WINTER HAVEN
THE CHAIN OF LAKES CITY

CITY COMMISSION MEETING

DATE: Monday, April 27, 2026, 6:00 p.m.

LOCATION: City Hall - John Fuller Auditorium
451 Third Street NW
Winter Haven, FL 33881

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1. **CALL TO ORDER** - Brian Yates, Mayor

2. **ROLL CALL** - Vanessa Castillo, MMC, City Clerk

3. **INVOCATION** - Pastor Cesar Perez, Good Samaritan Christian Church of Winter Haven

4. **PLEDGE OF ALLEGIANCE** - Vanessa Castillo, MMC, City Clerk

5. **PRESENTATIONS**

5.A **"Mental Health Awareness Month" Proclamation - Morgan Volpe, Mental Health Coordinator, accompanied by Police and Fire Peer Support Team members and community partners: Peace River Center, AdventHealth, Tri-County Human Services, and Bay Care**

Staff Contact: *Morgan Volpe, Mental Health Coordinator, mvolpe@mywinterhaven.com*

Proclamation

5.B **"Hurricane Preparedness Week" Proclamation - Brittany Hart, Public Works Director and Charlie Bird, Assistant City Manager - Public Safety**

Staff Contact: *Brittany Hart, Public Works Director, bhart@mywinterhaven.com*

Proclamation

5.C **"Municipal Clerks Week" Proclamation - Vanessa Castillo, MMC, City Clerk and LaTonya Harris, CMC, FCRM, Deputy City Clerk**

Staff Contact: *LaTonya Harris, CMC, FCRM, City Historian & Archivist | Deputy City Clerk , lharris@mywinterhaven.com*

Proclamation

5.D **Presentation of Audit Results for the Annual Comprehensive Financial Report Fiscal Year Ending September 30, 2025 - Daniel Anderson, Mauldin & Jenkins, CPA.**

Staff Contact: *CJ Scott, Chief Financial Officer, cjscott@mywinterhaven.com*

6. **DEVELOPMENTS OF NOTE**

7. **MINUTES**

8. COMMENTS FROM THE AUDIENCE

9. ORDINANCE(S) - SECOND READING - PUBLIC HEARING

9.A **O-26-10 - Request by Langley Gault to rezone two parcels from Commercial- Highway (C-3) zoning district to Mixed Use (MX) zoning district (120 and 124 Avenue H, SE)**

Staff Contact: *Heather Reuter, Senior Planner, hreuter@mywinterhaven.com*

Summary - Ordinance O-26-10
O-26-10

9.B **O-26-13 - Amending Ordinance O-25-29; appropriating funds for the fiscal year ending September 30, 2026**

Staff Contact: *CJ Scott, Chief Financial Officer, cjscott@mywinterhaven.com*

Summary - Ordinance-O-26-13
O-26-13
Exhibit A

10. CONSENT AGENDA

10.A **Acceptance of the Annual Comprehensive Financial Report and Community Redevelopment Agency Report for the Year Ended September 30, 2025**

Staff Contact: *CJ Scott, Chief Financial Officer, cjscott@mywinterhaven.com*

Summary - Acceptance of the Annual Comprehensive Financial Report FY Ended Sept. 30, 2025
City of Winter Haven Annual Comprehensive Financial Report FY 2025
City of Winter Haven CRA Financial Reports.pdf

10.B **Agreement for Transfer of Public Roads - Boys Club Road**

Staff Contact: *Brittany Hart, Public Works Director, bhart@mywinterhaven.com*

Summary - Agreement for Transfer of Public Roads - Boys Club Road
Agreement for Transfer of Public Roads - Boys Club Road

10.C **Logistics Pkwy/Pollard Road Extension Phase I, Change Order # 1, (ITB-25-34)**

Staff Contact: *Brittany Hart, Public Works Director, bhart@mywinterhaven.com*

Summary - LogisticsParkwayPollard Rd. Extension - Phase I Construction Change Order 1-ITB-25-34
Change Order # 1 from Tucker Paving, Inc.
Change Order #1 Authorization Form

10.D **ITB-26-23 - Annual Contract for Airport Mowing - Award Recommendation**

Staff Contact: *Troy Heidel, Airport Director , theidel@mywinterhaven.com*

Summary - Recommendation of Award of ITB-26-23
ITB-26-23 Recommendation of Award
ITB-26-23 Bid Tab Sheet

10.E **Public Transportation Grant Agreement with the Florida Department of Transportation (FDOT) for Rehabilitation of the T-Hangar Taxilanes -Amendment No. 1**

Staff Contact: *Troy Heidel, Airport Director , theidel@mywinterhaven.com*

Summary - PTGA FDOT for Rehabilitation of the T-Hangar Taxilanes - Amendment No. 1
Public Transportation Grant Agreement Amendment No. 1 - Grant No. G3C49

10.F **Opioid Settlement Agreement**

Staff Contact: *Frederick J. Murphy, Jr., Esq., City Attorney, fjm@bosdun.com*

Summary - Opioid Settlement Agreement (six remnant)

11. RESOLUTION(S)

12. ORDINANCE(S) - FIRST READING

12.A **Ordinance O-26-14 - Amending Ordinance O-25-29; appropriating funds for the fiscal year ending September 30, 2026; Airport carpet**

Staff Contact: *CJ Scott, Chief Financial Officer, cjscott@mywinterhaven.com*

Summary - Ordinance-O-26-14
O-26-14
Exhibit A

13. NEW BUSINESS

14. CITY COMMISSIONERS/LIAISON REPORTS

15. CITY ATTORNEY REPORT

16. CITY MANAGER REPORT

17. DEPUTY CITY MANAGER REPORT

18. CITY CLERK REPORT

19. EMERGENCY MATTERS NOT RECEIVED FOR THE AGENDA

20. ADJOURNMENT

If a person decides to appeal any decision made by the Commission with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings, and that, for such purpose, they may need to ensure that a verbatim record of the proceeding is made which record includes the testimony and evidence upon which the appeal is to be based (FS 286.0105). In accordance with the Americans with Disabilities Act and Florida Statutes, Section 286.26, persons with disabilities needing special accommodations to participate in this proceeding, should contact the City Clerk's Office, 451 Third Street, NW, Winter Haven, Florida 33881, in writing, not later than 48 hours prior to the proceeding; if not in writing, then not later than four (4) days prior to the proceeding at (863) 291-5600. Vision or hearing impaired please call (800) 955-8771 for assistance.

WINTER HAVEN
THE CHAIN OF LAKES CITY

Proclamation

WHEREAS, the City of Winter Haven, Florida recognizes that mental health is essential to the overall health, safety, and stability of its community; and

WHEREAS, mental health challenges affect individuals from all ages and backgrounds, underscoring the need for awareness, access to care, and coordinated community support; and

WHEREAS, communities play a critical role in promoting mental wellness by fostering connection, increasing understanding, and ensuring that support systems are visible and accessible; and

WHEREAS, the City of Winter Haven supports efforts to strengthen awareness, reduce stigma, and enhance access to mental health resources across the community; and

WHEREAS, the 2026 *Mental Health Awareness Month* theme, *"Stigma grows in silence. Healing begins in community,"* emphasizes the importance of open dialogue, connection, and shared responsibility in supporting mental well-being; and

WHEREAS, *Mental Health Awareness Month* provides an opportunity to reinforce these efforts and encourage continued community engagement.

NOW, THEREFORE, I, William Brian Yates, Mayor of the City of Winter Haven, Florida, do hereby proclaim May 2026, as

"Mental Health Awareness Month"

in the City of Winter Haven and urge all citizens, organizations, and City employees to promote awareness, reduce stigma, and support a community-wide commitment to mental health and wellbeing.

IN WITNESS WHEREOF, I have hereunto set my hand and cause the Seal of the City of Winter Haven, Florida, to be affixed this 27th day of April, 2026.



William Brian Yates, Mayor

ATTEST:

Vanessa Castillo, MMC, City Clerk

WINTER HAVEN
THE CHAIN OF LAKES CITY

Proclamation

WHEREAS, hurricanes are among nature's most powerful and destructive forces, capable of producing high winds, heavy rainfall, flooding, tornadoes, and widespread impacts to infrastructure and daily life; and

WHEREAS, the State of Florida and the City of Winter Haven are vulnerable to tropical storms and hurricanes that can cause damage, flooding, power outages, and disruptions to essential services, and with hurricane season occurring annually from June 1 through November 30, early preparedness and proactive planning are critical; and

WHEREAS, the safety and resilience of our community depend on informed and prepared residents, businesses, and visitors who understand their risk and take proactive steps before hurricane season begins; and

WHEREAS, advance preparation, including understanding your risk; developing an evacuation plan; making necessary home repairs; proactively pruning trees and maintaining landscaping to reduce storm-related hazards; assembling disaster supply kits; reviewing insurance coverage; and identifying multiple ways to receive weather alerts, significantly improves the ability to respond to and recover from severe weather events; and

WHEREAS, *National Hurricane Preparedness Week* is observed annually during the first week of May and serves as an opportunity to raise awareness and encourage all members of the community to take action to protect themselves, their families, and their property; and

NOW, THEREFORE, I, William Brian Yates, Mayor of the City of Winter Haven, Florida, do hereby proclaim the week of May 3, 2026, as

"Hurricane Preparedness Week"

in the City of Winter Haven and urge all citizens, businesses and visitors to take action to prepare now before hurricane season begins by making a plan, assembling emergency supplies, securing their property, and staying informed.

IN WITNESS WHEREOF, I have hereunto set my hand and cause the Seal of the City of Winter Haven, Florida, to be affixed this 27th day of April, 2026.

William Brian Yates, Mayor

ATTEST:

Vanessa Castillo, MMC, City Clerk

WINTER HAVEN
THE CHAIN OF LAKES CITY

Proclamation

WHEREAS, the Office of the Municipal Clerk, a time honored and vital part of local government, exists throughout the world; and

WHEREAS, the Office of the Municipal Clerk is the oldest among public servants; and

WHEREAS, the Office of the Municipal Clerk provides the professional link between the citizens, the local governing bodies, and agencies of government at other levels; and

WHEREAS, Municipal Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all; and

WHEREAS, the Municipal Clerk serves as the information center on functions of local government and community; and

WHEREAS, Municipal Clerks continually strive to improve the administration of the affairs of the Office of the Municipal Clerk through participation in education programs, seminars, workshops, and the annual meetings of their state, provincial, county, and international professional organizations; and

WHEREAS, it is most appropriate that we recognize the accomplishments of the Office of the Municipal Clerk.

NOW, THEREFORE, I, William Brian Yates, Mayor of the City of Winter Haven, Florida, do hereby proclaim the week of May 3, 2026, as

"Municipal Clerks Week"

in the City of Winter Haven and further extend appreciation to our City Clerk Vanessa Castillo, Master Municipal Clerk and Deputy City Clerk LaTonya Harris, Certified Municipal Clerk and Florida Certified Records Manager, and all municipal clerks for the vital services they perform and their exemplary dedication to the communities they represent.

IN WITNESS WHEREOF, I have hereunto set my hand and cause the Seal of the City of Winter Haven, Florida, to be affixed this 27th day of April, 2026.

William Brian Yates, Mayor

ATTEST:

Vanessa Castillo, MMC, City Clerk

DATE: March 16, 2026

TO: Honorable Mayor and City Commissioners

VIA: T. Michael Stavres, City Manager
M.J. Carnevale, Deputy City Manager
Eric Labbe, Economic Opportunity & Community Investment Director
Sean Byers, Planning Manager

FROM: Heather Reuter, Senior Planner

SUBJECT: **Ordinance O-26-10:** Request by Langley Gault to rezone two parcels from Commercial- Highway (C-3) zoning district to Mixed Use (MX) zoning district. **General Location:** 120 and 124 Avenue H, SE. The area covered by this request is 0.30± acres.

BACKGROUND

Langley Gault, petitioner, requests the City rezone two (2) parcels from Commercial- Highway (C-3) zoning district to Mixed Use (MX) zoning district. The property subject to this request contains two 50-foot wide parcels, totaling 0.30± acres, located at 120 and 124 Avenue H, SE. The eastern parcel contains a single-family home constructed in 1932 and the western parcel is vacant and has been for at least 20 years.

A review of historical zoning maps indicates the properties had residential zoning through at least 1969. The City assigned commercial zoning at some point prior to 1999. The current C-3 zoning designation was assigned to the parcels in 2000. Each lot contains approximately 6,543 square feet, exceeding the 5,000-square-foot minimum lot size requirement of the C-3 zoning district. However, when C-3 building setback requirements, C-3 permitted uses, on-site parking requirements, stormwater requirements, and landscape buffer requirements, it is highly unlikely these properties will redevelop with a use permitted in the C-3 zoning district.

The petitioner proposes to construct a duplex on the vacant parcel, which the MX zoning district permits. In addition, the single-family home located at 124 Avenue H, SE currently operates as a legal nonconforming use. Rezoning the property from C-3 to MX would bring the existing single-family residence into compliance as a permitted use.

SURROUNDING USES

Surrounding uses include a medical office to the west; a salon to the north across Avenue H, SE; single-family residential to the east; and an office to the south.

INFRASTRUCTURE

The MX zoning district permits substantially lower commercial intensities and residential densities for parcels designated as Primary Mixed Use Hub on the Future Land Use Map than those permitted under the C-3 zoning district. As a result, the maximum potential demand on public infrastructure would be less than what the current zoning allows. Additionally, development of a single-family residence and a duplex would generate only minimal impacts on public facilities and services. Furthermore, the proposed uses of a single-family home and a duplex would have a de minimis impact on public infrastructure.

COMPREHENSIVE PLAN

The subject property is designated as a Primary Mixed Use Hub Future Land Use. The requested MX zoning district are consistent with this designation.

NOTIFICATION

All notification requirements for this request were met.

FINANCIAL IMPACT

There is no direct financial impact to the City with this request.

This is a request initiated by an application by a private party. In accordance with Section 166.041 (4)(c)(7)(b) of the Florida Statutes, ordinances initiated by an application by a private party are exempt from providing Business Impact Estimates.

STRATEGIC PLAN ALIGNMENT

This is a routine zoning amendment associated with normal operations of the City not specifically defined as a goal or strategy within the Strategic Plan. However, it is aligned with the Responsible Government and Economic Sustainability Strategic Pillars.

PLANNING COMMISSION RECOMMENDATION

The Planning Commission, at its March 3, 2026 regular meeting, voted to recommend approval of this request. No members of the public spoke.

CONCLUSION

Based on the existing and proposed residential uses, the small lot dimensions, and the development requirements imposed by the C-3 zoning district, the requested MX zoning district represents a more appropriate zoning designation for these two parcels. The current C-3 standards—including setbacks, parking requirements, stormwater regulations, and buffering—significantly limit the reasonable

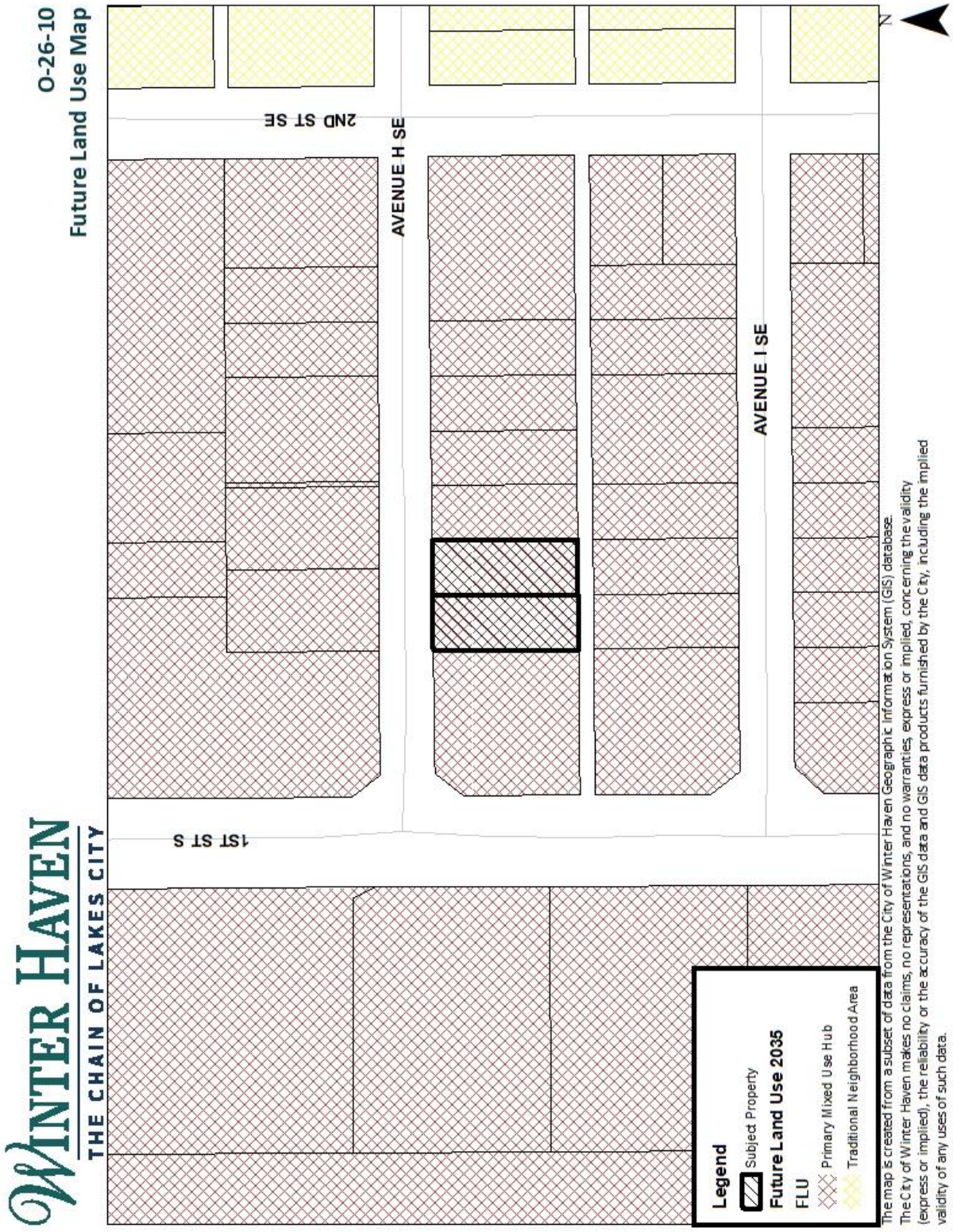
redevelopment potential of these small lots for a viable commercial use. In contrast, the MX district better aligns with the historic residential pattern of the properties and supports reinvestment compatible with the surrounding area. Rezoning to MX will also eliminate the existing nonconformity of the single-family residence and allow for the development of a duplex on the vacant parcel, both of which represent lower-intensity uses than those permitted under the current C-3 zoning.

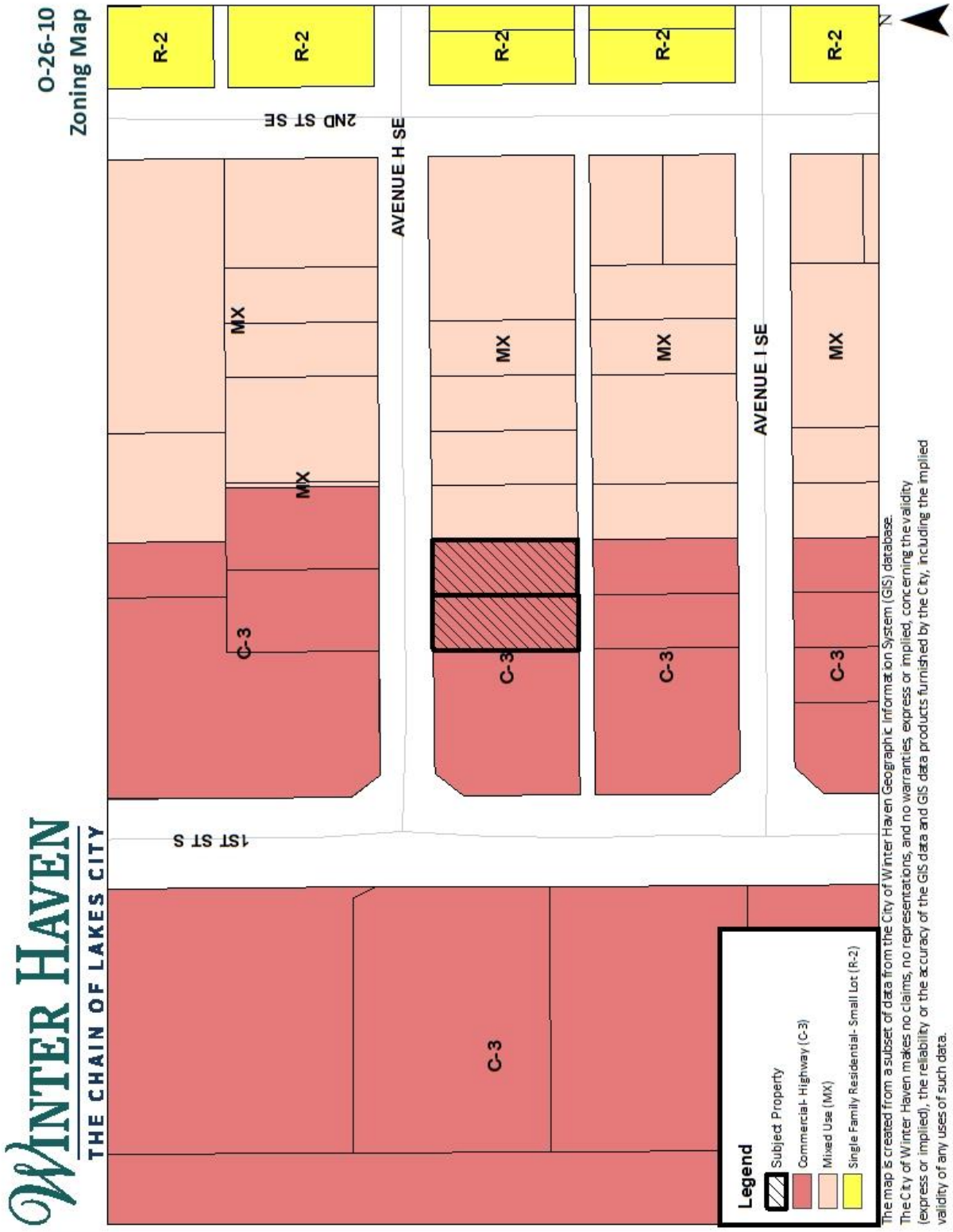
RECOMMENDATION

Staff recommends the City Commission approve Ordinance O-26-10.

ATTACHMENTS

- Future Land Use Map
- Zoning Map
- Aerial Map
- Ordinance O-26-10


O-26-10
Future Land Use Map
2ND ST SE
AVENUE H SE
AVENUE I SE
1ST ST S
N
WINTER HAVEN
THE CHAIN OF LAKES CITY
Legend
Subject Property
Future Land Use 2035
FLU
Primary Mixed Use Hub
Traditional Neighborhood Area
The map is created from a subset of data from the City of Winter Haven Geographic Information System (GIS) database.
The City of Winter Haven makes no claims, no representations, and no warranties, express or implied, concerning the validity (express or implied), the reliability or the accuracy of the GIS data and GIS data products furnished by the City, including the implied validity of any uses of such data.


O-26-10
Zoning Map
R-2
2ND ST SE
AVENUE H SE
AVENUE I SE
MX
C-3
1ST ST S
N
WINTER HAVEN
THE CHAIN OF LAKES CITY
Legend
Subject Property
Commercial- Highway (C-3)
Mixed Use (MX)
Single Family Residential- Small Lot (R-2)
The map is created from a subset of data from the City of Winter Haven Geographic Information System (GIS) database.
The City of Winter Haven makes no claims, no representations, and no warranties, express or implied, concerning the validity (express or implied), the reliability or the accuracy of the GIS data and GIS data products furnished by the City, including the implied validity of any uses of such data.


O-26-10
Aerial Map
2ND ST SE
AVENUE H SE
AVENUE I SE
1ST ST S
N
WINTER HAVEN
THE CHAIN OF LAKES CITY
Legend
Subject Property
The map is created from a subset of data from the City of Winter Haven Geographic Information System (GIS) database.
The City of Winter Haven makes no claims, no representations, and no warranties, express or implied, concerning the validity (express or implied), the reliability or the accuracy of the GIS data and GIS data products furnished by the City, including the implied validity of any uses of such data.

ORDINANCE NO. O-26-10

AN ORDINANCE AMENDING CHAPTER 21 OF THE CODE OF ORDINANCES OF THE CITY OF WINTER HAVEN, FLORIDA, BY REZONING TWO (2) PARCELS FROM COMMERCIAL-HIGHWAY (C-3) ZONING DISTRICT TO MIXED USE (MX) ZONING DISTRICT; PROVIDING FOR THE ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE. (General Location: 120 and 124 Avenue H, SE. The area covered by this request is 0.30± acres.)

WHEREAS, there has been a request to rezone the property depicted below, and;

WHEREAS, the action will further the general health, safety, and welfare and be a benefit to the City as a whole, and;

WHEREAS, the requested zoning is consistent with the Future Land Use Element of the Winter Haven Comprehensive Plan.

WHEREAS, the request is initiated by an application by a private party, and therefore is exempt from requiring a Business Impact Estimate as set forth by Section 166.041(4)(c)(7)(b) of the Florida Statutes.

NOW THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF WINTER HAVEN, FLORIDA, AS FOLLOWS:

1. That Chapter 21 of the Code of Ordinances of the City of Winter Haven, Florida, is hereby amended to rezone that land, depicted in Exhibit "A" attached hereto and made a part of this Ordinance, from Commercial- Highway (C-3) zoning district to Mixed Use (MX) zoning district.

2. This Ordinance shall not be codified, but the City Clerk shall retain this Ordinance as a permanent record of action taken by the City Commission of the City of Winter Haven.

3. The administrative correction of typographical and/or scrivener's errors which do not affect the intent may be authorized by the City Manager or designee, without need of public hearing, by filing a corrected or recodified copy of same with the City Clerk.

4. All ordinances in conflict herewith are hereby repealed.

5. This Ordinance shall be effective immediately upon the effective date; however, that such change shall first be noted on the official zoning map of the City of Winter Haven.

INTRODUCED on first reading this 13th day of April, 2026.

PASSED on second reading this 27th day of April, 2026.

CITY OF WINTER HAVEN, FLORIDA

_____

MAYOR-COMMISSIONER
William Brian Yates, Mayor

ATTEST:

_____

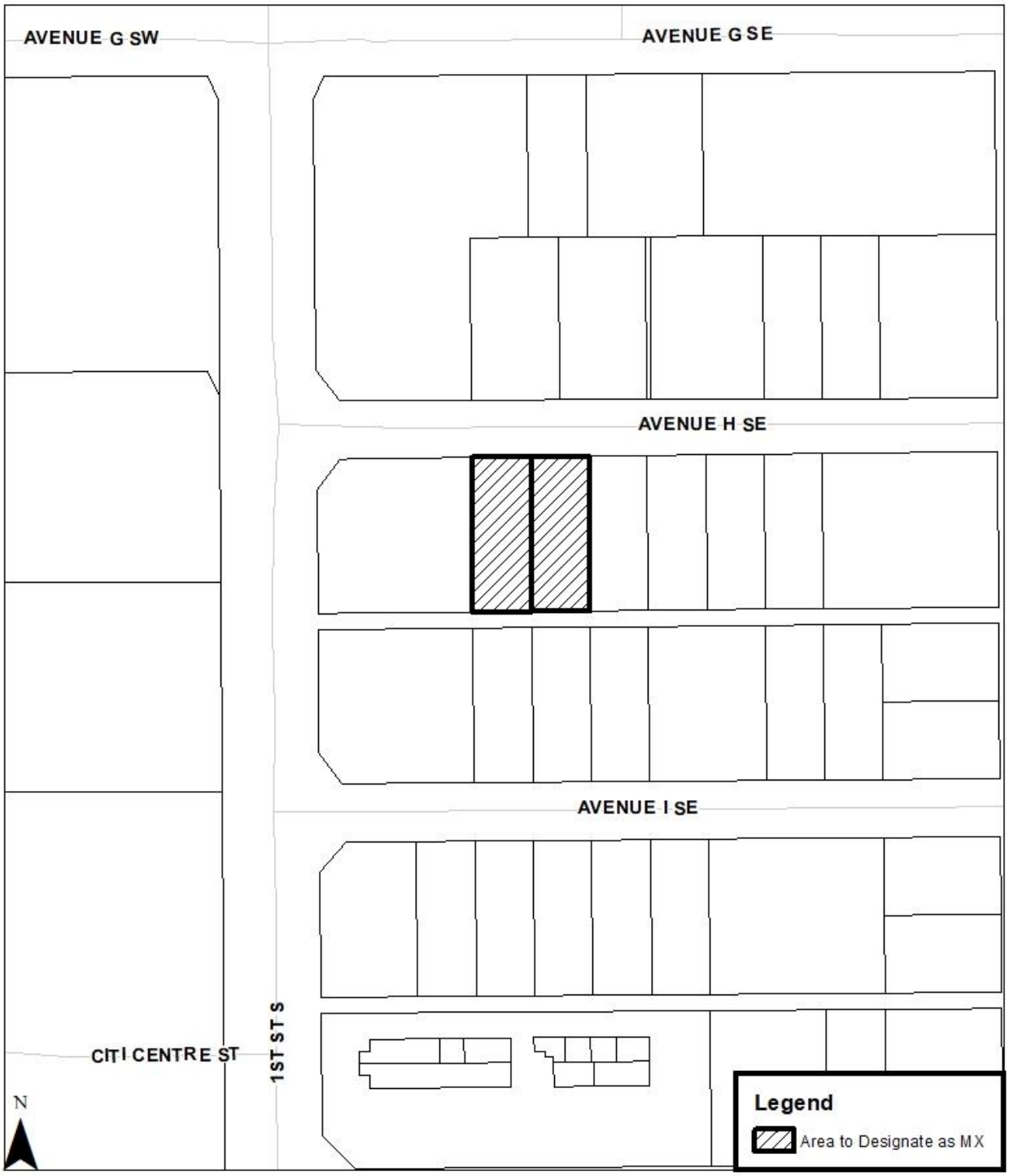
CITY CLERK
Vanessa Castillo, MMC

Approved as to form:

_____

CITY ATTORNEY
Frederick J. Murphy, Jr.

Exhibit "A"


AVENUE G SW
AVENUE G SE
AVENUE H SE
AVENUE I SE
1ST ST S
CITI CENTRE ST
N
Legend
Area to Designate as MX

DATE: April 13, 2026

TO: Honorable Mayor and City Commissioners

VIA: T. Michael Stavres, City Manager
M.J. Carnevale, Deputy City Manager

FROM: CJ Scott, Chief Financial Officer
Allen Weeks, Budget and Management Officer

SUBJECT: **Ordinance O-26-13:** Amending Ordinance O-25-29; appropriating funds for the fiscal year ending September 30, 2026

BACKGROUND:

In 2024, construction commenced on the primary phase of Chain of Lakes Park Phase II. A subsequent change order approved in November 2025 added an additional parking lot on the southwest side of the site. The Fieldhouse's northwest parking lot has not been resurfaced in more than 20 years. Due to cost savings realized within the Chain of Lakes Park Phase II project, along with savings in the Parks and Recreation operating budget, there is an opportunity to engage the existing contractor, Rodda Construction, to complete the resurfacing while they remain mobilized on site.

A budget amendment is required to authorize additional expenditures and the funding sources. The budget amendment reflected in Exhibit A is necessary to maintain compliance with F.S. 166.241 and Government Accounting Standards Board (GASB) requirements.

FINANCIAL IMPACT:

The requested amendment will transfer $110,000 from the General Fund to the Construction Fund for the proposed Change Order in the amount of $209,914. This transfer is a result of savings in Parks and Grounds ($30,000), Aquatics ($40,000), and Fieldhouse ($40,000) cost centers. The balance of the Change Order, $99,914, is available from cost savings from the Chain of Lakes Phase II Rodda Contract.

STRATEGIC PLAN ALIGNMENT:

- **Pillar:** Responsible Government
- **Goal:** 6.1 – Exemplify fiscal accountability and resiliency

- **Strategy:** 6.1.1 - Enhance fiscal communication via implementation and distribution, including a Budget Book, Budget in Brief, Popular Annual Financial Report, Annual Comprehensive Financial Report, and monthly budget performance reports

RECOMMENDATION:

Staff recommends the City Commission approve Ordinance O-26-13 and authorize the City Manager, or his designee, to sign all documents and take all necessary action related thereto.

ATTACHMENTS:

- Ordinance O-26-13
- Exhibit A

ORDINANCE NO. O-26-13

AN ORDINANCE OF THE CITY OF WINTER HAVEN, FLORIDA, AMENDING ORDINANCE NO. O-25-29, REGARDING APPROPRIATION OF FUNDS FOR DEFRAYING EXPENSES OF THE MUNICIPAL GOVERNMENT OF THE CITY OF WINTER HAVEN FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2025; PROVIDING FOR SEVERABILITY AND FOR THE ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on September 22, 2025, the City Commission passed Ordinance O-25-29 adopting the Budget of the City of Winter Haven, Florida, Fiscal Year Commencing October 1, 2025, as the Official Budget of the City of Winter Haven, Florida, Fiscal Year 2025-2026; and

WHEREAS, events occur during each fiscal year which were not anticipated by the beginning estimates, and

WHEREAS, a project has been approved in the Construction Fund requiring a Change Order, and

WHEREAS, departmental budgets shall not exceed their appropriations; and

WHEREAS, the City Commission of the City of Winter Haven does hereby find that it is in the best interest of the City and its citizens amending Ordinance No. O-25-29, regarding appropriation of funds for defraying expenses of the municipal government of the City of Winter Haven for the fiscal year commencing October 1, 2025, as provided herein,

NOW THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF WINTER HAVEN, FLORIDA, AS FOLLOWS:

1. The budget for the City of Winter Haven for the fiscal year 2025-26 is hereby amended as set forth on Exhibit A attached hereto and incorporated herein by reference. Exhibit A reflects the appropriated funds that are amended to reflect the required Change Order.

2. This Ordinance shall take effect immediately upon its passage

INTRODUCED on first reading this 13th day of April, 2026.

PASSED on second reading this 27th day of April, 2026.

CITY OF WINTER HAVEN, FLORIDA

_____
MAYOR-COMMISSIONER
William Brian Yates

ATTEST:

_____
CITY CLERK
Vanessa Castillo, MMC

Approved as to form:

_____
CITY ATTORNEY
Frederick J. Murphy, Jr.

EXHIBIT A
BUDGET AMENDMENT FOR FY 2025-2026
ORDINANCE O-26-13

		Budget	
		Expense	Revenue
General Fund			
001-07-312-3404	Parks and Grounds - Contract Svc. - Other	(40,000)	
001-07-703-6301	Aquatics - Other Capital Improvements	(30,000)	
001-07-705-6301	Fieldhouse - Other Capital Improvements	(40,000)	
001-80-928-9196	Transfer to 2015 Construction Fund	110,000	
Construction Fund			
306-381000-001	Transfer from General Fund		110,000
306-80-413-6320	Ballfields	110,000	

The Northwest Parking lot of the Fieldhouse and Conference Center has not been resurfaced for over 20 years and is in need of repair. A change order on the Chain of Lakes Park Phase II project in the amount of $209,914 has been executed to allow the current contractor to perform this work while on site. In addition to cost savings from the Chain of Lakes Park Phase II project in the amount of $99,914, this budget amendment will transfer cost savings from Park and Recreation cost centers to fund the remaining $110,000 of the change order.

DATE: April 13, 2026

TO: Honorable Mayor and City Commissioners

VIA: T. Michael Stavres, City Manager
M.J. Carnevale, Deputy City Manager

FROM: C.J. Scott, Chief Financial Officer
Debbie Tate, Assistant Financial Services Department Director

SUBJECT: Acceptance of the Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2025

BACKGROUND

Per Sections 218.39 and 215.97, Florida Statutes, the City is required to have an annual audit of its financial reports referred to as the Annual Comprehensive Financial Report (ACFR) and an audit of federal expenditures and state financial assistance grants. Also required is an audit of the City's Community Redevelopment Agency's (CRA) financial statements as the CRA meets the State's threshold of revenues or expenditures in excess of $100,000.

The ACFR is comprised of several sections:

Introductory Section includes the Transmittal Letter, the Certificate of Achievement awarded to the City by the Government Finance Officers Association (35th year for this prestigious award), and an Organizational Chart.

The Transmittal Letter is prepared by City management and used to communicate information on areas that may have an impact on the City's finances now and in the future. This includes economic factors as well as budget and management factors.

Financial Section includes the Independent Auditors Report, Management's Discussion and Analysis, the Notes to the Financial Statements, and the individual Fund financial statements.

Statistical Section includes various statistical and financial tables, including financial trends and debt capacity, which present information as a context for understanding the City's overall financial health.

Other Reports Section includes a variety of supplemental reports on the City's internal accounting controls, Federal Expenditures and State Financial Assistance (grants) and the Management Letter.

Report of Independent Auditors

The City's external audit firm is Mauldin & Jenkins, LLC. The auditor's report on the City's financial statements is contained on pages 11 through 13 of the ACFR. Mauldin & Jenkins issued an "unmodified opinion" (clean opinion) in regard to the City's financial statements. The opinion states that the financial statements "present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of September 30, 2025". Daniel Anderson, a partner with Mauldin & Jenkins will present an overview of the audit and the Independent Auditors Report.

City Wide Statements – this is from a business perspective

At the conclusion of FY 2025, the City's total net position increased by $60.7 million. Total revenues were $192.9 million; an increase of $16.0 million over previous year. Total expenses were $132.1 million; an increase of $11.4 million over previous year (Management Discussion and Analysis – page 20).

Governmental Funds

General Fund

General Fund revenues exceeded expenditures by $2.1 million, resulting in an ending fund balance of $36.2 million (Statement of Revenues, Expenditures, and Change in Fund Balance – page 33); of this fund balance $26.1 million is unassigned fund balance. The City's fiscal policy requires an unassigned reserve fund balance of 17% of total budgeted expenditures for FY2026. Per the fiscal policy, any unassigned fund balance in excess of 30% may be transferred to the Capital Project fund to defray costs and cover contingencies as recommended by the City Manager and approved by the City Commission.

The required fund balance at 17% is $13.5 million and at 30% a balance of $23.9 million, providing an excess of $2.2 million that may be transferred to the Capital Project fund.

Business- Type Activities- Enterprise Funds

The five enterprise funds collectively resulted in a positive change in net position of $40.7 million; Capital grants, Developer Contributions, and investment earnings were major factors to the increase in net position (Statement of Revenues, Expenses, and Change in Net Position – page 38)

FINANCIAL IMPACT

There is no financial impact for the acceptance of the Annual Comprehensive Financial Report.

STRATEGIC PLAN ALIGNMENT:

- **Pillar:** Responsible Government
- **Goal:** 6.1 – Exemplify fiscal accountability and resiliency.
- **Strategy:** 6.1.1 – Enhance fiscal communication via implementation and distribution, including a Budget Book, Budget in Brief, Popular Annual Financial Report, Annual Comprehensive Financial Report, and monthly budget performance reports.

RECOMMENDATION

Staff recommends the City Commission accept the Annual Comprehensive Financial Report and the Community Redevelopment Agency Report for the year ended September 30, 2025.

ATTACHMENTS

- Annual Comprehensive Financial Report Fiscal Year Ended September 30, 2025
- Community Redevelopment Agency Financial Statements for the Fiscal Year Ended September 30, 2025

Annual Comprehensive Financial Report
City of Winter Haven, Florida
For the Period Ended September 30, 2025



WINTER HAVEN
THE CHAIN OF LAKES CITY

CITY OF WINTER HAVEN, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2025

Prepared by:

Finance Department
Colleen (CJ) Scott, CFO
Debbie Tate, Assistant Financial Services Director

WINTER HAVEN
THE CHAIN OF LAKES CITY

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INTRODUCTORY SECTION

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THE CHAIN OF LAKES CITY

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LETTER OF TRANSMITTAL

WINTER HAVEN
THE CHAIN OF LAKES CITY

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Honorable Mayor, Members of the City Commission
Citizens of the City of Winter Haven
Winter Haven, Florida

MARCH 31, 2026

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Winter Haven for the fiscal year ending September 30, 2025.

Florida Statutes, Chapter 218.32, requires that each local government entity submit an annual financial report with the audit report no later than nine months after the end of the fiscal year. This requirement has been met for the fiscal year ended September 30, 2025, and the report of the independent auditing firm has been included in the financial section of this report.

This report was prepared in conformity with generally accepted accounting principles (GAAP), and audited by an independent firm of certified public accountants, Mauldin & Jenkins CPAs & Advisors, as mandated by both local ordinances and state statutes. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data as presented is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City is required to undergo an annual single audit in conformity with the provisions 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 for Local Government Entity Audits. Information related to this single audit, including the schedule of expenditures of Federal awards and State financial assistance, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations are included in the single audit section of this report.

City management is responsible for establishing and maintaining a system of internal controls designed to ensure the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal controls are designed to provide reasonable, but not absolute assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the City

Winter Haven is located in central Polk County which lies in the center of the State of Florida, equidistant between the major metropolitan areas of Orlando and Tampa. Winter Haven, known as the "Chain of Lakes City" is Polk County's second largest city. Widely recognized as the water skiing capital of the world, the "Chain of Lakes" is a boater's paradise with beautiful waters and world-class fishing. There are fifty fresh-water lakes within or bordering the City limits, many of which are connected via two chain systems of navigable canals. Fourteen boat ramps, sixteen public docks/piers, two boardwalks, and nineteen waterfront parks allow residents and visitors alike to enjoy our lakes.

Winter Haven is home to the LEGOLAND Florida Resort which includes the historic Cypress Gardens botanical garden, two LEGOLAND Resort Hotels on property and the nearby Beach Retreat; a resort offering 83 beach-themed bungalows in a village-style layout with free transportation to LEGOLAND Florida.

The City operates under the commission-manager form of government. Policy-making and legislative authority are vested in the City Commission (Commission) consisting of the Mayor, Mayor Pro Tem and three commissioners. The Commission is elected on a non-partisan basis. Commission members serve four-year staggered terms, with two or three commission seats up for election every two years. The Mayor and Commissioners are elected at large. The Commissioners select the Mayor and Mayor Pro Tem annually. The Commission is responsible for, among other things, adopting local ordinances and resolutions, adopting the budget, appointing committees, and hiring the City Manager, City Attorney, and City Clerk.

The City Manager is charged with executing the policies and ordinances enacted by the Commission, directing and supervising the day-to-day administrative operations of the City, and appointing the directors of the City's departments

The City provides a full range of services, including police and fire protection; construction and maintenance of streets, sidewalks and infrastructure; engineering; planning and community development; code compliance; general administration and support services; recreational activities and cultural events. In addition, the City operates several enterprises: including water and sewer service, solid waste, stormwater, dark fiber, and a golf course.

The annual budget serves as the foundation of the City's financial planning and control. Departments are required to submit requests for appropriations including any new employee positions and capital projects to the Financial Services Department, which uses those requests as the starting point for developing a proposed budget. With the prudent oversight of the City Manager, a proposed budget and five-year capital improvement plan is prepared and presented to the City Commission by the City Manager annually in July.

The Mayor, Mayor Pro Tem, and Commissioners provide input and suggestions on initiatives they would like to see in the proposed budget. City Management and staff summarize these suggestions and add analysis of an operational impact, if any. At a special City Commission meeting, the Commission discusses modifications to the proposed budget and reaches a consensus as to what will be reflected in the proposed budget. Staff incorporates these suggestions in the budget for a Commission vote in September.

The Commission is required to hold two public hearings on the budget and millage rate in September and adopt a final budget and millage rate by no later than September 30, the close of the City's fiscal year.

The appropriated budget is prepared by fund. Transfers between accounts within the same fund may be made with City Manager approval. Transfers between funds and adjustments that increase/decrease the overall budget of a fund require approval of the City Commission. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated budget has been adopted.

Local Economy

Winter Haven's population for 2025 is 60,837, which represents a 23.60% increase over the past five years. The City has experienced significant economic growth over the past several years, driven by various factors including residential, industrial, commercial growth, and tourism. The growth outlook for Winter Haven remains positive. In addition to the availability of platted single-family residential lots, the City is experiencing significant investment by non-residential developers including major retailers such as Publix and Target, large scale industrial projects, and hoteliers. The City has annexed 1.31 square miles into the City limits in the past few years and has experienced continued investment in the City's downtown core including 211 new multi-family units completed, or nearing completion, a hotel, restaurants, office space, and the approval of a $20 million project to redevelop several historic downtown buildings into additional restaurant, retail, service, office, and event space.

With its strategic location in Central Florida, Winter Haven continues to attract businesses and residents alike. Key sectors, such as tourism, real estate, and healthcare, are thriving, supported by a growing population and an influx of investments in infrastructure and amenities. The real estate market remains steady, fueled by both residential and commercial developments.

Challenges such as inflation and potential economic downturns could impact growth, but Winter Haven's diverse economy and ongoing investments position it well for resilience and continued prosperity.

Overall, the economic outlook for Winter Haven is promising, with steady growth expected across key sectors, making it an attractive location for businesses and residents alike

Due to the City's strong financial performance, growth, and robust reserves, Standards & Poor and Fitch provided bond ratings of AA and AA+, for non-ad valorem revenue bonds, respectively.

Long term Planning

The City's Fiscal Policy prescribes a minimum of 17% of the General Fund's operating expenditures will be retained in the Unassigned Fund Balance; with a reserve goal of 30%. Any Unassigned Fund Balance in excess of 30% may be transferred to the Construction Fund to defray costs and cover contingencies as recommended by the City Manager and approved by the City Commission. The City continues to maintain an Unassigned Fund Balance of 30%.

Last year, the Commission formally adopted strategic initiatives to guide the City's priorities and decision-making over the coming years. These initiatives are organized into six strategic pillars: Quality of Life; Community Safety; Infrastructure; Responsible Government; Environmental Stewardship; and Economic Sustainability. Each pillar includes defined goals and strategies with measurable outcomes to ensure accountability and track progress.

The strategic pillars serve as a foundational component of the City's performance measurement framework and will be evaluated on an annual basis. In addition, the City is partnering with a vendor to conduct community surveys to gather resident feedback on the City's performance within each pillar. Together, this data will inform recommendations related to operations, policy decisions, and financial investments. The pillars will also provide a

consistent framework for communicating progress to the community through annual reports, presentations—such as the State of the City address and civic or neighborhood meetings—and other informational materials.

Each year, the Commission adopts a fiscally sound approach to budgeting, allowing the City to be responsible financial stewards of its resources. With prudent management of financial resources and strategic planning, several major initiatives will come to fruition in the near future.

Major Initiatives

One Water Master Plan

The ultimate goal of the One Water Master Plan is to construct a series of natural water storage facilities throughout the local watershed that would create water supply, prevent flooding, improve water quality, protect lakes and provide recreation and scenic beauty. The City's mission is to align resources, policies and funding to achieve the One Water Vision working cooperatively with local and regional partners.

Water Resource Facility

The existing Waste Water Treatment Plant #3 has reached the end of its useful life and needs extensive upgrades and renovations. This project will provide needed upgrades and renovations while utilizing part of the existing plant to offset overall cost and application. There is also the opportunity to provide more modern applications of effluent discharge. This project is planned in stages with the expectation of producing 12.0 Million Gallons per Day (MGD) by 2030 at an estimated cost of $173 million in stage one with the expectation of increasing total production to 24.0 MGD by 2040 at a cost of $227 million in stage two.

Chain of Lakes – Phase 2

Additional parking spaces are needed in the newly renovated Chain of Lakes complex to provide sufficient parking for tournaments. This project will add 230 paved parking spaces and 120 stabilized grass parking spaces for a total of 350 additional parking spaces at the complex. With these additional spaces, the total parking spaces for the complex will be approximately 1,450 spaces.

Public Safety Complex #5

This project is a complete design/build project to include interior furnishing of an 11,000 square foot multi-use public service building in the northwest section of Winter Haven. The new facility will enhance emergency response times and strengthen community safety and law enforcement presence in this area as it will serve as a permanent, safe, and secure station accommodating fire personnel across three shifts and also serve as a Winter Haven Police Department Substation.

DiamondPlex Renovation

The DiamondPlex originally opened in 1998 and is a five-field softball complex featuring lighted fields, a central concession and multipurpose building, picnic areas, a playground, and fan amenities. The complex serves as the home field for the Polk State College Lady Eagles Softball team and hosts recreational and senior leagues, travel softball tournaments, and an annual six-week collegiate spring break tournament.

The proposed renovation project focuses on upgrading field lighting to modern LED systems, improving and replacing fencing, enhancing field conditions, renovating existing buildings, and adding new amenities such as batting cages and bullpens.

T-Hangar Taxilanes Rehabilitation

The existing taxilanes between the T-hangar buildings located in the south quadrant of the airport are rated as poor under the FDOT Pavement Condition Index (PCI). This project will involve milling and overlaying the asphalt pavement, along with replacing pavement markings. No geometric modifications are proposed.

Transportation Fund

The City is committed to preserving the quality of life in its neighborhoods through ongoing street resurfacing and the maintenance of trails and walkways. Annually, the City allocates $2 million to the Transportation Improvement Program to manage pavement conditions and enhance pedestrian networks, improving safety and fostering a more connected community.

The City continues to monitor State legislative initiatives that may have an impact on the City. This includes adjustments to the homestead exemption and modifications to property taxes.

Relevant Financial Policies

Financial Management Policy

The City of Winter Haven's Financial Management Policy provides the basic framework for the overall financial management and operations of the City. The policy consists of: fund balance and reserves, revenue, cash management/investments, and the capital improvement plan. These policies are used in the development of current activities and planning for future programs and projects.

Operating Budget Policy

The City's budget is a detailed operating plan, which identifies estimated costs and revenues to fund program initiatives. The budget includes: (1) the programs, projects, services, and activities to be carried on during the fiscal year; (2) the estimated revenue available to finance the operating plan; (3) the estimated spending requirements of the operating plan: and (4) a capital improvement plan (CIP), reflecting a multi-year planning document that identifies, prioritizes, and schedules major capital projects such as infrastructure, facilities, and equipment. The budget represents a process where the City Commission and City Manager make, implement, and control policy decisions.

Debt Management Policy

The City's Debt Management Policy establishes a formal framework for the responsible issuance and administration of debt. Its purpose is to ensure that borrowing decisions are made in a prudent, transparent, and fiscally sustainable manner, consistent with the city's long-term financial planning and strategic goals. The policy helps maintain the City's creditworthiness, manage debt levels and repayment obligations, comply with legal and regulatory requirements, and protect the interests of taxpayers by balancing infrastructure and capital needs with the community's ability to repay debt.

Awards and Acknowledgements

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded its Certificate of Achievement for Excellence in Financial Reporting to the City of Winter Haven, for its Annual Comprehensive Financial Report for the fiscal year ending September 30, 2024. This was the 35th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is

valid for a period of one year only. We believe our current report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Award for Distinguished Budget

The City received the GFOA's Award for Distinguished Budget Presentation for its annual financial plan for the fiscal year ending September 30, 2025. This was the 32nd consecutive year that the City has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning, organization, and as a communications medium. We are pleased that we continue to achieve this distinction.

Acknowledgments

The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire staff of the Finance Department. Their efforts have been instrumental in ensuring the accuracy and completeness of the financial information presented herein. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, the continued leadership and support by the Mayor, Mayor Pro Tem, and the City Commissioners in the planning and guidance of the financial operations of the City is much appreciated.

Sincerely,

T. Michael Stavres, ICMA-CM, CPM
CITY MANAGER

CJ Scott, CPA, CGFO, CPM
CHIEF FINANCIAL OFFICER

M.J. Carnevale
DEPUTY CITY MANAGER

Debbie Tate, CPA, CPM
ASSISTANT FINANCIAL SERVICES DIRECTOR

ORGANIZATIONAL CHART

ORGANIZATIONAL CHART

CITIZENS OF WINTER HAVEN



CITY COMMISSION
Nathaniel J. Birdsong, Jr., Mayor
Brian Yates, Mayor Pro Tem
Bradley T. Dantzler, Commissioner
L. Tracy Mercer, Commissioner
Clifton E. Dollison, Commissioner



City Attorney
John Murphy



City Manager
T. Michael Stavres



City Clerk
Vanessa Castillo



Deputy City Manager
M.J. Carnevale

Assistant City Manager Public Safety
Charlie Bird





Public Affairs & Communication
Katrina Hill

Chief of Police
Vance Monroe





Financial Services
Colleen "CJ" Scott

Fire Chief
Drew Neubrand





Airport
Troy Heidel

Safe Neighborhoods
Tanya Ayers





Economic Opportunity & Community Investment
Eric Labbe

Parks, Recreation & Culture
Julie Adams





Water Department
Gary Hubbard

Human Resources
Shawn Dykes





Public Works
Brittany Hart

Technology Services
Hiep Nguyen



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Winter Haven
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Winter Haven, Florida for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

CITY OF WINTER HAVEN, FLORIDA
PRINCIPAL CITY OFFICIALS
SEPTEMBER 30, 2025

Mayor

Nathaniel J. Birdsong, Jr.

Mayor Pro Tem

William “Brian” Yates

Commissioners

Bradley T. Dantzler

Clifton E. Dollison

L. Tracy Mercer

City Manager

T. Michael Stavres

City Clerk

Vanessa Castillo

Deputy City Manager

M.J. Carnevale

City Attorney

Frederick J. Murphy, Jr.

City Auditors

Mauldin & Jenkins, LLC

FINANCIAL SECTION

WINTER HAVEN
THE CHAIN OF LAKES CITY

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INDEPENDENT AUDITOR'S REPORT

WINTER HAVEN
THE CHAIN OF LAKES CITY

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MAULDIN & JENKINS
CPAs & ADVISORS

Independent Auditor's Report

Honorable Mayor and Members
of the City Commission
City of Winter Haven, Florida

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 14 through 26 and the schedule of changes in the employer's net pension liability and related ratios, schedule of employer contributions, schedule of investment returns, and schedule of changes in the City's total OPEB liability and related ratios on pages 116 through 133, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules and schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, Rules of the Auditor General of the State of Florida, 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 combining and individual nonmajor fund financial statements and schedules and 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 Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Bradenton, Florida
March 27, 2026

The Management's Discussion and Analysis section provides a narrative overview and analysis of the City's financial activities for the year ending September 30, 2025. The intent of the information, in conjunction with the Letter of Transmittal, is to provide the reader with a clearer picture of the City's overall financial status.

Financial Highlights

- The assets and deferred outflows of the City of Winter Haven exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by $375,697,445 (net position). Of this amount, $252,370,685 represents net investment in capital assets (capital assets net of related debt), $91,607,102 is restricted for a specific purpose, and $31,719,658 (unrestricted net position) may be used to meet the City's ongoing obligations.

- The City's total net position increased by $60,767,863. Total revenues were $192,918,079; an increase of $16,095,702 over the previous year. Total expenses were $132,150,216; an increase of $11,434,077 over the previous year.

- As of September 30, 2025, the City of Winter Haven's governmental funds reported combined ending fund balances of $111,199,296 a decrease of $29,387,746 over the previous year. The decrease is mainly attributable to a reduction in the Assigned Fund Balance as the Capital Project Fund's prior year projects came close to fruition in the current year. As such, funds assigned in the prior year were spent during the current fiscal year.

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $26,185,520, or 35.19% of total General Fund expenditures. The unassigned fund balance reflects an increase of $2,397,033 over prior year. This increase is attributed to revenues exceeding expenditures in the current year as well a reduction in transfers out. Prior year reflected a $5 million transfer to the Capital Project Fund as prescribed by the City's fiscal policy to defray project costs and cover contingencies.

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 are comprised of three components:

1) Government-wide financial statements
2) Fund financial statements
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 and liabilities and deferred inflows, with the difference between the two 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 City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, transportation, economic development, human services, and culture and recreation. The business-type activities of the City include water and sewer, solid waste, stormwater, dark fiber, and a golf course.

