

2023

City of Williston, Florida

Financial Statements and
Independent Auditor's Report

September 30, 2023

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

**CITY OF WILLISTON, FLORIDA
WILLISTON, FLORIDA**

SEPTEMBER 30, 2023

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**FINANCIAL STATEMENTS
AND
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**CITY OF WILLISTON, FLORIDA
WILLISTON, FLORIDA**

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Williston
Williston, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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Honorable Mayor and City Council
City of Williston
Williston, Florida

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and required supplementary information as listed in the table of contents (collectively, the required supplementary information) on pages 4-18 and 64-73 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries

Honorable Mayor and City Council
City of Williston
Williston, Florida

INDEPENDENT AUDITOR'S REPORT

of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.



June 27, 2024
Ocala, Florida

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

The Management's Discussion and Analysis (MD&A) serves as an introduction to the City of Williston, Florida's (the City) basic financial statements. It also provides assistance to the readers by focusing on significant financial issues, providing an overview of the City's financial activities, and identifying the City's ability to meet future challenges; it assists in identifying significant deviations from the financial plan and addresses any individual fund issues or concerns. Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the City's financial statements (beginning on page 19). Please note the City provides prior year comparative financial information as required by Governmental Accounting Standards Board (GASB) Statement No. 34.

As management of the City, we offer readers of the City's annual financial statements this narrative overview and analysis of financial activities of the City for fiscal year ended September 30, 2023. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

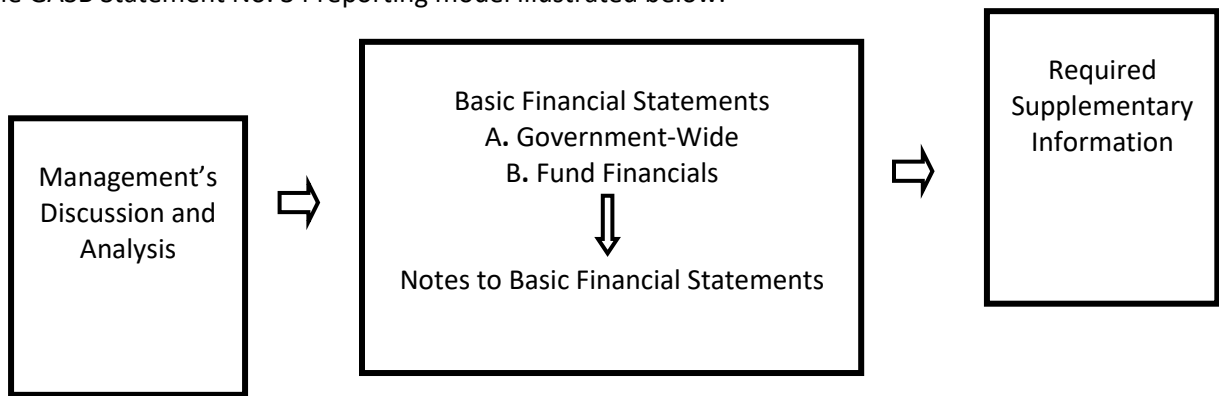
FINANCIAL HIGHLIGHTS

- The City's net position exceeded its liabilities and deferred inflows at the close of the current fiscal year by \$27,376,244.
- The City's total net position increased by \$732,958 for the current fiscal year. Governmental activities assets decreased by \$344,162 and business-type activities increased by \$1,077,119 for the fiscal year.
- The City's governmental funds reported a combined ending fund balance of \$1,502,830. The non-spendable portion of the fund balance totaled \$168,365 and the restricted portion totaled \$660,276. Approximately 45% of the ending fund balance, \$674,189, is available for spending at the City's discretion (unassigned fund balance).
- The City maintains two single employer defined benefit plans that separately cover full-time police officers and all other general employees. The net change in the fiduciary fund's assets was an increase of \$446,200 from the prior year.
- The City's total long-term debt increased by \$468,058 or approximately 17% during the current fiscal year. This change was the result of a new note payable of \$100,000 as well as an increase in the City's net pension liability, other postemployment benefits and compensated absences. Those increases were offset by principal payments.
- The City's total net position of \$27,376,244 is divided into the following classifications:
 - Net Investment in Capital Assets in the amount of \$25,559,351. This includes land, buildings, improvements, and equipment less accumulated depreciation and any outstanding debt that is related to the purchase or construction of those assets.
 - Restricted assets of \$1,683,383 for specific use in building department, airport operations, net pension asset and the community redevelopment expenditures.
 - Unrestricted assets are \$(93,510) due to non-cash items like Other Postemployment Benefits (OPEB).

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Overview of the Financial Statements

The MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. For the fiscal year ended September 30, 2023, the City has prepared the financial statements based on the guidelines provided in the GASB Statement No. 34 reporting model illustrated below:



Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances as a whole. This broad overview is similar to the financial reporting of private-sector businesses. The government-wide financial statements have separate columns for governmental activities and business-type activities. Governmental activities are primarily supported by taxes, charges for services and grants, while business-type activities are self-supporting through user fees and charges.

- The *statement of net position* presents information on all the City's assets, deferred outflows, deferred inflows, and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
- The *statement of activities* presents information on how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenditures are reported in this statement for some items that will 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 within the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or in part a portion of these costs through user fees and charges (*business-type activities*). Governmental activities include, among other things, general government (city council, finance, and administration), public safety (police and fire control), public works (streets and sidewalks), culture, recreation, and airport. Business activities include electric, gas, water, sewer, and sanitation utilities. The government-wide financial statements can be found on pages 19 and 20 of this report.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Fund Financial Statements

A fund is a grouping of related accounts that are 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 finance-related legal compliance. All of the funds in the City can be divided into governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

This fund is used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows (revenues) and outflows (expenditures of spendable resources)*, as well as on *balances of spendable resources* available at the end of the fiscal year. The government-wide financial statements include both *near-term and long-term inflows (revenues) and outflows (expenditures)*, as well as on *balances of spendable resources* available at the end of the fiscal year. Information in the governmental funds may be useful in evaluating a government's *near-term* financing requirements.

The focus of *governmental funds* is narrower than that of the government-wide financial statements. It is useful to compare the information presented in the *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* financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains three (3) individual *governmental funds*. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balance for the general fund, airport development special revenue fund, and community redevelopment special revenue fund, all of which are considered to be major funds. The basic governmental fund financial statements can be found on pages 21 through 24 of this report.

Proprietary Funds

The City maintains one type of *proprietary fund*, which is the *enterprise fund*, used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to separately account for its utility activities. Business-type activities charge a fee for the specific goods or services provided to customers. The basic proprietary fund financial statements can be found on pages 25 through 27 of this report.

Fiduciary Funds

This fund accounts for resources held in a trustee capacity or as an agent for parties outside of the government. Fiduciary funds are not included in the government-wide financial statements because their resources or assets are not available to support the City's activities. The City has two fiduciary fund-type pension trusts for its pension funds. The accounting used for fiduciary funds is much like that used in proprietary funds. The basic fiduciary fund financial statements can be found on pages 28 and 29 of this report.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Notes to the Financial Statements

The notes to the financial statements provide additional information that is important in order to gain a full understanding of the data in the government-wide and fund financial statements. The notes are located immediately following the basic financial statements on pages 30 through 63 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other postemployment benefits to its general employees and police officers. Required supplementary information can be found on pages 64 through 73 of this report.

Government-Wide Financial Analysis

As noted earlier, the statement of net position on the following page may serve over time as a useful indicator of the City's financial position. The City's net position exceeded liabilities and deferred inflows by \$27,376,244 at the close of the fiscal year ended September 30, 2023, resulting in an increase in net position of \$732,957, or approximately 3% more than the prior year total of \$26,643,286.

