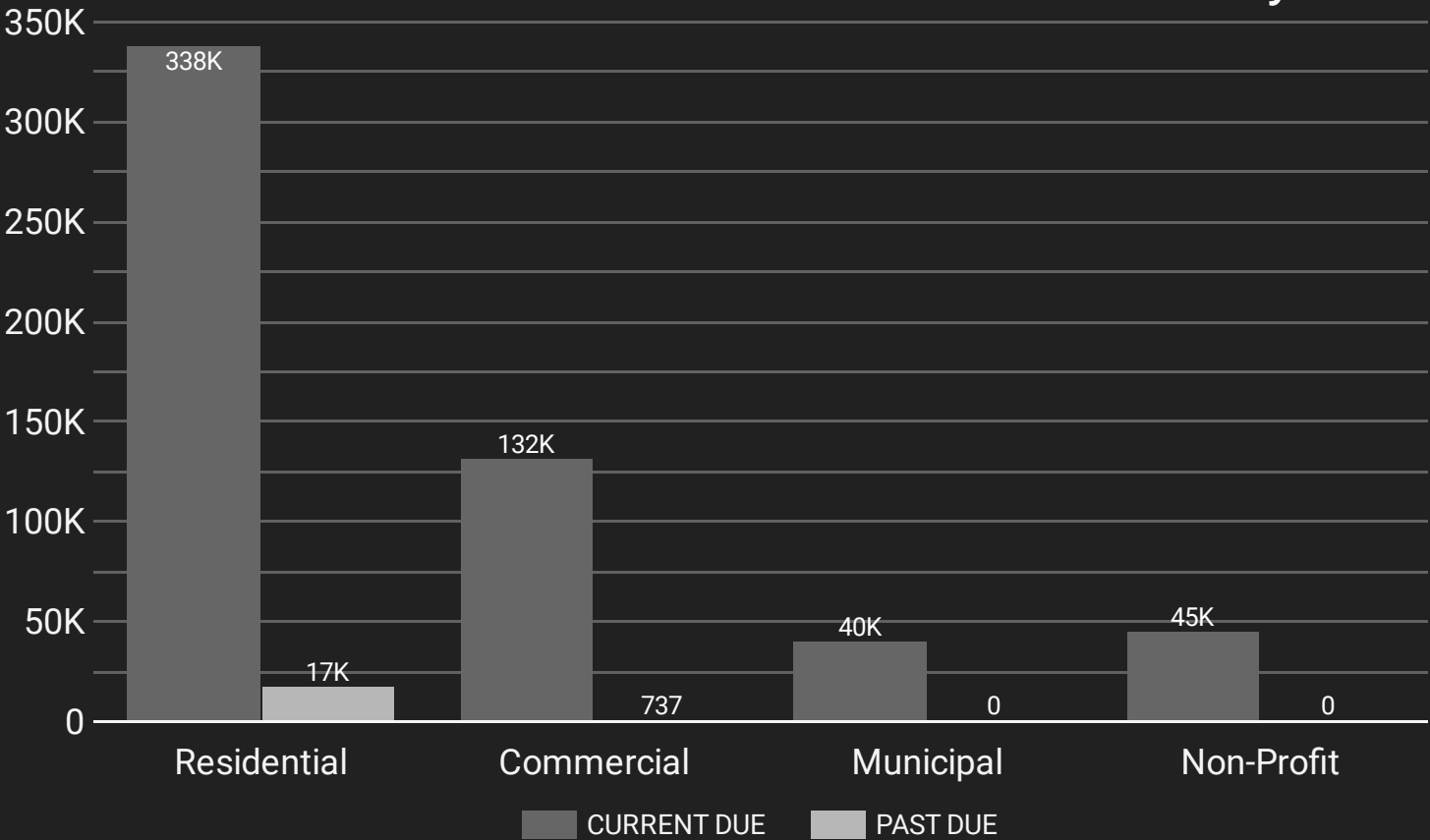
# Customer Receivables

Receivables by Item # 13.s

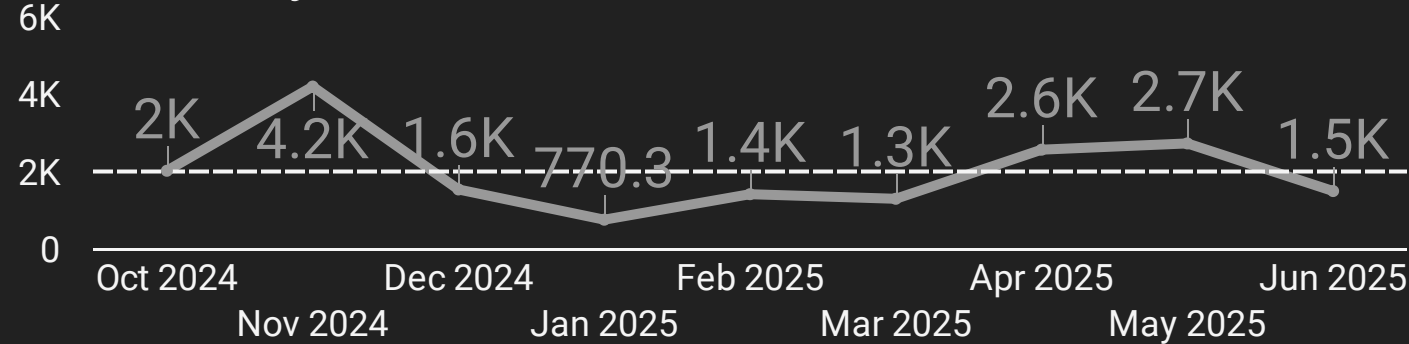
TOTAL  
573K

CURRENT DUE  
555K

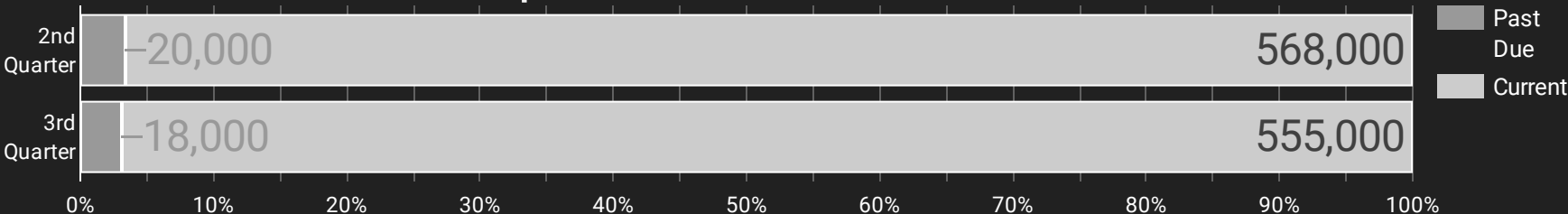
PAST DUE  
18K



## Past Due by Month



## Prior Quarter Comparison





July 30, 2025

Jessica Newman, Director  
City of Wauchula Community Redevelopment Agency  
107 E. Main Street  
Wauchula, Florida 33873

RE: Farr Field Park Bid Award  
Recommendation to Award

Dear Ms. Newman:

A total of five (5) responsive bids were received on July 11, 2025 for the above-referenced project. One bid by Floralawn was unresponsive due to lack of providing a comprehensive bid for all pay items. Project prices ranged from a low of \$3,044,803.81 (submitted by E.O. Koch Construction Company) to a high of \$3,765,674.18 (submitted by SEMCO Construction).

The bidding documents requested one (1) base bid from each bidder. The base bid is for a final completion time of 500 calendar days and E.O. Koch Construction Co. was the lowest bidder.

There were some irregularities in my professional opinion with E.O. Koch Construction Co. bid, namely dates of the addenda received and minor arithmetic errors in the bid.

Aside from these minor irregularities, based upon the information provided with each bid and in consideration of the terms and conditions set forth in the contract document, Kimley-Horn recommends the project be awarded to E.O. Koch Construction Co.

If you have any questions, please feel free to contact me.