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

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 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 City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Community Redevelopment Agency Fund, Airport Fund, and Capital Project Fund, which are considered to be major funds. Data from the other thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and certain Special

Revenue Funds. Budgetary comparison schedules have been provided for the General Fund and each major Special Revenue Fund that adopts a budget to demonstrate compliance with the budget. Budgetary comparisons for nonmajor special revenue funds are presented in the combining statements.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, solid waste, stormwater, dark fiber, and golf course.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet maintenance operations, general services, and, self- insurance. Because services accounted for in internal service funds predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

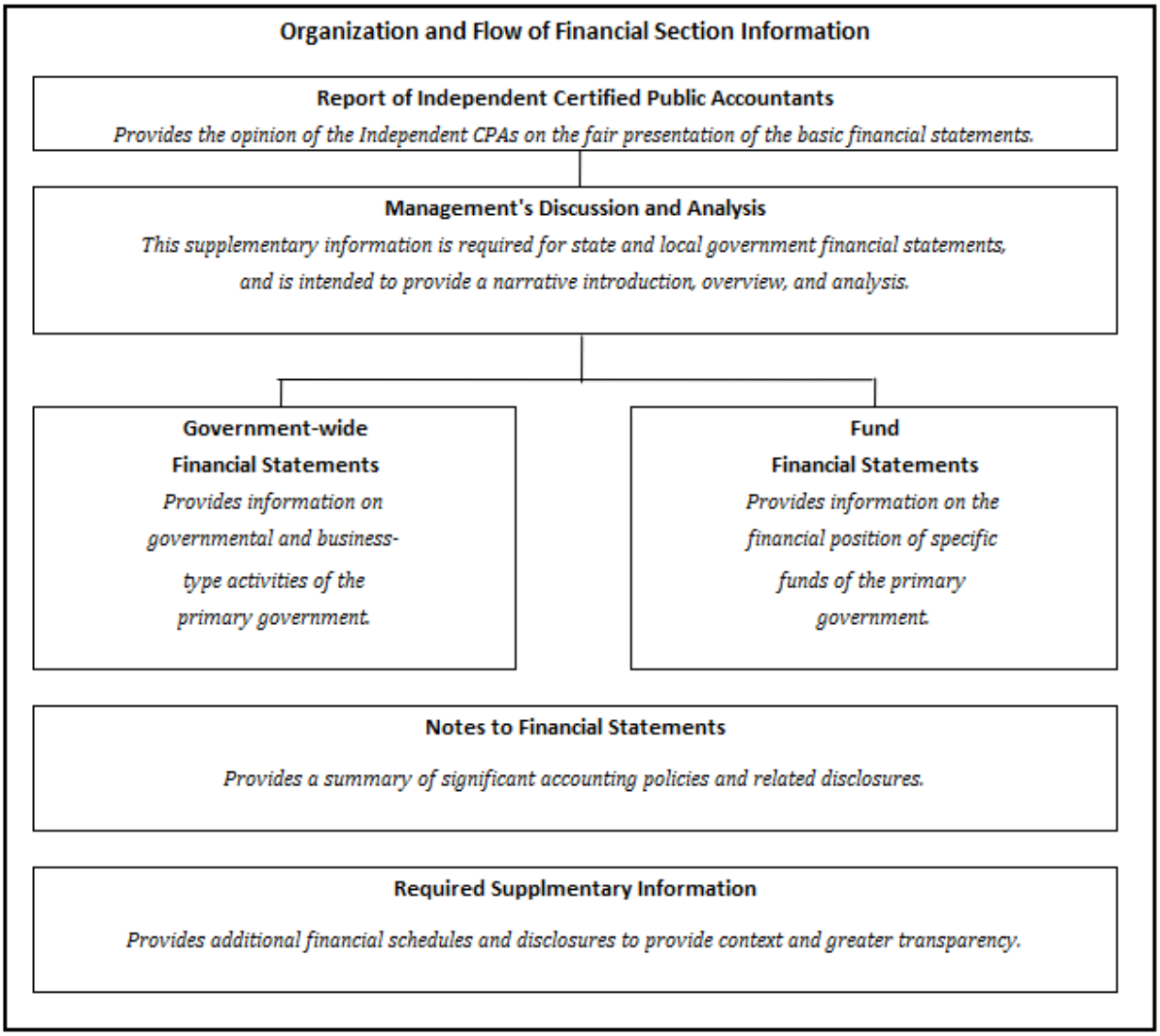
Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund and Solid Waste Fund. The Water and Sewer Fund and Solid Waste Fund are considered to be major funds of the City. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these 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.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on starting on page 41 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons and the City's progress in funding its obligation to provide pension benefits to its employees and Other Postemployment Benefit (OPEB) obligations. The combining statements referred to earlier in connection with nonmajor governmental and internal service funds are presented immediately following the required supplementary information.

The chart below may assist in understanding the structure of the financial statements.



Government-wide Financial Analysis

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 $375,697,445 at the close of the most recent fiscal year.

The following table reflects the condensed Statement of Net Position for current year and previous year. For more detailed information, see the Statement of Net Position.

Net Position	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and other assets	$ 150,630,118	$ 179,109,638	$ 92,046,509	$ 92,549,012	$ 242,676,627	$ 271,658,650
Capital Assets (Net)	191,880,725	147,901,809	192,389,515	151,100,554	384,270,240	299,002,363
Total Assets	342,510,843	327,011,447	284,436,024	243,649,566	626,946,867	570,661,013
Deferred Outflows of Resources	11,025,501	11,035,144	2,706,415	4,272,688	13,731,916	15,307,832
Liabilities						
Current and other liabilities	22,298,951	19,167,376	15,403,036	13,125,648	37,701,987	32,293,024
Long-term liabilities	127,706,435	136,796,380	68,666,703	74,910,773	196,373,138	211,707,153
Total Liabilities	150,005,386	155,963,756	84,069,739	88,036,421	234,075,125	244,000,177
Deferred Inflows of Resources	23,238,325	20,464,839	7,667,888	6,574,247	30,906,213	27,039,086
Net Position:						
Net Investment in Capital Assets	117,324,053	85,437,976	135,046,632	92,483,217	252,370,685	177,921,193
Restricted	43,118,958	36,933,151	48,488,144	40,128,231	91,607,102	77,061,382
Unrestricted	19,849,622	39,246,869	11,870,036	20,700,138	31,719,658	59,947,007
Total Net Position	$ 180,292,633	$ 161,617,996	$ 195,404,812	$ 153,311,586	$ 375,697,445	$ 314,929,582

The City's Total Net Position increased by $60,767,863 during the fiscal year. This increase reflects the extent to which revenues exceeded expenses and is primarily attributable to property tax revenues, utility collections, developer contributions, and interest earnings.

The largest portion of the City's net position (67.17%) is its investment in capital assets (e.g., land, buildings, improvements other than buildings, machinery and equipment) net of any related debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Net Investment in Capital Assets increased by $74,449,492, largely due to the construction and development of major capital projects. Significant projects include park and recreation facilities such as the Winter Haven Recreation Cultural Center and the Chain of Lakes Ballfields, as well as infrastructure improvements within the Water and Sewer Fund. Water and sewer projects include lift stations, septic-to-sewer remediation, and the acquisition of equipment necessary to support ongoing utility operations.

Restricted Net Position increased by $14,545,720, primarily due to resources received through grant agreements, bond covenants, and developer contributions designated for specific water and sewer projects. Although the City's investment in capital assets is reported net of related debt, it is important to note 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. Approximately 24.38% of the City's net position represents resources that are externally restricted in how they may be used. These resources are dedicated to providing services to citizens and are therefore not available for future discretionary spending. The remaining $31,719,658 (8.44%) is considered unrestricted and available to meet the City's ongoing obligations to citizens and creditors.

Unrestricted Net Position decreased by $28,227,349 compared to the prior year. This decrease primarily reflects the use of available resources to fund capital improvements and support restricted activities during the fiscal year. As funds were applied toward capital projects, the City's net investment in capital assets increased, reflecting the continued expansion and improvement of the City's infrastructure and public facilities.

Governmental activities.

Total revenues for Governmental Activities in FY 2025 were $90,143,847, a decrease of $5,876,128 from FY 2024. The decline was primarily due to a significant reduction in capital grants and contributions (Transportation and Culture & Recreation), which decreased from $17.9 million in 2024 to $5.6 million in 2025. Despite this decline, several revenue sources experienced growth, including property taxes, which increased to $32.7 million, as well as utility taxes, franchise fees, and charges for services. Investment income declined compared to the prior year but remained a strong contributor to revenues.

Total expenses increased to $77,617,620 in FY 2025, compared to $68,572,636 in FY 2024. The increase was largely driven by higher costs in Public Safety, Transportation, and Economic Development, reflecting capital project costs, expanded operations, and rising service costs. Public Safety remained the City's largest expenditure category at $31.6 million, followed by Culture & Recreation and General Government.

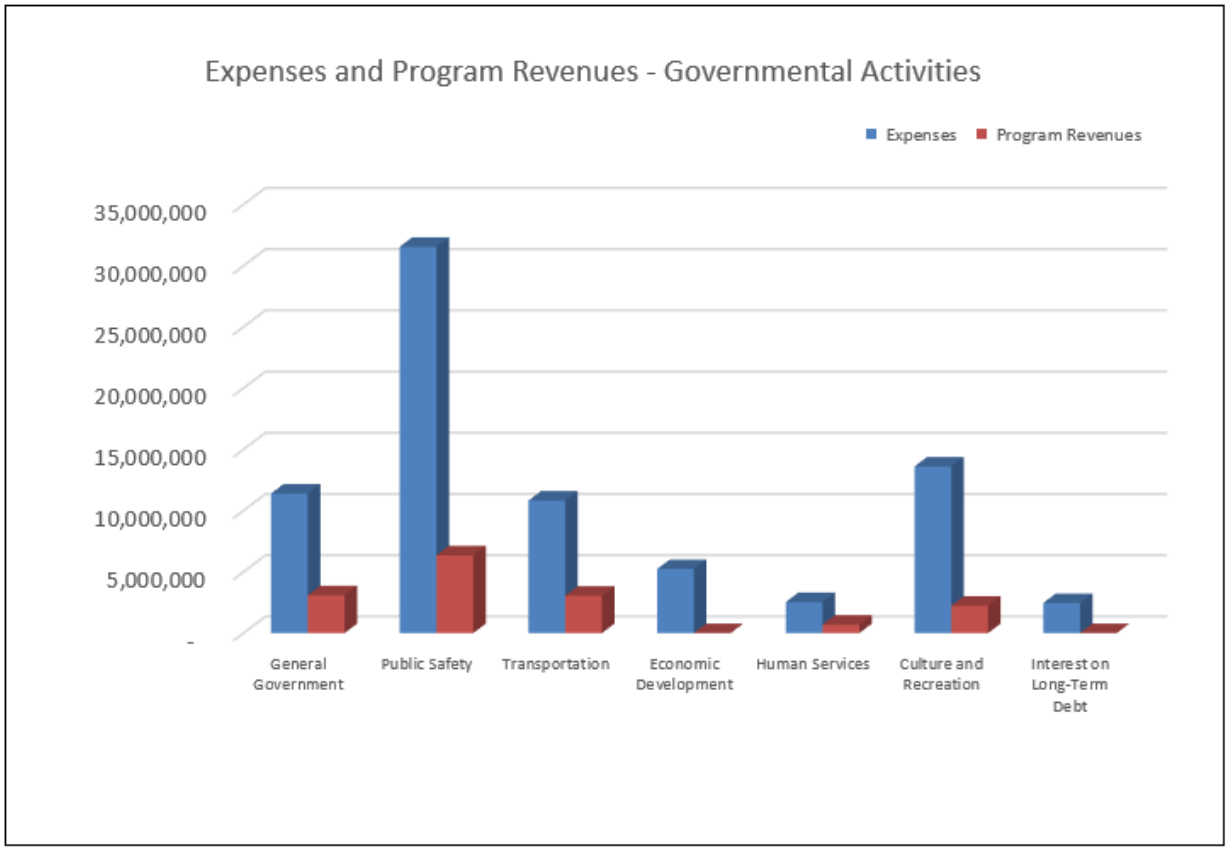
Before transfers, Governmental Activities reported an increase in net position of $12,526,227, compared to $27,447,339 in the prior year, reflecting the combination of lower capital grant revenues and higher operating expenses. After accounting for transfers of $6,148,410, the total change in net position for FY 2025 was an increase of $18,674,637.

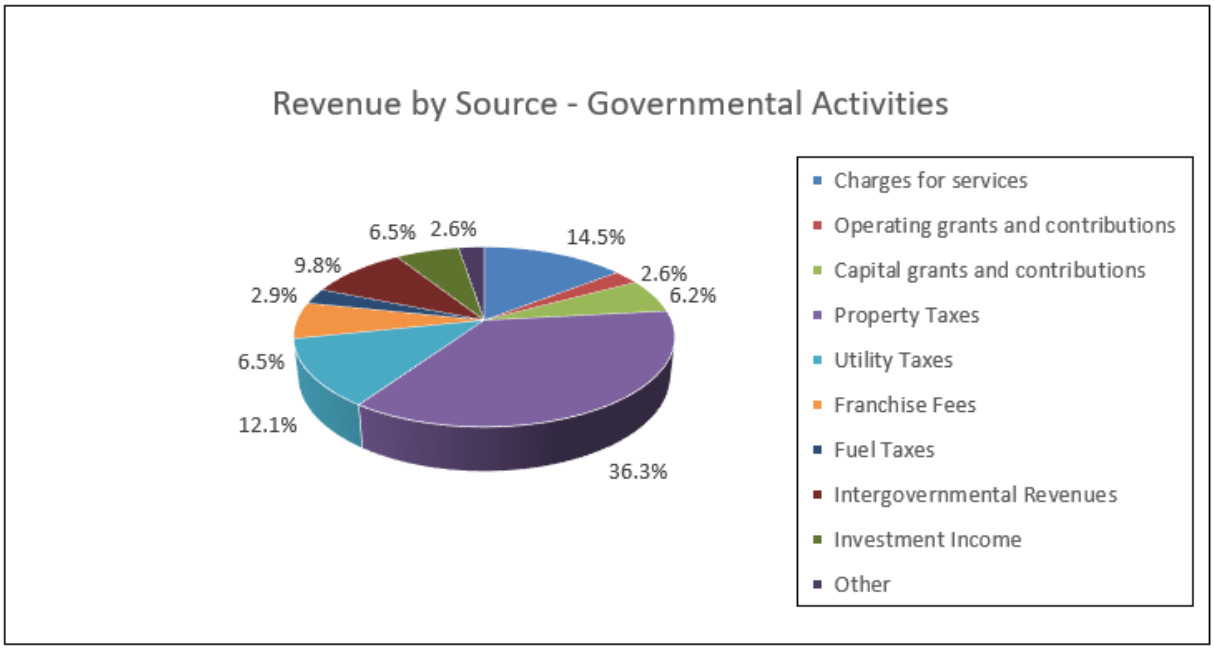
As a result, the net position for Governmental Activities increased to $180,292,633 at the end of FY 2025, up from $161,617,996 in FY 2024, demonstrating continued overall financial growth despite the reduction in capital grant activity.

The changes in net position displayed below shows the governmental and business-type activities during the fiscal year.

Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
REVENUES						
Program Revenues:						
Charges for Services	$ 13,084,955	$ 12,191,269	$ 69,157,708	$ 64,962,799	$ 82,242,663	$ 77,154,068
Operating Grants and Contributions	2,347,073	1,756,946	556,519	34,937	2,903,592	1,791,883
Capital Grants and Contributions	5,564,594	17,934,355	28,895,351	10,879,736	34,459,945	28,814,091
General Revenues:					-	-
Property Taxes	32,710,492	29,276,542	-	-	32,710,492	29,276,542
Utility Taxes	10,947,056	9,402,825	-	-	10,947,056	9,402,825
Franchise Fees	5,894,010	5,192,249			5,894,010	5,192,249
Fuel Taxes	2,569,623	2,448,105	-	-	2,569,623	2,448,105
Intergovernmental Revenues	8,874,659	8,546,261	-	-	8,874,659	8,546,261
Investment Income	5,816,638	7,510,051	3,857,657	4,178,497	9,674,295	11,688,548
Other	2,334,747	1,761,372	306,997	746,433	2,641,744	2,507,805
Total Revenues	90,143,847	96,019,975	102,774,232	80,802,402	192,918,079	176,822,377
EXPENSES						
General Government	11,400,903	11,001,598	-	-	11,400,903	11,001,598
Public Safety	31,551,114	28,359,498	-	-	31,551,114	28,359,498
Transportation	10,823,385	8,595,059	-	-	10,823,385	8,595,059
Economic Development	5,233,446	3,664,381	-	-	5,233,446	3,664,381
Human Resources	2,539,162	1,685,705	-	-	2,539,162	1,685,705
Culture/Recreation	13,611,024	12,698,142	-	-	13,611,024	12,698,142
Interest on Long-Term debt	2,458,586	2,568,253	-	-	2,458,586	2,568,253
Water and Sewer Operations	-	-	39,599,231	37,773,721	39,599,231	37,773,721
Solid Waste	-	-	9,882,346	9,340,129	9,882,346	9,340,129
Willowbrook Golf Course	-	-	1,468,764	1,441,519	1,468,764	1,441,519
Stormwater	-	-	2,774,204	3,137,442	2,774,204	3,137,442
Dark Fiber	-	-	808,051	450,692	808,051	450,692
Total Expenses	77,617,620	68,572,636	54,532,596	52,143,503	132,150,216	120,716,139
Increase (Decrease) in Net Position Before Transfers	12,526,227	27,447,339	48,241,636	28,658,899	60,767,863	56,106,238
Transfers	6,148,410	5,465,786	(6,148,410)	(5,465,786)	-	-
Change in Net Position	18,674,637	32,913,125	42,093,226	23,193,113	60,767,863	56,106,238
Net Position - Beginning of Year.	161,617,996	130,838,137	153,311,586	130,645,986	314,929,582	284,262,345
Restatement	-	(2,133,266)	-	(527,513)	-	(2,660,779)
Net Position - End of Year	$ 180,292,633	$161,617,996	$ 195,404,812	$ 153,311,586	$ 375,697,445	$ 337,707,804


Expenses and Program Revenues - Governmental Activities
Expenses
Program Revenues
35,000,000
30,000,000
25,000,000
20,000,000
15,000,000
10,000,000
5,000,000
-
General Government
Public Safety
Transportation
Economic Development
Human Services
Culture and Recreation
Interest on Long-Term Debt

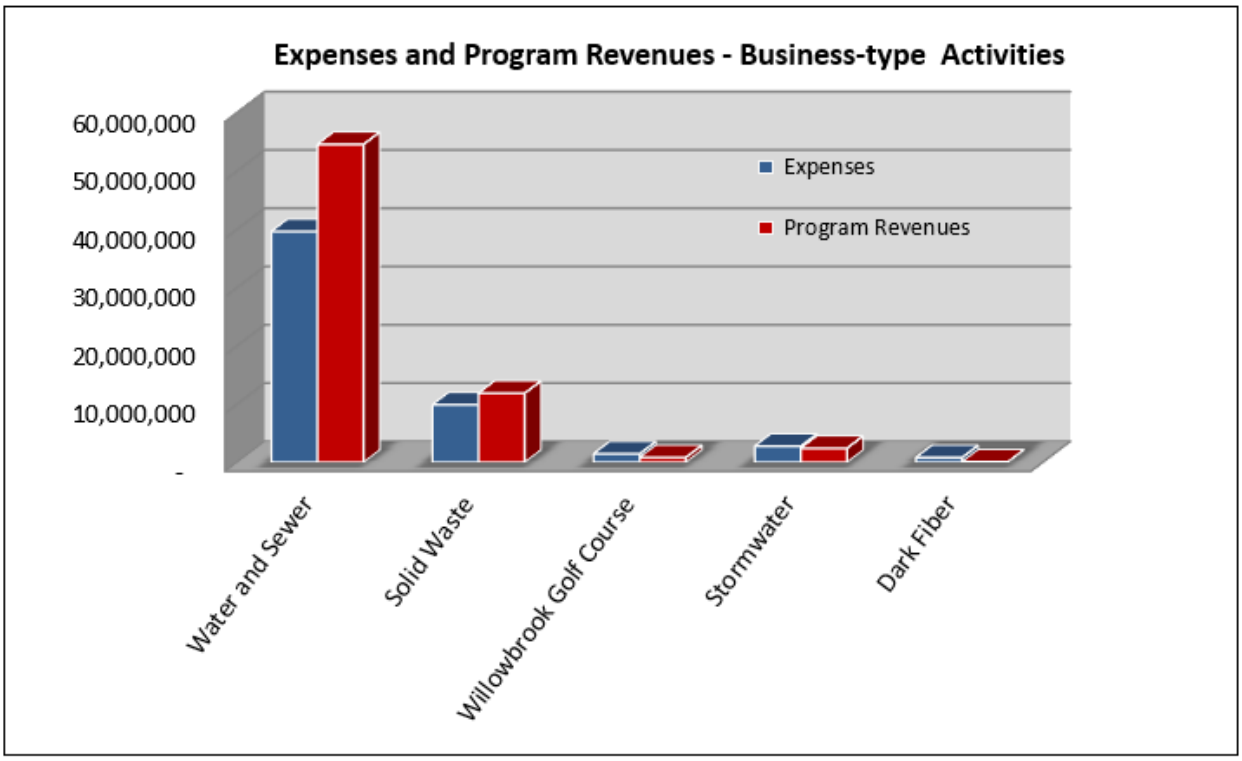

Revenue by Source - Governmental Activities
14.5%
2.6%
6.2%
36.3%
12.1%
6.5%
2.9%
9.8%
6.5%
2.6%
Charges for services
Operating grants and contributions
Capital grants and contributions
Property Taxes
Utility Taxes
Franchise Fees
Fuel Taxes
Intergovernmental Revenues
Investment Income
Other

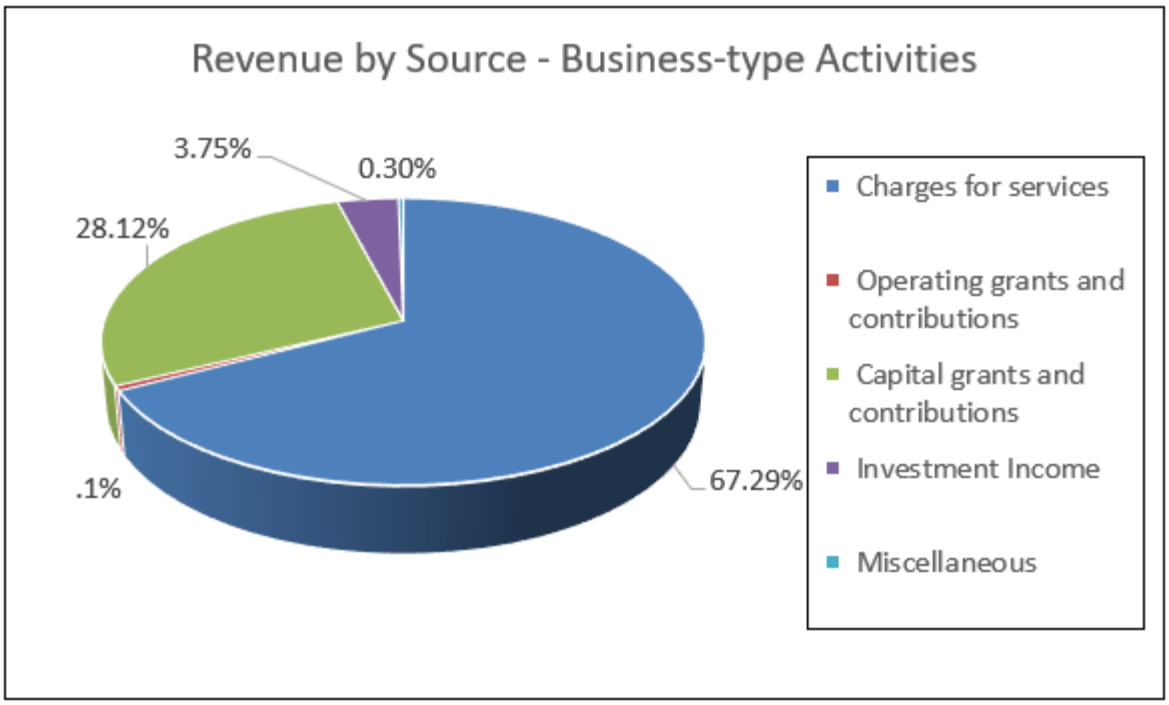
Business-type activities.

Total revenues for Business-type Activities in FY 2025 were $102,774,232, an increase of $21,971,830 over prior year. The growth was primarily due to developer's contributions pertaining to the Water and Sewer fund, as well as expansion of services and higher charges for services. Investment income declined slightly compared to the prior year.

Total expenses increased to $54,532,596 in FY 2025, compared to $52,143,503 in FY 2024, mainly due to higher operating costs within Water and Sewer, Solid Waste, and Dark Fiber operations. Water and Sewer operations remained the largest expense category.

Before transfers, net position increased by $48,241,636. After transfers of $6,148,410, the overall increase in net position was $42,093,226, resulting in an ending net position of $195,404,812 compared to $153,311,586 in FY 2024. This increase reflects strong operating revenues and significant capital funding for utility infrastructure improvements.





Financial Analysis of the City's Major 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. The City maintains four major governmental funds: the General Fund, the Community Redevelopment Agency Fund, the Airport Fund, the Capital Project Fund.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $111,199,296, a decrease of $29,387,746 in comparison to prior year. Approximately, 23.5% of this total amount constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is not available for new spending as it is dedicated to specific purposes.

The General Fund is the primary operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was $26,185,520, while total fund balance was $36,215,552. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the fund's total current expenditures. Unassigned fund balance represents 35.19% of total expenditures and transfers out, while total fund balance represents 48.67% of that same amount.

The fund balance of the City's General Fund increased by $2,191,733, during the current fiscal year.

Key factors contributing to this growth include the following:

- Taxes increased by $5,369,436, primarily due to higher property tax revenues driven by a strong housing market, rising property values, and an increase in electric utility rates.
- Intergovernmental revenues increased by $1,021,718, largely attributable to higher state revenue-sharing distributions and funding received through the SAFER Grant.
- Investment earnings were $307,592 lower than the prior year; however, they exceeded the budgeted amount by $402,555.

The Community Redevelopment Agency (CRA) reported an increase in fund balance of $1,719,812 compared to the prior year. This growth is primarily the result of rising property values within the redevelopment area and anticipated economic development projects.

The Airport Fund experienced an increase in fund balance of $730,089, largely due to grant funding from the Federal Aviation Administration and the Florida Department of Transportation for major capital projects, including the South Apron Rehabilitation Project and the construction of the Remote Digital Tower.

The Capital Projects Fund reflects a decrease in fund balance of $38,487,020, primarily due to increased expenditures for the construction of major recreational facilities, including the Winter Haven Recreation Cultural Center and the Chain of Lakes Ballfields.

Proprietary Funds

The fund financial statements for the proprietary funds essentially provide the same information found in the business-type activities column in the government-wide financial statements, but in more detail. Factors concerning the proprietary funds have been addressed in the discussion of the City's business-type activities.

Capital Assets and Debt Administered

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2025, is $384,270,240 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, improvements, infrastructure, utility systems and equipment. The total increase in the City's investment in capital assets for the current fiscal year was $85,267,877, reflecting a 28.52% increase over prior year.

The schedule below reflects the City's capital assets as of September 30, 2025 and 2024:

	Capital Assets (Net of depreciation)					
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 8,965,944	$ 8,478,268	$ 16,533,991	$ 15,937,906	$ 25,499,935	$ 24,416,174
Buildings and Improvements	85,814,495	78,681,877	9,618,270	9,792,685	95,432,765	88,474,562
Improvements Other than Buildings	114,077,847	97,046,234	273,487,697	234,488,435	387,565,544	331,534,669
Equipment	35,169,861	30,904,672	24,617,013	22,956,489	59,786,874	53,861,161
Right to use Leased Equipment	1,171,827	821,144	222,870	222,870	1,394,697	1,044,014
Right to use SBITAs	2,889,432	2,917,135	168,397	303,607	3,057,829	3,220,742
Construction in Progress	51,366,502	30,245,145	21,618,614	14,336,888	72,985,116	44,582,033
	299,455,908	249,094,475	346,266,852	298,038,880	645,722,760	547,133,355
Less: Accumulated Depreciation	(107,575,183)	(101,192,666)	(153,877,337)	(146,938,326)	(261,452,520)	(248,130,992)
Capital Assets, net	$191,880,725	$147,901,809	$192,389,515	$151,100,554	$384,270,240	$299,002,363

Major capital asset events during the current fiscal year included the following:

- Improvements Other than Buildings reflects an increase of $56,030,875 due to various projects. These projects include the Pollard Road extension, Lake Conine facility and parking improvements, South Lake Howard trail extension, as well as, re-surfacing streets, and maintaining walkways for the governmental activities. Business-type activities include construction of the Harmony Lift station, and utility lines to handle growth and capacity.

- Construction in Progress reflected a total increase of $28,403,083. The majority of this increase is due to governmental funds for projects which include Chain of Lakes Phase II, Public Safety Station No. 5 as well as various road improvement projects. The increase in business-type activities is mainly due to septic to sewer remediation.

Overall, the increase in capital assets reflects the City's continued investment in public facilities, infrastructure, and utility systems to support growth and service delivery.

Additional information on the City's capital assets can be found in Note 6 in the notes to the financial statements.

Debt Administration

At the end of the current fiscal year, the City had total outstanding debt of $134,894,658. The revenue bonds and notes payables are secured by non-ad valorem tax dollars and specified revenue sources (water and sewer system charges).

Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Non-Ad Valorem	$ 79,548,989	$ 83,975,124	$ -	$ -	$ 79,548,989	$ 83,975,124
Water & Sewer Revenue Bonds and Notes	-	-	52,796,722	55,311,607	52,796,722	55,311,607
Leases Payable	590,164	507,304	135,337	177,568	725,501	684,872
SBITAs Payable	1,780,491	767,477	42,956	95,752	1,823,447.00	-
	$ 81,919,644	$ 85,249,905	$ 52,975,015	$ 55,584,927	$ 134,894,659	$ 139,971,603

Two major rating institutions (Standards & Poor, and Fitch Ratings) have evaluated the City's financial management, economic conditions and administrative practices. The bond ratings reflect that the City's bonds have the characteristics of investment quality, as shown below:

Credit Ratings	Fitch	S&P
General Fund Non-Ad Valorem	AA +	AA Stable
Water & Sewer System	AA - Stable	AA-

Additional information on the City's long-term liabilities can be found in Note 9 in notes to the

financial statements.

FUND BALANCE

The Government Finance Officers Association recommends, at a minimum, that general-purpose governments maintain unassigned fund balance in their General Fund of no less than one to two months of regular General Fund operating expenditures (or 8.33 – 16.67%).

The City Commission adopted a General Fund Balance Policy which prescribes a minimum of 17% of General Fund expenditures will be retained in Unassigned Fund Balance and will work towards an unassigned fund balance of 30%. Any Unassigned Fund Balance in excess of 30% may be transferred to the Construction fund to defray costs and cover contingencies as recommended by the City Manager and approved by the City Commission.

Economic Factors and Next Year's Budgets and Rates

The growth outlook for the City of Winter Haven remains positive. Key sectors such as tourism, real estate, and healthcare are thriving, supported by a growing population and an influx of investments in infrastructure and amenities. The real estate market remains robust fueled be both residential and commercial developments. Taxable property values increased by 12.63% over prior year's taxable value. The unemployment rate for the Lakeland-Winter Haven, FL Metropolitan Statistical Area (MSA) was 5.5%, slightly higher than the state's average of 4.4%. The higher rate is mainly due to a labor force that is expanding faster than new jobs are created.

In 2024, the Commission approved a utility rate study and connection fee study to ensure proper funding to support water and sewer services. Based on the study, the Commission approved significant increases to the City's water and wastewater utility connection fees, primarily to ensure that the cost of expanding infrastructure for new development was paid by growth rather than existing residents. The Commission also adopted a five-year rate schedule which will increase water rates 2.5% annually, while sewer rates will increase 7.5% annually. These rate increases were necessary to fund operations including repair and replacement, capital improvement projects and debt service.

Florida is considering legislation that would significantly reduce or eliminate non-school property taxes on homestead properties, contingent on voter approval of a proposed constitutional amendment, likely on the November 2026 ballot. If enacted, this change could sharply reduce the property-tax revenues that the City relies on for essential services, including public safety, roads, parks, and utilities. While some proposals include protections for police and fire funding, the reductions would not adjust for future cost increases, potentially forcing municipalities to cut services, raise user fees, or identify alternative revenue sources to maintain operations. Overall, the legislation represents a major potential fiscal impact for city budgets, requiring careful planning and possible adjustments to ensure continued service delivery.

Financial Contact

The financial report is designed to provide a general overview of the City's finances for all of those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Chief Financial Officer, 551 3rd Street NW, Winter Haven, Florida 33881.

BASIC FINANCIAL STATEMENTS

WINTER HAVEN
THE CHAIN OF LAKES CITY

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CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	$ 119,071,015	$ 33,053,265	$ 152,124,280
Restricted Cash and Investments	505,564	56,106,492	56,612,056
Accounts Receivable, Net	2,356,681	5,667,295	8,023,976
Lease Receivable	1,290,120	758,077	2,048,197
Due from Other Governments	17,062,479	4,619,580	21,682,059
Internal Balances	9,842,458	(9,842,458)	-
Inventory	228,205	1,631,632	1,859,837
Prepaid Items	273,596	52,626	326,222
Capital Assets, Not Being Depreciated	60,332,446	38,152,605	98,485,051
Capital Assets, Being Depreciated - Net	131,548,279	154,236,910	285,785,189
Total Assets	342,510,843	284,436,024	626,946,867
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Items	5,272,576	-	5,272,576
OPEB Related Items	5,752,925	2,411,187	8,164,112
Deferred Charge on Debt Refunding	-	295,228	295,228
Total Deferred Outflows of Resources	11,025,501	2,706,415	13,731,916
LIABILITIES			
Accounts Payable	10,822,601	6,632,360	17,454,961
Accrued Liabilities	1,774,873	598,971	2,373,844
Claims Payable	2,048,553	-	2,048,553
Due to Other Governments	68,800	149,561	218,361
Accrued Interest Payable	1,296,153	560,110	1,856,263
Current Liabilities Payable from Restricted Assets:			
Customer Deposits	-	7,462,034	7,462,034
Unearned Revenue	6,287,971	-	6,287,971
Noncurrent Liabilities:			
Due Within One Year			
Bonds and Notes Payable	4,470,000	3,161,589	7,631,589
Leases Payable	180,753	43,319	224,072
SBITA Payable	628,174	42,956	671,130
Compensated Absences	548,710	1,565,953	2,114,663
Total OPEB Liability	1,202,070	503,815	1,705,885
Due in More than One Year			
Bonds and Notes Payable	75,078,989	49,635,133	124,714,122
Leases Payable	409,411	92,018	501,429
SBITA Payable	1,152,317	-	1,152,317
Compensated Absences	4,728,665	-	4,728,665
Net Pension Liability	10,077,276	1,370,906	11,448,182
Total OPEB Liability	29,230,070	12,251,014	41,481,084
Total Liabilities	150,005,386	84,069,739	234,075,125
DEFERRED INFLOWS OF RESOURCES			
Lease Related Items	1,241,340	666,596	1,907,936
Pension Related Items	14,491,654	3,855,633	18,347,287
OPEB Related Items	7,505,331	3,145,659	10,650,990
Total Deferred Inflows of Resources	23,238,325	7,667,888	30,906,213
NET POSITION			
Net Investment in Capital Assets	117,107,426	135,046,632	252,154,058
Restricted for:			
Public Safety	7,675,202	-	7,675,202
Community Redevelopment Agency	5,868,830	-	5,868,830
Environmental Awareness	200,000	-	200,000
Human Services	228,004	-	228,004
Police Training, Confiscation and Abandoned Property	229,929	-	229,929
Building Safety	7,460,104	-	7,460,104
Impact Fees	2,849,483	-	2,849,483
Debt Service	4,386,107	3,189,677	7,575,784
Transportation	14,221,299	-	14,221,299
Renewal, Replacement, and Improvements	-	45,298,467	45,298,467
Unrestricted	20,066,249	11,870,036	31,936,285
Total Net Position	$ 180,292,633	$ 195,404,812	$ 375,697,445

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total
Governmental Activities:							
Primary Government:							
Governmental Activities:							
General Government	$ 11,400,903	$ 2,820,080	$ 269,087	$ -	$ (8,311,736)	$ -	$ (8,311,736)
Public Safety	31,551,114	5,724,010	632,266	1,378,023	(23,816,815)	-	(23,816,815)
Transportation	10,823,385	3,007,983	43,995	2,776,198	(4,995,209)	-	(4,995,209)
Economic Development	5,233,446	4,200	-	-	(5,229,246)	-	(5,229,246)
Human Services	2,539,162	234,139	460,043	-	(1,844,980)	-	(1,844,980)
Culture and Recreation	13,611,024	1,294,543	941,682	1,410,373	(9,964,426)	-	(9,964,426)
Debt Service:							
Interest on Long-Term Debt	2,458,586	-	-	-	(2,458,586)	-	(2,458,586)
Total Governmental Activities	77,617,620	13,084,955	2,347,073	5,564,594	(56,620,998)	-	(56,620,998)
Business-Type Activities:							
Water and Sewer	39,599,231	54,282,976	263,158	28,445,351	-	43,392,254	43,392,254
Solid Waste	9,882,346	11,546,693	293,111	-	-	1,957,458	1,957,458
Willowbrook Golf Course	1,468,764	834,383	-	-	-	(634,381)	(634,381)
Stormwater	2,774,204	2,407,083	250	450,000	-	83,129	83,129
Dark Fiber	808,051	86,573	-	-	-	(721,478)	(721,478)
Total Business-Type Activities	54,532,596	69,157,708	556,519	28,895,351	-	44,076,982	44,076,982
Total Primary Government	$ 132,150,216	$ 82,242,663	$ 2,903,592	$ 34,459,945	(56,620,998)	44,076,982	(12,544,016)
General Revenues							
Taxes:							
Property Taxes					32,710,492	-	32,710,492
Utility Taxes					10,947,056	-	10,947,056
Franchise Taxes					5,894,010	-	5,894,010
Fuel Taxes					2,569,623	-	2,569,623
Unrestricted State-Shared Revenues:							
Sales Taxes					4,262,107	-	4,262,107
Municipal Revenue Sharing					2,779,111	-	2,779,111
Other Taxes					1,833,441	-	1,833,441
Investment Income					5,816,638	3,857,657	9,674,295
Gain on Sale of Capital Assets					87,815	(82,395)	5,420
Miscellaneous					2,246,932	389,392	2,636,324
Transfers					6,148,410	(6,148,410)	-
Total General Revenues and Transfers					75,295,635	(1,983,756)	73,311,879
Change in Net Position					18,674,637	42,093,226	60,767,863
Net Position - Beginning of Year					161,617,996	153,311,586	314,929,582
Net Position - End of Year					$ 180,292,633	$ 195,404,812	$ 375,697,445

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General Fund	Community Redevelopment Agency	Airport Fund	Capital Project Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Investments	$ 24,585,205	$ 6,044,818	$ 1,064,496	$ 32,448,865	$ 43,004,224	$ 107,147,608
Investments - Reserved for Perpetual Care	-	-	-	-	505,564	505,564
Accounts Receivable	2,209,556	452	5,234	-	57,707	2,272,949
Lease Receivable	-	-	598,636	-	691,484	1,290,120
Due from Other Governments	16,682,370	-	93,490	-	286,619	17,062,479
Due from Other Funds	856,779	-	-	-	202,253	1,059,032
Advances to Other Funds	9,434,833	-	-	-	842,823	10,277,656
Inventory	-	-	-	-	29,729	29,729
Prepaid Items	259,613	2,527	7,169	-	386	269,695
Total Assets	$ 54,028,356	$ 6,047,797	$ 1,769,025	$ 32,448,865	$ 45,620,789	$ 139,914,832
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts Payable	$ 1,352,547	$ 163,392	$ 179,766	$ 5,946,143	$ 2,138,551	$ 9,780,399
Accrued Liabilities	1,440,197	9,150	28,393	-	125,208	1,602,948
Due to Other Funds	-	-	-	127,920	128,377	256,297
Due to Other Governments	-	-	-	-	68,800	68,800
Advances from Other Funds	-	-	-	416,107	-	416,107
Unearned Revenue	6,254,315	6,425	10,710	-	16,521	6,287,971
Total Liabilities	9,047,059	178,967	218,869	6,490,170	2,477,457	18,412,522
Deferred Inflows of Resources:						
Unavailable Revenue	8,765,745	-	64,191	-	231,738	9,061,674
Lease Related Items	-	-	566,454	-	674,886	1,241,340
Total Deferred Inflows of Resources	8,765,745	-	630,645	-	906,624	10,303,014
Fund Balances:						
Nonspendable	9,694,446	2,527	7,169	-	30,115	9,734,257
Restricted	217,001	5,866,303	-	7,658,201	29,365,074	43,106,579
Committed	-	-	-	-	2,141,862	2,141,862
Assigned	118,585	-	912,342	18,300,494	10,758,176	30,089,597
Unassigned	26,185,520	-	-	-	(58,519)	26,127,001
Total Fund Balances	36,215,552	5,868,830	919,511	25,958,695	42,236,708	111,199,296
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 54,028,356	$ 6,047,797	$ 1,769,025	$ 32,448,865	$ 45,620,789	$ 139,914,832

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
September 30, 2025

TOTAL FUND BALANCES FOR GOVERNMENTAL FUNDS		$ 111,199,296
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.		
Costs of Capital Assets	$ 292,348,967	
Accumulated Depreciation	(102,865,029)	
Total Capital Assets Added		189,483,938
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Accrued interest for governmental activities bonds is included in the statement of net position.		(1,296,153)
The City's net pension liability and related deferred outflows and inflows of resources for governmental activities are recorded only on the Statement of Net Position.		
Net Pension Liability	(9,469,756)	
Deferred Outflows of Resources - Pension Related	5,272,576	
Deferred Inflows of Resources - Pension Related	(12,783,021)	
Total Pension Related Items		(16,980,201)
The City's total other postemployment benefits liability and related deferred outflows and inflows of resources are recorded only on the Statement of Net Position.		
Total OPEB Liability	(27,551,500)	
Deferred Outflows of Resources - OPEB Related	5,208,365	
Deferred Inflows of Resources - OPEB Related	(6,794,893)	
Total Pension Related Items		(29,138,028)
Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds Payable	(76,145,000)	
Premium on Bond Issue	(3,403,989)	
SBITA Payable	(1,157,195)	
Accrued Compensated Absences	(4,728,665)	
Total Long-Term Liabilities		(85,494,367)
Unavailable revenue is recorded in the funds to offset receivables that do not meet the criteria for revenue recognition in the current period.		9,061,674
Internal service funds are used by management to charge the costs of certain activities, such as employer health insurance and equipment maintenance, to individual funds.		3,456,474
TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 180,292,633

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2025

	General Fund	Community Redevelopment Agency	Airport	Capital Project Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 48,817,274	$ 4,923,935	$ -	$ -	$ -	$ 53,741,209
Licenses and Permits	73,165	-	-	-	7,346,593	7,419,758
Intergovernmental	9,708,983	-	1,106,466	200,000	2,629,478	13,644,927
Charges for Services	4,242,727	-	1,319,758	-	253,044	5,815,529
Fines and Forfeitures	446,780	-	-	-	80,736	527,516
Rents	407,800	4,200	1,176,909	-	170,376	1,759,285
Investment Income	1,232,555	288,359	37,914	2,128,210	1,719,429	5,406,467
Other	1,226,646	-	79,779	27,157	69,682	1,403,264
Total Revenues	66,155,930	5,216,494	3,720,826	2,355,367	12,269,338	89,717,955
EXPENDITURES						
Current:						
General Government	11,060,682	-	-	-	9,075	11,069,757
Public Safety	30,362,069	-	-	-	2,284,631	32,646,700
Transportation	3,620,347	-	4,014,875	-	2,549,131	10,184,353
Economic Development	1,427,231	2,385,698	-	-	-	3,812,929
Human Services	-	-	-	-	2,454,378	2,454,378
Culture and Recreation	9,884,894	-	-	-	2,071,807	11,956,701
Capital Projects	-	-	-	44,034,902	3,151,039	47,185,941
Debt Service:						
Principal Retirement	266,326	-	-	-	4,416,341	4,682,667
Interest and Fiscal Charges	31,003	-	944	21,242	2,666,616	2,719,805
Other Debt Service	-	-	-	-	550	550
Total Expenditures	56,652,552	2,385,698	4,015,819	44,056,144	19,603,568	126,713,781
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	9,503,378	2,830,796	(294,993)	(41,700,777)	(7,334,230)	(36,995,826)
OTHER FINANCING SOURCES (USES)						
Issuance of Leases and SBITAs	1,104,964	-		-	299,406	1,404,370
Transfers In	9,341,926	-	1,375,000	3,213,757	15,579,833	29,510,516
Transfers Out	(17,758,535)	(1,110,984)	(349,918)	-	(4,087,369)	(23,306,806)
Total Other Financing Sources (Uses)	(7,311,645)	(1,110,984)	1,025,082	3,213,757	11,791,870	7,608,080
NET CHANGE IN FUND BALANCES	2,191,733	1,719,812	730,089	(38,487,020)	4,457,640	(29,387,746)
Fund Balances - Beginning of Year	34,023,819	4,149,018	189,422	64,445,715	37,779,068	140,587,042
FUND BALANCES - END OF YEAR	$ 36,215,552	$ 5,868,830	$ 919,511	$ 25,958,695	$ 42,236,708	$ 111,199,296

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITY
GOVERNMENTAL ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2025

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		$ (29,387,746)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlay, reported as expenditures in governmental funds, are shown as capital assets in the statement of net position.		52,362,706
Depreciation of capital assets is not a use of financial resources to governmental funds; however, it is expensed in the statement of net position.		(8,595,323)
In the statement of activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in net position differs from the change in fund balance by the carrying value of the capital assets sold.		(16,782)
The issuance of long-term debt (e.g., bonds, note payables and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Bond and Note Payments	$ 4,195,000	
Proceeds from Leases and SBITAs	(1,404,370)	
Lease and SBITA Payments	656,374	
Total Long-Term Debt		3,447,004
The amortization of bond premium and similar items do not require the use of financial resources of the governmental funds and, therefore, are not reported as expenditures in governmental funds:		
Amortization of Bond Premium	231,135	
Total Amortization		231,135
The (increase) decrease in certain accrued liabilities reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.		
Net Change in OPEB Liability and Related Amounts	(2,181,044)	
Net Change in Accrued Compensated Absences	(650,551)	
Net Change in Bond Interest Payable	68,804	
Net Change in Net Pension Liability and Related Amounts	3,264,929	
Net Adjustment		502,138
Some revenues reported in the statement of activities will not be collected for several months after the fiscal year and, therefore, are not reported as revenue in the governmental funds.		(1,513,896)
Internal service funds are used by management to charge the costs of insurance and equipment and vehicle maintenance to individual funds. The net expense of certain activities of internal service funds is reported with governmental activities.		1,645,401
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 18,674,637

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 47,425,404	$ 47,425,404	$ 48,817,274	$ 1,391,870
Licenses and Permits	74,000	74,000	73,165	(835)
Intergovernmental	9,207,575	9,207,575	9,708,983	501,408
Charges for Services	3,983,146	3,983,146	4,242,727	259,581
Fines and Forfeitures	196,300	196,300	446,780	250,480
Rents	393,000	393,000	407,800	14,800
Investment Income	830,000	830,000	1,232,555	402,555
Other	904,800	904,800	1,226,646	321,846
Total Revenues	63,014,225	63,014,225	66,155,930	3,141,705
EXPENDITURES				
Current:				
General Government	11,304,011	11,355,188	11,060,682	294,506
Public Safety	29,889,532	30,362,464	30,362,069	395
Transportation	15,675,671	15,385,349	3,620,347	11,765,002
Economic Development	11,507,581	11,693,835	1,427,231	10,266,604
Culture and Recreation	11,713,876	11,521,287	9,884,894	1,636,393
Debt Service:				
Principal Retirement	-	-	266,326	(266,326)
Interest and Fiscal Charges	-	-	31,003	(31,003)
Total Expenditures	80,090,671	80,318,123	56,652,552	23,665,571
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(17,076,446)	(17,303,898)	9,503,378	26,807,276
OTHER FINANCING SOURCES (USES)				
Issuance of Leases and SBITAs	-	-	1,104,964	1,104,964
Transfers In	9,341,926	9,341,926	9,341,926	-
Transfers Out	(15,077,992)	(17,082,199)	(17,758,535)	(676,336)
Total Other Financing Sources (Uses)	(5,736,066)	(7,740,273)	(7,311,645)	428,628
NET CHANGE IN FUND BALANCES	(22,812,512)	(25,044,171)	2,191,733	27,235,904
Fund Balances - Beginning of Year	34,023,819	34,023,819	34,023,819	-
FUND BALANCES - END OF YEAR	$ 11,211,307	$ 8,979,648	$ 36,215,552	$ 27,235,904

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT AGENCY FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 4,982,903	$ 4,982,903	$ 4,923,935	$ (58,968)
Miscellaneous:				
Rents	4,200	4,200	4,200	-
Investment Income	75,000	75,000	288,359	213,359
Total Revenues	5,062,103	5,062,103	5,216,494	154,391
EXPENDITURES				
Current:				
Economic Development	6,952,989	7,255,577	2,385,698	4,869,879
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,890,886)	(2,193,474)	2,830,796	5,024,270
OTHER FINANCING USES				
Transfers Out	(1,010,984)	(1,110,984)	(1,110,984)	-
NET CHANGE IN FUND BALANCES	(2,901,870)	(3,304,458)	1,719,812	5,024,270
Fund Balances - Beginning of Year	4,149,018	4,149,018	4,149,018	-
FUND BALANCES - END OF YEAR	$ 1,247,148	$ 844,560	$ 5,868,830	$ 5,024,270

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
AIRPORT FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 4,243,374	$ 4,243,374	$ 1,106,466	$ (3,136,908)
Charges for Services	1,387,000	1,387,000	1,319,758	(67,242)
Miscellaneous:				
Rents	1,271,800	1,271,800	1,176,909	(94,891)
Investment Income	-	-	37,914	37,914
Other	61,650	61,650	79,779	18,129
Total Revenues	6,963,824	6,963,824	3,720,826	(3,242,998)
EXPENDITURES				
Current:				
Transportation	8,405,548	8,191,453	4,014,875	4,176,578
Debt Service:				
Principal Retirement	43,257	43,257	-	43,257
Interest and Fiscal Charges	943	943	944	(1)
Total Expenditures	8,449,748	8,235,653	4,015,819	4,219,834
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,485,924)	(1,271,829)	(294,993)	976,836
OTHER FINANCING SOURCES (USES)				
Transfers In	1,375,000	1,375,000	1,375,000	-
Transfers Out	(349,918)	(349,918)	(349,918)	-
Total Other Financing Sources (Uses)	1,025,082	1,025,082	1,025,082	-
NET CHANGE IN FUND BALANCES (DEFICITS)	(460,842)	(246,747)	730,089	976,836
Fund Balances - Beginning of Year	189,422	189,422	189,422	-
FUND BALANCES (DEFICITS) - END OF YEAR	$ (271,420)	$ (57,325)	$ 919,511	$ 976,836

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water and Sewer	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
CURRENT ASSETS					
Cash and Investments	$ 20,366,148	$ 6,307,720	$ 6,379,397	$ 33,053,265	$ 11,923,407
Cash With Fiscal Agent	-	-	156,314	156,314	-
Restricted Cash and Investments					
Customer Deposits	7,462,034	-	-	7,462,034	-
Receivables:					
Accounts	4,424,642	1,008,084	477,977	5,910,703	83,732
Less: Allowance for Doubtful Accounts	(243,408)	-	-	(243,408)	-
Leases	699,352	-	58,725	758,077	-
Due from Other Governments	4,619,580	-	-	4,619,580	-
Due from Other Funds	127,920	-	-	127,920	-
Advances to Other Funds	416,107	-	-	416,107	-
Inventories	1,536,169	-	95,463	1,631,632	198,476
Prepaid Items	12,015	499	40,112	52,626	3,901
Total Current Assets	39,420,559	7,316,303	7,207,988	53,944,850	12,209,516
NONCURRENT ASSETS					
Restricted Cash and Investments:					
Bond Asset Replacement Funds	6,117,559	-	-	6,117,559	-
Construction Funds	39,180,908	-	-	39,180,908	-
Debt Service	3,189,677	-	-	3,189,677	-
Total Restricted Assets	48,488,144	-	-	48,488,144	-
Capital Assets:					
Land	13,534,076	-	2,999,915	16,533,991	-
Construction in Progress	17,746,435	-	3,872,179	21,618,614	-
Building	8,512,446	849,104	256,720	9,618,270	214,392
Improvements Other than Buildings	258,996,041	10,654	14,481,002	273,487,697	430,249
Equipment	10,515,226	11,195,154	2,906,633	24,617,013	4,075,920
Right-to-Use Leased Equipment	-	222,870	-	222,870	1,083,500
Right-to-Use Subscription Software	32,371	136,026	-	168,397	1,302,969
	309,336,595	12,413,808	24,516,449	346,266,852	7,107,030
Less: Accumulated Depreciation	(135,096,574)	(8,389,697)	(10,391,066)	(153,877,337)	(4,710,243)
Net Capital Assets	174,240,021	4,024,111	14,125,383	192,389,515	2,396,787
Total Noncurrent Assets	222,728,165	4,024,111	14,125,383	240,877,659	2,396,787
Total Assets	262,148,724	11,340,414	21,333,371	294,822,509	14,606,303
DEFERRED OUTFLOWS OF RESOURCES					
OPEB Related Items	1,584,122	610,674	216,391	2,411,187	544,560
Deferred Charge on Debt Refunding	295,228	-	-	295,228	-
Total Deferred Outflows of Resources	1,879,350	610,674	216,391	2,706,415	544,560

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water and Sewer	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (DEFICIT)					
CURRENT LIABILITIES					
Accounts Payable	$ 5,471,931	$ 264,575	$ 895,854	$ 6,632,360	$ 1,042,202
Accrued Liabilities	421,838	114,286	62,847	598,971	179,499
Due to Other Funds	-	-	930,655	930,655	-
Due to Other Governments	149,561	-	-	149,561	-
Claims Payable	-	-	-	-	2,048,553
Accrued Interest Payable	560,110	-	-	560,110	-
Current Portion of Bonds and Notes Payable	3,161,589	-	-	3,161,589	-
Current Portion of Lease Payable	-	43,319	-	43,319	166,800
Current Portion of SBITA Payable	-	42,956	-	42,956	320,147
Current Portion of Compensated Absences	1,103,690	282,936	179,327	1,565,953	541,136
Current Portion of Total OPEB Liability	331,001	127,600	45,214	503,815	113,786
Total	11,199,720	875,672	2,113,897	14,189,289	4,412,123
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS					
Customer Deposits	7,462,034	-	-	7,462,034	-
Total Current Liabilities	18,661,754	875,672	2,113,897	21,651,323	4,412,123
LONG-TERM LIABILITIES					
Advances from Other Funds	7,870,961	-	2,406,695	10,277,656	-
Bonds and Notes Payable (Net of Unamortized Premiums)	49,635,133	-	-	49,635,133	-
Lease Payable	-	92,018	-	92,018	363,846
SBITA Payable	-	-	-	-	303,149
Total OPEB Liability	8,048,777	3,102,779	1,099,458	12,251,014	2,766,854
Net Pension Liability	1,031,543	170,420	168,943	1,370,906	607,520
Total Long-Term Liabilities	66,586,414	3,365,217	3,675,096	73,626,727	4,041,369
Total Liabilities	85,248,168	4,240,889	5,788,993	95,278,050	8,453,492
DEFERRED INFLOWS OF RESOURCES					
Lease Related Items	609,065	-	57,531	666,596	-
Pension Related Items	2,901,185	479,301	475,147	3,855,633	1,708,633
OPEB Related Items	2,066,662	796,692	282,305	3,145,659	710,438
Total Deferred Inflows of Resources	5,576,912	1,275,993	814,983	7,667,888	2,419,071
NET POSITION					
Net Investment in Capital Assets	117,839,434	3,801,358	13,405,840	135,046,632	1,217,069
Restricted for:					
Revenue Bonds Debt Service	3,189,677	-	-	3,189,677	-
Renewal, Replacement and Improvements	45,298,467	-	-	45,298,467	-
Unrestricted	6,875,416	2,632,848	1,539,946	11,048,210	3,061,231
Total Net Position	$ 173,202,994	$ 6,434,206	$ 14,945,786	194,582,986	$ 4,278,300
Adjustment to Reflect Consolidation of Internal Service Fund Activities Related to Enterprise Funds				821,826	
Net Assets of Business-Type Activities				$ 195,404,812	