By far, the largest portion of the City's net position is reflected in its investment in capital assets such as land, buildings, improvements, and equipment, less any debt used to acquire those assets that are still outstanding, which totals \$25,599,351, or approximately 94% of the overall net position mentioned above. 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 capital assets is reported net of related outstanding debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted net position are resources subject to external restrictions on how they may be used and represent \$1,683,383, or approximately 6% of total net position. Restricted assets decreased by \$4,775.

The statement of net position on the following page illustrates the increases or decreases in net position from the prior fiscal year both for governmental-type and business-type activities.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

**Statement of Net Position
September 30, 2023**

	Governmental Activities		Business-Type Activities		Total	
	2022	2023	2022	2023	2022	2023
Current and other assets	\$ 1,895,375	\$ 2,077,422	\$ 4,964,521	\$ 2,988,885	\$ 6,859,896	\$ 5,066,307
Prepays and other	768,178	780,054	316,126	286,254	1,084,304	1,066,308
Capital assets, net of accumulated depreciation	14,352,763	14,355,957	10,209,361	12,508,233	24,562,124	26,864,190
Total assets	17,016,316	17,213,433	15,490,008	15,783,372	32,506,324	32,996,805
Deferred Outflows - OPEB	93,820	107,369	64,582	67,093	158,402	174,462
Deferred Outflows - Pension	1,774,895	1,419,458	422,281	277,943	2,197,176	1,697,401
Total Deferred Outflows of Resources	1,868,715	1,526,827	486,863	345,036	2,355,578	1,871,863
Long-term liabilities	1,258,089	1,678,954	1,292,836	1,294,025	2,550,925	2,972,979
Other liabilities	687,091	702,624	2,797,592	2,003,557	3,484,683	2,706,181
Total liabilities	1,945,180	2,381,578	4,090,428	3,297,582	6,035,608	5,679,160
Deferred Inflows - OPEB	226,491	234,168	155,908	146,326	382,399	380,494
Deferred Inflows - Pension	1,395,800	1,151,115	404,809	281,655	1,800,609	1,432,770
Total Deferred Inflows of Resources	1,622,291	1,385,283	560,717	427,981	2,183,008	1,813,264
Net assets:						
Net Investment in Capital Assets	13,882,408	14,148,715	8,451,590	11,450,636	22,333,998	25,599,351
Restricted	1,358,113	1,404,409	330,045	278,974	1,688,158	1,683,383
Unrestricted	77,039	(579,725)	2,544,091	673,235	2,621,130	93,510
Total net assets	\$ 15,317,560	\$ 14,973,399	\$ 11,325,726	\$ 12,402,845	\$ 26,643,286	\$ 27,376,244

Normal Impacts

There are six basic transactions that will affect the comparability of the Statement of Net Position summary presentation.

1. Net results of activities will impact (increase/decrease current assets and unrestricted net position).
2. Borrowing of capital will increase current assets and long-term debt.
3. Spending borrowed proceeds on new capital will reduce current assets and increase capital assets. There is a second impact, an increase in invested capital assets, and an increase in related net debt will not change the invested in capital assets, net of debt.
4. Spending of non-borrowed current assets on new capital will reduce current assets, increase capital assets, reduce unrestricted net position, and increase invested in capital assets, net of debt.
5. Principal payment of debt will reduce current assets and reduce long-term debt, reduce unrestricted net position, and increase invested in capital assets, net of debt.
6. Reduction of capital assets through depreciation will reduce capital assets and invested in capital assets, net of debt.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

**Changes in Net Position
For the Year Ended September 30, 2023**

	Governmental Activities		Business-Type Activities		Total	
	2022	2023	2022	2023	2022	2023
Revenues						
Program revenues:						
Charges for services	\$ 2,552,501	\$ 3,044,779	\$ 6,836,872	\$ 6,631,916	\$ 9,389,373	\$ 9,676,695
Capital grants & contributions	933,918	563,952	2,050,704	2,481,228	2,984,622	3,045,180
General revenues:						
Property taxes	953,097	1,088,303	-	-	953,097	1,088,303
Public service tax	381,533	404,439	-	-	381,533	404,439
Other taxes	506,034	566,171	-	-	506,034	566,171
Other	993,460	975,059	324	25,872	993,784	1,000,931
Total revenues	6,320,543	6,642,703	8,887,900	9,139,016	15,208,443	15,781,719
Expenses						
General government	553,549	1,178,921	-	-	553,549	1,178,921
Law enforcement	1,976,561	1,618,513	-	-	1,976,561	1,618,513
Fire control	704,499	1,001,543	-	-	704,499	1,001,543
Streets and sidewalks	545,623	690,071	-	-	545,623	690,071
Parks and recreation	79,034	93,371	-	-	79,034	93,371
Community redevelopment	128,838	162,886	-	-	128,838	162,886
Information Technology	-	337,533	-	-	-	337,533
Animal control	54,407	92,984	-	-	54,407	92,984
Airport operations & development	2,792,801	3,193,788	-	-	2,792,801	3,193,788
Interest on long-term debt	517	2,400	-	-	517	2,400
Utility	-	-	7,643,492	6,595,596	7,643,492	6,595,596
Non Departmental	17,041	81,156	-	-	17,041	81,156
Total expenses	(6,852,870)	(8,453,166)	(7,643,492)	(6,595,596)	(14,496,362)	(15,048,762)
Increase / (Decrease) in net position before transfers:	(532,327)	(1,810,463)	1,244,408	2,543,420	712,081	732,957
Transfers	900,000	1,466,301	(900,000)	(1,466,301)	-	-
Change in net position	367,673	(344,162)	344,408	1,077,119	712,081	732,957
Net position, beginning of year	14,949,888	15,317,561	10,981,318	11,325,726	25,931,206	26,643,287
Net position, end of year	\$15,317,561	\$14,973,399	\$11,325,726	\$12,402,845	\$26,643,287	\$27,376,244

The statement shown above illustrates the increase or decrease in net position for the City resulting from its operating activities.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Governmental Activities

As shown on the previous page, the City's total net position for governmental activities decreased by \$344,162 for the current fiscal year. Key elements of these changes are as follows:

Revenues

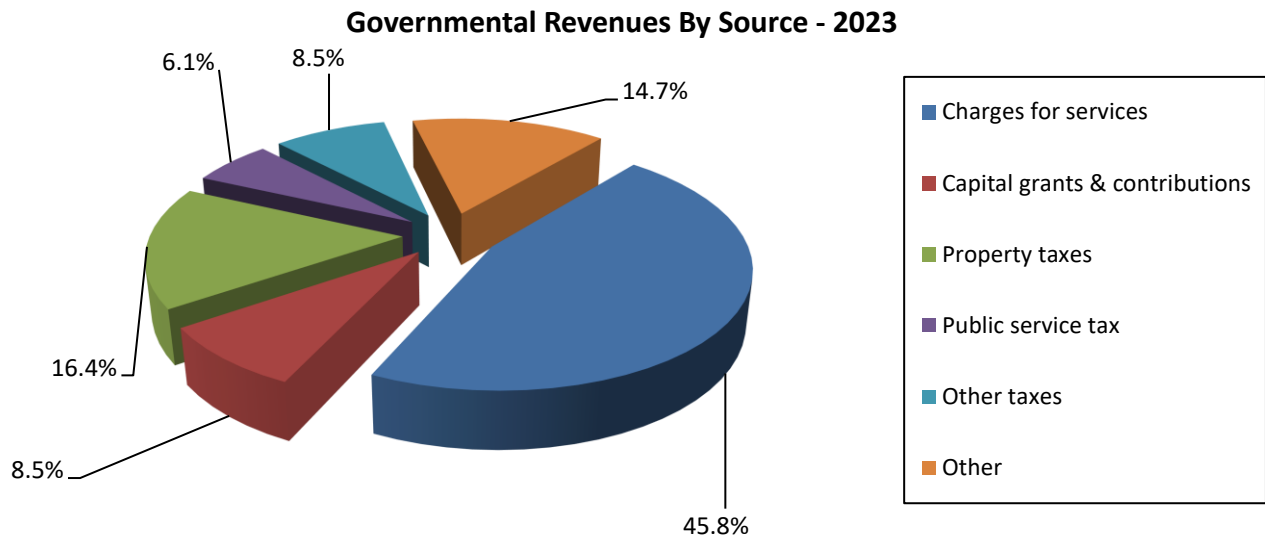
Overall, the total revenue for governmental activities increased by \$322,161 compared to the prior fiscal year. The activity was as follows:

Charges for services increased by \$492,278, or approximately 19%, from the prior fiscal year-end. The increase was primarily the result of additional permitting revenue received during the current fiscal year as well as fuel sales & rentals at the airport.