Very truly yours,

Sincerely,

Mark S. Davies, P.E. LEED AP  
Project Manager



bid item	unit	qty	contractor					
			Cobb	EO Koch		SEMCO		
			unit price	total	unit price	total	unit price	total
<b>General Requirements</b>								
Management and Supervision	LS	1	\$337,930.32	\$337,930.32	\$155,867.00	\$155,867.00	\$289,818.40	\$289,818.40
Material Testing	LS	1	\$22,786.01	\$22,786.01	\$34,898.24	\$34,898.24	\$23,000.00	\$23,000.00
Building and Health Department								
Application Fees	LS	1	\$43,601.25	\$43,601.25	\$7,650.00	\$7,650.00	\$4,025.00	\$4,025.00
Staking, Survey, and As-Builts	LS	1	\$0.00	\$0.00	\$28,800.00	\$28,800.00	\$40,250.00	\$40,250.00
Misc Materials and Equipment	LS	1	\$112,117.50	\$112,117.50	\$2,756.00	\$2,756.00	\$11,500.00	\$11,500.00
Mobilization	LS	1	\$168,230.72	\$168,230.72	\$90,000.00	\$90,000.00	\$77,625.00	\$77,625.00
<b>General Requirements Total</b>				\$684,665.80		\$319,971.24		\$446,218.40
<b>Site Preparation</b>								
Construction Stakeout	LS	1	\$40,486.88	\$40,486.88	\$10,096.50	\$10,096.50	\$10,953.75	\$10,953.75
Site, Clearing, and Demolition	LS	1	\$98,414.25	\$98,414.25	\$47,513.68	\$47,513.68	\$59,142.20	\$59,142.20
Excavation, includes legal disposal of surplus materials and unsuitable materials offsite (volumes are "neat")	CY	13600	\$10.02	\$136,272.00	\$19.36	\$263,296.00	\$22.43	\$305,048.00
Fill, Compacted, moisture conditions. Include any imported fills to Replace Unsuitable Materials (all volumes are "neat")								
Temporary Gravel and Construction Access	EA	1	\$3,886.33	\$3,886.33	\$2,650.00	\$2,650.00	\$2,875.00	\$2,875.00
Silt Fence	LF	2400	\$3.35	\$8,040.00	\$3.98	\$9,552.00	\$4.31	\$10,344.00
Inlet Protection	EA	2	\$311.44	\$622.88	\$371.00	\$742.00	\$402.50	\$805.00
Concrete Washout	EA	1	\$1,868.63	\$1,868.63	\$1,272.00	\$1,272.00	\$1,380.00	\$1,380.00
Stabilized Grass Parking (Includes Bahia Sod)	SY	1283	\$13.04	\$16,730.32	\$13.25	\$16,999.75	\$14.38	\$18,449.54
12" FDOT Stabilized Subgrade (Includes Curb Pads) LBR 40	SY	4729	\$9.22	\$43,601.38	\$8.18	\$38,683.22	\$9.20	\$43,506.80
6" FDOT Limerock, Primed, (includes curb pads) LBR 100 min.								
1.5" FDOT SP-9.5 Asphalt	TN	358	\$214.14	\$76,662.12	\$185.87	\$66,541.46	\$202.40	\$72,459.20
FDOT Type A curb	LF	234	\$23.05	\$5,393.70	\$24.38	\$5,704.92	\$26.45	\$6,189.30
FDOT Type D curb	LF	864	\$25.54	\$22,066.56	\$19.08	\$16,485.12	\$20.70	\$17,884.80
FDOT Type F curb including transitions and drop sections	LF	68	\$31.14	\$2,117.52	\$26.50	\$1,802.00	\$28.75	\$1,955.00
Header Curb	LF	1061	\$23.05	\$24,456.05	\$15.96	\$16,933.56	\$18.40	\$19,522.40
Drop Curb	LF	67	\$31.14	\$2,086.38	\$24.38	\$1,633.46	\$26.45	\$1,772.15
6" Thick 4,000 psi sidewalk including underlying stabilization and proof compaction and any connections with existing concrete pavement								
	SY	1568	\$79.08	\$123,997.44	\$62.45	\$97,921.60	\$104.08	\$163,197.44
4" Thick 4,000 psi sidewalk including underlying stabilization and proof compaction (does not include curb cut ramp area)								
	SY	271	\$67.87	\$18,392.77	\$54.00	\$14,634.00	\$92.58	\$25,089.18
Alpha-Numeric Curb Cut Ramp per FDOT Index 522-002 includes all site prep as per sidewalk detectable warnings, cast integrally with curb cut ramp wheelstops								
	EA	8	\$828.42	\$6,627.36	\$37.10	\$296.80	\$40.25	\$322.00
	SF	104	\$37.37	\$3,886.48	\$33.92	\$3,527.68	\$37.95	\$3,946.80
	EA	116	\$97.17	\$11,271.72	\$84.80	\$9,836.80	\$92.00	\$10,672.00
single post FDOT sign (includes traffic and handicap signage placards)								
	EA	9	\$429.78	\$3,868.02	\$256.60	\$2,309.40	\$299.00	\$2,691.00
FDOT 24"x24" sign panel only F&I 4" FDOT white stripe two coats								
	EA	1	\$429.78	\$429.78	\$742.00	\$742.00	\$805.00	\$805.00
	LF	860	\$2.97	\$2,554.20	\$1.91	\$1,642.60	\$2.07	\$1,780.20
FDOT Painted accessible Parking stall (including 5' access aisle, white and blue striping and symbol, two coats)								
	EA	4	\$143.26	\$573.04	\$127.20	\$508.80	\$138.00	\$552.00
24" FDOT white stop bar, Painted, Two Coats								
	LF	65	\$9.97	\$648.05	\$3.82	\$248.30	\$4.14	\$269.10