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water and Sewer	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES					
Charges for Services	$ 53,371,614	$ 11,546,693	$ 3,328,039	$ 68,246,346	$ 23,728,844
Tap Fees	911,362	-	-	911,362	-
Miscellaneous	272,488	76,392	40,512	389,392	1,067,563
Total Operating Revenues	54,555,464	11,623,085	3,368,551	69,547,100	24,796,407
OPERATING EXPENSES					
Personal Services	8,320,298	2,753,270	1,653,885	12,727,453	2,537,723
Material and Supplies	5,752,361	771,046	64,539	6,587,946	1,879,144
Depreciation	5,143,615	1,247,265	1,038,358	7,429,238	1,194,617
Other Services and Charges	19,584,007	5,930,712	2,312,452	27,827,171	16,503,467
Total Operating Expenses	38,800,281	10,702,293	5,069,234	54,571,808	22,114,951
OPERATING INCOME (LOSS)	15,755,183	920,792	(1,700,683)	14,975,292	2,681,456
NONOPERATING REVENUES (EXPENSES)					
Grants and Contributions	263,158	293,111	250	556,519	-
Investment Income	3,246,427	284,810	326,420	3,857,657	410,171
Interest Expense	(1,271,485)	(7,499)	(33,987)	(1,312,971)	(38,170)
Gain on Disposal of Assets	21,969	7,552	(111,916)	(82,395)	(573)
Total Nonoperating Revenues (Expenses)	2,260,069	577,974	180,767	3,018,810	371,428
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	18,015,252	1,498,766	(1,519,916)	17,994,102	3,052,884
CAPITAL CONTRIBUTIONS AND TRANSFERS					
Capital Grants and Contributions	28,445,351	-	450,000	28,895,351	-
Transfers In	-	-	2,016,904	2,016,904	-
Transfers Out	(6,424,373)	(1,241,825)	(499,116)	(8,165,314)	(55,300)
Total Capital Contributions and Transfers	22,020,978	(1,241,825)	1,967,788	22,746,941	(55,300)
CHANGE IN NET POSITION	40,036,230	256,941	447,872	40,741,043	2,997,584
Net Position - Beginning of Year	133,166,764	6,177,265	14,497,914	153,841,943	1,280,716
NET POSITION - END OF YEAR	$ 173,202,994	$ 6,434,206	$ 14,945,786	194,582,986	$ 4,278,300
Reconciliation for Allocation of Internal Service Funds Activities:					
Adjustment for Prior Period Allocation of Internal Service Funds				(530,357)	
Some Amounts Reported for Business-Type Activities in the Statement of Activities are Different Because the Net Revenue (Expense) of Certain Internal Service Funds is Reported with Business-Type Activities.				1,352,183	
Change in Net Position of Business-Type Activities				42,093,226	
NET POSITION - END OF YEAR WITH ALLOCATION OF INTERNAL SERVICE FUNDS ACTIVITIES				$ 195,404,812	

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water and Sewer	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	$ 56,608,456	$ 12,388,659	$ 3,453,748	$ 72,450,863	$ 24,758,248
Cash Paid to Employees for Services	(27,451,061)	(6,749,913)	(1,298,513)	(35,499,487)	(3,695,391)
Cash Paid to Suppliers for Goods and Services	(9,236,089)	(3,059,664)	(2,743,096)	(15,038,849)	(18,293,442)
Net Cash Provided by Operating Activities	19,921,306	2,579,082	(587,861)	21,912,527	2,769,415
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Grants and Contributions	3,022,977	293,111	120,250	3,436,338	-
Transfers from Other Funds	-	-	2,016,904	2,016,904	-
Transfers to Other Funds	(6,424,373)	(1,241,825)	(499,116)	(8,165,314)	(55,300)
Repayment of Advances To Other Funds	(97,492)	-	-	(97,492)	-
Repayment of Advances From Other Funds	-	-	62,043	62,043	-
Net Cash Provided (Used) by Noncapital and Related Financing Activities	(3,498,888)	(948,714)	1,700,081	(2,747,521)	(55,300)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital Grants and Contributions	3,212,381	-	450,000	3,662,381	-
Interest Paid	(1,219,625)	(7,499)	(33,987)	(1,261,111)	(38,170)
Acquisition and Construction of Capital Assets	(13,944,044)	(1,042,833)	(3,938,663)	(18,925,540)	(193,155)
Proceeds from Sale of Assets	21,969	2,299	-	24,268	(1,293)
Principal Payments on Bonds and Notes	(2,529,564)	-	-	(2,529,564)	-
Principal Payments on SBITAs and Leases	-	(83,604)	-	(83,604)	(855,403)
Receipts from Leasing Activities	72,350	-	68,530	140,880	-
Net Cash Used by Capital and Related Financing Activities	(14,386,533)	(1,131,637)	(3,454,120)	(18,972,290)	(1,088,021)
CASH FLOWS FROM INVESTING ACTIVITIES					
Net Investment Income	3,214,346	284,810	322,439	3,821,595	410,171
Net Cash Provided by Investing Activities	3,214,346	284,810	322,439	3,821,595	410,171
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5,250,231	783,541	(2,019,461)	4,014,311	2,036,265
Cash and Cash Equivalents - Beginning of Year	71,066,095	5,524,179	8,555,172	85,145,446	9,887,142
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 76,316,326	$ 6,307,720	$ 6,535,711	$ 89,159,757	$ 11,923,407

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water and Sewer	Solid Waste	Other Enterprise Funds	Total	Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	$ 15,755,183	$ 920,792	$ (1,700,683)	$ 14,975,292	$ 2,681,456
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	5,143,615	1,247,265	1,038,358	7,429,238	1,194,617
(Increase) Decrease in Assets and Deferred Outflows of Resources:					
Accounts Receivable	1,442,028	783,213	150,946	2,376,187	(38,159)
Lease Receivable	-	-	3,289	3,289	-
Inventories	567,768	-	(5,996)	561,772	22,909
Prepaid Items	(1,268)	148	(20,319)	(21,439)	75,001
Due from Other Governments	-	-	-	-	-
Deferred Outflows of Resources- Pension Related Items	248,493	40,226	29,381	318,100	163,264
Deferred Outflows of Resources- OPEB Related Items	767,385	341,506	40,872	1,149,763	273,545
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:					
Accounts Payable	(2,689,903)	(48,303)	(339,790)	(3,077,996)	(308,741)
Accrued Liabilities	77,719	972	(322)	78,369	23,455
Due to Other Governments	8,710	-	-	8,710	-
Customer Deposits	669,398	(17,639)	-	651,759	-
Compensated Absences	114,393	22,414	66,880	203,687	(137,776)
Total OPEB Liability	(537,817)	(380,561)	169,061	(749,317)	(221,836)
Due to Other Funds	-	-	-	-	-
Net Pension Liability	(2,452,070)	(393,512)	(242,946)	(3,088,528)	(1,681,276)
Claims Payable	-	-	-	-	300,000
Deferred Inflows of Resources - Lease Related Items	(58,434)	-	(69,038)	(127,472)	-
Deferred Inflows of Resources- Pension Related Items	1,060,116	181,267	257,466	1,498,849	499,018
Deferred Inflows of Resources- OPEB Related Items	(194,010)	(118,706)	34,980	(277,736)	(76,062)
Net Cash Provided by Operating Activities	$ 19,921,306	$ 2,579,082	$ (587,861)	$ 21,912,527	$ 2,769,415
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES					
Contributions of Capital Assets by Developers	$ 25,232,970	$ -	$ -	$ 25,232,970	$ -
Issuance of SBITAs and Leases	$ -	$ -	$ -	$ -	$ 1,083,740
Capital Additions Funded by Accounts Payable	$ 3,899,093	$ 44,460	$ 719,543	$ 4,663,096	$ 25,776
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITIONS					
Cash, Investments, and Cash Equivalents	$ 20,366,148	$ 6,307,720	$ 6,379,397	$ 33,053,265	$ 11,923,407
Cash With Fiscal Agent	-	-	156,314	156,314	-
Restricted Assets:					
Customer Deposits	7,462,034	-	-	7,462,034	-
Renewal And Replacement Funds	6,117,559	-	-	6,117,559	-
Expansion Funds	39,180,908	-	-	39,180,908	-
Debt Service	3,189,677	-	-	3,189,677	-
Total Cash, Investments, and Cash Equivalents	$ 76,316,326	$ 6,307,720	$ 6,535,711	$ 89,159,757	$ 11,923,407

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2025

	Employee Retirement Funds
ASSETS	
Cash	$ 110,445
Prepaid Items	6,837
Investments:	
Short-Term Money Market Funds	9,379,201
US Government Obligations	9,517,526
Mutual Funds Fixed	20,022,983
Government Mortgage Pools	9,702,292
Municipal Obligations	442,848
Collateralized Mortgage Obligations	3,133,679
Corporate Bonds	7,772,772
Foreign Bonds	168,449
Fixed Income	4,097,797
Equity Securities	111,282,444
Real Estate Fund	15,120,350
Total Investments	190,640,341
Receivables:	
Contribution Receivables	44,856
Interest and Dividends Receivable	244,475
Total Receivables	289,331
Total Assets	191,046,954
LIABILITIES	
Accounts Payable	65,507
NET POSITION	
Net Position Restricted for Pensions	$ 190,981,447

See accompanying Notes to Financial Statements.

CITY OF WINTER HAVEN, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2025

	Employee Retirement Funds
ADDITIONS	
Contributions:	
Employer	$ 5,372,821
Employee	1,524,556
State	1,287,136
Total Contributions	8,184,513
Investments Income	23,043,060
Less: Investment Expenses	(730,497)
Net Investment Income	22,312,563
Miscellaneous Revenue	38,250
Total Additions	30,535,326
DEDUCTIONS	
Benefits	11,574,695
Refunds	172,864
Administrative Expenses	416,260
Total Deductions	12,163,819
CHANGE IN NET POSITION	18,371,507
NET POSITION RESTRICTED FOR PENSIONS	
Net Position - Beginning of Year	172,609,940
Net Position - End of Year	$ 190,981,447

See accompanying Notes to Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Winter Haven (the City) conform to accounting principles generally accepted in the United States as applicable to governmental units. The accompanying summary of significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies, as presented, should be reviewed as an integral part of the accompanying financial statements.

A. Reporting Entity

The City was created and re-established as a municipal government when its present charter was approved by voters at a general referendum on October 2, 1973 and by Laws of Florida, Chapter 73-660.

These financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The blended component unit, although a legally separate entity, is in substance part of the City's operations. The Community Redevelopment Agency, (CRA), authorized by Chapter 163, Florida Statutes, is a legally separate entity, but since the City Commission also serves as its governing board, it is reported as a blended component unit. Management of the City has operational responsibility for the CRA. The CRA consists of two distinct geographic districts: Downtown and Florence Villa. The CRA's fiscal year ends on September 30. Separate financial statements for the CRA may be obtained by writing to the Winter Haven Community Redevelopment Agency, 451 Third Street NW, Winter Haven, Florida 33881.

The City maintains three single-employer, defined benefit pension plans for which the government is considered to be financially accountable. The fiduciary component units are reported as part of the aggregate remaining fund information. See Note 11 for additional information regarding these plans.

B. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported as general revenues.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Administrative overhead charged by the General Fund to other funds are included in the direct expenses of other functions in the Statement of Activities.

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

Fund Accounting

The City organizes its accounts on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, deferred outflows of resources, liabilities, and deferred inflows of resources, fund balance/net position, revenues and expenditures or expenses, as appropriate. The City has the following funds:

Governmental Fund Types

Governmental fund types are those funds through which most governmental functions are typically financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets and liabilities, the fund equity, is referred to as "fund balance." The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The City electively added the Community Redevelopment Agency as a major fund due to its specific community focus. The following comprise the City's major governmental funds:

- **General Fund** – The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. Many of the more important activities of the City, including operation of the City's general service departments; street and highway maintenance; public safety; and parks and recreation programs are accounted for in this fund.

- **Community Redevelopment Agency Fund** – The Community Redevelopment Agency Fund was established pursuant to F.S. Chapter 163 to account for the operations of the CRA. Revenue is generated from ad-valorem taxes in the redevelopment district. The CRA is reported as a special revenue fund of the City.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Governmental Fund Types (Continued)

- **Airport Fund** – The Airport Fund is a special revenue fund established by Resolution No. R-10-15 to assure that all revenue generated by the airport will be expended for capital or operating costs. This is to comply with the Joint Participation Agreement with the Florida Department of Transportation for multiple projects at the Winter Haven Municipal Airport

- **Capital Project Fund** – The Capital Project Fund is a capital projects fund used to account for resources from the 2015 and 2021 Construction Bonds used in the acquisition and construction of capital facilities and other capital assets.

The other governmental funds of the City are considered nonmajor and are as follows:

Special Revenue Funds – Special Revenue Funds are used to account for revenues derived from specific sources, which are usually required by law, regulation, or administrative action to be accounted for in separate funds.

The following nonmajor funds are included in this fund type:

Library Fund was established by the Polk County Library Cooperative Interlocal Agreement for 2014 through 2024. Polk County (the County) is an eligible political subdivision under Florida Statutes (F.S.) 257.17 and may participate in the State Aid to Libraries Program. Polk County enacted an ordinance allowing them to levy an impact fee to provide for library capital improvements required by growth within Polk County. Also, Polk County can levy ad-valorem taxes to unincorporated areas to fund new libraries. The cooperative agreement is considered restricted revenue and is utilized for operations first. Additional financing is provided by membership fees and donations from the General Fund and the public.

Cemetery Fund was established by Ordinance No. O-85-13 to provide adequate revenue to cover all operating expenses, capital improvements, debt service and to provide a contribution to the perpetual care fund. Revenues are generated from interment space sales, interment fees, monument costs and other charges.

Community Development Grant Fund was established due to grant requirements to account for the receipt and expenditure of Community Development Block Grant funds.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Governmental Fund Types (Continued)

Special Revenue Funds (Continued)

SHIP Grant Fund was established due to grant requirements. The State Housing Initiatives Partnership Program was created by Florida Statute Chapter 420.9072 for the purpose of providing funds to counties and eligible municipalities as an incentive for the creation of local housing partnerships, to expand production of and to preserve affordable housing, to further the housing element of the local government comprehensive plan specific to affordable housing, and to increase housing-related employment.

Police Training, Confiscation, and Abandoned Property Fund was established by the several Florida Statutes to account for asset seizures and training expenses related to law enforcement. State and local forfeitures are considered restricted based upon F.S. Chapter 932. Police training monies are received monthly from the office of the Polk County Clerk of the Circuit Court and Polk County Sheriff's Office. The source of these funds is a $2 per conviction fee for violation of municipal or county ordinance under F.S. 938.15. The fees are used to pay expenditures for programs and courses for training police officers. Unclaimed evidence is also restricted based upon F.S. 705. The City receives funds from federal agencies as a result of Winter Haven police cooperation in federal investigations. The funds must be spent in accordance with federal regulations. No budget is adopted for this fund.

Building Safety Fund was established by F.S. 468.631 and F.S. 553.721 to account for the operations of building and permitting. Revenues are generated from permits, inspections, planning reviews and other charges for service.

Impact Fees Fund was established by Ordinance No. O-06-44 to charge impact fees for police, fire, library, and parks and recreational services. In addition, the City passed Ordinance No. O-06-45 to charge impact fees related to new development, which necessitates new roads and related facilities. Water and sewer impact fees are accounted for in the Water and Sewer Fund.

Federal Building Fund was established by Resolution No. R-03-13 to account for activities of the Federal Building. The building is considered a historical monument. Rental income in excess of repair, rehabilitation, restoration, and maintenance is used by the City only for public historic preservation, park, and recreational purposes as enunciated in its Program of Preservation and Utilization.

Affordable Housing Fund was established by Ord O-21-59 to provide for additional flexibility to meet varied and evolving housing needs and priorities while enabling the development and provision of affordable housing that is safe, sound and financially viable within the municipal limits of the City.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Debt Service Funds – The debt service funds are used to account for the funding and payment of interest and principal of general obligation and tax increment debt of the City.

Capital Project Funds – The capital project funds are used to account for resources used in the acquisition and construction of capital facilities and other capital assets, with the exception of those that are financed through proprietary funds.

Proprietary Fund Types

Proprietary fund types are used to account for a government's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position, and cash flows.

Enterprise Funds – The Enterprise Funds are used to finance and account for the acquisition, operation and maintenance of the City's facilities and services which are supported primarily by user charges. The following comprise the City's major enterprise funds:

Water and Sewer Fund – To account for the operation and maintenance of the City's Water and Sewer System.

Solid Waste Fund – To account for the operation and maintenance of the City's Solid Waste Collection System.

The other enterprise funds of the City are considered nonmajor and are as follows:

Willowbrook Golf Course Fund – To account for the operation and maintenance of the City's municipal golf course.

Stormwater Fund – To account for the operation and maintenance of the City's Stormwater Management Services System.

Dark Fiber Fund – To account for the operation and maintenance of the City's Dark Fiber Services System.

Internal Service Funds – The Internal Service Funds are used to finance and account for services and commodities provided by designated departments or agencies to other departments and agencies of the City on a cost reimbursement basis. The following funds are included in this fund type:

Self-Insurance Fund – To account for the costs of providing health insurance to all covered City employees, retirees and dependents.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Internal Service Funds (Continued)

General Services Fund – To account for the costs of providing centralized services to other City departments. The services provided are human resources, engineering, facilities support, and information technology.

Central Garage Fund – To account for the costs of operating a maintenance facility for automotive equipment used by other City departments. The automotive equipment itself is acquired and owned by the various user departments which are also responsible for financing replacement vehicles as necessary through contributions to the Capital Projects Fund.

Fiduciary Fund Types

Fiduciary fund types are used to account for assets held by a governmental unit in a trustee capacity or as fiduciary for individuals, private organizations, other governmental units and / or other funds.

Employee Retirement Funds – To account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by respective pension boards with City commission approval and by the City at amounts determined by an annual actuarial study.

In addition, the state of Florida remits income received from a 0.85% excise tax on casualty insurance premiums, per Florida Statutes 185.08, to the Municipal Firefighters' Pension Fund and the Municipal Police Officers' Pension Fund. These are considered on-behalf payments for the benefit of the City's police officers and firefighters and the $1,287,136 at September 30, 2025 was included as revenues and expenditures of the General Fund.

The following funds are included in this fund type:

General Employees' Pension Fund – Accounts for pension funds for eligible current and former employees (hired prior to November 20, 2017) of the City except those currently participating in the Firefighters' Pension, Police Officers' Pension, or Director 401(a) Plan.

Municipal Firefighters' Pension Fund – Accounts for pension funds of qualified current and former employees of the City's Firefighting Department.

Municipal Police Officers' Fund – Accounts for pension funds of qualified current and former employees of the City's Police Department.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting

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

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

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded and the availability criteria. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

Property taxes, sales taxes, and franchise taxes 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. Licenses and permits, fines and forfeitures, charges for sales and services (other than utility) and miscellaneous revenues are generally recorded as revenue when received in cash because they are generally not measurable until actually received. In the category of use of money and property, property rentals are recorded as revenue when received in cash, but investment earnings are recorded as earned, since they are measurable and available.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City's fiduciary funds are presented in the fund financial statements by type (pension). Since, by definition, these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Cash and Pooled Cash Investments

All of the City's cash and investments, except pension funds and certain bond related investments, are combined in a pooled cash accounting system to allow the investment of idle cash for short periods of time, thereby maximizing interest earnings for the City as a whole. Interest earned on pooled cash is allocated to each fund participating in the pool on a pro-rata basis. Funds which incur negative equity balances in the pooled cash incur a charge for interest.

Statement of Cash Flows

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Investments

Investments, which are comprised of FL PRIME and pension fund monies deposited with various trustees that are recorded at fair value.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Investments (Continued)

The City invests funds throughout the year with Florida PRIME, an investment pool administered by the State Board of Administration (SBA), under the regulatory oversight of the state of Florida. Investments in Florida PRIME are made pursuant to Chapter 125.31, Florida Statutes. The investments are not categorized because they are not evidenced by securities that exist in physical or book entry form. Throughout the year and as of September 30, 2025, the SBA contained certain floating and adjustable rate securities. These investments represent 18.2% of Florida PRIME's portfolio at September 30, 2025.

Florida PRIME meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost, as a cash equivalent.

The dollar weighted average days to maturity (WAM) of Florida PRIME as of September 30, 2025 was 47 days. Next interest rate reset dates for floating securities are used in the calculation of the WAM. The weighted average life (WAL) of the Florida PRIME at September 30, 2025 was 73 days. Investments in Florida PRIME must carry an "AAAm" rating from Standard and Poor's. On September 30, 2025, Standard and Poor's Ratings Services assigned the Florida PRIME an "AAAm" principal stability funding rating.

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Investments (Continued)

As of September 30, 2025, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

Fair Value Measures

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. For Level 2 securities, the pricing methodology involves the use of evaluation models such as matrix pricing, which is based on the securities' relationship to benchmark quoted prices. Level 3, unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to / from other funds" (i.e., the current portion of interfund loans) or "advances to / from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to / from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds reported in the general fund financial statements are classified as nonspendable fund balance to indicate that they are not available for appropriation and do not constitute available spendable resources.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Property Taxes

Under Florida Law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are designed to assure a consistent property valuation method statewide.

State statutes permit cities to levy property taxes at a rate of up to 10 mills. The millage rate in effect for the fiscal year ended September 30, 2025 was 6.5900.

The tax levy of the City is established by the City Commission prior to October 1 of each year and the Polk County Property Appraiser incorporates the millages into the total tax levy, which includes the municipalities, independent districts, and County School Board tax requirements.

All property is reassessed according to its fair value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the roll meets all of the appropriate requirements of state statutes.

All taxes are due and payable on November 1 (levy date) of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount.

Delinquent taxes on real property bear interest of up to 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

Delinquent taxes on personal property bear interest of up to 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Inventories and Prepaid Items

Inventories are stated at cost on the basis of the "first-in, first-out" method of accounting, except for the Water and Sewer Fund, and the Central Garage Fund parts inventories. Inventories in the Special Revenue Funds consist of expendable supplies held for consumption (consumption method). Governmental fund inventories are classified as nonspendable fund balance, which indicates that they do not constitute available spendable resources.

The Water and Sewer, and Central Garage inventories are stated at the lower of cost or market on the basis of weighted average cost. The effect of this method is to price and charge inventory to operations on the basis of average prices paid for the items, weighted according to the quantity purchased at each price.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded using the consumption method of accounting. Under the consumption method, services paid for in advance are reported as an asset until the period in which the services are actually consumed.

Capital Assets

Capital assets, including land, buildings, improvements, infrastructure, equipment, and right-to-use lease assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an initial useful life in excess of two years. Such assets are recorded at historical cost if purchased or constructed and at an estimated historical cost where no historical records exist. Donated capital assets are recorded at estimated acquisition value at the date of donation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Capital Assets (Continued)

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

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

Depreciation is provided using the straight-line method over the estimated useful lives of the various classes of depreciable assets as follows:

Assets	
Buildings	30 to 50 Years
Infrastructure Systems	25 to 100 Years
Improvements Other than Buildings	10 to 33 Years
Equipment	3 to 33 Years
Right-to-use Lease Buildings	Lease Term
Right-to-use Lease Equipment	Lease Term
Right-to-use Subscription Software	Subscription

The term depreciation (and related forms of the term) includes amortization of intangible assets. The City's collection of works of art, library books, and other similar assets are not capitalized. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved and subject to City policy that requires proceeds from the sale of these items to be used to acquire other collection items.

Leases – Lessee and Lessor

The City is a lessee for noncancellable leases of equipment and buildings. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the applicable governmental activities or business-type activities in the government-wide and in the proprietary fund financial statements. The City recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Leases – Lessee and Lessor (Continued)

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long- term debt on the statement of net position.

The City is a lessor for noncancellable leases of buildings, infrastructure systems, and equipment. The City recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities or business-type activities in the government-wide and in the governmental and proprietary fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Leases – Lessee and Lessor (Continued)

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

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements (SBITAs)

The City is a user of certain subscription software arrangements. The City recognizes an intangible right-to-use asset and corresponding liability for those transactions in the governmental and business-type activities of the government-wide and proprietary fund financial statements. The City recognizes SBITA liabilities with an initial, individual value of $5,000 or more. SBITA assets are reported with other capital assets and SBITA liabilities are reported with long- term debt on the statement of net position.

At the commencement of a SBITA, the City initially measures the SBITA liability at the present value of payments expected to be made during the subscription term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for SBITA payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized in a systematic and rational manner over the shorter of the SBITA term or the useful life of the underlying asset.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has multiple items that qualify for reporting in this category including the deferred charge on refunding, differences between expected and actual experience, changes in actuarial assumptions, and projected versus actual earnings on pension plan investments, and changes in actuarial assumptions related to the OPEB valuation. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Deferred Outflows/Inflows of Resources (Continued)

This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other amounts will be recognized as increases in pension expense and OPEB expense in future years.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The City has multiple pension and OPEB related items that qualify for reporting in this category including changes in assumptions, projected versus actual earnings on pension plan investments, and differences between expected and actual experience. The statement of net position and the governmental funds balance sheet also report a deferred inflow of resources related to leases.

The City also has items which arise only under a modified accrual basis of accounting that qualify for reporting as deferred inflows of resources in the governmental funds balance sheet. The governmental funds report unavailable revenues for revenue collected after the period of availability. The amounts are deferred and recognized as an inflow of resources in the period in which the amounts become available.

Compensated Absences

The City records the portion of accumulated unused compensated absences, more likely than not, to be used or paid out based on each employee's accumulated unused hours and rate of pay, plus certain salary-related fringe benefits. All accumulated unused compensated absences are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is normally reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts on bonds, are amortized over the life of the bonds using the effective interest method.

Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and costs related to bond refundings during the current period. The face amount of 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Unearned Revenues

Unearned revenues in the governmental funds and in the government-wide statement of net position represent amounts which have been received but are not yet earned.

Fund Balances

The classifications of fund balances are described as follows:

Nonspendable – Amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and generally long-term items such as advances to other funds or amounts that are required to be maintained intact (corpus of a permanent fund).

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

Committed – Amounts that can be used only for specific purposes determined by a formal action (ordinance) of the Commissioners, the City’s highest level of decision making authority. Commitments may be changed or lifted only by the Commission taking the same formal action (ordinance) that imposed the constraints originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and nonrecurring.

Assigned – Amounts intended to be used by the City for specific purposes. According to the City’s fund balance policy, this includes spendable fund balance amounts established by the City Commission or City Management that are neither restricted nor committed. The City’s fund balance policy does not describe the specific action required to assign fund balance.

Unassigned – Includes the residual classification for the general fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Fund Balances (Continued)

The City spends restricted amounts first, when both restricted and unrestricted fund balance is available, unless prohibited by legal documents, grant agreements or contracts. Additionally, the City uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

The Government Finance Officers Association recommends, at a minimum, that general-purpose governments, regardless of size, incorporate a financial policy maintaining unassigned fund balance in the general fund of no less than two months (17%) of regular general fund operating revenues or regular general fund operating expenditures. The Commission established the targeted minimum reserve balance in the City's General Fund Unassigned Fund Balance equal to 17% of the General Fund's current fiscal year operating expenditures and transfers out budgeted for the fund. For purposes of this calculation, the current fiscal year budget shall be the budget as originally adopted by resolution on or before September 30th for the subsequent fiscal year. The required balance as of September 30, 2025 was approximately $13,546,770.

The City strives to maintain adequate levels of fund balance to mitigate risks and provide a back-up for revenue shortfalls. If, at the end of any fiscal year, the actual amount of Unassigned Fund Balance falls below the targeted levels set forth herein, a plan shall be established to achieve the target by adding a designated amount to the budget to cover the deficiency over a period not to exceed five fiscal years.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted resources are used first to fund appropriation. Below are the proprietary funds and certain fiduciary fund restrictions:

Restricted for Revenue Bonds Debt Service – Restricted for payment of principal and interest on revenue bonds.

Restricted for Renewal, Replacement, and Improvements – Restricted for meeting of various contingencies as may be so specified and defined in the indenture.

Restricted for Pensions – Restricted for payment of employee retirement benefits.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Interfund Transactions

Transactions between City funds that would be treated as revenues and expenditures or expenses if they involved organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved.

Transactions which constitute reimbursements to a fund for expenditures or expenses made from it which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the reimbursed fund.

Transactions which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective funds' operating statements.

Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the basic financial statements. Actual results could differ from estimates.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

- The City Manager submits to the City Commission a proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the sources of revenues to finance those expenditures. The budgets are prepared in accordance with GAAP.

- Public hearings are conducted to obtain taxpayer comments.

- The budget is approved by the Commission and becomes the basis for the millage levied by the Commission.

- The City Commission must approve transfers between funds.

- The City legally adopts annual budgets for the General Fund, most Capital Projects, and certain Special Revenue Funds (Community Redevelopment, Library, Airport, Cemetery, SHIP Grants, Building Safety, Impact Fees, Federal Building, and Affordable Housing). Budgets for the General and budgeted Special Revenue Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America at the department level. Budgets for Capital Projects Funds are adopted annually based on the amount to be spent in the fiscal year, not for the length of the project. The City does not adopt annual budgets for the Capital Depletion Fund, Police Training, Confiscation and Abandoned Property Fund, nor the debt service funds. Florida Statutes require only the General Fund to legally adopt an annual budget.

- Budgeted amounts are as originally adopted, and as amended, in accordance with City ordinance. Appropriations not expended at the end of each fiscal year lapse and become subject to future appropriation.

- Supplemental budget appropriations were made during the current year.

- Section 40 of the City's Charter makes it unlawful to expend or contract for the expenditure, in any fiscal year, of more than the amount appropriated by the City Commission. The Commission appropriates monies for expenditures on a departmental and fund basis.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Expenditures Over Budgeted Appropriations

The SHIP Grant fund overspent the final amended budget by $649,880. The fund had adequate available residual fund balance to cover the overage.

NOTE 3 CASH AND INVESTMENTS

Custodial Credit Risk

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its deposits and securities that are in the possession of an outside party.

At September 30, 2025, the bank balance of the City's deposits was $30,006,627. The City also had $7,054 cash on hand at September 30, 2025.

All balances in excess of the Federal Deposit Insurance Corporation (FDIC) for demand and time deposits are fully collateralized pursuant to Chapter 280, Florida Statutes. The City's investment policy requires that the deposit be entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

The City's investment policy requires that securities be secured through third-party custody in the City's name and safekeeping procedures. All of the City's investments are held by the counterparties' trust departments in the City's name.

Investments

Statutes authorize the City to invest excess monies in the Florida PRIME, S.E.C. registered money market funds, interest-bearing time deposits or savings accounts in qualified public depositories and in direct obligations of the U.S. Treasury. All of the City's investments are in Florida PRIME except those investments related to the pension funds.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

State statutes limit the pension funds to the following types of investments: (1) annuity and life insurance contracts with life insurance companies, (2) time or savings accounts of a national bank, a state bank or a savings / building and loan association insured by the Federal Deposit Insurance Corporation, (3) obligations of the United States or obligations guaranteed as to principal and interest by the government of the United States, (4) stocks, commingled or mutual funds, bonds or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States, or state or organized territory of the United States, or the District of Columbia, (5) international securities, not to exceed at market value 25% or 15% at cost of the Funds' assets, and (6) real estate investments in an amount not to exceed at cost value 15% of the Funds' assets.

At September 30, 2025, the City's investments were as follows:

Investment Type	Fair Value
Florida PRIME	$ 181,682,791
Short-Term Money Market Funds	9,379,201
Collateralized Mortgage Obligations	3,133,679
US Government Obligations	9,517,526
Mortgage Backed Securities	9,702,292
Corporate Bonds	7,772,772
Foreign Bonds	168,449
Equity Mutual Funds	20,022,983
Municipal Obligations	442,848
Mutual Funds Fixed	4,097,797
Domestic Equities	93,399,670
International Equities	17,882,774
Real Estate Fund	15,120,350
Total Investments	$ 372,323,132

Reconciliation of deposits and investments to amounts shown on statement of net position and statement of fiduciary net position:

Deposits	$ 27,163,989
Investments	372,323,133
Total	$ 399,487,122
Statement of Net Position:	
Cash and Investments	$ 152,124,280
Restricted Cash and Investments	56,612,056
Statement of Fiduciary Net Position:	
Cash	110,445
Investments	190,640,341
Total Cash and Investments	$ 399,487,122

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

- **Interest Rate Risk –** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As of September 30, 2025, the City had the following investments and maturities:

Investment Maturities (in Years)

Investment Type	Less Than One	One to Five	Six to Ten	More Than Ten	Total Fair Value
Florida PRIME	$ 181,682,791	$ -	$ -	$ -	$ 181,682,791
United States Treasuries	-	653,556	4,873,272	3,990,698	9,517,526
Government Agencies:					
FHLMC	-	727,329	337,558	2,496,222	3,561,109
FNMA	-	377,648	286,427	4,748,797	5,412,872
GNMA	-	-	12,761	715,550	728,311
Municipal Obligations	-	-	45,279	397,569	442,848
Collateralized Mortgage Obligations	-	267,200	404,182	2,462,297	3,133,679
Corporate Bonds	92,605	1,748,747	1,678,131	4,253,289	7,772,772
Foreign Bonds	-	64,492	75,542	28,415	168,449
Total	$ 181,775,396	$ 3,838,972	$ 7,713,152	$ 19,092,837	$ 212,420,357

The mortgage pools include collateralized mortgage backed securities. In management's opinion, the credit and legal risk associated with these investments is comparable to other investments within the portfolio. The collateralized mortgage backed securities are based on cash flows from the underlying mortgages. The principal repayment portions could be sensitive to prepayment by mortgagees, which may be affected by interest rate changes. The prepayments and anticipated interest rate changes can therefore affect the market values of the investments. The City has no policy regarding interest rate risk.

- **Credit Risk –** The investment policies of the pension funds allow the Plans to only invest in securities meeting the following ranking criteria: (1) fixed income securities must be rated investment grade or higher as reported by a major credit rating service, (2) at least 85% of the equities must have a value line ranking for safety of 1, 2, or 3, and (3) money market funds must be rated A1 by Standard and Poor's or P1 by Moody's.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Credit Risk (Continued)

The following illustrated the credit quality distribution with credit exposure as a percentage of the City's investment securities.

Investment Type	Credit Rating	Portfolio	Market Value in U.S. Dollars
U.S. Agencies:			
Federal National Mortgage Association	No Rating	2.25%	$ 5,412,872
Federal Home Loan Mortgage Corporation	Aaa	0.13%	316,691
Federal Home Loan Mortgage Corporation	No Rating	1.35%	3,244,418
Government National Mortgage Association	No Rating	0.30%	728,311
Collateralized Mortgage Obligations	A	0.09%	222,590
Collateralized Mortgage Obligations	A1	0.02%	38,169
Collateralized Mortgage Obligations	A2	0.04%	94,387
Collateralized Mortgage Obligations	A-	0.04%	99,356
Collateralized Mortgage Obligations	A+	0.02%	45,297
Collateralized Mortgage Obligations	AAA	0.08%	185,642
Collateralized Mortgage Obligations	Aaa	0.22%	534,435
Collateralized Mortgage Obligations	BBB	0.09%	206,219
Collateralized Mortgage Obligations	BBB-	0.04%	107,075
Collateralized Mortgage Obligations	No Rating	0.66%	1,600,509
Municipal Obligations	A1	0.00%	10,710
Municipal Obligations	Aa2	0.03%	68,357
Municipal Obligations	A+	0.01%	22,538
Municipal Obligations	Aa3	0.05%	110,208
Municipal Obligations	Aaa	0.03%	67,894
Municipal Obligations	AA+	0.02%	36,547
Municipal Obligations	No Rating	0.05%	126,594
Short-Term Money Market Funds	No rating	3.89%	9,379,201
Florida PRIME	No Rating	75.38%	181,682,791
Mutual Funds Fixed	No Rating	1.70%	4,097,797
Foreign Bonds	A+	0.02%	49,335
Foreign Bonds	A	0.00%	8,983
Foreign Bonds	A-	0.03%	75,542
Foreign Bonds	BBB-	0.01%	34,589

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)
Credit Risk (Continued)

Investment Type	Credit Rating	Portfolio	Market Value in U.S. Dollars
U.S. Treasuries	Aa1	3.95%	$ 9,517,526
Corporate Bonds	A	0.29%	692,350
Corporate Bonds	A-	0.06%	153,215
Corporate Bonds	A1	0.02%	46,636
Corporate Bonds	A2	0.16%	392,152
Corporate Bonds	A3	0.36%	856,523
Corporate Bonds	Aa1	0.19%	458,078
Corporate Bonds	Aa2	0.11%	254,049
Corporate Bonds	Aa3	0.07%	175,465
Corporate Bonds	Aaa	0.38%	914,507
Corporate Bonds	Baa1	0.09%	217,944
Corporate Bonds	Baa2	0.19%	465,469
Corporate Bonds	Baa3	0.20%	480,805
Corporate Bonds	BBB	0.19%	461,052
Corporate Bonds	BBB-	0.08%	183,034
Corporate Bonds	No Rating	0.84%	2,021,493
Real Estate Fund	No Rating	6.27%	15,120,350
Total			$ 241,017,705

- **Concentration of Credit Risk –** No more than 5% of the Pension Plans' assets may be invested in the common stock, capital stock or convertible securities of any one issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of that company. The value of bonds issued by any single company may not exceed 3% of the total fund. No more than 60% of the Plans' assets at cost for the Police Officers' Pension Plan and no more than 70% of the Plans' assets at cost for the Firefighters' and General Employees' Pension Plans may be invested in common stock and convertible bonds. No more than 15% of the Plans' assets at cost or 25% of the Plans' assets at fair value may be invested in international securities.

- **Foreign Currency Risk** – As of September 30, 2025 the Pension Funds have $17,882,774 invested in foreign equities. Foreign securities are limited to those that settle in U.S. dollars and trade on one or more of the national exchanges.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

- **Fair Value** – The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified as Level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets. The City had the following fair value measurements as of September 30, 2025:

		Fair Value Measurement Using:		
	Total	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				
Domestic Equities	$ 93,399,670	$ 93,399,670	$ -	$ -
International Equities	17,882,774	14,689,447	3,193,327	-
Equity Mutual Funds	20,022,983	20,022,983	-	-
Corporate Bonds	7,772,772	41,742	7,731,030	-
Foreign Bonds	168,449	-	168,449	-
Collateralized Mortgage Obligations	3,133,679	-	3,133,679	-
Mortgage Backed Securities	9,702,292	-	9,702,292	-
Municipal Obligations	442,848	-	442,848	-
U.S. Government Obligations	9,517,526	69,051	9,448,475	-
Mutual Funds Fixed	4,097,797	-	4,097,797	-
Total Investments Measured at Fair Value	166,140,790	$ 128,222,893	$ 37,917,897	$ -
Investments Measured at Net Asset Value (NAV)				
Real Estate Fund	15,120,350			
Total Investments Measured at the NAV	15,120,350			
Investments Measured at Amortized Cost				
Florida PRIME	181,682,791			
Short-Term Money Market Funds	9,379,201			
Total Investments Measured at Amortized Cost	191,061,992			
Total Investments	$ 372,323,132			

Other information for investments measured at the NAV or its equivalent is as follows:

	Fair Value	Redemption Frequency	Redemption Notice Period
Real Estate Fund	$ 15,120,350	Quaterly	Daily

Real Estate Fund – The American Core Realty Fund is an open-end diversified core real estate commingled fund whose primary objective is to provide returns that are attractive relative to other asset classes with stable income and the potential for market appreciation. The American Core Realty Fund invests primarily in core institutional quality industrial, multi-family, office and retail properties located throughout the United States, and is diversified by product type, geographic region, and economic exposure in order to mitigate investment risk.

NOTE 4 ALLOWANCE FOR UNCOLLECTIBLE AMOUNTS OF RECEIVABLES

The City provides for an allowance for water and sewer accounts that may become uncollectible. At September 30, 2025, the allowance for doubtful accounts associated with the receivables of the Water and Sewer Fund was $243,408. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered collectible as reported at fiscal yearend.

NOTE 5 LEASES RECEIVABLES

The City, acting as lessor, leases buildings, water towers, fiber-optic infrastructure, and land under long-term, noncancelable lease agreements. The leases expire at various dates through 2036 and provide for renewal options ranging from one year to five years.

In September 2023, the City entered into a land lease with Blue Line Aviation, LLC to construct a new training facility, with established construction deadlines. A First Amendment in May 2024 expanded the leased area. A Second Amendment in August 2024 extended construction deadlines by 12 months. Because the project was not completed within the amended timeframe, the City and Blue Line Aviation negotiated a proposed Third Amendment with key terms including extending submission of a building permit application by January 15, 2026 and completion of construction within 18 months of commencement. This extension required modification of future lease payments.

Certain leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. During the year ended September 30, 2025, the City recognized $498,195 and $76,630 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Total future minimum lease payments to be received under lease agreements are as follows:

	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2026	$ 348,085	$ 37,694	$ 102,803	$ 31,398	$ 519,980
2027	353,410	26,917	48,121	28,288	456,736
2028	304,731	16,277	52,407	26,116	399,531
2029	253,825	5,766	56,950	23,746	340,287
2030	30,069	143	61,765	21,165	113,142
2031-2035	-	-	336,553	54,749	391,302
2036-2040	-	-	99,478	5,529	105,007
Total minimum lease payments	$ 1,290,120	$ 86,797	$ 758,077	$ 190,991	$ 2,325,985

NOTE 6 CAPITAL ASSETS

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

Primary Government

	Beginning Balance	Additions	Deletions	Transfers and Reclassifications	CIP Transfers	Ending Balance
Governmental Activities:						
Capital Assets, Not Being Depreciated:						
Land	$ 8,478,268	$ 487,676	$ -	$ -	$ -	$ 8,965,944
Construction in Progress	30,245,145	47,415,900	-	(730)	(26,293,813)	51,366,502
Total Capital Assets, Not Being Depreciated	38,723,413	47,903,576	-	(730)	(26,293,813)	60,332,446
Capital Assets, Being Depreciated:						
Buildings and Improvements	78,681,877	119,853	(58,125)	-	7,070,890	85,814,495
Improvements Other than Buildings	97,046,234	146,527	(559,623)	-	17,444,709	114,077,847
Equipment	30,904,672	3,008,762	(537,661)	15,874	1,778,214	35,169,861
Right-to-use Assets						
Leased Equipment	821,144	350,683	-	-	-	1,171,827
Subscription Software	2,917,135	2,256,969	(2,284,672)	-	-	2,889,432
Total Capital Assets, Being Depreciated	210,371,062	5,882,794	(3,440,081)	15,874	26,293,813	239,123,462
Less Accumulated Depreciation and Amortization for:						
Buildings and Improvements	(24,110,338)	(1,906,087)	-	-	-	(26,016,425)
Improvements Other than Buildings	(54,730,328)	(4,076,638)	555,226	-	-	(58,251,740)
Equipment	(20,199,902)	(2,385,217)	574,925	(33,330)	-	(22,043,524)
Right-to-use Assets						
Leased Equipment	(272,745)	(214,489)	-	(12,268)	-	(499,502)
Subscription Software	(1,879,353)	(1,206,790)	2,283,953	38,198	-	(763,992)
Total Accumulated Depreciation	(101,192,666)	(9,789,221)	3,414,104	(7,400)	-	(107,575,183)
Total Capital Assets, Being Depreciated, Net	109,178,396	(3,906,427)	(25,977)	8,474	26,293,813	131,548,279
Governmental Activities Capital Assets, Net	$ 147,901,809	$ 43,997,149	$ (25,977)	$ 7,744	$ -	$ 191,880,725
Business-Type Activities:						
Capital Assets, Not Being Depreciated:						
Land	$ 15,937,906	$ 596,085	$ -	$ -	$ -	$ 16,533,991
Construction in progress	14,336,888	19,949,004	-	(1,090,698)	(11,576,580)	21,618,614
Total Capital Assets, Not Being Depreciated	30,274,794	20,545,089	-	(1,090,698)	(11,576,580)	38,152,605
Capital Assets, Being Depreciated:						
Buildings and Improvements	9,792,685	-	(174,415)	-	-	9,618,270
Improvements Other than Buildings	234,488,435	27,471,490	(48,808)	-	11,576,580	273,487,697
Equipment	22,956,489	1,917,959	(215,537)	(41,898)	-	24,617,013
Right-to-use Assets						
Leased Equipment	222,870	-	-	-	-	222,870
Subscription Software	303,607	-	(135,210)	-	-	168,397
Total Capital Assets, Being Depreciated	267,764,086	29,389,449	(573,970)	(41,898)	11,576,580	308,114,247
Less Accumulated Depreciation and Amortization for:						
Buildings and Improvements	(7,161,016)	(136,212)	62,499	-	-	(7,234,729)
Improvements Other than Buildings	(124,269,456)	(4,766,567)	-	-	-	(129,036,023)
Equipment	(15,337,690)	(2,387,545)	254,689	33,423	-	(17,437,123)
Right-to-use Assets						
Leased Equipment	(40,518)	(44,574)	-	-	-	(85,092)
Subscription Software	(129,646)	(89,935)	135,211	-	-	(84,370)
Total Accumulated Depreciation	(146,938,326)	(7,424,833)	452,399	33,423	-	(153,877,337)
Total Capital Assets, Being Depreciated, Net	120,825,760	21,964,616	(121,571)	(8,475)	11,576,580	154,236,910
Business-Type Activities Capital Assets, Net	$ 151,100,554	$ 42,509,705	$ (121,571)	$ (1,099,173)	$ -	$ 192,389,515

NOTE 6 CAPITAL ASSETS (CONTINUED)

Primary Government (Continued)

Depreciation expense was charged to functions / programs of the primary government as follows:

Governmental Activities:		
General Government	$	621,473
Public Safety		1,433,730
Transportation		2,442,922
Economic Development		1,399,469
Human Services		88,117
Culture and Recreation		2,608,893
Capital Assets held by the Government's Internal Service Funds		1,194,617
Total Depreciation Expense - Governmental Activities	$	9,789,221
Business-Type Activities:		
Water and Sewer	$	5,143,615
Solid Waste		1,247,265
Willowbrook Golf Course		156,651
Stormwater		590,390
Dark Fiber		286,912
Total Depreciation Expense - Business-Type Activities	$	7,424,833

:

NOTE 7 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Transfers for the year ended September 30, 2025 consisted of the following:

Interfund Transfers

Transfers to the General Fund from:	
Community Redevelopment Agency Fund	$ 972,504
Nonmajor Governmental Funds	1,800,000
Water and Sewer Fund	5,341,422
Solid Waste Fund	1,228,000
Total	$ 9,341,926
Transfers to the Airport Fund from:	
General Fund	$ 1,375,000
	$ 1,375,000
Transfers to the Capital Project Fund from:	
General Fund	$ 2,913,997
Community Redevelopment Agency Fund	100,000
Nonmajor Governmental Funds	199,760
Total	$ 3,213,757
Transfers to the Nonmajor Governmental Funds from:	
General Fund	$ 12,772,825
Community Redevelopment Agency Fund	2,535
Airport Fund	336,093
Water and Sewer Fund	1,000,000
Nonmajor Governmental Funds	969,264
Nonmajor Proprietary Funds	499,116
Total	$ 15,579,833
Transfers to the Nonmajor Proprietary Funds from:	
General Fund	$ 696,713
Community Redevelopment Agency Fund	35,945
Airport Fund	13,825
Nonmajor Governmental Funds	1,118,345
Internal Service Funds	55,300
Water and Sewer Fund	82,951
Solid Waste Fund	13,825
Total	$ 2,016,904

Transfers are used to: (1) move revenues from the fund with collection authorizations to the debt service funds as debt service principal and interest payments become due, (2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, (3) move revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs, or (4) move portions of enterprise fund profits to the general fund to assist in financing the operations of governmental activities.

NOTE 7 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Due To / From Other Funds

Due To	Due From	Amount
General Fund	Nonmajor Governmental Funds	$ 178,377
General Fund	Nonmajor Proprietary Funds	728,403
Water and Sewer Fund	Capital Project Fund	127,920
Nonmajor Governmental Funds	Nonmajor Proprietary Funds	202,253
Total		$ 1,236,953

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. These balances also include the amount of working capital loans that will be repaid in the subsequent year.

Advances to / from Other Funds

Advances To	Advances From	Amount
Water and Sewer Fund	General Fund	$ 7,870,961
Capital Project Fund	Water and Sewer Fund	416,107
Nonmajor Proprietary Funds	General Fund	1,563,872
Nonmajor Proprietary Funds	Nonmajor Governmental Funds	842,823
Total		$ 10,693,763

In a prior year, the General Fund advanced $1,563,872 to the Willowbrook Golf Course Fund. Repayment to the General Fund is contingent upon Willowbrook maintaining the required minimum fund balance. The minimum fund balance equals the total budgeted operating expenses for the month immediately following the current month and will not be less than $30,000. After payment of monthly operating expenses, Willowbrook remits any funds remaining in the operating account that exceed the minimum fund balance to the General Fund.

Willowbrook underwent major golf course improvements during the year which included greens renovations, on-course restroom upgrades, and irrigation system renovation. Due to the construction improvements the golf course was closed for a period of time. Reimbursements were paused to ensure adequate cash flow during this period. Since repayment to the General Fund will not occur within the next few months, these funds are not available for appropriation in the General Fund. Accordingly, fund balance in the General Fund has been classified as nonspendable.

The Capital Depletion Fund advanced $370,025 on April 1, 2023 to the Willowbrook Golf Course to fund the acquisition of golf carts, $118,863 of which was outstanding at September 30, 2025. The advance will be paid down monthly through March 2028 at a 4.0% interest rate.

Additionally, the Capital Depletion Fund advanced $608,475 on October 1, 2018 and $2,700,000 on September 1, 2019 to the Dark Fiber Fund to aid in operations for expansions, $449,339 of which was outstanding at September 30, 2025. The advances will be paid down monthly through September 1, 2025 and October 1, 2026 respectively at 2.5%.

NOTE 7 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

During the year ending September 30, 2019, the Water and Sewer Fund advanced $1,220,000 to the Bond Construction Fund to provide financing for an energy efficiency project; $411,714 of which was outstanding at September 30, 2025. The advance will be paid down monthly through September 1, 2029 at a 3.5% interest rate.

NOTE 8 FUND BALANCE CLASSIFICATIONS

Fund balances are presented in the following categories: nonspendable, restricted, committed, assigned, and unassigned (see Note 1 for a description of these categories). A detailed schedule of fund balances at September 30, 2025 is as follows:

	General Fund	Community Redevelopment Agency	Airport	Capital Project Fund	Other Governmental Fund	Total Governmental Funds
Nonspendable:						
Advances to Other Funds	$ 9,434,833	$ -	$ -	$ -	$ -	$ 9,434,833
Inventory	-	-	-	-	29,729	29,729
Prepaid Items	259,613	2,527	7,169	-	386	269,695
Total Nonspendable Fund Balance	9,694,446	2,527	7,169	-	30,115	9,734,257
Restricted for:						
Public Safety	17,001	-	-	-	-	17,001
Community Redevelopment	-	5,866,303	-	-	-	5,866,303
Human Services	-	-	-	-	228,004	228,004
Police Training, Confiscation and Abandoned Property	-	-	-	-	229,929	229,929
Building Inspections and Enforcement	-	-	-	7,658,201	7,459,973	15,118,174
Impact Fees	-	-	-	-	2,849,483	2,849,483
Debt Service	-	-	-	-	4,135,281	4,135,281
Transportation	-	-		-	14,462,404	14,462,404
Environmental Awareness	200,000	-	-	-	-	200,000
Total Restricted Fund Balance	217,001	5,866,303	-	7,658,201	29,365,074	43,106,579
Committed:						
Affordable Housing	-	-	-	-	1,506,087	1,506,087
Perpetual Care	-	-	-	-	504,549	504,549
Federal Building	-	-	-	-	131,226	131,226
Total Committed Fund Balance	-	-	-	-	2,141,862	2,141,862
Assigned:						
Culture and Recreation	15,421	-	-	-	-	15,421
Public Safety	16,576	-	-	-	-	16,576
Library	-	-	-	-	657,039	657,039
Debt Service	-	-	-	-	250,826	250,826
Transportation	86,588	-	912,342	12,025,484	-	13,024,414
Capital Projects	-	-	-	6,275,010	9,850,311	16,125,321
Total Assigned Fund Balance	118,585	-	912,342	18,300,494	10,758,176	30,089,597
Unassigned Fund Balance	26,185,520	-	-	-	(58,519)	26,127,001
Total Fund Balances	$ 36,215,552	$ 5,868,830	$ 919,511	$ 25,958,695	$ 42,236,708	$ 111,199,296

NOTE 9 LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds Payable:					
2015A Non-Ad Valorem	$ 8,135,000	$ -	$ (800,000)	$ 7,335,000	$ 825,000
2021B Non-Ad Valorem	2,895,000	-	(835,000)	2,060,000	855,000
2021C Non-Ad Valorem	17,245,000	-	-	17,245,000	-
2023 Non-Ad Valorem	24,235,000	-	(600,000)	23,635,000	780,000
Plus: Unamortized Bond Premium	3,635,124	-	(231,135)	3,403,989	-
Total Bonds Payable	56,145,124	-	(2,466,135)	53,678,989	2,460,000
Direct Placements:					
2017 Non-Ad Valorem	19,740,000	-	(1,150,000)	18,590,000	1,185,000
2021 Non-Ad Valorem Refunding	8,090,000	-	(810,000)	7,280,000	825,000
Total Direct Placements	27,830,000	-	(1,960,000)	25,870,000	2,010,000
Leases Payable	507,304	350,683	(267,823)	590,164	180,753
SBITAs Payable	767,477	2,256,969	(1,243,955)	1,780,491	628,174
Compensated Absences	4,780,727	496,648	-	5,277,375	548,710
Governmental Activity Long-Term Liabilities	$ 90,030,632	$ 3,104,300	$ (5,937,913)	$ 87,197,019	$ 5,827,637
BUSINESS-TYPE ACTIVITIES					
Bonds Payable:					
2015 Utility System Refunding Revenue Bonds	$ 23,680,000	$ -	$ -	$ 23,680,000	$ -
Less: Unamortized Bond Discount	(35,811)	-	3,256	(32,555)	-
Total Bonds Payable	23,644,189	-	3,256	23,647,445	-
Direct Placements:					
2010 Utility System Refunding	12,545,000	-	(2,355,000)	10,190,000	2,425,000
Total Direct Placements	12,545,000	-	(2,355,000)	10,190,000	2,425,000
Direct Borrowings:					
State Revolving Fund - WW531320	709,435	-	(47,196)	662,239	47,211
State Revolving Fund - WW531302	17,399,518	-	-	17,399,518	572,578
State Revolving Fund - WW531340	681,146	-	(76,848)	604,298	77,704
State Revolving Fund - WW531350	332,319	-	(39,097)	293,222	39,096
Total Direct Borrowings	19,122,418	-	(163,141)	18,959,277	736,589
Leases Payable	177,568	-	(42,231)	135,337	43,319
SBITAs Payable	95,752	-	(52,796)	42,956	42,956
Compensated Absences	1,362,266	203,687	-	1,565,953	1,565,953
Business-Type Activity Long-Term Liabilities	$ 56,947,193	$ 203,687	$ (2,609,912)	$ 54,540,968	$ 4,813,817

The change in compensated absences liability is reported net in the above schedule.