Capital grants and contributions decreased by \$369,966 or approximately 40%, compared to the prior fiscal year. The decrease was the result of less grant-funded projects during the current year in comparison to the prior fiscal year at the airport.

The general revenues increased by \$199,849 compared to the previous year primarily due to an increase in property taxes, public service taxes and other taxes.

The following chart shows the percentage each revenue source represents within the City as a whole. The percentages may not equate to 100 percent due to rounding.

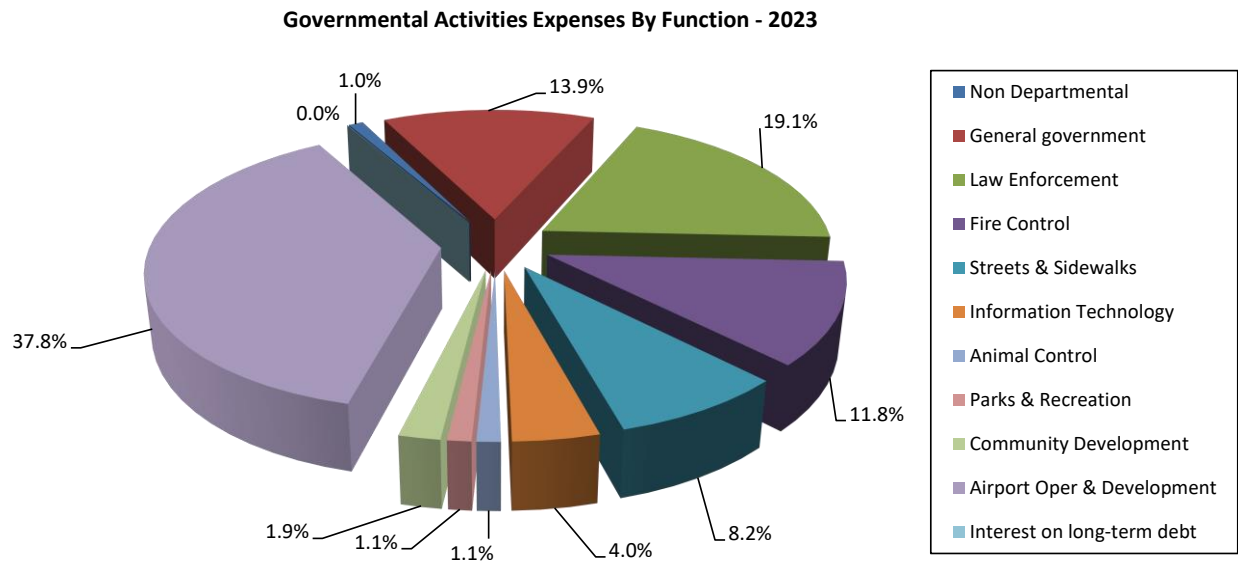


**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Expenses

The City's governmental expenses increased to \$8,453,166, a \$1,600,296 or 23% increase from the previous fiscal year's total of \$6,852,870. The change is primarily the result of an increase in the net pension/OPEB liability as well as an increase in personal services (including benefits), contractual services for permitting activities, software maintenance and material & supplies.

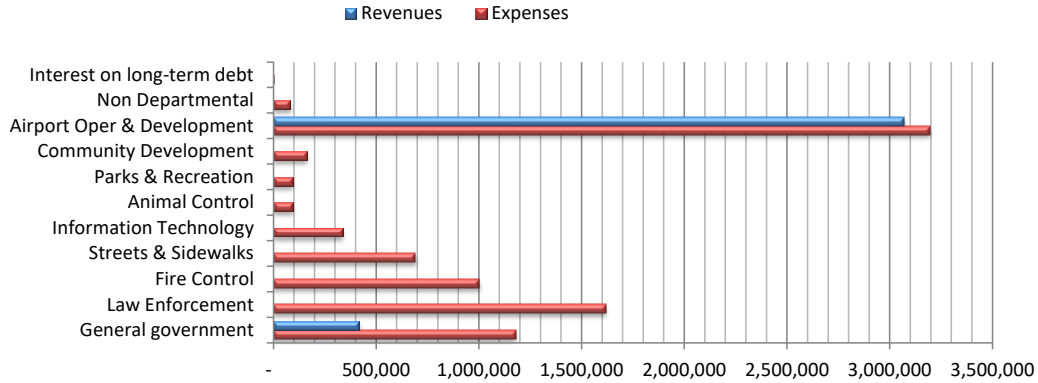
The following illustration shows the percentage each functional area represents within the City as a whole. The percentages may not equate to 100 percent due to rounding.



The bar chart on the next page compares governmental activity expenses against program revenues that each department generates, without any associated general revenues such as property, franchise, public service and telecommunication taxes, as well as interest and other miscellaneous income.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Governmental Activities Expenses & Program Revenues - 2023



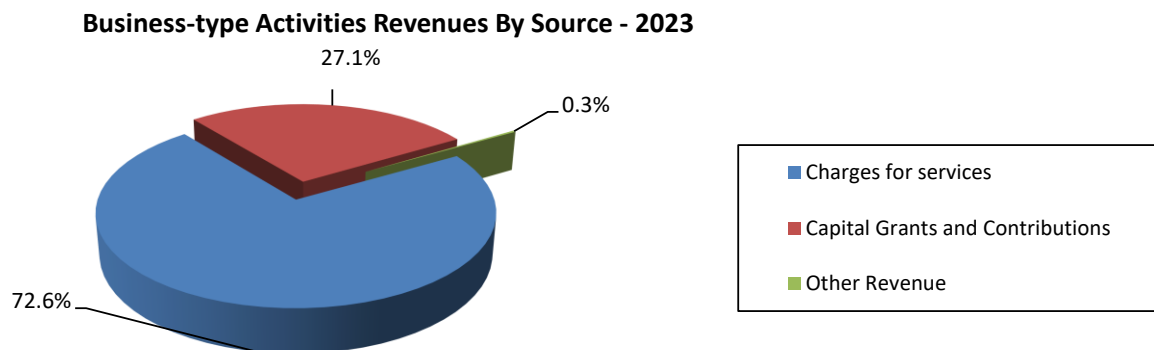
Business-Type Activities

Business-type activities increased the City's net position by \$1,077,119 from the previous fiscal year-end. The increase in the City's net position was primarily the result of approximately \$2,481,228 in grant and contribution revenue. Other contributing factors are discussed below.

Revenues

Overall, total revenue for business-type activities increased by \$251,116 compared to the prior fiscal year. The change was primarily the result of an increase in grant revenue received by the City which was offset by a decrease in utility billings.