24" FDOT White Stop Bar, Thermoplastic, at Florida Avenue	LF	12	\$174.41	\$2,092.92	\$20.14	\$241.68	\$21.85	\$262.20
Special Emphasis Crosswalk Painted, Two Coats per FDOT Index 711-001	EA	2	\$560.59	\$1,121.18	\$238.50	\$477.00	\$258.75	\$517.50
Special Emphasis Crosswalk, Thermoplastic, Per FDOT Index 711- 001 at Florida Avenue	EA	1	\$2,429.21	\$2,429.21	\$1,484.00	\$1,484.00	\$1,610.00	\$1,610.00
FDOT White, Painted Arrow per FDOT Index 711-001, Two Coats	EA	2	\$112.12	\$224.24	\$26.50	\$53.00	\$28.75	\$57.50
<b>Site Preparation Total</b>				\$810,161.00		\$790,550.20		\$954,105.43
<b>Site Infrastructure</b>								
2"DR9 PE Water Service Line	LF	500	\$16.11	\$8,055.00	\$12.00	\$6,000.00	\$13.02	\$6,510.00
Connection to Existing water Main	EA	1	\$2,548.01	\$2,548.01	\$1,696.00	\$1,696.00	\$1,840.00	\$1,840.00
Meter/Backflow Assembly	EA	1	\$3,248.82	\$3,248.82	\$1,963.12	\$1,963.12	\$2,129.80	\$2,129.80
Testing/Sampling of Water Main	LS	1	\$622.88	\$622.88	\$500.00	\$500.00	\$2,242.50	\$2,242.50
12" HDPE Storm Pipe	LF	296	\$59.49	\$17,609.04	\$83.96	\$24,852.16	\$46.00	\$13,616.00
18" HDPE Storm Pipe	LF	131	\$75.82	\$9,932.42	\$117.49	\$15,391.19	\$277.55	\$36,359.05
24" HDPE Storm Pipe	LF	288	\$95.61	\$27,535.68	\$50.35	\$14,500.80	\$35.71	\$10,284.48
30"HDPE Storm Pipe	LF	65	\$183.42	\$11,922.30	\$66.26	\$4,306.90	\$79.26	\$5,151.90
Storm Manhole	EA	1	\$5,395.35	\$5,395.35	\$4,513.48	\$4,513.48	\$4,896.70	\$4,896.70
Catch Basin Control Structure	EA	6	\$5,384.15	\$32,304.90	\$4,090.52	\$24,543.12	\$4,763.30	\$28,579.80
Nyloplast Yard Drain	EA	2	\$2,505.09	\$5,010.18	\$1,972.66	\$3,945.32	\$2,140.15	\$4,280.30
Mitered End Sections (avg cost)	EA	3	\$1,037.16	\$3,111.48	\$901.00	\$2,703.00	\$977.50	\$2,932.50
Underdrain system	LS	1	\$14,411.42	\$14,411.42	\$14,893.57	\$14,893.57	\$16,157.50	\$16,157.50
<b>Site Infrastructure Total</b>				\$133,652.48		\$119,808.66		\$134,980.53
<b>Structures</b>								
12'x12' Shade Structure (Includes Floor Slab)	EA	4	\$8,926.13	\$35,704.52	\$12,720.00	\$50,880.00	\$20,700.00	\$82,800.00
Dugout (Includes Floor Slab)	EA	2	\$16,533.65	\$33,067.30	\$15,450.00	\$30,900.00	\$28,750.00	\$57,500.00
5-Row Aluminum Bleachers (Belson Outdoors - #BD-U0515C)	EA	2	\$14,450.56	\$28,901.12	\$8,407.21	\$16,814.42	\$16,100.00	\$32,200.00