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

The annual requirements to amortize the debt outstanding as of September 30, 2025 are as follows:

	Governmental Activities			
	Bonds Payable		Direct Placements	
Year	Principal	Interest	Principal	Interest
2026	$ 2,460,000	$ 1,847,600	$ 2,010,000	$ 681,419
2027	2,540,000	1,768,344	2,065,000	628,752
2028	2,630,000	1,674,318	2,115,000	574,651
2029	2,745,000	1,562,644	2,170,000	519,118
2030	2,850,000	1,441,119	2,235,000	461,981
2031 - 3035	14,060,000	5,348,219	9,425,000	1,519,344
2036 - 2040	13,405,000	2,912,944	5,850,000	247,746
2041 - 2044	9,585,000	627,109	-	-
Total	$ 50,275,000	$ 17,182,297	$ 25,870,000	$ 4,633,011

	Business-Type Activities			
	Bonds Payable		Direct Borrowings and Direct Placements	
Year	Principal	Interest	Principal	Interest
2026	$ -	$ 715,013	$ 3,161,589	359,117
2027	-	715,013	3,815,046	261,469
2028	-	715,013	3,900,935	160,574
2029	-	715,013	3,981,833	56,430
2030	3,090,000	668,662	1,312,741	3,113
2031 - 3035	16,900,000	1,874,211	6,267,102	3,939
2036 - 2040	3,690,000	57,656	5,915,275	128
2041 - 2044	-	-	794,756	-
Total	$ 23,680,000	$ 5,460,581	$ 29,149,277	$ 844,770

The annual requirements to amortize the individual debt issues outstanding as of September 30, 2025 are as follows:

	Governmental Activities					
Year	Revenue Bond - 2015A Public Improvement	Direct Placement - 2017 Non-Ad Valorem	Direct Placement - 2021 Non-Ad Valorem	Revenue Bond - 2021B Public Improvement	Revenue Bond - 2021C Public Improvement	Revenue Bond - 2023 Public Improvement
2026	$ 1,029,581	$ 1,736,623	$ 954,796	$ 887,650	$ 531,719	$ 1,858,650
2027	1,027,625	1,739,690	954,062	890,350	531,719	1,858,650
2028	1,026,900	1,736,609	953,044	333,300	1,087,469	1,856,649
2029	1,035,275	1,737,375	951,742	-	1,409,968	1,862,401
2030	1,032,750	1,736,918	960,063	-	1,412,219	1,846,150
2031 - 3035	3,095,000	8,663,887	2,280,456	-	7,068,719	9,244,500
2036 - 2040	-	5,180,641	917,104	-	7,097,119	9,220,825
2041 - 2044	-	-	-	-	2,833,709	7,378,400
Totals	8,247,131	22,531,743	7,971,267	2,111,300	21,972,641	35,126,225
Less: Amount Representing Interest	(912,131)	(3,941,743)	(691,267)	(51,300)	(4,727,641)	(11,491,225)
Total	$ 7,335,000	$ 18,590,000	$ 7,280,000	$ 2,060,000	$ 17,245,000	$ 23,635,000

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

	Business-Type Activities					
Year	Direct Placement - 2010 Water and Sewer	Revenue Bond - 2015 Utility System	Direct Borrowing - State Revolving Fund 531320	Direct Borrowing - State Revolving Fund 531302	Direct Borrowing - State Revolving Fund 531340	Direct Borrowing - State Revolving Fund 531350
2026	$ 2,777,429	$ 715,013	$ 47,406	$ 572,578	$ 84,197	$ 39,096
2027	2,760,661	715,013	47,406	1,145,156	84,197	39,096
2028	2,745,654	715,013	47,406	1,145,156	84,197	39,096
2029	2,722,407	715,013	47,406	1,145,156	84,197	39,096
2030	-	3,758,661	47,406	1,145,156	84,197	39,096
2031 - 3035	-	18,774,212	237,028	5,725,780	210,490	97,742
2036 - 2040	-	3,747,657	189,622	5,725,780	-	-
2041 - 2044	-	-	-	794,756	-	-
Totals	11,006,151	29,140,582	663,680	17,399,518	631,475	293,222
Less: Amount Representing Interest	(816,151)	(5,460,582)	(1,441)	-	(27,177)	-
Total	$ 10,190,000	$ 23,680,000	$ 662,239	$ 17,399,518	$ 604,298	$ 293,222

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

The following were outstanding at September 30, 2025:

Revenue Bond – 2015A Non Ad Valorem Refunding Revenue Bond

The Resolution provides for:

- **Application of Bond Proceeds –** On January 27, 2015, the City issued Non Ad Valorem Revenue Bonds Series 2015A in the amount of $13,205,000 for purposes of advance refunding a portion of the Non Ad Valorem Refunding Revenue Bonds Series 2007 and paying associated closing costs. The series 2015A bonds have a redemption date of October 1, 2032.

- **Restrictions on the Use of Cash from Operations –** This bond is payable solely from and secured by a pledge of non ad valorem tax dollars received by the City.

- **Redemption –** The Series 2015A Bonds that mature on or before October 1, 2024 are not subject to redemption prior to their maturities. The Series 2015A Bonds that mature on or after October 1, 2025, are subject to redemption beginning October 1, 2024, in whole or in part at any time, in any order of maturities at the option of the City, and by lot within a maturity if less than a full maturity is redeemed, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date.

- The Revenue Bond consists of the following:

Description	Interest Rate and Dates	Final Maturity	Original Amounts Issued	Outstanding at September 30, 2025
Non Ad Valorem Refunding Revenue Bonds - Series 2015A	2% - 4% 4/1; 10/1	10/1/2032	$ 13,205,000	$ 7,335,000

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Direct Placement – 2017 Non Ad Valorem Revenue Note

The Resolution provides for:

- **Application of Bond Proceeds –** On August 16, 2017, the City issued Non Ad Valorem Revenue Bonds Series 2017 in the amount of $25,000,000 for the purpose of funding the construction of capital improvements, including parks, recreation, fire station, transportation, and other public facilities. The Series 2017 bonds have a redemption date of October 1, 2037.

- **Restrictions on the Use of Cash from Operations –** This note is payable solely from and secured by a pledge of non ad valorem tax dollars received by the City.

- **Redemption –** There are no provisions for early redemption for Series 2017.

- The note contains a provision that in the event of default, the entire outstanding balance shall become immediately due and payable, and the interest rate will be adjusted to a default rate. In addition, the City may be obligated to pay a late payment fee.

- The Revenue Bond consists of the following:

Description	Interest Rate and Dates	Final Maturity	Original Amounts Issued	Outstanding at September 30, 2025
Non Ad Valorem Revenue Bonds - Series 2017	3.07% 10/1; 4/1	10/01/2037	$ 25,000,000	$ 18,590,000

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Direct Placement – 2021 Non Ad Valorem Refunding Note

The Resolution provides for:

- **Application of Bond Proceeds –** On March 30, 2021, the City issued Non Ad Valorem Refunding Bond Series 2021 in the amount of $10,055,000 for the purpose of current refunding of the remaining portions of the Non Ad Valorem Refunding Revenue Bond Series 2016A and Non Ad Valorem Revenue Bond Series 2016B, and paying associated closing costs. The current refunding achieved an aggregate debt service savings of $382,412 which resulted in an economic gain (difference between the present value of the debt service payments on the old debt and new debt) of $330,000. The series 2021 bond has a redemption date of October 1, 2036.

- **Restrictions on the Use of Cash from Operations –** This bond is payable solely from and secured by a pledge of non ad valorem tax dollars received by the City.

- **Redemption –** There are no provisions for early redemption for Series 2021.

- The bond contains a provision that in the event of default, the interest rate shall increase to the default rate after five days and through the date which payment is made. Default rate means the lesser of (i) two percent per annum over the interest rate then in effect or (ii) the maximum interest rate permitted by applicable law.

- The Revenue Note consists of the following:

Description	Interest Rate and Dates	Final Maturity	Original Amounts Issued	Outstanding at September 30, 2025
Non Ad Valorem Revenue Refunding Bond - Series 2021	1.89% 10/1; 4/1	10/01/2036	$ 10,055,000	$ 7,280,000

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bond – 2021B Non Ad Valorem Revenue Bond

The Resolution provides for:

- **Application of Bond Proceeds –** On October 26, 2021, the City issued Non Ad Valorem Revenue Bonds Series 2021B in the amount of $4,390,000 for the purpose of funding the acquisition, expansion, design, construction and equipping of various capital improvements, including without limitation, improvements to a parking garage to be owned and/or used by the City. The Series 2021B bonds have a redemption date of October 1, 2027.

- **Restrictions on the Use of Cash from Operations –** This note is payable solely from and secured by a pledge of non ad valorem dollars received by the City.

- **Redemption –** There are no provisions for early redemption for Series 2021B.

- The note contains a provision that in the event of default, the entire outstanding balance may become immediately due and payable.

- The Revenue Bond consists of the following:

Description	Interest Rate and Dates	Final Maturity	Original Amounts Issued	Outstanding at September 30, 2025
Non Ad Valorem Revenue Bonds - Series 2021B	2% - 3% 4/1; 10/1	10/01/2027	$ 4,390,000	$ 2,060,000

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bond – 2021C Non Ad Valorem Revenue Bond

The Resolution provides for:

- **Application of Bond Proceeds –** On October 26, 2021, the City issued Non Ad Valorem Revenue Bonds Series 2021C in the amount of $17,245,000 for the purpose of funding the acquisition, expansion, design, construction and equipping of various capital improvements to the City's various public parks and public safety stations, recreational and cultural center, and a trail. The Series 2021C bonds have a redemption date of October 1, 2041.

- **Restrictions on the Use of Cash from Operations –** This note is payable solely from and secured by a pledge of non ad valorem dollars received by the City.

- **Redemption –** The Series 2021C Bonds that mature on or before October 1, 2031 are not subject to redemption prior to their maturities. The Series 2021C Bonds that mature on or after October 1, 2032, are subject to redemption prior to maturity, at the option of the City, in whole or in part on any date on or after October 1, 2031, and if in part, in such order of maturities and in such amounts as the City shall select and by lot within a maturity, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, and without premium.

  The Series 2021C Bonds maturing on October 1,2036, are subject to mandatory redemption or purchase prior to their stated dates of maturity, in part by lot, in such manner as the City may deem appropriate from amortization installments deposited by the City in the bond amortization account, at the principal amount thereof, unless purchased pursuant to the operation of such account, plus accrued interest to the redemption date, on October 1 of the years and in the principal amounts of $1,225,000 for 2035 and $1,250,000 for 2036.

- The note contains a provision that in the event of default, the entire outstanding balance may become immediately due and payable.

- The Revenue Bond consists of the following:

Description	Interest Rate and Dates	Final Maturity	Original Amounts Issued	Outstanding at September 30, 2025
Non Ad Valorem Revenue Bonds - Series 2021C	2% - 5% 4/1; 10/1	10/01/2041	$ 17,245,000	$ 17,245,000

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bond – 2023 Non Ad Valorem Revenue Bond

The Resolution provides for:

- **Application of Bond Proceeds –** On November 29, 2023, the City issued Non Ad Valorem Revenue Bonds Series 2023 in the amount of $24,235,000 for the purpose of funding the acquisition, expansion, design, construction and equipping of various capital improvements to the City's various parks, roads, recreational facilities, and water and sewer system.

- **Restrictions on the Use of Cash from Operations –** This note is payable solely from and secured by a pledge of non ad valorem dollars received by the City.

- **Redemption –** The Series 2023 Bonds that mature on or before October 1, 2033 are not subject to redemption. The Series 2023 Bonds maturing on or after October 1, 2034, are subject to redemption prior to maturity, at the option of the City, in whole or in part on any date on or after October 1, 2033, and if in part, in such order of maturities and in such amounts as the City shall select and by lot within a maturity, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, and without premium.

- The Revenue Bond consists of the following:

Description	Interest Rate and Dates	Final Maturity	Original Amounts Issued	Outstanding at September 30, 2025
Non Ad Valorem Revenue Bonds - Series 2023	4% - 5% 10/1; 4/1	10/01/2043	$ 24,235,000	$ 23,635,000

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Direct Placement – 2010 Utility System Refunding Revenue Note

The Resolution provides for:

- **Application of Bond Proceeds –** On October 10, 2010, the City obtained a commercial loan for $20,925,000 with an interest rate of 3.23% to advance refund the 1998 Utility System Improvement serial and term bonds with interest rates ranging from 3.85% to 5.00%. The serial and term bonds mature on October 1, 2028. After liquidating the Debt Service Reserve Fund monies of $122,338 and paying issuance costs of $66,260, the net proceeds were $20,981,078. The net proceeds from the commercial loan were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the serial and term bonds are called on November 10, 2010. The advance refunding met the requirements of an in-substance debt defeasance and the serial and term bonds were removed from the City's government-wide financial statements.

- **Restrictions on Use of Cash from Operations –** This Bond is payable solely from and secured by pledged revenues as defined in the resolution derived from the ownership, use or operation of the City's water and sewer system, the sewer system development charges as defined in the resolution and the water system charges as defined in the resolution.

- **Redemption –** The Resolution provides for early redemption of the note at an amount equal to the net present value of the bondholder's future cost of the liability for the original maturity of such liability prorated to the amount of principal repayment over total principal outstanding at the U.S. Treasury Yield curve for the then remaining original life of the Bond as determined on the date of redemption.

- The note contains a provision that in the event of default, any amount due will bear interest at a default rate, which is the higher of the JP Morgan Chase Bank's Prime Interest Rate and the adjusted one-month benchmark rate plus 4%.

- The Revenue note consists of the following:

Description	Interest Rate and Dates	Final Maturity	Original Amounts Issued	Outstanding at September 30, 2025
Utility System Refunding Revenue Bonds - Series 2010	3.23% 4/1; 10/1	10/01/2028	$ 20,925,000	$ 10,190,000

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bond – 2015 Utility System Refunding Revenue Bonds

The Resolution provides for:

- **Application of Bond Proceeds** – On February 3, 2015, City issued the Utility System Refunding Bonds Series 2015 in the par amount of $26,070,000. These bonds were issued for the purpose of advance refunding a portion of the City's outstanding Utility System Improvement and Refunding Revenue Bond Series 2005. The Series 2015 bonds have a redemption date of October 1, 2035.

- **Restrictions on Use of Cash from Operations –** The Series 2015 Bonds are payable solely from and shall be secured by a lien upon and pledge of the Pledged Revenues on a parity with the lien thereon of the Parity Bonds and any Additional Parity Obligations hereafter issued. The System is defined collectively as the Water System, the Sewer System and Reuse System. Upon compliance with certain provisions of the Resolution, the term "System" may be deemed to include other utility functions added to the System, including, but not limited to a storm water system, the acquisition, distribution, and sale of natural gas, the providing of electricity, the providing of cable television services, the providing of telecommunication services or other utility functions that are, in accordance with Prudent Utility Practice, reasonably related to the services provided by the System. Notwithstanding the foregoing definition of the term System, such term shall not include any properties or interest in properties of the City which the City determines shall not constitute a part of the System for the purpose of the Resolution.

- **Redemption –** The Series 2015 Bonds that mature on or before October 1, 2024 are not subject to redemption prior to their maturities. The series 2015 Bonds that mature on or after October 1, 2025, are subject to redemption beginning October 1, 2024, in whole or in part at any time in any order of maturities at the option of the City and by lot within a maturity if less than a full maturity is redeemed, at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date.

- The Revenue Bond consists of the following:

Description	Interest Rate and Dates	Final Maturity	Original Amounts Issued	Outstanding at September 30, 2025
Utility System Refunding Revenue Bonds - Series 2015	2% - 3.125% 4/1; 10/1	10/1/2035	$ 26,070,000	$ 23,680,000

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Direct Borrowing – State Revolving Funds Loan – WW531320

The City has a State Revolving Fund loan in the amount of $969,085 with a rate of 0.03% repayable over 20 years. The loan will be used for wastewater projects. The loan is secured by pledged revenues of the water and sewer system. At September 30, 2025 the balance was $662,239.

In the event of default, the timing of repayment of outstanding balances may be accelerated, or the financing rate on the unpaid principal of the loans may be increased as much as 1.667 times the financing rate.

Direct Borrowing – State Revolving Funds Loan – WW531302

The City has a State Revolving Fund loan in the amount of $22,903,131 with a rate of 0.00% repayable over 20 years. The loan will be used for lift station rehabilitation and reclaimed water system expansion. The loan is secured by pledged revenues of the water and sewer system. At September 30, 2025, the balance was $17,399,518.

In the event of default, the timing of repayment of outstanding balances may be accelerated, or the financing rate on the unpaid principal of the loans may be increased as much as 1.667 times the financing rate.

Direct Borrowing – State Revolving Funds Loan – WW531340

The City has a State Revolving Fund loan in the amount of $1,000,000 with a rate of 1.11% repayable over 10 years. The loan will be used for planning activities for the water infrastructure study. The loan is secured by pledged revenues of the water and sewer system. At September 30, 2025, the balance was $604,298.

In the event of default, the timing of repayment of outstanding balances may be accelerated, or the financing rate on the unpaid principal of the loans may be increased as much as 1.667 times the financing rate.

Direct Borrowing – State Revolving Funds Loan – WW531350

The City has a State Revolving Fund loan in the amount of $500,000 with a rate of 0.00% repayable over 10 years. The loan will be used for a stormwater and wastewater master plan. The loan is secured by pledged revenues of the water and sewer system. At September 30, 2025, the balance was $293,222.

In the event of default, the timing of repayment of outstanding balances may be accelerated, or the financing rate on the unpaid principal of the loans may be increased as much as 1.667 times the financing rate.

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

There are a number of limitations and restrictions contained in the various bond indentures. As of September 30, 2025, all funds are being maintained in accordance with the ordinances and resolutions.

The amounts available in the Debt Service Funds to service long-term debt are as follows:

Public Improvement Revenue Bonds, Series 2015A, 2017, 2021, 2021B and 2021C	$ 4,135,306

Long-term liabilities, including other postemployment benefit liability and net pension liability, are typically liquidated by the individual fund to which the liability is directly associated. Typically, the governmental funds used to liquidate the governmental activities other postemployment benefit liability and net pension liability include the General, Library, Airport, Cemetery, CRA and Building/Safety funds. Claims and judgments are classified as short-term debt.

Revenue Bonds and Notes – Pledged Revenue

The City has pledged future water and sewer customer revenues, net of specified operating expenses, to repay $46,995,000 in revenue bonds issued in 2010 and 2015. Proceeds from the bonds were used to finance the cost of the acquisition and construction of additions, extensions, and improvements to the system. Principal and interest on the bonds are payable through fiscal year 2036 from the water and sewer gross revenues and connection charges.

The resolutions authorizing the revenue bonds include an obligation for the City to fix, establish, revise from time to time whenever necessary, maintain and collect such fees, rates, rentals and other charges for the use of the products, services and facilities of the System which will always provide net revenues in each year sufficient to pay the lesser of either the aggregate of 115% of the bond service requirement becoming due in such year on the outstanding bonds, or the aggregate of 110% of the bond service requirement as the same become due in such year, provided that net revenues plus sewer system development charges and water system development charges in such year are sufficient to pay the aggregate of 120% of the bond service requirement becoming due in such year on the outstanding bonds. Fiscal year 2025 pledged revenues, net of operating expenses, were approximately $11.1 million. Principal and interest paid during the year ended September 30, 2025 was $3,516,265.

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Lessee Arrangements

The City leases equipment for various terms under long- term, non-cancelable lease agreements. The leases expire at various dates through 2034 and provide for renewal options in various terms.

Total future minimum lease payments under lease agreements are as follows:

	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2026	$ 180,753	$ 10,567	$ 43,319	$ 3,325	$ 237,964
2027	184,363	9,134	44,437	2,207	240,141
2028	150,023	4,644	27,352	1,157	183,176
2029	73,583	1,312	20,229	364	95,488
2030	1,442	10	-	-	1,452
Total minimum lease payments	$ 590,164	$ 25,667	$ 135,337	$ 7,053	$ 758,221

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

	Governmental Activities	Business-Type Activities
Equipment	$ 1,171,827	$ 222,870
Less: accumulated amortization	(499,502)	(85,092)
	$ 672,325	$ 137,778

SBITA Arrangements

The City contracts for software in its operations for various terms under long- term, non-cancelable subscription agreements. The leases expire at various dates through 2029 and provide for renewal options in various terms.

	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2026	$ 628,174	$ 48,810	$ 42,956	$ 1,504	$ 721,444
2027	575,474	24,871	-	-	600,345
2028	282,919	12,264	-	-	295,183
2029	293,924	1,866	-	-	295,790
Total minimum payments	$ 1,780,491	$ 87,811	$ 42,956	$ 1,504	$ 1,912,762

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Right-to-use assets acquired through outstanding SBITAs are shown below.

	Governmental Activities	Business-Type Activities
Software	$ 2,889,432	$ 168,397
Less: accumulated amortization	(763,992)	(84,370)
	$ 2,125,440	$ 84,027

NOTE 10 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City insures itself against these risks with various insurance policies. Insurance settlements have not exceeded the City's insurance coverage in the three prior fiscal years. All insurance coverage amounts remained constant from the prior year.

The City is self-insured for group health insurance. Estimated claims incurred but not reported of $2,048,553 were recorded at September 30, 2025. This is the amount established by a specialist to have been incurred but not yet billed as of September 30, 2024. This entire amount is considered to be payable within the next year.

In addition, the City has insurance to cover individual stop/loss after $300,000. In 2023, 2024 and 2025, settlements exceeded insurance coverage by $0, $0 and $116,945, respectively.

The liability currently provided is the City's maximum run-off claims liability. The City is reinsured for all losses greater than the maximum claims liability through Symetra Life Insurance.

Changes in the City's claims payable at September 30 are as follows:

	Claims Payable Beginning of Year	Claims and Changes in Estimates	Claim Payments	Claims Payable End of Year
2023-2024 Total	$ 1,748,553	$ 7,038,964	$ 7,038,964	$ 1,748,553
2024-2025 Total	$ 1,748,553	$ 9,016,544	$ 8,716,544	$ 2,048,553

NOTE 11 PENSION PLANS

The City maintains three single-employer, defined benefit pension plans. The plans do not issue stand-alone financial reports and are not included in any other retirement system's or entity's financial report.

The statements of fiduciary net position for the three pension plans at September 30, 2025 are as follows:

	General Employees' Pension	Municipal Firefighters' Pension	Municipal Police Officers' Pension	Total
Assets				
Cash	$ 98,251	$ 308	$ 11,886	$ 110,445
Prepaid Items	6,837	-	-	6,837
Investments:				
Short-Term Money Market Funds	4,630,050	2,593,928	2,155,223	9,379,201
US Government Obligations	1,448,565	2,702,199	5,366,762	9,517,526
Mutual Funds Fixed	5,430,485	4,377,839	10,214,659	20,022,983
Government Mortgage Pools	2,606,995	1,398,554	5,696,743	9,702,292
Municipal Obligations	226,645	216,203	-	442,848
Collateralized Mortgage Obligations	-	3,133,679	-	3,133,679
Corporate Bonds	4,659,832	2,204,141	908,799	7,772,772
Foreign Bonds	-	168,449	-	168,449
Fixed Income	-	4,097,797	-	4,097,797
Equity Securities	63,882,919	26,984,772	20,414,753	111,282,444
Real Estate Fund	8,810,974	4,171,301	2,138,075	15,120,350
Total Investments	91,696,465	52,048,862	46,895,014	190,640,341
Receivables:				
Contributions Receivable	828	44,028	-	44,856
Interest and Dividends Receivable	104,052	83,722	56,701	244,475
Total Receivables	104,880	127,750	56,701	289,331
Total Assets	91,906,433	52,176,920	46,963,601	191,046,954
Liabilities				
Accounts Payable	30,211	14,283	21,013	65,507
Net Position				
Net Position Restricted for Pensions	$ 91,876,222	$ 52,162,637	$ 46,942,588	$ 190,981,447

NOTE 11 PENSION PLANS (CONTINUED)

The statement of changes in fiduciary net position for the three pension plans for the year ended September 30, 2025 follows:

	General Employees' Pension	Municipal Firefighters' Pension	Municipal Police Officers' Pension	Total
Additions:				
Contributions:				
Employer	$ 2,503,547	$ 1,879,031	$ 990,243	$ 5,372,821
Employee	464,206	543,498	516,852	1,524,556
State	-	560,857	726,279	1,287,136
Total Contributions	2,967,753	2,983,386	2,233,374	8,184,513
Investment Income (Loss)	12,194,478	6,114,533	4,734,049	23,043,060
Less: Investment Expenses	(323,079)	(217,840)	(189,578)	(730,497)
Net Investment Loss	11,871,399	5,896,693	4,544,471	22,312,563
Miscellaneous Revenue	35,736	2,514	-	38,250
Total Additions (Loss)	14,874,888	8,882,593	6,777,845	30,535,326
Deductions:				
Benefits	6,085,502	2,796,670	2,692,523	11,574,695
Refunds	69,793	46,936	56,135	172,864
Administrative Expenses	210,323	95,301	110,636	416,260
Total Deductions	6,365,618	2,938,907	2,859,294	12,163,819
CHANGE IN NET POSITION	8,509,270	5,943,686	3,918,551	18,371,507
Net Position Restricted for Pensions:				
Net Position - Beginning of Year	83,366,952	46,218,951	43,024,037	172,609,940
Net Position - End of Year	$ 91,876,222	$ 52,162,637	$ 46,942,588	$ 190,981,447

Summary of Significant Accounting Policies

- **Basis of Accounting –** The financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to 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.

- **Method Used to Value Investments –** Investments are reported at fair value, as described in Note 3.

NOTE 11 PENSION PLANS (CONTINUED)

Plan Description

The General Employees' Pension Plan, Police Officers' Pension Plan, and Firefighters' Pension plans are defined benefit pension plans. Each plan is administered by a Board of Trustees which acts as the administrator of the plan.

General Employees' Pension Plan

The Board for the General Employees' Plan consists of five Trustees. One Trustee is the Chief Financial Officer of the City, who will be a permanent Trustee. The remaining four trustees are members of the system who are elected by a majority of the General Employees who are members of the system. Each Trustee serves a four-year term. Each person employed by the City as a full-time General Employee before November 20, 2017 became a member of the Plan as a condition of his or her employment. All eligible General Employees are therefore eligible for plan benefits as provided for in the plan document and by applicable law. There are no new entrants to the plan after November 20, 2017.

Employees become eligible for benefits the first day of the month following age 55 and completion of 10 years of credited service. For members who had not attained age 40 with 10 years of service on November 20, 2017, normal retirement is the earlier of age 60 with 10 years of credited service or the completion of 33 years of credited service, regardless of age. Members are entitled to 3.0% of their average final compensation times years of credited service. The benefit accrual reduces to 2.3% of average final compensation for service earned on or after November 20, 2017. The form of benefit is 10-year certain and life annuity. The plan provides for early retirement and disability benefits. All employees not included in the Firefighters' or Police Officers' pension plans are eligible under the plan.

General employees are required to contribute 9.5% of their salary up until November 20, 2017, and 7.00% effective November 20, 2017. The City is required to contribute the remaining amounts necessary to fund the plan as specified by ordinance. Administrative costs of the plan are financed through investment earnings. Service and disability retirees receive cost of living increases of 0.5% each October 1 for 10 years, beginning the first October following one complete year of retirement.

Firefighters' Pension Plan

The Board for the Firefighters' Plan consists of five Trustees, two of whom are legal residents of the City appointed by the City Commission, two of whom are members of the system who are elected by a majority of the Firefighters who are members of the system and a fifth trustee who is chosen by a majority of the other four trustees. Each Trustee serves a four-year term. Each person employed by the City Fire Department as a full-time Firefighter becomes a member of the Plan as a condition of his or her employment. All Firefighters are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

NOTE 11 PENSION PLANS (CONTINUED)

Plan Description (Continued)

Firefighters' Pension Plan (Continued)

Employees under the Firefighter's Pension Plan are entitled to 3.8% of their average final compensation times years of credited service and become eligible the first day of the month following the earlier of age 55 and 10 years of credited service or 25 years of service, regardless of age. The form of benefit is 10-year certain and life annuity. The plan provides for early retirement and disability benefits. Service and disability retirees receive cost of living increases of 0.5% each October 1 for 10 years, beginning the first October following one complete year of retirement.

Police Officers' Pension Plan

The Board for the Police Officers' Plan consists of five Trustees, two of whom are appointed by the City Commission, two of whom are members of the system who are elected by a majority of the Police Officers who are members of the system, and a fifth trustee who is chosen by a majority of the other four trustees. Each Trustee serves a four-year term. Each person employed by the City Police Department as a full-time Police Officer becomes a member of the Plan as a condition of his or her employment. All Police Officers are therefore eligible for plan benefits as provided for in the plan document and by applicable law.

Police employees attaining the earlier of age 55 and 10 years of credited service or the completion of 25 years of credited service or age 60 are entitled to annual benefits of 3.5% of their average final compensation times years of credited service. The form of benefit is 10-year certain and life thereafter. The plan provides for early retirement and disability benefits. Service and disability retirees receive cost of living increases of 0.5% each October 1 for 10 years, beginning the first October following one complete year of retirement.

Police and fire employees are required to contribute 8.2% and 10.0%, respectively, of their annual salary. The City is required to contribute the remaining amounts after employee and state contributions necessary to fund the plans as specified by ordinance. The State remits income received from the 0.85% excise tax on casualty insurance premiums for the police fund, and income received from the 1.85% excise tax on premiums for fire insurance for the firefighters' fund. Contributions received from the State as on-behalf payments were $726,279 for police employees and $560,857 for firefighters for 2025. Administrative costs of the plan are financed through investment earnings.

Other information with respect to the Pension Plans is as follows:

	General Employees'	Municipal Firefighters'	Municipal Police Officers'
Plan Establishment/Restatement	January 1, 1971	October 1, 1986	October 1, 1985
Payroll for Covered Employees	$ 6,631,508	$ 5,434,976	$ 6,303,067

The systems also provide disability and survivor benefits.

NOTE 11 PENSION PLANS (CONTINUED)

Employees Covered by Benefit Terms

At October 1, 2024, the date of the City's most recent valuation, the following employees were covered by the benefit terms:

	General Employees'	Municipal Firefighters'	Municipal Police Officers'
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	259	56	70
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	39	17	35
Active Plan Members	99	66	68
Total	397	139	173

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of October 1, 2024 updated to September 30, 2025 using the following actuarial assumptions.

	General Employees'	Municipal Firefighters'	Municipal Police Officers'
Valuation Date	10/1/2024	10/1/2024	10/1/2024
Inflation	2.50%	2.50%	2.50%
Projected Salary Increases	Service Based	Service Based	Service Based
Discount Rate	6.50%	7.20%	7.25%
Investment Rate of Return	6.50%	7.20%	7.25%
Mortality Rate	PubG.H-2010 with Scale MP-2021	PubS.H-2010 & PubG-H-2010 with Scale MP-2021	PubS.H-2010 & PubG-H-2010 with Scale MP-2021
Date of Actuarial Experience Study	7/23/2021	7/21/2025	7/21/2025

NOTE 11 PENSION PLANS (CONTINUED)

Actuarial Assumptions (Continued)

Changes in assumptions for the 2025 fiscal year for the General Employees' Pension, Police Officers' Pension, and Firefighters' Pension plans included the following:

Firefighters' – For measurement date September 30, 2025, the investment rate of return decreased to 7.20% per year compounded annually, net of investment-related expenses.

Police Officers' – For measurement date September 30, 2025, the investment rate of return decreased to 7.25% per year compounded annually, net of investment-related expenses.

Discount Rate

The discount rate used to measure the total pension liability was 6.50% for general employees' plan, 7.20% for municipal firefighters' plan, and 7.25% for municipal police officers' plan. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee 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 active and inactive employees. 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.

NOTE 11 PENSION PLANS (CONTINUED)

Investments

Each Board of Trustees (Board) is responsible for administering the investment policies of the Plans and providing oversight for the management of the Plans' asset. The investment strategy of each Plan is to emphasize total return (defined as the aggregate return from capital appreciation and dividend and interest income). The investment policy for each plan requires that all Plan assets be invested in liquid securities, defined as securities that can be transacted quickly and efficiently for the Plan, with minimal impact on market price. Following are the adopted asset allocation policies for each plan as of September 30, 2025.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

General Employees' Plan:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
All Cap Value Equity	25.0 %	7.5 %
Broad Growth Equity	25.0	7.5
International Equity	15.0	8.5
Fixed Income (Core)	20.0	2.5
Global Bond	5.0	3.5
Real Estate	10.0	4.5
Total	100.0 %	

Municipal Firefighters' Plan:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
All Cap Value Equity	22.5 %	7.5 %
Broad Growth Equity	22.5	7.5
International Equity	15.0	8.5
Fixed Income (Core)	20.0	2.5
Global Bond	5.0	3.5
Real Estate	15.0	4.5
Total	100.0 %	

NOTE 11 PENSION PLANS (CONTINUED)

Municipal Police Officers' Plan:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
All Cap Value Equity	25.0 %	7.5 %
Broad Growth Equity	25.0	7.5
International Equity	15.0	8.5
Fixed Income (Core)	20.0	2.5
Global Bond	5.0	3.5
Real Estate	10.0	4.5
Total	100.0 %	

Concentrations

The Plans did not hold investments in any one organization that represent 5% or more of the respective Plan's fiduciary net position.

Money-Weighted Rate of Return on Investments

For the year ended September 30, 2025 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 14.45% for the General Employees' Plan, 12.86% for the Firefighters' Plan, and 10.71% for the Police Officers' Plan. The money-weighted rate of return expresses investment performance, net of expenses, adjusted for the changing amounts actually invested.

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

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

General Employees' Pension	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Sponsor's Net Pension Liability	$ 14,290,018	$ 3,753,399	$ (5,069,431)

NOTE 11 PENSION PLANS (CONTINUED)

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

Municipal Police Officers' Pension	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Sponsor's Net Pension Liability (Asset)	$ 9,355,804	$ 3,193,637	$ (1,899,639)

Municipal Firefighters' Pension	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
Sponsor's Net Pension Liability (Asset)	$ 11,551,967	$ 4,501,146	$ (1,353,505)

Deferred Retirement Option Program (DROP)

The Plans permit the members to elect to receive retirement benefits while still employed and receiving a salary. Members are eligible upon reaching normal retirement. The participant's retirement benefits are credited into an individual member account and paid out to the member upon termination or retirement not to exceed a period of up to 60 months for the General Employees', Firefighters', Police Officers' Plan. Amounts credited to the members' DROP accounts earn interest and remain in the pension plan's net assets until paid out. Amounts held in DROP accounts as of September 30, 2025 totaled $1,293,937 for the General Employees' Plan, $560,365 for the Firefighters' Plan, and $517,770 for the Police Officers' Plan.

Net Pension Liability

The City's net pension liability was measured as of September 30, 2025, and the total pension liability used to calculate the net pension liability was determined as of that date. The net pension liability recorded by the City as of September 30, 2025 consists of the following:

General Employees'	$ 3,753,399
Municipal Firefighters'	4,501,146
Municipal Police Officers'	3,193,637
Total Net Pension Liability	$ 11,448,182

NOTE 11 PENSION PLANS (CONTINUED)

Changes in Net Pension Liability

Changes in Net Pension Liability
General Employees' Pension

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at September 30, 2024	$ 95,853,347	$ 83,366,952	$ 12,486,395
Changes for the Year:			
Service Cost	662,143	-	662,143
Interest	6,073,460	-	6,073,460
Change in Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	(390,352)	-	(390,352)
Changes of Assumptions	(413,682)	-	(413,682)
Contributions - Employer	-	2,503,547	(2,503,547)
Contributions - Employee	-	464,206	(464,206)
Net Investment Income	-	11,814,525	(11,814,525)
Miscellaneous	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(6,155,295)	(6,155,295)	-
Administrative Expenses	-	(117,713)	117,713
Net Changes	(223,726)	8,509,270	(8,732,996)
Balance at September 30, 2025	$ 95,629,621	$ 91,876,222	$ 3,753,399
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			96.08%

Changes in Net Pension Liability
Municipal Firefighters' Pension

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at September 30, 2024	$ 51,245,769	$ 46,218,952	$ 5,026,817
Changes for the Year:			
Service Cost	1,467,924	-	1,467,924
Interest	3,821,246	-	3,821,246
Change in Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	1,097,151	-	1,097,151
Changes of Assumptions	1,875,300	-	1,875,300
Contributions - Employer	-	1,879,031	(1,879,031)
Contributions - State	-	560,857	(560,857)
Contributions - Employee	-	543,498	(543,498)
Net Investment Income	-	5,899,207	(5,899,207)
Miscellaneous Revenue	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(2,843,607)	(2,843,607)	-
Administrative Expenses	-	(95,301)	95,301
Net Changes	5,418,014	5,943,685	(525,671)
Balance at September 30, 2025	$ 56,663,783	$ 52,162,637	$ 4,501,146
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			92.06%

NOTE 11 PENSION PLANS (CONTINUED)

Changes in Net Pension Liability (Continued)

Changes in Net Pension Liability

Municipal Police Officers' Pension	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at September 30, 2024	$ 46,399,139	$ 43,024,038	$ 3,375,101
Changes for the Year:			
Service Cost	1,037,430	-	1,037,430
Interest	3,385,575	-	3,385,575
Change in Excess State Money	-	-	-
Difference Between Expected and Actual Experience	629,459	-	629,459
Changes of Assumptions	1,433,280	-	1,433,280
Contributions - Employer	-	990,243	(990,243)
Contributions - State	-	726,279	(726,279)
Contributions - Employee	-	516,852	(516,852)
Net Investment Income	-	4,544,471	(4,544,471)
Benefit Payments, Including Refunds of Employee Contributions	(2,748,658)	(2,748,658)	-
Administrative Expenses	-	(110,637)	110,637
Other Changes	-	-	-
Net Changes	3,737,086	3,918,550	(181,464)
Balance at September 30, 2025	$ 50,136,225	$ 46,942,588	$ 3,193,637

Plan Fiduciary Net Position as a Percentage of the Total Pension Liability 93.63%

For the year ended September 30, 2025, the City recognized pension expense of $1,104,455 ($(1,381,429) for General Employees, $1,307,793 for Municipal Firefighters, and $1,178,091 for Municipal Police Officers).

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

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

General Employees' Pension:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ -	$ 195,176
Changes of Assumptions	-	206,841
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	10,154,310
Total	$ -	$ 10,556,327

NOTE 11 PENSION PLANS (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Municipal Firefighters' Plan:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 1,570,413	$ 492,335
Changes of Assumptions	1,748,928	29,086
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	3,780,312
Total	$ 3,319,341	$ 4,301,733

Municipal Police Officers' Plan:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 878,275	$ -
Changes of Assumptions	1,074,960	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	3,489,227
Total	$ 1,953,235	$ 3,489,227

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

General Employees' Plan:

Year Ended September 30,	Amount
2026	$ (1,504,268)
2027	(4,238,884)
2028	(3,512,556)
2029	(1,300,619)

Municipal Firefighters' Plan:

Year Ended September 30,	Amount
2026	$ 605,818
2027	(1,029,335)
2028	(805,546)
2029	246,671

NOTE 11 PENSION PLANS (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Municipal Police Officers':

Year Ended September 30	Amount
2026	$ 723,691
2027	(1,067,107)
2028	(911,535)
2029	(281,041)

Summary

The aggregate amount of net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense for the City's pension plans are summarized below. These liabilities are typically liquidated by the individual fund activity in which the employee's costs are associated.

Description	General Employees'	Municipal Firefighters'	Municipal Police Officers'	Total
Net Pension Liability	$ 3,753,399	$ 4,501,146	$ 3,193,637	$ 11,448,182
Deferred Outflows of Resources Related to Pensions	-	3,319,341	1,953,235	5,272,576
Deferred Inflows of Resources Related to Pensions	10,556,327	4,301,733	3,489,227	18,347,287
Pension Expense	(1,381,429)	1,307,793	1,178,091	1,104,455

Other Retirement Plans

In addition to the three defined benefit plans, the City offers employees two Internal Revenue Code (IRS) Section 457 plans.

The City also provides pension benefits through a defined contribution IRC Section 401(a) profit sharing plan to Directors and the City Manager in lieu of participating in the general employees' pension. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees that participate in the plan are required to contribute 10% of their salary. Effective September 25, 2017, Resolution R-17- 46 changed the City's contribution rate to 15% of the employee's gross pay. The City's contribution for each employee (and interest allocated to the employee's account) is fully vested upon contribution. The City Council by ordinance maintains the authority to establish new and amend existing benefit provision of the plan and contribution requirements. The City's contributions to this IRC Section 401(a) plan for the year ended September 30, 2025 were approximately $170,214.

The City also has a pre-tax defined contribution plan that became effective for non-Police and non-Fire employees hired on or after November 20, 2017. Normal retirement age is 60 and early retirement age is 55. The City contributes 7.5% while employees are required to contribute 3% of pay to the Plan. For the year ended September 30, 2025, the City contributed $968,417. Employees vest at a rate of 20% per year. A participant who separates from service prior to obtaining full vesting (five years) shall forfeit that percentage of the City's contribution account balance that has not yet been vested. Forfeited amounts will be used to offset future City contributions required in succeeding plan years and investment advisory services. The amount of forfeitures available at September 30, 2025 was $35,863.

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS

The City is obligated to make available to qualified retired employees the option to maintain coverage with the group health, life, and dental insurance plans.

Plan Description

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

A retired employee and his or her spouse and eligible dependents are eligible to continue health insurance identical to active employees if they meet the eligibility for retirement under the applicable retirement plan. The City subsidizes retiree health premiums at a rate determined by the City. The retiree is responsible for paying the remaining active monthly premium for health and coverage and that of any covered spouse or eligible dependents.

The City subsidizes the premium rates paid by retirees by allowing them to participate in the plans at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible.

For the Postemployment Health Care Benefits Plan, contribution requirements of the City are established and may be amended through the City. The plan is currently being funded on a pay-as-you-go basis. No trust fund has been established for the plan, and there are no assets accumulated in trust for payment of benefits. The plan does not issue a separate publicly available financial report. The OPEB liabilities are typically liquidated by the individual fund in which the employee's costs are associated.

Employees Covered by Benefit Terms

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

Inactive Employees or Beneficiaries Currently Receiving Benefits	101
Active Plan Members	522
Total	623

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

Total OPEB Liability

The City's Total OPEB liability was measured as of September 30, 2025 and was determined by an actuarial valuation as of September 30, 2024. The following table shows the City's total OPEB liability for the year ended September 30, 2025.

	Total OPEB Liability
Balances - October 1, 2024	$ 43,841,015
Changes for the Year:	
Service Cost	2,190,859
Interest	1,840,609
Changes in Assumptions	(3,278,152)
Differences Between Expected and Actual Experience	-
Benefit Payments	(1,407,362)
Net Changes	(654,046)
Balances - September 30, 2025	$ 43,186,969

Discount Rate Sensitivity

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

Description	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	3.50 %	4.50 %	5.50 %
Total OPEB Liability	$ 51,211,807	$ 43,186,969	$ 36,940,335

Healthcare Trend Rate Sensitivity

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

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
OPEB Plan Healthcare Cost Rate	5.75% decreasing to 3.00%	6.75% decreasing to 4.00%	7.75% decreasing to 5.00%
Total OPEB Liability	$ 36,090,282	$ 43,186,969	$ 52,441,161

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2025, the City recognized OPEB expense of $3,689,488. In addition, the City reported deferred inflows of resources of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 7,986	$ 914,363
Changes of Assumptions	8,156,126	9,736,627
Total	$ 8,164,112	$ 10,650,990

Amounts reported as deferred inflows of resources related to OPEB will be amortized over five years and will be recognized as follows:

Year Ending September 30:	Amount
2026	$ (1,676,333)
2027	(1,300,135)
2028	(1,300,135)
2029	1,093,518
2030	1,164,517
Thereafter	(468,310)

Actuarial Assumptions

The total OPEB liability in the September 30, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Healthcare Cost Trend Rates	Initial rate of 6.75% in fiscal 2024, grading down to the ultimate trend rate of 4% in fiscal 2075.

Salary Inflation

Credited Service	General Pension Plans and 401a Employees
First Year	9.00%
Years 2-9	5.00%
Years 10-14	3.50%
Greater than 14 Years	3.25%

	Police Pension Plan Employees
First Year	13.00%
Years 2-10	4.50%
Greater than 10 Years	4.00%

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

Actuarial Assumptions (Continued)

Credited Service	Fire Pension Plan Employees
Less than 5 Years	7.50%
Years 6-10	6.00%
Years 11-15	5.00%
Greater than 15 Years	4.50%

The actuarial cost method used was the Entry Age Cost method, level percentage of pay.

All mortality rates were based on the Pub-2010 mortality tables with fully generational improvement using Scale MP-2018. Rates are based on those outlined in the July 1, 2023 Florida Retirement System actuarial valuation report.

The discount rate used to measure the total OPEB liability was 4.50%, based on the September 30, 2025 S&P Municipal Bond 20-Year High Grade Rate Index as published by S&P Dow Jones Indices.

Changes of Assumptions reflect a change in the discount rate from 4.06% for the reporting period ended September 30, 2024, to 4.50% for the reporting period ended September 30, 2025. There were no other significant assumption changes from the prior report issued.

NOTE 13 COMMITMENTS AND CONTINGENCIES

Federal and State Grant Programs

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

Litigation

Various suits and claims, arising in the ordinary course of the City's operations, are pending. These claims consist of suits involving loss of employment and discrimination. Management does not expect the resolution of these matters to have a material effect on the City's financial statements.

Construction Commitments

The City routinely enters into various construction commitments. At September 30, 2025, the City had the following outstanding major construction commitments in process:

Project	Project Authorization	Expended in Prior Years	Expended in September 30, 2025	Commitment
Governmental Activities:				
Asphalt Microsurfacing	$ 665,232	$ -	$ -	$ 665,232
Motor Pool Road Improvements	3,104,031	-	-	3,104,031
Logistics Parkway Extension	1,000,000	-	-	1,000,000
WHRCC - New Recreation Complex	18,205,688	1,079,549	13,291,235	3,834,904
Chain of Lakes - Phase II - Park Elements	19,707,893	1,087,810	16,811,941	1,808,142
Total Governmental Activities	$ 42,682,844	$ 2,167,359	$ 30,103,176	$ 10,412,309
Business-Type Activities:				
S Lake Howard Nature Park Expansion	$ 2,970,474	$ -	$ -	$ 2,970,474
Utility Expansions to Utility Admin Building	1,107,738	-	-	1,107,738
Water Resource Facility - Pollard Road	11,934,177	-	2,380,199	9,553,978
CR563 Reclaimed Water Transmission Main Ext	2,533,421	-	370,947	2,162,474
Aquifer Recharge Well - Bradco Property	4,498,200	-	-	4,498,200
Well Construction - Cypresswood & Pollard Road	7,796,300	-	4,181,393	3,614,907
Total Business-Type Activities	$ 30,840,310	$ -	$ 6,932,539	$ 23,907,771

Contingencies

No accrual has been made in the financial statements for contingencies related to claims not yet asserted, because the amount cannot be reasonably estimated. In management's opinion, any such claims, if asserted, would not have a material adverse effect on the operations or financial position of the City.

NOTE 14 TAX ABATEMENTS

The City determined that it is desirable to facilitate redevelopment opportunities within the Florence Villa and Downtown Community Redevelopment Areas (CRA) of the City through tax increment rebatement and other incentives. The development incentives are consistent with the Community Redevelopment Plans for the two CRA Districts and are in compliance with Florida State Statutes 163, Part III and 163.370(1)(d), Resolution R-00-19, CRA Resolution R-16-01, and Resolution R-CRA-21-01. A Summary description of the incentives available is as follows:

- **Real Estate Development Accelerator (REDA)** – This incentive targets large-scale development projects that enhance the economic diversity of the Florence Villa Community Redevelopment and/or Downtown Community Redevelopment Areas and are anticipated to increase, by $5 million or more, the ad valorem Taxable Value within the Florence Villa Community Redevelopment and/or Downtown Community Redevelopment Areas. This incentive can be utilized in the form of a land purchase price mark-down, tax increment financing rebates or similar types of assistance. Each project is negotiated on an individual basis.

- **Real Estate Development Accelerator II (REDA II)** – This incentive is for large-scale development projects that enhance the economic diversity of the Florence Villa and/or Downtown Community Redevelopment Areas and are anticipated to increase the ad valorem Taxable Value of the subject site by $15 million or more. This incentive can be utilized in the form of land mark-down, infrastructure improvements, tax increment financing rebates or similar types of assistance. Each project is negotiated on an individual basis.

- **Housing Investment Program (HIP)** – This incentive targets developers of new housing units, renovations of existing housing units that increase the taxable value of the project by at least 100%, and for sale/for rent residential projects investing at least $2 million dollars. Projects could qualify for a $10,000 per unit incentive for market-rate housing. Developers are given the choice of A or B below plus the option of the Smart City Bonus:

  A. Reimbursement not to exceed $10,000 per units from the project's actual tax increment; or
  B. Reimbursement of up to 80% of the project's actual tax increment for years 1-5 and reimbursement of 70% of the project's actual tax increment for years 6-15; and Smart City Bonus:

  Both A. and B. above could also receive $1,500 per unit grant upon completion of construction when the project includes three or more approved Smart City technologies as provided by the Smart City Advisory Committee or City Staff.

- **Facade and Exterior Improvement Program (for Developers) –** A reimbursement program which provides reimbursement of up to 50% of the cost of facade improvements. The maximum reimbursement is $25,000.

NOTE 14 TAX ABATEMENTS (CONTINUED)

- **Commercial Redevelopment** – Redevelopment of existing commercial buildings within the Downtown Community Redevelopment and/or Florence Villa Community Redevelopment Areas that will increase the ad valorem taxable value by at least 100%. A factor in qualifying for this incentive is the degree to which the project retains authentic character and appearance deemed desirable. Qualifying projects may be eligible for a rebate of 50% of the tax increment created by the renovation for up to 10 years.

- **Capital Improvement Grant Program** – Annual reimbursement of tax increment revenue, up to 50% of the previous year annual "interest only" portion on the principal amount of a loan obtained for rehabilitation or renovation of a project located in the Downtown Community Redevelopment and/or Florence Villa Community Redevelopment Areas. Amortized points, fees and closing costs are not reimbursable. Loans from participating lenders would be based on the lower of the prime rate or actual loan interest rate. The maximum reimbursement is based on the annual amount of tax increment revenue actually received by the City and/or CRA from the project.

At the conclusion of fiscal year 2025, the City had the following economic incentive agreements outstanding:

1. **Physician's Partnership**
   A December 9, 2013 development agreement with Physician's Partnership for the development of a 11,440 square foot medical office building located in the Downtown CRA District. Physicians Partnership annually receives 100% of the County's tax increment paid on this structure. The payments were scheduled to continue until $239,107 had been amortized; however, the property was sold in 2024 and an assignment of the Development Agreement has not been executed. Therefore, payment was not made in the current fiscal year. Should the City receive evidence of an assignment of the Development Agreement, and should the CRA Board and City Commission approve and accept the assignment, payments may resume.

2. **First Street North LLC**
   This Development Agreement, approved by the CRA Board and City Commission in March 2017, will rebate 60% of the annual tax increment actually received by the City for up to a period of ten years. The incentive was approved for the construction of a Bond Clinic facility on First Street North. The CRA made incentive payments totaling $34,972 in the current fiscal year; however, the property was sold in June 2025 and an assignment of the Development Agreement has not been executed. Therefore, future payments will cease unless the City received evidence of an assignment of the Development Agreement, and the CRA Board and City Commission approve and accept the assignment. Should they do so, payments may resume.

3. **Six-Ten Development Agreement**
   The Six-Ten Corporation planned to build 128 market rate apartments in four downtown locations with an investment of $21 million. Six-Ten received a tax rebate of up to $5,000 per unit. Only 20 units have been constructed pursuant to this agreement. The CRA made payments of $100,000 for the constructed 20 units. There was no payment by the CRA in the current fiscal year. The developer does not plan to construct the remaining 108 units allowable by the agreement; therefore, final payment has been made. No further payments are anticipated.

NOTE 14 TAX ABATEMENTS (CONTINUED)

4. **Dundee Self Storage LLC**
   Pursuant to a Development Agreement, Dundee Self Storage is eligible for a rebate of 50% of the actual façade improvements at 335 Magnolia Avenue, up to $15,000. The annual rebate will continue for 10 years, or for as long as the CRA exists, but shall not exceed 100% of the actual tax increment revenue generated from the improvements. This agreement was approved by the City Commission in October 2017. The City made payments of $632 in the current fiscal year.

5. **Central South, LLC**
   Pursuant to a Redevelopment Grant Agreement approved in June 2020, Central South, LLC is eligible for a rebate of 50% of the actual façade improvements at 150 3rd Street SW, up to $15,000. The annual rebate will continue for 10 years, or for as long as the CRA exists, but shall not exceed 100% of the actual annual tax increment revenue generated from the improvements. The CRA did not make a payment in the current fiscal year as the property did not generate a tax increment.

6. **RainDance Development Agreement**
   RainDance, LLC has built 105 multifamily units on 10.5 lots in the Overstreet Subdivision. Pursuant to a Developer's Agreement approved by the CRA Board and City Commission in December, 2020, RainDance, LLC is eligible for 60% of the actual annual tax increment received by the City and $5,000 per unit tax increment rebate until September 30, 2030. Raindance, LLC has constructed 105 multifamily units that are eligible for tax increment rebate in the current fiscal year. The CRA made a payment in the amount of $193,004.

7. **750 Avenue C SW, LLC Development Agreement**
   Pursuant to a Development Agreement approved by the CRA Board and the City Commission in May 2019, 750 Avenue C SW, LLC was eligible to receive tax increment rebate incentive payments of $5,000 per unit. 750 Avenue C SW constructed 15 multifamily units in the Downtown CRA District and received annual payments from the CRA until the property was sold to BNL Champs in April of 2024. An assignment of the Developer's Agreement was approved by the CRA and City Commission. The CRA made a payment in the amount of $22,981 in the current fiscal year.

8. **Winter Haven, FL 0721 LLC**
   Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in September 2021, Winter Haven, FL 0721 LLC is eligible to receive a rebate of 90% of the annual tax increment actually received by the City until September 30, 2030, and an additional underground utility reimbursement, not to exceed $190,000. The incentive was approved for the construction of a six-story hotel with approximately 108 rooms on five parcels within the Downtown CRA district. The CRA made a payment in the amount of $79,892 in the current fiscal year.

NOTE 14 TAX ABATEMENTS (CONTINUED)

9. Ave F SW LLC

Pursuant to a Redevelopment Grant Agreement approved by the CRA Board in September, 2021, Ave F SW is eligible for a rebate of 50% of the actual façade improvements to redevelop 7 multi-family units at 212 Ave F SW, up to $15,000. The annual rebate may continue for 10 years, or for as long as the CRA exists, but shall not exceed 100% of the actual annual tax increment revenue generated from the improvements. The CRA made payments of $1,910 in the current fiscal year. However, the property was sold to a non-profit in December, 2024. The Redevelopment Grant Agreement was assigned to the new owner, but as a non-profit, the property is exempt from ad valorem taxes and will no longer generate a tax increment. No further rebates are anticipated.

10. Six-Ten LLC

Pursuant to a Redevelopment Grant Agreement approved by the CRA Board in March, 2021 Six-Ten, LLC is eligible for a rebate of 50% of the actual façade improvements at 543 Avenue B SW, up to $15,000. The annual rebate will continue for 10 years, or for as long as the CRA exists, but shall not exceed 100% of the actual tax increment revenue generated from the improvements. The CRA made no payments in the current fiscal year, as the project did not create a tax increment.