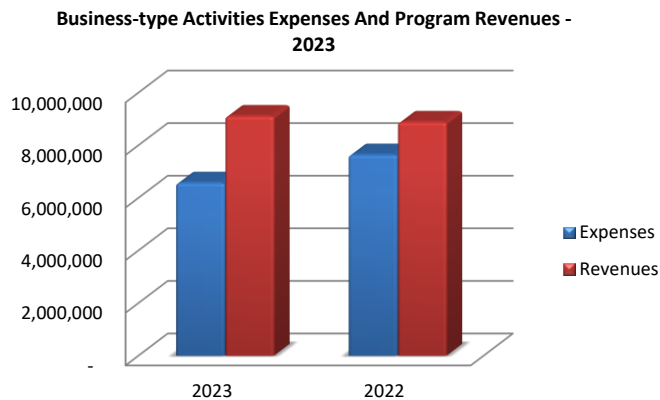
The activity for the fiscal year was as follows: charges for services decreased by \$204,956, capital grants and contributions increased by \$430,524, and other revenues and interest increased by \$25,548 from the prior fiscal year. The chart below illustrates the breakdown as a percentage of total revenues by each source for the City's business-type activities.



**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Business-type activity expenses decreased by \$1,047,896 from the prior fiscal year-end. This change was the result of a decrease in electricity and gas purchases related to utility services as well as lower retirement and wages expenses compared to the prior fiscal year. These decreases were offset by an increase in solid waste professional services as well as depreciation and amortization expenses.

The bar chart shown below compares expenses and program revenues for the current fiscal year and the previous one, to illustrate how business-type activities support themselves without the aid of general revenues such as interest earnings and before any transfers are made to governmental funds.



Fund Financial Analysis

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The primary function of the City's governmental funds is to report on *near-term* revenues (inflows), expenditures (outflows) and balance of spendable resources. This information is useful in assessing the government's financial requirements in the near future. In particular, fund balance is a good indicator of the City's net resources that are available for spending at the end of the fiscal year. At the end of the current fiscal year the City's combined ending governmental fund balance was \$1,502,830. The fund balance in the general fund was \$824,252. The fund balance in the two special revenue funds was a combined ending balance of \$678,578. The City ended the current fiscal year with an overall increase in its combined fund balance of \$188,955 as compared to the prior year end balance of \$1,313,875.

The City has three major governmental funds as shown below. The following pages illustrate the net change in fund balance for each of the three funds for the fiscal year.

Major Funds

- General Fund
- Special Revenue Fund - Airport Development
- Special Revenue Fund - Community Redevelopment Agency (CRA)

CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023

The general fund is the main operating fund for the City and is shown below. The fund balance after transfers increased by \$76,514 for the fiscal year, as compared to an increase of \$57,402 in the previous fiscal year, a net increase in 2023 of \$19,112.

General Fund			
	2022	2023	Incr. / (Decr.)
Revenues			
Taxes	\$ 1,780,828	\$ 1,968,371	\$ 187,543
Licenses and permits	172,995	504,915	331,920
Intergovernmental	960,149	1,026,309	66,160
Fines and forfeitures	21,415	18,692	(2,723)
Interest Earnings	141	53	(88)
Other	36,840	93,836	56,996
Total revenues	2,972,368	3,612,176	639,808
Expenditures			
Current:			
General Government	281,322	504,356	223,034
Law enforcement	1,289,157	1,176,208	(112,949)
Communications	264,098	285,329	21,231
Roads & Streets	548,272	604,571	56,299
Fire Control	723,822	864,424	140,602
Parks and recreation	20,381	29,633	9,252
Library	8,608	9,277	669
Planning and zoning	228,879	537,559	308,680
Legislative and legal	53,986	57,616	3,630
Animal Control	52,178	79,764	27,586
Information Technology	-	315,605	315,605
Non-departmental	19,184	75,884	56,700
Capital Outlay	217,953	414,748	196,795
Debt Service:			
Principal	22,864	18,618	(4,246)
Interest	517	2,400	1,883
Total expenditures	(3,731,221)	(4,975,992)	(1,244,771)
Excess (deficiency) of revenues over (under) expenditures	(758,853)	(1,363,816)	(604,963)
Other financing sources (uses)			
Transfers in	900,000	1,509,043	609,043
Transfers out	(141,462)	(170,991)	(29,529)
Proceeds from Debt Issuance	-	100,000	100,000
Sale of capital assets	57,717	2,278	(55,439)
Total other financing	816,255	1,440,330	624,075
Net change in fund balances	57,402	76,514	19,112
Fund balances, beginning of year	690,336	747,738	
Fund balances, end of year	\$ 747,738	\$ 824,252	

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

The special revenue fund - airport development is another operating fund of the City. The fund balance increased by \$232,388 for the current fiscal year, as compared to an increase of \$102,976 in the previous year, a net increase in 2023 of \$129,412 as illustrated below:

		Special Revenue Fund Airport Development		
		2022	2023	Incr. / (Decr.)
Revenues				
Intergovernmental	\$	721,836	\$ 340,872	\$ (380,964)
Interest Earnings		167	128	(39)
Rental Income		349,794	467,588	117,794
Timber and Hay Sales		183,355	136,923	(46,432)
Fuel Sales		1,814,871	1,841,517	26,646
Other		30,089	22,349	(7,740)
Total revenues		3,100,112	2,809,377	(290,735)
Expenditures				
Current:				
Airport Development		2,214,742	2,193,375	(21,367)
Capital Outlay		782,394	340,872	(441,522)
Total expenditures		(2,997,136)	(2,534,247)	462,889
Excess (deficiency) of revenues over (under) expenditures		102,976	275,130	172,154
Other financing sources (uses)				
Transfers out		-	(42,742)	(42,742)
Total other financing		-	(42,742)	(42,742)
Net change in fund balances		102,976	232,388	129,412
Fund balances, beginning of year		192,776	295,752	
Fund balances, end of year	\$	295,752	\$ 528,140	

The community redevelopment fund is another special revenue fund the City includes in its statements as illustrated below. The fund balance after transfers associated with this fund decreased by \$119,947 for the current fiscal year-end, as compared to a decrease of \$199,537 in the prior year, a net increase in 2023 of \$79,590. The fund was established to account for the Community Redevelopment Agency's (CRA) activities. The CRA's sole purpose is eliminating and preventing the development of slum and blighted areas within the community in order to serve the interest of the citizens.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

Special Revenue Fund Community Redevelopment			
	2022	2023	Incr. / (Decr.)
Revenues			
Taxes	\$ 188,616	\$ 227,988	\$ 39,372
Interest Earnings	50	13	(37)
Contributions and Donations	-	5,296	5,296
Miscellaneous Revenue	1,680	485	(1,195)
Total revenues	190,346	233,782	43,436
Expenditures			
Community Redevelopment	85,363	93,000	7,637
Capital Outlay	445,982	431,720	(14,262)
Total expenditures	(531,345)	(524,720)	6,625
Excess (deficiency) of revenues over (under) expenditures	(340,999)	(290,938)	50,061
Other financing sources (uses)			
Transfers in	141,462	170,991	29,529
Total Other financing	141,462	170,991	29,529
Net change in fund balances	(199,537)	(119,947)	79,590
Fund balances, beginning of year	469,922	270,385	
Fund balances, end of year	\$ 270,385	\$ 150,438	

The Statement of Revenues, Expenditures, and Changes in Fund Balance for all illustrations shown on the previous pages 13 through 16 are provided on page 23 of this report.

Proprietary Funds

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the business-type activities totaled \$673,235 which was \$1,870,856 or approximately 74% less than the prior year. The remaining balance was made up of \$278,974 which was restricted and \$11,450,636 being invested in capital assets net of any related debt.

The City's total net position for business-type activities increased by \$1,077,119 from the prior fiscal year-end. Key elements of the decrease have been addressed in the discussion of the City's business-type activities found on pages 12 and 13 of this report.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

General Fund Budgetary Highlights with Variances

Overall, the general fund ended the current fiscal year with a negative variance between its final operating revenues budgeted and actual operating revenues in the amount of \$121,514. This was mainly due to lower intergovernmental revenues than was budgeted.