Polygon Shade Structure over Bleachers (MSE-10X21)	EA	2	\$23,944.93	\$47,889.86	\$25,575.00	\$51,150.00	\$17,950.35	\$35,900.70
<b>Structures Total</b>				\$145,562.80		\$149,744.42		\$208,400.70
<b>Playground</b>								
No-Float Engineered Wood Fiber Mulch	SF	2717	\$3.34	\$9,074.78	\$5.30	\$14,400.10	\$5.75	\$15,622.75
*Include Alternate for Poured in Place Rubber Surfacing	SF	2717	\$21.09	\$57,301.53	\$18.06	\$49,069.02	\$17.25	\$46,868.25
KOMPAN Double Tower with Net Bridge (#PCM212101-0001)	EA	1	\$82,398.49	\$82,398.49	\$30,121.60	\$30,121.60	\$33,764.00	\$33,764.00
KOMPAN Net Twister (#COR203011- 1112)	EA	1	\$25,780.52	\$25,780.52	\$16,232.00	\$16,232.00	\$19,780.00	\$19,780.00
LANDSCAPE STRUCTURES We-Go- Swing (#277778)	EA	1	\$22,924.83	\$22,924.83	\$160,000.00	\$160,000.00	\$76,196.18	\$76,196.18
Playground Concrete Curb	LF	134	\$42.19	\$5,653.46	\$31.80	\$4,261.20	\$57.50	\$7,705.00
Shipping	EA	1	\$5,938.45	\$5,938.45	\$7,950.00	\$7,950.00	\$3,279.80	\$3,279.80
Installation	EA	1	\$24,103.83	\$24,103.83	\$24,500.00	\$24,500.00	\$20,220.83	\$20,220.83
<b>Playground Total</b>				\$233,175.89		\$306,533.92		\$223,436.81
<b>Hardscape</b>								
5" Concrete (Splash Pad)	SF	2421	\$12.90	\$31,230.90	\$10.30	\$24,936.30	\$14.95	\$36,193.95
Brick Pavers (4"x8"x3-1/8" Brick Paver, Color Sierra)	SF	1203	\$16.98	\$20,426.94	\$19.08	\$22,953.24	\$20.70	\$24,902.10
18" Concrete Seatwall	LF	172	\$134.74	\$23,175.28	\$159.00	\$27,348.00	\$86.25	\$14,835.00
<b>Hardscape Total</b>				\$74,833.12		\$75,237.54		\$75,931.05
<b>Site Furnishings</b>								
Belson 6' Bench (#PB6-HER)	EA	2	\$2,447.12	\$4,894.24	\$853.83	\$1,707.66	\$1,725.00	\$3,450.00
Belson Litter Receptacle With Rain Bonnet Lid (TR-32-CDR)	EA	6	\$1,277.28	\$7,663.68	\$871.70	\$5,230.20	\$1,380.00	\$8,280.00
CONCORD AMERICAN Flagpole (XTREME SERIES -XESR)	EA	2	\$7,910.76	\$15,821.52	\$4,637.50	\$9,275.00	\$5,750.00	\$11,500.00
<b>Site Furnishings Total</b>				\$28,379.44		\$16,212.86		\$23,230.00
<b>Splash Pad</b>								
AQUASmart Splash Pad Package B	LS	1	\$283,743.31	\$283,743.31	\$110,884.14	\$110,884.14	\$138,309.42	\$138,309.42
<b>Splash Pad Total</b>				\$283,743.31		\$110,884.14		\$138,309.42
<b>Softball Field</b>								
6' HT Galvanized Chain-Link Fence	LF	688	\$44.60	\$30,684.80	\$79.69	\$54,826.72	\$91.23	\$62,766.24