11. Six-Ten LLC

Pursuant to a Redevelopment Grant Agreement approved by the CRA Board in March, 2021 Six-Ten, LLC is eligible for a rebate of 50% of the actual façade improvements at 140 6th Street SW, up to $15,000. The annual rebate will continue for 10 years, or for as long as the CRA exists, but shall not exceed 100% of the actual tax increment revenue generated from the improvements. The CRA made a payment in the amount of $184 in the current fiscal year.

12. Onicx Group LLC

This Developer's Agreement was approved by the CRA Board and City Commission in October 2021. This agreement is no longer in effect as certain conditions of the agreement were not met.

13. PMF Lake Idyl, LLC Agreement

Pursuant to a Developer's Agreement approved by the CRA Board and City Commission in June, 2022, PMF Lake Idyl, LLC is eligible to receive an annual tax increment rebate not to exceed $10,000 per unit developed. PMF Lake Idyl, LLC plans to build 96 multifamily units at the corner of MLK Blvd. and 11th Street NE, in the Florence Villa District. The developer has not yet commenced construction of this project and therefore the CRA has made no payments.

14. Katina Campbell Agreement

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in September, 2021, Katina Campbell is eligible to receive annual tax increment rebates not to exceed $10,000 per unit for up to five units. Katina Campbell has developed six multi-family units upon two parcels within the Florence Villa Community Redevelopment Area. However, as property taxes were not yet paid, the CRA made no payment in the fiscal year 2024/2025.

NOTE 14 TAX ABATEMENTS (CONTINUED)

15. 1150 WHG LLC Agreement

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in November, 2022, and subsequent amendments, 1150 WHG LLC is eligible for tax increment rebates of up to $11,500 per unit for 238 units and utility connection fee reimbursements not to exceed $385,396.20. There are currently approximately 200 units redeveloped upon the property. The CRA made a payment in the amount of $38,370 in fiscal year 2024/2025.

16. Brett and Eric Cranmer Agreement

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in March, 2023 Brett and Erin Cranmer are eligible to receive tax increment rebates not to exceed $10,000 per unit for up to two units. The project is constructed and the CRA made a payment in the amount of $642 in fiscal year 2024/2025.

17. The Breeze Winter Haven, LLC Agreement

Pursuant to a Developer's Agreement adopted by the CRA Board and City Commission in June, 2023 the Breeze Winter Haven, LLC is eligible to receive 90% of the tax increment generated by the project for 20 years. The project was recently completed totaling 102 multi-family units. The CRA made no payment in fiscal year 2024/2025, as the project was not yet on the Polk County Tax roll.

18. FatCat, LLC (Upper Crust Pizza) Agreement

Pursuant to a Redevelopment Grant Agreement approved by the CRA Board in March, 2024 FatCat Equities, LLC is eligible for payment of 100% of the tax increment generated by the project annually to a maximum of $15,000. There was no payment made in fiscal year 2024/2025, as the project did not generate a tax increment.

19. Derrick McWaters

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in January, 2025 Derrick McWaters is eligible for up to $10,000 per unit tax increment rebate for up to a maximum of 13 units. The project is partially constructed. There was no payment made in fiscal year 2024/2025.

20. The Carl Winter Haven, LLC

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in May, 2025 The Carl Winter Haven, LLC is eligible for 90% tax increment rebates for years 1 thru 10, 75% tax increment rebates for years 11 thru 15, and 65% tax increment financing for years 16 thru 20. Additionally, they are eligible for a reimbursement of utility improvement work in an amount not to exceed $611,477. This project is not yet constructed and therefore received no payment in fiscal year 2024/2025.

NOTE 14 TAX ABATEMENTS (CONTINUED)

21. Grand Central Cooperative, LLC

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in July, 2025 Grand Central Cooperative, LLC is eligible for 60% tax increment rebates for up to 20 years, a building preservation grant not to exceed $2,000,000 that is payable in 5 annual payments pursuant to satisfaction of certain milestones, and a utility improvement work reimbursement in an amount not to exceed $275,000. This project is not yet constructed and therefore received no payment in fiscal year 2024/2025.

NOTE 15 INTERLOCAL AGREEMENT

Polk County

On May 17, 2017, the City entered into an interlocal agreement with Polk County. The County will pay the City amounts equal to semi-annual principal and interest payments on a total amount of $10,000,000 of debt principal incurred by the City to finance a new facility and improvements at the Chain o' Lakes Complex over a period of 20 years. The City issued the 2017 Non Ad Valorem bonds on August 16, 2017, as described in Note 9, to finance the project. The City and County will mutually determine the configuration and siting of the new facility and will share in sponsorship revenue. At September 30, 2025, $8,765,745 is due from Polk County and has been recorded as a receivable and deferred inflow of resources in the General Fund. During fiscal year 2025, the City collected $702,882 from the County.

On October 31, 2023, Polk County and the City entered into an Interlocal Agreement for Tourist Development Tax Funding for the renovation of the Chain of Lakes Complex. The total buildout of the project was estimated to be $20 Million. The funding plan for the $20 Million would be shared between the City and County. On September 10, 2024, a Second Amendment to the Interlocal Agreement provided an increase in funding from $20 million to $24 million. The City and County provided $9 million and $5 million in cash, respectively. The City bonded $10 Million with the City and County providing equal semiannual payments for principal and interest of their portion of the bond, $3 million and $7 million, respectively. At September 30, 2025, $6,239,861 is due from Polk County and has been recorded as a receivable and unearned revenue in the General Fund. During fiscal year 2025, the City collected $505,800 from the County.

Polk Regional Water Cooperative (PRWC)

Background – The Polk Regional Water Cooperative (PRWC) was created on April 1, 2016 by an interlocal agreement between the City of Auburndale, City of Bartow, City of Davenport, City of Eagle Lake, City of Fort Meade, City of Frostproof, City of Haines City, City of Lakeland, City of Lake Alfred, City of Lake Wales, City of Mulberry, Polk City, City of Winter Haven, Town of Dundee, Town of Lake Hamilton, and Polk County in accordance with Chapter 163 and 373 of the Florida Statutes. These local government units are collectively considered the Member Governments. The PRWC is a separate legal entity organized under the laws of the state of Florida, and the Member Governments have no equity ownership in the PRWC.

NOTE 15 INTERLOCAL AGREEMENT (CONTINUED)

The PRWC is devoted to encouraging the development of fully integrated, robust public water supply systems comprised of diverse sources managed in a manner that take full advantage of Florida's intense climatic cycles to ensure reliable, sustainable and drought resistant system which maximize the use of alternative water supplies to the greatest extent practicable. The PRWC will evaluate, plan and implement water projects and coordinate partnerships with other water users.

Membership Fees – The terms of the interlocal agreement require each Member Government to contribute their proportionate share of the PRWC's annual working capital needs which are established annually by a resolution of the PRWC's Board of Directors. For the year ending September 30, 2025, the City's proportionate share of the PRWC's administrative expenses was $46,231, the City's proportionate share of the PRWC's conservation budget was $10,006 and the City's proportionate share of the PRWC's capital needs was $608,227.

Combined Projects Funding – In May 2017, the PRWC's Member Governments entered into a Combined Projects Implementation Agreement to begin conceptual development of four Approved Projects, to include the Southeast Wellfield Lower Floridian Aquifer Project (Southeast Wellfield), a new Lower Floridian aquifer wellfield with associated water treatment facility, water transmission lines, and supporting facilities, and the West Polk Wellfield lower Floridian aquifer project (West Polk Wellfield).

In April 2021, the PRWC's member governments executed an implementation agreement to advance the Southeast Wellfield and the West Polk Wellfield from the conceptual stage to construction and initial operation. According to the Southeast Wellfield and West Polk Wellfield agreements, each project "Participant" government would pay its proportionate share of the initial construction costs for the wellfield's plant and pipeline system and agree to take generated water to distribute as potable supply.

At its April 26, 2021 regular meeting, the City Commission approved the West Polk Wellfield and Southeast Wellfield Implementation Agreements and elected to join each project as a "Project Participant" with a requested 2045 Water Allotment of 1.52 million gallons per day (MGD) of raw water from the Southeast Wellfield Project and 0.1 million gallons per day from the West Polk Wellfield Project.

According to the PRWC's most recent financial projections, the total combined cost of the Southeast Wellfield Project and the West Polk Wellfield Project is estimated to be $796,023,939. After application of grant and state appropriation commitments in the amount of $300,391,251, the remaining balance to complete the Southeast Wellfield and West Polk Wellfield Projects will be funded through Federal and State loans with annual debt service paid by Project Participants, including the City. The City's percentage share of water production is estimated to be 9.3% for the Southeast Wellfield and 1.3% for the West Polk Wellfield. Based on the percentages of Wellfield production to be utilized by the City, the City's annual cost for the Southeast Wellfield Project and the West Polk Wellfield Project, inclusive of PRWC program administration, debt service and consumption charges, will climb to approximately $5,863,211 in 2036. Debt service and consumption changes are estimated to begin in October of 2028.

NOTE 15 INTERLOCAL AGREEMENT (CONTINUED)

The City Commission agreed to a second amendment to the Southeast Wellfield Lower Aquifer Project. The agreement locks the City into the previously committed amounts of water. The City also agreed to the same amendment with the West Polk Project. The City, along with the County and three other cities, agreed to be “Anchor Participants”.

Contact – Complete financial statements of the PRWC may be obtained from the PRWC’s Executive Director at 330 W. Church Street, P.O. Box 9005, Drawer CA01, Bartow, Florida 33831-9005.

WINTER HAVEN
THE CHAIN OF LAKES CITY

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

General Employees' for the Years Ended September 30:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	$ 662,143	$ 694,100	$ 725,937	$ 798,355	$ 853,608	$ 849,951	$ 924,122	$ 1,100,750	$ 1,064,435	$ 1,244,642
Interest	6,073,460	5,917,054	5,933,856	5,911,452	6,144,012	6,195,448	6,131,191	6,084,568	5,928,154	5,727,485
Change in Benefit Terms	-	-	-	-	-	-	-	-	(2,607,103)	-
Difference Between Expected and Actual Experience	(390,352)	1,781,356	(574,280)	376,986	(199,860)	(530,496)	(29,206)	(865,698)	434,635	1,243,148
Changes of Assumptions	(413,682)	-	-	-	4,934,198	885,020	855,724	836,005	2,591,313	2,026,654
Benefit Payments, Including Refunds	(6,155,295)	(5,753,302)	(6,871,048)	(6,468,329)	(8,065,041)	(5,767,143)	(5,730,248)	(4,719,393)	(4,905,122)	(4,785,641)
Net Change in Total Pension Liability	(223,726)	2,639,208	(785,535)	618,464	3,666,917	1,632,780	2,151,583	2,436,232	2,506,312	5,456,288
Total Pension Liability - Beginning	95,853,347	93,214,139	93,999,674	93,381,210	89,714,293	88,081,513	85,929,930	83,493,698	80,987,386	75,531,098
Total Pension Liability - Ending (A)	$ 95,629,621	$ 95,853,347	$ 93,214,139	$ 93,999,674	$ 93,381,210	$ 89,714,293	$ 88,081,513	$ 85,929,930	$ 83,493,698	$ 80,987,386
Plan Fiduciary Net Position										
Contributions - Employer	$ 2,503,547	$ 2,131,084	$ 1,803,515	$ 2,354,610	$ 2,562,853	$ 2,763,957	$ 2,676,390	$ 3,221,324	$ 3,452,742	$ 4,177,044
Contributions - State	-	-	-	-	-	-	-	-	-	-
Contributions - Employee	464,206	452,186	464,235	447,531	502,176	527,015	552,552	700,047	920,969	1,039,335
Net Investment Income	11,814,525	15,573,150	7,891,487	(10,354,603)	14,352,301	2,426,053	2,426,582	6,014,674	7,682,616	5,132,137
Miscellaneous Revenue	-	-	-	1,865	762	18,183	25,318	-	-	-
Benefit Payments, Including Refunds	(6,155,295)	(5,753,302)	(6,871,048)	(6,468,329)	(8,065,041)	(5,767,143)	(5,741,101)	(4,708,540)	(4,905,122)	(4,785,641)
Administrative Expense	(117,713)	(118,149)	(87,898)	(190,036)	(192,294)	(177,791)	(160,700)	(156,854)	(170,306)	(147,550)
Net Change in Plan Fiduciary Net Position	8,509,270	12,284,969	3,200,291	(14,208,962)	9,160,757	(209,726)	(220,959)	5,070,651	6,980,899	5,415,325
Plan Fiduciary Net Position - Beginning	83,366,952	71,081,983	67,881,692	82,090,654	72,929,897	73,139,623	73,360,582	68,289,931	61,309,032	55,893,707
Plan Fiduciary Net Position - Ending (B)	$ 91,876,222	$ 83,366,952	$ 71,081,983	$ 67,881,692	$ 82,090,654	$ 72,929,897	$ 73,139,623	$ 73,360,582	$ 68,289,931	$ 61,309,032
Net Pension Liability - Ending (A) - (B)	$ 3,753,399	$ 12,486,395	$ 22,132,156	$ 26,117,982	$ 11,290,556	$ 16,784,396	$ 14,941,890	$ 12,569,348	$ 15,203,767	$ 19,678,354
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.08%	86.97%	76.26%	72.21%	87.91%	81.29%	83.04%	85.37%	81.79%	75.70%
Covered Payroll	$ 6,631,508	$ 6,459,788	$ 6,631,925	$ 6,393,295	$ 7,173,941	$ 7,528,785	$ 7,893,594	$ 9,456,212	$ 9,694,044	$ 10,940,741
Net Pension Liability as a Percentage of Covered Payroll	56.60%	193.29%	333.72%	408.52%	157.38%	222.94%	189.29%	132.92%	156.84%	179.86%

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS

Retirement System – Defined Benefit Plan (Continued)

Notes to Schedule

Changes of Benefit Terms:

For measurement date September 30, 2017, amounts reported as changes of benefit terms resulted from Ordinance O-17-25, adopted and effective October 23, 2017, closed the Plan to general employees hired on or after November 20, 2017.

Changes of Assumptions:

For measurement date September 30, 2025, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2024 FRS valuation report for non-special-risk employees.

For measurement dates September 30, 2024, September 30, 2023, and September 30, 2022, there were no changes in assumptions.

For measurement date September 30, 2021, as a result of an Experience Study prepared July 23, 2021, the Board has approved the following changes: 1) Investment Return – decreased from 7.10% to 6.50% per year, net of investment-related expenses. 2) Salary Increases – The rates were generally adjusted downward based on experience observed during the period. 3) Withdrawal Rates – A slight adjustment to the assumed rates of withdrawal based on experience observed in the period. 4) Disability Rates – reduction of the disability rates to 1/3 of the original rates.

For measurement date September 30, 2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics. Additionally, the investment rate of return was lowered from 7.20% to 7.10%.

For measurement date September 30, 2019, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.30% to 7.20%.

For measurement date September 30, 2018, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.40% to 7.30%.

For 2017, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed from the RP-2000 Combined Healthy Table, projected to the valuation date using scale AA, to the mortality table used by the Florida Retirement System actuary in the July 1, 2016 actuarial valuation for non-special-risk employees.

As described in the March 31, 2017 Actuarial Impact Statement, the following assumption changes are utilized in conjunction with passage of Ordinance O-17-25: 1) Normal Retirement Date – For members who have currently attained age 40 with at least 10 years of Credited Service, no change to the current assumption. For Members who do not currently meet the age 40 with 10 or more years of credited service requirements, 100% assumed retirement upon first eligibility. 2) Early Retirement Date – Maintain the current assumption for all Members, i.e., an assumed 5% retirement for each year of eligibility. 3) Vested Terminated Members – Commencement Date for Benefit Payments. For members who have currently attained age 40 with at least 10 years of credited service, no change to the current assumption, i.e. age 55 unreduced, or age 50, reduced as for early retirement.

Retirement System – Defined Benefit Plan (Continued)

Notes to Schedule (Continued)

Changes of Assumptions (Continued):

For members who do not currently meet the age 40 with 10 or more years of credited service requirements, age 60 unreduced, or age 55, reduced as for early retirement.

1. Investment Return – In conjunction with the March 31, 2017 actuarial impact statement, a reduction from 7.70% to 7.50%. Additionally, the Board of Trustees elected further reductions according to the following schedule:
2.

Valuation Date	Investment Return Assumption
October 1, 2017	7.4%
October 1, 2018	7.3%
October 1, 2019	7.2%
October 1, 2020	7.1%
October 1, 2021	6.5%
October 1, 2022	6.5%
October 1, 2023	6.5%
October 1, 2024	6.5%

For measurement date September 30, 2016, as a result of Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the assumptions used by the Florida Retirement System. The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

For the measurement date September 30, 2015, amounts reported as changes of assumptions were resulted from lowering the investment rate of return from 7.80% to 7.70%.

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

Municipal Firefighters' for the Years Ended September 30:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	$ 1,467,924	$ 1,349,006	$ 1,201,770	$ 1,149,168	$ 1,175,351	$ 1,134,943	$ 1,058,222	$ 1,058,208	$ 1,083,811	$ 981,995
Interest	3,821,246	3,579,882	3,439,672	3,372,362	3,171,185	3,076,072	2,872,901	2,734,227	2,583,788	2,345,959
Change in Excess State Money	-	-	-	-	-	-	(14,442)	-	(981,312)	135,110
Change in Benefit Terms	-	1,201	-	-	-	-	-	-	-	-
Difference Between Expected and Actual Experience	1,097,151	858,174	(216,845)	(728,826)	723,464	(986,791)	(1,160,630)	17,965	365,252	90,497
Changes of Assumptions	1,875,300	-	-	746,061	-	(203,603)	2,155,627	-	-	1,017,583
Contributions - Buy Back/Employee	-	-	-	51,446	-	-	-	-	55,704	-
Benefit Payments, Including Refunds	(2,843,607)	(2,491,196)	(2,888,445)	(2,803,359)	(1,990,146)	(1,628,935)	(1,566,862)	(2,455,649)	(1,778,717)	(1,159,453)
Net Change in Total Pension Liability	5,418,014	3,297,067	1,536,152	1,786,852	3,079,854	1,391,686	3,344,816	1,354,751	1,328,526	3,411,691
Total Pension Liability - Beginning	51,245,769	47,948,702	46,412,550	44,625,698	41,545,844	40,154,158	36,809,342	35,454,591	34,126,065	30,714,374
Total Pension Liability - Ending (A)	$ 56,663,783	$ 51,245,769	$ 47,948,702	$ 46,412,550	$ 44,625,698	$ 41,545,844	$ 40,154,158	$ 36,809,342	$ 35,454,591	$ 34,126,065
Plan Fiduciary Net Position										
Contributions - Employer	$ 1,879,031	$ 1,458,464	$ 1,060,709	$ 1,191,772	$ 975,129	$ 1,088,055	$ 1,330,123	$ 1,240,969	$ 1,515,857	$ 1,586,480
Contributions - State	560,857	540,260	497,915	405,618	365,621	344,621	343,132	341,245	328,419	323,495
Contributions - Employee	543,498	501,782	447,970	452,095	406,695	402,978	369,750	370,069	443,832	402,477
Net Investment Income	5,899,207	7,936,564	3,751,091	(5,281,729)	6,856,248	1,214,255	1,094,036	2,435,714	3,107,129	2,208,912
Miscellaneous Revenue	-	-	-	243	-	963	1,087	-	-	-
Benefit Payments, Including Refunds	(2,843,607)	(2,491,196)	(2,888,445)	(2,803,359)	(1,990,146)	(1,628,935)	(1,566,862)	(2,455,648)	(1,778,717)	(1,159,453)
Administrative Expense	(95,301)	(120,549)	(109,100)	(69,386)	(69,435)	(81,385)	(75,211)	(82,860)	(77,351)	(71,825)
Net Change in Plan Fiduciary Net Position	5,943,685	7,825,325	2,760,140	(6,104,746)	6,544,112	1,340,552	1,496,055	1,849,489	3,539,169	3,290,086
Plan Fiduciary Net Position - Beginning	46,218,952	38,393,627	35,633,487	41,738,233	35,194,121	33,853,569	32,357,514	30,508,025	26,968,856	23,678,770
Plan Fiduciary Net Position - Ending (B)	$ 52,162,637	$ 46,218,952	$ 38,393,627	$ 35,633,487	$ 41,738,233	$ 35,194,121	$ 33,853,569	$ 32,357,514	$ 30,508,025	$ 26,968,856
Net Pension Liability - Ending (A) - (B)	$ 4,501,146	$ 5,026,817	$ 9,555,075	$ 10,779,063	$ 2,887,465	$ 6,351,723	$ 6,300,589	$ 4,451,828	$ 4,946,566	$ 7,157,209
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	92.06%	90.19%	80.07%	76.78%	93.53%	84.71%	84.31%	87.91%	86.05%	79.03%
Covered Payroll	$ 5,434,976	$ 5,017,823	$ 4,479,704	$ 4,006,494	$ 4,066,945	$ 4,029,779	$ 3,697,501	$ 3,700,691	$ 3,902,070	$ 4,003,979
Net Pension Liability as a Percentage of Covered Payroll	82.82%	100.18%	213.30%	269.04%	71.00%	157.62%	170.40%	120.30%	126.77%	178.75%

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS

Retirement System – Defined Benefit Plan (Continued)

Notes to Schedule

Changes of Benefit Terms:
For measurement date September 30, 2024, vested members terminating employment on or after March 11, 2024 shall be entitled to a monthly retirement benefit, determined in the same manner as for normal or early retirement and based upon the member's credited service, average final compensation and benefit accrual rate as of date of termination payable to him commencing at member's otherwise normal or early retirement date, determined as if he had remained employed.

For measurement date September 30, 2019, Chapter 2019-21, Laws of Florida was signed into effect granting certain disability and death benefits to firefighters participating in an employer-sponsored retirement plan.

1.) Effective July 1, 2019, an additional presumption was added to the death in the line of duty section. "A firefighter shall be considered to have died in the line of duty if he or she dies as a result of cancer or circumstances that arise out of the treatment of cancer."

2.) Effective July 1, 2019, an additional presumption was added to the disability in-line-of-duty presumption. "Diagnosis of cancer or the circumstances that arise out of the treatment of cancer. A firefighter shall be considered totally and permanently disabled in the line of duty if he or she meets the Plan's definition of total and permanently disabled due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer."

Please note that the benefit changes only relate to the disability and death benefits for the Pension Fund and do not provide for other additional benefits that are provided for in Florida Statutes Section 112.1816.

For measurement date September 30, 2017, the following plan changes were made:
Pursuant to a Mutual Consent Agreement between the Plan membership and City under Chapter 2015-39, Laws of Florida, $846,203 of the Excess State Monies Reserve is applied as a credit to the Unfunded Actuarial Accrued Liability.

Additionally, the City may use all future Chapter 175 Premium Tax Revenue for meeting its funding obligation to the Firefighters' Retirement System. Based on the agreements, $135,109 of the remaining portion of the Excess State Monies Reserve is set aside as a prepaid City contribution. Furthermore, a Share Plan was established but is currently not funded under the current Mutual Consent Agreement.

Changes of Assumptions:
For measurement date September 30, 2025, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.45% to 7.20% per year compounded annually, net of investment related expenses.

Additionally, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2024 FRS valuation report for special risk employees. Assumed salary rate increases, retirement rates, and withdrawal rates were updated based on observed experience.

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS

Retirement System – Defined Benefit Plan (Continued)

Notes to Schedule (Continued)

Changes of Assumptions (Continued):

For measurement dates September 30, 2024 and September 30, 2023, there were no changes in assumptions.

For measurement date September 30, 2022, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.60% to 7.45% per year compounded annually, net of investment related expenses.

For measurement date September 30, 2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

For measurement date September 30, 2019, the Board adopted changes of actuarial assumptions described in the experience study dated October 23, 2019, as follows:

- The assumptions for salary increases, withdrawal, and retirement were updated to better align with the anticipated plan experience.

- The assumed rate of investment return has been lowered from 7.75% per year to 7.60% per year, net of investment related expenses.

For measurement date September 30, 2016, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed from the RP-2000 Combined Healthy Tables to the mortality tables for special risk employees used by the Florida Retirement System actuary in the July 1, 2016 actuarial valuation. The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

Municipal Police Officers' for the Years Ended September 30:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	$ 1,037,430	$ 932,320	$ 913,561	$ 862,528	$ 782,346	$ 860,015	$ 820,751	$ 843,956	$ 853,283	$ 793,963
Interest	3,385,575	3,237,802	3,146,451	3,043,800	2,992,835	2,960,939	2,863,568	2,769,998	2,581,169	2,417,435
Change in Excess State Money	-	-	-	-	-	-	-	-	-	(28,857)
Difference Between Expected and Actual Experience	629,459	757,256	110,208	342,695	(19,863)	(216,376)	(24,010)	(216,491)	1,188,026	(203,836)
Changes of Assumptions	1,433,280	-	-	458,803	-	(340,344)	1,068,060	-	-	1,200,550
Benefit Payments, Including Refund	(2,748,658)	(3,295,288)	(2,596,926)	(3,015,839)	(3,286,970)	(2,229,889)	(2,195,474)	(2,147,670)	(2,148,969)	(2,133,049)
Net Change in Total Pension Liability	3,737,086	1,632,090	1,573,294	1,691,987	468,348	1,034,345	2,532,895	1,249,793	2,473,509	2,046,206
Total Pension Liability - Beginning	46,399,139	44,767,049	43,193,755	41,501,768	41,033,420	39,999,075	37,466,180	36,216,387	33,742,878	31,696,672
Total Pension Liability - Ending (A)	$ 50,136,225	$ 46,399,139	$ 44,767,049	$ 43,193,755	$ 41,501,768	$ 41,033,420	$ 39,999,075	$ 37,466,180	$ 36,216,387	$ 33,742,878
Plan Fiduciary Net Position										
Contributions - Employer	$ 990,243	$ 641,509	$ 460,598	$ 489,319	$ 396,204	$ 556,013	$ 719,814	$ 626,513	$ 602,998	$ 704,008
Contributions - State	726,279	660,432	591,065	514,953	460,889	460,621	437,823	433,238	387,358	369,988
Contributions - Employee	516,852	438,745	421,059	398,280	357,881	351,357	364,598	376,478	369,604	388,964
Net Investment Income	4,544,471	8,340,876	4,135,667	(5,829,943)	5,813,120	3,109,994	803,013	3,225,778	3,614,442	2,288,900
Benefit Payments, Including Refunds	(2,748,658)	(3,295,288)	(2,596,926)	(3,015,839)	(3,286,970)	(2,229,889)	(2,204,858)	(2,138,286)	(2,148,970)	(2,133,049)
Administrative Expense	(110,637)	(98,930)	(85,580)	(73,957)	(64,177)	(67,985)	(62,843)	(69,552)	(57,811)	(55,026)
Net Change in Plan Fiduciary Net Position	3,918,550	6,687,344	2,925,883	(7,517,187)	3,676,947	2,180,111	57,547	2,454,169	2,767,621	1,563,785
Plan Fiduciary Net Position - Beginning	43,024,038	36,336,694	33,410,811	40,927,998	37,251,051	35,070,940	35,013,393	32,559,224	29,791,603	28,227,818
Plan Fiduciary Net Position - Ending (B)	$ 46,942,588	$ 43,024,038	$ 36,336,694	$ 33,410,811	$ 40,927,998	$ 37,251,051	$ 35,070,940	$ 35,013,393	$ 32,559,224	$ 29,791,603
Net Pension Liability - Ending (A) - (B)	$ 3,193,637	$ 3,375,101	$ 8,430,355	$ 9,782,944	$ 573,770	$ 3,782,369	$ 4,928,135	$ 2,452,787	$ 3,657,163	$ 3,951,275
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.63%	92.73%	81.17%	77.35%	98.62%	90.78%	87.68%	93.45%	89.90%	88.29%
Covered Payroll	$ 6,303,067	$ 5,350,555	$ 5,134,868	$ 4,857,078	$ 4,364,397	$ 4,284,845	$ 4,427,931	$ 4,609,577	$ 4,507,362	$ 4,744,893
Net Pension Liability as a Percentage of Covered Payroll	50.67%	63.08%	164.18%	201.42%	13.15%	88.27%	111.30%	53.21%	81.14%	83.27%

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS

Retirement System – Defined Benefit Plan (Continued)

Notes to Schedule

Changes of Assumptions:

For measurement date September 30, 2025, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.35% to 7.25% per year compounded annually, net of investment related expenses.

Additionally, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2024 FRS valuation report for special risk employees. Assumed salary rate increases, retirement rates, and withdrawal rates were updated based on observed experience.

For measurement dates September 30, 2024 and September 30, 2023, there were no changes in assumptions.

For measurement date September 30, 2022, amounts reported as changes of assumptions resulted from lowering the investment rate of return from 7.45% to 7.35% per year compounded annually, net of investment related expenses.

For measurement date September 30, 2020, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

For measurement date September 30, 2019, as a result of an actuarial experience study, the Board approved several actuarial assumption changes as follows:

- The assumed rate of investment return has been lowered from 7.70% per year to 7.45% per year, net of investment related expenses.
- The assumed rate of salary increase prior to completion of ten (10) years of service has been lowered.
- The assumed service-based termination rates have been amended.
- The assumed rates of retirement have been amended for normal and early retirement.

For measurement date September 30, 2016, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed from the RP-2000 Combined Healthy Tables to the mortality tables for special risk employees used by the Florida Retirement System actuary in the July 1, 2016 actuarial valuation The inflation assumption rate was lowered from 3.0% to 2.5%, matching the long- term inflation assumption utilized by the Plan's investment consultant.

For measurement date September 30, 2015, amounts reported as changes of assumptions were resulted from lowering the investment rate of return from 7.80% to 7.70%.

For measurement date September 30, 2014, amounts reported as changes of assumptions were resulted from lowering the investment rate of return from 7.90% to 7.80%.

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST TEN FISCAL YEARS

General Employees' Pension

Fiscal Year Ended September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2025	$ 2,351,283	$ 2,503,547	$ (152,264)	$ 6,631,508	37.75%
2024	2,045,734	2,131,084	(85,350)	6,459,788	32.99%
2023	1,867,549	1,803,515	64,034	6,631,925	27.19%
2022	2,290,575	2,354,610	(64,035)	6,393,295	36.83%
2021	2,580,772	2,562,853	17,919	7,173,941	35.72%
2020	2,766,076	2,763,957	2,119	7,528,785	36.71%
2019	2,677,507	2,676,390	1,117	7,893,594	33.91%
2018	3,227,405	3,221,324	6,081	9,456,212	34.07%
2017	3,429,753	3,452,742	(22,989)	9,694,044	35.62%
2016	4,172,799	4,177,044	(4,245)	10,940,741	38.18%

Municipal Firefighters' Pension

Fiscal Year Ended September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2025	$ 2,470,740	$ 2,439,888	$ 30,852	$ 5,434,976	44.89%
2024	2,060,820	1,998,724	62,096	5,017,823	39.83%
2023	1,534,298	1,558,624	(24,326)	4,479,704	34.79%
2022	1,539,295	1,597,390	(58,095)	4,006,494	39.87%
2021	1,494,603	1,340,750	153,853	4,066,945	32.97%
2020	1,527,690	1,432,676	95,014	4,029,779	35.55%
2019	1,635,035	1,673,256	(38,221)	3,697,501	45.25%
2018	1,638,296	1,582,214	56,082	3,700,691	42.75%
2017	1,702,083	1,979,385	(277,302)	3,902,070	50.73%
2016	1,785,374	1,774,865	10,509	4,003,979	44.33%

Municipal Police Officers' Pension

Fiscal Year Ended September 30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2025	$ 1,767,380	$ 1,716,522	$ 50,858	$ 6,303,067	27.23%
2024	1,305,000	1,301,941	3,059	5,350,555	24.33%
2023	986,922	1,051,663	(64,741)	5,134,868	20.48%
2022	1,033,101	1,004,272	28,829	4,857,078	20.68%
2021	1,000,320	857,093	143,227	4,364,397	19.64%
2020	987,657	1,016,634	(28,977)	4,284,845	23.73%
2019	1,085,729	1,157,638	(71,909)	4,427,931	26.14%
2018	1,143,636	1,059,751	83,885	4,609,577	22.99%
2017	901,022	990,355	(89,333)	4,507,362	21.97%
2016	1,053,841	1,073,994	(20,153)	4,744,893	22.63%

General Employees' Pension

Valuation Date	10/1/2023
Funding Method	Entry Age Normal Actuarial Cost Method
Amortization Method	New UAAL amortization bases are amortized over 15 years.
Mortality Rate	*Healthy Active Lives:* Female: PubG.H-2010 for Employees. Male: PubG.H-2010 (Below Median) for Employees, set back one year. *Healthy Inactive Lives:* Female:PubG.H-2010 for Healthy Retirees Male: PubG.H-2010 for Healthy Retirees, set back one year. *Beneficiary Lives:* Female: *PubG.H-2010 for Healthy Retirees.* Male: *PubG.H-2010 for Healthy Retirees, set back one year.* *Disabled Lives:* PubG.H-2010 for Disabled Retirees, set forward three years. *All rates projected generationally with Mortality Improvement Scale MP-2018.*
Inflation	2.5% per year
Interest Rate	6.5% per year, compounded annually, net of investment related expenses. This is supported by the target asset class allocation of the trust and the expected long-term return by asset class.

Termination Rates

Credited Service	Termination Probability
0	25.0%
1-9	13.0%
10-19	5.0%
20+	1.0%

Normal Retirement

Number of Years after first Eligible	Retirement Probability
0	50%
1-3	25%
4	50%
5+	100%

This assumption is supported by an experience study issued on July 23, 2021, analyzing plan experience from valuations performed from October 1, 2010 to September 30, 2020.

Early Retirement	Commencing upon age 55 (age 50 for members who attained age 40 with 10 years of service before November 20, 2017) with 10 years of Credited Service, members are assumed to retire with an immediate subsidized benefit at the rate of 5.00% per year. This assumption is supported by an experience study issued on July 23, 2021, analyzing plan experience from valuations performed from October 1, 2010 to September 30, 2020.
Cost-of-Living	Service and Disability Retirees receive 0.50% increases each October 1 for ten years, beginning the first October 1 following one complete year of retirement.

General Employees' Pension (Continued)

Salary Increases

Credited Service	Assumption
0	9.00%
1-9	5.00%
10-14	3.50%
15+	3.25%

This assumption is supported by an experience study issued on July 23, 2021, analyzing plan experience from valuations performed from October 1, 2010 to September 30, 2020.

Final Year Salary Load

Service as of 10/1/2012	Final Salary Load
0	0.00%
1-4	5.00%
5-9	10.00%
10+	15.00%

This assumption was developed based on expectations of unused sick and annual leave time for impacted actives.

Disability Rates

Age	Rates
20	0.02%
25	0.02%
30	0.02%
35	0.02%
40	0.04%
45	0.07%
50	0.14%
55	0.30%
60	0.54%
65	0.93%

Asset Smoothing Methodology

The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in a de minimis bias that is above or below the Market Value of Assets.

Payroll Increase

0.00% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.

	Municipal Firefighters' Pension
Valuation Date	10/1/2023
Funding Method	Entry Age Normal Actuarial Cost Method
Amortization Method	New UAAL amortization bases are established according to the following amortization periods: Experience: 10 Years Assumption/Method Changes: 20 Years Benefit Changes: 30 Years
Mortality	*Healthy Active Lives:* Female: PubS.H-2010 (Below Median) for Employees, set forward one year. Male: PubS.H-2010 (Below Median) for Employees, set forward one year. *Healthy Inactive Lives:* Female: PubS.H-2010 for Healthy Retirees, set forward one year. Male: PubS.H-2010 for Healthy Retirees, set forward one year. *Beneficiary Lives:* Female: PubG.H-2010 for Healthy Retirees. Male: PubG.H-2010 for Healthy Retirees, set back one year. *Disabled Lives:* 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees. *All rates projects generationally with Mortality Improvement Scale MP-2018.*
Inflation	2.5% per year
Interest Rate	7.45% per year compounded annually, net of investment related expenses. This assumption is supported by the Plan's investment policy and long-term expected returns by asset class.

Termination Rates

Credited Service	Termination Probability
0-4	6.0%
5-14	1.0%
15+	0.0%

The above rates are based on the results of an Experience Study for the period October 1, 2008 through September 30, 2018.

Disability Rates

These rates were examined in the experience study dated October 23, 2019, and no changes were recommended at that time.

Age	Probability
20	0.05%
25	0.05%
30	0.06%
35	0.07%
40	0.12%
45	0.22%
50	0.43%
55	0.89%
60	1.61%
65	2.80%

Municipal Firefighters' Pension (Continued)

Retirement Rates

% Retiring During the Year (10-24 Years of Service)

Age	Retirement Probability
45-49	3%
50-54	5%
55-56	25%
57+	100%

% Retiring During the Year (>= 25 Years of Service)

Age	Retirement Probability
Any	100%

The above rates are based on the results of an Experience Study for the period October 1, 2008 through September 30, 2018.

Salary Increases

Service	Assumption
0-4	7.5%
5-9	6.0%
10-14	5.0%
15+	4.5%

The above rates are based on the results of an Experience Study for the period October 1, 2008 through September 30, 2018.
Additionally, the projected salary in the year of retirement is increased as shown below, supported by data provided by the City:

Service as of 10/1/12	Final Salary Load Assumption
Less than 1 Year	0%
1 to 10 Years	5%
10 to 20 Years	10%
Greater than 20 Years	15%

Payroll Growth

0.90% for purposes of amortizing Unfunded Actuarial Accrued Liability bases established prior to October 1, 2019; level dollar amortization is utilized for bases established on and after October 1, 2019. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.

Asset Smoothing Methodology

The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in an insignificant bias that is above or below the Market Value of Assets.

	Municipal Police Officers' Pension
Valuation Date	10/1/2023
Funding Method	Entry Age Normal Actuarial Cost Method
Amortization Method	New UAAL amortization bases are amortized over 15 years.
Mortality Rate	*Healthy Active Lives:* Female: PubS.H-2010 (Below Median) for Employees, set forward one year. Male: PubS.H-2010 (Below Median) for Employees, set forward one year. *Healthy Inactive Lives:* Female: PubS.H-2010 for Healthy Retirees, set forward one year. Male: PubS.H-2010 for Healthy Retirees, set forward one year. *Beneficiary Lives:* Female: PubG.H-2010 for Healthy Retirees. Male: PubG.H-2010 for Healthy Retirees, set back one *year.* *Disabled Lives:* 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees. *All rates projected generationally with Mortality Improvement Scale MP-2018.*
Inflation	2.5% per year
Interest Rate	7.35% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

Termination Rates

Credited Service	Termination Probability
0-4	13.0%
5-9	6.0%
10+	4.5%

The assumed rates of termination were approved in conjunction with an actuarial experience study dated October 2019.

Normal Retirement

% Retiring During the Year (10-24 Years of Service)

Age	Retirement Probability
55	20%
56+	100%

% Retiring During the Year (All Ages)

Service	Retirement Probability
25	60%
26+	100%

Early Retirement

% Retiring During the Year (10-24 Years of Service)

Age	Retirement Probability
50-52	10%
53-54	0%

% Retiring During the Year (All Ages)

Service	Retirement Probability
20-22	10%
23-24	0%

Municipal Police Officers' Pension (Continued)

Salary Increases

Credited Service	Assumption
0	13.0%
1-9	4.5%
10+	4.0%

The assumed rates of normal and early retirement were approved in conjunction with an actuarial experience study dated October 2019.

Final Year Salary Load

Service as of 10/1/2012	Final Salary Load
Less than 1 Year	0%
1 to 5 Years	5%
5 to 10 Years	10%
Greater than 10 Years	15%

These assumptions were based on data provided by the City.

Disability Rates

Age	Rates
25	0.03%
35	0.05%
45	0.10%
55	0.36%
65	2.22%

Aged Based: Sample rates above. It is assumed that 75% of disablements are service-related. The assumed rates were developed from those used by other plans containing Florida municipal police officers.

Asset Smoothing Methodology

The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Market Value Returns (net-of-fees). Over time, this may result in an insignificant bias that is above or below the Market Value of Assets.

Payroll Growth

None.

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF INVESTMENT RETURNS
SEPTEMBER 30, 2024

Schedule of Investment Returns*

General Employees' Pension		Municipal Firefighters' Pension		Municipal Police Officers' Pensior	
Fiscal Year Ended September 30	Rate	Fiscal Year Ended September 30	Rate	Fiscal Year Ended September 30	Rate
2025	14.45%	2025	12.86%	2025	10.71%
2024	22.36%	2024	20.82%	2024	23.46%
2023	11.98%	2023	10.63%	2023	12.70%
2022	-13.09%	2022	-12.76%	2022	-14.64%
2021	20.08%	2021	19.68%	2021	16.16%
2020	3.24%	2020	3.57%	2020	9.02%
2019	3.25%	2019	3.34%	2019	2.53%
2018	8.70%	2018	7.98%	2018	10.04%
2017	12.41%	2017	11.48%	2017	12.33%
2016	9.07%	2016	9.19%	2016	8.27%

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service Cost	$ 2,190,859	$ 1,302,196	$ 1,292,555	$ 2,629,823	$ 2,694,177	$ 1,603,661	$ 1,291,931	$ 1,425,372
Interest	1,840,609	1,531,234	1,443,701	1,110,913	973,635	1,236,986	1,222,847	1,107,069
Difference Between Expected and Actual Experience	-	11,180	-	(2,133,511)	-	(2,592,042)	-	-
Changes of Assumptions	(3,278,152)	11,418,576	(496,985)	(14,622,053)	(2,257,198)	10,581,817	3,302,003	(2,792,012)
Benefit Payments	(1,407,362)	(1,111,113)	(1,036,003)	(1,165,449)	(1,089,205)	(862,186)	(798,320)	(735,779)
Net Change in Total OPEB Liability	(654,046)	13,152,073	1,203,268	(14,180,277)	321,409	9,968,236	5,018,461	(995,350)
Total OPEB Liability - Beginning	43,841,015	30,688,942	29,485,674	43,665,951	43,344,542	33,376,306	28,357,845	29,353,195
Total OPEB Liability - Ending	$ 43,186,969	$ 43,841,015	$ 30,688,942	$ 29,485,674	$ 43,665,951	$ 43,344,542	$ 33,376,306	$ 28,357,845
Covered Employee Payroll	$ 30,743,436	$ 29,623,662	$ 24,738,144	$ 23,228,305	$ 25,367,270	$ 23,978,892	$ 22,466,817	$ 21,319,811
Total OPEB Liability as a percentage of the Covered Employee Payroll	140.48%	147.99%	124.06%	126.94%	172.14%	180.76%	148.56%	133.01%

Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF CHANGES IN THE CITY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS

Notes to schedule:

The OPEB plan is not administered through a trust, and there are no assets accumulated in trust for payment of benefits.

Covered Employee Payroll was projected one year forward from the valuation date.

Differences Between Expected and Actual Experience. Differences Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of September 30, 2025.

Changes of Assumptions: Changes of assumptions and other inputs reflect the effects of the changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending September 30, 2025:	4.50%
Fiscal Year Ending September 30, 2024:	4.06%
Fiscal Year Ending September 30, 2023:	4.87%
Fiscal Year Ending September 30, 2022:	4.77%
Fiscal Year Ending September 30, 2021:	2.43%
Fiscal Year Ending September 30, 2020:	2.14%
Fiscal Year Ending September 30, 2019:	3.58%

Also reflected as assumption changes are updated health care costs and premiums, and updated salary increase rates, termination rates, and disability rates for General employees.

Benefit Payments*:* The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2025. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

WINTER HAVEN
The Chain of Lakes City

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

WINTER HAVEN
THE CHAIN OF LAKES CITY

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CITY OF WINTER HAVEN, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2025

	Special Revenue							
	Library	Cemetery	Community Development Grant	SHIP Grant	Police Training Confiscation and Abandoned Property	Building Safety	Impact Fees	Federal Building
ASSETS								
Cash and Investments	$ 732,393	$ -	$ -	$ 236,856	$ 231,301	$ 9,610,156	$ 2,866,318	$ 120,430
Investments - Reserved for Perpetual Care	-	505,564	-	-	-	-	-	-
Accounts Receivable	8,883	41,103	-	-	-	-	-	-
Lease Receivable	66,795	-	-	-	-	-	-	624,689
Due from Other Governments	-	-	51,414	-	3,467	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-	-	-	-
Inventory	-	29,729	-	-	-	-	-	-
Prepaid Items	178	77	-	-	-	131	-	-
Total Assets	$ 808,249	$ 576,473	$ 51,414	$ 236,856	$ 234,768	$ 9,610,287	$ 2,866,318	$ 745,119
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts Payable	$ 22,830	$ 2,308	$ -	$ 7,551	$ 4,839	$ 2,025,962	$ 16,835	$ 3,568
Accrued Liabilities	47,620	20,866	-	1,301	-	55,421	-	-
Due to Other Funds	-	76,963	51,414	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	68,800	-	-
Unearned Revenue	16,021	500	-	-	-	-	-	-
Total Liabilities	86,471	100,637	51,414	8,852	4,839	2,150,183	16,835	3,568
Deferred Inflows of Resources:								
Unavailable Revenue	-	-	-	-	-	-	-	-
Related to Leases	64,561	-	-	-	-	-	-	610,325
Total Deferred Inflows of Resources	64,561	-	-	-	-	-	-	610,325
Fund Balances:								
Nonspendable	178	29,806	-	-	-	131	-	-
Restricted	-	-	-	228,004	229,929	7,459,973	2,849,483	-
Committed	-	504,549	-	-	-	-	-	131,226
Assigned	657,039	-	-	-	-	-	-	-
Unassigned (Deficit)	-	(58,519)	-	-	-	-	-	-
Total Fund Balances	657,217	475,836	-	228,004	229,929	7,460,104	2,849,483	131,226
Total Liabilities, Deferred Inflows and Fund Balances	$ 808,249	$ 576,473	$ 51,414	$ 236,856	$ 234,768	$ 9,610,287	$ 2,866,318	$ 745,119

CITY OF WINTER HAVEN, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2025

	Special Revenue	Debt Service		Capital Projects		
	Affordable Housing	2007 Improvement Revenue Bonds	2023 Bond Fund	Capital Depletion	Transportation	Total All Nonmajor Governmental Funds
ASSETS						
Cash and Investments	$ 1,506,087	$ 4,138,306	$ 250,826	$ 8,797,514	$ 14,514,037	$ 43,004,224
Investments - Reserved for Perpetual Care	-	-	-	-	-	505,564
Accounts Receivable	-	-	-	7,721	-	57,707
Lease Receivable	-	-	-	-	-	691,484
Due from Other Governments	-	-	-	-	231,738	286,619
Due from Other Funds	-	-	-	202,253	-	202,253
Advances to Other Funds	-	-	-	842,823	-	842,823
Inventory	-	-	-	-	-	29,729
Prepaid Items	-	-	-	-	-	386
Total Assets	$ 1,506,087	$ 4,138,306	$ 250,826	$ 9,850,311	$ 14,745,775	$ 45,620,789
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts Payable	$ -	$ 3,025	$ -	$ -	$ 51,633	$ 2,138,551
Accrued Liabilities	-	-	-	-	-	125,208
Due to Other Funds	-	-	-	-	-	128,377
Due to Other Governments	-	-	-	-	-	68,800
Unearned Revenue	-	-	-	-	-	16,521
Total Liabilities	-	3,025	-	-	51,633	2,477,457
Deferred Inflows of Resources:						
Unavailable Revenue	-	-	-	-	231,738	231,738
Related to Leases	-	-	-	-	-	674,886
Total Deferred Inflows of Resources	-	-	-	-	231,738	906,624
Fund Balances:						
Nonspendable	-	-	-	-	-	30,115
Restricted	-	4,135,281	-	-	14,462,404	29,365,074
Committed	1,506,087	-	-	-	-	2,141,862
Assigned	-	-	250,826	9,850,311	-	10,758,176
Unassigned (Deficit)	-	-	-	-	-	(58,519)
Total Fund Balances	1,506,087	4,135,281	250,826	9,850,311	14,462,404	42,236,708
Total Liabilities, Deferred Inflows and Fund Balances	$ 1,506,087	$ 4,138,306	$ 250,826	$ 9,850,311	$ 14,745,775	$ 45,620,789

CITY OF WINTER HAVEN, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue							
	Library	Cemetery	Community Development Grant	SHIP Grant	Police Training, Confiscation, and Abandoned Property	Building Safety	Impact Fees	Federal Building
REVENUES								
Intergovernmental	$ 941,657	$ -	$ -	$ 460,043	$ -	$ 2,620	$ -	$ -
Permits and Fees	-	-	-	-	-	4,317,196	3,029,397	-
Charges for Services	18,905	234,139	-	-	-	-	-	-
Fines and Forfeits	4,865	-	-	-	75,871	-	-	-
Miscellaneous:								
Rents	24,435	-	-	-	-	-	-	145,941
Investment Income	11,541	22,733	-	29,940	9,986	416,345	152,034	22,105
Other	3,089	24,016	-	28,000	-	9,577	-	-
Total Revenues	1,004,492	280,888	-	517,983	85,857	4,745,738	3,181,431	168,046
EXPENDITURES								
Current:								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	51,447	2,233,184	-	-
Transportation	-	-	-	-	-	-	-	-
Human Services	-	751,220	-	1,408,158	-	-	-	-
Culture and Recreation	1,985,327	-	-	-	-	-	-	86,480
Capital Projects	-	-	-	-	-	-	-	-
Debt Service:								
Principal Retirement	-	-	-	-	-	175,986	-	-
Interest and Fiscal Charges	-	-	-	-	-	4,361	-	-
Other Debt Service	-	-	-	-	-	-	-	-
Total Expenditures	1,985,327	751,220	-	1,408,158	51,447	2,413,531	-	86,480
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(980,835)	(470,332)	-	(890,175)	34,410	2,332,207	3,181,431	81,566
OTHER FINANCING SOURCES (USES)								
Issuance of Leases / SBITAs	-	-	-	-	-	299,406	-	-
Transfers In	1,450,000	500,000	-	-	-	-	-	-
Transfers Out	(13,825)	(21,633)	-	-	-	(661,456)	(3,390,455)	-
Total Other Financing Sources (Uses)	1,436,175	478,367	-	-	-	(362,050)	(3,390,455)	-
NET CHANGE IN FUND BALANCES	455,340	8,035	-	(890,175)	34,410	1,970,157	(209,024)	81,566
Fund Balances - Beginning of Year	201,877	467,801	-	1,118,179	195,519	5,489,947	3,058,507	49,660
FUND BALANCES - END OF YEAR	$ 657,217	$ 475,836	$ -	$ 228,004	$ 229,929	$ 7,460,104	$ 2,849,483	$ 131,226

CITY OF WINTER HAVEN, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue	Debt Service		Capital Projects		
	Affordable Housing	2007 Improvement Revenue Bonds	2023 Bond Fund	Capital Depletion	Transportation	Total All Nonmajor Governmental Funds
REVENUES						
Intergovernmental	$ -	$ -	$ -	$ -	$ 1,225,158	$ 2,629,478
Permits and Fees	-	-	-	-	-	7,346,593
Charges for Services	-	-	-	-	-	253,044
Fines and Forfeits	-	-	-	-	-	80,736
Miscellaneous:						
Rents	-	-	-	-	-	170,376
Investment Income	67,360	-	7,382	413,329	566,674	1,719,429
Other	-	-	-	-	5,000	69,682
Total Revenues	67,360	-	7,382	413,329	1,796,832	12,269,338
EXPENDITURES						
Current:						
General Government	-	9,075	-	-	-	9,075
Public Safety	-	-	-	-	-	2,284,631
Transportation	-	-	-	-	2,549,131	2,549,131
Human Services	295,000	-	-	-	-	2,454,378
Culture and Recreation	-	-	-	-	-	2,071,807
Capital Projects	-	-	-	976,802	2,174,237	3,151,039
Debt Service:						
Principal Retirement	-	4,195,000	-	-	45,355	4,416,341
Interest and Fiscal Charges	-	2,661,110	-	-	1,145	2,666,616
Other Debt Service	-	550	-	-	-	550
Total Expenditures	295,000	6,865,735	-	976,802	4,769,868	19,603,568
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(227,640)	(6,865,735)	7,382	(563,473)	(2,973,036)	(7,334,230)
OTHER FINANCING SOURCES (USES)						
Issuance of Leases / SBITAs	-	-	-	-	-	299,406
Transfers In	250,000	6,856,112	-	2,249,605	4,274,116	15,579,833
Transfers Out	-	-	-	-	-	(4,087,369)
Total Other Financing Sources (Uses)	250,000	6,856,112	-	2,249,605	4,274,116	11,791,870
NET CHANGE IN FUND BALANCES	22,360	(9,623)	7,382	1,686,132	1,301,080	4,457,640
Fund Balances - Beginning of Year	1,483,727	4,144,904	243,444	8,164,179	13,161,324	37,779,068
FUND BALANCES - END OF YEAR	$ 1,506,087	$ 4,135,281	$ 250,826	$ 9,850,311	$ 14,462,404	$ 42,236,708

BUDGET TO ACTUAL COMPARISON
OTHER MAJOR AND NONMAJOR GOVERNMENTAL FUNDS

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF EXPENDITURES AND TRANSFERS
BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
Function and Activity				
General Government:				
City Commission/Legal/Clerk	$ 1,063,432	$ 1,063,432	$ 1,077,899	$ (14,467)
City Manager	1,823,587	1,785,937	1,633,355	152,582
Finance	1,558,026	1,558,026	1,286,886	271,140
Nondepartmental	6,858,966	6,947,793	7,062,542	(114,749)
Public Safety:				
Police	15,720,282	15,969,352	17,114,583	(1,145,231)
Fire	13,346,538	13,559,622	12,556,250	1,003,372
Code Enforcement	822,712	833,490	691,236	142,254
Transportation:				
Streets and Buses	15,675,671	15,385,349	3,620,347	11,765,002
Economic Development				
Public Service Buildings	589,957	571,334	604,529	(33,195)
Community Development/Planning	10,917,624	11,122,501	822,702	10,299,799
Culture and Recreation:				
Leisure Services	11,713,876	11,521,287	9,884,894	1,636,393
Debt Service:				
Principal Retirement	-	-	266,326	(266,326)
Interest and Fiscal Charges	-	-	31,003	(31,003)
Total Expenditures	80,090,671	80,318,123	56,652,552	23,665,571
Transfers to:				
Library Fund	1,350,000	1,350,000	1,350,000	-
Airport Fund	1,375,000	1,375,000	1,375,000	-
Cemetery Fund	400,000	400,000	400,000	-
Affordable Housing Fund	250,000	250,000	250,000	-
2015 Construction Fund	1,480,000	1,480,000	1,480,000	-
2021 Construction Fund	-	1,433,997	1,433,997	-
Capital Depletion Fund	1,839,435	1,839,435	1,840,373	(938)
Debt Service Fund	5,882,054	5,882,054	6,557,452	(675,398)
Stormwater Fund	-	270,210	270,210	-
Willowbrook Golf Course Fund	150,000	150,000	150,000	-
Dark Fiber Fund	276,503	276,503	276,503	-
Transportation Fund	2,075,000	2,375,000	2,375,000	-
Total Transfers	15,077,992	17,082,199	17,758,535	(676,336)
Total Expenditures and Transfers	$ 95,168,663	$ 97,400,322	$ 74,411,087	$ 22,989,235

CITY OF WINTER HAVEN, FLLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGE AND ACTUAL
CAPITAL PROJECT FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ -	$ -	$ 200,000	$ 200,000
Miscellaneous:				
Investment Income	1,000,000	1,000,000	2,128,210	1,128,210
Other	-	-	27,157	-
Total Revenues	1,000,000	1,000,000	2,355,367	1,328,210
EXPENDITURES				
Capital Projects	64,777,821	66,711,669	44,034,902	22,676,767
Debt Service:				
Principal Retirement	123,528	123,528	-	123,528
Interest and Fiscal Charges	21,242	21,242	21,242	-
Total Expenditures	64,922,591	66,856,439	44,056,144	22,800,295
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(63,922,591)	(65,856,439)	(41,700,777)	24,155,662
OTHER FINANCING SOURCES (USES)				
Transfers In	1,630,000	3,213,757	3,213,757	-
Total Other Financing Sources (Uses)	1,630,000	3,213,757	3,213,757	-
NET CHANGE IN FUND BALANCES	(62,292,591)	(62,642,682)	(38,487,020)	24,155,662
Fund Balances - Beginning of Year	64,445,715	64,445,715	64,445,715	-
FUND BALANCES - END OF YEAR	$ 2,153,124	$ 1,803,033	$ 25,958,695	$ 24,155,662

