

CITY OF LONGWOOD, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE YEAR ENDED
SEPTEMBER 30, 2021



Historic
LONGWOOD



Florida

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
CITY OF LONGWOOD,
FLORIDA**

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2021**

Prepared by:

Department of Financial Services

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INTRODUCTORY SECTION

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April 29, 2022

Honorable Mayor,
Members of the City Commission and
Citizens of the City of Longwood, Florida:

Pursuant to City Charter, in accordance with State law and the Rules of the Florida Auditor General, all general-purpose local governments are required to publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP), and that these statements be audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants. Commensurate with these requirements, we are pleased to present for your review and consideration the City of Longwood, Florida Annual Comprehensive Financial Report for the fiscal year ended September 30, 2021.

This report consists of management's representation concerning the finances of the City of Longwood. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of the City of Longwood has established a comprehensive internal control framework that is designed to both protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert, to the best of our knowledge and belief that this financial report is complete and reliable in all material aspects.

McDermitt Davis & Company, LLC, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended September 30, 2021, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the

City's financial statements for the fiscal year ended September 30, 2021, are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

The organization, form and content of this report, plus the accompanying financial statements and statistical tables, are formulated in accordance with the principles prescribed by the Governmental Accounting Standards Board, State of Florida, and the Government Finance Officers Association.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the financial statements in the form of Management's Discussion and Analysis (MD&A). The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Longwood, a municipality incorporated under Florida law in 1923, is located in Central Florida and is part of the greater Orlando metropolitan area. The City encompasses over six (6) square miles and is a growing community with a population that has increased by more than 17% since 2010 to include more than 15,000 residents. With nearly 900 residential units coming on-line in the next 2 years, Longwood's population is expected to increase by another 10%. The City provides a traditional mix of services, including police and fire protection; construction and maintenance of highways, streets and other infrastructure; and recreational programs and events. Water and wastewater service is also provided to certain areas within the City, and sanitation services are provided to residential customers.

The City of Longwood operates under the Commission-Manager form of government. Policymaking and legislative authority are vested in the City Commission, consisting of five (5) City Commissioners, one (1) of whom is selected by the Commission to serve as Mayor on an annual basis. The City Commission is responsible for passing ordinances and resolutions, adopting the budget, appointing committees, and hiring the City Manager, City Attorney and City Clerk. The City Commission is elected on a non-partisan basis by district and serves four-year (4) staggered terms. The City Manager is responsible for carrying out the policies established by the City Commission, overseeing the day-to-day operations of the City and appointing the executive staff.

The annual budget serves as the foundation for the City's financial planning and control. Executive staff is required to submit their budget requests to the City Manager, who then uses these requests as the starting point for developing a proposed budget. The City Manager is required by the City Charter to present the proposed budget to the City Commission prior to August 1. The City Commission is required to hold public hearings on the proposed budget and to adopt a final budget by September 30, the close of the City's fiscal year.

The appropriated budget is prepared by fund, department and program. The City Manager may make transfers of appropriations between line items within a single program. Any other budget

transfers or amendments must be adopted by ordinance or resolution by the City Commission. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented on pages 21-22 as part of the basic financial statements for the governmental funds. For other governmental funds with appropriated budgets, this comparison is presented in various sections, depending upon whether the fund is considered major or non-major.

Local Economy

In the 1950's, the City began transitioning from a "bedroom" community to a mixed retail and employment center with established neighborhoods. Today, Longwood has emerged as a fast-growing community mixing a quaint nationally-recognized Historic District with more than 1800 businesses – including regionally significant employers like Orlando Health South Seminole Hospital, UPS, and more.

Top Longwood employers include Orlando Health, South Seminole Hospital (1022 employees), United Parcel Service UPS (495 employees), D&A Building Services (494 employees), Comprehensive Energy Services (250 employees), Collis Roofing (234 employees) and Seminole County Schools (222 employees). The County's unemployment rate for 2021 is estimated at 4.2% which compares favorably to the National rate of 3.9%. The median age in the city is 44.2 with more than 42% of the population holding a college degree. We believe the aforementioned statistics provide for a young, diverse and well educated workforce offering great opportunities for recruitment and training to those companies considering economic expansion within our community.

Long-term Financial Planning

The City continues to see healthy growth in property tax values, but is challenged by rising costs of health care, a competitive labor market and aging equipment and facilities. Total fund balance in the General Fund represents 29.8 percent of General Fund expenditures while unassigned fund balance represents 15.6 percent of that same amount, all of which fall within the Government Finance Officers Association best practice guidelines.

For future fiscal years, our continued focus will be on developing financial strategies for cost savings and improving operating efficiency while maintaining the existing level of services the City provides.

The City of Longwood updated and adopted a five-year Capital Improvements Plan (CIP) on September 20, 2021 for fiscal years 2021-22 through 2025-26. The CIP is a multi-year prioritized schedule of improvements that lists each capital improvement by the year it is intended to be purchased or commenced. Each year during the annual budget process the CIP is reviewed to ensure incorporation of all necessary capital improvements. It should be noted however, that the CIP is not a fixed document but a flexible, dynamic document that may change to reflect changing priorities, opportunities, costs, or different financing approaches.

Major Initiatives

The City made a major investment in the future of its downtown, purchasing an office building adjacent to Reiter Park, just outside of the Historic District, to facilitate the relocation of Fire Station #15. In addition to the much-needed replacement of the Fire Station in a location that provides the same access to the west side of the city, the property provides an opportunity to support other municipal functions and help bring quality, in-character development to the Historic Downtown.

The Community Development Department implemented a long-awaited update to its permitting software system with the transition to SmartGov. This new system provides a more efficient and simplified user experience for submitting applications, receiving, and reviewing comments, viewing inspection results, and much more.

In an effort to help ensure that development is paying its way, the City implemented impact fees for the first time, that will help address the impact of new development on Police, Fire, Parks, and Public Works. The City also put out an RFQ to institute a mobility fee to help address impacts on the City's transportation network.

The City's Planning Division began the process of the first major update to the City's Future Land Use and Zoning maps in more than a decade, an effort that is expected to be complete in early 2022.

Over the past year, the Longwood Fire Department has made some significant advances improving our efficiency and providing a safer and more consistent level of service to the citizens we proudly serve.

During this budget year, the department was able to replace our older equipment used to extricate victims from entrapment. The new equipment is totally battery powered, providing for greater mobility and a dramatic reduction in noise. The noise reduction provides for improved communications, making a safer environment for rescuers and patients.

The department has begun the process of replacing Fire Station 15 at the recently acquired medical office building just down the street from the current station. A portion of the building will later be demolished to accommodate the new facility.

Fire Station 17 which serves the eastside of the city is slated for an expansion project currently in plans development. The facility will be expanded to accommodate larger fire trucks, allowing for improved fleet rotation. Also, modifications will be made inside the station to provide proper barriers to prevent the spread of Covid between the staff.

The department continues to prioritize the health and safety of our firefighters. To support this mission, we sponsored one of our members to received advanced training in occupational cancer prevention and awareness. We were also able to upgrade a portion of our firefighters protective clothing

Additionally, with the recent trend in multi-story development here in the city, we have determined that a Fire Truck with a ladder system is needed to maintain the high level of service our citizens expect and deserve. The truck has been purchased and design work is ongoing. We hope to begin construction on this new fire truck in Summer 2022.

The members of the Longwood Police Department are truly committed to their community. They continue to diligently serve the law enforcement needs of city residents and many more who work and travel through the City of Longwood.

The members of the police department place great emphasis on community relations, and this has resulted in a strong relationship between the police department staff and the community it serves. This dedication to community relations includes officers interacting with members of the public regularly at neighborhood meetings, as well as attending community events at schools, churches, and many other functions. One of the many programs the Longwood officers participate in is the City of Longwood National Night Out. This is an entire evening that officers devote to the community by teaching crime prevention techniques, providing safety equipment to children, and promoting a police-community partnership. Officers also assist the city by coordinating the Longwood Christmas Parade, leading the Santa Run, and overseeing the safety of citizens and visitors that participate in our many local 5K races.

The department's members meet quarterly with the public at the Longwood Police Department Community Forum. The Forum grew from a community engagement group organized in 2020 which included a diverse group of community stakeholders who worked together to further build bonds between Longwood Police Officers and the community members. The Forum allows the public to interact with members of the department directly and be provided current internal information about the organization as well as crime statistics and other topics of interest.

The department made technological improvements in recent years as well to promote transparency and positive community relations. The agency has maintained in-car video camera systems in our patrol vehicles for more than 20 years. This equipment has been updated with the latest technology in body-worn cameras, and now all uniformed personnel are equipped with and using these cameras in the field. The department's webpage is filled with useful information designed to promote positive relations with the public. All the department's policies are easily accessed on-line; as are the instructions for complimenting or critiquing the department or an officer's performance.

The department maintains a constant social media presence. Our community relations staff routinely post and engage the public on multiple social media platforms. Social media has become one of our primary platforms to notify the public of crime prevention techniques. The platforms have also been extremely beneficial in our effort to make the public aware of the services we provide, events taking place in the city, and interacting with an entirely new generation of citizens.

The police department has also actively engaged our business community by offering unique services to promote safety in the work place, create lines of communication, and promote

positive relationships with local business owners and those who frequent the businesses. Police personnel have created active shooter training designed to improve safety in the work place and completed trainings for multiple businesses and churches in the city. The department also offers environmental design advice in an effort to improve safety in and around local businesses. The department continues to grow a Business Watch Program to connect with business owners and ensure law enforcement officers have current contact information in case of emergency. Each business is also provided a business watch sticker for their entry door to point out their participation.

The police department has two police officers assigned to duties at Lyman High School. These officers provide greater security as well as student leadership, instruction, counseling, and mentoring services. A third school resource officer is assigned to oversee these responsibilities at Longwood Elementary. All school resource officers attend quarterly trainings that addressed a variety of issues, which in turn allows us to secure our schools with exceptionally well trained and capable officers. The department's school resource and community relations officers team up annually to ensure Longwood students return to school year each in August with a fresh haircut and all the necessary supplies. The Annual Longwood Police Department Burgers, Barbers, and Badges has become a favorite of local students and parents preparing for the new school year. Students receive a free haircut and a backpack full of helpful supplies to get started on the right foot.

The department also offers services which encourage citizen involvement. Our volunteer Citizen On Patrol Program (C.O.P.) provides the opportunity for adults of all ages to assist the department in multiple ways.

The City of Longwood has been recognized by AARP as being an Age Friendly City. The police department has created and continues to oversee several age friendly programs. With the assistance of Citizens On Patrol, the police department oversees an RUOK Program, where volunteers are able to continually check on our elderly, special needs and at risk residents. The police department has also teamed up with local agencies and are active in the Bring The Lost Home Project. This program allows officers to be able to trap the scent of those diagnosed with Alzheimer's disease, Dementia, or Autism. This scent can then be used to assist tracking canines in the event that a person goes missing.

The Longwood Police Department was first accredited through the Commission for Florida Law Enforcement Accreditation (C.F.A.) in 2002. In October of 2020, the police department was once again reaccredited after continuing to demonstrate compliance during its tri-annual review. The agency completed the review demonstrating 100% compliance with all applicable standards. The result of this most recent assessment by the Commission serves as further confirmation of the department's dedication to provide professional service to the community. The department members are currently preparing for their 2023 C.F.A. assessment.

The Longwood Public Works Department helps to maintain our community's strength by working together to provide an infrastructure of services in transportation, water, wastewater, stormwater, and right-of-way management. The department is made up of a group of more than

thirty (30) public works professionals who are dedicated to Longwood’s mission statement of “Fostering citizen trust and cultivating a prosperous community”. Public Works is comprised of several working divisions including Engineering, Utilities, Streets, Stormwater, and Administration.

The Engineering Division provides the cooperation and teamwork needed for collaboration with all the stakeholders in capital projects, infrastructure solutions, and quality-of-life services. The department also plays a critical role in the review and inspection of private development in the City, with stormwater management, infrastructure plans, right-of-way access, traffic studies, and more.

Year 2021 proved to be a very progressive year for the Public Works Department as a whole. The Street and Engineering Division coordinated roadway improvements of Warren Avenue as identified in the City’s pavement study. Warren Avenue from St. Laurent to east of Milwee Street included milling, resurfacing, and restriping of Warren Avenue and the Fire Station 15 parking lot. Reconfiguration of the St. Laurent and Warren Avenue intersection was also included in this project to improve driver safety. In terms of annual operations overseen by the Street Division this year, the department conducted repairs of potholes, replaced damaged and aging city signage, repaired city sidewalks, coordinated (5) roadway sweepings, updated the mowing contract, coordinated Duke Energy LED lighting upgrades, monitored and maintained a full tree trimming schedule, cemetery maintenance and anything else it takes to keep our Longwood community safe and operating smoothly.

Construction of the Cross Seminole Trail Connector Project has begun. This major Bicycle and Pedestrian project will provide bikes and pedestrians access to the Cross Seminole Trail from the Longwood SunRail station along Church Avenue and Grant Street. The improvements include updated bicycle markings along Church, Grant, and Timocuan Way and new 5-foot wide sidewalk along the west side of Grant Street from Church Avenue to Arbor Park. A 10-foot wide trail is to be constructed parallel to the west side of Grant St. along the city cemetery, Candyland Sports Complex, and Arbor Park, that will then connect to Timocuan Way and north to the Cross Seminole Trail. New sidewalks are to be constructed on the east and west side of Timocuan Way to complete the connection to the trail.

Public Works Engineering also aided with planning and completion of multiple city beautification projects consisting of new landscape and hardscape (complete streets initiative). The stormwater pond located at the southeast corner of I-4 and SR 434 was landscaped under a joint agreement between the city and the FDOT. New landscaping of the US 17-92 medians from Raven Avenue to Dog Track Road was designed and will be bid in 2022. This will include new palm trees, flowering trees, shrubs, and groundcover. New hardscape and drainage features were designed and plans finalized for the clock tower area from Warren Avenue to West Jessup Avenue. Improvements include rain gardens, updated landscaping, lighting, sitting areas, and a fountain around the clock tower. The hardscape project is to be bid in 2022. Further, the Public Works Department has partnered with FDOT for a complete streets concept study project on West Warren Ave., which will include enhanced crosswalks, sidewalks, and bike facilities.

The Engineering and Streets Divisions continue to coordinate compliance of the Citywide Americans with Disabilities Act (ADA) Program by adding curb cut ramps and detectable warning mats. Public Works is actively engaged as a member of MetroPlan Orlando Technical Advisory Committee and Transportation Systems Management and Operations Committees, SunRail Technical Advisory Committee, and a member the City's Bicycle and Pedestrian Advisory Committee. This year we were also added to the Best Foot Forward Program in partnership with Bike Walk Central Florida which is an organization focused on bike and pedestrian safety.

The Public Works Stormwater Division keeps the city compliant with annual stormwater regulations established by the Department of Environmental Protection Agency (EPA) and with the National Pollutant Discharge Elimination System (NPDES) permit for discharge of stormwater from Municipal Separate Storm Sewer Systems (MS4). The City has implemented a stormwater outreach program to help educate the public on how to improve water quality of our water bodies. Staff inspects construction sites to ensure that there are proper erosion control measures in place to prevent construction runoff from entering the City's storm drains on a regular basis. A regular maintenance schedule has been established to ensure that storm drains are clear, lakes and pond levels are monitored, and stormwater conveyances are fully functional. The Public Works Stormwater Division also works together with property owners to improve neighboring lakes and ponds in order to reestablish stormwater capacity and water quality.

Public Works Utility Division applied for and successfully received over \$2,139,000 in grant and low interest loan funding in 2021 from the St. Johns River Water Management District (SJRWMD) and the Florida Department of Environmental Protection (FDEP) which aided in funding the Longwood Septic Tank Abatement Program. With this funding, we were able to add new connections and abandon an additional 218 septic tanks this year as well as install approximately 8,800 lineal feet of sewer mains to provide sewer service to residential properties. In total, over 850 septic tanks have been abandoned and removed in the history of the program so far to date.

The Public Works Utilities Division concurrently manages multiple maintenance and upgrade projects to the city's infrastructure such as the water plants, lift stations, telemetry stations, airvac system, watermains, manholes, valves, and fire hydrants. One of the critical improvements the Utilities Division focuses on each year is the city's AC watermain replacement program. This year, staff coordinated and managed the Grant Street AC Watermain project, replacing approximately 4000 LF of aging watermains located at Grant Street from Warren Avenue to Seminole Avenue. Additionally, the Longwood Grant Street lift station received a new control panel providing optimal performance and reliability of the pump station. As part of the city's Lift Station Rehabilitation Program, upgrades to the Wayman Avenue and Candyland Park lift stations are underway. Finally, staff implemented a manhole rehabilitation project and successfully rehabilitated five (5) of the city's existing manholes.

Longwood Leisure Services has had a busy year in its progression towards normalcy compared to the last couple years when working through COVID and the aftermath. We are proud to say

that events have been in full swing from the beginning of 2021 and will continue to be active throughout 2022. The department continues to add more events such as the Independence Day Celebration, St. Andrew's Society Scottish Ceilidh, a Hawaiian themed event in the summer of 2022 and potentially increasing the number of concerts in the park shows sponsored by Orlando Health. The City has planned to partner with Ladies 327 to help bring a kid zone as well as food truck vendors to the concert in the park series. Ladies 327 will also be partnering with the city to host a new Bluegrass, Blues and BBQ event in the fall of 2022. It is the desire of the department to continue to find willing and mutually beneficial partnerships to add to the already sizeable list of events that are offered throughout the year.

The Department was successfully awarded a FRDAP grant that will allow for the addition of six new regulation pickleball courts, a complete resurfacing of the two existing basketball courts and futsal court and new backstops for several baseball fields at Candyland Park. An additional FRDAP grant will allow for the placement of new playground equipment at Smallworld Park. An AAD shade structure grant allowed the city to install a much-needed shade structure in close proximity to the splash pad at Reiter Park. Monthly events at Reiter park such as the Farmer's Market (every Saturday from 9-2pm) have been able to take advantage of the shade that the new structure offers.

With the help of a local BMX/Skate business owner, the city improved the skatepark by adding a number of new obstacles to help complement the popular BMX/Skate pump track. Candyland has seen many improvements in the form of bathroom renovations in both women's and men's bathrooms, new roofing on dugouts, a complete renovation of the staff office, new batting cage flooring, a professional paint job for the concession stand, reconstructed soft toss boxes, brand new LED lighting in the parking lots and into the park and playground area as well as the much-needed construction of an asphalt road through the middle and north end of the parking lot. In the future, staff looks to continue to make adjustments that improve on the older infrastructure of the park. Staff will continue to monitor the number of available grant opportunities and work towards obtaining more funding towards multiple facilities and equipment.

Leisure Services continues to manage the banner program that features banners along Ronald Reagan Blvd. Longwood businesses are able to advertise on the bottom portion of the banner while the top portion features three different color schemes and city related designs. We've been able to increase the size of the banners which will improve the visibility and exposure for the partnering businesses. It is the department's goal to increase the number of banners throughout the city, which will in turn increase awareness for local businesses and help to beautify the roadways.

Awards and Acknowledgements

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 Longwood for its comprehensive annual financial report for the fiscal year ended September 30, 2020. This was the twenty fifth year that the City has achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both Accounting Principles Generally Accepted in the United States of America, and applicable legal requirements.

A Certificate of Achievement is valid for a period of one (1) year only. We believe our current comprehensive annual financial report continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this Comprehensive Annual Financial Report on a timely basis was made possible through the efficient, dedicated and professional efforts of everyone in the Financial Services Department. The significant amount of year-end closing procedures required prior to the audit could not have been accomplished without much hard work and personal sacrifice.

Appreciation must also be expressed to the City's auditors, McDirmit, Davis, & Company, LLC, whose suggestions and attention to detail enhanced the quality of this report.

Other city departments, although not extensively involved in year-end audit activities, contributed significantly by ensuring the accuracy and integrity of accounting information compiled throughout the year.

In closing, special thanks go to the Mayor and Commission for their unfailing support for maintaining the highest standards of professionalism in the management of Longwood's finances.

Respectfully submitted,



Clint Gioielli,
Acting City Manager



Judith Rosado, MBA, MSA
Director of Financial Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Longwood
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morrill

Executive Director/CEO

Citizens of Longwood

Elected Officials

Brian D. Sackett, Mayor – District 5
Tony Boni, Deputy Mayor – District 2
Abby Shoemaker, Commissioner – District 2
Matt Morgan, Commissioner – District 4
Matt McMillan, Commissioner – District 3

City Clerk

Michelle Longo

Acting City Manager

Clint Gioielli

City Attorney

Dan Langley

Human Resources/Risk Management

Magdala Ridore
Director

Community Development

Chris Kintner
Director

Financial Services

Judith Rosado
Director

Information Technology

Craig Dunn
Director

Public Works

Shad Smith
Director

Leisure Services

Chris Capizzi
Director

Fire Department

Mike Peters
Fire Chief

Police Department

David Dowda
Chief of Police

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Longwood, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the *City of Longwood, Florida* (the City), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, and the respective changes in financial position, where applicable, cash flows, thereof and the respective budgetary comparison for the general fund and ARPA fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other post-employment benefit information, and budgetary comparison schedule on pages 3 through 13 and 58 through 62, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other 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 introductory section, combining and individual nonmajor fund financial statements and statistical section, and the Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General*, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules, and the Schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2022 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

McDiernit Davis

Orlando, Florida
April 28, 2022

The City of Longwood, Florida's (the City) management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter (beginning on page i) and the City's financial statements (beginning on page 14).

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at September 30, 2021 by \$69,789,877 (net position). Of this amount, \$(1,414,395) (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As a result of the current year's activities, the City's total net position increased by \$4,120,613 or 6.3%.
- At the close of the most recent fiscal year, the City's governmental funds reported combined ending fund balances of \$8,642,909, a decrease of \$945,512. Approximately 31.7% of this total amount, \$2,742,194, is available for spending at the City's discretion (unassigned fund balance).
- At the close of the most recent fiscal year, unassigned fund balance for the general fund was \$2,800,908 or 15.6% of total general fund expenditures.
- Net position of the Police Officers' and Firefighters' Pension Trust Funds increased by \$5,136,161 or 23%.

Overview of the Financial Statements

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

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City'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, liabilities and deferred inflows/outflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or declining.

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 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, physical environment, highway and streets, sanitation and parks and recreation. The business-type activities of the City include a Public Utilities system.

The government-wide financial statements include only the City itself (known as the primary government). There are no component units. The Public Utilities system functions as a department of the City, and therefore, has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 14-15 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, 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. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City'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 adopts an annual appropriated budget for all governmental funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the budget.

The City maintains sixteen individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, the Public Facilities Improvement Fund and the ARPA Fund, all of 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 in this report, immediately following the Notes to the Financial Statements.

The basic governmental fund financial statements can be found on pages 16-22 of this report.

Proprietary Funds

The City maintains one proprietary fund type. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its Public Utilities system.

The basic proprietary fund financial statements can be found on pages 23-25 of 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 those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 26-27 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-57 of this report.

Required Supplementary Information (RSI)

RSI can be found on pages 58-62 of this report.

Other Information

The budget schedules for the major capital projects fund is on pages 63 after the RSI. The combining statements referred to earlier in connection with nonmajor governmental funds are presented after this. Combining and individual nonmajor governmental fund statements and schedules can be found on pages 64-79 of this report.

Government-Wide Financial Analysis

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$69,789,877 at the close of the most recent fiscal year.