The general fund experienced a positive variance between its final operating expenditures budget and actual operating expenditures in the amount of \$678,565. The positive variance was largely the result of lower capital outlay spending than anticipated related to police communication equipment.

Capital Asset and Debt Administration

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounts to \$26,864,190 (net of accumulated depreciation) as compared to the prior year-end total of \$24,562,124 as shown below. The investment in capital assets includes land, buildings, utility distribution systems, improvements, machinery and equipment, streets, roads, and construction in progress. The total increase in capital assets for the current fiscal year was \$2,302,066 or 9.4%. Governmental activities increased by \$3,194 and the business-type activities increased by \$2,298,872 as illustrated below. The increase in governmental activities assets was primarily the additions for airport and CRA projects and was offset by depreciation recorded in the current fiscal year. The increase in business-type activities was primarily the result of the sewer plant construction project and was also offset by depreciation recorded in the current fiscal year.

	Capital Assets - Net of Depreciation					
	Governmental Activities		Business-Type Activities		Total	
	2022	2023	2022	2023	2022	2023
Land	\$1,475,235	\$1,475,235	\$133,966	\$133,966	\$1,609,201	\$1,609,201
Construction In Progress	1,603,193	557,291	3,244,959	1,013,278	4,848,152	1,570,569
Buildings and Improvements	10,072,914	11,124,036	-	-	10,072,914	11,124,036
Plant and Distribution Systems	-	-	5,976,928	10,526,298	5,976,928	10,526,298
Machinery and Equipment	1,201,421	1,199,395	853,508	834,691	2,054,929	2,034,086
Total Assets, Net	\$14,352,763	\$14,355,957	\$10,209,361	\$12,508,233	\$24,562,124	\$26,864,190

Additional information on the City's capital assets can be found in Note 4 starting on page 40 of this report.

Debt Administration

At the end of the current fiscal year, the City had a total long-term debt balance of \$3,205,221. Of that amount, \$2,058,257 is comprised of general obligation liabilities. The remaining \$1,146,964 represents notes secured solely by specific revenue sources. Governmental activities account for \$1,795,666 while business-type activities account for \$1,409,555 of the overall debt as shown below.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023**

**Long-Term Debt
General Obligation and Revenue Bonds**

	<u>2022</u>	<u>2023</u>
Fire Vehicle	\$7,985	\$0
Building Renovations	-	89,367
Compensated Absences & Other	1,336,868	1,706,299
Total Governmental Activities	<u>\$1,344,853</u>	<u>\$1,795,666</u>
Business-Type Activities		
	<u>2022</u>	<u>2023</u>
City Hall	\$1,107,140	\$1,057,597
Compensated Absences & Other	285,170	351,958
Total Business-Type Activities	<u>\$1,392,310</u>	<u>\$1,409,555</u>
Total Outstanding Debt	<u><u>\$2,737,163</u></u>	<u><u>\$3,205,221</u></u>

Additional information on the City's long-term debt can be found in Note 6 on pages 42 through 43 of this report.

Request for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the City Manager or Finance Director, at 50 N.W. Main Street, Williston, Florida 32696.

BASIC FINANCIAL STATEMENTS

CITY OF WILLISTON, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 1,596,256	\$ 837,601	\$ 2,433,857
Cash and Cash Equivalents, Restricted	-	344,631	344,631
Receivables (Net of Allowance for Uncollectable Accounts)	35,107	1,233,305	1,268,412
Due from Other Governments	473,363	77,713	551,076
Interfund Balances	(117,875)	117,875	-
Inventories	90,571	377,760	468,331
Prepaid Items	11,320	3,568	14,888
Net Pension Asset	768,734	282,686	1,051,420
Capital Assets Not Being Depreciated	2,032,526	1,147,244	3,179,770
Capital Assets Net of Accumulated Depreciation	12,323,431	11,360,989	23,684,420
Total Assets	17,213,433	15,783,372	32,996,805
Deferred Outflow of Resources			
Deferred Outflow - OPEB Related	107,369	67,093	174,462
Deferred Outflow - Pension Related	1,419,458	277,943	1,697,401
Total Deferred Outflow of Resources	1,526,827	345,036	1,871,863
Total Assets and Deferred Outflow of Resources	18,740,260	16,128,408	34,868,668
Liabilities			
Accounts Payable and Accrued Expenses	544,877	546,427	1,091,304
Unearned Revenues - ARPA	-	570,885	570,885
Due to Pension Funds	41,035	-	41,035
Customer Deposits	-	344,631	344,631
Power Costs Recovered in Advance	-	426,084	426,084
Liabilities:			
Due Within One Year	116,712	115,530	232,242
Due in More Than One Year	1,678,954	1,294,025	2,972,979
Total Liabilities	2,381,578	3,297,582	5,679,160
Deferred Inflow of Resources			
Deferred Inflow - OPEB Related	234,168	146,326	380,494
Deferred Inflow - Pension Related	1,151,115	281,655	1,432,770
Total Deferred Inflow of Resources	1,385,283	427,981	1,813,264
Total Liabilities and Deferred Inflow of Resources	3,766,861	3,725,563	7,492,424
Net Position			
Net Investment in Capital Assets	14,148,715	11,450,636	25,599,351
Restricted for:			
Building Department	81,979	-	81,979
Community Redevelopment	150,438	-	150,438
Airport Operations	427,859	-	427,859
Net Pension Asset	744,133	278,974	1,023,107
Unrestricted	(579,725)	673,235	93,510
Total Net Position	\$ 14,973,399	\$ 12,402,845	\$ 27,376,244

The accompanying notes to financial statements are an integral part of this statement.

CITY OF WILLISTON, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue And Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Governmental Activities							
General Government	\$ 1,178,921	\$ 598,751	\$ -	\$ 223,080	\$ (357,090)	\$ -	\$ (357,090)
Law Enforcement	1,618,513	-	-	-	(1,618,513)	-	(1,618,513)
Fire Control	1,001,543	-	-	-	(1,001,543)	-	(1,001,543)
Streets and Sidewalks	690,071	-	-	-	(690,071)	-	(690,071)
Animal Control	92,984	-	-	-	(92,984)	-	(92,984)
Parks and Recreation	93,371	-	-	-	(93,371)	-	(93,371)
Community Redevelopment	162,886	-	-	-	(162,886)	-	(162,886)
Information Technology	337,533	-	-	-	(337,533)	-	(337,533)
Non-Departmental	81,156	-	-	-	(81,156)	-	(81,156)
Airport Operations	3,193,788	2,446,028	-	340,872	(406,888)	-	(406,888)
Interest on Long-Term Debt	2,400	-	-	-	(2,400)	-	(2,400)
Total Governmental Activities	8,453,166	3,044,779	-	563,952	(4,844,435)	-	(4,844,435)
Business-Type Activities							
Utility Services	6,595,596	6,631,916	-	2,481,228	-	2,517,548	2,517,548
Total Government	\$ 15,048,762	\$ 9,676,695	\$ -	\$ 3,045,180	(4,844,435)	2,517,548	(2,326,887)
General Revenues							
Property Taxes					1,088,303	-	1,088,303
Fines and Forfeitures					18,692	-	18,692
Franchise Taxes					73,498	-	73,498
Public Service Tax					404,439	-	404,439
Local Government Infrastructure Tax					415,090	-	415,090
State Revenue Sharing					940,675	-	940,675
Telecommunication Tax					77,583	-	77,583
Interest Earnings					194	200	394
Miscellaneous					28,128	-	28,128
Gain (Loss) on Sale of Fixed Assets					(12,630)	25,672	13,042
Total General Revenues					3,033,972	25,872	3,059,844
Transfers							
Transfers					1,466,301	(1,466,301)	-
Total Transfers					1,466,301	(1,466,301)	-
Change in Net Position					(344,162)	1,077,119	732,957
Net Position, Beginning of Year					15,317,561	11,325,726	26,643,287
Net Position, End of Year					\$ 14,973,399	\$ 12,402,845	\$ 27,376,244

The accompanying notes to financial statements are an integral part of this statement.