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
LIBRARY FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 650,000	$ 650,000	$ 941,657	$ 291,657
Charges for Services	12,000	12,000	18,905	6,905
Fines and Forfeits	4,000	4,000	4,865	865
Miscellaneous:				
Rents	26,700	26,700	24,435	(2,265)
Investment Income	3,500	3,500	11,541	8,041
Other	-	-	3,089	3,089
Total Revenues	696,200	696,200	1,004,492	308,292
EXPENDITURES				
Current:				
Culture and Recreation	2,348,725	2,274,130	1,985,327	288,803
Total Expenditures	2,348,725	2,274,130	1,985,327	288,803
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,652,525)	(1,577,930)	(980,835)	597,095
OTHER FINANCING SOURCES (USES)				
Transfers In	1,450,000	1,450,000	1,450,000	-
Transfers Out	(13,825)	(13,825)	(13,825)	-
Total Other Financing Sources (Uses)	1,436,175	1,436,175	1,436,175	-
NET CHANGE IN FUND BALANCES	(216,350)	(141,755)	455,340	597,095
Fund Balances - Beginning of Year	201,877	201,877	201,877	-
FUND BALANCES - END OF YEAR	$ (14,473)	$ 60,122	$ 657,217	$ 597,095

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CEMETERY FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for Services	$ 276,350	$ 276,350	$ 234,139	$ (42,211)
Miscellaneous:				
Investment Income	9,000	9,000	22,733	13,733
Other	1,500	1,500	24,016	22,516
Total Revenues	286,850	286,850	280,888	(5,962)
EXPENDITURES				
Current:				
Human Services	914,717	915,628	751,220	164,408
Total Expenditures	914,717	915,628	751,220	164,408
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(627,867)	(628,778)	(470,332)	158,446
OTHER FINANCING USES				
Transfers In	500,000	500,000	500,000	-
Transfers Out	(21,633)	(21,633)	(21,633)	-
Total Other Financing Sources (Uses)	478,367	478,367	478,367	-
NET CHANGE IN FUND BALANCES	(149,500)	(150,411)	8,035	158,446
Fund Balances - Beginning of Year	467,801	467,801	467,801	-
FUND BALANCES - END OF YEAR	$ 318,301	$ 317,390	$ 475,836	$ 158,446

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
SHIP GRANT FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 422,345	$ 422,345	$ 460,043	$ 37,698
Miscellaneous:				
Investment Income	1,000	1,000	29,940	28,940
Other	30,000	30,000	28,000	(2,000)
Total Revenues	453,345	453,345	517,983	64,638
EXPENDITURES				
Current:				
Human Services	504,466	758,278	1,408,158	(649,880)
Total Expenditures	504,466	758,278	1,408,158	(649,880)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(51,121)	(304,933)	(890,175)	(585,242)
Fund Balances - Beginning of Year	1,118,179	1,118,179	1,118,179	-
FUND BALANCES - END OF YEAR	$ 1,067,058	$ 813,246	$ 228,004	$ (585,242)

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
BUILDING SAFETY FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ -	$ -	$ 2,620	$ 2,620
Permits and Fees	3,360,700	3,360,700	4,317,196	956,496
Charges for Services	50	50	-	(50)
Miscellaneous:				
Investment Income	30,000	30,000	416,345	386,345
Other	8,000	8,000	9,577	1,577
Total Revenues	3,398,750	3,398,750	4,745,738	1,346,988
EXPENDITURES				
Current:				
Public Safety	2,765,886	2,706,301	2,233,184	473,117
Debt Service				
Principal on Debt	-	-	175,986	(175,986)
Interest on Debt	-	-	4,361	(4,361)
Total Expenditures	2,765,886	2,706,301	2,413,531	292,770
EXCESS OF REVENUES OVER EXPENDITURES	632,864	692,449	2,332,207	1,639,758
OTHER FINANCING (USES)				
Proceeds of Leases / SBITAs	-	-	299,406	299,406
Transfers Out	(661,456)	(661,456)	(661,456)	-
Total Other Financing (Uses)	(661,456)	(661,456)	(362,050)	299,406
NET CHANGE IN FUND BALANCES	(28,592)	30,993	1,970,157	1,939,164
Fund Balances - Beginning of Year	5,489,947	5,489,947	5,489,947	-
FUND BALANCES - END OF YEAR	$ 5,461,355	$ 5,520,940	$ 7,460,104	$ 1,939,164

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
IMPACT FEE FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Permits and Fees	$ 3,200,000	$ 3,200,000	$ 3,029,397	$ (170,603)
Miscellaneous:				
Investment Income	90,000	90,000	152,034	62,034
Total Revenues	3,290,000	3,290,000	3,181,431	(108,569)
OTHER FINANCING USES				
Transfers Out	(2,050,000)	(3,390,455)	(3,390,455)	-
Total Other Financing Uses	(2,050,000)	(3,390,455)	(3,390,455)	-
NET CHANGE IN FUND BALANCES	1,240,000	(100,455)	(209,024)	(108,569)
Fund Balances - Beginning of Year	3,058,507	3,058,507	3,058,507	-
FUND BALANCES - END OF YEAR	$ 4,298,507	$ 2,958,052	$ 2,849,483	$ (108,569)

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FEDERAL BUILDING FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Rents	$ 153,316	$ 153,316	$ 145,941	$ (7,375)
Miscellaneous:				
Investment Income	25	25	22,105	22,080
Total Revenues	153,341	153,341	168,046	14,705
EXPENDITURES				
Current:				
Culture and Recreation	90,140	91,434	86,480	4,954
Total Expenditures	90,140	91,434	86,480	4,954
EXCESS OF REVENUES OVER EXPENDITURES	63,201	61,907	81,566	19,659
NET CHANGE IN FUND BALANCES	63,201	61,907	81,566	19,659
Fund Balances - Beginning of Year	49,660	49,660	49,660	-
FUND BALANCES - END OF YEAR	$ 112,861	$ 111,567	$ 131,226	$ 19,659

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
AFFORDABLE HOUSING FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Miscellaneous:				
Investment Income	$ 30,000	$ 30,000	$ 67,360	$ 37,360
EXPENDITURES				
Current:				
Human Services	295,000	295,000	295,000	-
Total Expenditures	295,000	295,000	295,000	-
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(265,000)	(265,000)	(227,640)	37,360
OTHER FINANCING SOURCES				
Transfers In	250,000	250,000	250,000	-
NET CHANGE IN FUND BALANCES	(15,000)	(15,000)	22,360	37,360
Fund Balances - Beginning of Year	1,483,727	1,483,727	1,483,727	-
FUND BALANCES - END OF YEAR	$ 1,468,727	$ 1,468,727	$ 1,506,087	$ 37,360

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
TRANSPORTATION FUND
YEAR ENDED SEPTEMBER 30, 2025

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ 6,119,953	$ 6,119,953	$ 1,225,158	$ (4,894,795)
Miscellaneous:				
Investment Income	80,000	80,000	566,674	486,674
Other	-	-	5,000	5,000
Total Revenues	6,199,953	6,199,953	1,796,832	(4,403,121)
EXPENDITURES				
Current:				
Transportation	2,855,000	2,505,153	2,549,131	(43,978)
Capital Projects	12,909,772	11,804,210	2,174,237	9,629,973
Debt Service				
Principal on Debt	-	-	45,355	(45,355)
Interest on Debt	-	-	1,145	(1,145)
Total Expenditures	15,764,772	14,309,363	4,769,868	9,539,495
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(9,564,819)	(8,109,410)	(2,973,036)	5,136,374
OTHER FINANCING SOURCES				
Transfers In	2,275,000	4,274,116	4,274,116	-
Total Other Financing Uses	2,275,000	4,274,116	4,274,116	-
NET CHANGE IN FUND BALANCES	(7,289,819)	(3,835,294)	1,301,080	5,136,374
Fund Balances - Beginning of Year	13,161,324	13,161,324	13,161,324	-
FUND BALANCES - END OF YEAR	$ 5,871,505	$ 9,326,030	$ 14,462,404	$ 5,136,374

NONMAJOR PROPRIETARY FUND

CITY OF WINTER HAVEN, FLORIDA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Willowbrook Golf Course	Stormwater	Dark Fiber	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
CURRENT ASSETS				
Cash and Investments	$ 963,156	$ 5,416,241	$ -	$ 6,379,397
Cash With Fiscal Agent	131,314	25,000	-	156,314
Receivables:				
Accounts	17,713	406,609	53,655	477,977
Leases	-	-	58,725	58,725
Inventories	95,463	-	-	95,463
Prepaid Items	39,124	971	17	40,112
Total Current Assets	1,246,770	5,848,821	112,397	7,207,988
Capital Assets:				
Land	628,895	2,371,020	-	2,999,915
Construction in Progress	2,532,060	1,110,031	230,088	3,872,179
Building	217,380	39,340	-	256,720
Improvements Other than Buildings	1,014,126	9,020,008	4,446,868	14,481,002
Equipment	1,336,263	1,496,445	73,925	2,906,633
	5,728,724	14,036,844	4,750,881	24,516,449
Less: Accumulated Depreciation	(2,084,571)	(6,964,799)	(1,341,696)	(10,391,066)
Net Capital Assets	3,644,153	7,072,045	3,409,185	14,125,383
Total Noncurrent Assets	3,644,153	7,072,045	3,409,185	14,125,383
Total Assets	4,890,923	12,920,866	3,521,582	21,333,371
DEFERRED OUTFLOWS OF RESOURCES				
OPEB Related Items	-	203,587	12,804	216,391
Total Deferred Outflows of Resources	-	203,587	12,804	216,391

Continued

CITY OF WINTER HAVEN, FLORIDA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Willowbrook Golf Course	Stormwater	Dark Fiber	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (DEFICIT)				
CURRENT LIABILITIES				
Accounts Payable	$ 810,256	$ 85,572	$ 26	$ 895,854
Accrued Liabilities	-	50,740	12,107	62,847
Due to Other Funds	75,377	-	855,278	930,655
Current Portion of Compensated Absences	-	149,437	29,890	179,327
Current Portion of Total OPEB Liability	-	42,539	2,675	45,214
Total	885,633	328,288	899,976	2,113,897
LONG-TERM LIABILITIES				
Advances from Other Funds	1,685,685	-	721,010	2,406,695
Total OPEB Liability	-	1,034,405	65,053	1,099,458
Net Pension Liability	-	131,073	37,870	168,943
Total Long-Term Liabilities	1,685,685	1,165,478	823,933	3,675,096
Total Liabilities	2,571,318	1,493,766	1,723,909	5,788,993
DEFERRED INFLOWS OF RESOURCES				
Lease Related Items	-	-	57,531	57,531
Pension Related Items	-	368,638	106,509	475,147
OPEB Related Items	-	265,601	16,704	282,305
Total Deferred Inflows of Resources	-	634,239	180,744	814,983
NET POSITION (DEFICIT)				
Net Investment in Capital Assets	2,924,610	7,072,045	3,409,185	13,405,840
Unrestricted (Deficit)	(605,005)	3,924,403	(1,779,452)	1,539,946
Total Net Position	$ 2,319,605	$ 10,996,448	$ 1,629,733	$ 14,945,786

CITY OF WINTER HAVEN, FLORIDA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2025

	Willowbrook Golf Course	Stormwater	Dark Fiber	Total
OPERATING REVENUES				
Charges for Services	$ 834,383	$ 2,407,083	$ 86,573	$ 3,328,039
Miscellaneous	40,512	-	-	40,512
Total Operating Revenues	874,895	2,407,083	86,573	3,368,551
OPERATING EXPENSES				
Personal Services	-	1,194,023	459,862	1,653,885
Material and Supplies	10,119	53,735	685	64,539
Depreciation	161,056	590,390	286,912	1,038,358
Other Services and Charges	1,295,217	981,857	35,378	2,312,452
Total Operating Expenses	1,466,392	2,820,005	782,837	5,069,234
OPERATING INCOME (LOSS)	(591,497)	(412,922)	(696,264)	(1,700,683)
NONOPERATING REVENUES (EXPENSES)				
Grants and Contributions	-	250	-	250
Investment Income	107,345	215,094	3,981	326,420
Interest Expense	(9,349)	-	(24,638)	(33,987)
Gain (Loss) on Disposal of Assets - Net	-	(111,916)	-	(111,916)
Total Nonoperating Revenues (Expenses)	97,996	103,428	(20,657)	180,767
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(493,501)	(309,494)	(716,921)	(1,519,916)
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital Grants and Contributions	-	450,000	-	450,000
Transfers In	150,000	1,360,905	505,999	2,016,904
Transfers Out	-	(424,116)	(75,000)	(499,116)
Total Capital Contributions and Transfers	150,000	1,386,789	430,999	1,967,788
CHANGE IN NET POSITION	(343,501)	1,077,295	(285,922)	447,872
Net Position - Beginning of Year	2,663,106	9,919,153	1,915,655	14,497,914
NET POSITION - END OF YEAR	$ 2,319,605	$ 10,996,448	$ 1,629,733	$ 14,945,786

CITY OF WINTER HAVEN, FLORIDA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2025

	Willowbrook Golf Course	Stormwater	Dark Fiber	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	$ 877,623	$ 2,576,125	$ -	$ 3,453,748
Cash Paid to Employees for Services	-	(1,069,293)	(229,220)	(1,298,513)
Cash Paid to Suppliers for Goods and Services	(1,303,196)	(1,221,352)	(218,548)	(2,743,096)
Net Cash Provided (Used) by Operating Activities	(425,573)	285,480	(447,768)	(587,861)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Grants and Contributions	-	120,250	-	120,250
Transfers from Other Funds	150,000	1,360,905	505,999	2,016,904
Advances from Other Funds	(69,476)	-	-	(69,476)
Repayment of Advance From Other Funds	-	-	131,519	131,519
Net Cash Provided by Noncapital and Related Financing Activities	80,524	1,057,039	562,518	1,700,081
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital Grants and Contributions	-	450,000	-	450,000
Interest Paid	(9,349)	-	(24,638)	(33,987)
Acquisition and Construction of Capital Assets	(1,828,568)	(1,951,453)	(158,642)	(3,938,663)
Proceeds from Leasing Activities	-	-	68,530	68,530
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,837,917)	(1,501,453)	(114,750)	(3,454,120)
CASH FLOWS FROM INVESTING ACTIVITIES				
Net Investment Income	107,345	215,094	-	322,439
Net Cash Provided by Investing Activities	107,345	215,094	-	322,439
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,075,621)	56,160	-	(2,019,461)
Cash and Cash Equivalents - Beginning of Year	3,170,091	5,385,081	-	8,555,172
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 1,094,470	$ 5,441,241	$ -	$ 6,535,711

CITY OF WINTER HAVEN, FLORIDA
NONMAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2025

	Willowbrook Golf Course	Stormwater	Dark Fiber	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	$ (591,497)	$ (412,922)	$ (696,264)	$ (1,700,683)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	161,056	590,390	286,912	1,038,358
(Increase) Decrease in Assets and Deferred Outflows of Resources:				
Accounts Receivable	2,728	169,042	(20,824)	150,946
Lease Receivable	-	-	3,289	3,289
Inventories	(5,996)	-	-	(5,996)
Prepaid Items	(19,923)	(401)	5	(20,319)
Deferred Outflows of Resources- Pension Related Items	-	29,381	-	29,381
Deferred Outflows of Resources- OPEB Related Items	-	52,982	(12,110)	40,872
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:				
Accounts Payable	28,059	(185,359)	(182,490)	(339,790)
Accrued Liabilities	-	12,330	(12,652)	(322)
Compensated Absences	-	36,990	29,890	66,880
Total OPEB Liability	-	103,963	65,098	169,061
Net Pension Liability	-	(280,816)	37,870	(242,946)
Deferred Inflows of Resources - Lease Related Items	-	-	(69,038)	(69,038)
Deferred Inflows of Resources- Pension Related Items	-	150,957	106,509	257,466
Deferred Inflows of Resources- OPEB Related Items	-	18,943	16,037	34,980
Net Cash Provided (Used) by Operating Activities	$ (425,573)	$ 285,480	$ (447,768)	$ (587,861)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Capital Additions Funded by Accounts Payable	$ 719,543	$ -	$ -	$ 719,543
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITIONS				
Cash and Investments	$ 963,156	$ 5,416,241	$ -	$ 6,379,397
Cash With Fiscal Agent	131,314	25,000	-	156,314
Total Cash, Investments, and Cash Equivalents	$ 1,094,470	$ 5,441,241	$ -	$ 6,535,711

INTERNAL SERVICE FUNDS

CITY OF WINTER HAVEN, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2025

	Self-Insurance	General Services	Central Garage	Totals
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
CURRENT ASSETS				
Cash and Investments	$ 5,170,267	$ 4,678,191	$ 2,074,949	$ 11,923,407
Accounts Receivable	33,830	39,050	10,852	83,732
Inventories	-	-	198,476	198,476
Prepaid Items	-	2,141	1,760	3,901
Total Current Assets	5,204,097	4,719,382	2,286,037	12,209,516
NONCURRENT ASSETS				
Capital Assets:				
Building	-	-	214,392	214,392
Improvements Other than Buildings	-	395,340	34,909	430,249
Equipment	-	3,074,827	1,001,093	4,075,920
Right-to-Use Leased Equipment		1,083,500	-	1,083,500
Right-to-Use Subscription Software	-	1,302,969	-	1,302,969
	-	5,856,636	1,250,394	7,107,030
Less: Accumulated Depreciation	-	(3,875,557)	(834,686)	(4,710,243)
Net Capital Assets	-	1,981,079	415,708	2,396,787
Total Assets	5,204,097	6,700,461	2,701,745	14,606,303
DEFERRED OUTFLOWS OF RESOURCES				
OPEB Related Items	-	402,102	142,458	544,560
Total Deferred Outflows of Resources	-	402,102	142,458	544,560

CITY OF WINTER HAVEN, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2025

	Self-Insurance	General Services	Central Garage	Totals
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION				
CURRENT LIABILITIES				
Accounts Payable	$ 627,081	$ 372,038	$ 43,083	$ 1,042,202
Accrued Liabilities	-	132,688	46,811	179,499
Claims Payable	2,048,553	-	-	2,048,553
Current Portion of Leases Payable	-	166,800	-	166,800
Current Portion of SBITA Payable	-	320,147	-	320,147
Current Portion of Compensated Absences	-	333,367	207,769	541,136
Current Portion of Total OPEB Liability	-	84,019	29,767	113,786
Total Current Liabilities	2,675,634	1,409,059	327,430	4,412,123
LONG-TERM LIABILITIES				
Leases Payable	-	363,846	-	363,846
SBITA Payable	-	303,149	-	303,149
Total OPEB Liability	-	2,043,036	723,818	2,766,854
Net Pension Liability	-	431,151	176,369	607,520
Total Long-Term Liabilities	-	3,141,182	900,187	4,041,369
Total Liabilities	2,675,634	4,550,241	1,227,617	8,453,492
DEFERRED INFLOWS OF RESOURCES				
Pension Related Items	-	1,212,600	496,033	1,708,633
OPEB Related Items	-	524,585	185,853	710,438
Total Deferred Inflows of Resources	-	1,737,185	681,886	2,419,071
NET POSITION				
Net Investment in Capital Assets	-	801,361	415,708	1,217,069
Unrestricted	2,528,463	13,776	518,992	3,061,231
Total Net Position	$ 2,528,463	$ 815,137	$ 934,700	$ 4,278,300

CITY OF WINTER HAVEN, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2025

	Self-Insurance	General Services	Central Garage	Totals
OPERATING REVENUES				
Charges for Services	$ 7,895,846	$ 9,420,053	$ 6,412,945	$ 23,728,844
Miscellaneous	909,693	157,870	-	1,067,563
Total Operating Revenues	8,805,539	9,577,923	6,412,945	24,796,407
OPERATING EXPENSES				
Personal Services	-	1,647,104	890,619	2,537,723
Material and Supplies	-	616,221	1,262,923	1,879,144
Depreciation	-	1,118,262	76,355	1,194,617
Other Services and Charges	9,797,831	4,280,868	2,424,768	16,503,467
Total Operating Expenses	9,797,831	7,662,455	4,654,665	22,114,951
OPERATING INCOME (LOSS)	(992,292)	1,915,468	1,758,280	2,681,456
NONOPERATING REVENUES (EXPENSES)				
Investment Income	249,274	149,523	11,374	410,171
Interest Expense	-	(38,170)	-	(38,170)
Gain (Loss) on Disposal of Assets - Net	-	(7,973)	7,400	(573)
Total Nonoperating Revenues	249,274	103,380	18,774	371,428
INCOME (LOSS) BEFORE TRANSFERS	(743,018)	2,018,848	1,777,054	3,052,884
TRANSFERS				
Transfers Out	-	(27,650)	(27,650)	(55,300)
Total Transfers	-	(27,650)	(27,650)	(55,300)
CHANGE IN NET POSITION (DEFICIT)	(743,018)	1,991,198	1,749,404	2,997,584
Net Position (Deficit) - Beginning of Year	3,271,481	(1,176,061)	(814,704)	1,280,716
NET POSITION- END OF YEAR	$ 2,528,463	$ 815,137	$ 934,700	$ 4,278,300

CITY OF WINTER HAVEN, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2025

	Self-Insurance	General Services	Central Garage	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	$ 8,776,248	$ 9,571,774	$ 6,410,226	$ 24,758,248
Cash Paid to Employees for Services	-	(2,699,252)	(996,139)	(3,695,391)
Cash Paid to Suppliers for Goods and Services	(9,730,699)	(4,717,474)	(3,845,269)	(18,293,442)
Net Cash Provided (Used in) by Operating Activities	(954,451)	2,155,048	1,568,818	2,769,415
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers to Other Funds	-	(27,650)	(27,650)	(55,300)
Net Cash (Used in) Noncapital Financing Activities	-	(27,650)	(27,650)	(55,300)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	-	(111,242)	(81,913)	(193,155)
Proceeds from Sale of Assets	-	(7,973)	6,680	(1,293)
Principal Payments on Leases and SBITAs	-	(855,403)	-	(855,403)
Interest Paid	-	(38,170)	-	(38,170)
Net Cash (Used in) Capital and Related Financing Activities	-	(1,012,788)	(75,233)	(1,088,021)
CASH FLOWS FROM INVESTING ACTIVITIES				
Net Investment Income	249,274	149,523	11,374	410,171
Net Cash Provided by Investing Activities	249,274	149,523	11,374	410,171
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(705,177)	1,264,133	1,477,309	2,036,265
Cash and Cash Equivalents - Beginning of Year	5,875,444	3,414,058	597,640	9,887,142
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 5,170,267	$ 4,678,191	$ 2,074,949	$ 11,923,407
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	$ (992,292)	$ 1,915,468	$ 1,758,280	$ 2,681,456
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	1,118,262	76,355	1,194,617
(Increase) Decrease in Assets and Deferred Outflows of Resources:				
Accounts Receivable	(29,291)	(6,149)	(2,719)	(38,159)
Inventories	-	-	22,909	22,909
Prepaid Items	39,204	26,589	9,208	75,001
Deferred Outflows of Resources- Pension Related Items	-	123,872	39,392	163,264
Deferred Outflows of Resources- OPEB Related Items	-	202,993	70,552	273,545
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:				
Accounts Payable	(272,072)	153,026	(189,695)	(308,741)
Accrued Liabilities	-	16,898	6,557	23,455
Unearned Revenue	-	-	-	-
Compensated Absences	-	(160,573)	22,797	(137,776)
Total OPEB Liability	-	(167,629)	(54,207)	(221,836)
Net Pension Liability	-	(1,305,412)	(375,864)	(1,681,276)
Claims Payable	300,000	-	-	300,000
Deferred Inflows of Resources- Pension Related Items	-	294,837	204,181	499,018
Deferred Inflows of Resources- OPEB Related Items	-	(57,134)	(18,928)	(76,062)
Net Cash Provided (Used) by Operating Activities	$ (954,451)	$ 2,155,048	$ 1,568,818	$ 2,769,415
NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Issuance of SBITAs and Leases	$ -	$ 1,083,740	$ -	$ 1,083,740
Capital Additions Funded by Accounts Payable	$ -	$ 25,776	$ -	$ 25,776

WINTER HAVEN
THE CHAIN OF LAKES CITY

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STATISTICAL SECTION

(UNAUDITED)

STATISTICAL SECTION

(UNAUDITED)

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

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

- Net Position by Components, Last Ten Fiscal Years
- Changes in Net Position, Last Ten Fiscal Years
- Governmental Activities Tax Revenues by Source, Last Ten Fiscal Years
- Fund Balances of Governmental Funds, Last Ten Fiscal Years
- Changes in Fund Balances of Governmental Funds, Last Ten Fiscal Years

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

- Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years
- Property Tax Rates, Direct and Overlapping Governments, Last Ten Fiscal Years
- Principal Taxpayers, Current Fiscal Year and Ten Years Prior
- Property Tax Levies and Collections, Last Ten Fiscal Years

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the government's ability to issue additional debt in the future.

- Ratios of Outstanding Debt by Type, Last Ten Fiscal Years
- Direct and Overlapping Governmental Activities Debt
- Pledged-Revenue Coverage, Last Ten Fiscal Years

The table which concerns computation of legal debt margin is omitted because the Constitution of the State of Florida, Section 200.181, Florida Statutes, and the City of Winter Haven set no legal debt limit.

Own Source Revenue

This schedule provides water and sewer consumption and rate information to help the reader assess the City's most significant own source revenue, water and sewer charges.

- Water and Sewer Consumption, Last Ten Fiscal Years

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

- Demographic and Economic Statistics, Last Ten Fiscal Years

Principal Employers, Current Fiscal Year and Nine Years Prior

STATISTICAL SECTION

(UNAUDITED)

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Full-Time Equivalent City Government Employees by Function, Last Ten Fiscal Years .....
Operating Indicators by Function, Last Ten Fiscal Years.....
Capital Assets by Function, Last Ten Fiscal Years.....
Miscellaneous Statistics .....
Schedule of Insurance in Force .....

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

CITY OF WINTER HAVEN
TABLE 1
NET POSITION BY COMPONENTS
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities										
Net Investment in Capital Assets	$ 117,107,426	$ 85,437,976	$ 79,663,112	$ 62,278,545	$ 62,278,545	$ 56,358,474	$ 45,234,239	$ 43,893,592	$ 37,464,863	$ 36,870,523
Restricted	43,118,958	36,933,151	31,706,811	23,329,563	17,609,300	14,730,235	11,298,724	6,149,488	4,565,096	3,409,302
Unrestricted	20,066,249	39,246,869	19,468,214	23,437,818	6,218,163	4,542,949	7,849,877	(10,341,098)	(1,771,610)	(6,940,999)
Subtotal Governmental Activities Net Position	$ 180,292,633	$ 161,617,996	$ 130,838,137	$ 109,045,926	$ 86,106,008	$ 75,631,658	$ 64,382,840	$ 39,701,982	$ 40,258,349	$ 33,338,826
Business Type Activities										
Net Investment in Capital Assets	$ 135,046,632	$ 98,256,042	$ 71,750,956	$ 60,014,179	$ 55,466,315	$ 38,547,062	$ 25,873,607	$ 20,741,636	$ 14,654,234	$ 13,754,969
Restricted	48,488,144	40,128,231	28,410,050	23,045,883	19,962,180	16,340,831	17,885,343	14,783,230	18,121,549	16,375,695
Unrestricted	11,870,036	14,927,313	30,484,980	25,120,641	19,472,322	31,295,273	27,775,495	25,856,950	23,218,885	13,263,706
Subtotal Business Type Activities	$ 195,404,812	$ 153,311,586	$ 130,645,986	$ 108,180,703	$ 94,900,817	$ 86,183,166	$ 71,534,445	$ 61,381,816	$ 55,994,668	$ 43,394,370
Primary government										
Net Investment in Capital Assets	$ 252,154,058	$ 183,694,018	$ 151,414,068	$ 122,292,724	$ 117,744,860	$ 94,905,536	$ 71,107,846	$ 64,635,228	$ 52,119,097	$ 50,625,492
Restricted	91,607,102	77,061,382	60,116,861	46,375,446	37,571,480	31,071,066	29,184,067	20,932,718	22,686,645	19,784,997
Unrestricted	31,936,285	54,174,182	49,953,194	48,558,459	25,690,485	35,838,222	35,625,372	15,515,852	21,447,275	6,322,707
Total Primary Government Net Position	$ 375,697,445	$ 314,929,582	$ 261,484,123	$ 217,226,629	$ 181,006,825	$ 161,814,824	$ 135,917,285	$ 101,083,798	$ 96,253,017	$ 76,733,196

CITY OF WINTER HAVEN
TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
EXPENSES										
Government Activities										
General Government	$ 11,400,903	$ 11,001,598	$ 10,843,923	$ 11,212,950	$ 11,114,046	$ 9,550,908	$ 9,375,891	$ 8,634,562	$ 10,095,366	$ 9,209,261
Public Safety	31,551,114	28,359,498	29,418,690	26,609,110	23,635,420	23,590,215	22,566,425	21,498,700	19,074,245	19,762,150
Transportation	10,823,385	8,595,059	9,818,458	5,947,758	6,299,855	6,023,386	4,823,105	4,526,558	3,564,670	5,023,998
Economic Development	5,233,446	3,664,381	2,524,541	2,406,217	2,225,114	1,629,153	1,429,659	2,313,490	1,818,752	1,806,586
Human Services	2,539,162	1,685,705	1,582,258	811,193	902,963	896,413	1,359,738	851,223	707,632	683,485
Culture and Recreation	13,611,024	12,698,142	11,447,768	11,763,457	10,846,957	9,662,913	8,369,798	8,082,653	7,030,761	7,416,463
Interest on Long Term Debt	2,458,586	2,568,253	1,631,223	1,598,364	1,246,129	1,308,899	1,389,279	681,215	612,463	706,844
Other Debt Service	-	-	-	-	-	-	-	-	141,339	1,260
Subtotal Governmental Activities Expenses	77,617,620	68,572,636	67,266,861	60,349,049	56,270,484	52,661,887	49,313,895	46,588,401	43,045,228	44,610,047
Business Type Activities										
Water and Sewer System	39,599,231	37,773,721	32,180,503	29,315,480	29,761,397	26,024,825	22,562,447	22,793,051	20,426,584	21,254,361
Solid Waste System	9,882,346	9,340,129	8,751,981	7,988,577	7,440,990	6,877,829	6,105,339	4,896,807	5,066,354	4,762,928
Stormwater	1,468,764	1,441,519	1,300,364	2,261,851	1,353,763	1,686,229	1,438,368	1,436,298	1,376,689	1,138,746
Willowbrook	2,774,204	3,137,442	2,070,209	1,257,843	995,179	1,076,599	999,155	1,285,690	1,043,259	1,035,457
Dark Fiber	808,051	450,692	225,073	208,121	204,053	223,797	150,763	66,913	12,531	-
Subtotal Business Type Activities	54,532,596	52,143,503	44,528,130	41,031,872	39,755,382	35,889,279	31,256,072	30,478,759	27,925,417	28,191,492
Total Primary Government	$ 132,150,216	$ 120,716,139	$ 111,794,991	$ 101,380,921	$ 96,025,866	$ 88,551,166	$ 80,569,967	$ 77,067,160	$ 70,970,645	$ 72,801,539
PROGRAM REVENUES										
Government Activities										
General Government	$ 3,089,167	$ 2,345,615	$ 3,384,596	$ 4,889,971	$ 5,059,340	$ 4,608,767	$ 4,635,069	$ 4,457,523	$ 4,245,109	$ 5,017,700
Public Safety	7,734,299	7,119,468	8,166,675	8,965,949	1,115,412	1,451,851	1,208,762	1,018,595	1,074,372	957,860
Transportation	5,828,176	13,347,376	7,169,129	7,848,803	5,193,411	3,680,433	4,125,237	5,596,578	3,223,216	2,226,255
Economic Development	4,200	9,795	233,076	6,694,599	6,663,866	5,505,995	4,590,129	3,879,413	4,571,176	3,230,752
Human Services	694,182	674,670	860,247	880,254	813,156	941,877	922,066	500,260	664,033	735,212
Culture and Recreation	3,646,598	8,385,646	4,817,775	1,886,565	1,644,237	1,241,245	14,128,691	1,193,752	1,141,820	1,178,352
Subtotal Governmental Activities Program Revenue	20,996,622	31,882,570	24,631,498	31,166,141	20,489,422	17,430,168	29,609,954	16,646,121	14,919,726	13,346,131
Business Type Activities										
Water and Sewer System	82,991,485	61,168,660	54,068,385	45,553,402	41,504,745	43,433,415	36,057,444	36,450,559	33,874,974	28,757,406
Solid Waste System	11,839,804	10,974,329	10,172,418	9,359,993	8,838,860	8,575,951	8,526,544	4,654,920	6,823,509	6,356,195
Stormwater	834,383	1,129,963	1,150,035	2,095,248	3,303,549	3,068,037	1,921,488	1,944,307	2,055,180	1,641,019
Willowbrook	2,857,333	2,470,682	2,208,493	3,754,165	784,450	866,629	825,384	783,825	847,548	782,513
Dark Fiber	86,573	133,838	123,876	107,252	129,900	139,327	129,152	132,996	116,603	-
Subtotal Business Type Activities Program Revenue	98,609,578	75,877,472	67,723,207	60,870,060	54,561,504	56,083,359	47,460,012	43,966,607	43,717,814	37,537,133
Total Primary Government	$ 119,606,200	$ 107,760,042	$ 92,354,705	$ 92,036,201	$ 75,050,926	$ 73,513,527	$ 77,069,966	$ 60,612,728	$ 58,637,540	$ 50,883,264

Continued

CITY OF WINTER HAVEN
TABLE 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(Accrual Basis of Accounting)

NET (EXPENSE) REVENUE	Fiscal Year									
Government Activities	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government	$ (8,311,736)	$ (8,655,983)	$ (7,459,327)	$ (6,322,979)	$ (6,054,706)	$ (4,942,141)	$ (4,740,822)	$ (4,177,039)	$ (5,850,257)	$ (4,191,561)
Public Safety	(23,816,815)	(21,240,030)	(21,252,015)	(17,643,161)	(22,520,008)	(22,138,364)	(21,357,663)	(20,480,105)	(17,999,873)	(18,804,290)
Transportation	(4,995,209)	4,752,317	(2,649,329)	1,901,045	(1,106,444)	(2,342,953)	(697,868)	1,070,020	(341,454)	(2,797,743)
Economic Development	(5,229,246)	(3,654,586)	(2,291,465)	4,288,382	4,438,752	3,876,842	3,160,470	1,565,923	2,752,424	1,424,166
Human Services	(1,844,980)	(1,011,035)	(722,011)	69,061	(89,807)	45,464	(437,672)	(350,963)	(43,599)	51,727
Culture and Recreation	(9,964,426)	(4,312,496)	(6,629,993)	(9,876,892)	(9,202,720)	(8,421,668)	5,758,893	(6,888,901)	(5,888,941)	(6,238,111)
Interest on Long-Term Debt	-	-	-	(1,598,364)	(1,246,129)	(1,308,899)	(1,389,279)	(681,215)	(612,463)	(706,844)
Other Debt Service	(2,458,586)	(2,568,253)	(1,631,223)	-	-	-	-	-	(141,339)	(1,260)
Subtotal Governmental Activities Net Expense	(56,620,998)	(36,690,066)	(42,635,363)	(29,182,908)	(35,781,062)	(35,231,719)	(19,703,941)	(29,942,280)	(28,125,502)	(31,263,916)
Business Type Activities										
Water and Sewer System	43,392,254	23,394,939	21,887,882	16,237,922	11,743,348	17,408,590	13,494,997	13,657,508	13,448,390	7,503,045
Solid Waste System	1,957,458	1,634,200	1,420,437	1,371,416	1,397,870	1,698,122	2,421,205	2,758,113	1,757,155	1,593,267
Stormwater	(634,381)	(311,556)	(150,329)	(166,603)	1,649,786	1,381,808	483,120	508,009	678,491	502,273
Willowbrook	83,129	(666,760)	138,284	2,496,322	(210,729)	(209,970)	(173,771)	(501,865)	(195,711)	(252,944)
Dark Fiber	(721,478)	(316,854)	(101,197)	(100,869)	(74,143)	(84,470)	(21,611)	66,083	104,072	-
Subtotal Business Type Activities Net Expense	44,076,982	23,733,969	23,195,077	19,838,188	14,506,132	20,194,080	16,203,940	16,487,848	15,792,397	9,345,641
Total primary government	$ (12,544,016)	$ (12,956,097)	$ (19,440,286)	$ (9,344,720)	$ (21,274,930)	$ (15,037,639)	$ (3,500,001)	$ (13,454,432)	$ (12,333,105)	$ (21,918,275)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities										
Taxes: Property	$ 32,710,492	$ 29,276,542	$ 25,556,997	$ 21,508,955	$ 18,887,554	$ 18,341,292	$ 16,820,550	$ 12,772,488	$ 11,508,749	$ 10,233,775
Taxes: Utility	10,947,056	9,402,825	8,821,394	7,951,212	7,259,809	6,877,517	6,789,197	6,714,869	6,434,213	6,050,100
Taxes: Franchise	5,894,010	5,192,249	5,367,262	4,491,592	3,734,923	3,356,485	3,508,260	3,403,431	3,305,112	3,385,734
Taxes: Fuel	2,569,623	2,448,105	2,399,551	2,253,960	2,191,325	1,998,095	2,029,500	1,929,720	1,834,549	1,762,196
State Shared: Sales Tax	4,262,107	4,223,119	4,263,656	3,967,798	3,427,130	2,841,455	2,779,282	2,573,786	2,367,136	2,289,491
State Shared: Municipal	2,779,111	2,649,292	2,661,794	2,381,829	1,382,975	1,111,606	1,172,897	1,082,745	1,016,784	936,602
State Shared: Other	1,833,441	1,673,850	1,550,025	1,202,948	1,524,877	1,396,100	1,930,675	1,339,122	1,271,176	1,215,171
Unrestricted Investment Earnings	5,816,638	7,510,051	4,971,231	717,572	127,393	503,831	1,264,406	612,858	349,143	119,220
Gain on Sale of Capital Assets	87,815	72,931	62,714	-	-	-	11,969	37,445	85,335	87,966
Miscellaneous	2,246,932	1,688,441	3,193,912	397,157	459,708	443,427	470,344	534,139	293,386	601,469
Transfers	6,148,410	5,465,786	5,578,408	7,249,803	6,123,195	9,610,729	7,607,719	7,680,835	6,579,442	12,011,641
Sub-Total Governmental Activities	75,295,635	69,603,191	64,426,944	52,122,826	45,118,889	46,480,537	44,384,799	38,681,438	35,045,025	38,693,365
Business Type Activities										
Unrestricted Investment Earnings	3,857,657	4,178,497	3,636,526	649,583	311,408	840,264	1,529,515	1,067,666	570,670	250,619
Gain on Sale of Capital Assets	(82,395)	96,000	170,853	41,918	23,306	3,225,106	26,893	37,440	-	6,019,318
Miscellaneous	389,392	650,433	1,041,235	-	-	-	-	140,600	-	-
Transfers	(6,148,410)	(5,465,786)	(5,578,408)	(7,249,803)	(6,123,195)	(9,610,729)	(7,607,719)	(7,680,835)	(6,579,442)	(12,011,641)
Sub-Total Business Activities	(1,983,756)	(540,856)	(729,794)	(6,558,302)	(5,788,481)	(5,545,359)	(6,051,311)	(6,435,129)	(6,008,772)	(5,741,704)
Total Primary Government	$ 73,311,879	$ 69,062,335	$ 63,697,150	$ 45,564,524	$ 39,330,408	$ 40,935,178	$ 38,333,488	$ 32,246,309	$ 29,036,253	$ 32,951,661
INCREASE (DECREASE) IN NET POSITION										
Governmental Activities	$ 18,674,637	$ 32,913,125	$ 21,791,581	$ 22,939,918	$ 9,337,827	$ 11,248,818	$ 24,680,858	$ 8,739,158	$ 6,919,523	$ 7,429,449
Business Type Activities	42,093,226	23,193,113	22,465,283	13,279,886	8,717,651	14,648,721	10,152,629	10,052,719	9,783,625	3,603,937
Total Primary Government	$ 60,767,863	$ 56,106,238	$ 44,256,864	$ 36,219,804	$ 18,055,478	$ 25,897,539	$ 34,833,487	$ 18,791,877	$ 16,703,148	$ 11,033,386

CITY OF WINTER HAVEN
TABLE 3
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Fiscal Year	Property Taxes *	Sales Taxes	Franchise Taxes	Motor Fuel Taxes	Municipal Revenue Sharing	Utility Taxes	Other Taxes	Total
2016	$ 10,233,775	$ 2,289,491	$ 3,385,734	$ 1,762,196	$ 936,602	$ 6,050,100	$ 1,215,171	$ 25,873,069
2017	11,508,749	2,367,136	3,305,112	1,834,549	1,016,784	6,434,213	1,271,176	27,737,719
2018	12,772,488	2,573,786	3,403,431	1,929,720	1,082,745	6,714,869	1,339,122	29,816,161
2019	16,820,550	2,779,282	3,508,260	2,029,500	1,172,897	6,789,197	1,930,675	35,030,361
2020	18,341,292	2,841,455	3,356,485	1,998,095	1,111,606	6,877,517	1,396,100	35,922,550
2021	19,887,554	3,427,130	3,734,923	2,191,325	1,382,975	7,259,809	1,524,877	39,408,593
2022	21,508,955	3,967,798	4,491,592	2,253,960	2,381,829	7,951,212	1,202,948	43,758,294
2023	25,556,997	4,263,656	5,367,262	2,399,551	2,661,794	8,821,394	1,550,025	50,620,679
2024	29,276,542	4,223,119	5,192,249	2,448,105	2,649,292	9,402,825	1,673,850	54,865,982
2025	32,710,492	4,262,107	5,894,010	2,569,623	2,779,111	10,947,056	1,833,441	60,995,840

* Property Taxes include Ad Valorem tax proceeds received from the County for the City's CRA Districts (Downtown and Florence Villa)

CITY OF WINTER HAVEN
TABLE 4
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
General Fund	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Nonspendable	$ 9,694,446	$ 9,913,919	$ 1,993,713	$ 1,655,022	$ 1,596,364	$ 1,739,402	$ 2,148,072	$ 1,888,799	$ 1,859,389	$ 1,858,826
Restricted	217,001	216,233	215,365	214,644	214,523	210,285	209,429	207,496	207,323	205,640
Assigned	118,585	105,180	99,556	94,885	100,801	72,381	68,054	25,666	25,183	23,751
Unassigned	26,185,520	23,788,487	26,554,264	22,581,371	17,483,087	14,788,404	12,594,889	12,870,923	10,453,368	8,486,848
Subtotal General Fund	$ 36,215,552	$ 34,023,819	$ 28,862,898	$ 24,545,922	$ 19,394,775	$ 16,810,472	$ 15,020,444	$ 14,992,884	$ 12,545,263	$ 10,575,065
All Other Governmental Funds										
Nonspendable	$ 39,811	$ 58,044	$ 148,716	$ 54,652	$ 63,295	$ 154,503	$ 74,224	$ 107,726	$ 95,131	$ 102,188
Restricted	42,889,578	38,403,027	29,662,632	24,128,153	1,783,167	15,181,290	11,791,458	6,294,133	4,735,537	3,589,298
Committed	2,141,862	1,970,927	1,981,785	2,202,110	704,349	607,620	494,565	500,862	414,011	349,764
Assigned	29,971,012	66,131,225	49,433,089	41,121,377	13,014,365	12,569,938	16,678,688	7,552,634	18,920,228	10,984,367
Unassigned	(58,519)	-	(648,675)	(47,904)	(14,480)	(498,086)	(365,336)	(306,783)	(864,361)	(863,897)
Subtotal All Other Governmental Funds	74,983,744	106,563,223	80,577,547	67,458,388	15,550,696	28,015,265	28,673,599	14,148,572	23,300,546	14,161,720
Total Fund Balance	$ 111,199,296	$ 140,587,042	$ 109,440,445	$ 92,004,310	$ 34,945,471	$ 44,825,737	$ 43,694,043	$ 29,141,456	$ 35,845,809	$ 24,736,785

CITY OF WINTER HAVEN
TABLE 5
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
REVENUES										
Taxes	$ 53,741,209	$ 47,765,421	$ 43,473,772	$ 37,126,290	$ 33,900,121	$ 31,378,631	$ 29,928,462	$ 25,594,991	$ 23,822,659	$ 22,101,031
Licenses and Permits	7,419,758	6,155,350	9,557,875	233,385	261,094	241,126	196,399	220,086	260,496	243,150
Intergovernmental	13,644,927	27,414,092	12,740,091	21,449,558	10,811,867	8,572,270	9,308,255	9,093,018	7,161,660	6,644,191
Charges for Services	5,815,529	5,597,572	6,617,358	11,420,367	10,646,623	9,371,866	8,456,255	7,890,897	7,024,915	5,966,953
Fines and Forfeitures	527,516	246,699	321,286	214,188	357,670	429,314	317,373	327,074	321,480	384,320
Rents	1,759,285	1,682,208	1,592,741	1,517,030	1,406,765	1,156,265	1,101,015	1,134,734	1,054,939	1,069,563
Investment Income	5,406,467	7,060,228	4,690,908	671,807	117,233	448,173	1,158,233	533,693	309,953	98,546
Contributions	-	-	-	15,232	22,222	21,846	10,883	7,718	248	3,443
Insurance Proceeds	-	-	-	-		-	-	-	-	-
Miscellaneous	1,403,264	1,045,263	1,401,284	1,054,437	888,793	992,965	735,370	937,161	700,835	1,086,432
Total Revenues	89,717,955	96,966,833	80,395,315	73,702,294	58,412,388	52,612,456	51,212,245	45,739,372	40,657,185	37,597,629
EXPENDITURES										
Current										
General Government	11,069,757	9,892,878	9,814,527	7,822,512	7,644,058	7,208,554	6,754,965	6,494,528	7,496,910	7,848,300
Public Safety	32,646,700	27,286,691	25,873,502	23,094,317	22,092,109	21,554,089	20,798,574	21,660,084	20,077,109	21,117,034
Transportation	10,184,353	11,285,612	12,131,247	10,595,302	8,171,434	6,664,174	5,752,081	7,435,633	4,686,015	4,322,726
Economic Environment	3,812,929	3,876,342	3,268,927	2,129,281	1,860,166	1,426,091	975,746	845,182	801,939	755,579
Human Services	2,454,378	1,595,930	1,486,060	605,401	921,723	905,186	1,296,342	787,687	723,938	698,321
Culture and Recreation	11,956,701	10,745,081	9,638,625	7,992,738	7,717,104	7,610,247	7,043,748	7,151,773	6,841,385	6,971,999
Subtotal Current	72,124,818	64,682,534	62,212,888	52,239,551	48,406,594	45,368,341	42,621,456	44,374,887	40,627,296	41,713,959
Debt Service										
Principal	4,682,667	3,772,220	3,549,757	2,861,364	3,641,625	3,055,000	2,015,000	1,805,000	1,580,000	1,430,000
Interest	2,719,805	1,918,346	1,787,195	1,473,946	1,380,285	1,414,331	1,097,313	757,419	709,779	798,495
Other Debt Service	550	282,436	1,142	248,343	48,664	41,597	550	550	140,629	550
Subtotal Debt Service	7,403,022	5,973,002	5,338,094	4,583,653	5,070,574	4,510,928	3,112,863	2,562,969	2,430,408	2,229,045
Capital Projects	47,185,941	27,347,041	2,432,403	6,038,783	5,221,314	11,626,745	22,737,013	12,906,201	1,287,001	3,239,540
Total Expenditures	126,713,781	98,002,577	69,983,385	62,861,987	58,698,482	61,506,014	68,471,332	59,844,057	44,344,705	47,182,544
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,995,826)	(1,035,744)	10,411,930	10,840,307	(286,094)	(8,893,558)	(17,259,087)	(14,104,685)	(3,687,520)	(9,584,915)

Continued

CITY OF WINTER HAVEN
TABLE 5
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Other Financing Sources (Uses)										
Sale of Assets	$ -	$ -	$ -	$ 10,087	$ 23,285	$ 44,123	$ 25,955	$ 242,445	$ 84,656	$ 83,153
Transfers in	29,510,516	62,335,622	27,426,672	42,862,014	25,824,741	30,154,356	27,166,798	16,884,361	16,412,988	20,566,985
Transfers out	(23,306,806)	(56,533,053)	(21,306,036)	(35,948,211)	(19,708,346)	(20,173,227)	(20,281,079)	(9,726,474)	(9,114,259)	(8,699,144)
Issuance of Debt	-	-	-	23,247,642	-	-	24,900,000	-	7,535,000	-
Issuance of Refunding Bonds	-	24,235,000	-	-	10,055,000	-	-	-	5,570,000	-
Issuance Premium	-	2,056,444	-	-	-	-	-	-	-	-
Issuance of Leases and SBITAs	1,404,370	88,328	903,569	-	-	-	-	-	-	-
Payments to Refunded Bond Escrow Agent	-	-	-	-	(9,878,375)	-	-	-	(5,691,841)	-
Total Other Financing Sources (Uses)	7,608,080	32,182,341	7,024,205	30,171,532	6,316,305	10,025,252	31,811,674	7,400,332	14,796,544	11,950,994
Net Change in Fund Balance	$ (29,387,746)	$ 31,146,597	$ 17,436,135	$ 41,011,839	$ 6,030,211	$ 1,131,694	$ 14,552,587	$ (6,704,353)	$ 11,109,024	$ 2,366,079
Debt Service as % of Noncapital Expenditures	10.0%	9.0%	9.2%	9.3%	9.8%	9.8%	7.5%	6.1%	5.7%	5.4%

CITY OF WINTER HAVEN
TABLE 6
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Fiscal Year	Real Property	Assessed Value Personal Property	Centrally Assessed Property	Less: Tax Exempt Property	Taxable Assessed Valuation	Total Direct Tax	Estimated Actual Taxable Value
2016	2,144,565,792	309,321,654	10,473,300	741,075,963	1,723,284,783	5.790	1,723,284,783
2017	2,332,021,779	356,176,075	10,576,196	774,995,115	1,923,778,935	5.790	1,923,778,935
2018	2,546,345,759	380,868,003	10,450,270	817,745,867	2,119,918,165	5.790	2,119,918,165
2019	2,842,990,385	387,118,105	11,207,402	869,810,131	2,371,505,761	6.790	2,371,505,761
2020	3,081,865,632	382,257,505	11,164,336	886,582,002	2,588,705,471	6.790	2,588,705,471
2021	3,366,683,827	409,740,176	11,354,545	961,467,512	2,826,311,036	6.790	2,826,311,036
2022	3,637,052,513	447,023,470	12,876,071	1,037,530,860	3,059,421,194	6.790	3,059,421,194
2023	4,238,010,634	580,567,107	14,800,488	1,116,185,122	3,717,193,107	6.590	3,717,193,107
2024	4,835,382,172	621,288,467	13,073,383	1,200,194,804	4,269,549,218	6.590	4,269,549,218
2025	5,388,245,894	626,076,972	13,019,872	1,279,063,870	4,748,278,868	6.590	4,748,278,868

Source: Polk County Property Appraiser Form 403
Note: Property in the County is reassessed annually. The County assesses property at approximately 85-90 percent of market value.

CITY OF WINTER HAVEN
TABLE 7
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Fiscal Year	General Government	Total Direct Rate	Polk County	School Board	Lake Region Management	SWFMD
2016	5.790	5.790	6.7815	7.149	0.4715	0.3488
2017	5.790	5.790	6.7815	6.797	0.4512	0.3317
2018	5.790	5.790	6.7815	6.514	0.4214	0.3131
2019	6.790	6.790	7.1565	6.251	0.4214	0.2955
2020	6.790	6.790	7.1565	6.086	0.4214	0.2801
2021	6.790	6.790	6.8990	5.935	0.4100	0.2669
2022	6.790	6.790	6.8990	5.829	0.4100	0.2535
2023	6.590	6.590	6.6920	5.519	0.4100	0.2260
2024	6.590	6.590	6.6852	5.408	0.3691	0.2043
2025	6.590	6.590	6.6348	5.296	0.3486	0.1909

Note: The City of Winter Haven has no overlapping tax rates due to there being no leveraging of property taxes by other governmental entities.

Source: Polk County Property Appraiser.

CITY OF WINTER HAVEN
TABLE 8
PRINCIPAL TAXPAYERS

	2024			2016		
Taxpayer	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Florida Can Manufacturing LLC	$ 134,489,398	1	2.83%			
Legoland/Merlin Entertainment	97,711,693	2	2.06%	$ 72,133,009	1	
WHIPS 1 QOZB LLC	81,658,017	3				
Wal-Mart Stores, Inc.	80,077,575	4	1.69%	51,702,718	2	2.67%
Carlton Arms	56,462,049	5				
Tampa Electric	48,913,189	6	1.03%	33,360,714	3	1.72%
Coca Cola	32,610,811	7				
350 24th Street FL LLC	32,371,403	8	0.68%			
SFFL001 Owner	30,707,098	9	0.65%			
Spring Haven Senior Living	26,613,392	10	0.56%			
Carlton Arms of Winter Haven LLP				30,846,650	4	1.59%
Tractor REO Winter Haven LLC				28,542,256	5	1.48%
Landmark Investments Inc				22,162,322	6	1.15%
CCH Ltd. Partnerships				14,978,166	7	0.77%
Frontier				12,591,388	8	0.65%
Colonial Station LLC				12,347,780	9	0.64%
				12,285,401	10	0.63%
Subtotal	621,614,625		13.09%	290,950,404		15.04%
All Other Taxpayers	4,126,664,243		86.91%	1,644,018,827		84.96%
Total	$ 4,748,278,868		100.00%	$ 1,934,969,231		100.00%

Source: Property Appraiser Form 403 and 2015 Annual Comprehensive Financial Report (Table 8)

CITY OF WINTER HAVEN
TABLE 9
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy for Fiscal Year		Collections Within Fiscal Year of Levy	Percent of Levy Collected	Collections in Subsequent Years	City Collections Only
2016	9,995,487	**	9,609,535	96.14%	27,294	9,636,829
2017	11,175,917	**	10,753,112	96.22%	28,159	10,781,271
2018	12,216,629	**	11,821,959	96.77%	33,273	11,855,232
2019	16,102,524	**	14,489,784	96.90%	43,885	14,533,669
2020	17,577,310	**	17,018,826	96.82%	43,422	17,062,248
2021	19,232,123	**	17,120,519	96.35%	31,574	17,152,093
2022	20,773,470	**	18,623,985	96.54%	1,413	18,625,398
2023	23,250,065	**	20,945,775	90.09%	939,473	21,885,248
2024	25,968,315	**	24,410,957	94.00%	548,002	24,958,959
2025	28,801,777	**	27,793,400	96.50%	555,157	28,348,557

* * Total Collections **do not include** County Ad Valorem payments to City's CRA Districts (Downtown and Florence Villa)

CITY OF WINTER HAVEN
TABLE 10
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

	Government Activities			Business Type Activities					
Fiscal Year	Public Improvement Rev Bonds	Sales Tax Revenue Bonds	Other Loans and Leases [2]	Water/Sewer Revenue Bonds	State Revolving Fund Loans	Other Loans and Leases [2]	Total Primary Government	Percentage of Personal Income	Per Capita
2016	20,365,499	3,985,000	-	53,083,141	-	-	77,433,640	8.1%	1,959
2017	26,678,360	3,350,000	-	51,081,397	-	-	81,109,757	8.0%	1,971
2018	25,486,803	2,705,000	-	49,116,653	-	-	77,308,456	5.3%	1,805
2019	49,000,246	2,045,000	-	47,053,709	62,000	-	98,160,955	5.2%	2,189
2020	46,583,689	1,375,000	-	44,916,165	898,079	-	93,772,933	5.2%	2,189
2021	43,767,132	695,000	-	42,804,421	850,969	-	88,117,522	6.7%	1,724
2022	64,735,310	-	297,325	40,667,677	11,109,422	167,581	116,977,315	7.8%	2,190
2023	61,306,994	-	2,061,645	38,466,068	13,488,290	176,042	115,499,039	7.2%	2,100
2024	83,975,124		1,274,781	36,189,189	19,122,418	273,320	140,834,832	8.1%	2,431
2025	79,548,990		2,370,655	33,837,445	18,959,277	135,336	134,851,703	7.2%	2,217

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) See schedule of Demographic and Economic statistics (Table 14) for personal income and population data.