Over half (\$65,960,873 or 94.5%) of the City's net position reflect its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related outstanding 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. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position \$5,243,399 (or 7.5%) represents resources that are subject to external restrictions on how they may be used. Assets restricted include the Special Law Enforcement Trust Fund, restrictions for building permits and inspections, and amounts restricted for renewal and replacement of the Public Utilities.

Unrestricted net position (\$1,414,395) or (2.0%) may be used to meet the City's ongoing obligations to citizens and creditors.

City of Longwood, Florida
Management's Discussion and Analysis

The following table reflects the condensed Statement of Net Position for the current and prior year. For more detail see the Statement of Net Position on page 14.

**Statement of Net Position
As of September 30, 2021 and 2020**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and other assets	\$ 18,332,649	\$ 12,258,053	\$ 1,047,691	\$ 755,123	\$ 19,380,340	\$ 13,013,176
Capital assets	44,347,933	44,703,909	39,654,078	34,892,760	84,002,011	79,596,669
Total assets	62,680,582	56,961,962	40,701,769	35,647,883	103,382,351	92,609,845
Deferred Outflows of Resources						
Deferred outflow of pension and OPEB	2,435,210	3,363,742	83,821	124,106	2,519,031	3,487,848
Liabilities:						
Current liabilities	6,001,283	2,138,197	1,143,300	808,701	7,144,583	2,946,898
Long-term liabilities	13,861,143	16,923,447	9,906,423	9,296,967	23,767,566	26,220,414
Other liabilities	-	-	182,957	219,193	182,957	219,193
Total liabilities	19,862,426	19,061,644	11,232,680	10,324,861	31,095,106	29,386,505
Deferred Inflows of Resources						
Deferred inflow of pension and OPEB	4,803,310	1,543,510	213,089	74,135	5,016,399	1,617,645
Net Position:						
Net investment in capital assets	35,580,612	34,389,184	30,380,261	29,385,839	65,960,873	63,775,023
Restricted for:						
Renewal and replacement	-	-	2,126,560	2,290,157	2,126,560	2,290,157
Capital projects	13,773	-	1,739,837	940,242	1,753,610	940,242
Building permits and inspections	1,086,575	1,104,091	-	-	1,086,575	1,104,091
Special law enforcement	276,654	146,478	-	-	276,654	146,478
Unrestricted	3,492,442	4,080,797	(4,906,837)	(7,243,245)	(1,414,395)	(3,162,448)
Total net position	\$ 40,450,056	\$ 39,720,550	\$ 29,339,821	\$ 25,372,993	\$ 69,789,877	\$ 65,093,543

Statement of Changes in Net Position.

The table on page 8 reflects the Statement of Changes in Net Position for the current and prior year. For more detailed information see the Statement of Activities on page 15.

Note that the City's net position increased by \$4,120,613 or 6.33% in fiscal year 2021. The previous fiscal year, 2020, net position increased by \$1,549,214 or 2.4%.

Governmental activities increased net position by \$729,506 in fiscal year 2021 compared to an increase of \$168,850 in 2020. This increase is a result of this year's operations.

Business-type activities increased net position by \$3,391,107 in fiscal year 2021 compared to an increase of \$1,380,364 in 2020. The increase in 2021 is due to contribution of capital assets and impact fees.

Following the Changes in Net Position table is a series of bar and pie charts that relay in pictorial form the revenues and expenses for each of the governmental and business-type activities as well as the revenue 'source' for each.

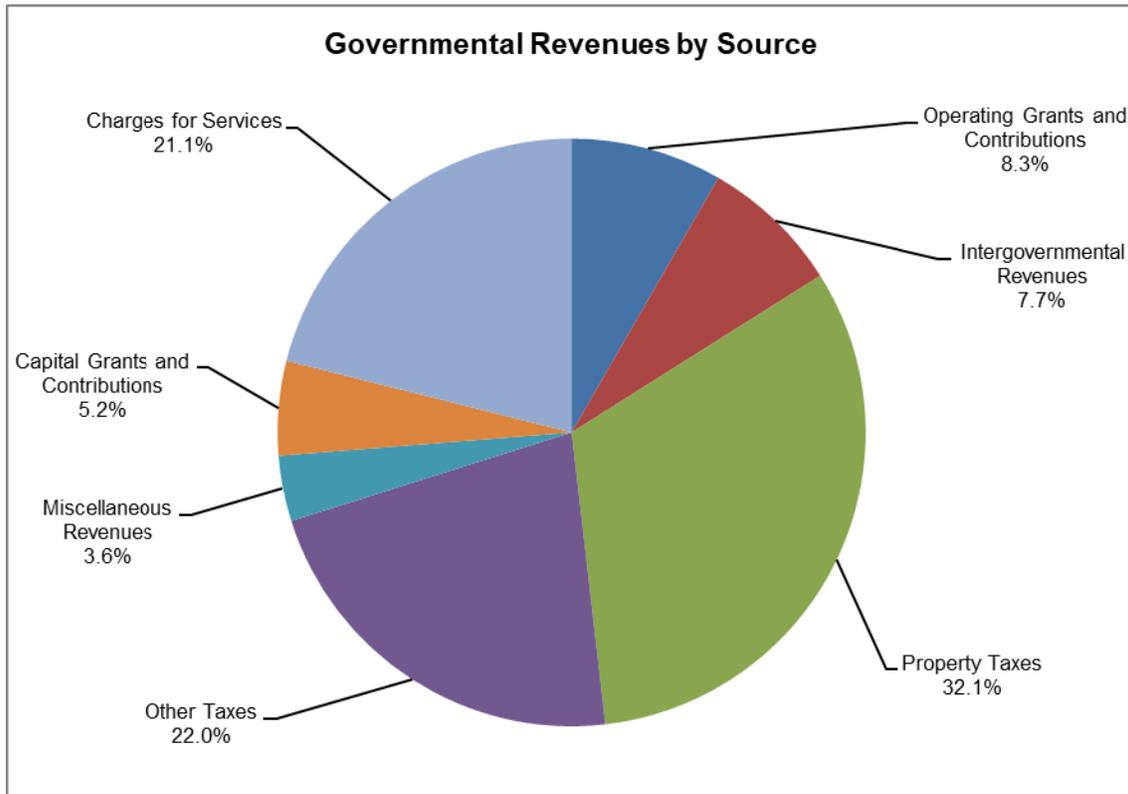
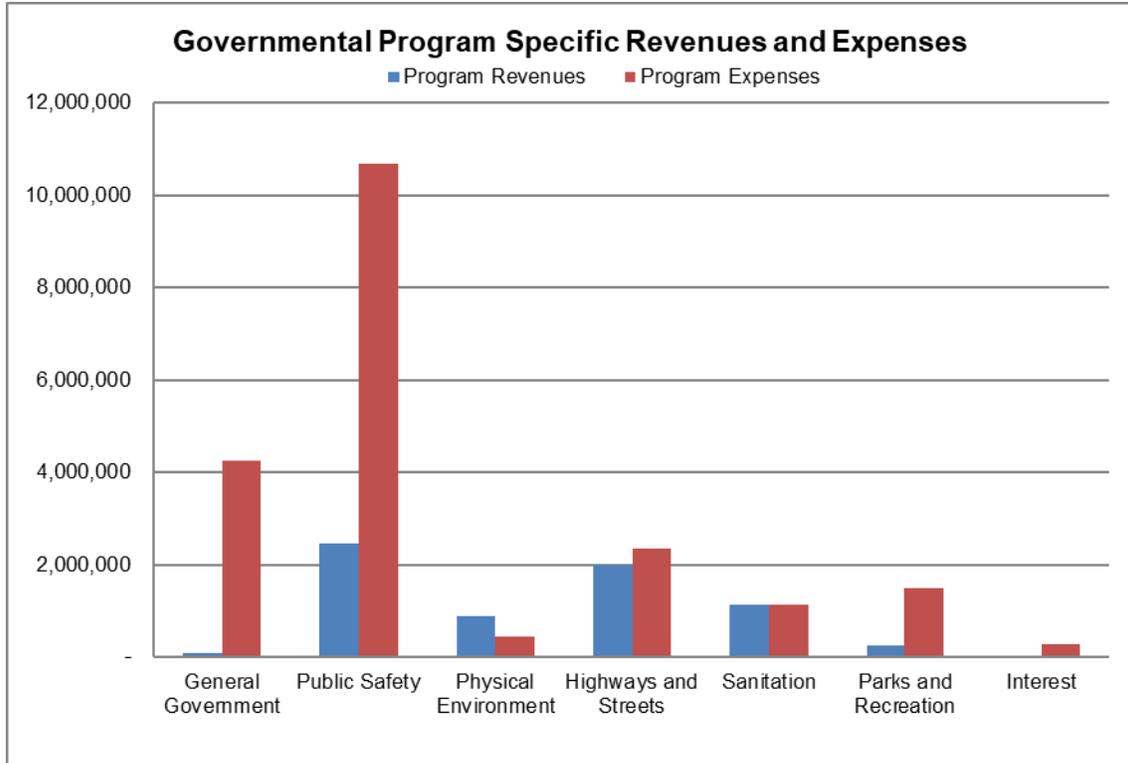
Additional information regarding the changes in fund balances of the governmental and business-type activities can be found in the section entitled **Financial Analysis of the City's Funds** on page 11.

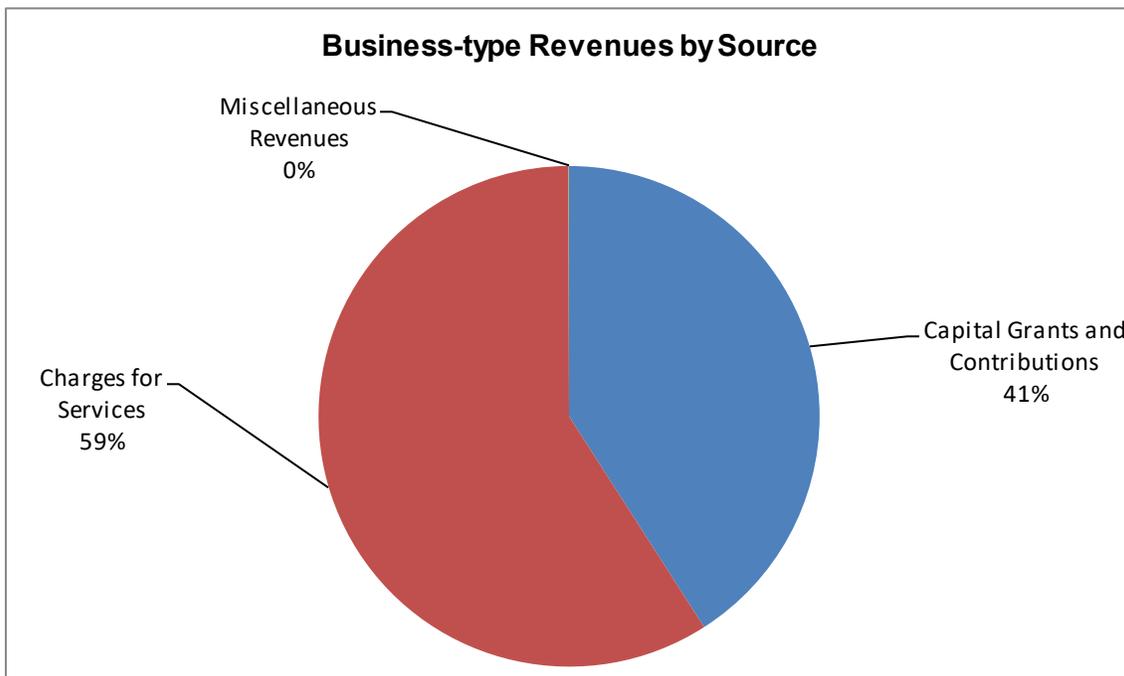
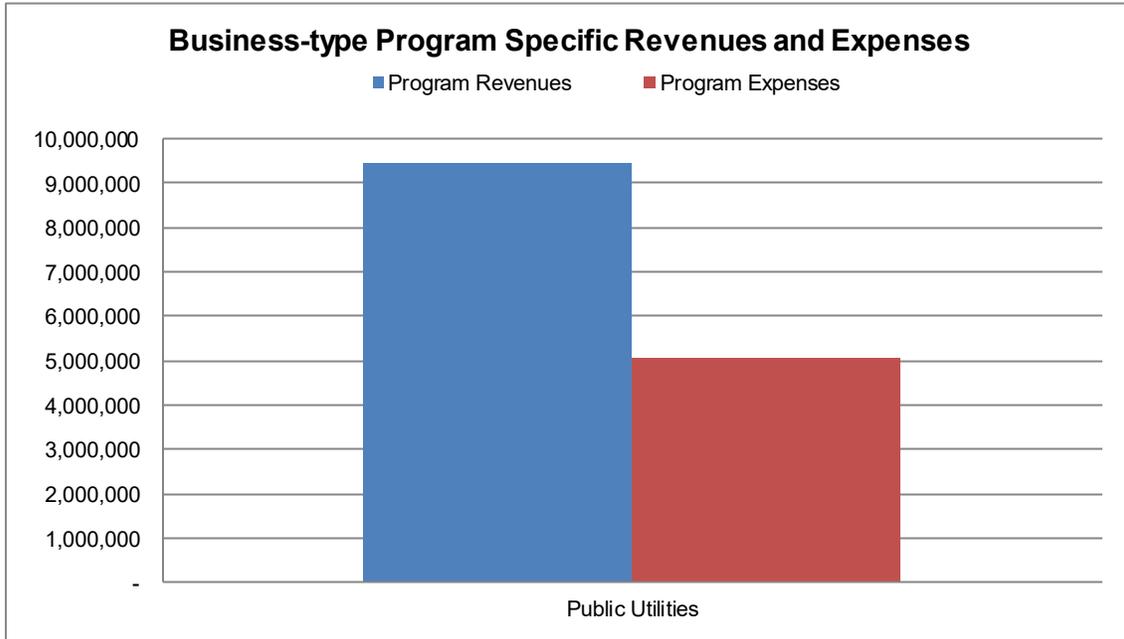
Note that the first graph depicts governmental program-specific revenues and expenses. For this graph the revenue does not include property taxes, franchise and utility taxes, communication services tax, intergovernmental revenue, investment earnings or miscellaneous revenue. This chart is intended to show the amount of program expenses funded by specific program revenues.

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**Changes in Net Position
For the Year Ended September 30,**

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 4,773,553	\$ 4,150,575	\$ 5,583,868	\$ 5,482,548	\$ 10,357,421	\$ 9,633,123
Operating grants and contributions	1,020,379	1,638,454	-	-	1,020,379	1,638,454
Capital grants and contributions	1,343,296	1,020,729	3,872,420	1,699,372	5,215,716	2,720,101
General revenues:						
Property taxes	6,865,821	6,325,018	-	-	6,865,821	6,325,018
Other taxes	4,302,704	4,324,368	-	-	4,302,704	4,324,368
Other	2,012,259	2,229,380	59,935	34,885	2,072,194	2,264,265
Total revenues	20,318,012	19,688,524	9,516,223	7,216,805	29,834,235	26,905,329
Expenses:						
General government	4,181,149	4,251,484	-	-	4,181,149	4,251,484
Public safety	10,490,845	10,675,460	-	-	10,490,845	10,675,460
Physical environment	577,586	439,398	-	-	577,586	439,398
Highways and streets	2,486,364	2,345,571	-	-	2,486,364	2,345,571
Sanitation	1,059,739	1,135,921	-	-	1,059,739	1,135,921
Parks and recreation	1,656,803	1,500,607	-	-	1,656,803	1,500,607
Interest on long-term debt	211,340	271,832	-	-	211,340	271,832
Public utilities	-	-	5,049,796	4,735,842	5,049,796	4,735,842
Total expenses	20,663,826	20,620,273	5,049,796	4,735,842	25,713,622	25,356,115
Increase (decrease) in net position before transfers	(345,814)	(931,749)	4,466,427	2,480,963	4,120,613	1,549,214
Transfers	1,075,320	1,100,599	(1,075,320)	(1,100,599)	-	-
Increase in Net Position	729,506	168,850	3,391,107	1,380,364	4,120,613	1,549,214
Net position, October 1, as restated	39,720,550	39,551,700	25,948,714	23,992,629	65,669,264	63,544,329
Net position, September 30	\$ 40,450,056	\$ 39,720,550	\$ 29,339,821	\$ 25,372,993	\$ 69,789,877	\$ 65,093,543





Financial Analysis of the City's Funds

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

Governmental Funds

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

As of September 30, 2021, the City's governmental funds reported combined ending fund balances of \$8,642,909, a decrease of \$945,512, from the prior year. Approximately 31.73% or \$2,742,194 of this total amount constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance, \$5,900,715, is either nonspendable, as prepaids and advances, restricted for special revenue funds, committed to capital projects, or assigned to subsequent year expenditures or capital projects.

The General Fund is the primary operating fund of the City. At September 30, 2021, the unassigned fund balance of the General Fund was \$2,800,908 while the total fund balance was \$5,340,446. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 15.6% of total General Fund expenditures, while total fund balance represents 29.8% of that same amount. The fund balance of the General Fund increased by \$1,357,487 due to an increase in revenues. Property taxes, which comprised 32.1% of the City's governmental activity revenues, increased by \$540,803. This increase was primarily due to the increase in taxable value of property in the City. Expenses also increased this year by \$933,975 when compared to prior year expenses of \$16,975,025 to this year \$17,909,000.

The Public Facilities Improvement Fund has a total fund balance of \$1,831,670. The fund realized a decrease in total fund balance of \$164,461 in 2021 is attributed to expenditures in resurfacing of local streets paving and W. Warren Avenue complete street projects.

Proprietary Funds

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

At September 30, 2021, unrestricted net position of the Public Utilities Enterprise Fund amounted to \$(4,906,837) and total net position increased \$3,391,107. This increase is due to capital contributions and grant revenues.

General Fund Budgetary Highlights

During fiscal year 2021, the City made various budget amendments which were approved by City Commission to maintain budget compliance within its major categories. As required by the City Code of Ordinances, contracts and purchases in excess of \$50,000 were approved by City Commission.

Differences between the original General Fund budgeted expenditures and transfers out and the final amended General Fund budget amounted to \$337,456. The increase in appropriations can be briefly summarized as follows:

- \$15,056 increase budget for wireless digital upgrade
- \$ 5,000 increase for purchase of new equipment
- \$57,622 increase for park improvement and renovation
- \$84,300 increase for consulting services
- \$48,636 increase for grant funds in police department
- \$81,342 increase for operating related expenses
- \$45,500 increase for Covid-19 related expenses budgeted for reappropriation of funds unused in the prior fiscal year.

Actual expenditures were less than final appropriations by \$787,847, a variance of 4.2%. The decrease in expenditures is summarized as follows:

- \$73,912 associated with personnel services (vacant positions, terminations)
- \$118,155 associated with encumbrance roll over to subsequent year
- \$595,780 associated with operating expenditures budgeted but not incurred.

Capital Asset and Debt Administration

Capital assets

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2021 amounts to \$84,002,011 (net of accumulated depreciation), for an increase of \$4,405,342 over the prior year. This investment in capital assets includes land, buildings, improvements, infrastructure, vehicles and equipment. The total increase in the City's investment in capital assets for the current fiscal year was 5.5% (a 0.8% decrease for governmental activities, and a 13.6% increase for business-type activities).

Major capital assets completed or acquired during the current fiscal year included the following:

- Reiter Park- \$5,178,757
- Altamonte Springs Force Main- \$3,886,533
- Grant AC Water Main Replacement- \$495,386

Major capital assets included in construction in progress:

- Resurfacing of local streets \$11,948
- ADA Transition Plan Community Building \$1,406
- Ronald Reagan Boulevard Complete Street \$2,092
- Bicycle Pedestrian Plan Projects \$52,606
- Corridor Landscaping/Hardscaping \$3,853
- 17-92 Median Landscaping \$4,373
- AMI Meter Installation \$63,385
- Longdale Septic Tank Abatement \$1,058,994
- E Longwood Septic Tank Abatement PH1 \$10,745
- E Longwood Septic Tank Abatement PH2 \$101,392
- W Warren Avenue Complete Street \$177,021
- Lift Station Emergency Pump Replacement \$42,570
- Pollutant Loading Analysis \$36,061
- Rock Lake Outfall \$19,923
- Engineering Studies Community Building \$3,920

Additional information on the City's capital assets can be found in Note 7 of this report.

City of Longwood, Florida

Capital Assets (Net of Depreciation)

As of September 30,

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Land	\$ 5,672,052	\$ 5,672,052	\$ 462,581	\$ 462,581	\$ 6,134,633	\$ 6,134,633
Buildings	2,086,759	2,194,514	23,262	26,302	2,110,021	2,220,816
Improvements Other Than Buildings	8,895,185	4,037,045	26,979,203	23,951,731	35,874,388	27,988,776
Infrastructure	22,944,270	24,125,866	-	-	22,944,270	24,125,866
Vehicles and Equipment	2,020,265	2,303,735	294,816	267,420	2,315,081	2,571,155
Intangibles	-	-	4,955,158	3,538,085	4,955,158	3,538,085
Construction in Progress	2,729,402	6,370,697	6,939,058	6,646,641	9,668,460	13,017,338
Total capital assets, net	\$44,347,933	\$44,703,909	\$39,654,078	\$34,892,760	\$84,002,011	\$79,596,669

Noncurrent Liabilities

At September 30, 2021, the City had no general obligation or revenue bond debt outstanding. Increases in long term debt is due to new debt issued exceeding principal payments.

Additional information on the City's noncurrent liabilities can be found in Note 10 of this report.

City of Longwood, Florida

Noncurrent Liabilities

As of September 30,

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Capital Leases	\$ -	\$ 89,723	\$ -	\$ -	\$ -	\$ 89,723
Note Payable	8,767,321	10,225,002	9,273,817	8,506,921	18,041,138	18,731,923
Total	\$ 8,767,321	\$ 10,314,725	\$ 9,273,817	\$ 8,506,921	\$ 18,041,138	\$ 18,821,646

Economic Factors and Next Year's Budgets and Rates

The City's elected and appointed officials considered many economic indicators on a continual basis. The fiscal year 2022 Budget was prepared holding the operating millage rate at 5.5000 mills where it has been since fiscal year 2013. Property values have continued to trend positively since 2012. According to the Seminole County Property Appraiser the City of Longwood's tax roll is \$1,375,852,524. Property gross taxable values increased 6.3% or \$87,238,784 when compared to the adjusted values of the prior year. The City is expected to generate approximately \$7,218,217 in property tax revenues compared to \$6,754,011 budgeted in fiscal year 2021.

The citywide adopted operating budget for fiscal year 2022 is \$57,839.432 million (inclusive of transfers) or 11% more than the fiscal year 2021 adopted budget of \$51,969,679 million (inclusive of transfers). The General Fund budget for fiscal year 2022 is \$18,859,972 million (inclusive of transfers) or 3% greater than the fiscal year 2021 adopted budget of \$18,374,390 million (inclusive of transfers).

The City has also managed to accumulate an acceptable level of unassigned reserves. Resolution 21-1559 formalized the City's fund balance policy as recommended best practices of the Governmental Finance Officers Association (GFOA) and to be in line with GASB 54 definitions and criteria for classifying fund balances.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all 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 Financial Services Director, 175 West Warren Avenue, Longwood, FL 32750. The Annual Comprehensive Financial Report is also available at the City's website located at www.longwoodfl.org.