CITY OF WILLISTON, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	General	Special Revenue Airport Development	Special Revenue Community Redevelopment	Total Governmental Funds
Assets				
Cash and Cash Equivalents	\$ 969,242	\$ 574,446	\$ 52,568	\$ 1,596,256
Accounts Receivables (Net of Allowance for Uncollectible Accounts)	16,670	18,437	-	35,107
Due from Other Governments	329,257	144,106	-	473,363
Due from Other Funds	-	-	130,591	130,591
Inventories	-	90,571	-	90,571
Prepaid Items	1,610	9,710	-	11,320
Advance to Other Funds	66,474	-	-	66,474
Total Assets	<u>1,383,253</u>	<u>837,270</u>	<u>183,159</u>	<u>2,403,682</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable and Accrued Expenses	269,500	242,656	32,721	544,877
Due to Pension Fund	41,035	-	-	41,035
Due to Other Funds	117,875	-	-	117,875
Advance from Other Funds	-	66,474	-	66,474
Total Liabilities	<u>559,001</u>	<u>309,130</u>	<u>32,721</u>	<u>900,852</u>
Fund Balances				
Non-Spendable	68,084	100,281	-	168,365
Restricted:				
Community Redevelopment	-	-	150,438	150,438
Building Department	81,979	-	-	81,979
Airport Operations	-	427,859	-	427,859
Unassigned	674,189	-	-	674,189
Total Fund Balances	<u>824,252</u>	<u>528,140</u>	<u>150,438</u>	<u>1,502,830</u>
Total Liabilities and Fund Balances	<u>\$ 1,383,253</u>	<u>\$ 837,270</u>	<u>\$ 183,159</u>	<u>\$ 2,403,682</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF WILLISTON, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Total Fund Balance for Governmental Funds	\$	1,502,830
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Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$29,665,812 and the accumulated depreciation is (\$15,309,855).		14,355,957
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Net pension assets and liabilities, deferred outflows and inflows of resources related to the pensions, and OPEB are applicable to future periods and, therefore, are not reported in governmental funds.

Net Pension Liability - FRS		(979,558)
Net Pension Liability - HIS		(183,283)
Net Pension Asset - Police		181,865
Net Pension Asset - General		586,869
OPEB Obligation		(346,535)
Deferred Inflow - OPEB		(234,168)
Deferred Inflow - FRS		(98,544)
Deferred Inflow - HIS		(23,222)
Deferred Inflow - Police		(444,622)
Deferred Inflow - General		(584,727)
Deferred Outflow - OPEB		107,369
Deferred Outflow - FRS		371,094
Deferred Outflow - HIS		43,616
Deferred Outflow - Police		427,729
Deferred Outflow - General		577,019

Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:

Note Payable		(89,367)
Compensated Absences		(196,923)

Net Position of Governmental Activities	\$	<u><u>14,973,399</u></u>
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The accompanying notes to financial statements are an integral part of this statement.

CITY OF WILLISTON, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General	Special Revenue Airport Development	Special Revenue Community Redevelopment	Total Governmental Funds
Revenues				
Taxes:				
Property Tax	\$ 860,315	\$ -	\$ 227,988	\$ 1,088,303
Sales and Fuel Tax	552,536	-	-	552,536
Franchise Tax	555,520	-	-	555,520
Licenses, Permits, and Fees	504,915	-	-	504,915
Intergovernmental	1,026,309	340,872	-	1,367,181
Fines and Forfeitures	18,692	-	-	18,692
Interest Earnings	53	128	13	194
Rental Income	-	467,588	-	467,588
Timber and Hay Sales	-	136,923	-	136,923
Contributions and Donations	-	-	5,296	5,296
Fuel Sales	-	1,841,517	-	1,841,517
Miscellaneous Revenues	93,836	22,349	485	116,670
Total Revenues	<u>3,612,176</u>	<u>2,809,377</u>	<u>233,782</u>	<u>6,655,335</u>
Program Expenditures				
Current:				
General Government	504,356	-	-	504,356
Law Enforcement	1,176,208	-	-	1,176,208
Communications	285,329	-	-	285,329
Roads and Streets	604,571	-	-	604,571
Fire Control	864,424	-	-	864,424
Parks and Recreation	29,633	-	-	29,633
Library	9,277	-	-	9,277
Planning and Zoning	537,559	-	-	537,559
Legislative and Legal	57,616	-	-	57,616
Animal Control	79,764	-	-	79,764
Airport Operations	-	2,193,375	-	2,193,375
Community Redevelopment	-	-	93,000	93,000
Information Technology	315,605	-	-	315,605
Non-Departmental	75,884	-	-	75,884
Capital Outlay	414,748	340,872	431,720	1,187,340
Debt Service:				
Principal	18,618	-	-	18,618
Interest	2,400	-	-	2,400
(Total Expenditures)	<u>(4,975,992)</u>	<u>(2,534,247)</u>	<u>(524,720)</u>	<u>(8,034,959)</u>
(Deficiency) Excess of Revenues				
(Under) Over Expenditures	<u>(1,363,816)</u>	<u>275,130</u>	<u>(290,938)</u>	<u>(1,379,624)</u>
Other Financing Sources (Uses)				
Transfers in	1,509,043	-	170,991	1,680,034
Transfers (out)	(170,991)	(42,742)	-	(213,733)
Proceeds from Debt Issuance	100,000	-	-	100,000
Sale of Capital Assets	2,278	-	-	2,278
Total Other Financing Sources (Uses)	<u>1,440,330</u>	<u>(42,742)</u>	<u>170,991</u>	<u>1,568,579</u>
Net Change in Fund Balances	76,514	232,388	(119,947)	188,955
Fund Balances, Beginning of Year	<u>747,738</u>	<u>295,752</u>	<u>270,385</u>	<u>1,313,875</u>
Fund Balances, End of Year	<u>\$ 824,252</u>	<u>\$ 528,140</u>	<u>\$ 150,438</u>	<u>\$ 1,502,830</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF WILLISTON, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances - Total Governmental Funds	\$ 188,955
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital Additions	1,187,340
Depreciation Expense	(1,169,238)
Loss on Disposal of Capital Assets	(14,908)

The issuance of long-term debt (e.g., bonds, notes payable) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Issuance of Long Term Debt	(100,000)
Repayment of Long-Term Debt	18,618

Compensated absences 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:

Net Change in Compensated Absences	(45,423)
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Governmental funds report pension contributions as expenditures. However, in the statement of activities, changes in pension and OPEB liabilities are reported as a pension and OPEB expense. The following changes affected pension and OPEB related expense:

Pension Expense - FRS	(122,732)
Pension Expense - HIS	(77,013)
Pension Expense - Police	(130,041)
Pension Expense - General	(5,696)
OPEB Expense - General	(74,024)

Change in Net Position of Governmental Activities	\$ (344,162)
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The accompanying notes to financial statements are an integral part of this statement.