CITY OF WINTER HAVEN
TABLE 11
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

Governmental unit	Debt Outstanding	Estimated % Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes: Polk County School Board	$ 263,583,049	6.5812%	$ 16,555,558
Overlapping debt	263,583,049		16,555,558
City of Winter Haven direct debt	81,919,644		81,919,644
Total direct and overlapping debt	$ 345,502,693		$ 98,475,202

Note: Polk County has no debt outstanding funded by property taxes

Note: Overlapping governments are those that coincide at least in part, with the geographic boundaries of the city. This schedule estimates the portioning of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Winter Haven. This process recognizes that, when considering the governments' ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the school board's taxable assessed value that is within the City's boundaries and dividing it by the City's total taxable assessed value.

CITY OF WINTER HAVEN
TABLE 12
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years

Fiscal Year	A Gross W/S Fund Revenue	B Less: Operating Expenses	A-B Net Revenues	Bond Service Requirements	W/S System Development Charges	Debt Svc Coverage Test 1	Required Debt Svc Coverage Test 1	Debt Svc Coverage Test 2	Required Debt Svc Coverage Test 2
2016	32,575,899	19,249,338	13,326,561	1,819,029	790,282	733%	115%	776%	120%
2017	29,840,767	14,307,126	15,533,641	3,466,238	1,377,917	448%	115%	488%	120%
2018	30,000,937	15,809,782	14,191,155	3,554,438	1,391,495	399%	115%	438%	120%
2019	31,070,586	16,167,286	14,903,300	3,597,776	1,347,569	414%	115%	452%	120%
2020	33,433,006	20,218,327	13,214,679	3,743,595	1,704,966	353%	115%	399%	120%
2021	33,598,636	22,616,050	10,982,586	3,647,162	1,605,083	301%	115%	345%	120%
2022	34,151,083	24,490,190	9,660,893	3,612,968	3,102,685	287%	115%	373%	120%
2023	43,339,036	25,453,584	17,885,452	4,245,328	3,879,300	421%	115%	513%	120%
2024	43,162,636	31,992,007	11,170,629	3,675,278	3,605,328	304%	115%	402%	120%
2025	49,317,065	34,952,810	14,364,255	4,259,543	3,515,230	337%	115%	420%	120%

1.) Gross revenues includes all income and earnings, including connection fees but does not include proceeds from the sale of the system, contributions in aid of construction or water and sewer system development fees.

2.) Operating expenses include all costs of operating the system but does not include depreciation expense, bond amortization, renewal and replacement reserve payments, the annual bond service requirement or transfers to other funds.

3.) Bond service requirement is the amount required to be deposited in the bond service fund during each bond year (Oct 1). The amount is reduced by the amount to be transferred from the construction fund to pay interest.

4.) Allowable water and sewer development charges based on water and sewer expansion percentage provision of the bond resolution, 18.65% water development charges, 36.7% wastewater development charges.

5.) Net revenues divided by bond service requirements.

6.) Test 2 is net revenues plus legally available water and sewer system development charges divided by the bond service requirements.

CITY OF WINTER HAVEN
TABLE 13
WATER AND SEWER CONSUMPTION
Last Ten Fiscal Years

	Water Sold By Type of Customer (by millions of gallons)									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Type of Customer										
Residential	2,356.1	2,554.5	2,463.8	2,247.5	2,193.2	2,174.4	1,974.7	2,007.4	2,041.0	1,656.2
Commercial	1,124.5	1,116.0	1,111.7	1,046.7	1,046.6	1,026.8	1,073.4	1,090.7	1,048.0	891.5
Municipal	101.4	120.9	122.1	134.2	137.1	128.0	110.9	95.6	131.0	119.2
Total	3,582.0	3,791.4	3,697.6	3,428.4	3,376.9	3,329.2	3,159.0	3,193.7	3,220.0	2,666.9

Source: Utility Department Consumption Journals

Water and Sewer Rates

	Water		Sewer	
Year	Monthly Base Rate	Rate per 1,000 Gallons	Monthly Base Rate	Rate per 1,000 Gal
2016	6.15	1.81	8.69	4.32
2017	6.31	2.10	8.91	4.92
2018	6.31	2.10	8.91	4.92
2019	6.31	2.10	8.91	4.92
2020	6.31	2.10	8.91	4.92
2021	6.31	2.10	8.91	4.92
2022	6.46	2.15	9.13	5.26
2023	6.62	2.20	9.35	5.39
2024	6.78	2.25	9.58	5.52
2025	7.11	2.35	11.06	6.37

Notes: The rates are inside city residential rates and are based on a 3/4" meter which is the standard household meter size
The authority charges via a tiered rate schedule for above normal demand usage. Above charges do not include municipal tax.
Source: Utility Department

CITY OF WINTER HAVEN
TABLE 14
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population	Per Capita Personal Income	Personal Income	Unemployment Rate	Average Annual Population Growth
2016	39,524	24,200	956,480,800	6.4%	3.8%
2017	41,143	24,500	1,008,003,500	5.6%	4.1%
2018	42,828	34,213	1,465,274,364	4.3%	4.1%
2019	44,815	42,019	1,883,081,485	3.3%	4.6%
2020	47,044	24,864	1,169,702,016	7.5%	5.0%
2021	51,126	25,753	1,316,647,878	4.1%	8.7%
2022	53,331	28,207	1,504,307,517	3.4%	4.3%
2023	55,764	28,967	1,615,315,788	3.8%	4.6%
2024	57,923	30,101	1,743,540,223	4.8%	3.9%
2025	60,837	30,632	1,863,558,984	5.5%	5.0%

Source: City of Winter Haven Economic Opportunity & Community Investment Department

CITY OF WINTER HAVEN
TABLE 15
PRINCIPAL EMPLOYERS
Current Year

	2025			2016		
Employer	Employees	Rank	% of Total County Employment	Employees	Rank	% of Total County Employment
Publix Super Markets	16,537	1	7.12%	10,249	1	4.59%
Polk County School Board	13,500	2	5.81%	6,210	3	2.78%
Lakeland Regional Health	8,279	3	3.56%	4,499	4	2.02%
Wal-Mart	5,523	4	2.38%	6,238	2	2.80%
Amazon	5,500	5	2.37%			
Bay Care	3,402	6	1.46%			
Geico	2,941	7	1.27%	2,139	7	0.96%
Polk County	2,426	8	1.04%	2,359	6	1.06%
City of Lakeland	2,297	9	0.99%	1,943	9	0.87%
Winter Haven Hospital	2,130	10	0.92%	2,567	5	1.15%
Watson Clinic				1,600	10	0.72%
MOSAIC				1,993	8	0.89%
Total	62,535		26.92%	39,797		17.83%
Average annual employment	232,278			223,169		

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The above statistics are the principal employers of Polk County, Florida, of which Winter Haven is a primary city.
Data for the City is not available nor accumulated at this time.
Source: Central Florida Development Council January 2026
2016 Data - 2016 Comprehensive Annual Financial Report, Table 15
Average Annual Employment, 2023 US Census Bureau QuickFacts

CITY OF WINTER HAVEN
TABLE 16
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General government	91.00	83.00	79.82	73.40	55.90	67.60	58.00	57.50	65.75	57.03
Public safety										
Police	120.30	119.30	118.30	118.30	118.30	117.30	116.00	115.00	111.00	111.00
Fire	86.70	86.70	85.70	81.70	81.70	71.70	72.00	72.00	72.00	72.00
Building/Safe Neighborhoods	21.50	18.50	17.50	15.50	16.50	12.50	12.50	12.50	12.50	12.75
Transportation	27.80	26.80	24.35	23.30	19.80	12.60	11.30	15.30	11.50	13.50
Economic development	10.00	10.00	10.00	8.00	5.10	5.30	5.30	5.00	4.05	4.50
Human services	8.00	8.50	7.00	6.00	6.00	5.00	7.50	5.30	4.00	5.10
Culture and recreation										
Parks and recreation	95.98	85.54	83.04	75.33	74.45	62.55	61.55	57.55	55.55	55.65
Library	20.15	15.65	15.65	15.65	14.15	14.15	14.15	14.15	14.15	14.12
Willowbrook Golf	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Solid waste system	46.10	43.80	41.90	39.90	39.40	33.40	30.80	30.80	32.80	25.60
Utility system	129.50	125.25	120.25	120.00	118.00	106.00	104.00	105.00	104.00	92.00
Stormwater utility	13.70	13.70	13.90	14.20	13.70	11.90	10.90	10.90	6.70	6.75
Total	670.73	636.74	617.41	591.28	563.00	520.00	504.00	501.00	494.00	470.00

Note: Number of positions based on budgeted FTEs

CITY OF WINTER HAVEN
TABLE 17
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Function	2025	2024	2023	2022	2021	2020
Public safety						
Police-physical arrests	1,720	2,202	2,033	1,562	1,248	1,013
Police-traffic violations	3,198	2,118	2,084	2,725	1,024	1,632
Fire-number of calls answered	15,378	10,980	10,844	10,483	10,213	9,104
Fire-number of fire inspections	2,252	1,984	2,907	2,526	2,246	2,009
Building permits issued	4,322	3,949	5,010	3,931	3,928	3,431
Transportation						
Street resurfacing in miles	36.00	7.36	4.03	3.50	4.50	0.00
Airport-landings and take offs	94,112	78,322	54,000	80,000	80,000	78,000
Airport-tenants	172	174	175	175	162	209
Leisure services						
Summer program participants	343	293	293	245	209	444
Swimming pool admissions	14,590	19,662	21,030	19,257	15,353	5,610
Library visitations	472,959	441,668	419,627	375,910	307,611	342,178
Human services						
Cemetery lot sales	118	112	129	183	222	183
Sanitation						
Tons of refuse disposed of	36,722	42,313	42,096	42,084	42,120	38,045
Solid waste accounts	22,699	21,989	21,060	20,210	20,458	19,518
Utility water/sewer						
Water accounts	43,882	42,853	40,453	40,149	40,649	39,077
Wastewater accounts	28,375	27,806	26,277	25,858	25,947	24,934
Gallons of water billed in (millions)	3,582	3,485	3,693	3,428	3,376	3,329
Consumption per customer (gallons)	81,628	83,616	91,285	97,585	83,076	85,195
Rainfall (inches)	43.36	44.80	46.75	70.11	48.02	49.42
Willowbrook golf course						
Rounds played	23,159	33,201	34,581	35,213	29,294	34,079

Source: Benchmark Statistics

2019	2018	2017	2016
1,487	2,341	1,837	1,895
3,962	4,955	5,333	6,181
8,820	8,273	8,192	7,344
2,372	2,139	1,969	2,282
3,072	3,551	2,408	2,989
0.00	1.80	0.00	1.73
78,500	77,998	79,450	77,998
177	177	177	176
1,246	1,527	1,592	1,414
14,650	16,979	19,905	21,408
537,099	570,032	554,506	618,191
114	141	161	132
35,186	36,038	34,937	31,761
18,606	17,900	16,397	14,864
37,969	36,783	35,691	34,424
24,023	23,150	22,404	21,513
3,159	3,194	3,240	2,868
83,192	86,826	90,779	83,325
50.61	54.86	47.70	52.86
32,671	30,681	35,165	33,416

CITY OF WINTER HAVEN
TABLE 18
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

Function	2025	2024	2023	2022	2021	2020
General government						
Number of buildings	159	157	158	158	158	157
Square footage of building space	867,000	806,954	833,000	833,000	833,000	830,000
Public safety						
Fire stations	4	4	4	4	5	3
Marked police vehicles	73	69	70	71	116	72
Transportation						
City lane miles	354.922	346.86	339.74	338.34	327.54	327.54
Traffic signals heads/Pedestrian signal	370/294	378/298	378/298	378/298	378/298	378/298
Street lights High Mast/Decorative	734/579	734/569	734/569	691/484	691/484	691/484
Commercial airport	1	1	1	1	1	1
Airport Hangars	29	29	30	30	28	30
Airport T-hangars	135	135	135	135	135	125
Economic environment						
Acres of land within city limits	26,612	26,598	26,964	26,933	26,244	26,209
Culture & recreation						
Parks	46	46	46	46	46	46
Parks acreage	655	655	655	655	655	655
Recreation centers	5	5	5	5	5	5
Activity fields	25	25	27	27	27	27
Playgrounds	15	15	15	15	15	15
Libraries	1	1	1	1	1	1
Tennis courts	9	9	9	9	9	9
Enterprise funds						
Utility system						
Water treatment plants	9	9	9	9	9	9
Fire hydrants	2,722	2,629	2,555	2,345	2,345	2,332
Wastewater treatment plants	2	2	2	2	2	2
Lift stations	239	234	230	224	218	213
Water main miles	574	564	553	541	535	529
Sanitary sewer miles	400	387	401	385	375	356
Reclaimed main miles	73	66	60	50	38	38
Solid waste system						
Number of collection vehicles	44	47	47	44	35	35
Stormwater						
Waterway acreage	5,242	5,242	5,242	5,242	5,242	5,242
Golf Courses						
Willowbrook golf course	1	1	1	1	1	1
Golf course acreage	126.54	126.54	126.54	126.54	126.54	126.54

* Not reported/tracked

2019	2018	2017	2016
157	157	157	157
814,453	804,453	804,453	804,453
3	3	3	3
72	72	60	81
324.4	324.4	313.76	313.76
378/298	378/298	378/298	378/298
691/484	691/484	691/484	691/484
1	1	1	1
30	30	30	30
125	125	125	125
26,290	26,203	25,937	26,050
46	46	46	46
655	655	655	655
5	5	5	5
27	27	24	24
15	15	14	14
1	1	1	1
9	9	11	11
9	9	9	11
2,306	2,187	2,254	2,232
2	2	2	2
208	208	195	193
524	518	509	509
341	338	329	328
32	31	27	24
24	24	22	21
5,242	5,242	5,242	5,242
1	1	1	1
126.54	126.54	126.54	126.54

CITY OF WINTER HAVEN
TABLE 19
MISCELLANEOUS STATISTICS

Date of incorporation:	November 1923
Form of government:	Mayor/commissioners-four commissioners and mayor City manager: appointed
Location:	North Central Polk County, Central Florida
Area:	41.58 square miles
Topography:	Flat to gently rolling
Climate:	Subtropical
Average rainfall	50 inches
Number of lakes:	30
Area of lakes	7.88 square miles (18.8% of city area)
Water supply source:	Florida Aquifer
Water district:	Southwest Florida Water Management District
Standard metropolitan statistical area:	Lakeland/Winter Haven
Industry/commerce	Logistics and Distribution, Tourism, Software and Information Technology, Medical, Business and Professional Services, Agribusiness
Area attractions:	Legoland Florida Bok Tower Historical Gardens

WINTER HAVEN
THE CHAIN OF LAKES CITY

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OTHER REPORTS

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2025

Federal / State Agency Federal Program / State Project	Assistance Listing # / CSFA #	Grant Identification Number	Award Amount	Expenditures	Passed Through to Subrecipients
Federal Awards					
U.S. Department of Housing and Urban Development:					
Community Development Block Grant	14.228	MT019	179,375	-	
Passed through FDEO:					
Community Development Block Grant	14.228	IO161	778,000	-	
Community Development Block Grant	14.228	MT018	500,000	161,566	
			1,457,375	161,566	-
Total U.S. Department of Housing and Urban Development			1,457,375	161,566	-
U.S. Department of Justice:					
Bulletproof Vests Partnership Program	16.607	1121-0235	4,975	916	
Bulletproof Vests Partnership Program	16.607	1121-0235	4,913	3,064	
			9,888	3,980	-
Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-23-GG-02972-MUMU	16,545	16,545	
			16,545	16,545	-
Total U.S. Department of Justice			26,434	20,525	-
U.S. Department of Transportation:					
Airport Improvement Program	20.106	3-12-0088-038-2023	3,878,741	424,081	
Airport Improvement Program	20.106	3-12-0088-039-2025	623,725	24,821	
Total U.S. Department fo Transportation			4,502,466	448,902	-
U. S. Federal Highway Administration					
Passed through Florida Department of Transportation					
Highway Planning and Construction	20.205	FM 435109-1-58 / G2M31	1,519,343	1,062,821	
State and Community Highway Traffic Safety Program	20.600	SC-2025-00299 / G3902	40,000	36,095	
Total U.S. Federal Highway Administration			1,559,343	1,098,915	-
U.S. Department of Homeland Security:					
Passed through Florida Department of Emergency Management					
Public Assistance - Hurricane Ian	97.036	Z3069 / DR-4673-FL	456,269	456,269	-
Public Assistance - Hurricane Ian	97.036	Z1958 / DR-4486-FL	62,491	62,491	-
			518,760	518,760	-
SAFER Grant	97.083	EMW-2021-FF-02168	2,193,948	209,425	-
Total U.S. Department of Homeland Security			2,712,708	728,185	-
Total Expenditures of Federal Awards			**$ 10,258,326**	**$ 2,458,092**	**$ -**

CITY OF WINTER HAVEN, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2025

Federal / State Agency Federal Program / State Project	Assistance Listing # / CSFA #	Grant Identification Number	Award Amount	Expenditures	Passed Through to Subrecipients
State Financial Assistance					
Executive Office of the Governor					
Public Assistance - Hurricane Ian	31.066	PA-B3-07-63-01-240	$ 3,462	$ 3,462	$ -
Total Executive Office of the Governor			3,462	3,462	-
Florida Department of Environmental Protection:					
Florida Recreation Development Assistance Program	37.017	A23001	200,000	200,000	
Florida Recreation Development Assistance Program	37.017	A23002	200,000	200,000	
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0442	1,500,000		-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0212	2,375,000		
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0440	450,000	-	
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0441	250,000	250,000	
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0443	910,000	-	
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0444	198,014	-	
			5,683,014	250,000	-
Capitalization Grants for State Revolving Fund	37.077	WW531300	2,648,805	-	
Capitalization Grants for State Revolving Fund	37.077	WW531302	22,454,050	3,065,743	
Capitalization Grants for State Revolving Fund	37.077	DW531340	1,004,400		
Capitalization Grants for State Revolving Fund	37.077	WW531350	500,000		
			26,607,255	3,065,743	-
The Local Trail Managbement Grant	37.118	TG014	200,000	200,000	
Total Florida Department of Environmental Protection			32,690,269	3,915,743	-
Florida Department of Economic Opportunity:					-
Total Florida Department of Economic Opportunity			-	-	-
Florida Housing Finance Corporation:					
State Housing Initiative Partnership	40.901	2021/2022	311,606	-	-
State Housing Initiative Partnership	40.901	2022/2023	489,968	-	-
State Housing Initiative Partnership	40.901	2023/2024	626,236	-	-
State Housing Initiative Partnership	40.901	2024/2025	422,345	1,267,358	140,800
Total Florida Housing Finance Corporation			1,850,155	1,267,358	140,800
Florida Department of Transportation:					
Joint Participation Agreement - Aviation Development	55.004	452131-2-94-01 / G2H30	1,230,000	560,900	-
Joint Participation Agreement - Aviation Development	55.004	450763-1-94-01 / G2857	219,679	18,308	-
Joint Participation Agreement - Aviation Development	55.004	450763-1-94-01 / G2857	306,152	21,041	-
Joint Participation Agreement - Aviation Development	55.004	449746-1-94-01 / G2522	541,274	21,072	
Joint Participation Agreement - Aviation Development	55.004	451944-1-94-001 / G3982	200,000	29,790	
Joint Participation Agreement - Aviation Development	55.004	453788-1-94-01 / G2W26	292,000	31,345	
Joint Participation Agreement - Aviation Development	55.004	451943-1-91-01 / G3639	1,475,200	29,298	
Joint Participation Agreement - Aviation Development	55.004	453789-1-94-01 / G3B00	29,600	1,806	
Total Florida Department of Transportation			4,293,905	713,561	-
Florida Department of Financial Services					
Fish and Wildlife Conservation Commission	77.068	23236	250,000	250,000	
Total Expenditures of State Awards			**$ 44,970,805**	**$ 6,150,124**	**$ 140,800**

FEDERAL EXPENDITURES AND STATE FINANCIAL ASSISTANCE SEPTEMBER 30, 2025

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the federal and state grant activity of the City of Winter Haven (City) under programs of the federal government and state of Florida for the year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and Chapter 69I-5, Rules of the Florida Department of Financial Services. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City. The City did not receive noncash assistance during the year.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for awards and financial assistance recorded in governmental funds and the accrual basis of accounting for awards and financial assistance recorded in the proprietary funds, which are described in Note 1 to the City's basic financial statements. Such expenditures are recognized following, as applicable, either the cost principles in Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services wherein certain types of expenditures are not allowable or are limited as to reimbursement, with the exception of CFDA 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. The City has not elected to use the 15% de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 CONTINGENCIES

Grant monies received and disbursed 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 upon prior experience, the City does not believe that such disallowances, if any would have a material effect on the financial position of the City. As of March 20, 2026, there were no material questioned or disallowed costs as a result of grant audits in process or completed.

MAULDIN & JENKINS
CPAs & ADVISORS

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

Honorable Mayor and Members
of the City Commission
City of Winter Haven, 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 Winter Haven, Florida (the "City"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 27, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

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Report on Compliance and Other Matters

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

Purpose of this Report

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

Mauldin & Jenkins, LLC

Bradenton, Florida
March 27, 2026

MAULDIN & JENKINS
CPAs & ADVISORS

Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General

Honorable Mayor and Members
of the City Commission
City of Winter Haven, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project
We have audited the City of Winter Haven, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the *Department of Financial Services' State Projects Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2025. The City's major federal programs and state financial assistance 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, 2025.

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 and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

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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 and state programs.

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. 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 and 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 on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program 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.

Mauldin & Jenkins, LLC

Bradenton, Florida
March 27, 2026

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting: Material weaknesses identified?	____ yes __X__ no
Significant deficiencies identified not considered to be material weaknesses?	____ yes __X__ none reported
Noncompliance material to financial statements noted?	____ yes __X__ no

Federal Programs and State Financial Assistance Projects

Internal control over major federal programs: Material weaknesses identified?	____ yes __X__ no
Significant deficiencies identified not considered to be material weaknesses?	____ yes __X__ none reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.550, Rules of the Auditor General?	____ yes __X__ no

Identification of major federal programs:

AL Number	Name of Federal Program or Cluster
20.205	U.S. Federal Highway Administration – Highway Planning and Construction

Identification of major state financial assistance:

CSFA Number	Name of State Program
37.077	Florida Department of Environmental Protection – Capitalization Grants for State Revolving Fund
40.901	State Housing Initiatives Partnership Program (SHIP)

Dollar threshold used to distinguish between Type A and Type B federal and state programs:	$1,000,000 and $750,000
Auditee qualified as low-risk auditee?	____ yes __X__ no

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None noted.

SECTION III
FEDERAL/STATE AWARDS FINDINGS AND QUESTIONED COSTS

None noted.

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

None reported.

MAULDIN & JENKINS
CPAs & ADVISORS

Independent Auditor's Management Letter

Honorable Mayor and Members
of the City Commission
City of Winter Haven, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Winter Haven, Florida (the "City"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 27, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal 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 March 27, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

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Financial Condition and Management

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

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

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

Property Assessed Clean Energy (PACE) Programs

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

Special District Component Units

Section 10.554(1)(i)5.c, Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have 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 Mayor and Members of the City Commission, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Bradenton, Florida
March 27, 2026

MAULDIN & JENKINS
CPAs & ADVISORS

Independent Accountant's Report

To the Honorable Mayor, and
Members of the City Commission
City of Winter Haven, Florida

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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 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 aforementioned requirements for the year ended September 30, 2025.

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.

Mauldin & Jenkins, LLC

Bradenton, Florida
March 27, 2026

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COMMUNITY REDEVELOPMENT AGENCY
OF THE CITY OF WINTER HAVEN
(A Component Unit of the City of Winter Haven, Florida)

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025

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COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF WINTER HAVEN
(A Component Unit of the City of Winter Haven, Florida)
FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

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FINANCIAL SECTION

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MAULDIN & JENKINS
CPAs & ADVISORS

Independent Auditor's Report

Board of Directors
Community Redevelopment Agency of the City of Winter Haven
Winter Haven, Florida

Report on the Audit of the Financial Statements

Opinions
We have audited the financial statements of the governmental activities and major fund (the "General Fund") of the Community Redevelopment Agency of the City of Winter Haven (the "CRA"), a component unit of the City of Winter Haven, Florida, as of and for the year ended September 30, 2025, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and major fund (the "General Fund") of the CRA, as of September 30, 2025, and the respective changes in financial position and budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, 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 Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 on pages 4 through 9 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the combining balance sheet – General Fund and the combining statement of revenues, expenditures, and changes in fund balance – General Fund, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2026, 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, 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.

Mauldin & Jenkins, LLC

Bradenton, Florida
April 15, 2026

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COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF WINTER HAVEN
(A Component Unit of the City of Winter Haven, Florida)
FOR THE YEAR ENDED SEPTEMBER 30, 2025
MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Community Redevelopment Agency of the City of Winter Haven, Florida (the "CRA"), we offer the readers of the CRA's basic financial statements this narrative overview and analysis of the financial activities of the CRA for the year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with the CRA's financial statements.

The Community Redevelopment Agency of the City of Winter Haven, established in 2000, fosters and promotes community redevelopment activities in two designated districts: Downtown and Florence Villa. The CRA is a "special district" under Florida Statute. Activities of the CRA are detailed in redevelopment plans customized for each district and include:

- Infrastructure Improvements
- Streetscaping or Beautification
- Affordable Housing
- Recreation and Park Facility Improvements
- Economic Development
- Transportation
- Neighborhood Enhancement

The CRA is operated by a Board of Directors, including the five current City Commissioners and two City residents. The Board receives input from two advisory committees, one for each district.

The CRA is primarily funded through Tax Increment Financing (TIF), a process of capturing property tax revenues that would normally go to Polk County and the City. TIF funds are deposited into a Redevelopment Trust Fund that can then be spent on specific projects or used to leverage additional financing for larger projects.

Financial Highlights

- The assets of the CRA exceeds its liabilities as of September 30, 2025 by $5,845,045 (Net Position).
- The CRA's total assets as of September 30, 2025 were $6,047,796.
- The CRA's total revenue was $5,216,494 consisting primarily of CRA Incremental Tax Revenue.
- The CRA's total expenses came to $3,519,186.
- The increase in net position was $1,697,308.

Overview of 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: government-wide financial statements, fund financial statements, and 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 CRA's finances using the accrual basis of accounting. The CRA's government-wide financial statements include the following:

- Statement of Net Position – reports the CRA's assets, liabilities, and net position at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- Statement of Activities – reports the results of activity over the course of the fiscal year. It details the costs associated with operating the CRA and how those costs were funded. It also provides an explanation of the change in net position from the previous fiscal year-end to the current fiscal year-end.
- The basic financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.
- The analysis of net position, revenue, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting. Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned or incurred regardless of when cash is received or paid.

Our analysis presents the CRA's net position, which can be thought of as the difference between what the CRA owns (assets) and what the CRA owes (liabilities). The net position analysis will allow the reader to measure the health or financial position of the CRA. The CRA's net position consists of restricted net position that can only be spent for specific purposes because of constraints imposed by external sources (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Over time, significant changes to the CRA's net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any CRA, the reader must also consider other nonfinancial factors such as fluctuations in the local economy and fluctuations in fuel prices.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CRA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The CRA is accounted for as a governmental fund.

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.

The CRA adopts an annual appropriated budget. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

Notes to the Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

The table below presents a summary of net position as of September 30, 2025 and 2024 derived from the government-wide statement of net position:

Statement of Net Position

	2025	2024	Change
Assets			
Current and other assets	$ 6,047,796	$ 4,195,282	$ 1,852,514
Liabilities			
Current and other liabilities	178,967	46,263	132,704
Long-term liabilities	23,784	1,282	22,502
Total liabilities	202,751	47,545	155,206
Net position			
Restricted	5,845,045	4,147,737	1,697,308
Total net position	$ 5,845,045	$ 4,147,737	$ 1,697,308

Assets increased $1,852,514 from the prior year, while liabilities increased by $155,206 from the prior year. There was an increase in net position of $1,697,308 in the current year.

The table below presents a summary of changes in net position for the years ended September 30, 2025 and 2024 as derived from the government-wide statement of activities:

Statement of Activities

	2025	2024	Change
Revenues			
Taxes	$ 4,923,935	$ 4,317,583	$ 606,352
Intergovernmental	-	1,995	(1,995)
Investment income	288,359	243,793	44,566
Rents	4,200	7,800	(3,600)
Gain on sale of assets	-	1,000	(1,000)
Total revenues	5,216,494	4,572,171	644,323
Expenses			
Economic environment	3,519,186	3,919,816	(400,630)
Total expenses	3,519,186	3,919,816	(400,630)
Change in net position	1,697,308	652,355	1,044,953
Beginning net position	4,147,737	3,495,382	652,355
Ending net position	$ 5,845,045	$ 4,147,737	$ 1,697,308

In fiscal year 2025, total revenue was $5,216,494, while total expenses were $3,519,186. This resulted in a positive change in net position of $1,697,308.

The taxable value of property located within the two CRA Districts increased $66,744,031 in fiscal year 2025 resulting in Ad Valorem proceeds increasing $606,352 over the previous year. Intergovernmental revenues in the previous year included funding from the GiveWell Community Foundation for beautification projects. In fiscal year 2025, $6,425 was recorded as deferred revenue, as the related expenses were not yet incurred. Investment income increased by $44,566 over the prior year.

Expenses decreased $400,630 in fiscal year 2025 due largely to decreased expenses for contributions toward the City of Winter Haven's (the "City") capital projects, and other expenses. A comparison of expenses by category is as follows:

	2025	2024	Change
Contributions to the City's capital projects	$ 641,116	$ 1,769,651	$ (1,128,535)
Economic development	429,242	365,829	63,413
Contributions to the City's debt service	972,504	973,199	(695)
Other	1,477,606	816,613	660,993
Total expenses	$ 3,520,468	$ 3,925,292	$ (404,824)

Governmental Fund Financial Analysis

General Fund

The General Fund reported ending fund balance of $5,868,830, an increase of $1,719,812 over the prior year. The fund balance consists of $2,527 in nonspendable for prepaid items, and the remaining $5,866,303 is restricted for community redevelopment. The changes in General Fund activity are discussed in the government-wide analysis above.

Recent projects and grants include the following:

Downtown CRA District

Economic Development		
RainDance	$	193,004
Fourth Street Quad Plex		642
Ave F SW, LLC		1,910
750 Ave C SW, LLC		22,981
First Street North (Bond Clinic)		34,640
Six/Tne, LLC		184
1150 WHG LLC		113,129
Retail Strategies, LLC		27,500
Hakim Rasheed		12,579
MPH Hotels		79,892
Total	$	486,461
Capital Expenditures		
Underground Utility Lines	$	365,460
Solar Light S Parking Garage		60,388
Lake Maude - Weather Alert System		12,405
Total	$	438,253
Grants		
Façade/Sidewalk Grants	$	321,845

General Fund Budgetary Highlights

The General Fund budget to actual statement is presented in the basic financial statements. The schedule shows the original adopted budget, the final budget, actual results, and the positive or negative variance between the final budget and actual results. After the original budget is approved, it may be amended for various reasons such as unanticipated revenues, unforeseen expenditures, or new grant awards. There were no amendments to the budget in the current year.

- The actual net change in the fund balance of the General Fund compared to the final budget was a positive variance of $5,124,268.
- General Fund revenues were $154,391 more than the final budgeted amount.
- Actual expenditures in the General Fund were $4,969,877 less than the final budget. Significant variances are due to other projects that were budgeted but did not occur or were not completed in the current year.

Long-Term Liabilities

Long-term liabilities. As of year-end, the CRA had $23,784 in long-term liabilities for compensated absences. Additional information can be found in Note 3 Long-Term Liabilities.

Economic Factors and Next Year's Budget and Rates

The Community Redevelopment Agency of the City of Winter Haven, Florida (CRA) is reported as a blended component unit of the City of Winter Haven. Its annual budget was approved on September 23, 2025. The following factors were considered in preparing the CRA's budget for the 2025 fiscal year:

- The City of Winter Haven is the 78th largest city in Florida, and the second largest city (17 cities total) in Polk County.
- The City of Winter Haven is currently growing at a rate of 3.65% and its population has increased by 27.00% since 2020.
- Property values are forecast to increase by 12.63% in fiscal year 2025.

Requests for Information

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest. Questions concerning any of the information provided on this report or requests for additional information should be addressed as follows:

Colleen (CJ) Scott, CPA, CGFO, CPM Finance Director
Community Redevelopment Agency of the City of Winter Haven, Florida
551 Third St NW
Winter Haven, Florida 33881

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF WINTER HAVEN
(A Component Unit of the City of Winter Haven, Florida)

STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Governmental Activities
ASSETS	
Cash and investments	$ 6,044,817
Accounts receivable, net	452
Prepaid items	2,527
Total assets	6,047,796
LIABILITIES	
Current liabilities	
Accounts payable	163,392
Accrued liabilities	9,150
Unearned revenue	6,425
Noncurrent liabilities	
Due within one year	23,784
Total liabilities	202,751
NET POSITION	
Restricted	5,845,045
Total net position	$ 5,845,045

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

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF WINTER HAVEN
(A Component Unit of the City of Winter Haven, Florida)

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Functions/programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental activities				
Economic environment	$ 3,519,186	$ -	$ -	$ (3,519,186)
Total governmental activities	$ 3,519,186	$ -	$ -	(3,519,186)
General revenues				
Property taxes				4,923,935
Unrestricted investment earnings				288,359
Other				4,200
Total general revenues				5,216,494
Change in net position				1,697,308
Net position, beginning				4,147,737
Net position, ending				$ 5,845,045

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

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF WINTER HAVEN
(A Component Unit of the City of Winter Haven, Florida)

BALANCE SHEET − GENERAL FUND
SEPTEMBER 30, 2025

ASSETS		
Cash	$	6,044,817
Accounts receivable		452
Prepaid items		2,527
Total assets	$	6,047,796
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$	163,392
Accrued liabilities		9,150
Unearned revenue		6,425
Total liabilities		178,967
Fund balance		
Nonspendable:		
Prepaids		2,527
Restricted for:		
Community redevelopment		5,866,302
Total fund balance		5,868,829
Total liabilities and fund balance	$	6,047,796

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

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF WINTER HAVEN
(A Component Unit of the City of Winter Haven, Florida)
RECONCILIATION OF THE BALANCE SHEET − GENERAL FUND
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Total fund balance, General Fund	$	5,868,829
Amounts reported for the governmental activities in the statement of net position are different because:		
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the General Fund.		
Compensated absences		(23,784)
Total net position, governmental activities	$	5,845,045

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

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF WINTER HAVEN
(A Component Unit of the City of Winter Haven, Florida)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE − GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Revenues	
Taxes	$ 4,923,935
Rents	4,200
Investment earnings	288,359
Total revenues	5,216,494
Expenditures	
Current	
Economic environment:	
Downtown CRA	2,837,589
Florence Villa CRA	659,095
Total expenditures	3,496,684
Change in fund balances	1,719,810
Fund balances, beginning	4,149,019
Fund balances, ending	$ 5,868,829

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF WINTER HAVEN
(A Component Unit of the City of Winter Haven, Florida)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – GENERAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balance, General Fund		$ 1,719,810
Long-term liabilities are not due and payable in the current period and therefore are not reported in the General Fund.		
Net change in compensated absences	$ (22,502)	
		(22,502)
Change in net position of governmental activities		$ 1,697,308

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

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF WINTER HAVEN
(A Component Unit of the City of Winter Haven, Florida)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL − GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual Amount	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	$ 4,982,903	$ 4,982,903	$ 4,923,935	$ (58,968)
Rents	4,200	4,200	4,200	-
Investment earnings	75,000	75,000	288,359	213,359
Total revenues	5,062,103	5,062,103	5,216,494	154,391
Expenditures				
Current				
Economic environment:				
Downtown CRA:				
Personnel expenditures	155,058	155,058	112,307	42,751
Operating expenditures	748,978	678,800	562,768	116,032
Capital projects	2,087,775	2,117,272	435,547	1,681,725
Economic development	450,000	835,397	429,242	406,155
Payments to the city General Fund	972,504	972,504	972,504	-
Payments to the city dark fiber fund	27,650	27,650	27,650	-
Other	571,519	571,519	297,571	273,948
Florence Villa CRA:				
Personnel expenditures	134,909	134,909	92,167	42,742
Operating expenditures	325,831	427,281	124,104	303,177
Capital projects	2,045,397	1,945,397	69,624	1,875,773
Payments to the city construction fund	-	100,000	100,000	-
Payments to the city dark fiber fund	8,295	8,295	8,295	-
Other	536,057	492,479	264,905	227,574
Total expenditures	8,063,973	8,466,561	3,496,684	4,969,877
Excess (deficiency) of revenues over (under) expenditures	(3,001,870)	(3,404,458)	1,719,810	5,124,268
Change in fund balances	(3,001,870)	(3,404,458)	1,719,810	5,124,268
Fund balances, beginning	4,149,019	4,149,019	4,149,019	-
Fund balances, ending	$ 1,147,149	$ 744,561	$ 5,868,829	$ 5,124,268

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NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Community Redevelopment Agency of the City of Winter Haven, Florida (the "CRA"), a component unit of the City of Winter Haven (the "City"), was established by City Resolution No. R-00-7 on March 13, 2000, as authorized by Chapter 163, Florida Statutes, to grow and develop the City of Winter Haven. Its mission is to prevent and eliminate slum and blighted conditions within the community and to foster and promote community redevelopment activities in two designated areas: Downtown and Florence Villa. The CRA is governed by a Board of seven members, including the five current City of Winter Haven City Commissioners and two City residents. Management of the City has operational responsibility for the CRA. The CRA is considered to be a blended component unit in the City's Annual Comprehensive Financial Report.

As required by accounting principles generally accepted in the United States of America, these financial statements present the CRA and component units for which the CRA is financially accountable. The application of these criteria provides for identification of any entities for which the CRA is financially accountable and other organizations that the nature and significance of their relationship with the CRA are such that exclusion would cause the CRA's basic financial statements to be misleading or incomplete. Based on the application of these criteria, the CRA has determined that there are no component units.

Basis of Presentation

The accounts of the CRA are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Currently, the CRA has only one fund, the General Fund. The General Fund is a major fund and is the operating fund of the CRA. It is used to account for all financial resources and expenditures.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on activities of the CRA. The CRA reports only governmental activities; it does not have any business-type activities.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues consist of charges for services, grants and contributions that are restricted to meeting an operational or capital requirement of a particular function. Payments received from taxes, insurance proceeds and other items not properly included as program revenues are reported as general revenues.

Separate financial information is provided for the governmental fund.

Measurement Focus and Basis of Accounting

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. 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 CRA 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.

Budgets and Budgetary Data

The following are the procedures in establishing the budget:

The CRA's executive director prepares the annual fiscal operating budget. The proposed budget is then presented to the CRA's Board of Directors for changes and final approval. Once adopted, the budget serves as legal authorization for expenditures.

Formal budgetary integration is employed as a management control device during the year for all governmental fund types. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). The level of budgetary control for the CRA's revenues and expenditures is at set at the fund level of the CRA's respective districts, Downtown and Florence Villa. All appropriations lapse at the close of the fiscal year.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Incremental Property Tax Revenue

The CRA's primary source of revenue is tax-increment funding. This revenue is computed by applying the respective tax rates for the City and Polk County (the "County") multiplied by the increased value of property tax located within the boundaries of the redevelopment areas of the CRA in excess of the base property value.

The tax levy is established prior to October 1 of each year and the Polk County Property Appraiser incorporates the millages established by the City and County into the total tax levy. All property is reassessed according to its fair value on January 1 of each year. All taxes are due and payable on November 1 (levy date) of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without discount.

Delinquent taxes on real property bear interest of up to 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaids are expensed during the periods benefited.

Compensated Absences

The CRA records the portion of accumulated unused compensated absences, more likely than not, to be used or paid out based on each employee's accumulated unused hours and rate of pay, plus certain salary-related fringe benefits. All accumulated unused compensated absences are accrued when incurred in the government-wide financial statements. A liability for these amounts is normally reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Fund Balances

Governmental fund equity is classified as fund balance. The following classifications describe the relative strength of the spending constraints:

Nonspendable – Amounts that are: (a) not in spendable form, or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and generally long-term items such as advances to other funds or amounts that are required to be maintained intact (corpus of a permanent fund).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances (Continued)

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

Committed – Amounts that can be used only for specific purposes determined by a formal action (ordinance) of the Board, the CRA's highest level of decision making authority. Commitments may be changed or lifted only by the Board taking the same formal action (ordinance) that imposed the constraints originally. Resources accumulated pursuant to stabilization arrangements are reported in this category only if they are specific and nonrecurring.

Assigned – Amounts intended to be used by the CRA for specific purposes. According to the CRA's fund balance policy, this includes spendable fund balance amounts established by the Board or CRA management that are neither restricted nor committed. The CRA's fund balance policy does not describe the specific action required to assign fund balance.

Unassigned – Includes the residual classification for the General Fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the CRA considers restricted to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the CRA considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

The CRA's fund balance is restricted for community redevelopment.

Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the CRA or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the Unites States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. DEPOSITS AND INVESTMENTS

Cash and cash equivalents as of September 30, 2025 consisted of:

Deposits	$ 120,863
Investments	5,923,954
Total	$ 6,044,817

Custodial Credit Risk is defined as the risk that, in the event of failure of the counterparty, the CRA will not be able to recover the value of its deposits and securities that are in the possession of an outside party. Bank balances of the CRA's deposits at September 30, 2025 were $120,863.

All balances in excess of the Federal Deposit Insurance Corporation (FDIC) for demand and time deposits are fully collateralized pursuant to Chapter 280, Florida Statutes. The City's investment policy requires that the deposit be entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss. Other than the preceding, the CRA has no policy on custodial credit risk.

The CRA invests funds throughout the year with Florida PRIME, an investment pool administered by the State Board of Administration, under the regulatory oversight of the state of Florida. Investments in Florida PRIME are made pursuant to Chapter 125.31, Florida Statutes. The investments are not categorized because they are not evidenced by securities that exist in physical or book entry form.

Throughout the year and as of September 30, 2025, Florida PRIME contained certain floating and adjustable rate securities. These investments represented 18.2% of Florida PRIME's portfolio at September 30, 2025.

Florida PRIME meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost, as a cash equivalent. The dollar weighted average days to maturity (WAM) of Florida PRIME as of September 30, 2025 was 47 days. Next interest rate reset dates for floating securities are used in the calculation of the WAM. The weighted average life (WAL) of the Florida PRIME at September 30, 2025 was 73 days. Investments in Florida PRIME must carry an "AAAm" rating from Standard and Poor's. On September 30, 2025, Standard and Poor's Ratings Services assigned the Florida PRIME an "AAAm" principal stability funding rating.

NOTE 2. DEPOSITS AND INVESTMENTS (CONTINUED)

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made. As of September 30, 2025, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

NOTE 3. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities for the year ended September 30, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated absences	$ 1,282	$ 22,502	* $ -	$ 23,784	$ 23,784
Total governmental activities long-term liabilities	$ 1,282	$ 22,502	$ -	$ 23,784	$ 23,784

* Changes for are presented net, in accordance with GASB 101.

NOTE 4. RISK MANAGEMENT

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. To protect against this risk the CRA has purchased commercial insurance policies. The CRA is liable for deductibles on certain coverage. Insurance settlements have not exceeded insurance coverage in any of the three prior fiscal years.

NOTE 5. TAX ABATEMENTS

The CRA determined that it is desirable to facilitate redevelopment opportunities within the Florence Villa and Downtown Community Redevelopment Areas of the City through tax increment rebatement and other incentives. The development incentives are consistent with the Community Redevelopment Plans for the two CRA areas and are in compliance with Florida State Statutes 163, Part III and 163.370(1)(d), Resolution R-00-19. A Summary description of the incentives available is as follows:

Real Estate Development Accelerator (REDA) – This incentive targets large-scale development projects that enhance the economic diversity of the Florence Villa Community Redevelopment and/or Downtown Community Redevelopment Areas and are anticipated to increase, by $5 million or more, the ad valorem Taxable Value within the Florence Villa Community Redevelopment and/or Downtown Community Redevelopment Areas. This incentive can be utilized in the form of a land purchase price mark-down, tax increment financing rebates or similar types of assistance. Each project is negotiated on an individual basis.

Real Estate Development Accelerator II (REDA II) – This incentive is for large-scale development projects that enhance the economic diversity of the Florence Villa and/or Downtown Community Redevelopment Areas and are anticipated to increase the ad valorem Taxable Value of the subject site by $15 million or more. This incentive can be utilized in the form of land mark-down, infrastructure improvements, tax increment financing rebates or similar types of assistance. Each project is negotiated on an individual basis.

Housing Investment Program (HIP) – This incentive targets developers of new housing units, renovations of existing housing units that increase the taxable value of the project by at least 100%, and for sale/for rent residential projects investing at least $2 million dollars. Projects could qualify for a $10,000 per unit incentive for market-rate housing. Developers are given the choice of A or B below, plus the option of the Smart City Bonus:

A. Reimbursement not to exceed $10,000 per units from the project's actual tax increment; or

B. Reimbursement of up to 80% of the project's actual tax increment for years 1-5 and reimbursement of 70% of the project's actual tax increment for years 6-15; and Smart City Bonus: Both A. and B. above could also receive $1,500 per unit grant upon completion of construction when the project includes three or more approved Smart City technologies as provided by the Smart City Advisory Committee or City Staff.

Facade and Exterior Improvement Program (for Developers) – A reimbursement program which provides reimbursement of up to 50% of the cost of facade improvements. The maximum reimbursement is $25,000.

NOTE 5. TAX ABATEMENTS (CONTINUED)

Commercial Redevelopment – Redevelopment of existing commercial buildings within the Downtown Community Redevelopment and/or Florence Villa Community Redevelopment Areas that will increase the ad valorem taxable value by at least 100%. A factor in qualifying for this incentive is the degree to which the project retains authentic character and appearance deemed desirable. Qualifying projects may be eligible for a rebate of 50% of the tax increment created by the renovation for up to ten years.

Capital Improvement Grant Program – Annual reimbursement of tax increment revenue, up to 50% of the previous year annual "interest only" portion on the principal amount of a loan obtained for rehabilitation or renovation of a project located in the Downtown Community Redevelopment and/or Florence Villa Community Redevelopment Areas. Amortized points, fees and closing costs are not reimbursable. Loans from participating lenders would be based on the lower of the prime rate or actual loan interest rate. The maximum reimbursement is based on the annual amount of tax increment revenue actually received by the City and/or CRA from the project.

At the conclusion of fiscal year 2025, the following economic incentive agreements were outstanding:

1. Physician's Partnership

A December 9, 2013 development agreement with Physician's Partnership for the development of a 11,440 square foot medical office building located in the Downtown CRA District. Physicians Partnership annually received 100% of the County's tax increment paid on this structure. The payments were scheduled to continue until $239,107 had been amortized. The CRA has made payments totaling $175,673.76 over the life of the Developer's Agreement. However, the property was sold in 2024 and an assignment of the Developer's Agreement has not been executed. Therefore, payment was not made in fiscal year 2024/2025. Should the City receive evidence of an assignment of the Developer's Agreement, and should the CRA Board and City Commission approve and accept the assignment, payments may resume.

2. First Street North LLC

Pursuant to a Development Agreement approved by the CRA Board and City Commission in March 2017 rebated 60% of the annual tax increment actually received by the City for up to a period of ten years. The incentive was approved for the construction of a Bond Clinic medical facility on First Street North. The CRA made incentive payments totaling $34,972.35 in fiscal year 2024/2025. However, the property was sold in June of 2025 and an assignment of the Developer's Agreement has not been executed. Therefore, future payments will cease unless the City receives evidence of an assignment of the Developer's Agreement, and the CRA Board and City Commission approve and accept the assignment. Should they do so, payments may resume.

NOTE 5. TAX ABATEMENTS (CONTINUED)

3. Six-Ten Development Agreement

The Six-Ten Corporation planned to build 128 market rate apartments in four downtown locations with an investment of $21 million. Six-Ten received a tax rebate of up to $5,000 per unit. Only 20 units have been constructed pursuant to this agreement. The CRA made payments totaling $100,000 for the constructed 20 units. There was no payment by the CRA in fiscal year 2024/2025. The developer does not plan to construct the remaining 108 units allowable by the agreement. Therefore, final payment has been made for the 20 units developed. No further payments are anticipated.

4. Dundee Self Storage LLC

Pursuant to a Development Agreement approved in October 2017, Dundee Self- Storage is eligible for a rebate of 50% of the actual cost of façade improvements at 335 Magnolia Avenue, up to $15,000. The annual rebate will continue for ten years, or for as long as the CRA exists, and shall not exceed 100% of the actual annual tax increment revenue generated from the improvements. This agreement was approved by the City Commission in October 2017. The CRA made payments of $631.99 in fiscal year 2024/2025.

5. Central South, LLC

Pursuant to a Redevelopment Grant Agreement approved in June, 2020 Central South, LLC is eligible for a rebate of 50% of the actual cost of façade improvements at 150 3rd Street SW, up to $15,000. The annual rebate will continue for ten years, or for as long as the CRA exists, and shall not exceed 100% of the actual annual tax increment revenue generated from the improvements. The CRA did not make a payment in fiscal year 2024/2025, as the property did not generate a tax increment.

6. RainDance Development Agreement

Pursuant to a Developer's Agreement approved by the CRA Board and City Commission in December, 2020, RainDance, LLC is eligible for 60% of the actual annual tax increment received by the City and $5,000 per unit tax increment rebate until September 30, 2030. Raindance, LLC has constructed 105 multi-family units was eligible for tax increment rebate fiscal year 2024/2025. The CRA made a payment in the amount of $193,004.03.

7. 750 Avenue C SW, LLC Development Agreement

Pursuant to a Development Agreement approved by the CRA Board and the City Commission in May 2019, 750 Avenue C SW, LLC was eligible to receive tax increment rebate incentive payments of $5,000 per unit. 750 Avenue C SW constructed 15 multifamily units in the Downtown CRA District and received annual payment from the CRA until the property was sold to BNL Champs in April of 2024. An assignment of the Developer's Agreement was approved by the CRA and City Commission. The CRA made a payment in the amount of $22,981.01 in fiscal year 2024/2025.

NOTE 5. TAX ABATEMENTS (CONTINUED)

8. Winter Haven, FL 0721 LLC

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in September 2021, Winter Haven, FL 0721 LLC is eligible to receive a rebate of 90% of the annual tax increment actually received by the City until September 30, 2030, and an additional underground utility reimbursement, not to exceed $190,000. The incentive was approved for the construction of a six-story hotel with approximately 108 rooms on five parcels within the Downtown CRA district. The CRA made a payment in the amount of $79,891.55 in fiscal year 2024/2025.

9. Ave F SW LLC

Pursuant to a Redevelopment Grant Agreement approved by the CRA Board in September, 2021 Ave F SW is eligible for a rebate of 50% of the actual façade improvements to redevelop seven multi-family units at 212 Ave F SW, up to $15,000. The annual rebate may continue for ten years, or for as long as the CRA exists, but shall not exceed 100% of the actual annual tax increment revenue generated from the improvements. The CRA made payments of $1,909.97 in the fiscal year 2024/2025. However, the property was sold to a non-profit in December, 2024. The Redevelopment Grant Agreement was assigned to the new owner, but as a non-profit, the property is exempt from ad valorem taxes and will no longer generate a tax increment. No further rebates are anticipated.

10. Six-Ten LLC

Pursuant to a Redevelopment Grant Agreement approved by the CRA Board in March, 2021 Six-Ten, LLC is eligible for a rebate of 50% of the actual façade improvements at 543 Avenue B SW, up to $15,000. The annual rebate will continue for ten years, or for as long as the CRA exists, but shall not exceed 100% of the actual tax increment revenue generated from the improvements. The CRA made no payments in fiscal year 2024/2025, as the project did not create a tax increment.

11. Six-Ten LLC

Pursuant to a Redevelopment Grant Agreement approved by the CRA Board in March, 2021 Six-Ten, LLC is eligible for a rebate of 50% of the actual façade improvements at 140 6th Street SW, up to $15,000. The annual rebate will continue for ten years, or for as long as the CRA exists, but shall not exceed 100% of the actual tax increment revenue generated from the improvements. The CRA made a payment in the amount of $183.50 in fiscal year 2024/2025.

12. Onicx Group LLC

This Developer's Agreement was approved by the CRA Board and City Commission in October 2021. This agreement is no longer in effect as certain conditions of the agreement were not met.

NOTE 5. TAX ABATEMENTS (CONTINUED)

13. PMF Lake Idyl, LLC Agreement

Pursuant to a Developer's Agreement approved by the CRA Board and City Commission in June, 2022 PMF Lake Idyl, LLC is eligible to receive an annual tax increment rebate not to exceed $10,000 per unit developed. PMF Lake Idyl, LLC plans to build 96 multi-family units at the corner of MLK Blvd. and 11th Street NE, in the Florence Villa District. The developer has not yet commenced construction of this project and therefore the CRA has made no payments.

14. Katina Campbell Agreement

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in September, 2021 Katina Campbell is eligible to receive annual tax increment rebates not to exceed $10,000 per unit for up to five units. Katina Campbell has developed six multi-family units upon two parcels within the Florence Villa Community Redevelopment Area. However, as property taxes were not yet paid, the CRA made no payment in the fiscal year 2024/2025.

15. 1150 WHG LLC Agreement

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in November, 2022, and subsequent amendments, 1150 WHG LLC eligible for tax increment rebates of up to $11,500 per unit for 238 units and utility connection fee reimbursements not to exceed $385,396.20. There are currently approximately 200 units redeveloped upon the property. The CRA made a payment in the amount of $38,370.24 in fiscal year 2024/2025.

16. Brett and Erin Cranmer Agreement

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in March, 2023 Brett and Erin Cranmer are eligible to receive tax increment rebates not to exceed $10,000 per unit for up to two units. The project is constructed and the CRA made a payment in the amount of $642.44 in fiscal year 2024/2025.

17. The Breeze Winter Haven, LLC Agreement

Pursuant to a Developer's Agreement adopted by the CRA Board and City Commission in June, 2023 the Breeze Winter Haven, LLC is eligible to receive 90% of the tax increment generated by the project for 20 years. The project was recently completed totaling 102 multi-family units. The CRA made no payment in fiscal year 2024/2025, as the project was not yet on the Polk County Tax roll.

18. FatCat, LLC (Upper Crust Pizza)

Pursuant to a Redevelopment Grant Agreement approved by the CRA Board in March, 2024 FatCat Equities, LLC is eligible for payment of 100% of the tax increment generated by the project annually to a maximum of $15,000. There was no payment made in fiscal year 2024/2025, as the project did not generate a tax increment.

NOTE 5. TAX ABATEMENTS (CONTINUED)

19. Derrick McWaters

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in January, 2025 Derrick McWaters is eligible for up to $10,000 per unit tax increment rebate for up to a maximum of 13 units. The project is partially constructed. There was no payment made in fiscal year 2024/2025.

20. The Carl Winter Haven, LLC

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in May, 2025 The Carl Winter Haven, LLC is eligible for 90% tax increment rebates for years one through ten, 75% tax increment rebates for years 11 through 15, and 65% tax increment financing for years 16 through 20. Additionally, they are eligible for a reimbursement of utility improvement work in an amount not to exceed $611,477. This project is not yet constructed and therefore received no payment in fiscal year 2024/2025.