Historic
LONGWOOD



F l o r i d a

BASIC FINANCIAL STATEMENTS

Historic
LONGWOOD



Florida

City of Longwood, Florida
Statement of Net Position
September 30, 2021

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	\$ 7,802,398	\$ -	\$ 7,802,398
Investments	2,462,008	-	2,462,008
Accounts receivable, net of allowance	399,171	552,468	951,639
Due from other governmental units	490,893	1,369,622	1,860,515
Internal balances	3,395,010	(3,395,010)	-
Prepays	31,336	8,036	39,372
Net pension asset	3,751,833	-	3,751,833
Restricted cash	-	1,922,794	1,922,794
Impact fees and assessments receivable	-	589,781	589,781
Capital assets:			
Not being depreciated	8,401,454	7,401,639	15,803,093
Being depreciated, net	35,946,479	32,252,439	68,198,918
Total assets	62,680,582	40,701,769	103,382,351
Deferred Outflows of Resources			
Deferred outflows of pensions	2,095,433	37,905	2,133,338
Deferred outflows related to OPEB	339,777	45,916	385,693
Total deferred outflows of resources	2,435,210	83,821	2,519,031
Liabilities:			
Accounts payable and other current liabilities	1,616,471	1,143,300	2,759,771
Due to other governmental units	91,125	-	91,125
Unearned revenues	4,181,084	-	4,181,084
Customer deposits	-	182,957	182,957
Accrued interest	112,603	-	112,603
Noncurrent liabilities:			
Due within one year	1,690,886	502,708	2,193,594
Due in more than one year	12,170,257	9,403,715	21,573,972
Total liabilities	19,862,426	11,232,680	31,095,106
Deferred Inflows of Resources:			
Deferred inflows of pensions	4,567,636	181,241	4,748,877
Deferred inflows related to OPEB	235,674	31,848	267,522
Total deferred inflows of resources	4,803,310	213,089	5,016,399
Net Position:			
Net investment in capital assets	35,580,612	30,380,261	65,960,873
Restricted for:			
Renewal and replacement	-	2,126,560	2,126,560
Capital projects	13,773	1,739,837	1,753,610
Building permits and inspections	1,086,575	-	1,086,575
Special law enforcement	276,654	-	276,654
Unrestricted	3,492,442	(4,906,837)	(1,414,395)
Total net position	\$ 40,450,056	\$ 29,339,821	\$ 69,789,877

Historic
LONGWOOD



Florida

City of Longwood, Florida
Statement of Activities
Year Ended September 30, 2021

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary Government							
Governmental Activities:							
General Government	\$ 4,181,149	\$ 70,379	\$ -	\$ -	\$ (4,110,770)	\$ -	\$ (4,110,770)
Public Safety	10,490,845	2,580,864	520,915	7,015	(7,382,051)	-	(7,382,051)
Physical Environment	577,586	788,914	117,425	-	328,753	-	328,753
Highways & Streets	2,486,364	-	382,039	1,329,526	(774,799)	-	(774,799)
Sanitation	1,059,739	1,137,169	-	-	77,430	-	77,430
Parks and Recreation	1,656,803	196,227	-	6,755	(1,453,821)	-	(1,453,821)
Interest on Long-term debt	211,340	-	-	-	(211,340)	-	(211,340)
Total governmental activities	20,663,826	4,773,553	1,020,379	1,343,296	(13,526,598)	-	(13,526,598)
Business-type activities:							
Public Utilities	5,049,796	5,583,868	-	3,872,420	-	4,406,492	4,406,492
Total business-type activities	\$ 5,049,796	\$ 5,583,868	\$ -	\$ 3,872,420	\$ -	\$ 4,406,492	\$ 4,406,492
Total primary government	\$ 25,713,622	\$ 10,357,421	\$ 1,020,379	\$ 5,215,716	\$ (13,526,598)	\$ 4,406,492	\$ (9,120,106)
General Revenues:							
Taxes:							
Property taxes					6,865,821	-	6,865,821
Franchise and utility taxes					3,606,274	-	3,606,274
Communications services tax					696,430	-	696,430
Unrestricted intergovernmental revenues					1,763,927	-	1,763,927
Unrestricted investment earnings					7,848	3,182	11,030
Miscellaneous					183,575	-	183,575
Gain on Sale of Capital Assets					56,909	56,753	113,662
Transfers					1,075,320	(1,075,320)	-
Total general revenues and transfers					14,256,104	(1,015,385)	13,240,719
Change in net position					729,506	3,391,107	4,120,613
Net position, beginning					39,720,550	25,372,993	65,093,543
Prior period adjustment					-	575,721	575,721
Net position, ending					\$ 40,450,056	\$ 29,339,821	\$ 69,789,877

City of Longwood, Florida
Balance Sheet - Governmental Funds
September 30, 2021

	General Fund	Public Facilities Improvement Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 1,954,544	\$ -	\$ 3,897,102	\$ 1,950,752	\$ 7,802,398
Investments	2,462,008	-	-	-	2,462,008
Accounts receivable (net of allowance for uncollectibles)	270,970	47,662	-	80,539	399,171
Due from other funds	102,098	-	-	-	102,098
Due from other governmental units	333,565	155,639	-	1,689	490,893
Prepays	31,336	-	-	-	31,336
Advances to other funds	2,020,701	1,729,309	-	-	3,750,010
Total assets	\$ 7,175,222	\$ 1,932,610	\$ 3,897,102	\$ 2,032,980	\$ 15,037,914
Liabilities:					
Accounts payable	\$ 302,872	\$ 53,278	\$ -	\$ 39,077	\$ 395,227
Accrued liabilities	1,188,830	-	-	32,414	1,221,244
Due to other funds	-	-	-	102,098	102,098
Advances from other funds	-	-	-	355,000	355,000
Due to other governments	67,961	-	-	23,164	91,125
Unearned revenue	275,113	-	3,896,892	9,079	4,181,084
Total liabilities	1,834,776	53,278	3,896,892	560,832	6,345,778
Deferred Inflows of Resources:					
Unavailable revenue	-	47,662	-	1,565	49,227
Fund Balances (deficits):					
Nonspendable	2,052,037	-	-	-	2,052,037
Spendable:					
Restricted	-	-	210	1,377,002	1,377,212
Committed	-	1,831,670	-	128,207	1,959,877
Assigned	487,501	-	-	24,088	511,589
Unassigned	2,800,908	-	-	(58,714)	2,742,194
Total fund balances	5,340,446	1,831,670	210	1,470,583	8,642,909
Total liabilities, deferred inflows and fund balances(deficits)	\$ 7,175,222	\$ 1,932,610	\$ 3,897,102	\$ 2,032,980	\$ 15,037,914

City of Longwood, Florida
**Reconciliation of the Governmental Funds Balance Sheet to the
Statement of Net Position**
September 30, 2021

Total Fund Balance, Governmental Funds	\$ 8,642,909
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	44,347,933
Certain other long-term assets are not available to pay current period expenditures and, therefore, are reported as unavailable revenue in the funds.	49,227
Deferred inflows and outflows of resources related to pension earnings are not recognized in governmental funds, however, they are recorded in net position under full accrual accounting.	(2,368,100)
Net pension asset	3,751,833
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Notes payable	(8,767,321)
Accrued interest payable	(112,603)
Net pension liability	(557,393)
OPEB liability	(3,490,431)
Compensated absences	(1,045,998)
	<hr/>
Net Position of Governmental Activities in the Statement of Net Position	\$ 40,450,056
	<hr/> <hr/>

City of Longwood, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended September 30, 2021

	<u>General Fund</u>	<u>Public Facilities Improvement Fund</u>	<u>ARPA Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Taxes:					
Property tax	\$ 6,865,821	\$ -	\$ -	\$ -	\$ 6,865,821
Franchise tax	1,754,465	-	-	-	1,754,465
Utility tax	1,851,809	-	-	-	1,851,809
Communications services tax	696,430	-	-	-	696,430
Local option gas tax	-	355,916	-	-	355,916
Licenses and permits	204,120	-	-	1,152,805	1,356,925
Intergovernmental revenue	2,610,195	1,316,074	-	-	3,926,269
Charges for services	2,122,756	-	-	758,556	2,881,312
Fines and forfeitures	109,410	-	-	152,692	262,102
Special assessments	-	26,327	-	94,621	120,948
Investment earnings	3,897	1,685	210	2,056	7,848
Miscellaneous revenue	113,653	52,747	-	44,714	211,114
Total revenues	<u>16,332,556</u>	<u>1,752,749</u>	<u>210</u>	<u>2,205,444</u>	<u>20,290,959</u>
Expenditures:					
Current:					
General government	3,635,773	-	-	-	3,635,773
Public safety	9,561,828	-	-	727,697	10,289,525
Physical environment	-	-	-	551,639	551,639
Highways and streets	1,177,914	87,277	-	-	1,265,191
Sanitation	1,059,739	-	-	-	1,059,739
Parks and recreation	1,438,894	-	-	80,284	1,519,178
Debt Service:					
Principal	747,022	772,822	-	27,560	1,547,404
Interest and other charges	171,503	48,749	-	5,730	225,982
Capital Outlay	116,327	1,008,362	-	1,152,349	2,277,038
Total expenditures	<u>17,909,000</u>	<u>1,917,210</u>	<u>-</u>	<u>2,545,259</u>	<u>22,371,469</u>
Excess (deficiency) of revenues over expenditures	<u>(1,576,444)</u>	<u>(164,461)</u>	<u>210</u>	<u>(339,815)</u>	<u>(2,080,510)</u>
Other Financing					
Sources (uses):					
Sale of general capital assets	29,543	-	-	30,135	59,678
Transfers in	1,616,668	-	-	15,000	1,631,668
Transfers out	(15,000)	-	-	(541,348)	(556,348)
Total other financing sources	<u>1,631,211</u>	<u>-</u>	<u>-</u>	<u>(496,213)</u>	<u>1,134,998</u>
Net change in fund balances	<u>54,767</u>	<u>(164,461)</u>	<u>210</u>	<u>(836,028)</u>	<u>(945,512)</u>
Fund balances, beginning	<u>5,285,679</u>	<u>1,996,131</u>	<u>-</u>	<u>2,306,611</u>	<u>9,588,421</u>
Fund balances, ending	<u>\$ 5,340,446</u>	<u>\$ 1,831,670</u>	<u>\$ 210</u>	<u>\$ 1,470,583</u>	<u>\$ 8,642,909</u>

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

Year Ended September 30, 2021

Net Change in Fund Balances, total governmental funds: \$ (945,512)

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

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

Expenditures for Capital Assets	2,237,368	
Current Year Depreciation	(2,589,975)	(352,607)

The net effect of various transactions involving capital assets (i.e. sales, trade-ins and disposals) is to decrease net position (3,369)

Cash pension contributions reported in the funds were more than the calculated pension expense on the statement of activities, and therefore increased net position 729,095

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

Other post employment benefits	(282,371)	
Accrued interest	14,642	
Compensated absences	51,480	(216,249)

The issuance of long-term debt such as capital leases, provides current financial resources to governmental funds, while 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.

Principal Payments	1,547,404	1,547,404

Special assessment revenue reported in the funds in the current year must be eliminated from the statement of activities since revenue was recognized in the prior year. (29,256)

Change in net position of governmental activities	\$ 729,506	
	\$ 729,506	

City of Longwood, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - General Fund
Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 6,754,111	\$ 6,754,111	\$ 6,865,821	\$ 111,710
Franchise tax	1,836,364	1,836,364	1,754,465	(81,899)
Utility tax	1,825,656	1,825,656	1,851,809	26,153
Communications services tax	746,705	746,705	696,430	(50,275)
Licenses and permits	203,200	203,200	204,120	920
Intergovernmental revenue	2,286,049	2,334,685	2,610,195	275,510
Charges for services	2,271,168	2,271,168	2,122,756	(148,412)
Fines and forfeitures	160,500	160,500	109,410	(51,090)
Investment earnings	5,000	5,000	3,897	(1,103)
Miscellaneous revenue	287,100	287,100	113,653	(173,447)
Total revenues	16,375,853	16,424,489	16,332,556	(91,933)
Expenditures:				
Current:				
General government:				
City commission	99,693	99,693	83,144	16,549
City clerk	426,444	426,443	405,814	20,629
City manager	180,705	204,939	204,064	875
City attorney	180,000	180,000	148,475	31,525
Personnel	885,526	866,393	802,806	63,587
Purchasing	106,216	109,653	108,461	1,192
Finance	389,004	444,993	423,490	21,503
Community development	698,863	728,864	636,542	92,322
Other-unclassified	907,702	940,023	879,802	60,221
Total general government	3,874,153	4,001,001	3,692,598	308,403
Public Safety				
Police	5,107,144	5,141,430	5,119,624	21,806
Fire	5,047,880	5,132,180	4,912,174	220,006
Total public safety	10,155,024	10,273,610	10,031,798	241,812

City of Longwood, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual - General Fund (Continued)
Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures (Continued)				
Highways and streets:				
Streets and fleet	\$ 1,135,979	\$ 1,136,885	\$ 1,177,914	\$ (41,029)
Total highways and streets	<u>1,135,979</u>	<u>1,136,885</u>	<u>1,177,914</u>	<u>(41,029)</u>
Sanitation	<u>1,196,000</u>	<u>1,196,000</u>	<u>1,059,739</u>	<u>136,261</u>
Parks and recreation:				
Recreational programs	<u>1,977,302</u>	<u>1,966,844</u>	<u>1,830,624</u>	<u>136,220</u>
Total parks and recreation	<u>1,977,302</u>	<u>1,966,844</u>	<u>1,830,624</u>	<u>136,220</u>
Capital Outlay	<u>20,933</u>	<u>122,507</u>	<u>116,327</u>	<u>6,180</u>
Total expenditures	<u>18,359,391</u>	<u>18,696,847</u>	<u>17,909,000</u>	<u>787,847</u>
Excess (deficiency) of revenues over expenditures	<u>(1,983,538)</u>	<u>(2,272,358)</u>	<u>(1,576,444)</u>	<u>695,914</u>
Other Financing Sources (Uses):				
Sale of general capital assets	-	5,000	29,543	24,543
Transfers in	1,616,668	1,616,668	1,616,668	-
Transfers out	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,601,668</u>	<u>1,606,668</u>	<u>1,631,211</u>	<u>24,543</u>
Net change in fund balances	<u>(381,870)</u>	<u>(665,690)</u>	<u>54,767</u>	<u>720,457</u>
Fund balance, beginning	<u>5,285,679</u>	<u>5,285,679</u>	<u>5,285,679</u>	<u>-</u>
Fund balance, ending	<u>\$ 4,903,809</u>	<u>\$ 4,619,989</u>	<u>\$ 5,340,446</u>	<u>\$ 720,457</u>

ARPA Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Investment earnings	\$ -	\$ -	\$ 210	\$ 210
Total revenues	-	-	210	210
Expenditures:				
Current:				
Highways and streets:				
Public facilities improvements	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	210	210
Net change in fund balances	-	-	210	210
Fund balances, beginning	-	-	-	-
Fund balances, ending	\$ -	\$ -	\$ 210	\$ 210

City of Longwood, Florida
Statement of Net Position
Proprietary Fund
September 30, 2021

	Public Utilities
Assets:	
Current assets:	
Cash and cash equivalents	\$ -
Accounts receivable, net	552,468
Restricted cash	1,922,794
Receivables from other governments	1,369,622
Prepaid	8,036
Total current assets	3,852,920
Noncurrent assets:	
Impact fees and assessments receivable	589,781
Capital Assets:	
Not being depreciated	7,401,639
Being depreciated, net	32,252,439
Total noncurrent assets	40,243,859
Total assets	44,096,779
Deferred Outflows of Resources:	
Deferred outflows on pension and OPEB	83,821
Liabilities:	
Current liabilities:	
Accounts payable and other current liabilities	825,705
Retainage payable	317,595
Due to other funds	3,395,010
Compensated absences	9,140
Customer deposits	182,957
Notes payable	493,568
Total current liabilities	5,223,975
Noncurrent liabilities:	
Compensated absences	82,261
Net pension liability	69,525
OPEB	471,680
Notes payable	8,780,249
Total noncurrent liabilities	9,403,715
Total liabilities	14,627,690
Deferred Inflows of Resources:	
Deferred inflows on pension and OPEB	213,089
Net Position:	
Net investment in capital assets	30,380,261
Restricted for renewal and replacement	2,126,560
Restricted for capital projects	1,739,837
Unrestricted	(4,906,837)
Total net position	\$ 29,339,821

City of Longwood, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position -
Proprietary Fund
Year Ended September 30, 2021

	<u>Public Utilities</u>
Operating Revenues:	
Charges for sales and services	\$ 5,583,868
Total operating revenues	<u>5,583,868</u>
Operating Expenses:	
Personnel	1,378,531
Supplies and services	1,743,720
Amortization	212,687
Depreciation	1,566,658
Total operating expenses	<u>4,901,596</u>
Operating income	<u>682,272</u>
Nonoperating Revenues (Expenses):	
Investment earnings	3,182
Gain on sale of capital assets	56,753
Interest expense	(148,200)
Total nonoperating expenses	<u>(88,265)</u>
Income before contributions and transfers	594,007
Capital Contributions	3,872,420
Transfers Out	(1,075,320)
Change in Net Position	<u>3,391,107</u>
Net position, beginning	25,372,993
Prior period adjustments	575,721
Net position, ending	<u>\$ 29,339,821</u>

City of Longwood, Florida
Statement of Cash Flows -
Proprietary Fund
Year Ended September 30, 2021

	Business-Type
	Activities
	Public Utilities
Cash Flows From Operating Activities:	
Receipts from customers	\$ 5,632,882
Payments to suppliers	(1,526,491)
Payments to employees	(1,356,732)
Net cash provided by (used in) operating activities	2,749,659
Cash Flows From Noncapital Financing Activities:	
Due to other funds	1,791,614
Transfers to other funds	(1,075,320)
Net cash provided by (used in) noncapital financing activities	716,294
Cash Flows From Capital and Related Financing Activities:	
Acquisition of capital assets	(6,430,159)
Sale of capital assets	56,753
Interest payments	(148,200)
Grants	2,227,024
Impact fees	814,910
Principal payments on notes payable and capital leases	(482,946)
Proceeds from notes payable	1,249,842
Net cash provided by (used in) in capital and related financing activities	(2,712,776)
Cash Flows From Investing Activities:	
Investment income	3,182
Net cash provided by (used in) investing activities	3,182
Net increase (decrease) in cash and cash equivalents	756,359
Cash and cash equivalents, beginning of year	1,166,435
Cash and cash equivalents, end of year	\$ 1,922,794
Classified as:	
Cash and cash equivalents	\$ -
Restricted cash, customer deposits	1,922,794
Total cash and cash equivalents	\$ 1,922,794
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income	\$ 682,272
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:	
Depreciation expense	1,566,658
Amortization expense	212,687
Decrease in accounts receivable	57,102
Decrease in deferred outflows	40,285
Decrease in assessments receivable	28,148
Increase in prepaid	(6,866)
Increase in accounts payable	224,095
Increase in OPEB	49,951
Decrease in compensated absences	(6,157)
Decrease in customer deposits	(36,236)
Increase in deferred inflows	138,954
Decrease in net pension liability	(201,234)
Net cash provided by (used in) operating activities	\$ 2,749,659

City of Longwood, Florida
**Statement of Fiduciary Net Position -
Fiduciary Fund**
September 30, 2021

	<u>Pension Fund</u>
Assets	
Cash and cash equivalents	<u>\$ 191,609</u>
Receivables:	
Employer and employee	<u>63,526</u>
Total receivables	<u>63,526</u>
Investments, at fair value:	
U.S. Government obligations	8,567,666
Equities	<u>18,613,460</u>
Total Investments	<u>27,181,126</u>
Total assets	<u>27,436,261</u>
Net Position:	
Net position restricted for pensions	<u>\$ 27,436,261</u>

City of Longwood, Florida
Statement of Changes in Fiduciary Net Position -
Fiduciary Fund
Year Ended September 30, 2021

	<u>Pension Fund</u>
Additions:	
Contributions:	
City	\$ 734,518
State	357,030
Employee	<u>51,492</u>
Total contributions	<u>1,143,040</u>
Investment Earnings:	
Net increase in the fair value of investments	4,327,804
Investment Expense	<u>(35,046)</u>
Net investment earnings	<u>4,292,758</u>
Total additions	<u>5,435,798</u>
Deductions:	
Refunds of Contributions	270,271
Administrative Expenses	<u>29,366</u>
Total deductions	<u>299,637</u>
Change in net position	5,136,161
Net position, beginning	<u>22,300,100</u>
Net position, ending	<u><u>\$ 27,436,261</u></u>

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Florida

NOTES TO THE FINANCIAL STATEMENTS

Historic
LONGWOOD



Florida

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Longwood, Florida (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Government Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow.

Reporting Entity

The City is a political subdivision of the State of Florida located in Seminole County. The legislative branch of the City is composed of a five-member elected Commission (the City Commission). The City Commission is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the City Manager.

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

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organizations' resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. In applying the above criteria, management has determined that there are no component units to be included within the reporting entity.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this rule are charges between the City's public utilities function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for 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.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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 operation. The principal operating revenues of the Public Utilities Fund are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation and amortization of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Major Governmental Funds

General Fund

The City's primary operating fund, and is used to account for all financial resources except those required to be accounted for in another fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The majority of current operating expenditures of the City other than proprietary fund activities are financed through revenues received by the General Fund.

Public Facilities Improvement Fund

A capital projects fund used to account for the general government's construction activities, the majority of which involves roadway improvements.

American Rescue Plan Act "ARPA" Fund

A special revenue fund used to account for the receipts and spending of the grant funds related to the American Rescue Plan Act.

Nonmajor Governmental Fund Types

Special Revenue Funds account for specific revenue sources that are restricted by law or administrative action to expenditures for specific purposes. Nonmajor special revenue funds include the Special Assessments Fund, the Police Education Fund, the Special Law Enforcement Trust Fund, Stormwater Management Fund, the Parks and Events Fund, the Citizens on Patrol (COPs) Fund, the Community Emergency Response Team (CERT) Fund, the Building Permits and Inspections Fund, Police Impact Fee Fund, Fire Impact Fees Fund, Recreation Impact Fee Fund, and Public Works/Administration Impact Fees.

Capital projects funds are used to account for acquisition and construction activity for large -scale projects of the general government. Non-major capital project funds include Capital Projects Fund.

Major Proprietary Fund

Public Utilities Enterprise Fund

Used to account for operations of the City's water and wastewater systems, which are financed and operated in a manner similar to private business enterprises, where the costs, including depreciation, of providing services to the general public on a continuing basis are financed or recovered primarily through user charges.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary Fund

Pension Fund

Accounts for contributions to the Florida Municipal Pension Trust Fund.

Assets, Liabilities, Deferred Outflows/Inflows and Net Position or Equity

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. The City currently holds \$1,700 available for petty cash.

Investments for the City are reported at fair value within the fair value hierarchy established in accordance with GASB Statement No. 72, Fair Value Measurement and Application, except for the position in the Florida State Board of Administration's and Florida Safe's Local Government Surplus Investment Pools (LGIP). In accordance with state law, the LGIP's operate in conformity with all of the requirements of the Securities and Exchange Commission's (SEC) Rule 2a7 as promulgated under the Investment Company Act of 1940, as amended. Accordingly, the LGIP's qualify as a 2a7-like pools and are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method. The Florida State Board of Administration is subject to regulatory oversight by the State of Florida, although it is not registered with the SEC.

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" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances." The long-term portion of advances between funds, as reported in the fund financial statements have been classified as nonspendable unless the funds associated with repayment of the advances are otherwise restricted for specific purposes.