CITY OF WILLISTON, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2023

	Business-Type Activities - Enterprise Funds Utility Fund
Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 837,601
Accounts Receivable, Net	1,233,305
Due from Other Governments	77,713
Advance from Other Funds	117,875
Inventories	377,760
Prepays	3,568
Total Current Assets	<u>2,647,822</u>
Non-Current Assets:	
Restricted Cash and Cash Equivalents	344,631
Net Pension Asset	282,686
Capital Assets:	
Land and Land Improvements	133,966
Construction in Progress	1,013,278
Electric Distribution System	4,967,973
Water Distribution System	4,687,895
Sewer Plant and Distribution System	10,823,275
Natural Gas Distribution System	1,920,247
Machinery and Equipment	3,259,232
(Accumulated Depreciation)	<u>(14,297,633)</u>
Total Capital Assets, Net	<u>12,508,233</u>
Total Non-Current Assets	<u>13,135,550</u>
Total Assets	<u>15,783,372</u>
Deferred Outflow of Resources	
OPEB Related	67,093
Pension Related	277,943
Total Deferred Outflow of Resources	<u>345,036</u>
Total Assets and Deferred Outflow of Resources	<u>16,128,408</u>
Liabilities	
Current Liabilities:	
Accounts Payable and Accrued Expenses	546,427
Compensated Absences - Current	27,084
Liabilities Payable from Restricted Assets - Customer Deposits	344,631
Note Payable - Current	51,942
OPEB Obligation - Current	36,504
Power Costs Recovered in Advance	426,084
Total Current Liabilities	<u>1,432,672</u>
Non-Current Liabilities:	
Compensated Absences	108,336
Unearned Revenues - ARPA	570,885
OPEB Obligation	180,034
Note Payable	1,005,655
Total Non-Current Liabilities	<u>1,864,910</u>
Total Liabilities	<u>3,297,582</u>
Deferred Inflow of Resources	
OPEB Related	146,326
Pension Related	281,655
Total Deferred Inflow of Resources	<u>427,981</u>
Total Liabilities and Deferred Inflow of Resources	<u>3,725,563</u>
Net Position	
Net Investment in Capital Assets	11,450,636
Restricted for Net Pension Asset	278,974
Unrestricted	673,235
Total Net Position	<u>\$ 12,402,845</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF WILLISTON, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business-Type Activities - Enterprise Funds Utility Fund
Operating Revenues	
Charges for Services	\$ 6,631,916
Total Operating Revenues	<u>6,631,916</u>
Operating Expenses	
Electric Power Purchased	1,785,287
Natural Gas Purchased	306,164
Personal Services	1,590,927
Professional Fees and Services	930,478
Insurance	63,890
Operations and Maintenance	506,768
Depreciation and Amortization	677,266
Materials and Supplies	429,260
Other	98,481
Repairs and Maintenance - Capital	168,591
Total Operating Expenses	<u>6,557,112</u>
Operating Gain	<u>74,804</u>
Non-Operating Revenues (Expenses)	
Capital Grants and Contributions	2,481,228
Proceeds from Sale of Capital Assets	25,672
Interest Income	200
Interest Expense	(38,484)
Total Non-Operating Revenues (Expenses)	<u>2,468,616</u>
Income Before Capital Contributions and Transfers	<u>2,543,420</u>
Capital Contributions and Transfers	
Transfers (out)	(1,466,301)
Total Contributions and Transfers	<u>(1,466,301)</u>
Change in Net Position	1,077,119
Net Position, Beginning of Year	<u>11,325,726</u>
Net Position, End of Year	<u>\$ 12,402,845</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF WILLISTON, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Business-Type Activities - Enterprise Funds Utility Fund
Cash Flows from Operating Activities	
Cash Received from Customers/Others	\$ 7,348,612
Cash Payments to Suppliers for Goods and Services	(5,548,760)
Cash Payments to Employees for Services	(1,485,161)
Net Cash Provided by (Used in) Operating Activities	314,691
Cash Flows from Non-Capital Financing Activities	
Operating Transfers to Other Funds	(1,466,301)
Net Cash Provided by (Used in) Non-Capital Financing Activities	(1,466,301)
Cash Flows from Capital and Related Financing Activities	
Acquisition and Construction of Capital Assets	(2,976,138)
Interest Paid on Notes Payable	(38,484)
Payments on Notes Payable	(49,543)
Proceeds from Sale of Capital Assets	25,672
Capital Grant Proceeds	4,123,882
Net Cash Provided by (Used for) Capital and Related Financing Activities	1,085,389
Cash Flows from Investing Activities	
Changes in Certificates of Deposit, Net	87,261
Interest Received	200
Net Cash Provided by (Used in) Investing Activities	87,461
Net Increase (Decrease) in Cash and Cash Equivalents	21,240
Cash and Cash Equivalents, Beginning of Year	1,160,992
Cash and Cash Equivalents, End of Year	\$ 1,182,232
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Provided by (Used in) Operating Activities</u>	
Operating Income (Loss)	\$ 74,804
Adjustments to Reconcile Operating Income to Net Cash	
<u>Provided by (Used in) Operating Activities:</u>	
Depreciation Expense	677,266
(Increase) Decrease in Assets and Deferred Outflows:	
Decrease in Accounts Receivable	259,883
(Increase) in Due From Other Governments	(369,669)
(Increase) in Inventories	(43,022)
Decrease in Net Pension Asset	29,887
Decrease in Deferred Outflows	141,827
(Increase in Prepaids)	(15)
Increase (Decrease) in Liabilities and Deferred Inflows:	
Increase in Power Costs Recovered in Advance	413,828
(Decrease) in Accounts Payable and Accrued Expenses	(867,135)
Increase in OPEB Obligation	32,992
Increase in Compensated Absences	33,796
Increase in Customer Deposits Payable	12,885
(Decrease) in Deferred Inflows	(132,736)
Increase in Due from/to Other Funds	50,100
Total Adjustments	239,887
Net Cash Provided by (Used in) Operating Activities	\$ 314,691
<u>As Shown in the Accompanying Financial Statements</u>	
Cash and Cash Equivalents	\$ 837,601
Restricted Cash and Cash Equivalents	344,631
Total Cash and Cash Equivalents	\$ 1,182,232

The accompanying notes to financial statements are an integral part of this statement.

CITY OF WILLISTON, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
SEPTEMBER 30, 2023

	Pension Trust Funds
Assets	
Cash and Cash Equivalents	\$ 112,724
Investments, at Fair Value	7,939,022
Contributions Receivable	55,451
Total Assets	<u>8,107,197</u>
Liabilities	
Accrued Expenses	<u>6,026</u>
Total Liabilities	<u>6,026</u>
Fiduciary Net Position - Restricted for Pensioners	<u>\$ 8,101,171</u>

The accompanying notes to financial statements are an integral part of this statement.

CITY OF WILLISTON, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Pension Trust Funds
Additions	
Contributions:	
Employer	\$ 34,691
State	41,035
Employees	<u>134,341</u>
Total Contributions	<u>210,067</u>
Investment Earnings	<u>655,215</u>
Total Additions	<u>865,282</u>
Deductions	
Benefits Paid	374,030
Administrative Expenses	<u>45,052</u>
Total Deductions	<u>419,082</u>
Net Increase in Fiduciary Net Position	446,200
Fiduciary Net Position	
Beginning of Year	<u>7,654,971</u>
End of Year	<u><u>\$ 8,101,171</u></u>

The accompanying notes to financial statements are an integral part of this statement.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Note 1 - Description and Summary of Significant Accounting Policies

Reporting Entity

The City of Williston, Florida (the City) was established in 1897 under Florida Statutes, Section 165.031(4). The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: Public safety (law enforcement, fire, and animal control); public utilities; streets and sidewalks; parks and playgrounds; airport development; and general government services.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations.

Blended Component Units—The Williston Community Redevelopment Agency (the Agency) is included in the financial reporting entity as a blended component unit. The Agency is established under Florida Statutes, Chapter 163, for the purpose of rehabilitation, conservation, and redevelopment of certain slum and blighted areas in order to serve the interest of public health, safety, morals, and welfare of the community residents. Members of the Agency's Board are appointed by the government's City Council for which certain limited power may be delegated to the Agency in carrying out its activities. However, other powers, including final approval of redevelopment plans and the determination of areas as slums or blighted, vest in the City Council. The Agency is presented as a special revenue fund in the accompanying financial statements.