10' HT Galvanized Chain-Link Fence LF		882	\$76.37	\$67,358.34	\$123.82	\$109,209.24	\$149.03	\$131,444.46
30' HT Galvanized Chain-Link Fence LF		120	\$230.88	\$27,705.60	\$855.22	\$102,626.40	\$680.03	\$81,603.60
4' Width Pedestrian Access Gate EA		18	\$1,404.93	\$25,288.74	\$530.00	\$9,540.00	\$162.92	\$2,932.56
4' Width Maintenance Access Gate, Double Gate (8' total width) EA		6	\$1,806.34	\$10,838.04	\$960.00	\$5,760.00	\$597.62	\$3,585.72
Classic Mesh Wind Screen by Cover Sports (#VCM9X12) SF		6300	\$2.64	\$16,632.00	\$2.26	\$14,238.00	\$2.29	\$14,427.00
Foul Pole by BSN Sports (SKU #BSFOUL15) EA		2	\$3,332.38	\$6,664.76	\$2,835.50	\$5,671.00	\$4,600.00	\$9,200.00
24"x6" MacGregor Pitchers Rubber by BSN Sports EA		7	\$124.58	\$872.06	\$212.00	\$1,484.00	\$345.00	\$2,415.00
MacGregor Shock Absorbing Base by BSN Sports (2nd, 3rd) EA		1	\$249.15	\$249.15	\$150.16	\$150.16	\$1,150.00	\$1,150.00
MacGregor Double First Base by BSN Sports EA		1	\$249.15	\$249.15	\$150.16	\$150.16	\$1,380.00	\$1,380.00
MacGregor Rubber Home Plate by BSN Sports EA		7	\$373.73	\$2,616.11	\$150.16	\$1,051.12	\$460.00	\$3,220.00
4" Thick Backstop Padding by BSN Sports (SKU #13981093) EA		3	\$2,341.18	\$7,023.54	\$1,992.80	\$5,978.40	\$6,785.00	\$20,355.00
Permanent White Vinyl Foul Line by Beamclay LF		184	\$49.83	\$9,168.72	\$9.49	\$1,746.16	\$17.25	\$3,174.00
8'x4'x8" Scoreboard by Varsity Scoreboards(#3314HH) EA		1	\$9,105.17	\$9,105.17	\$4,089.48	\$4,089.48	\$9,200.00	\$9,200.00
Aluminum Players Bench by Park Warehouse (#335be615-4) EA		2	\$2,346.54	\$4,693.08	\$853.83	\$1,707.66	\$2,760.00	\$5,520.00
5-Row Aluminum Bleachers (Belson Outdoors - #BD-U0515C) EA		2	\$0.00	\$0.00	\$8,407.21	\$16,814.42	\$16,100.00	\$32,200.00
<b>Softball Field Total</b>				\$219,149.26		\$335,042.92		\$384,573.58
<b>Landscaping</b>								
Eagleston Holly - 1.5" Caliper EA		22	\$380.64	\$8,374.08	\$300.00	\$6,600.00	\$575.00	\$12,650.00
Red Crepe Myrtle - 1.5" Caliper O.A., 3-stem min. EA		14	\$398.18	\$5,574.52	\$95.40	\$1,335.60	\$460.00	\$6,440.00
Bracken's Southern Magnolia - 4" Caliper, 10' HT		9	\$609.12	\$5,482.08	\$565.00	\$5,085.00	\$1,610.00	\$14,490.00
Densa Slash Pine - 4" Caliper EA		15	\$503.91	\$7,558.65	\$384.00	\$5,760.00	\$805.00	\$12,075.00