All receivables are shown net of an allowance for uncollectibles. Accounts receivable in excess of 60 days comprise the accounts receivable allowance for uncollectibles.

Under Florida Law, the assessment of all properties and the collection of all City 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 also designed to assure a consistent property valuation method statewide. State Statutes permit cities to levy property taxes at a rate of up to ten (10) mills. The millage rate in effect for the City for the fiscal year ended September 30, 2021 was 5.50 mills.

The tax levy of the City is established by the City Commission prior to October 1 of each year and the Seminole County Property Appraiser incorporates the millage into the total tax levy, which includes the municipalities, independent districts and the County School Board tax requirements. All property is reassessed according to its fair market value on January 1 of each year. All taxes are due and payable on the levy date of November 1 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% for payments received in the month of November, 3% for payments received in the month of December, 2% for payments received in the month of January and 1% for payments received in the month of February. The taxes paid in March are not subject to discount. Delinquent taxes on real property bear interest of 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.

Inventory and Prepaid Items

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

Restricted Assets

The use of certain assets may be restricted by specific provisions of debt covenants, state regulations, and/or agreements with various parties. Resources for customer deposits and amounts for impact fees within the Public Utilities Enterprise Fund are segregated and classified as restricted assets.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Property, plant and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value as of the date received.

The City defines capital assets, in accordance with Chapter 274.02, Florida Statutes, as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Sewer contract cost (purchases of capacity) is capitalized and amortized over the life of the agreement.

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

Buildings	20 - 40 years
Improvements other than buildings	10 - 50 years
Infrastructure	20 - 50 years
Vehicles and equipment	3 - 10 years

Compensated Absences

The City records the vested portion of accumulated unused compensated absences at year-end based on each employee's accumulated unused hours and rate of pay, including the City's share of Social Security and Medicare taxes and pension contribution.

All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. For governmental activities, compensated absences are generally liquidated by the General Fund.

Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the proprietary fund financial statements and in the applicable governmental or business-type activities column in the government-wide financial statements. Such obligations are recognized as a liability in the governmental funds financial statements only when due.

Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from special assessments and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also has deferred inflows of pension and OPEB earnings reported in the enterprise and government-wide statement of net position.

Net Position Flow Assumption

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position / Fund Balances

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted net position, and unrestricted net position.

Net Investment in Capital Assets

This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance of this category.

Restricted Net Position

This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This category represents net position that does not meet the definition of “net investment in capital assets” or “restricted.”

In the governmental fund financial statements, financial reserves are now classified by components of fund balance per GASB Statement No. 54. Classifications of fund balance are established by City Commissioners and the senior management team and may be classified as committed or assigned. These tentative plans for expenditures can be increased, reduced, or eliminated by similar actions. The City’s general spending prioritization policy is to consider restricted resources to have been used first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used. See “Note 13 - Fund Balances” for additional information.

Use of Estimates

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

New GASB Statements Implemented

In fiscal year 2021, the City has not implemented any new accounting standards with a material effect on the District’s financial statements.

NOTE 2 PRIOR PERIOD ADJUSTMENT

Beginning net position for Business-Type Activities and Public Utilities Fund has been adjusted due to the correction of an error in the prior period assessment revenue for the public utilities. The beginning net position was changed by \$575,721, therefore, the net adjusted beginning net position balance increased from \$25,372,993 to \$25,948,714.

NOTE 3 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

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

NOTE 4 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual appropriations budgets are adopted for all funds except the Pension Trust Fund. Budgets for the governmental funds are adopted on a basis consistent with GAAP, except that on-behalf payments received from the state are not budgeted in the General Fund. Principal and interest are included in the appropriate function on the budget statements.

Budgetary Process and Compliance

1. On or before August 1, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public Hearings are conducted at City Hall to obtain taxpayer comments.
3. Prior to October 1, the budget is enacted through the passage of an ordinance.
4. The City Commission may make supplemental appropriations in excess of those estimated for the year up to the amount of available revenues. During fiscal year 2021 the City made several amendments to the budget.
5. The City cannot legally exceed the budget; however, at any time during the year, the City Commission may, by ordinance, transfer part or all of any unencumbered appropriation balance among programs within a department and/or transfer part or all of any unencumbered appropriation balance from one department to another. The legal level of budgetary control is at the program level (i.e. finance, police, recreation programs), since the City Manager may transfer funds between line items within a program.
6. Unexpended and unencumbered appropriations lapse at year-end.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders and contracts) outstanding at year end are reported as assigned fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

Deficit Fund Equity

The Stormwater Fund has a deficit fund balance of \$56,880 and the Police Education Special Revenue Fund has a deficit fund balance of \$1,834 at September 30, 2021.

Appropriations in Excess of Funds Available

Appropriations for the Special Assessments, Police Education Special Revenue Fund, Stormwater Fund, Capital Projects Fund and Public Facilities Fund were in excess of anticipated revenue and available fund balance. The Special Assessments Special Revenue Fund was established for the purpose of accounting for Neighborhood Beautification Capital Projects Assessments. The assessments are created to be repaid over a ten - thirteen year period. The City Commission elected to provide funding for these projects by using General Fund reserves (in lieu of issuing debt instruments) with the expectation that the transfers would be returned as collected up to the end of the term of the assessments

Expenditures in Excess of Appropriations

The Police Education Fund and General Fund - Streets Department contained expenditures in excess of appropriations for the fiscal year ended September 30, 2021.

NOTE 5 DEPOSITS AND INVESTMENTS

Deposits

The City's bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for each banking relationship. Remaining balances are collateralized pursuant to Chapter 280, Florida Statutes. Under this chapter all depositories holding public funds collateralize deposits in excess of FDIC insurance with the State Treasurer. 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 pooled cash account is held pursuant to a banking services agreement. Interest earned on the pooled cash is allocated monthly among the funds based on the percentage of each fund's cash balances to the total.

NOTE 5 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

Instead of establishing a written investment policy, the City elected to limit investment to the four categories indicated in Florida Statutes, Chapter 218.415, which are as follows:

1. The Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Chapter 163.01, Florida Statutes;
2. Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
3. Interest-bearing time deposits or savings accounts in state-certified qualified public depositories, as defined in Chapter 280.02, Florida Statutes;
4. Direct obligations of the U.S. Treasury.

The City does not have an investment policy that addresses credit risk, concentration of credit risk, custodial credit risk, or interest rate risk. However, all deposits are potentially subject to custodial credit risk. The City policy requires that bank deposits be secured as provided by Chapter 280, Florida Statutes. This law requires local governments to deposit funds only in financial institutions designated as qualified public depositories by the Chief Financial Officer of the State of Florida, and creates the Public Deposit Trust Fund, a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a default or insolvency has occurred. At September 30, 2021, all of the City's bank deposits were in qualified public depositories.

The City follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which requires the adjustments of the carrying values of investments to fair value to be presented as a component of investment income. Investments are presented at fair value, which is based on available market values. The State Board of Administration (SBA) Local Government Investment Pool (LGIP), operated by the Florida State Board of Administration, is a "2a-7-like" pool in accordance with GASB 31; therefore, it is not presented at fair value but at its actual pooled share price which approximates fair value. The LGIP is not a registrant with the SEC; however, the State of Florida does provide regulatory oversight.

Investments held by the City at September 30, 2021 are detailed below:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Avg. Maturity</u>
LGIP:			
Florida Prime	\$ 2,462,008	AAAm	49 days

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The City uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most reliable and is based on quoted price for identical assets, or liabilities, in an active market. Investments categorized as Level 2 are reported at the net asset value of fund portfolio, whereby the underlying assets are valued based on quoted prices or market-corroborated input. Investments categorized as Level 3 are reported at the net asset value of the fund portfolio, which is invested in a variety of financial instruments, some of which are valued using significant unobservable inputs.

NOTE 5 DEPOSITS AND INVESTMENTS (CONTINUED)

The City has the following recurring fair value measurements as September 30, 2021:

Investments Valued by Fair Value Level		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equities:				
FMLvT Diversified Large Cap Equity	\$ 6,925,302	\$ -	\$ 6,925,302	\$ -
FMLvT Diversified Small to Mid Cap	3,804,810	-	3,804,810	-
FMLvT International Equity	5,584,038	-	5,584,038	-
Fixed Income:				
FMLvT Broad Market HQ Bond	4,242,774	-	4,242,774	-
FMLvT Core Plus Fixed Income	4,324,892	-	-	4,324,892
FMLvT Core Real Estate Fund	2,299,310	-	-	2,299,310
	<u>\$ 27,181,126</u>	<u>\$ -</u>	<u>\$ 20,556,924</u>	<u>\$ 6,624,202</u>

Investments: Pension Fund

The City adopted an investment policy for the Florida Municipal Pension Trust Fund. The authorized investments include: repurchase agreement, direct obligations of U. S. Treasury, investments purchased by the SBA, commercial paper, bankers' acceptances, certificates of deposit, SEC registered money market funds, obligations of the agencies or instrumentalities of the Federal Government, corporate fixed income securities, Guaranteed Investment Contracts, equity assets, and Florida Municipal Investment Trust Portfolios.

The investments held by the City's Florida Municipal Pension Trust Fund at September 30, 2021 are detailed below:

Investment Type	Fair Value	Weighted Avg. Maturity	Credit Rating
Pension Fund:			
FMLvT Broad market HQ Bond Fund	\$ 4,242,774	6.30 years	Aa/S4
FMLvT Core Plus Fixed Income	4,324,892	8.21 years	Not rated
Equities	18,613,460	N/A	Not rated
Total investments	27,181,126		
Cash and cash equivalents	191,609		
Total cash and investments	<u>\$ 27,372,735</u>		

Interest Rate Risk

The Policy does not specifically address interest rate risk, except to say the manager of the pension trust funds shall apply the prudent person rule.

Credit Risk

The City's investment policy limits credit risk by restricting investments to those authorized above.

NOTE 5 DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

Custodial risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At September 30, 2021, none of the Trust investments listed are exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk

The City's Trust investment policy requires diversification, and places limits on the percentage of funds that may be invested with an individual issuer and type of investment. The policy established the following limitation on portfolio composition - "a maximum of 70% of portfolio investment in equity securities". At September 30, 2021, there were no security investments in the Trust that were over their respective limitations.

NOTE 6 RECEIVABLES

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

	<u>Accounts Receivable</u>	<u>Allowance for Uncollectible Accounts</u>	<u>Accounts Receivable, net</u>
Governmental Funds:			
General Fund	\$ 275,520	\$ (4,550)	\$ 270,970
Public Facilities Improvement Fund	47,662	-	47,662
Special Assessments Fund	1,565	-	1,565
Special Law Enforcement Trust Fund	1,744	-	1,744
Stormwater Management Fund	121,452	(44,590)	76,862
Police Education Fund	368	-	368
	<u>448,311</u>	<u>(49,140)</u>	<u>399,171</u>
Proprietary Fund:			
Public Utilities	613,072	(60,604)	552,468
	<u>\$ 1,061,383</u>	<u>\$ (109,744)</u>	<u>\$ 951,639</u>

\$47,662 included in accounts receivable above in the Public Facilities Improvement Fund is not considered to be available to liquidate liabilities of the current period. In addition, \$1,565 included in accounts receivable above in the Special Assessments Special Revenue Fund is not considered to be available to liquidate liabilities of the current period. These receivables totaling \$49,227 are reported as deferred inflows of resources in the governmental funds balance sheet.

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NOTE 7 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 5,672,052	\$ -	\$ -	\$ 5,672,052
Construction in progress	6,370,697	1,604,635	(5,245,930)	2,729,402
Total capital assets, not being depreciated	<u>12,042,749</u>	<u>1,604,635</u>	<u>(5,245,930)</u>	<u>8,401,454</u>
Capital assets, being depreciated:				
Buildings	4,978,998	-	-	4,978,998
Improvements other than buildings	7,605,305	5,245,930	-	12,851,235
Infrastructure	40,597,359	-	-	40,597,359
Vehicles and equipment	11,682,517	632,733	(639,930)	11,675,320
Total capital assets, being depreciated	<u>64,864,179</u>	<u>5,878,663</u>	<u>(639,930)</u>	<u>70,102,912</u>
Less accumulated depreciation for:				
Buildings	(2,784,484)	(107,755)	-	(2,892,239)
Improvements other than buildings	(3,568,260)	(387,790)	-	(3,956,050)
Infrastructure	(16,471,493)	(1,181,596)	-	(17,653,089)
Vehicles and equipment	(9,378,782)	(912,834)	636,561	(9,655,055)
Total accumulated depreciation	<u>(32,203,019)</u>	<u>(2,589,975)</u>	<u>636,561</u>	<u>(34,156,433)</u>
Total capital assets, being depreciated, net	<u>32,661,160</u>	<u>3,288,688</u>	<u>(3,369)</u>	<u>35,946,479</u>
Governmental activities capital assets, net	<u>\$44,703,909</u>	<u>\$ 4,893,323</u>	<u>\$ (5,249,299)</u>	<u>\$44,347,933</u>

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NOTE 7 CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 462,581	\$ -	\$ -	\$ 462,581
Construction in progress	6,646,641	4,855,161	(4,562,744)	6,939,058
Total capital assets, not being depreciated	<u>7,109,222</u>	<u>4,855,161</u>	<u>(4,562,744)</u>	<u>7,401,639</u>
Capital assets, being depreciated:				
Buildings	114,235	-	-	114,235
Improvements other than buildings	42,794,033	4,490,173	-	47,284,206
Vehicles and equipment	1,727,251	128,313	(23,363)	1,832,201
Intangibles	6,877,745	1,629,760	-	8,507,505
Total capital assets, being depreciated	<u>51,513,264</u>	<u>6,248,246</u>	<u>(23,363)</u>	<u>57,738,147</u>
Less accumulated depreciation for:				
Buildings	(87,933)	(3,040)	-	(90,973)
Improvements other than buildings	(18,842,302)	(1,462,701)	-	(20,305,003)
Vehicles and equipment	(1,459,831)	(100,917)	23,363	(1,537,385)
Intangibles	(3,339,660)	(212,687)	-	(3,552,347)
Total accumulated depreciation	<u>(23,729,726)</u>	<u>(1,779,345)</u>	<u>23,363</u>	<u>(25,485,708)</u>
Total capital assets, being depreciated, net	<u>27,783,538</u>	<u>4,468,901</u>	<u>-</u>	<u>32,252,439</u>
Business-type activities capital assets, net	<u>\$ 34,892,760</u>	<u>\$ 9,324,062</u>	<u>\$ (4,562,744)</u>	<u>\$ 39,654,078</u>

Depreciation expense was charged to programs of the City as follows:

Governmental Activities:	
General government	\$ 569,203
Public safety	634,890
Highways and streets	1,256,967
Parks and recreation	128,915
Total depreciation expense, governmental activities	<u>\$ 2,589,975</u>
Business-type Activities:	
Public utilities	<u>\$ 1,779,345</u>

Intangibles represent Wholesale Sewer Capacity rights which are acquired from Seminole County as new connections occur and these rights are amortized over the expected life of the intangible asset (term of contracts). During 2021, \$1,629,760 additional units were acquired, and amortization was recorded in the amount of \$212,687, resulting in unamortized sewer capacity balance of \$4,955,158 at September 30, 2021.

NOTE 8 INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances at September 30, 2021 is as follows:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General Fund	Special Assessments Fund	\$ 140,000
Public Facilities Improvement Fund	Special Assessments Fund	215,000
Public Facilities Improvement Fund	Public Utilities Fund	1,514,309
General Fund	Public Utilities Fund	1,880,701
General Fund	Stormwater	101,141
General Fund	Police Education	957

The outstanding balances payable by the Special Assessments Fund and Public Utilities Fund resulted from advances made that are expected to be collected and repaid as collected in future years.

The composition of interfund transfers for the year ended September 30, 2021 is:

	<u>Transfers In</u>		
	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Transfer Out:			
General fund	\$ -	\$ 15,000	\$ 15,000
Nonmajor governmental funds	541,348	-	541,348
Public utilities Fund	1,075,320	-	1,075,320
Total	<u>\$ 1,616,668</u>	<u>\$ 15,000</u>	<u>\$ 1,631,668</u>

The transfers into the General Fund are to cover costs of utility billing, finance, personnel, purchasing, computer services, City Manager, City Clerk, and other city-wide services.

NOTE 9 LEASES

As lessor:

As of September 30, 2021, the City leases certain property pursuant to operating lease agreements which expire in 2056. For the year ended September 30, 2021 rental income totaled \$18,939. Minimum future rentals in years subsequent to September 30, 2021 are:

<u>Fiscal year ending September 30,</u>	<u>Amount</u>
2022	\$ 14,598
2023	14,598
2024	14,598
2025	14,598
2026	14,598
Thereafter	437,940
	<u>\$ 510,930</u>

NOTE 10 LONG-TERM LIABILITIES

The City issued Capital Improvement Revenue Note, Series 2016 in the amount of \$1,312,571 with interest of 2.19% to finance the purchase of various vehicles and equipment. Note is secured by a covenant to budget and appropriate. Total principal and interest remaining to be paid on this series is \$829,155. For the fiscal year, principal and interest paid on this series was \$125,218. In the event of default the note will bear interest at the default rate, and the noteholder shall be entitled to enforce payment.

The City issued Transportation Improvement Revenue Note, Series 2016 in the amount of \$5,900,000 with interest of 1.45% to finance various transportation improvements. Note is secured local option gas tax and the infrastructure sales surtax. Total principal and interest remaining to be paid on this series is \$2,364,961. For the fiscal year, principal and interest paid on this series was \$788,109 and total pledged revenue was \$1,373,299. In the event of default, the noteholder may declare all principal and interest is due and immediately payable.

The City issued Capital Improvement Revenue Note, Series 2017 in the amount of \$4,000,000 with interest of 2.78% to finance park and recreational improvements. Note is secured by a covenant to budget and appropriate. Total principal and interest remaining to be paid on this series is \$3,595,774. For the fiscal year, principal and interest paid was \$326,842. In the event of default, the noteholder may declare all principal and interest is due and immediately payable.

The City issued Capital Improvement Revenue Note, Series 2020 in the amount of \$1,400,000 with interest of 1.8% to finance the purchase of various vehicles and equipment. Note is secured by a covenant to budget and appropriate. Total principal and interest remaining to be paid on this series is \$1,255,073. For the fiscal year, principal and interest paid was \$216,489. In the event of default, the noteholder may declare all principal and interest is due and immediately payable.

In 2018, the City executed the Capital Improvement Revenue Note, Series 2017B for the costs of constructing certain park, recreational and other capital improvements and certain costs related to the acquisition and installation of equipment to be located within the City. This agreement provides for total funding of \$2,000,000. The note period is for 10 years with an interest rate of 2.49 percent. The note is secured by a covenant to budget and appropriate. Total principal and interest remaining to be paid on this series is \$1,608,026, and principal and interest paid was \$229,719. In the event of default, the noteholder may declare all principal and interest is due and immediately payable.

In 2017, the City executed the Clean Water State Revolving Fund Loan agreement WW590500 for the South Longwood Septic Tank Abatement Phase I project. This agreement provides for total funding of \$4,071,303. The loan period is for 20 years with an interest rate of .91 percent. The note is secured by gross revenues from the water and sewer systems net of operations and maintenance costs. Principal and interest remaining to be paid on this series is \$3,766,097, and principal and interest paid was \$228,248.

In 2018, the City executed the Clean Water State Revolving Fund Loan agreement WW590510 for the South Longwood Septic Tank Abatement Phase II project, and Lake Ruth and Springwood Septic Tank Abatement project. This agreement provides for total funding of \$3,002,597. The loan period is for 20 years with an interest rate of .83 percent to 1.17 percent. The note is secured by gross revenues from the water and sewer systems net of operations and maintenance costs. Principal and interest remaining to be paid on this series is \$3,061,426, and principal and interest paid was \$165,482.

In 2019, the City executed the Clean Water State Revolving Fund Loan agreement WW590520 for the Longwood Septic Tank Abatement Transmission Main. This agreement provides for total funding of \$3,410,044. The loan period is for 20 years with an interest rate of 1.26 percent. The note is secured by gross revenues from the water and sewer systems net of operations and maintenance costs. Principal and interest remaining to be paid on this series is \$1,961,408. Principal and interest paid in the current year was \$109,924.

In 2019, the City executed the Clean Water State Revolving Fund Loan agreement WW590530 for the East Longwood Septic Tank Abatement Project. This agreement provides for total funding of \$1,108,984. The loan period is for 20 years with an interest rate of .91 percent. The note is secured by gross revenues from the water and sewer systems net of operations and maintenance costs. Principal and interest remaining to be paid on this series is \$1,174,224, and principal and interest paid was \$62,286.

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

In 2020, the City executed the Clean Water State Revolving Fund Loan agreement WW590540 for the Longwood Collection System Expansion Project. This agreement provides for total funding of \$3,382,900. The loan period is for 20 years with an interest rate of .40 percent. The note is secured by gross revenues from the water and sewer systems net of operations and maintenance costs. As of September 30, 2021, no amounts have been drawn on the loan.

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

Annual debt service requirements to maturity for revenue notes are as follows:

<u>Year ending September 30,</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 1,586,286	\$ 190,647	\$ 493,568	\$ 77,567
2023	1,613,839	160,421	497,806	73,326
2024	1,641,703	129,664	502,081	69,052
2025	1,234,605	98,507	506,395	64,738
2026	477,660	73,961	510,751	60,377
2027-2031	1,897,315	187,214	2,604,474	235,615
2032-2036	315,913	8,904	2,705,929	123,775
2037-2040	-	-	1,452,813	21,238
	<u>\$ 8,767,321</u>	<u>\$ 849,318</u>	<u>\$ 9,273,817</u>	<u>\$ 725,688</u>

A summary of noncurrent liability activity for the year ended September 30, 2021 follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Capital leases payable	\$ 89,723	\$ -	\$ (89,723)	\$ -	\$ -
Notes payable - direct borrowing	10,225,002	-	(1,457,681)	8,767,321	1,586,286
Net pension liability - FRS & HIS	2,170,709	-	(1,613,316)	557,393	-
OPEB liability	3,340,535	149,896	-	3,490,431	-
Compensated absences	1,097,478	551,545	(603,025)	1,045,998	104,600
	<u>\$ 16,923,447</u>	<u>\$ 701,441</u>	<u>\$ (3,763,745)</u>	<u>\$ 13,861,143</u>	<u>\$ 1,690,886</u>
Business-type Activities:					
Note payable - direct borrowing	\$ 37,191	\$ -	\$ (4,252)	\$ 32,939	\$ 4,361
SRF loan payable	8,469,730	1,249,842	(478,694)	9,240,878	489,207
Net pension liability - FRS & HIS	270,759	-	(201,234)	69,525	-
OPEB liability	421,729	49,951	-	471,680	-
Compensated absences	97,558	52,946	(59,103)	91,401	9,140
	<u>\$ 9,296,967</u>	<u>\$ 1,352,739</u>	<u>\$ (743,283)</u>	<u>\$ 9,906,423</u>	<u>\$ 502,708</u>

Long-term liabilities of governmental activities are generally liquidated by the General Fund.

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Florida Retirement System

City employees hired before December 31, 1995, participate in the Florida Retirement System (FRS), a cost-sharing multiple employer public employee retirement system administered by the State of Florida Department of Management Services, Division of Retirement, to provide retirement and survivor benefits to participating public employees. Chapter 121, Florida Statutes, establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions.

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

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

The State of Florida issues a report that includes financial statements and required supplementary information for FRS. That report may be obtained by writing to Florida Retirement System, Tallahassee, Florida 32399-1560.