21. Grand Central Cooperative, LLC

Pursuant to a Developer's Agreement approved by the CRA Board and the City Commission in July, 2025 Grand Central Cooperative, LLC is eligible for 60% tax increment rebates for up to 20 years, a building preservation grant not to exceed $2,000,000 that is payable in five annual payments pursuant to satisfaction of certain milestones, and a utility improvement work reimbursement in an amount not to exceed $275,000. This project is not yet constructed and therefore received no payment in fiscal year 2024/2025.

NOTE 6. CONTINGENT LIABILITIES

The CRA receives revenues from various federal grants. These grants are for specific purposes and are subject to review and audit by the grantor agencies. Such audits could result in disallowed expenditures under the terms of the grants. Based upon prior experience, CRA management believes such disallowances, if any, would be immaterial.

NOTE 7. SUBSEQUENT EVENTS

The CRA has evaluated all subsequent events through April 15, 2026 the date the financial statements were available to be issued.

OTHER INFORMATION

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COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF WINTER HAVEN
(A Component Unit of the City of Winter Haven, Florida)

COMBINING BALANCE SHEET − GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Downtown Community Redevelopment Area	Florence Villa Community Redevelopment Area	Total
ASSETS			
Cash	$ 3,136,525	$ 2,908,292	$ 6,044,817
Accounts receivable	452	-	452
Prepaid items	1,333	1,194	2,527
Total assets	3,138,310	2,909,486	6,047,796
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	27,949	135,443	163,392
Accrued liabilities	5,037	4,112	9,149
Unearned revenue	4,473	1,952	6,425
Total liabilities	37,459	141,507	178,966
Fund balance			
Nonspendable	1,333	1,194	2,527
Restricted for:			
Community redevelopment	3,099,517	2,766,785	5,866,302
Total fund balance	3,100,850	2,767,979	5,868,829
Total liabilities and fund balance	$ 3,138,309	$ 2,909,486	$ 6,047,795

COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF WINTER HAVEN
(A Component Unit of the City of Winter Haven, Florida)
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES − GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Downtown Community Redevelopment Area	Florence Villa Community Redevelopment Area	Total
REVENUES			
Property taxes	$ 3,622,283	$ 1,301,652	$ 4,923,935
Rents	4,200	-	4,200
Investment earnings	168,217	120,142	288,359
Total revenues	3,794,700	1,421,794	5,216,494
EXPENDITURES			
Current			
Economic environment:			
Personnel expenditures	112,307	92,167	204,474
Operating expenditures	562,768	124,104	686,872
Capital projects	435,547	69,624	505,171
Economic development	429,242	-	429,242
Payments to the City General Fund	972,504	-	972,504
Payments to the City construction fund	-	100,000	100,000
Payments to the City dark fiber fund	27,650	8,295	35,945
Other	297,571	264,905	562,476
Total expenditures	2,837,589	659,095	3,496,684
Net change in fund balance	957,111	762,699	1,719,810
Fund balance, beginning	2,143,739	2,005,280	4,149,019
Fund balance, ending	$ 3,100,850	$ 2,767,979	$ 5,868,829

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

OTHER REPORTS

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MAULDIN & JENKINS
CPAs & ADVISORS

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*

Board of Directors
Community Redevelopment Agency of the City of Winter Haven
Winter Haven, 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 Community Redevelopment Agency of the City of Winter Haven (the "CRA"), (a component unit of the City of Winter Haven, Florida), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated April 15, 2026.

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 entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Bradenton, Florida
April 15, 2026

MAULDIN & JENKINS
CPAs & ADVISORS

Independent Auditor's Management Letter

Board of Directors
Community Redevelopment Agency of the City of Winter Haven
Winter Haven, Florida

Report on the Financial Statements

We have audited the financial statements of the Community Redevelopment Agency of the City of Winter Haven (the "CRA"), (a component unit of the City of Winter Haven, Florida) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated April 15, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of 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 April 15, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

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. The CRA has made these disclosures in the notes to the financial statements. There are no component units.

Financial Condition and Management

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

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

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, 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 as: 2.2 people (2 at 100% and 1 at 20%).
b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the CRA's fiscal year as: Four.
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as: $149,538.
d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as: $222,003.
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 as:
    - Underground Utility Lines - $365,000
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, as: See page 16 of the financial statements.

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 CRA's geographical boundaries during the fiscal year under audit.

Additional Matters

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

Purpose of this Letter

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

Mauldin & Jenkins, LLC

Bradenton, Florida
April 15, 2026

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MAULDIN & JENKINS
CPAs & ADVISORS

Independent Accountant's Report

Board of Directors
Community Redevelopment Agency of the City of Winter Haven
Winter Haven, Florida

We have examined the Community Redevelopment Agency of the City of Winter Haven (the "CRA"), (a component unit of the City of Winter Haven, Florida) compliance with Sections 218.415, 163.387(6), and 163.387(7) Florida Statutes, during the year ended September 30, 2025. Management of the CRA is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the 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 judgement, 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 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 aforementioned requirements during the year ended September 30, 2025.

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.

Mauldin & Jenkins, LLC

Bradenton, Florida
April 15, 2026

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DATE: March 27, 2026

TO: Honorable Mayor and City Commissioners

VIA: T. Michael Stavres, City Manager
M.J. Carnevale, Deputy City Manager

FROM: Brittany Hart, Public Works Director

SUBJECT: Agreement for Transfer of Public Roads – Boys Club Road

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BACKGROUND

Boys Club Road is a two-lane county roadway that extends from Havendale Boulevard on the north to West Lake Cannon Drive NW on the south. The roadway is approximately 2,000 feet in length and lies within a right of way that varies from 50 to 60 feet in width. All adjacent properties are located within the municipal limits of the City of Winter Haven. Polk County has requested that the City assume responsibility for the roadway and associated right of way through formal acceptance of a transfer.

Boys Club Road is approximately 0.76 lane miles and is in "very good" condition according to the County's roadway inventory. The right of way includes newly constructed sidewalks along the entire western side and a portion of the eastern side, as well as drainage infrastructure that has been updated or installed within the last ten years and is in good condition with no maintenance needs identified. City staff have inspected the corridor and confirmed these conditions.

Based on the conditions described above, it is appropriate for the City of Winter Haven to accept the transfer of ownership, maintenance, and operational responsibility for this portion of Boys Club Road from Polk County.

STRATEGIC PLAN ALIGNMENT

This is a roadway transfer that is not specifically defined as a goal or strategy within the Strategic Plan. However, it is generally aligned with Infrastructure Pillar.

FINANCIAL IMPACT

There is no direct financial impact associated with this transfer. However, the city will assume responsibility for the long-term maintenance of the roadway, sidewalks, and drainage infrastructure.

The roadway will be incorporated into the City's roadway inventory, increasing the total mileage used to determine the City's share of local gas tax revenue.

RECOMMENDATION

Staff recommends the City Commission approve the transfer of Boys Club Road from Polk County to the City of Winter Haven, authorize the Mayor to execute the Agreement for Transfer of Public Roads for the roadway, and authorize the City Manager to execute any such necessary documents to facilitate the transfer Boys Club Road from Polk County to the City and take any other actions necessary thereto.

ATTACHMENT

- Agreement for Transfer of Public Roads- Boys Club Road

AGREEMENT FOR TRANSFER OF PUBLIC ROADS

between

THE CITY OF WINTER HAVEN, FLORIDA

and

POLK COUNTY, FLORIDA

FOR ALL OF BOYS CLUB ROAD FROM LAKE CANNON DRIVE WEST NORTHEASTERLY TO HAVENDALE BOULEVARD NW, IN WINTER HAVEN, FLORIDA.

This is an Agreement by and between the City of Winter Haven, a municipal corporation of the State of Florida (CITY), and Polk County, a political subdivision of the State of Florida (POLK), their respective successors and assigns.

WITNESSETH

WHEREAS, Chapter 335, Florida Statutes, Subsection 335.0415(3) authorizes the transfer of public roads between jurisdictions by mutual agreement of the affected governmental entities; and

WHEREAS, Boys Club Road is a Local Residential Road and is within the County Road System that lies within and adjacent to the corporate limits of the CITY; and

WHEREAS, CITY has requested and POLK has agreed to the transfer of all of Boys Club Road from Lake Cannon Drive West northeasterly to Havendale Boulevard NW, in order to accommodate the transfer of maintenance and operational responsibilities to CITY; and

WHEREAS, Chapter 337, Florida Statutes, Subsection 337.29(3) provides that upon such transfer, liability for torts shall be in the governmental entity having operation and maintenance responsibility for such roads; and

WHEREAS, a transfer of the ROAD is in the best interests of CITY and of POLK; and

NOW, THEREFORE, in consideration of the promises, mutual covenants, and conditions hereinafter contained, the parties agree as follows:

SECTION 1: Recitals

The above recitals are true and correct and incorporated herein.

SECTION 2: Description of public roads subject to agreement

THE ROAD as depicted on the map attached hereto and made a part hereof as Attachment "A", and more particularly described as

All of Boys Club Road from Lake Cannon Drive West northeasterly to Havendale Boulevard NW.

Including, but not limited to those parts of the rights-of-ways for Boys Club Road that lies within the above-described corridor, as dedicated, depicted, or described in the following documents: Any right-of-way dedicated by Plat Book 9, Page 7, and Plat Book 98, Page 28 and any deeded rights-of-way recorded in Official Records Book 1071, Page 213 and any other deeded rights-of-way recorded in the Public Records of Polk County, Florida that lies along the above-described corridor. All lying and being in Section 18, Township 28 South, Range 26 East, Polk County, Florida.

SECTION 3: Transfer and acceptance of roads

POLK agrees to transfer, by County Deed, the ROAD as described above, and CITY agrees to acknowledge and accept this transfer. Upon execution of this agreement both parties agree that the ROAD thus transferred will no longer be a part of the Polk County Road System, will become part of the City of Winter Haven Road System, and all jurisdiction over the ROAD and the responsibility for operation and maintenance of the ROAD and associated infrastructure will be with CITY.

SECTION 4: Liability for torts

As provided in Sections 335.0415 and 337.29, Florida Statutes, upon transfer of the ROAD from POLK to CITY, liability for torts shall be in the CITY, subject to the limitations of liability set forth in Section 768.28, Florida Statutes, and any other applicable sovereign immunity defense and /or defenses available under application Florida law.

Nothing contained in this Agreement shall be deemed a waiver, expressed or implied, of the City's or County's sovereign immunity or an increase in the limits of liability contained in Section 768.28, Florida Statutes, regardless of whether any such obligations are based in tort, contract, statute, strict liability, negligence, product liability or otherwise.

SECTION 5: Costs of transfer of public roads

COUNTY will record the Agreement and County Deed. Any and all costs associated with this transfer of public roads shall be borne by CITY.

SECTION 6: Amendments

No modification, amendment, or alterations of the terms or conditions contained herein shall be effective unless contained in the written document executed by the parties hereto with the same formality, and of equal dignity herewith.

SECTION 7: Severability

In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability shall not effect the remainder of the Agreement which shall remain in full force and effect and enforceable in accordance with its terms.

SECTION 8: Term

This Agreement is effective upon approval of the parties respective Governing Bodies and execution by both parties set out below.

IN WITNESS WHEREOF, the City of Winter Haven has made and executed this Agreement on the date shown below, through its City Commission, signing by and through its Mayor, as authorized to execute the same by City Commission action on the _____ day of _____, 2026.

ATTEST:

By: _____
Vanessa Castillo, MMC City Clerk

CITY OF WINTER HAVEN

By: _____
William Brian Yates, Mayor

This ____ day of _____, 2026

Reviewed as to form and legality

_____
City Attorney Date

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IN WITNESS WHEREOF, Polk County has made and executed this Agreement on the date shown below, through its Board of County Commissioners, signing by and through its Chairman, authorized to execute the same by Board action on the _____ day of _____, 2026.

ATTEST:
Stacy M. Butterfield, Clerk

POLK COUNTY
Board of County Commissioners

By:_____
Deputy Clerk

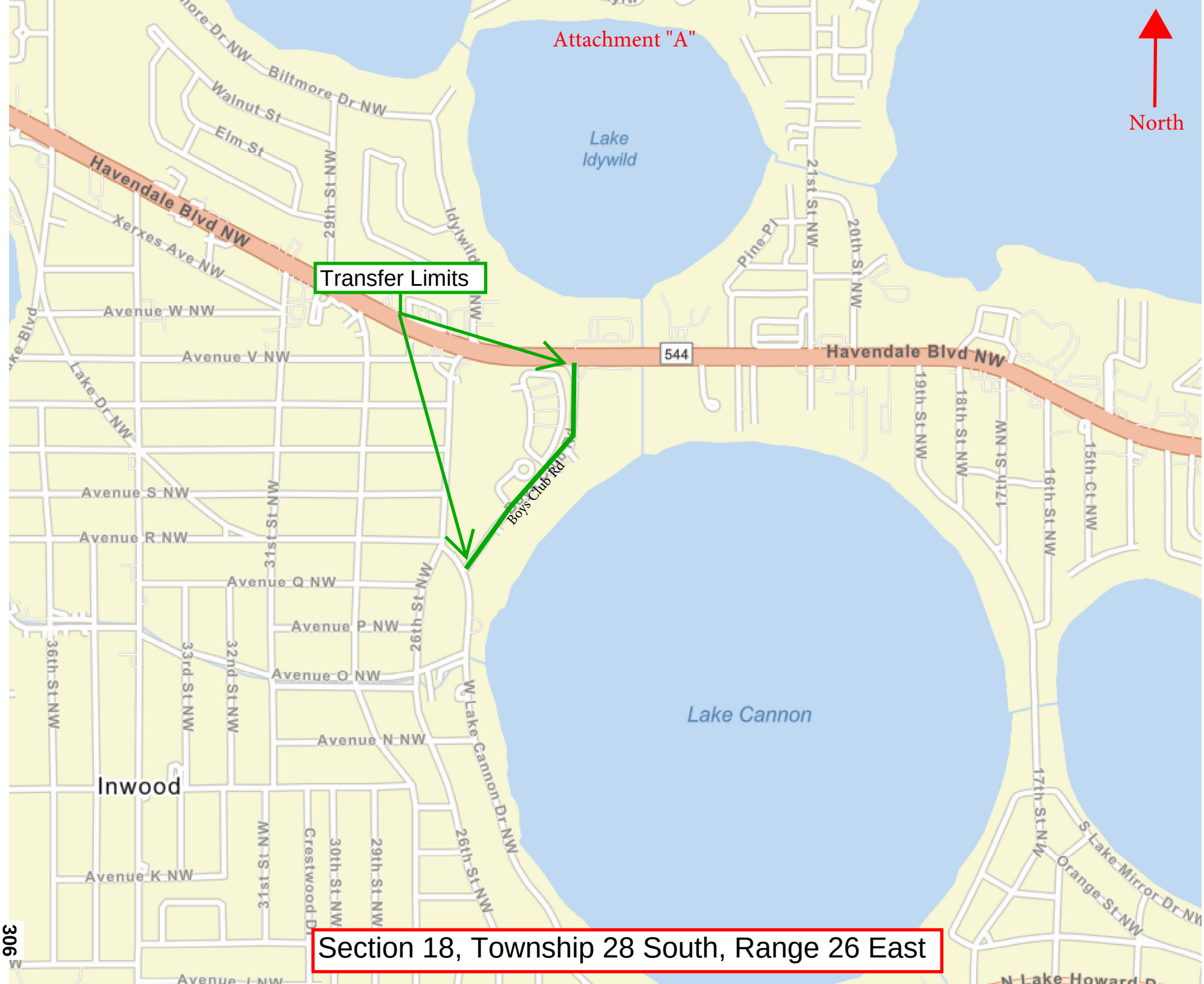
_____
Martha Santiago, Ed.D., Chair

This _____ day of _____, 2026

Reviewed as to form and legality

_____
County Attorney's Office

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Section 18, Township 28 South, Range 26 East

This instrument prepared under
The direction of:
R. Wade Allen, Director
Polk County Real Estate Services
P. O. Box 9005, Drawer RE 01
Bartow, Florida 33831-9005
By: Heather Fuentes
Road Transfer: All of Boys Club Road

COUNTY DEED

THIS DEED, made this _____ day of _____, 2026 by **POLK COUNTY**, a political subdivision of the State of Florida, Grantor, to the **CITY OF WINTER HAVEN,** a Florida Municipal Corporation, whose address is, P.O. Box 2277, Winter Haven, FL 33883-2277, Grantee

WITNESSETH: That the Grantor, for and in consideration of the sum of $1.00, to it in hand paid by the Grantee, receipt whereof is hereby acknowledged, has granted, bargained, and sold to Grantee, its successors and assigns forever, all the right, title, interest, including interests, if any, in rights which may have been reserved by operation of Section 270.11 Florida Statutes, claim, and demand, which the Grantor has in and to the following described land lying and being in Polk County, Florida, to wit:

All of Boys Club Road from Lake Cannon Drive West northeasterly to Havendale Boulevard NW.

Including, but not limited to those parts of the rights-of-ways for Boys Club Road that lies within the above-described corridor, as dedicated, depicted, or described in the following documents: Any right-of-way dedicated by Plat Book 9, Page 7, and Plat Book 98, Page 28 and any deeded rights-of-way recorded in Official Records Book 1071, Page 213 and any other deeded rights-of-way recorded in the Public Records of Polk County, Florida that lies along the above-described corridor. All lying and being in Section 18, Township 28 South, Range 26 East, Polk County, Florida.

The purpose of this County Deed is to convey the Grantor's interest in the right-of-way pursuant to Florida Statutes 335.0415 and 337.29 for that portion of the public road.

IN WITNESS WHEREOF, said grantor has caused these presents to be executed in its name by its Board of County Commissioners, acting by the Chair or Vice-Chair of said board, the day and year aforesaid.

ATTEST:
Stacy M. Butterfield
Clerk to the Board

By: _____
Deputy Clerk

GRANTOR:
Polk County, Florida, a political subdivision of the state of Florida

By: _____
Martha Santiago, Ed.D., Chair
Board of County Commissioners

(Seal)

DATE: April 22, 2026

TO: Honorable Mayor and City Commissioners

VIA: T. Michael Stavres, City Manager
M.J. Carnevale, Deputy City Manager

FROM: Brittany Hart, Public Works Director
Todd Gooding, Assistant Public Works Director

SUBJECT: Logistics Parkway/Pollard Rd. Extension - Phase I Construction Change Order #1 (ITB-25-34)

BACKGROUND

On July 14, 2025, the City of Winter Haven issued Invitation to Bid ITB-25-34 for the construction of Phase I of the Logistics Parkway / Pollard Rd. Extension project. The project was awarded to Tucker Paving, Inc., the lowest responsive and responsible bidder and a purchase order was issued in the amount of $5,147,554.46 for construction. A Notice to Proceed was issued October 16, 2025 and construction began November 3, 2025. This project incorporates a “dig once” approach which allows for multiple elements of infrastructure improvements to occur as one coordinated effort ensuring that the projected is constructed efficiently and in a cost-effective manner.

In addition to transportation capacity enhancements, the project was designed to include utilities for PRWC infrastructure and City system improvements for future connections both public and private. During construction, it was determined that adjustments to the utility infrastructure are required to ensure the system meets operational standards. These adjustments include updates to plan quantities, relocation of backflow devices, and installation of additional pipe runs for future expansion.

The change orders include the following:

- Plan Revision: Adjustments to water main sizes, fittings, valves, and connections.
- Backflow Adjustments: Verification of 10-inch water main joint restraints and relocation of backflow assemblies.
- Future Pipe Runs: Installation of additional water and force mains to accommodate future system expansion.

FINANCIAL IMPACT

The total cost of Change Order #1 is $166,978.97, bringing the total project cost to $5,314,533.43. This additional cost will be paid for utilizing funds from the Transportation Fund that were budgeted for the Logistics Parkway Extension Project.

STRATEGIC PLAN ALIGNMENT

- **Pillar:** Infrastructure
- **Goal:** 3.2 - Take a comprehensive approach to transportation planning and maintenance of transportation assets.
- **Goal:** 3.3 - Ensure an actionable strategy is in place for the future of water resources.

RECOMMENDATION

Staff recommends the City Commission approve the Logistics Parkway/Pollard Rd. Extension - Phase I Construction Change Order #1 in the amount of $166,978.97 and authorize the City Manager or his designee to increase the purchase order by $166,978.97 and to take any additional actions necessary thereto.

ATTACHMENTS

- Change Order #1 from Tucker Paving, Inc.
- Change Order #1 Authorization Form

TUCKER Paving INC.
TOTAL SITE • UTILITIES

5658 Lucerne Park Road
Winter Haven, FL 33881
Phone: 863-299-2262
Fax: 863-294-1007
www.tuckerpaving.com

To:	City of Winter Haven	**Contact:**	Pedro A. Berrios
Address:	Winter Haven, FL 33880	**Phone:**	
		Fax:	
Project Name:	Logistics Pakway Ext./ Pollard Road Phase 1 - CHANGE ORDERS	**Bid Number:**	25-629
Project Location:	FL	**Bid Date:**	8/19/2025

THIS PRICING REPRESENTS COST ASSOCIATED WITH COMBINING COR#001, COR#002, & COR#003 ALL TOGETHER.

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
COR#001 PLAN REVISION					
	12" PVC DR 18 WATER MAIN (INCLUSIVE OF FITTINGS AND RESTRAINTS)	-25.00	LF	$206.49	($5,162.25)
	12" WM CONNECTIONS	-4.00	EACH	$1,732.51	($6,930.04)
	16" DR18 Water Main	80.00	LF	$122.12	$9,769.60
	16" MJ Gate Valve W/Box/Tag	2.00	EACH	$10,230.04	$20,460.08
	16" MJ Plug	2.00	EACH	$2,089.40	$4,178.80
	16" MJ 45 Bend	10.00	EACH	$3,228.66	$32,286.60
	12" MJ Gate Valve W/Box/Tag	1.00	EACH	$5,032.26	$5,032.26
	10" PVC DR 18 WATER MAIN (INCLUSIVE OF FITTINGS, AND RESTRAINTS)	30.00	LF	$270.79	$8,123.70
	Sample Point	1.00	EACH	$1,457.16	$1,457.16
	8" Gate Valve - FM	1.00	EACH	$2,703.41	$2,703.41
	12" MJ Gate Valve W/Box/Tag - RCWM	1.00	EACH	$5,505.26	$5,505.26
			Total Price for above COR#001 PLAN REVISION Items:		**$77,424.58**
COR#002 BACKFLOW ADJUSTMENTS					
	10" Water Main Joint Restraint Verification ***Inclusive Of Operator (1), Laborer (4), Mini Trackhoe, (10 EA, 10") Pipe Restraint	1.00	LS	$9,205.62	$9,205.62
	Backflow Relocation	1.00	LS	$20,509.12	$20,509.12
	Trench Box 6' Wide, 5' Long, 10' Tall & Dewatering	1.00	LS	$5,125.00	$5,125.00
	10" WATER MAIN MATERIALS (SOUTHERN BACKFLOW) ***Inclusive Of Operator (1), Laborer (4), Mini Trackhoe, 10" 45 Bends, 10" MJ Bend Restraints, 10" MJ Longsleeve, 10" PVC Megalug Restraint	1.00	LS	$7,407.13	$7,407.13
			Total Price for above COR#002 BACKFLOW ADJUSTMENTS Items:		**$42,246.87**
COR#003 FUTURE PIPE RUNS					
	12" PVC DR 18 WATER MAIN (INCLUSIVE OF FITTINGS AND RESTRAINTS)	170.00	LF	$112.72	$19,162.40
	12" PVC DR 18 RECLAIM WATER MAIN (INCLUSIVE OF FITTINGS AND RESTRAINTS)	153.00	LF	$112.72	$17,246.16
	8" PVC DR 18 FORCE MAIN (INCLUSIVE OF FITTINGS AND RESTRAINTS)	92.00	LF	$86.18	$7,928.56
	2" FORCE MAIN POLY PIPE (INCLUSIVE OF FITTINGS AND RESTRAINTS)	80.00	LF	$37.13	$2,970.40

TUCKER Paving INC.
TOTAL SITE • UTILITIES

5658 Lucerne Park Road
Winter Haven, FL 33881
Phone: 863-299-2262
Fax: 863-294-1007
www.tuckerpaving.com

To:	City of Winter Haven	**Contact:**	Pedro A. Berrios
Address:	Winter Haven, FL 33880	**Phone:**	
		Fax:	
Project Name:	Logistics Pakway Ext./ Pollard Road Phase 1 - CHANGE ORDERS	**Bid Number:**	25-629
Project Location:	FL	**Bid Date:**	8/19/2025

Total Price for above COR#003 FUTURE PIPE RUNS Items: **$47,307.52**

Total Bid Price: **$166,978.97**

Notes:

- ***** ALL BASE BID NOTES, EXCLUSIONS, AND CLARIFICATIONS STILL APPLY.**

ACCEPTED:

The above prices, specifications and conditions are satisfactory and are hereby accepted.

Buyer: _____

Signature: _____

Date of Acceptance: _____

CONFIRMED:

Tucker Paving, Inc.

Authorized Signature: Alan Albert

Digitally signed by Alan Albert
DN: C=US, E=aalbert@tuckerpaving.com, O=Tucker Paving, CN=Alan Albert
Reason: I am approving this document
Date: 2026.03.18 07:51:29-04'00'

Estimator: Aaron Lipham
863-299-2262 alipham@tuckerpaving.com

CHANGE ORDER AUTHORIZATION (COA)

This Change Order Authorization (COA) form is utilized when a change to a project increases the cost of the project by $5,000 or 1% of the amount of the original PO, whichever is more. If the original project amount was approved by the City Commission, allowing the City Manager to take any and all actions necessary to complete the project, then the COA may be approved by the City Manager.

*If the COA includes changes to the design or changes in the scope of work on a major City project, the COA must also be signed by the City Engineer or his designee.

Date 4/10/2026 Purchase Order (PO) # 2025-384 CO# 1

Project Name / Bid # ITB-25-34 Pollard Rd Logistics Pkwy Extension Phase I

Vendor Name Tucker Paving, Inc.

Account # 301-08-205-6301 Project Code _____

Original PO Amount	$ 5,147,554.46	Original # of Contract Days:	
Total Cost of Previously Issued COs	$ 0.00	Additional Contract Days:	0
Total Cost of this CO:	$ 166,978.97	Additional Contract Days:	0
NEW PO amount inclusive of ALL change orders to date:	$ 5,314,533.43		

Reason needed: During construction, adjustments to the utility infrastructure were required, including updates to plan quantities, verification of backflow devices, and installation of additional pipe runs for future expansion.

The change orders include the following:

Adjustments to water main sizes, fittings, valves, and connections.

Verification of 10-inch water main joint restraints and relocation of backflow assemblies.

Installation of additional water and force mains to accommodate future system expansion.

AUTHORIZATIONS

Department Director: Buthany Hart City Engineer*: —

**Date of Commission Approval: _____

If applicable (or denote if this is listed as a line item in approved budget and approval not required)

DATE: April 15, 2026

TO: Honorable Mayor and City Commissioners

VIA: T. Michael Stavres, City Manager
M.J. Carnevale, Deputy City Manager

FROM: Troy Heidel, Airport Director

SUBJECT: ITB-26-23 – Recommendation of Award of Annual Contract for Airport Mowing

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BACKGROUND

On February 11, 2026, the City advertised ITB-26-23 for the Annual Airport Mowing Contract. The contract will cover a 12-month period and may be renewed for five (5) additional 12-month periods by written mutual consent. It is anticipated that approximately 21 mowing's per year will be required at Winter Haven Regional Airport.

The areas to be maintained include:

- All ditches and swales within the airport property boundaries
- Trimming of growth around hangars
- Maintenance along 20,200 linear feet of perimeter fence line
- Areas surrounding airport signage, taxiway and runway lighting, self-service fueling area, fire hydrants, underground electrical boxes, and picnic area

In addition, all bidders were required to submit separate bid prices for the following scopes of work:

A. Additional exterior airfield mowing
B. Full mow, trim, and treatment of the entire project area
C. Additional mowing and trimming around the executive and T-hangar/building areas
D. Additional trimming and treatment of runways, taxiways, taxilanes, and apron areas for grass and vegetation growing in/on asphalt surfaces
E. Removal of leaves and branches from the picnic area

FINANCIAL IMPACT

The City received 11 bids, which were opened March 13, 2026. The lowest base bid of $63,650 was submitted by Natural Designs Landscape Management (NDL LLC). NDL LLC met all specifications and was determined to be the lowest responsive and responsible bidder. A Recommendation of Award to NDL LLC was posted April 14, 2026, with no protests filed in response.

The recurring operating expense for mowing services is included in the FY2025-2026 airport budget, and sufficient funds are available to award the contract to the lowest responsive bidder.

STRATEGIC PLAN ALIGNMENT

- **Pillar:** Infrastructure
- **Goal:** 3.2 – Take a comprehensive approach to transportation planning and maintenance of transportation assets.

RECOMMENDATION

Staff recommends that the City Commission award Natural Designs Landscape Management (NDL LLC) the Annual Airport Mowing Contract (ITB-26-23), and authorize the City Manager, or his designee, to take any and all actions necessary thereto

ATTACHMENTS

- ITB-26-23 Recommendation of Award
- ITB-26-23 Bid Tab Sheet

City of Winter Haven, FL
Procurement
Bethany Owen, Procurement Manager
500 Third Street NW, Winter Haven, FL 33881
(863) 298-5556

NOTICE OF INTENT TO AWARD

IFQ No. ITB-26-23

ITB-26-23 Annual Contract - Airport Mowing

RESPONSE DEADLINE: March 13, 2026 at 2:00 pm

Tuesday, April 14, 2026

City of Winter Haven staff has recommended the award of ITB-26-23 Annual Contract - Airport Mowing to NDL LLC as the lowest responsive/responsible bidder meeting all bid requirements.

If you have any questions, I can be reached via email at procurement@mywinterhaven.com.

Sincerely,

CITY OF WINTER HAVEN
Bethany Owen
Procurement Manager

City of Winter Haven, FL
Procurement
Bethany Owen, Procurement Office
551 Third Street NW, Winter Haven, FL 33880

EVALUATION TABULATION

IFQ No. ITB-26-23

ITB-26-23 Annual Contract - Airport Mowing

RESPONSE DEADLINE: March 13, 2026 at 2:00 pm
Report Generated: Thursday, March 19, 2026

SELECTED VENDOR TOTALS

Vendor	Total
NDL LLC	$63,650.00
B-Ranch Land management	$69,825.00
BRIGHTVIEW LANDSCAPE SERVICES, INC	$74,629.21
National trading group llc	$86,200.00
Able Business Services	$86,400.00
BigKing Services	$87,310.00
AR Gator LLC	$92,205.00
DJK Ag Services, Inc.	$92,521.00
Stag Industries LLC	$100,905.00
Cropland Services inc	$111,111.42
JT Ruby Contracting Inc	$152,900.00

BASE BID (Table 1 of 3)

Base Bid					Able Business Services		AR Gator LLC		BigKing Services		B-Ranch Land management		BRIGHTVIEW LANDSCAPE SERVICES, INC	
Selected	Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
X	1	AIRFIELD MOWING PER SPECIFICATIONS- ONE COMPLETE MOW/TRIM/TREATMENT (GREEN ON MAP)	21	each	$3,200.00	$67,200.00	$3,650.00	$76,650.00	$3,550.00	$74,550.00	$2,850.00	$59,850.00	$3,224.01	$67,704.21
X	2	EXTERIOR AIRFIELD MOWING PER SPECIFICATIONS- ONE COMPLETE MOW (FUCHSIA ON MAP)	12	each	$1,000.00	$12,000.00	$565.00	$6,780.00	$380.00	$4,560.00	$225.00	$2,700.00	$250.00	$3,000.00
Total						$79,200.00		$83,430.00		$79,110.00		$62,550.00		$70,704.21

BASE BID (Table 2 of 3)

Base Bid					Cropland Services inc		DJK Ag Services, Inc.		JT Ruby Contracting Inc		National trading group llc		NDL LLC	
Selected	Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
X	1	AIRFIELD MOWING PER SPECIFICATIONS- ONE COMPLETE MOW/TRIM/TREATMENT (GREEN ON MAP)	21	each	$4,872.11	$102,314.31	$3,927.00	$82,467.00	$6,250.00	$131,250.00	$3,500.00	$73,500.00	$2,700.00	$56,700.00
X	2	EXTERIOR AIRFIELD MOWING PER SPECIFICATIONS- ONE COMPLETE MOW (FUCHSIA ON MAP)	12	each	$0.00	$0.00	$262.00	$3,144.00	$750.00	$9,000.00	$300.00	$3,600.00	$0.00	$0.00
Total						$102,314.31		$85,611.00		$140,250.00		$77,100.00		$56,700.00

BASE BID (Table 3 of 3)

Base Bid					Stag Industries LLC	
Selected	Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total Cost
X	1	AIRFIELD MOWING PER SPECIFICATIONS- ONE COMPLETE MOW/TRIM/TREATMENT (GREEN ON MAP)	21	each	$4,265.00	$89,565.00
X	2	EXTERIOR AIRFIELD MOWING PER SPECIFICATIONS- ONE COMPLETE MOW (FUCHSIA ON MAP)	12	each	$350.00	$4,200.00
Total						$93,765.00

ADDITIONAL WORK (Table 1 of 3)

Additional Work					Able Business Services		AR Gator LLC		BigKing Services		B-Ranch Land management		BRIGHTVIEW LANDSCAPE SERVICES, INC	
Selected	Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
X	1	ADDITIONAL EXTERIOR AIRFIELD MOWING (FUCHSIA ON MAP)	1	each	$1,000.00	$1,000.00	$550.00	$550.00	$350.00	$350.00	$250.00	$250.00	$0.00	$0.00
X	2	ADDITONAL MOW / TRIM / TREATMENT OF ENTIRE PROJECT AREA (GREEN AND FUCHSIA)	1	each	$3,500.00	$3,500.00	$3,400.00	$3,400.00	$3,900.00	$3,900.00	$3,100.00	$3,100.00	$0.00	$0.00

Additional Work					Able Business Services		AR Gator LLC		BigKing Services		B-Ranch Land management		BRIGHTVIEW LANDSCAPE SERVICES, INC	
Selected	Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
X	3	ADDITIONAL MOWING AND TRIMMING AROUND THE EXECTUTIVE AND T-HANGAR/ BUILDING AREA (PER CUT)	1	each	$800.00	$800.00	$975.00	$975.00	$800.00	$800.00	$675.00	$675.00	$675.00	$675.00
X	4	ADDITIONAL TRIM AND TREATMENT AROUND RUNWAYS, TAXIWAYS, TAXILANES, AND APRON AREAS FOR GRASS AND VEGETATION GROWING IN/ON ASPHALT AREAS.	1	each	$1,500.00	$1,500.00	$1,050.00	$1,050.00	$900.00	$900.00	$750.00	$750.00	$750.00	$750.00
X	5	REMOVAL OF LEAVES AND BRANCHES FROM PICNIC AREA. (PER OCCURANCE)	1	each	$400.00	$400.00	$2,800.00	$2,800.00	$2,250.00	$2,250.00	$2,500.00	$2,500.00	$2,500.00	$2,500.00

Additional Work					Able Business Services		AR Gator LLC		BigKing Services		B-Ranch Land management		BRIGHTVIEW LANDSCAPE SERVICES, INC	
Selected	Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
Total						$7,200.00		$8,775.00		$8,200.00		$7,275.00		$3,925.00

ADDITIONAL WORK (Table 2 of 3)

Additional Work					Cropland Services inc		DJK Ag Services, Inc.		JT Ruby Contracting Inc		National trading group llc		NDL LLC	
Selected	Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
X	1	ADDITIONAL EXTERIOR AIRFIELD MOWING (FUCHSIA ON MAP)	1	each	$0.00	$0.00	$250.00	$250.00	$750.00	$750.00	$800.00	$800.00	$0.00	$0.00
X	2	ADDITONAL MOW / TRIM / TREATMENT OF ENTIRE PROJECT AREA (GREEN AND FUCHSIA)	1	each	$4,872.11	$4,872.11	$5,160.00	$5,160.00	$6,250.00	$6,250.00	$3,800.00	$3,800.00	$2,950.00	$2,950.00

Additional Work					Cropland Services inc		DJK Ag Services, Inc.		JT Ruby Contracting Inc		National trading group llc		NDL LLC	
Selected	Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
X	3	ADDITIONAL MOWING AND TRIMMING AROUND THE EXECTUTIVE AND T-HANGAR/ BUILDING AREA (PER CUT)	1	each	$675.00	$675.00	$400.00	$400.00	$900.00	$900.00	$700.00	$700.00	$700.00	$700.00
X	4	ADDITIONAL TRIM AND TREATMENT AROUND RUNWAYS, TAXIWAYS, TAXILANES, AND APRON AREAS FOR GRASS AND VEGETATION GROWING IN/ON ASPHALT AREAS.	1	each	$750.00	$750.00	$600.00	$600.00	$1,500.00	$1,500.00	$800.00	$800.00	$800.00	$800.00
X	5	REMOVAL OF LEAVES AND BRANCHES FROM PICNIC AREA. (PER OCCURANCE)	1	each	$2,500.00	$2,500.00	$500.00	$500.00	$3,250.00	$3,250.00	$3,000.00	$3,000.00	$2,500.00	$2,500.00

Additional Work					Cropland Services inc		DJK Ag Services, Inc.		JT Ruby Contracting Inc		National trading group llc		NDL LLC	
Selected	Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total	Unit Cost	Total
Total						$8,797.11		$6,910.00		$12,650.00		$9,100.00		$6,950.00

ADDITIONAL WORK (Table 3 of 3)

Additional Work					Stag Industries LLC	
Selected	Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
X	1	ADDITIONAL EXTERIOR AIRFIELD MOWING (FUCHSIA ON MAP)	1	each	$250.00	$250.00
X	2	ADDITONAL MOW / TRIM / TREATMENT OF ENTIRE PROJECT AREA (GREEN AND FUCHSIA)	1	each	$4,615.00	$4,615.00
X	3	ADDITIONAL MOWING AND TRIMMING AROUND THE EXECTUTIVE AND T-HANGAR/ BUILDING AREA (PER CUT)	1	each	$825.00	$825.00
X	4	ADDITIONAL TRIM AND TREATMENT AROUND RUNWAYS, TAXIWAYS, TAXILANES, AND APRON AREAS FOR GRASS AND VEGETATION GROWING IN/ON ASPHALT AREAS.	1	each	$950.00	$950.00
X	5	REMOVAL OF LEAVES AND BRANCHES FROM PICNIC AREA. (PER OCCURANCE)	1	each	$500.00	$500.00
Total						$7,140.00

DATE: April 16, 2026

TO: Honorable Mayor and City Commissioners

VIA: T. Michael Stavres, City Manager
M.J. Carnevale, Deputy City Manager

FROM: Troy Heidel, Airport Director

SUBJECT: Public Transportation Grant Agreement with the Florida Department of Transportation (FDOT) for Rehabilitation of the T-Hangar Taxilanes – Amendment No. 1

BACKGROUND

On June 9, 2025, the City Commission approved Resolution R-25-27 authorizing a Public Transportation Grant Agreement with the Florida Department of Transportation (FDOT) for the rehabilitation of the T-Hangar taxilanes at Winter Haven Regional Airport. This grant provided funding for the design phase of the project.

The project addresses the deteriorated condition of the taxilanes serving the T-Hangar area in the south quadrant of the airport. These pavements are critical for safe and efficient access to aircraft storage areas but have significantly degraded due to age and heavy use. According to FDOT's Statewide Airfield Pavement Management Program, the taxilanes have an average Pavement Condition Index (PCI) of 49, which is classified as "poor."

The proposed amendment adds additional funding from FDOT to include FDOT's share for the construction phase of the project. An FAA grant related to this project is expected to be presented to the City Commission for consideration in July 2026.

FINANCIAL IMPACT

The total estimated cost for design and construction of the project is $2,760,000. The FAA will fund 90% of the project cost, totaling $2,484,000. FDOT and the City will provide the remaining 10%, totaling $138,000 each.

For the design phase, the original budget was $150,000, funded as follows: FAA $135,000 (90%), FDOT $7,500 (5%), and the City $7,500 (5%). This amendment increases FDOT's contribution by $130,500, bringing its total share to $138,000 for the combined design and construction.

The City's matching funds are budgeted in FY 2026.

STRATEGIC PLAN ALIGNMENT

- **Pillar:** Infrastructure
- **Goal:** 3.2 – Take a comprehensive approach to transportation planning and maintenance of transportation assets.

RECOMMENDATION

Staff recommends the City Commission approve Amendment No. 1 to the Public Transportation Grant Agreement with the Florida Department of Transportation (FDOT) for the Rehabilitation of the T-Hangar Taxilanes, Grant No. G3C49, and authorize the City Manager or his designee to execute the amendment and take all other necessary actions incidental to the implementation of same.

ATTACHMENT

- Public Transportation Grant Agreement Amendment No. 1 – Grant No. G3C49

Docusign Envelope ID: F0E4614E-3846-48D6-982C-2AF0C0569DD9

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION

PUBLIC TRANSPORTATION
AMENDMENT TO THE PUBLIC TRANSPORTATION GRANT AGREEMENT

Form 725-000-03
STRATEGIC DEVELOPMENT
OGC 10/25

Financial Project Number(s): (item-segment-phase-sequence)		Fund(s):	DPTO	FLAIR Category:	088719
453833-1-94-01		Work Activity Code/Function:	215	Object Code:	740100
		Federal Number/Federal Award		Org. Code:	55012020129
		Identification Number (FAIN) – Transit only:	N/A	Vendor Number:	VF596000453002
Contract Number:	G3C49	Federal Award Date:	N/A	Amendment No.:	1
CFDA Number:	N/A	SAM/UEI Number:	N/A		
CFDA Title:	N/A				
CSFA Number:	N/A				
CSFA Title:	N/A				

THIS AMENDMENT TO THE PUBLIC TRANSPORTATION GRANT AGREEMENT ("Amendment") is made and entered into on_____, by and between the State of Florida, Department of Transportation ("Department"), and City of Winter Haven, ("Agency"),collectively referred to as the "Parties."

RECITALS

WHEREAS, the Department and the Agency on 6/25/2025 (date original Agreement entered) entered into a Public Transportation Grant Agreement ("Agreement").

WHEREAS, the Parties have agreed to modify the Agreement on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual covenants in this Amendment, the Agreement is amended as follows:

1. **Amendment Description.** The project is amended to add state, local and FAA funds to move project into construction phase.

2. **Program Area.** For identification purposes only, this Agreement is implemented as part of the Department program area selected below (select all programs that apply):

   __ **Aviation**
   __ **Seaports**
   __ **Transit**
   __ **Intermodal**
   __ **Rail Crossing Closure**
   X **Match to Direct Federal Funding** (Aviation or Transit)
   (Note: Section 15 and Exhibit G do not apply to federally matched funding)
   __ **Other**

3. **Exhibits.** The following Exhibits are updated, attached, and incorporated into this Agreement:
   __ Exhibit A: Project Description and Responsibilities
   X Exhibit B: Schedule of Financial Assistance
   __ *Exhibit B1: Deferred Reimbursement Financial Provisions
   __ *Exhibit B2: Advance Payment Financial Provisions
   __ *Exhibit C: Terms and Conditions of Construction
   X Exhibit D: Agency Resolution
   __ Exhibit E: Program Specific Terms and Conditions
   __ Exhibit F: Contract Payment Requirements
   __ *Exhibit G: Financial Assistance (Single Audit Act)
   __ *Exhibit H: Audit Requirements for Awards of Federal Financial Assistance

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__ *Exhibit I: Certification of Disbursement of Payment to Vehicle and/or Equipment Vendor
__ *Additional Exhibit(s):

4. Project Cost.
The estimated total cost of the Project is X increased/ __ decreased by $2,610,000 bringing the revised total cost of the project to $2,760,000.

The Department's participation is X increased/ ___ decreased by $130,500. The Department agrees to participate in the Project cost up to the maximum amount of $138,000, and, additionally the Department's participation in the Project shall not exceed 5.00% of the total eligible cost of the Project.

Except as modified, amended, or changed by this Amendment, all of the terms and conditions of the Agreement and any amendments thereto shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment on the day and year written above.

AGENCY City of Winter Haven

By:_____
Name: _____
Title: _____

STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION

By:_____
Name: Nicole E. Mills, P.E.
Title: Director of Transportation Development

STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION

Legal Review: Don Conway, Senior Attorney (as to legality and form)

DS DC

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EXHIBIT B

Schedule of Financial Assistance

FUNDS AWARDED TO THE AGENCY AND REQUIRED MATCHING FUNDS PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

A. Fund Type and Fiscal Year:

Financial Management Number	Fund Type	FLAIR Category	State Fiscal Year	Object Code	CSFA/ CFDA Number	CSFA/CFDA Title or Funding Source Description	Funding Amount
453833-1-94-01	DPTO	088719	2025	740100	N/A	N/A	$7,500.00
453833-1-94-01	DPTO	088719	2026	740100	N/A	N/A	$130,500.00
453833-1-94-01	FAA	088719	2026	740100	N/A	N/A	$2,349,000.00
453833-1-94-01	FAA	088719	2025	740100	N/A	N/A	$135,000.00
453833-1-94-01	LF	088719	2025	740100	N/A	N/A	$7,500.00
453833-1-94-01	LF	088719	2026	740100	N/A	N/A	$130,500.00
	Total Financial Assistance						$2,760,000.00

B. Estimate of Project Costs by Grant Phase:

Phases*	State	Local	Federal	Totals	State %	Local %	Federal %
Land Acquisition	$0.00	$0.00	$0.00	$0.00	0.00	0.00	0.00
Planning	$0.00	$0.00	$0.00	$0.00	0.00	0.00	0.00
Environmental/ Design/ Construction	$0.00	$0.00	$0.00	$0.00	0.00	0.00	0.00
Capital Equipment/ Preventative Maintenance	$0.00	$0.00	$0.00	$0.00	0.00	0.00	0.00
Match to Direct Federal Funding	$138,000.00	$138,000.00	$2,484,000.00	$2,760,000.00	5.00	5.00	90.00
Mobility Management (Transit Only)	$0.00	$0.00	$0.00	$0.00	0.00	0.00	0.00
Totals	$138,000.00	$138,000.00	$2,484,000.00	$2,760,000.00			

*Shifting items between these grant phases requires execution of an Amendment to the Public Transportation Grant Agreement.

Scope Code and/or Activity Line Item (ALI) (Transit Only)	
Common Name/UZA Name (Transit Only)	

BUDGET/COST ANALYSIS CERTIFICATION AS REQUIRED BY SECTION 216.3475, FLORIDA STATUTES:

I certify that the cost for each line item budget category (grant phase) has been evaluated and determined to be allowable, reasonable, and necessary as required by Section 216.3475, Florida Statutes. Documentation is on file evidencing the methodology used and the conclusions reached.

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Jennifer Gaona, MPA

Department Grant Manager Name

Docusigned by:
Jennifer Gaona
23A08B2DA0DD44D...

03/10/2026 | 1:00 PM EDT

Signature

Date

Docusign Envelope ID: F0E4614E-3846-48D6-982C-2AF0C0569DD9

EXHIBIT D

AGENCY RESOLUTION

PLEASE SEE ATTACHED

Docusign Envelope ID: F0E4614E-3846-48D6-982C-2AF0C0569DD9

To: Jennifer.Gaona@dot.state.fl.us

FLORIDA DEPARTMENT OF TRANSPORTATION
FUNDS APPROVAL

G3C49

3/6/2026

CONTRACT INFORMATION

Contract:	G3C49
Contract Type:	GD - GRANT DISBURSEMENT (GRANT)
Method of Procurement:	G - GOVERMENTAL AGENCY (287.057,F.S.)
Vendor Name:	CITY OF WINTER HAVEN
Vendor ID:	F596000453027
Beginning Date of This Agreement:	06/25/2025
Ending Date of This Agreement:	06/30/2027
Contract Total/Budgetary Ceiling:	ct = $138,000.00
Description:	WINTER HAVEN REGIONAL AIRPORT TAXILANES REHABILITATION

FUNDS APPROVAL INFORMATION

FUNDS APPROVED/REVIEWED FOR JASON ADANK, CPA, COMPTROLLER ON 3/6/2026

Action:	Supplemental
Reviewed or Approved:	APPROVED
Organization Code:	55012020129
Expansion Option:	A1
Object Code:	740100
Amount:	$130,500.00
Financial Project:	45383319401
Work Activity (FCT):	215
CFDA:	
Fiscal Year:	2026
Budget Entity:	55100100
Category/Category Year:	088719/26
Amendment ID:	S001
Sequence:	00
User Assigned ID:	AM 1
Enc Line (6s)/Status:	0002/04

Total Amount: $130,500.00

DATE: April 16, 2026

TO: Honorable Mayor and City Commissioners

VIA: T. Michael Stavres, City Manager
M.J. Carnevale, Deputy City Manager
Charlie Bird, Assistant City Manager-Public Safety

FROM: Frederick J. Murphy, Jr., Esquire, City Attorney

SUBJECT: Approval of Settlement Agreement with Six Remnant Defendants (Associated Pharmacies, Inc.-and American Associated Pharmacies); J M Smith Corporation; Louisiana Wholesale Drug Company, Inc.; Morries and Dickson Co.; North Carolina Mutual Wholesale Drug Company, Inc.; and United Natural Foods, Inc.-including its subsidiaries SuperValu and Advantage Logistics) regarding Opioid Litigation

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BACKGROUND

A new national opioid settlement has been reached with six regional distributors/dispenser defendants (Remnant Defendants Settlement): (Associated Pharmacies, Inc.-and American Associated Pharmacies); J M Smith Corporation; Louisiana Wholesale Drug Company, Inc.; Morries and Dickson Co.; North Carolina Mutual Wholesale Drug Company, Inc.; and United Natural Foods, Inc.-including its subsidiaries SuperValu and Advantage Logistics). There is one settlement agreement covering the combined settlement with the Six Remnant Defendants.

The City Commission has already approved an Interlocal Agreement with Polk County, Florida, and other municipalities referenced therein for the County to use Opioid Settlement Funds to more fully implement the Polk County Florida Opioid Abatement Plan in November, 2021.

The Settlement contemplates that the Remnant Defendants will be paying a combined $97,625,000 in cash for purposes of abating the opioid epidemic.

Approval and execution of the Settlement Agreement will also constitute a Release of Claims that the City may have related to the opioid crisis as to those entities.

FINANCIAL IMPACT

There is no direct Financial Impact to the City as a result of this Settlement. At this time the amount attributable by virtue of this Settlement to the City of Winter Haven is not known. However, all Settlement funds generated on behalf of the City of Winter Haven will be remitted to Polk County pursuant to the aforementioned Interlocal Agreement with Polk County regarding the Polk County Florida Opioid Abatement Plan.

STRATEGIC PLAN ALIGNMENT

- **Pillar:** Community Safety
- **Goal:** 5.2 – Ensure the ability to meet the service demands as the population grows.

RECOMMENDATION

City staff and the City Attorney recommend that the City Commission approve the Settlement Agreement and authorize the City Attorney to execute same on behalf of the City of Winter Haven and to take all other necessary actions related thereto.

DATE: April 15, 2026

TO: Honorable Mayor and City Commissioners

VIA: T. Michael Stavres, City Manager
M.J. Carnevale, Deputy City Manager

FROM: CJ Scott, Chief Financial Officer
Troy Heidel, Airport Director

SUBJECT: **Ordinance O-26-14:** Amending Ordinance O-25-29; appropriating funds for the fiscal year ending September 30, 2026, Airport Carpet

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BACKGROUND

The Winter Haven Regional Airport terminal, built in 2008, is in need of interior rehabilitation. Although the FY26 budget included funding for interior painting, carpet replacement was not included in the scope of work. The existing carpet is heavily stained in several areas and exhibits significant wear and age, making replacement necessary.

Effective February 1, 2026, the City of Winter Haven selected Ascent Aviation Group, Inc. as its primary fuel provider. As part of the agreement, the company provided a $50,000 Business Development Grant for facility improvements. These funds were received on February 27, 2026. Airport staff propose using a portion of these funds to install new carpeting in the terminal that complements the updated paint scheme.

EnviroBuild, LLC currently holds a continuing contract with the City for licensed building contractor services. The firm has submitted a quote of $34,280 to replace the terminal carpeting.

A budget amendment is required to authorize the additional expenditure and the funding source. The budget amendment reflected in Exhibit A is necessary to maintain compliance with F.S. 166.241 and Government Accounting Standards Board (GASB) requirements.

FINANCIAL IMPACT

The requested amendment will recognize $34,280 of Commission Fuel revenue to fund the carpet installation.

STRATEGIC PLAN ALIGNMENT

- **Pillar:** Responsible Government
- **Goal:** 6.1 – Exemplify fiscal accountability and resiliency
- **Strategy:** 6.1.1 - Enhance fiscal communication via implementation and distribution, including a Budget Book, Budget in Brief, Popular Annual Financial Report, Annual Comprehensive Financial Report, and monthly budget performance reports

RECOMMENDATION

Staff recommends the City Commission approve Ordinance O-26-14 and authorize the City Manager, or his designee, to sign all documents and take all necessary action related thereto.

ATTACHMENTS

- Ordinance O-26-14
- Exhibit A

ORDINANCE NO. O-26-14

AN ORDINANCE OF THE CITY OF WINTER HAVEN, FLORIDA, AMENDING ORDINANCE NO. O-25-29, REGARDING APPROPRIATION OF FUNDS FOR DEFRAYING EXPENSES OF THE MUNICIPAL GOVERNMENT OF THE CITY OF WINTER HAVEN FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2025; PROVIDING FOR SEVERABILITY AND FOR THE ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on September 22, 2025, the City Commission passed Ordinance O-25-29 adopting the Budget of the City of Winter Haven, Florida, Fiscal Year Commencing October 1, 2025, as the Official Budget of the City of Winter Haven, Florida, Fiscal Year 2025-2026; and

WHEREAS, events occur during each fiscal year which were not anticipated by the beginning estimates, and

WHEREAS, the Airport is in need of carpet installation due to the wear and age of current carpet, and

WHEREAS, departmental budgets shall not exceed their appropriations; and

WHEREAS, the City Commission of the City of Winter Haven does hereby find that it is in the best interest of the City and its citizens amending Ordinance No. O-25-29, regarding appropriation of funds for defraying expenses of the municipal government of the City of Winter Haven for the fiscal year commencing October 1, 2025, as provided herein,

NOW THEREFORE, BE IT ENACTED BY THE PEOPLE OF THE CITY OF WINTER HAVEN, FLORIDA, AS FOLLOWS:

1. The budget for the City of Winter Haven for the fiscal year 2025-26 is hereby amended as set forth on Exhibit A attached hereto and incorporated herein by reference. Exhibit A reflects the appropriated funds that are amended to reflect additional carpet installation expenditure.

2. This Ordinance shall take effect immediately upon its passage

INTRODUCED on first reading this 27th day of April, 2026.

PASSED on second reading this 11th day of May, 2026.

CITY OF WINTER HAVEN, FLORIDA

_____
MAYOR-COMMISSIONER
William Brian Yates

ATTEST:

_____
CITY CLERK
Vanessa Castillo, MMC

Approved as to form:

_____
CITY ATTORNEY
Frederick J. Murphy, Jr.

EXHIBIT A
BUDGET AMENDMENT FOR FY 2025-2026
ORDINANCE O-24-14

		Budget	
		Expense	Revenue
Airport Fund			
106-362600-000	Commission - Fuel		34,280
106-10-410-4602	Repair & Maintenance Building and Grounds	34,280	

On February 1, 2026, the Winter Haven Regional Airport renewed the Aviation Fuel Supply Agreement with Ascent Aviation Group, Inc. This agreement included a one time payment of $50,000 to the Airport for Business Development Funds to be used to support improvements to either the fuel farm or Airport facilities. This budget amendment recognizes a portion of these funds to be used for replacing the carpet in the Airport Terminal.