Southern Live Oak - 4" Caliper EA		15	\$1,267.94	\$19,019.10	\$715.00	\$10,725.00	\$1,610.00	\$24,150.00
Sabal Palmetto - 12' to 18' varies EA		31	\$334.45	\$10,367.95	\$385.00	\$11,935.00	\$575.00	\$17,825.00
Florida Elm - 4" Caliper EA		6	\$575.29	\$3,451.74	\$725.00	\$4,350.00	\$1,610.00	\$9,660.00
Densa Slash Pine - 2" Caliper EA		19	\$305.73	\$5,808.87	\$98.00	\$1,862.00	\$1,150.00	\$21,850.00
American Sycamore - 4" Caliper EA		11	\$1,130.51	\$12,435.61	\$795.00	\$8,745.00	\$1,610.00	\$17,710.00
Southern Live Oak - 3" Caliper EA		21	\$956.65	\$20,089.65	\$581.66	\$12,214.86	\$1,150.00	\$24,150.00
Southern Live Oak - 6" Caliper EA		1	\$2,076.86	\$2,076.86	\$1,575.00	\$1,575.00	\$4,600.00	\$4,600.00
Sabal Palmetto - 12' - 18' varies EA		31	\$535.37	\$16,596.47	\$385.00	\$11,935.00	\$575.00	\$17,825.00
Bald Cypress - 2" Caliper EA		8	\$323.27	\$2,586.16	\$190.80	\$1,526.40	\$805.00	\$6,440.00
Dwarf Firebush - 7 gallon EA		141	\$56.43	\$7,956.63	\$38.16	\$5,380.56	\$86.25	\$12,161.25
Wax Myrtle - 7 Gallon EA		16	\$58.81	\$940.96	\$38.16	\$610.56	\$86.25	\$1,380.00
Thryallis - 7 Gallon EA		73	\$52.93	\$3,863.89	\$40.00	\$2,920.00	\$86.25	\$6,296.25
Thryallis - 7 Gallon EA		18	\$52.93	\$952.74	\$40.00	\$720.00	\$86.25	\$1,552.50
Variegated Flax Lily - 1 gallon EA		92	\$14.11	\$1,298.12	\$5.83	\$536.36	\$28.75	\$2,645.00
Pink Muhly Grass - 1 Gallon EA		89	\$16.47	\$1,465.83	\$5.83	\$518.87	\$28.75	\$2,558.75
Coontie - 7 Gallon EA		42	\$70.58	\$2,964.36	\$80.00	\$3,360.00	\$97.75	\$4,105.50
Bahia Grass Sod SF		125000	\$0.50	\$62,500.00	\$0.48	\$60,000.00	\$0.64	\$80,000.00
Tiftuf 419 Bermuda SF		22178	\$0.77	\$17,077.06	\$1.06	\$23,508.68	\$7.14	\$158,350.92
Irrigation System LS		1	\$38,308.66	\$38,308.66	\$50,929.78	\$50,929.78	\$76,906.25	\$76,906.25
<b>Landscaping Total</b>				\$256,749.99		\$232,133.67		\$535,821.42
<b>Site Lighting</b>								
Site Lighting (Parking and Ball Field) LS		1	\$417,326.25	\$417,326.25	\$364,072.90	\$364,072.90	\$385,250.00	\$385,250.00
<b>Site Lighting Total</b>				\$417,326.25		\$364,072.90		\$385,250.00
<b>Soft Costs</b>								
Contractor's Fee LS		1	\$173,300.00	\$173,300.00	225000	\$225,000.00	255416.84	\$255,416.84
<b>Soft Costs Total</b>				\$173,300.00		\$225,000.00		\$255,416.84
<b>Grand Total</b>					<b>\$3,460,699.34</b>		<b>\$3,045,192.47</b>	<b>\$3,765,674.18</b>