Funding Policy:

The FRS has ten (10) classes of membership. Only three (3) classes are applicable to the City's eligible employees. These three (3) classes, with descriptions and contribution rates in effect during the period ended September 30, 2021 are as follows:

Regular Class - Members not qualifying for other classes (13.82% [includes 3% employee contribution] from July 1, 2021 through September 30, 2021 and 13.00% [includes 3% employee contribution] from October 1, 2020 through June 30, 2021.)

Special Risk Class - members employed as law enforcement officers, firefighters, or correctional officers and meet the criteria set to qualify for this class (28.89% [includes 3% employee contribution] from July 1, 2021 through September 30, 2021 and 27.45% [includes 3% employee contribution] from October 1, 2020 through June 30, 2021.)

DROP - Members in DROP program (18.34% from July 1, 2021 through September 30, 2021 and 16.98% from October 1, 2020 through June 30, 2021.)

Plan Description

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

Benefits Provided

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service.

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

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

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

Contributions

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

These employer contribution rates include 1.66% and 1.66% HIS Plan subsidy for the periods October 1, 2020 through June 30, 2021 and from July 1, 2021 through September 30, 2021, respectively.

The City's contributions, including employee contributions, to the Pension Plan totaled \$148,792 for the fiscal year ended September 30, 2021.

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

At September 30, 2021, the City reported a liability of \$314,366 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City's proportionate share of the net pension liability was based on the City's 2020-21 fiscal year contributions relative to the 2019-20 fiscal year contributions of all participating members. At June 30, 2021, the City's proportionate share was .00416 percent, which was a decrease of .0007 percent from its proportionate share measured as of June 30, 2020.

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$(298,967). In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 53,883	\$ -
Change of assumptions	215,105	-
Net difference between projected and actual earnings on pension plan Investments	-	1,096,743
Changes in proportion and differences between pension plan contributions and proportionate share of contributions	-	411,008
Pension plan contributions subsequent to the measurement date	34,111	-
	\$ 303,099	\$ 1,507,751

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

The deferred outflows of resources related to the Pension Plan, totaling \$34,111 resulting from City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

<u>Year Ended September 30,</u>	
2022	\$ (269,783)
2023	(278,110)
2024	(315,475)
2025	(351,838)
2026	(23,557)
Thereafter	-
	<u>\$ (1,238,763)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 %
Salary Increases	3.25%, average, including inflation
Investment Rate of Return	6.80%, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table varies by member category and sex, projected generationally with Scale MP 2018.

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

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

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	2.10%	2.10%	1.10%
Fixed income	20.00%	3.80%	3.70%	3.30%
Global equities	54.20%	8.20%	6.70%	17.80%
Real estate	10.30%	7.10%	6.20%	13.80%
Private equity	10.80%	11.70%	8.50%	26.40%
Strategic investments	3.70%	5.70%	5.40%	8.40%
Total	100.00%			
Assumed Inflation - mean			2.40%	1.20%

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

Discount Rate

The discount rate used to measure the total pension liability was 6.80%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

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

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 6.80%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.80%) or one percentage point higher (7.80%) than the current rate:

	Discount Rate Minus 1% 5.80%	Current Discount Rate 6.80%	Discount Rate Plus 1% 7.80%
City's proportionate share of net pension liability (FRS)	\$ 1,405,865	\$ 314,366	\$ (598,005)

Pension Plan Fiduciary Net Position

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

Payables to the Pension Plan

At September 30, 2021, the City reported a payable in the amount of \$17,278 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2021.

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

HIS Plan

Plan Description

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

Benefits Provided

For the fiscal year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2021, the HIS contribution for the period October 1, 2020 through June 30, 2021 and from July 1, 2021 through September 30, 2021 was 1.66% and 1.66%, respectively. The City contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The City's contributions to the HIS Plan totaled \$14,144 for the fiscal year September 30, 2021.

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

At September 30, 2021, the City reported a liability of \$312,552 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The City's proportionate share of the net pension liability was based on the City's 2020-21 fiscal year contributions relative to the 2019-20 fiscal year contributions of all participating members. At June 30, 2021, the City's proportionate share was .0026 percent, which was a decrease of .0002 percent from its proportionate share measured as of June 30, 2020.

For the fiscal year ended September 30, 2021, the City recognized pension expense of \$(41,818). In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflow of Resources	Deferred Inflows of Resources
Change of assumptions	\$ 10,459	\$ 131
Differences between expected and actual experience	24,560	12,878
Net difference between projected and actual earnings on pension plan investments	326	-
Changes in proportion and differences between pension plan contributions and proportionate share of contributions	-	113,512
Pension plan contributions subsequent to the measurement date	3,344	-
	\$ 38,689	\$ 126,521

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

The deferred outflows of resources related to the HIS Plan, totaling \$3,344 resulting from City contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Year Ended September 30,	
2022	\$ (29,417)
2023	(25,460)
2024	(16,100)
2025	(11,226)
2026	(6,739)
Thereafter	<u>(2,234)</u>
	<u>\$ (91,176)</u>

Actuarial Assumptions

The total pension liability in the July 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 %
Salary Increases	3.25%, average, including inflation
Municipal Bond Rate	2.16 % net of pension plan investment expense

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

The actuarial assumptions used in the July 1, 2021, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 2.16%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

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

The following represents the City's proportionate share of the net pension liability calculated using the discount rate of 2.16%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.16%) or one percentage point higher (3.16%) than the current rate:

	Discount Rate Minus 1% 1.16%	Current Discount Rate 2.16%	Discount Rate Plus 1% 3.16%
City's proportionate share of net pension liability (HIS)	\$ 361,339	\$ 312,552	\$ 272,580

Pension Plan Fiduciary Net Position

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

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Investment Plan

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

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

There was no pension expense for the City's Investment Plan for the fiscal year ended September 30, 2021, since none of the employees participating in the Florida Retirement System elected the Investment Plan.

Florida Municipal Pension Trust Fund (MPF)

Employees hired after January 1, 1996 participate in one of two public employee retirement systems established under City ordinances. The first is a defined benefit plan for police and firefighters which is included as part of the City's reporting entity in a Pension Trust Fund. The second is a defined contribution plan for all other employees of the City. The second plan is discussed later under the sub-heading General Employee 401 (a) Pension Plan and it is not included as a Pension Trust Fund.

Each plan is independently governed by separate boards of trustees and the City Commission may amend plan provisions by resolution. Assets may not be transferred between plans, or used for any purpose other than to benefit each plan's participants as defined in their authorizing ordinances. The Police and Firefighters Pension board contracts with the Florida Municipal Pension Trust Fund (FMPTF), a private, not-for-profit corporation established by the Florida League of Cities (FLC) for FLC members who wish to use its services. The FMPTF acts as a common investment and administrative agent for its members, contracting with a bank custodian, investment manager and actuary to provide a commingled investment fund and plan valuation services.

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

Plan descriptions and contribution information

Membership of the Police and Firefighters Pension Plan consisted of the following at September 30, 2021:

	Police and Firefighters' Pension Trust
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	11
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	63
Active Plan Members	81
	<u>155</u>

Plan Descriptions

The Police and Firefighters Pension Plan (Police and Fire Plan) is a local law, single employer, defined benefit pension plan as defined under Florida Statutes, Chapters 175 and 185, which covers all sworn police officers and firefighters hired after January 1, 1996. Employees are eligible to participate in the plan immediately upon employment with the City, and they are vested in the plan after five years of service. Benefits are available after normal retirement at age 55 with 5 years of service, or at any age with 25 years of service. The normal retirement benefit is the number of years of credited service multiplied by 3% and multiplied by average final monthly compensation.

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Benefits Provided

In addition to retirement benefits described above, all participants are also eligible for service incurred disability benefits, as well as non-service incurred disability benefits. The participant is eligible immediately if disability was incurred during the course of his or her employment, however the participant must have earned at least 10 years of credited service if disability was incurred other than during the course of employment with the City. The Plan also has a pre-retirement death benefit. In the case of the death of a vested participant prior to retirement, the beneficiary will receive the participant's monthly accrued benefit payable at normal retirement age for 10 years certain plus an immediate \$50,000 lump sum payment. In the case of the death of a non-vested participant prior to retirement, the beneficiary will receive the participant's accumulated contributions plus an immediate \$50,000 lump sum payment.

Contributions

Employees must make a minimum mandatory contribution of 1%, in order to take advantage of the insurance premium tax rebate provided for in the statutes. City and State contributions are the remaining amount necessary to pay current costs and amortize unfunded past service costs, if any, as provided in Part VII of Chapter 112, Florida Statutes. The actuarially determined employer/state contribution for the year ended September 30, 2021 was 22.15% of covered payroll.

Significant Accounting Policies - Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value.

Net Pension Liability (Asset) - The City's net pension liability (asset) was measured as September 30, 2021, and the pension liability was determined by an actuarial valuation as of October 1, 2020 updated to September 30, 2021. The components of the net pension liability of the sponsor on September 30, 2021 were as follows:

Total Pension Liability (Asset)	\$ 20,808,804
Less Fiduciary Net Position	<u>(24,560,637)</u>
Net Pension Liability (Asset)	<u>\$ (3,751,833)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	118.03%

The above plan fiduciary net position, or market value, does not agree to the Statement of Fiduciary Net Position on page 31 because the actuary is not including The DRAGO (Defined Retirement Accumulation Group Obligation) balance of \$2,875,624. This balance is Chapter 175/185 contributions received in excess of the "base amount" which are deposited into the DRAGO Fund.

Actuarial Assumptions

The Total Pension Liability was determined by an actuarial valuation as of October 1, 2020 updated to September 30, 2021 using the following actuarial assumptions:

Inflation	2.62%
Salary increase	4%
Discount rate	7.00%
Investment rate of return	7.00%

Mortality rates were based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table for public safety employees, with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year (pre-retirement mortality). Assumed disability is based on gender and age and ranges from .067% for males and .040% for females at age 25 to 1.00% for males and .84% for females at age 55.

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

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

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

Discount rate

The discount rate used to measure the total pension liability at September 30, 2021 was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability(Asset) (a) - (b)
Balances at September 30, 2020	\$ 19,083,074	\$ (19,663,271)	\$ (580,197)
Changes for a Year:			
Service cost	979,468	-	979,468
Expected interest growth	1,387,401	(1,402,377)	(14,976)
Unexpected investment income	-	(2,740,850)	(2,740,850)
Demographic experience	103,773	-	103,773
Contributions-employer & state	-	(1,037,330)	(1,037,330)
Contributions-employee	-	(51,492)	(51,492)
Benefit payments and refunds	(270,271)	270,271	-
Administrative expense	-	64,412	64,412
Assumption changes	(474,641)	-	(474,641)
Balances at September 30, 2021	\$ 20,808,804	\$ (24,560,637)	\$ (3,751,833)

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

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

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is one (1) percentage point lower (6.00%) or one (1) percentage point higher (8.00%) than the current rate adopted by the Plan's board.

	Discount Rate Minus 1% 6.00%	Current Discount Rate 7.00%	Discount Rate Plus 1% 8.00%
Police and Firefighters':			
Net Pension Liability (Asset)	\$ (457,676)	\$ (3,751,833)	\$ (6,411,180)

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

For the year ended September 30, 2021 the City recognized pension expense of \$611,227. On September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

Description	Deferred Outflow of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on MPF pension plan investments	\$ -	\$ 2,041,727
Net difference of demographic gain/loss	696,213	385,579
Net changes of assumptions	1,095,337	687,299
	<u>\$ 1,791,550</u>	<u>\$ 3,114,605</u>

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

Year Ended September 30,	MPF
2022	\$ 197,351
2023	251,637
2024	335,992
2025	483,724
2026	50,683
Thereafter	3,668
	<u>\$ 1,323,055</u>

NOTE 11 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Aggregate Amounts of All Pension Plans

The aggregate amounts for all of the City's defined benefit pension plans at September 30, 2021 are as follows:

	Governmental Activities			
	Net Pension Asset (Liability)	Deferred Inflows	Deferred Outflows	Pension Expense
MPF Pension Plan	\$ 3,751,833	\$ (3,114,605)	\$ 1,791,550	\$ 611,227
FRS Pension Plan	(279,503)	(1,340,541)	269,485	(265,811)
HIS Pension Plan	(277,890)	(112,490)	34,398	(37,180)
	<u>\$ 3,194,440</u>	<u>\$ (4,567,636)</u>	<u>\$ 2,095,433</u>	<u>\$ 308,236</u>
	Business-Type Activities			
	Net Pension Asset (Liability)	Deferred Inflows	Deferred Outflows	Pension Expense
FRS Pension Plan	\$ (34,863)	\$ (167,210)	\$ 33,614	\$ (33,156)
HIS Pension Plan	(34,662)	(14,031)	4,291	(4,638)
	<u>\$ (69,525)</u>	<u>\$ (181,241)</u>	<u>\$ 37,905</u>	<u>\$ (37,794)</u>

General Employee 401(a) Pension Plan

The City maintains a single-employer defined contribution pension plan for all General Employees hired after December 1, 2001. All full-time general employees hired after January 1, 1996 were brought into the plan through the transfer of assets from the Florida Municipal Pension Trust Fund. This is a tax-qualified plan pursuant to section 401(a) of the Internal Revenue Code (IRC). This plan was established by the Longwood City Commission through Resolution 01-1038.

The plan, administered by a third party and sponsored by the Florida League of Cities provides for the employer to contribute 10% of earnings. Employees are not required to contribute to this plan; however, each employee directs the investment of his or her account. Employees are eligible to participate immediately upon employment, and the vesting schedule provides for employees to be fully vested after five years of service. No retirement age has been designated by the employer. The plan permits distributions of the vested amount for retirement, death, disability, hardship or direct rollover to another eligible retirement plan. For the year ended September 30, 2021, employer contributions required and made totaled \$355,849.

At September 30, 2021, there were 81 active employees participating in the plan. Nonvested City contributions are forfeited upon termination of employment. Such forfeitures are used to reduce funding requirements in future years. For the year ended September 30, 2021, \$27,689 of forfeitures were used to reduce the City's pension expense. The plan does not issue a separate financial report.

Deferred Compensation Plan

The City offers its employees a deferred compensation plan (the Plan) administered by four separate companies created in accordance with IRC Section 457(b). The Plan, which is available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or other unforeseen non-reimbursed emergency. Because all assets of the plan must be held in trust for the exclusive benefit of plan participants and their beneficiaries, these plans are not accounted for in the City's financial statements.

NOTE 12 OTHER POST EMPLOYMENT BENEFITS (OPEB)

In accordance with Florida Statutes Section 112.0801, the City makes available, through the City's current provider, continued group health insurance to all eligible retirees and dependents, provided certain service and normal age requirements have been met. This benefit has no cost to the City, other than the implicit cost of including retirees in the group calculation. All premiums are paid by the retiree. The City has nine (9) retirees currently receiving benefits. The City has chosen pay-as-you-go funding, but is recording the liability in the government wide financial statements. This plan, which is a single-employer plan, does not issue stand-alone financial statements. In addition, the plan does not issue a separate audited GAAP-basis postemployment benefit plan report.

As of October 1, 2019, the valuation date, there were 137 active employees and 9 inactive employees currently receiving benefits. The OPEB liability of \$3,962,111 was measured as of September 30, 2021, and was determined by the actuarial valuation. The covered payroll was \$7,912,567, and the ratio of Net OPEB liability as a percentage of covered payroll was 50.07%.

Summary of actuarial methods and assumptions:

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive OPEB plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations

The Total liability was determined using the following actuarial assumptions and other inputs, applied to all periods include in the measurement unless otherwise specified:

Health Care Trend Rates	
Initial Health Care Cost Trend Rate	7%
Ultimate Health Care Cost Trend Rate	5.00%
Fiscal Year the Ultimate Rate is Reached	Fiscal year 2024
Additional Information	
Valuation Date	October 1, 2019
Measurement Date	September 30, 2021
Actuarial Cost Method	Entry Age Normal
Discount Rate*	2.43%
Inflation Rate	3%
Salary Rate Increase	3%
Funded Ratio (Fiduciary Net Position as a percentage of Total OPEB Liability)	0%
Covered Payroll	\$ 7,912,567
Net OPEB Liability as a Percentage of Covered Payroll	50.07%

* Discount rate of 2.43% is used, which is the S&P Municipal Bond 20-year high-grade rate index as of September 30, 2021

NOTE 12 OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Below are the details regarding the Total OPEB liability for the measurement period from October 1, 2020 to September 30, 2021.

	<u>Total OPEB Liability</u>
Balance as of September 30, 2020	\$ 3,762,264
Changes for the year:	
Service Cost	\$ 366,962
Interest on Total OPEB Liability	98,745
Difference Between Expected & Actual Experience	-
Changes of Assumptions and Other Inputs	(133,798)
Benefit Payments	(132,062)
Other Changes	-
Net Changes	<u>\$ 199,847</u>
Balance as of September 30, 2021	<u>\$ 3,962,111</u>

The following table 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 higher than the current discount rate:

	Decrease 1.43%	Discount Rate 2.43%	Increase 3.43%
Total OPEB Liability	\$ 4,491,803	\$ 3,962,111	\$ 3,510,060

The following presents the total liability of the city using the 2021 healthcare cost trend rate of 7 percent, as well as what the City's OPEB liability would be if it were calculated using healthcare trend rates that are 1 percentage point lower and 1 percentage point higher than the current healthcare cost trend rates:

	Decrease 1%	Health Care Trend	Increase 1%
Total OPEB Liability	\$ 3,338,119	\$ 3,962,111	\$ 4,738,225

For the fiscal year ended September 30, 2021, the City reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 147,618
Changes of assumptions	385,693	119,904
Total	<u>\$ 385,693</u>	<u>\$ 267,522</u>

NOTE 12 OTHER POST EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

Fiscal Year Ending September 30,	
2022	\$ 14,476
2023	14,476
2024	14,476
2025	14,476
2026	14,476
Thereafter	45,791
	118,171

NOTE 13 FUND BALANCES

In accordance with GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the classifications described below.

Nonspendable Fund Balance - amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact.

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

Committed Fund Balance - amounts that can be used only for specific purposes determined by formal action of Commissioners, the City's highest level of decision making authority, with formal action occurring prior to year end. The formal action required is adoption of an ordinance. Commitments may be modified or rescinded by Commissioners adopting another ordinance.

Assigned Fund Balance - includes spendable fund balance amounts intended by management to be used for a specific purpose, as discussed in Note 1. The Commission has by resolution authorized the Financial Services Director to assign fund balance for encumbrances and also for appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year's budget.

Unassigned Fund Balance - this is the residual classification for the general fund only. This classification represents fund balance that has not been assigned to other funds and 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, except the General Fund, if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

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NOTE 13 FUND BALANCES (CONTINUED)

At September 30, 2021, the City's governmental fund balances were classified as follows:

	General Fund	Public Facilities Improvement Fund	ARPA	Other Governmental Funds	Total Governmental Funds
Fund Balances					
Nonspendable:					
Prepays	\$ 31,336	\$ -	\$ -	\$ -	\$ 31,336
Advances	2,020,701	-	-	-	2,020,701
Restricted for:					
Public safety - Special law enforcement	-	-	-	276,654	276,654
Building permits and inspection	-	-	-	1,086,575	1,086,575
ARPA	-	-	210	-	210
Police impact	-	-	-	2,201	2,201
Fire impact	-	-	-	4,816	4,816
Recreation impact	-	-	-	5,361	5,361
Public works - administration impact	-	-	-	1,395	1,395
Committed to:					
Public facility improvement	-	1,831,670	-	-	1,831,670
Parks and Events	-	-	-	87,393	87,393
Citizens on Patrol (COPs)	-	-	-	21,284	21,284
Community Emergency Response Team (CERT)	-	-	-	13,206	13,206
Special assessments	-	-	-	6,324	6,324
Assigned for:					
Capital projects	487,501	-	-	24,088	511,589
Unassigned	2,800,908	-	-	(58,714)	2,742,194
Total fund balance	\$5,340,446	\$ 1,831,670	\$ 210	\$ 1,470,583	\$ 8,642,909

NOTE 14 RISK MANAGEMENT

During the ordinary course of its operations, the City is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions, injuries to employees and natural disasters. The City does not retain risk. Commercial insurance coverage is maintained in amounts management feels is adequate to protect and safeguard the assets of the City. In the opinion of the City's management and legal counsel, legal claims and litigation are not anticipated to have a material impact on the financial position of the City. The amount of insurance settlements has not exceeded insurance coverage for any of the past three fiscal years.

NOTE 15 COMMITMENTS AND CONTINGENCIES

Grants

The City participates in several programs that are fully or partially funded by grants received from state, county or federal governmental agency sources. Expenditures financed by grants are subject to audit by the appropriate grantor government or agency. If expenditures are disallowed due to non-compliance with grant program regulations, the City may be required to reimburse the grantor. As of September 30, 2021 the City believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the City.

NOTE 15 COMMITMENTS AND CONTINGENCIES (Continued)

Litigation

During the ordinary course of its operations, the City is a party to various claims, legal actions, and complaints. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's management and legal counsel, these matters are not anticipated to have a material financial impact on the City.

Construction Commitments

At September 30, 2021, the City had entered into contracts for construction in the amount of \$4,627,317.

Encumbrances

At September 30, 2021, the City has the following significant encumbrances:

Public Facilities Improvement Fund	\$	257,221
Public Utilities Fund		1,277,086
Stormwater Fund		55,984
	\$	<u>1,590,291</u>

NOTE 65 SUBSEQUENT EVENTS

Subsequent to year end, the City had additional loan draws of \$1,206,287 on SRF loan 590540.

Retiree Continuation Insurance Plan
Schedule of Changes in the City's Net OPEB Liability and Related Ratios
Last 10 Fiscal Years*

	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability				
Service cost	\$ 366,962	\$ 389,460	\$ 222,862	\$ 220,186
Interest	98,745	74,158	108,836	101,706
Differences between expected and actual experience	-	(181,828)	-	-
Changes of assumptions	(133,798)	458,114	20,908	-
Benefit Payments	(132,062)	(106,432)	(81,391)	(75,797)
Other changes	-	-	-	-
Net change in total OPEB liability	199,847	633,472	271,215	246,095
Total OPEB liability, beginning	3,762,264	3,128,792	2,857,577	2,611,482
Total OPEB liability, ending	<u>\$ 3,962,111</u>	<u>\$ 3,762,264</u>	<u>\$ 3,128,792</u>	<u>\$ 2,857,577</u>
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ 7,912,567	\$ 7,912,567	\$ 6,372,465	\$ 6,372,465
Net OPEB liability as a percentage of covered payroll	50.07%	47.55%	49.10%	44.84%

* Prior years' data is unavailable.

City of Longwood, Florida
Required Supplementary Information
Year Ended September 30, 2021

Police and Firefighters' Pension Plan

Schedule of Changes in the Employer's Net Pension Liability and Related Ratios

Last 10 Fiscal Years*

	2014	2015	2016	2017	2018	2019	2020	2021
Total Pension Liability:								
Service cost	\$ 474,397	\$ 362,084	\$ 618,506	\$ 853,537	\$ 780,844	\$ 842,962	\$ 936,881	\$ 979,468
Expected interest growth	544,108	685,935	512,750	815,869	1,034,948	1,115,500	1,230,672	1,387,401
Differences between expected and actual experience	-	(395,734)	191,162	1,208,857	(523,709)	(206,136)	342,623	103,773
Changes of assumptions	-	(1,074,401)	2,831,688	406,136	-	-	-	(474,641)
Benefit payments	(61,875)	(37,140)	(53,374)	(53,435)	(177,727)	(176,971)	(244,179)	(270,271)
Net change in total pension liability	956,630	(459,256)	4,100,732	3,230,964	1,114,356	1,575,355	2,265,997	1,725,730
Total pension liability, beginning	6,298,296	7,254,926	6,795,670	10,896,402	14,127,366	15,241,722	16,817,077	19,083,074
Total pension liability, ending (a)	\$ 7,254,926	\$ 6,795,670	\$ 10,896,402	\$ 14,127,366	\$ 15,241,722	\$ 16,817,077	\$ 19,083,074	\$ 20,808,804
Plan Fiduciary Net Position:								
Contributions-employer	\$ 203,639	\$ 226,409	\$ 267,486	\$ 881,459	\$ 1,200,362	\$ 1,306,505	\$ 924,563	\$ 1,037,330
Contributions-state	306,831	279,151	288,494	-	-	-	-	-
Contributions-employee	30,855	34,304	40,529	41,578	41,442	45,730	48,810	51,492
Net Investment Income	750,974	(137,296)	832,676	1,662,867	1,038,867	868,873	1,189,885	4,143,227
Benefit Payments	(26,611)	(37,140)	(53,374)	(53,435)	(177,727)	(176,971)	(244,179)	(270,271)
Administrative Expense	(67,488)	(44,598)	(54,619)	(43,844)	(46,232)	(69,568)	(65,379)	(64,412)
Net change in plan fiduciary net position	1,198,200	320,830	1,321,192	2,488,625	2,056,712	1,974,569	1,853,700	4,897,366
Plan fiduciary net position, beginning	8,449,443	9,647,643	9,968,473	11,289,665	13,778,290	15,835,002	17,809,571	19,663,271
Plan fiduciary net position, ending (b)	\$ 9,647,643	\$ 9,968,473	\$ 11,289,665	\$ 13,778,290	\$ 15,835,002	\$ 17,809,571	\$ 19,663,271	\$ 24,560,637
Net Pension Liability(Asset) - ending (a) - (b)	\$ (2,392,717)	\$ (3,172,803)	\$ (393,263)	\$ 349,076	\$ (593,280)	\$ (992,494)	\$ (580,197)	\$ (3,751,833)
Plan fiduciary net position as a percentage of total pension liability	132.98%	146.69%	103.61%	97.53%	103.89%	105.90%	103.04%	118.03%
Covered payroll	\$ 2,821,105	\$ 2,805,739	\$ 2,961,226	\$ 3,689,106	\$ 3,426,047	\$ 3,718,491	\$ 4,096,439	\$ 4,335,822
Net pension liability as a percentage of covered payroll	-84.81%	-113.08%	-13.28%	9.46%	-17.32%	-26.69%	-14.16%	-86.53%

* Prior years' data is unavailable.

City of Longwood, Florida
Required Supplementary Information
Year Ended September 30, 2021

Police and Firefighters' Pension Plan

Schedule of Contributions

Last 10 Fiscal Years*

	2014	2015	2016	2017	2018	2019	2020	2021
Reconciliation of Plan Fiduciary Net Position to the Statement of Net Position for the Fiduciary Fund:								
Plan fiduciary net position per RSI, end of year	\$ 9,647,643	\$ 9,968,473	\$ 11,289,665	\$ 13,778,290	\$ 15,835,002	\$ 17,809,571	\$ 19,663,271	\$ 24,560,637
Add DRAGO** account balance	1,823,105	1,950,722	2,087,273	2,233,400	2,338,774	2,416,866	2,636,829	2,875,624
Fiduciary fund net position, end of year	<u>\$11,470,748</u>	<u>\$11,919,195</u>	<u>\$13,376,938</u>	<u>\$16,011,690</u>	<u>\$18,173,776</u>	<u>\$20,226,437</u>	<u>\$22,300,100</u>	<u>\$27,436,261</u>

Schedule of Contributions

Actuarially determined contribution	\$ 493,914	\$ 471,925	\$ 631,429	\$ 1,124,702	\$ 1,159,109	\$ 1,011,565	\$ 989,397	\$ 1,140,514
Contributions in relation to actuarially determined contribution	493,914	471,925	555,980	881,459	1,200,362	1,306,505	924,563	1,037,330
Contribution excess (deficiency)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (75,449)</u>	<u>\$ (243,243)</u>	<u>\$ 41,253</u>	<u>\$ 294,940</u>	<u>\$ (64,834)</u>	<u>\$ (103,184)</u>
Covered payroll	\$ 2,821,105	\$ 2,805,739	\$ 2,961,226	\$ 3,689,106	\$ 3,426,047	\$ 3,718,491	\$ 4,096,439	\$ 4,335,822
Contributions as a percentage of covered payroll	17.51%	16.82%	18.78%	23.89%	35.04%	35.14%	22.57%	23.92%

Notes to Schedule

Valuation date	10/1/2013	10/1/2014	10/1/2015	10/1/2016	10/1/2017	10/1/2018	10/1/2019	10/1/2020
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Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage, open
Remaining Amortization Period	30 years
Asset Valuation Method	Market Value
Inflation	2.77%
Salary Increases	4%, including inflation
Investment Rate of Return	7%
Retirement Age	Assumed to occur at normal retirement age
Mortality basis	Sex distinct rates set forth in the RP-2000 Blue Collar Mortality Table, with full generational improvements in mortality using Scale

Schedule of Investment Returns

	2014	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expense	8.45%	5.48%	4.08%	8.55%	7.00%	5.53%	6.60%	19.42%

* Prior years' data is unavailable.

** DRAGO is the Defined Retirement Accumulation Group Obligation. DRAGO Fund assets are combined with pension fund assets, but are not included in Net Pension Liability.

City of Longwood, Florida
Required Supplementary Information
Year Ended September 30, 2021

Schedule of City's Proportionate Share of Net Pension Liability
Florida Retirement System
Last 10 Fiscal Years**

	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability	0.00416%	0.00482%	0.00522%	0.00614%	0.00685%	0.00747%	0.00825%
City's proportionate share of the net pension liability	\$ 314,366	\$ 2,089,906	\$ 1,797,534	\$ 1,850,039	\$ 2,025,647	\$ 1,886,066	\$ 1,065,428
City's covered payroll	\$ 924,214	\$ 999,335	\$ 1,045,752	\$ 1,172,226	\$ 1,201,971	\$ 1,342,395	\$ 1,396,020
City's proportionate share of the net pension liability as a percentage of its covered payroll	34.01%	209.13%	171.89%	157.82%	168.53%	140.50%	76.32%
Plan fiduciary net position as a percentage of the total pension liability	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

* Not available

Schedule of City's Proportionate Share of Net Pension Liability
HIS
Last 10 Fiscal Years**

	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability	0.00255%	0.00288%	0.00313%	0.00359%	0.00377%	0.00432%	0.00480%	0.00604%
City's proportionate share of the net pension liability	\$ 312,552	\$ 351,562	\$ 349,866	\$ 379,863	\$ 403,204	\$ 503,538	\$ 490,015	\$ 564,874
City's covered payroll	\$ 924,214	\$ 999,335	\$ 1,045,752	\$ 1,172,226	\$ 1,201,971	\$ 1,342,395	\$ 1,396,020	*
City's proportionate share of the net pension liability as a percentage of its covered payroll	33.82%	35.18%	33.46%	32.41%	33.55%	37.51%	35.10%	*
Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

* Not available

** prior years not available

City of Longwood, Florida
Required Supplementary Information
Year Ended September 30, 2021

Schedule of City's Contributions
Florida Retirement System
Last 10 Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 148,792	\$ 157,052	\$ 165,469	\$ 167,849	\$ 183,096	\$ 182,157	\$ 213,505
Contributions in relation to the contractually required contributions	<u>148,792</u>	<u>157,052</u>	<u>165,469</u>	<u>167,849</u>	<u>183,096</u>	<u>182,157</u>	<u>213,505</u>
Contribution deficiency (excess)	<u>\$ -</u>						
City's covered payroll	\$ 864,892	\$ 949,756	\$ 1,073,567	\$ 1,099,332	\$ 1,232,564	\$ 1,342,395	\$ 1,396,020
Contributions as a percentage of covered payroll	17.20%	16.54%	15.41%	15.27%	14.85%	13.57%	15.29%

Schedule of City's Contributions
HIS
Last 10 Fiscal Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 14,144	\$ 15,768	\$ 17,825	\$ 18,253	\$ 20,465	\$ 22,145	\$ 18,367
Contributions in relation to the contractually required contributions	<u>14,144</u>	<u>15,768</u>	<u>17,825</u>	<u>18,253</u>	<u>20,465</u>	<u>22,145</u>	<u>18,367</u>
Contribution deficiency (excess)	<u>\$ -</u>						
City's covered payroll	\$ 864,892	\$ 949,756	\$ 1,073,567	\$ 1,099,332	\$ 1,232,564	\$ 1,342,395	\$ 1,396,020
Contributions as a percentage of covered payroll	1.64%	1.66%	1.66%	1.66%	1.66%	1.65%	1.32%

* prior years not available

Historic
LONGWOOD



F l o r i d a

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

Historic
LONGWOOD



F l o r i d a

MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUND

PUBLIC FACILITIES IMPROVEMENT FUND - This fund is used to account for the paving of all soil-based streets, install sidewalks and improve the City roadway system. Funding is derived from property taxes, assessments, and the Local Option Gas Tax.

Historic
LONGWOOD



Florida

City of Longwood, Florida
Public Facilities Improvement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Local option gas tax	\$ 358,786	\$ 358,786	\$ 355,916	\$ (2,870)
Intergovernmental revenue	1,148,459	2,731,461	1,316,074	(1,415,387)
Special assessments	45,000	45,000	26,327	(18,673)
Miscellaneous revenue	1,583,002	-	52,747	52,747
Investment earnings	5,235	5,235	1,685	(3,550)
Total revenues	3,140,482	3,140,482	1,752,749	(1,387,733)
Expenditures:				
Current:				
Highways and streets:				
Public facilities improvements	108,287	112,404	87,277	25,127
Debt service				
Principal	772,822	772,822	772,822	-
Interest and other charges	48,684	48,749	48,749	-
Capital outlay	4,526,611	5,032,485	1,008,362	4,024,123
Total expenditures	5,456,404	5,966,460	1,917,210	4,049,250
Excess (deficiency) of revenues over expenditures	(2,315,922)	(2,825,978)	(164,461)	2,661,517
Net change in fund balances	(2,315,922)	(2,825,978)	(164,461)	2,661,517
Fund balances, beginning	1,996,131	1,996,131	1,996,131	-
Fund balances, ending	\$ (319,791)	\$ (829,847)	\$ 1,831,670	\$ 2,661,517

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

BUILDING AND INSPECTIONS SERVICES FUND - This fund was established to separately account for the revenues and expenditures of the Building Division. One of the goals of the fund is to ensure that the fees collected would entirely cover the costs of providing the service.

POLICE EDUCATION FUND - This fund is used to account for revenues received pursuant to Florida Statutes which impose a \$2.00 court cost against persons convicted for violations of state penal or criminal statutes or a municipal or county ordinance where said offense occurred within the City of Longwood. Funds must be used to educate and train law enforcement personnel.

SPECIAL LAW ENFORCEMENT TRUST FUND - This fund is used to account for property confiscated in police enforcement activities pursuant to Florida Statutes (Florida Contraband Forfeiture Act). Funds must be used for police operations.

STORMWATER FUND - This fund is used to account for stormwater expenditures for drainage and stormwater projects. Funding is derived from stormwater utility fees.

PARKS AND EVENTS FUND - This fund was established to separately account for events pertaining to leisure services. Funding is derived from fundraising events, sponsorships, and donations.

CITIZENS ON PATROL (COP) FUND - This fund was established to separately account for activities related to community outreach program. Funding is derived from food sales and donations.

COMMUNITY EMERGENCY RESPONSE TEAM (CERT) FUND - This fund was established to separately account for activities related to fire safety practices within our community. Funding is derived from fundraising events.

SPECIAL ASSESSMENTS FUND - This fund is used to account for capital and maintenance special assessment revenue collected for neighborhood beautification programs.

POLICE IMPACT FEE FUND - This fund is used to account for police impact fee special assessment revenue collected for police capital expenditures.

FIRE IMPACT FEE FUND - This fund is used to account for fire impact fee special assessment revenue collected for fire capital expenditures.

RECREATION IMPACT FEE FUND - This fund is used to account for recreation impact fee special assessment revenue collected for recreation capital expenditures.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED)

PUBLIC WORKS/ADMINISTRATION IMPACT FEE FUND - This fund is used to account for public works and administration impact fee special assessment revenue collected for public works and administration impact fee capital expenditures.

CAPITAL PROJECTS FUNDS

CAPITAL PROJECTS FUND - This fund is used to account for the acquisition of capital equipment. Funding is derived from capital leases and proceeds of sales of capital assets.

City of Longwood, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2021

Special Revenue Funds

	Building Permits and Inspections	Police Education Fund	Special Law Enforcement Trust Fund	Stormwater Management Fund	Park and Events Fund	Citizens on Patrol (COPs) Fund
Assets:						
Cash and cash equivalents	\$ 1,151,913	\$ -	\$ 274,910	\$ -	\$ 90,288	\$ 21,539
Accounts receivable, net	-	368	1,744	76,862	-	-
Due from other governmental units	-	-	-	-	-	-
Total assets	\$ 1,151,913	\$ 368	\$ 276,654	\$ 76,862	\$ 90,288	\$ 21,539
Liabilities:						
Liabilities:						
Accounts payable	\$ 18,456	\$ 1,245	\$ -	\$ 16,026	\$ 1,695	\$ 255
Accrued expenditures	15,839	-	-	16,575	-	-
Due to other funds	-	957	-	101,141	-	-
Advances from other funds	-	-	-	-	-	-
Due to other governments	23,164	-	-	-	-	-
Unearned revenue	7,879	-	-	-	1,200	-
Total liabilities	65,338	2,202	-	133,742	2,895	255
Deferred Inflows of Resources:						
Unavailable revenue	-	-	-	-	-	-
Fund Balances:						
Spendable:						
Restricted	1,086,575	-	276,654	-	-	-
Committed	-	-	-	-	87,393	21,284
Assigned	-	-	-	-	-	-
Unassigned	-	(1,834)	-	(56,880)	-	-
Total fund balances	1,086,575	(1,834)	276,654	(56,880)	87,393	21,284
Total Liabilities, deferred inflows and fund balances	\$ 1,151,913	\$ 368	\$ 276,654	\$ 76,862	\$ 90,288	\$ 21,539

Special Revenue Funds

Community Emergency Response Team (CERT) Fund	Special Assessments Fund	Police Impact Fees	Fire Impact Fees	Recreation Impact Fees	Public Works/ Administration Impact Fees	Total Special Revenue Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
\$ 13,206	\$ 360,554	\$ 2,201	\$ 4,816	\$ 5,361	\$ 1,395	\$ 1,926,183	\$ 24,569	\$ 1,950,752
-	1,565	-	-	-	-	80,539	-	80,539
-	1,689	-	-	-	-	1,689	-	1,689
\$ 13,206	\$ 363,808	\$ 2,201	\$ 4,816	\$ 5,361	\$ 1,395	\$ 2,008,411	\$ 24,569	\$ 2,032,980
\$ -	\$ 919	\$ -	\$ -	\$ -	\$ -	\$ 38,596	\$ 481	\$ 39,077
-	-	-	-	-	-	32,414	-	32,414
-	-	-	-	-	-	102,098	-	102,098
-	355,000	-	-	-	-	355,000	-	355,000
-	-	-	-	-	-	23,164	-	23,164
-	-	-	-	-	-	9,079	-	9,079
-	355,919	-	-	-	-	560,351	481	560,832
-	1,565	-	-	-	-	1,565	-	1,565
-	-	2,201	4,816	5,361	1,395	1,377,002	-	1,377,002
13,206	6,324	-	-	-	-	128,207	-	128,207
-	-	-	-	-	-	-	24,088	24,088
-	-	-	-	-	-	(58,714)	-	(58,714)
13,206	6,324	2,201	4,816	5,361	1,395	1,446,495	24,088	1,470,583
\$ 13,206	\$ 363,808	\$ 2,201	\$ 4,816	\$ 5,361	\$ 1,395	\$ 2,008,411	\$ 24,569	\$ 2,032,980

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

Year Ended September 30, 2021

	Special Revenue Funds					
	Building Permits and Inspections	Police Education Fund	Special Law Enforcement Trust Fund	Stormwater Fund	Parks and Events Fund	Citizens on Patrol (COPs) Fund
Revenues:						
Licenses and Permits	\$1,152,805	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	-	-	697,222	44,258	2,596
Fines and Forfeitures	-	6,392	146,300	-	-	-
Special assessments	-	-	-	-	-	-
Investment Earnings	1,052	-	150	146	92	17
Miscellaneous	33,916	-	-	-	10,270	528
Total revenues	1,187,773	6,392	146,450	697,368	54,620	3,141
Expenditures:						
Current:						
Public safety	699,557	4,050	16,274	-	-	4,361
Physical environment	-	-	-	507,117	-	-
Parks and Recreation	-	-	-	-	80,284	-
Debt service:						
Principal	3,697	-	-	23,863	-	-
Interest and other charges	640	-	-	5,090	-	-
Capital Outlay	-	-	-	529,100	-	-
Total expenditures	703,894	4,050	16,274	1,065,170	80,284	4,361
Excess (deficiency) of revenues over expenditures	483,879	2,342	130,176	(367,802)	(25,664)	(1,220)
Other Financing Sources (Uses):						
Proceeds from sale of assets	-	-	-	-	-	-
Transfers in	-	-	-	-	5,000	5,000
Transfers out	(501,395)	-	-	(39,953)	-	-
Total other financing sources (uses)	(501,395)	-	-	(39,953)	5,000	5,000
Net change in fund balances	(17,516)	2,342	130,176	(407,755)	(20,664)	3,780
Fund balances, beginning	1,104,091	(4,176)	146,478	350,875	108,057	17,504
Fund balances, ending	\$ 1,086,575	\$ (1,834)	\$ 276,654	\$ (56,880)	\$ 87,393	\$ 21,284

Special Revenue Funds

Community Emergency Response Team (CERT) Fund	Special Assessments Fund	Police Impact Fees	Fire Impact Fees	Recreation Impact Fees	Public Works/ Administration Impact Fees	Total Special Revenue Funds	Capital Projects Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,152,805	\$ -	\$ 1,152,805
710	-	2,200	4,815	5,360	1,395	758,556	-	758,556
-	-	-	-	-	-	152,692	-	152,692
-	94,621	-	-	-	-	94,621	-	94,621
11	311	1	1	1	-	1,782	274	2,056
-	-	-	-	-	-	44,714	-	44,714
721	94,932	2,201	4,816	5,361	1,395	2,205,170	274	2,205,444
3,455	-	-	-	-	-	727,697	-	727,697
-	44,522	-	-	-	-	551,639	-	551,639
-	-	-	-	-	-	80,284	-	80,284
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	27,560	-	27,560
-	-	-	-	-	-	5,730	-	5,730
-	-	-	-	-	-	529,100	623,249	1,152,349
3,455	44,522	-	-	-	-	1,922,010	623,249	2,545,259
(2,734)	50,410	2,201	4,816	5,361	1,395	283,160	(622,975)	(339,815)
-	-	-	-	-	-	-	30,135	30,135
5,000	-	-	-	-	-	15,000	-	15,000
-	-	-	-	-	-	(541,348)	-	(541,348)
5,000	-	-	-	-	-	(526,348)	30,135	(496,213)
2,266	50,410	2,201	4,816	5,361	1,395	(243,188)	(592,840)	(836,028)
10,940	(44,086)	-	-	-	-	1,689,683	616,928	2,306,611
\$ 13,206	\$ 6,324	\$ 2,201	\$ 4,816	\$ 5,361	\$ 1,395	\$ 1,446,495	\$ 24,088	\$ 1,470,583

Building Permits and Inspections Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Licenses and Permits	\$ 825,000	\$ 825,000	\$ 1,152,805	\$ 327,805
Investment Earnings	3,000	3,000	1,052	(1,948)
Miscellaneous	33,649	33,649	33,916	267
Total revenues	861,649	861,649	1,187,773	326,124
Expenditures:				
Current:				
Public Safety:				
Building inspections	678,353	822,816	703,894	118,922
Total expenditures	678,353	822,816	703,894	118,922
Excess (deficiency) of revenues over expenditures	183,296	38,833	483,879	445,046
Other Financing Sources (Uses):				
Transfers Out	(501,395)	(501,395)	(501,395)	-
Total other financing sources(uses)	(501,395)	(501,395)	(501,395)	-
Net change in fund balances	(318,099)	(462,562)	(17,516)	445,046
Fund balances, beginning	1,104,091	1,104,091	1,104,091	-
Fund balances, ending	\$ 785,992	\$ 641,529	\$ 1,086,575	\$ 445,046

Police Education Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ 7,000	\$ 7,000	\$ 6,392	\$ (608)
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>6,392</u>	<u>(608)</u>
Expenditures:				
Current:				
Public safety	2,830	2,825	4,050	(1,225)
Total public safety	<u>2,830</u>	<u>2,825</u>	<u>4,050</u>	<u>(1,225)</u>
Excess (deficiency) of revenues over expenditures	<u>4,170</u>	<u>4,175</u>	<u>2,342</u>	<u>(1,833)</u>
Fund balances, beginning	<u>(4,176)</u>	<u>(4,176)</u>	<u>(4,176)</u>	<u>-</u>
Fund balances, ending	<u>\$ (6)</u>	<u>\$ (1)</u>	<u>\$ (1,834)</u>	<u>\$ (1,833)</u>

Special Law Enforcement Trust Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ 41,354	\$ 41,354	\$ 146,300	\$ 104,946
Investment Earnings	-	-	150	150
Total revenues	<u>41,354</u>	<u>41,354</u>	<u>146,450</u>	<u>105,096</u>
Expenditures:				
Current:				
Public safety	35,500	35,500	16,274	19,226
Total public safety	<u>35,500</u>	<u>35,500</u>	<u>16,274</u>	<u>19,226</u>
Total expenditures	<u>35,500</u>	<u>35,500</u>	<u>16,274</u>	<u>19,226</u>
Excess (deficiency) of revenues over expenditures	<u>5,854</u>	<u>5,854</u>	<u>130,176</u>	<u>124,322</u>
Fund balances, beginning	146,478	146,478	146,478	-
Fund balances, ending	<u>\$ 152,332</u>	<u>\$ 152,332</u>	<u>\$ 276,654</u>	<u>\$ 124,322</u>

Stormwater Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 734,500	\$ 734,500	\$ 697,222	\$ (37,278)
Investment Earnings	3,000	3,000	146	(2,854)
Total revenues	737,500	737,500	697,368	(40,132)
Expenditures:				
Current:				
Physical environment	588,285	622,303	536,070	86,233
Capital Outlay	511,000	601,282	529,100	72,182
Total expenditures	1,099,285	1,223,585	1,065,170	158,415
Excess (deficiency) of revenues over expenditures	(361,785)	(486,085)	(367,802)	118,283
Other Financing Sources (Uses):				
Transfers Out	(39,953)	(39,953)	(39,953)	-
Total other financing sources and uses	(39,953)	(39,953)	(39,953)	-
Net change in fund balances	(401,738)	(526,038)	(407,755)	118,283
Fund balances, beginning	350,875	350,875	350,875	-
Fund balances, ending	\$ (50,863)	\$ (175,163)	\$ (56,880)	\$ 118,283

Park and Events Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 60,450	\$ 60,450	\$ 44,258	\$ (16,192)
Investment Earnings	-	-	92	92
Miscellaneous	4,150	12,150	10,270	(1,880)
Total revenues	64,600	72,600	54,620	(17,980)
Expenditures:				
Current:				
Parks and Recreation	86,750	106,698	80,284	26,414
Total expenditures	86,750	106,698	80,284	26,414
Excess (deficiency) of revenues over expenditures	(22,150)	(34,098)	(25,664)	8,434
Other Financing Sources (Uses):				
Transfers In	5,000	5,000	5,000	-
Total other financing sources and uses	5,000	5,000	5,000	-
Net change in fund balances	(17,150)	(29,098)	(20,664)	8,434
Fund balances, beginning	108,057	108,057	108,057	-
Fund balances, ending	\$ 90,907	\$ 78,959	\$ 87,393	\$ 8,434

Citizens on Patrol (COPs) Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 2,800	\$ 2,800	\$ 2,596	\$ (204)
Investment Earnings	-	-	17	17
Miscellaneous	500	500	528	28
Total revenues	3,300	3,300	3,141	(159)
Expenditures:				
Current:				
Public Safety	11,675	11,675	4,361	7,314
Capital Outlay	3,000	3,000	-	3,000
Total expenditures	14,675	14,675	4,361	10,314
Excess (deficiency) of revenues over expenditures	(11,375)	(11,375)	(1,220)	10,155
Other Financing Sources (Uses):				
Transfers In	5,000	5,000	5,000	-
Total other financing sources and uses	5,000	5,000	5,000	-
Net change in fund balances	(6,375)	(6,375)	3,780	10,155
Fund balances, beginning	17,504	17,504	17,504	-
Fund balances, ending	\$ 11,129	\$ 11,129	\$ 21,284	\$ 10,155

Community Emergency Response Team (CERT) Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services	\$ 4,500	\$ 4,500	\$ 710	\$ (3,790)
Investment Earnings	-	-	11	11
Total revenues	<u>4,500</u>	<u>4,500</u>	<u>721</u>	<u>(3,779)</u>
Expenditures:				
Current:				
Public Safety	4,340	7,000	3,455	3,545
Capital Outlay	2,660	-	-	-
Total expenditures	<u>7,000</u>	<u>7,000</u>	<u>3,455</u>	<u>3,545</u>
Excess (deficiency) of revenues over expenditures	<u>(2,500)</u>	<u>(2,500)</u>	<u>(2,734)</u>	<u>(234)</u>
Other Financing Sources (Uses):				
Transfers In	5,000	5,000	5,000	-
Total other financing sources and uses	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Net change in fund balances	2,500	2,500	2,266	(234)
Fund balances, beginning	<u>10,940</u>	<u>10,940</u>	<u>10,940</u>	<u>-</u>
Fund balances, ending	<u>\$ 13,440</u>	<u>\$ 13,440</u>	<u>\$ 13,206</u>	<u>\$ (234)</u>

City of Longwood, Florida
Special Assessments Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Beautification assessments	\$ 98,811	\$ 98,811	\$ 94,621	\$ (4,190)
Investment earnings	3,500	3,500	311	(3,189)
Total revenues	<u>102,311</u>	<u>102,311</u>	<u>94,932</u>	<u>(7,379)</u>
Expenditures:				
Current:				
Physical environment:				
Streets and fleet	70,240	70,240	44,522	25,718
Total expenditures	<u>70,240</u>	<u>70,240</u>	<u>44,522</u>	<u>25,718</u>
Excess (deficiency) of revenues over expenditures	<u>32,071</u>	<u>32,071</u>	<u>50,410</u>	<u>18,339</u>
Fund balance, beginning	<u>(44,086)</u>	<u>(44,086)</u>	<u>(44,086)</u>	<u>-</u>
Fund balance, ending	<u>\$ (12,015)</u>	<u>\$ (12,015)</u>	<u>\$ 6,324</u>	<u>\$ 18,339</u>

Police Impact Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 2,200	\$ 2,200
Investment earnings	-	-	1	1
Total revenues	-	-	2,201	2,201
Expenditures:				
Current:				
Public Safety				
Police	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	2,201	2,201
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ 2,201	\$ 2,201

Fire Impact Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 4,815	\$ 4,815
Investment earnings	-	-	1	1
Total revenues	-	-	4,816	4,816
Expenditures:				
Current:				
Public Safety				
Fire	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	4,816	4,816
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ 4,816	\$ 4,816

City of Longwood, Florida
Recreation Impact Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 5,360	\$ 5,360
Investment earnings	-	-	1	1
Total revenues	-	-	5,361	5,361
Expenditures:				
Current:				
Parks and recreation	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	5,361	5,361
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ 5,361	\$ 5,361

City of Longwood, Florida
Public Works/ Administration Impact Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ 1,395	\$ 1,395
Investment earnings	-	-	-	-
Total revenues	-	-	1,395	1,395
Expenditures:				
Current:				
Public Works	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	1,395	1,395
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ 1,395	\$ 1,395

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental Revenue	\$ 100,000	\$ 100,000	\$ -	\$ (100,000)
Investment Earnings	6,000	6,000	274	(5,726)
Total revenues	<u>106,000</u>	<u>106,000</u>	<u>274</u>	<u>(105,726)</u>
Expenditures				
Current:				
Capital outlay	4,228,929	5,005,235	623,249	4,381,986
Total expenditures	<u>4,228,929</u>	<u>5,005,235</u>	<u>623,249</u>	<u>4,381,986</u>
Excess (deficiency) of revenues over expenditures	<u>(4,122,929)</u>	<u>(4,899,235)</u>	<u>(622,975)</u>	<u>4,276,260</u>
Other Financing Sources (Uses):				
Notes payable issued	4,128,617	4,128,617	-	(4,128,617)
Proceeds from sale of assets	-	30,135	30,135	-
Total Other Financing Sources (Uses)	<u>4,128,617</u>	<u>4,158,752</u>	<u>30,135</u>	<u>(4,128,617)</u>
Net change in fund balances	5,688	(740,483)	(592,840)	147,643
Fund balances, beginning	616,928	616,928	616,928	-
Fund balances, ending	<u>\$ 622,616</u>	<u>\$ (123,555)</u>	<u>\$ 24,088</u>	<u>\$ 147,643</u>

STATISTICAL SECTION

Historic
LONGWOOD



Florida

Statistical Section

This part of the City of Longwood's comprehensive annual 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	<u>Page</u>
Financial Trends	79
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	85
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	
Debt Capacity	89
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future. The City of Longwood has no general obligation bonds outstanding.	
Demographic and Economic Information	91
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	93
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

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

Historic
LONGWOOD



Florida

The City of Longwood, Florida
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Governmental Activities										
Net Investment in Capital Assets	\$ 33,426	\$ 34,732	\$ 34,534	\$ 34,957	\$ 33,357	\$ 28,923	\$ 34,491	\$ 35,441	\$ 34,389	\$ 35,581
Restricted	124	126	206	191	255	64	112	145	1,251	1,377
Unrestricted	7,706	6,573	7,133	7,382	7,331	10,872	4,819	3,966	4,081	3,492
Total Governmental Activities Net Position	<u>41,256</u>	<u>41,431</u>	<u>41,873</u>	<u>42,530</u>	<u>40,943</u>	<u>39,859</u>	<u>39,422</u>	<u>39,552</u>	<u>39,721</u>	<u>40,450</u>
Business-type Activities										
Net Investment in Capital Assets	14,044	14,037	14,756	14,228	15,547	20,447	22,477	25,626	29,386	30,380
Restricted	-	-	-	-	-	858	1,989	2,883	3,230	3,866
Unrestricted	2,986	2,969	2,258	2,828	1,590	(1,180)	(1,180)	(4,516)	(7,243)	(4,907)
Total Business-type Activities Net Position	<u>17,030</u>	<u>17,006</u>	<u>17,014</u>	<u>17,056</u>	<u>17,137</u>	<u>20,125</u>	<u>23,286</u>	<u>23,993</u>	<u>25,373</u>	<u>29,339</u>
Primary Government										
Net Investment in Capital Assets	47,470	48,769	49,290	49,185	48,904	49,370	56,968	61,067	63,775	65,961
Restricted	124	126	206	191	255	922	2,101	3,028	4,481	5,243
Unrestricted	10,692	9,542	9,391	10,210	8,921	9,692	3,639	(550)	(3,162)	(1,415)
Total Primary Government Net Position	<u>\$ 58,286</u>	<u>\$ 58,437</u>	<u>\$ 58,887</u>	<u>\$ 59,586</u>	<u>\$ 58,080</u>	<u>\$ 59,984</u>	<u>\$ 62,708</u>	<u>\$ 63,545</u>	<u>\$ 65,094</u>	<u>\$ 69,789</u>

City of Longwood, Florida
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

Expenses	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities:										
General government	\$ 2,568	\$ 2,872	\$ 3,009	\$ 3,066	\$ 3,765	\$ 4,320	\$ 4,596	\$ 4,558	\$ 4,251	\$ 4,181
Public safety	6,667	7,705	8,280	8,679	9,098	9,546	9,580	10,240	10,675	10,491
Physical environment	1,530	800	252	289	740	312	337	288	439	578
Highways and streets	2,285	2,289	2,231	2,138	2,490	2,245	3,038	2,473	2,346	2,486
Sanitation	1,008	1,005	1,024	1,027	1,032	1,031	936	1,084	1,136	1,060
Parks and recreation	1,122	868	847	1,159	1,176	1,111	1,220	1,409	1,501	1,657
Interest & other fiscal charges on long-term debt	61	66	51	35	65	305	255	274	272	211
Total Governmental Activities Expenses	15,241	15,605	15,694	16,393	18,366	18,870	19,962	20,326	20,620	20,664
Business-type Activities:										
Public Utilities	2,217	2,182	2,450	2,646	2,689	3,131	3,563	4,179	4,736	5,050
Total Primary Government Expense	\$ 17,458	\$ 17,787	\$ 18,144	\$ 19,039	\$ 21,055	\$ 22,001	\$ 23,525	\$ 24,505	\$ 25,356	\$ 25,714
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	\$ 8	\$ 12	\$ 75	\$ 141	\$ 115	\$ 130	\$ 138	\$ 165	\$ 98	\$ 71
Public safety	1,248	1,315	1,604	1,794	1,554	1,873	2,014	2,375	1,989	2,581
Physical environment	724	708	712	718	713	734	758	758	788	789
Highways and streets	-	-	-	-	-	-	-	-	-	-
Sanitation	1,100	1,096	1,105	1,113	1,108	1,118	1,095	1,104	1,123	1,137
Parks and recreation	190	191	196	204	179	186	162	189	153	196
Operating grants and contributions	493	875	1,003	676	627	657	1,264	1,238	1,638	1,020
Capital grants and contributions	271	532	32	686	817	1,094	2,525	1,030	1,021	1,343
Total Governmental Activities Program Revenues	\$ 4,034	\$ 4,729	\$ 4,727	\$ 5,332	\$ 5,113	\$ 5,792	\$ 7,956	\$ 6,859	\$ 6,810	\$ 7,137
Business-type Activities:										
Charges for services:										
Public Utilities	3,473	3,059	3,314	3,685	3,882	5,299	4,841	5,159	5,483	5,584
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	75	177	185	548	-	2,129	3,271	1,084	1,699	3,872
Total Business-type Activities Program Revenues	3,548	3,236	3,499	4,233	3,882	7,428	8,112	6,243	7,182	9,456
Total Primary Government Program Revenues	\$ 7,582	\$ 7,965	\$ 8,226	\$ 9,565	\$ 8,995	\$ 13,220	\$ 16,068	\$ 13,102	\$ 13,992	\$ 16,593

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net (Expense)/Revenue										
Governmental Activities	\$ (11,207)	\$ (10,876)	\$ (10,967)	\$ (11,061)	\$ (13,253)	\$ (13,078)	\$ (12,006)	\$ (13,467)	\$ (13,810)	\$ (13,527)
Business-type Activities	1,331	1,054	1,049	1,587	1,193	4,297	4,549	2,064	2,446	4,406
Total Primary Government Net Expense	<u>\$ (9,876)</u>	<u>\$ (9,822)</u>	<u>\$ (9,918)</u>	<u>\$ (9,474)</u>	<u>\$ (12,060)</u>	<u>\$ (8,781)</u>	<u>\$ (7,457)</u>	<u>\$ (11,403)</u>	<u>\$ (11,364)</u>	<u>\$ (9,121)</u>

General Revenues and Other Changes in Net Position

Governmental Activities:

Taxes										
Property taxes	\$ 4,178	\$ 4,489	\$ 4,573	\$ 4,645	\$ 4,755	\$ 5,002	\$ 5,381	\$ 5,899	\$ 6,325	\$ 6,866
Franchise and utility taxes	2,965	2,813	2,936	2,971	2,994	3,107	3,212	3,449	3,547	3,606
Communications services tax	1,020	990	879	785	762	768	771	771	777	696
Unrestricted intergovernmental revenues	1,552	1,562	1,673	1,725	1,726	1,519	1,598	1,621	1,520	1,764
Unrestricted investment earnings	165	28	9	19	25	74	116	99	58	8
Gain on sale of capital assets	15	-	-	33	-	68	58	-	9	57
Miscellaneous revenues	122	65	276	172	259	136	425	353	643	184
Transfers in (out)	722	1,104	1,063	1,328	1,145	1,320	1,303	1,406	1,101	1,075
Total Governmental Activities	<u>\$ 10,739</u>	<u>\$ 11,051</u>	<u>\$ 11,409</u>	<u>\$ 11,678</u>	<u>\$ 11,666</u>	<u>\$ 11,994</u>	<u>\$ 12,864</u>	<u>\$ 13,598</u>	<u>\$ 13,980</u>	<u>\$ 14,256</u>
Business-type Activities:										
Investment earnings	5	4	1	11	10	11	17	39	25	3
Gain on sale of capital assets	-	-	-	5	-	-	2	2	9	57
Miscellaneous revenues	29	22	21	32	23	-	-	6	-	-
Transfers in (out)	(722)	(1,104)	(1,063)	(1,328)	(1,145)	(1,320)	(1,303)	(1,406)	(1,101)	(1,075)
Total Business-type Activities	<u>(688)</u>	<u>(1,078)</u>	<u>(1,041)</u>	<u>(1,280)</u>	<u>(1,112)</u>	<u>(1,309)</u>	<u>(1,284)</u>	<u>(1,359)</u>	<u>(1,067)</u>	<u>(1,015)</u>
Total Primary Government	<u>\$ 10,051</u>	<u>\$ 9,973</u>	<u>\$ 10,368</u>	<u>\$ 10,398</u>	<u>\$ 10,554</u>	<u>\$ 10,685</u>	<u>\$ 11,580</u>	<u>\$ 12,239</u>	<u>\$ 12,913</u>	<u>\$ 13,241</u>

Change in Net Position

Governmental Activities	\$ (468)	\$ 175	\$ 442	\$ 617	\$ (1,587)	\$ (1,084)	\$ 858	\$ 131	\$ 170	\$ 729
Business-type Activities	643	(24)	8	307	81	2,988	3,265	705	1,379	3,391
Total Primary Government	<u>\$ 175</u>	<u>\$ 151</u>	<u>\$ 450</u>	<u>\$ 924</u>	<u>\$ (1,506)</u>	<u>\$ 1,904</u>	<u>\$ 4,123</u>	<u>\$ 836</u>	<u>\$ 1,549</u>	<u>\$ 4,120</u>

City of Longwood, Florida
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Franchise Fee</u>	<u>Utility Tax</u>	<u>Local Option Gas Tax</u>	<u>Sales Tax</u>	<u>State Revenue Sharing</u>	<u>Total</u>
2012	\$ 4,178	\$ 1,584	\$ 2,400	\$ 332	\$ 154	\$ 378	\$ 9,026
2013	\$ 4,489	\$ 1,462	\$ 2,341	\$ 361	\$ 5	\$ 391	\$ 9,049
2014	\$ 4,573	\$ 1,501	\$ 2,314	\$ 364	\$ -	\$ 406	\$ 9,158
2015	\$ 4,645	\$ 1,537	\$ 2,219	\$ 379	\$ 528	\$ 431	\$ 9,739
2016	\$ 4,755	\$ 1,499	\$ 2,257	\$ 392	\$ 809	\$ 441	\$ 10,153
2017	\$ 5,002	\$ 1,581	\$ 2,294	\$ 405	\$ 862	\$ 475	\$ 10,619
2018	\$ 5,381	\$ 1,624	\$ 2,358	\$ 406	\$ 910	\$ 508	\$ 11,187
2019	\$ 5,899	\$ 1,741	\$ 2,480	\$ 407	\$ 929	\$ 530	\$ 11,986
2020	\$ 6,325	\$ 1,738	\$ 2,586	\$ 354	\$ 907	\$ 488	\$ 12,398
2021	\$ 6,866	\$ 1,754	\$ 2,548	\$ 356	\$ 1,017	\$ 580	\$ 13,121

City of Longwood, Florida
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund										
Nonspendable	\$ 271	\$ 143	\$ 145	\$ 140	\$ 144	\$ 145	\$ 144	\$ 148	\$ 164	\$ 2,052
Assigned	1,795	1,367	1,488	1,370	757	1,226	135	-	869	487
Unassigned	2,977	3,041	3,083	2,768	3,066	1,951	2,745	3,780	4,253	2,801
Total General Fund	<u>\$ 5,043</u>	<u>\$ 4,551</u>	<u>\$ 4,716</u>	<u>\$ 4,278</u>	<u>\$ 3,967</u>	<u>\$ 3,322</u>	<u>\$ 3,024</u>	<u>\$ 3,928</u>	<u>\$ 5,286</u>	<u>\$ 5,340</u>
All Other Governmental Funds										
Nonspendable	\$ 217	\$ 445	\$ 215	\$ 2	\$ -	\$ -	\$ 514	\$ 30	\$ -	\$ -
Restricted	124	169	462	930	1,088	1,316	1,647	1,655	1,251	1,377
Committed	3,022	2,163	2,776	2,949	3,846	8,417	2,656	2,316	2,484	1,960
Assigned	-	-	-	-	-	-	-	-	617	24
Unassigned	(207)	(255)	(201)	(181)	(178)	(234)	(99)	(161)	(48)	(58)
Total All Other Governmental Funds	<u>\$ 3,156</u>	<u>\$ 2,522</u>	<u>\$ 3,252</u>	<u>\$ 3,700</u>	<u>\$ 4,756</u>	<u>\$ 9,499</u>	<u>\$ 4,718</u>	<u>\$ 3,840</u>	<u>\$ 4,304</u>	<u>\$ 3,303</u>

City of Longwood, Florida
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Revenues										
Taxes										
Property	\$ 4,178	\$ 4,489	\$ 4,573	\$ 4,645	\$ 4,755	\$ 5,002	\$ 5,381	\$ 5,899	\$ 6,325	\$ 6,866
Local Option Gas Tax	332	361	365	379	392	405	406	407	354	356
Franchise and utility taxes	3,985	3,803	3,815	3,756	3,755	3,875	3,982	4,220	4,324	4,303
Licenses and Permits	384	380	615	892	516	1,022	1,008	1,240	917	1,357
Intergovernmental	1,886	2,441	2,518	2,708	2,779	2,865	4,488	4,257	4,048	3,926
Charges for Services	2,597	2,703	2,752	2,756	2,786	2,728	2,713	2,847	2,733	2,881
Impact Fees/Assessments	122	147	151	147	147	140	187	118	118	121
Fines and Forfeitures	223	188	270	219	236	158	152	168	137	262
Investment Earnings	165	(65)	32	19	25	75	116	99	58	8
Miscellaneous	264	163	185	326	334	212	504	432	691	211
Total revenues	\$ 14,136	\$ 14,610	\$ 15,276	\$ 15,847	\$ 15,725	\$ 16,482	\$ 18,937	\$ 19,687	\$ 19,705	\$ 20,291
Expenditures										
General Government	2,995	2,658	2,731	3,125	3,399	3,550	3,940	3,829	3,520	3,636
Public Safety	7,320	7,699	7,505	8,082	7,986	8,384	8,813	9,469	9,477	10,289
Physical Environment	200	311	310	280	333	286	251	195	545	552
Highways and Streets	1,432	1,411	1,356	1,261	1,273	1,445	1,778	1,400	1,078	1,265
Sanitation	1,008	1,005	1,024	1,027	1,032	1,031	936	1,085	1,136	1,060
Parks and Recreation	992	772	819	879	969	994	1,129	1,425	1,506	1,519
Capital Outlay	2,696	2,914	1,222	2,449	2,044	6,689	8,920	1,921	1,449	2,277
Debt Service										
Principal	550	627	725	384	357	1,056	1,347	1,490	1,407	1,547
Interest	62	66	51	35	44	251	220	252	277	226
Total expenditures	\$ 17,255	\$ 17,463	\$ 15,743	\$ 17,522	\$ 17,437	\$ 23,686	\$ 27,334	\$ 21,066	\$ 20,395	\$ 22,371
Excess of Revenues Over (Under) Expenditures	(3,119)	(2,853)	(467)	(1,675)	(1,712)	(7,204)	(8,397)	(1,379)	(690)	(2,080)
Other Financing Sources (Uses)										
Transfers In	1,152	1,430	1,255	1,628	1,508	1,690	2,360	2,198	1,938	1,632
Transfers Out	(445)	(326)	(192)	(300)	(363)	(370)	(1,057)	(792)	(838)	(556)
Notes Payable Issued	-	-	-	-	1,313	9,900	1,955	-	1,400	-
Capital Lease Proceeds	1,340	480	206	357	-	-	-	-	-	-
Sale of Capital Assets	164	143	93	-	-	82	58	-	10	59
Total Other Financing Sources (Uses)	2,211	1,727	1,362	1,685	2,458	11,302	3,316	1,406	2,510	1,135
Net Change in Fund Balances	\$ (908)	\$ (1,126)	\$ 895	\$ 10	\$ 746	\$ 4,098	\$ (5,081)	\$ 27	\$ 1,820	\$ (945)
Debt Service as a Percentage of Noncapital Expenditures	4.20%	4.76%	5.34%	2.78%	2.54%	7.72%	8.30%	9.08%	8.90%	8.81%

City of Longwood, Florida
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended September 30	Real Property	Taxable Agricultural Property	Personal Property	Centrally Assessed Property	Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2012	\$ 778,999	-	\$ 83,268	\$ 518	\$ 298,342	\$ 862,785	4.9900	\$ 1,161,127	74.31%
2013	\$ 758,526	-	\$ 84,706	\$ 526	\$ 277,483	\$ 843,758	5.5000	\$ 1,121,241	75.25%
2014	\$ 797,789	-	\$ 77,146	\$ 564	\$ 322,683	\$ 857,723	5.5000	\$ 1,136,735	75.45%
2015	\$ 774,314	-	\$ 82,861	\$ 547	\$ 304,917	\$ 872,391	5.5000	\$ 1,177,308	74.10%
2016	\$ 864,803	-	\$ 73,632	\$ 601	\$ 345,700	\$ 894,793	5.5000	\$ 1,240,493	72.13%
2017	\$ 936,085	-	\$ 79,243	\$ 589	\$ 378,436	\$ 937,802	5.5000	\$ 1,316,238	71.25%
2018	\$ 1,017,931	-	\$ 93,653	\$ 617	\$ 420,246	\$ 1,015,331	5.5000	\$ 1,435,577	70.73%
2019	\$ 1,099,438	-	\$ 92,555	\$ 608	\$ 467,823	\$ 1,111,096	5.5000	\$ 1,578,919	70.37%
2020	\$ 1,191,327	-	\$ 97,254	\$ 685	\$ 544,810	\$ 1,192,671	5.5000	\$ 1,737,481	68.64%
2021	\$ 1,282,734	-	\$ 93,015	\$ 712	\$ 585,879	\$ 1,288,614	5.5000	\$ 1,874,493	68.74%

Source: Seminole County Property Appraiser

City of Longwood, Florida
Direct and Overlapping Governments Property Tax Rates (1)
Last Ten Fiscal Years
(amounts expressed in millage)
(tax levies per \$1,000 of assessed valuation)

Fiscal Year	Direct Rate			Overlapping Rates							Total Direct & Overlapping Rates
	City of Longwood Operating Millage	Debt Service Millage	Total Direct Millage	Seminole County			School District			St. John's Water Management District	
				Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage		
2012	4.9900	-	4.9900	4.8751	0.1700	5.0451	7.7220	-	7.7220	0.3313	18.0884
2013	5.5000	-	5.5000	4.8751	0.1700	5.0451	7.5530	-	7.5530	0.3313	18.4294
2014	5.5000	-	5.5000	4.8751	-	4.8751	8.3610	-	8.3610	0.3283	19.0644
2015	5.5000	-	5.5000	4.8751	-	4.8751	7.8970	-	7.8970	0.3164	18.5885
2016	5.5000	-	5.5000	4.8751	-	4.8751	7.8490	-	7.8490	0.3023	18.5264
2017	5.5000	-	5.5000	4.8751	-	4.8751	7.5570	-	7.5570	0.2885	18.2206
2018	5.5000	-	5.5000	4.8751	-	4.8751	6.5690	-	6.5690	0.2724	17.2165
2019	5.5000	-	5.5000	4.8751	-	4.8751	6.3130	-	6.3130	0.2562	16.9443
2020	5.5000	-	5.5000	4.8751	-	4.8751	6.1330	-	6.1330	0.2414	16.7495
2021	5.5000	-	5.5000	4.8751	-	4.8751	5.9340	-	5.9340	0.2287	16.5378

Source: Seminole County Tax Collectors Office

(1) Property tax rates for the fiscal year are based on prior years millage rates.

**City of Longwood, Florida
Principal Property Taxpayers
Current Year and Nine Years Ago
(amounts expressed in thousands)**

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
AIC Longwood LLC	\$ 44,642	1	3.46%	\$ -		-
RS Weston Park LLC	28,709	2	2.23%	-		-
Watervue Partners LLC	18,085	3	1.40%	-		-
Duke Energy Florida Inc	14,723	4	1.14%	-		-
American Eagle Island Lake LLC	12,732	5	0.99%	-		-
1944 Unionport Assoc LLC	11,133	6	0.86%	7,094	5	0.82%
United Parcel Service, Inc.	9,777	7	0.76%	7,997	4	0.93%
Alta Cypress LLC	8,920	8	0.69%	-		0.00%
Longwood Maple LLC	8,171	9	0.63%	-		0.00%
2025 Rogers LLC	7,368	10	0.57%	-		0.00%
CMCP-Island Lake LLC	-		-	13,941	1	1.62%
Progress Energy Florida	-		-	9,824	2	1.14%
American Industrial Center LTD	-		-	8,826	3	1.02%
American Industrial Center IX	-		-	6,508	6	0.75%
GS Realty	-		-	5,818	7	0.67%
Health Care Reit Inc	-		-	5,720	8	0.66%
General Electric Credit	-		-	5,612	9	0.65%
Woods Family Properties DJW	-		-	5,178	10	0.60%
Totals	<u>\$ 164,260</u>		<u>12.75%</u>	<u>\$ 76,518</u>		<u>8.87%</u>

Source: Seminole County Property Appraiser

City of Longwood, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended September 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 4,319	\$ 4,134	95.72%	\$ 44	\$ 4,178	96.74%
2013	\$ 4,653	\$ 4,448	95.59%	\$ 41	\$ 4,489	96.48%
2014	\$ 4,727	\$ 4,531	95.85%	\$ 42	\$ 4,573	96.74%
2015	\$ 4,798	\$ 4,645	96.81%	\$ 45	\$ 4,690	97.75%
2016	\$ 4,943	\$ 4,703	95.14%	\$ 52	\$ 4,755	96.20%
2017	\$ 5,158	\$ 4,945	95.87%	\$ 57	\$ 5,002	96.98%
2018	\$ 5,584	\$ 5,381	96.36%	\$ -	\$ 5,381	96.36%
2019	\$ 6,111	\$ 5,898	96.51%	\$ -	\$ 5,898	96.51%
2020	\$ 6,560	\$ 6,325	96.42%	\$ -	\$ 6,325	96.42%
2021	\$ 7,087	\$ 6,866	96.88%	\$ -	\$ 6,866	96.88%

Source: Seminole County Tax Collector and City of Longwood Finance Department

City of Longwood, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

Fiscal Year Ended September 30	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	Notes Payable	Capital Leases	Revenue Bonds	Capital Leases	Water Revenue Bonds	Notes Payable			
2012	n/a	\$ 2,099	n/a	n/a	n/a	n/a	\$ 2,099	0.59%	\$ 159
2013	n/a	\$ 1,951	n/a	n/a	n/a	n/a	\$ 1,951	0.50%	\$ 142
2014	n/a	\$ 1,432	n/a	n/a	n/a	n/a	\$ 1,432	0.38%	\$ 106
2015	n/a	\$ 1,405	n/a	n/a	n/a	n/a	\$ 1,405	0.36%	\$ 102
2016	\$ 1,313	\$ 1,047	n/a	n/a	n/a	\$ 1,313	\$ 3,673	0.96%	\$ 257
2017	\$ 10,418	\$ 798	n/a	\$ 104	n/a	\$ 1,791	\$ 13,111	3.14%	\$ 891
2018	\$ 11,292	\$ 520	n/a	\$ 70	n/a	\$ 5,661	\$ 17,543	4.06%	\$ 1,177
2019	\$ 10,073	\$ 249	n/a	\$ 35	n/a	\$ 5,479	\$ 15,836	3.68%	\$ 1,049
2020	\$ 10,225	\$ 90	n/a	\$ -	n/a	\$ 8,507	\$ 18,822	4.02%	\$ 1,221
2021	\$ 8,767	\$ -	n/a	\$ -	n/a	\$ 9,274	\$ 18,041	3.78%	\$ 1,178

Note: No Revenue Bond Debt

City of Longwood, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2021
(amounts expressed in thousands)

Governmental Unit	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping Debt:			
Seminole County GO Debt	\$ -	0.00%	\$ -
	<u>\$ -</u>		<u>\$ -</u>
Subtotal Overlapping Debt	<u>\$ -</u>		<u>\$ -</u>
Direct Debt:			
City of Longwood Capital Leases	\$ -	100.00%	\$ -
City of Longwood Notes Payable	\$ 8,767	100.00%	\$ 8,767
	<u>\$ 8,767</u>		<u>\$ 8,767</u>
Subtotal Overlapping Debt	<u>\$ 8,767</u>		<u>\$ 8,767</u>
	<u>\$ 8,767</u>		<u>\$ 8,767</u>
Total direct and overlapping debt	<u><u>\$ 8,767</u></u>		<u><u>\$ 8,767</u></u>

Sources:

Overlapping GO debt for Seminole County obtained from Seminole County Finance Department. The percentage of overlapping debt applicable to the City of Longwood is estimated using the population of the City of Longwood and Seminole County.

**City of Longwood, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population ¹</u>	<u>Personal Income (amounts expressed in thousands)</u>	<u>Per Capita Personal Income ¹</u>	<u>Median Age ¹</u>	<u>Education Level in Years of Formal Schooling ¹</u>	<u>School Enrollment ²</u>	<u>Unemploy- ment Rate ³</u>
2012	13,212	\$ 357,887	\$ 27,088	35.4	13.64	2,230	7.7%
2013	13,733	\$ 391,638	\$ 28,518	42.1	13.68	2,325	6.3%
2014	13,553	\$ 379,416	\$ 27,995	42.7	13.46	2,261	4.9%
2015	13,741	\$ 394,229	\$ 28,690	43.1	13.53	2,650	4.1%
2016	14,311	\$ 383,893	\$ 26,825	42.8	12.89	2,638	4.3%
2017	14,718	\$ 418,183	\$ 28,413	43.3	13.64	2,550	3.6%
2018	14,899	\$ 431,997	\$ 28,995	43.6	13.59	2,401	2.6%
2019	15,099	\$ 430,895	\$ 28,538	43.8	13.66	2,167	2.4%
2020	15,409	\$ 467,632	\$ 30,348	44.0	13.79	2,122	7.2%
2021	15,311	\$ 477,719	\$ 31,201	44.2	13.75	2,050	4.2%

Sources:

- 1 Orlando Economic Partnership
- 2 Lyman High School
- 3 Florida Department of Economic Opportunity

**City of Longwood, Florida
Principal Employers
Current Year and Nine Years Ago**

Employer	2021			2012		Percentage of Total City Employment ²
	Employees	Rank	Percentage of Total City Employment ²	Employees	Rank	
Orlando Health-South Seminole Hospital	1022	1	8.61%	1007	1	7.46%
UPS	495	2	4.17%	493	2	3.65%
D&A Building Services	494	3	4.16%	*	*	*
Comprehensive Energy Services	250	4	2.11%	141	7	1.05%
Collis Roofing	234	5	1.97%	200	3	1.48%
S.I. Goldman	234	6	1.97%	*	*	*
Seminole County Schools	222	7	1.87%	*	*	*
Cascade Heights	202	8	1.70%	*	*	*
Transform Home Pro	200	9	1.68%	*	*	*
Criticom Monitoring Services	193	10	1.63%	*	*	*
Total	3,546		29.87%	1,841		13.64%

Sources:

- 1 City of Longwood Economic Development Department
- 2 Per Orlando Economic Partnership, the City of Longwood has an estimated workplace population of 11,872 with approximately 1,683 business establishments for 2021.
- 3 * Information is not available.

City of Longwood
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	23	25	27	27	28	29	32	32	33	33
Public Safety:										
Police										
Sworn Officers	40	40	40	42	43	43	43	44	44	44
Non sworn Officers	2	2	2	2	2	2	1	1	1	1
Civilians	5	5	5	4	5	5	5	5	5	5
Fire										
Firefighters and Officers	39	45	45	40	47	40	44	44	43	43
Civilians	1	1	1	1	1	1	1	1	1	1
Public Works	28	27	25	22	25	25	25	27	29	29
Parks and Recreations	12	10	10	12	14	14	16	17	14	13
Total	150	155	155	150	165	159	167	171	170	169

Source: Adopted Budget, City Of Longwood

City of Longwood, Florida
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Auto Accidents	737	812	808	899	915	967	949	1017	789	737
Physical arrests	917	1061	808	912	891	806	621	532	283	364
Criminal Investigations Conducted	426	473	438	467	508	453	468	445	365	371
Total Calls for Service	44380	41577	40103	43982	45288	41052	43134	45466	56478	51425
911 Calls Received	3544	3634	3356	3453	3587	3796	3415	3394	3019	3320
Evidence Processed (pieces)	2502	1930	1936	2312	2290	2020	2173	1974	1584	1320
Fire										
Number of emergency calls answered	4038	4138	4130	4551	4200	4538	4755	4912	4770	5278
Medical Transports	1994	2122	2042	2234	2271	2092	2330	2507	2276	2441
Highways and streets										
Streets paved (miles)	60.9	61.1	61.1	61.1	61.1	61.1	61.1	61.1	61.1	63.8
Streets resurfaced (tons/asphalt)	*	*	*	*	*	*	*	*	2150	2085
Sidewalks/bike paths built or repaired (feet)	5180	3200	1500	2600	8380	1035	82450	1500	7200	2500
Culture and recreation										
Sports Complex ball games & field rentals ⁽³⁾	2115	2134	1970	2140	2135	1400	1408	1416	402	612
Community Bldg rentals ⁽³⁾	175	195	224	188	150	189	174	154	43	86
Water										
New connections	13	0	0	4	130	118	158	321	69	33
Number of customers	5809	5829	5510	6054	6184	6341	6486	6697	6758	6880
Water main breaks	0	0	6	4	3	2	4	4	5	3
Average daily consumption (millions of gallons)	1.947	2	1.897	1.826	1.815	1.834	1.817	1.875	1.855	1862
Meter reads	69600	67250	67269	69984	71679	73067	74026	76104	79661	81926
General Government										
Employment applications received ⁽¹⁾	325	161	201	239	248	420	1200	1500	990	792
Personnel actions processed	250	205	270	272	311	355	327	298	237	285
Legal Notices published	41	33	48	39	67	68	44	43	56	56
Business Tax Licenses issued:										
New Licenses	102	243	235	201	204	160	169	227	123	178
Renewals	1508	1460	1227	1422	1345	1138	1364	1245	1126	1493
Accidents & Injuries reviewed	31	51	20	32	39	43	35	38	59	75
Land Use changes	2	3	13	5	5	4	0	1	4	2
Site Plan Reviews	7	4	3	8	7	6	9	14	5	7
Total Permits Issued	1132	1050	1200	1478	1167	1551	1758	1822	1590	1983
Construction inspections ^{(4) (5)}	2743	2715	3100	4058	1986	2344	5426	3832	10891	4958
PR Checks issued	4134	4180	3991	4039	4281	4225	4289	4301	4368	4624
A/P Checks issued	3663	2662	2400	2760	4045	3162	2711	3903	2886	3434
Purchase orders processed ⁽²⁾	406	360	364	370	213	387	2575	3038	3051	2995

* Data not available

Note 1-increase in 2018 due to automating application/recruitment process and Out recruitments hit Google search engine which generates more hits.

Note 2-increase in 2018 due to new Edmunds system and the way it processes payments.

Note 3-Covid-19 virus still having impact in 2021. Capacity restrictions for building rentals & people were hesitant to sign up for sports.in fall.

Note 4-increase in 2020 due to increase in the total number of projects as well as having multi-family projects that have a lot more inspections.

Note 5-decrease in 2021 due to in prior year finishing out Alta Longwood multi-family apartment project that generated many inspections at the end of construction and two other apartment projects that, as of the end of fiscal year 2020, were just getting started and were not generating the high number of building inspections that occur when they go vertical.

Sources:

Various departments, City of Longwood

City of Longwood, Florida
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	51	53	52	52	58	61	58	63	63	60
Fire stations	2	2	2	2	2	2	2	2	2	2
Highways and streets										
Streets - paved (miles)	60.85	61.1	61.1	61.1	61.1	61.1	61.1	61.1	61.1	63.8
Streets - unpaved (miles)	0.38	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.51
Street lights ⁽¹⁾	814	814	818	814	814	814	814	814	814	2224
Traffic Signals	24	24	24	24	24	24	24	25	25	25
Culture and recreation										
Park acreage	42	42	42	42	42	42	42	42	42	42
City playgrounds & passive parks	9	10	10	10	10	10	10	10	10	10
Tennis courts	4	5	5	5	5	5	5	5	5	5
Basketball courts	5.5	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Futsal courts (soccer)	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Historical Museum	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	69	69	85	69.5	69.75	70.25	72.25	72.25	73.75	74.22
Fire hydrants	564	548	545	544	551	554	569	569	592	605
Maximum daily capacity (millions of gallons)	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2
Sanitary sewers (miles)	22.5	22.7	40.9	23	23.5	26.9	29.9	29.9	37.5	40.3
Storm sewers (miles)	*	*	*	*	*	*	*	*	*	*

Sources:

Various departments, City of Longwood

Notes

- 1 Updated due to a more extensive list from Duke Energy
- * Information not available

City of Longwood, Florida
Schedule of Revenues by Source and Expense by Type
Police Officers & Firefighters Pension Fund
Last Ten Fiscal Years

Year	Revenues by Source		Expenses by Type				City Contribution as a Percent of Payroll (1)
	Investment Income Net	Contributions	Benefits	Refunds	Investment Related Expenses	Admin. Expenses	
2012	\$ 1,227,569	\$ 485,676	-	\$ 1,400	\$ 14,545	\$ 18,874	6.6%
2013	\$ 1,055,247	\$ 513,122	-	\$ 2,631	\$ 16,665	\$ 36,678	6.6%
2014	\$ 878,167	\$ 515,522	\$ 23,310	\$ 63,724	\$ 19,133	\$ 48,355	7.2%
2015	\$ (9,679)	\$ 567,427	\$ -	\$ 37,140	\$ -	\$ 44,598	8.1%
2016	\$ 969,227	\$ 596,509	\$ 51,945	\$ 1,429	\$ 21,360	\$ 33,259	16.0%
2017	\$ 1,808,976	\$ 622,819	\$ 51,944	\$ 1,491	\$ 23,925	\$ 19,919	21.2%
2018	\$ 1,195,204	\$ 1,260,309	\$ 103,298	\$ 143,880	\$ 26,922	\$ 18,513	28.0%
2019	\$ 1,032,588	\$ 1,393,677	\$ 169,491	\$ 134,545	\$ 28,721	\$ 40,846	22.1%
2020	\$ 1,359,065	\$ 1,038,207	\$ 243,677	\$ 499	\$ 30,552	\$ 34,827	20.3%
2021	\$ 4,327,804	\$ 1,143,040	\$ 270,271	\$ -	\$ 35,046	\$ 29,366	22.2%

Note (1) The City of Longwood Police Officers & Firefighters Pension Plan was implemented in 1996 for new employees hired after January 1, 1996. Employees hired prior to that date continue to participate in the Florida Retirement System.

**City of Longwood, Florida
Miscellaneous Statistics
September 30, 2021**

ITEM	2021
Date of Incorporation	1923
Form of government	Commission/Manager
Number of municipal employees (including police and fire)	168
Population	15,311
City of Longwood facilities and services:	
Miles of streets:	
Paved	62.3
Unpaved	0.51
Parks and recreation:	
Park acreage	42
Community Center	1
Athletic Fields	7
Tennis Courts	5
Futsal Courts (soccer)	1
Basketball Courts	6
City playgrounds and passive parks	10
Fire Protection:	
Stations	2
Employees	44
Police Protection:	
Stations	1
Employees	50
Wastewater collection system:	
Miles of sanitary sewers	40.3
Lift Stations	47
Daily average treatment	*
Plants(s) capacity (MGD)	*
Disposal plants	*
Water distribution system:	
Miles of water mains	74.23
Daily average:	
Consumption (Millions/Gallons)	1.9
Plant capacity (Millions/Gallons)	7.2
Service connections	6662
Deep wells	5
Fire hydrants	605
Facilities and services not included in the reporting entity:	
Education:	
Number of elementary schools	0
Number of elementary school instructors	0
Number of high schools	1
Number of high school instructors	156
Hospitals:	
Number of hospitals	1
Number of patient beds	206

* No treatment plant within the City. Flow to Seminole County 217,000 gallons and 400,000 gallons/day to Altamonte - AM

Sources:

Various departments, City of Longwood
School Board of Seminole County
Orlando Regional Hospital (South Seminole Website)

Historic
LONGWOOD



F l o r i d a

OTHER REPORTS

Historic
LONGWOOD



Florida

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

Honorable Mayor and City Commissioners
City of Longwood, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, 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 Longwood, Florida (the City), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 28, 2022.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material weakness 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. Given those limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 determination of financial statement amounts. 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.

McDermitt Davis

Orlando, Florida
April 28, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

Honorable Mayor and City Council
City of Longwood, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited the *City of Longwood's* (the City) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and the requirements described in the Florida 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, 2021. The City's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. 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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*. Those standards, the Uniform Guidance and rules require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each major federal program and state project for the year ended September 30, 2021.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

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.

McDiernit Davis

Orlando, Florida
April 28, 2022

City of Longwood, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended September 30, 2021

Award type				
Grantor		CFDA/ CSFA	Agency or Pass-through	
Pass-through grantor		Number	Entity Grant Number	Expenditures
Grantor program title				
Federal Grants				
United States Department of Treasury				
Passed through: Seminole County				
COVID-19 Coronavirus Relief Fund		21.019		\$ 47,631
United States Department of Justice				
Bullet proof vest agreement		16.607		4,205
Spray and stay agreement				5,916
Passed through State of Florida, Department of Law Enforcement				
JAG-D grant		16.738	2021-JAGD-SEMI-1-4R-6	3,840
COVID-19 CERF		16.034	2021-CERF-SEMI-1-5A	39,765
Total United States Department of Justice				<u>53,726</u>
United States Department of Transportation Cluster				
Passed through State of Florida, Department of Transportation				
Planning Services for a Complete Streets Study for West Warren Avenue		20.205	446488-1-18-01	145,375
Landscaping on State Road 434 from I-4 to Rangeline Road		20.205	446488-1-18-01	153,316
Total United States Department of Transportation Cluster				<u>298,691</u>
United States Environmental Protection Agency				
Nonpoint source implementation - Longdale Septic Tank Abatement- Phase 1*		66.460	NF044	306,728
Nonpoint source implementation - East Longwood Septic Tank Abatement- Phase 1*		66.460	NF045	557,670
Nonpoint source implementation - East Longwood Septic Tank Abatement- Phase 2*		66.460	NF072	183,209
Total United States Department of Transportation Cluster				<u>1,047,607</u>
United States Executive Office of the President				
Passed through: Seminole County Sheriff office				
High Intensity Drug Trafficking Areas Program (HIDTA)		95.001		28,948
Total federal awards				<u>\$ 1,476,603</u>
State Awards				
State of Florida, Department of Environmental Protection				
East Longwood Septic Tank Abatement*		37.077	WW 590530	\$ 375,225
Longdale Septic Tank Phase 1*		37.077	WW 590540	1,206,287
Total award				<u>1,581,512</u>
Total State of Florida, Department of Environmental Protection				<u>1,581,512</u>
Total state awards				<u>\$ 1,581,512</u>

* Denotes a major program or project

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 Longwood (the City) under programs and projects of the federal and state government for the year ended September 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements for Federal Awards* (Uniform Guidance) and Section 215.97, Florida Statutes. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Therefore, amounts reported on the Schedule are based on expenditures incurred as of September 30, 2021, even if grant or loan was received subsequent to that date. Federal expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 LOANS AND LOAN GUARANTEES

In 2019 and 2020, the City executed State Revolving Fund Loan agreements WW590530, and WW590540 for the City's East Longwood Septic Abatement and Longdale Septic Abatement. Loan balances as of September 30, 2021 are \$1,077,777, and \$0 for WW590530, and WW590540, respectively. Loan expenditures reported in the current year SEFA is \$375,225 and \$1,206,287 for WW590530 and WW590540, respectively.

NOTE 4 INDIRECT COST RATE

Indirect cost rate is dictated by its federal contract terms. The 10-percent de minimis indirect rate as allowed under the Uniform Guidance is not in effect nor is available under its contracts.

MANAGEMENT LETTER

Honorable Mayor and City Commissioners
City of Longwood, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Longwood, Florida (the City), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated April 28, 2022.

Auditor's Responsibility

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, and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Auditor'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 28, 2022 should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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 recommendations.

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, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

McDiarmid Davis

Orlando, Florida
April 28, 2022



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

The Honorable Mayor and City Commissioners
City of Longwood, Florida

We have examined City of Longwood's, Florida's (the City) compliance with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2021. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

In our opinion, City of Longwood, Florida complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

McDermitt Davis

Orlando, Florida
April 28, 2022