Government-Wide 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 fiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues.

Basis of Presentation—Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the City's enterprise funds. 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.

As discussed earlier, the City has one blended component unit. The Agency is included in the governmental activities column in the government-wide financial statements.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's electric and water functions 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.

Basis of Presentation—Fund Financial Statements

Separate fund financial statements are provided for governmental funds, proprietary funds, blended component units, 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.

The City reports the following major governmental funds:

- The *general fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *special revenue airport development fund* accounts for operations of the City's airport development and operational related activities.
- The *special revenue community redevelopment fund* accounts for the governmental community redevelopment activities for the purpose of eliminating and preventing the development of slum and blighted areas.

The City reports the following major enterprise fund:

- The *utility fund* accounts for all utility activities of the City. The utility fund reflects activities of the electric systems, the sewage treatment plant and collections systems, the water system, natural gas distribution systems, the solid waste department, and the newly developing COWLink system.

Additionally, the City reports the following fiduciary fund:

- The *pension trust funds* account for the activities of the City's Police Officers and General Employees Retirement Plans and Trusts, which accumulate resources for pension benefit payments to all qualified employees.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources funds. In the fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial

NOTES TO FINANCIAL STATEMENTS CITY OF WILLISTON, FLORIDA

statements. Transfers between the funds that are included in the governmental activities column. Similarly, balances between the funds are included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be generally 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.

Fiduciary fund financial statements for the foregoing pension plans and trusts are prepared using the accrual basis of accounting for trust funds. Employer and participant contributions are recognized in the period that contributions are due and payable in accordance with the terms of each plan. Investments in the plans are reported at fair value according to the independent custodian for each plan using various third-party pricing source. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Contribution requirements and contributions made are required by Florida Statutes, and the City's Pension Board govern employer and employee contribution requirements for each plan. The City's contributions are actuarially determined to ensure sufficient assets will be available to pay benefits when due. The costs of administering each plan are funded using investment earnings.

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

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, airport fund, and community redevelopment fund. The appropriated budget is prepared by fund, function, and department. The City's department heads and City Manager may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council. The legal level of budgetary control is the fund level.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents 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. For the purposes of the statement of cash flows, all demand deposits in the proprietary fund are included in the statement.

State statutes and the City's investment policy authorize the City to invest in obligations of the U.S. Treasury, interest bearing time deposits or savings accounts in qualified public depositories, money market funds, and certain governmental investment pools authorized by the state.

Investments for the City are reported at fair value. The certificates of deposits are purchased with maturities of greater than three months and are considered investments. The City's pension funds are invested in a pooled account under the Florida Municipal Investment Trust Fund, including cash and cash equivalents, and government and corporate securities. The Fund operates in accordance with state laws and regulations. The reported value of the pension funds' investments is the same as the fair value of the pool shares.

Accounts Receivable and Due from Other Governments—Utility operating revenues are generally recognized on the basis of cycle billings rendered monthly. The amount of services delivered after the last billing date and up to September 30 is estimated and accrued at year-end.

Due from Other Governments represent amounts due from the federal, state or local governments, State of Florida, or Levy County for shared revenues or costs. The amount is considered collectible in full within 60 days of fiscal year-end.

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets—Capital assets, which include land, plant distribution systems, machinery and equipment, and infrastructure assets (if purchased after 2003) (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

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

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Plant Distribution System	5-50
Improvements	5-50
Vehicles	3-10
Machinery and Equipment	5-40

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

Governmental Fund Balances—The GASB has promulgated Statement No. 54, entitled *Fund Balance Reporting and Governmental Fund Type Definitions*. The Statement is designed to do two things: 1) it clarifies the definition of what activities are to be reported within different types of governmental funds (general fund, special revenue fund type, capital project fund type, debt service fund type, and permanent fund type); and 2) it provides clearer fund balance definitions that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds as follows:

- **Non-Spendable**—Amounts that are not in spendable form (such as inventory and prepaids) are required to be maintained intact.
- **Restricted**—Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- **Committed**—Amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e., City Council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the highest level action to remove or the City Council approves the change.
- **Assigned**—Amounts the City intends to use for a specific purpose. Intent can be expressed by the City Council or by an official or body to which the City Council delegates authority.
- **Unassigned**—Amounts that are available for any purpose. Positive amounts are only reported in the General Fund.

The City Council is the highest level of decision-making authority of the City, and approves the establishment, increase, and reduction in *Committed* fund balances by budget resolutions and amendments. *Restricted* and *Committed* fund balances are always used first for the purposes for which they were designated. Changes to this practice require prior City Council approval. A minimum fund balance amount has not been formally adopted.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Revenues and Expenditures/Expenses

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

Property Tax Revenue Recognition—Under Florida law, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method state-wide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The City levied a rate of 6.750 mills in the 2022 tax roll.

The tax levy of the City is established by the City Council prior to October 1 of each year and the Levy County Property Appraiser incorporates the City's millage into the total tax levy, which includes the County and the County School Board tax requirements.

All property is reassessed according to its fair market value January 1 of each year. Each assessment roll is submitted to the Executive Director of the Florida Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of Florida Statutes.

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

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

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

The City does not accrue its portion of the County-held tax sale certificates or personal property tax warrants because such amounts are not measurable and available as of the balance sheet date.

Compensated Absences—It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for three quarters of the unpaid accumulated sick leave since the City has a policy to pay only one quarter of such pay benefits when employees separate from service with the City. All vacation pay and one quarter of sick pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

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

Deferred Inflows and Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent 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 two items that qualify for reporting in this category. In the statement of net position, the deferred outflow for pensions is an aggregate of items related to pensions and the deferred outflow for Other Postemployment Benefits (OPEB) is an aggregate of items related to OPEB. The deferred outflows related to pensions and OPEB will be recognized as either expense or a reduction in the related liability in future reporting years.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent 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. In the statement of net position, the deferred inflow for pensions is an aggregate of items related to pensions and the deferred inflows for OPEB is an aggregate of items related to OPEB. The deferred inflows related to pensions and OPEB will be recognized as reductions to expense in future reporting years.

On-Behalf Payments for Fringe Benefits

The City receives on-behalf payments from the State of Florida to be used for Police Officers' Retirement Plan Contributions. On-behalf payments to the City totaled \$41,036 for the year ended September 30, 2023. Such payments are recorded as intergovernmental revenue and public safety expenditures in the generally accepted accounting principles basis government-wide and general fund financial statements.

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the general, special revenue, enterprise, and pension trust funds. All annual appropriations lapse at fiscal year-end. Project-length financial budgets are adopted for all capital projects funds.

Prior to August 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted in August and September to obtain taxpayer comments. Prior to October 1, the budget is legally adopted and approved. Revisions that alter the total expenditures of any fund must be approved by the City Council.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

The appropriated budget is prepared by fund, function, and department. The City Manager may make transfers of appropriations within a department. Transfers of appropriations between departments require approval by the City Council by resolution under the City's charter. The legal level of budgetary control is the fund level. Further, Florida Statutes, Section 166.241, requires the City to expend or contract for expenditures only in pursuance of budgeted appropriations. There were no material violations of budgetary or other legal and contractual provisions requiring disclosure.

Note 3 - Deposits and Investments

<u>Type</u>	<u>Fair Value</u>	<u>Interest Rate Risk WAM</u>	<u>Level</u>	<u>Credit Ratings</u>
Cash and Cash Equivalents				
(Non-Pension Investments):				
Cash Deposits	\$ 2,774,488	N/A	N/A	N/A
Petty Cash	<u>4,000</u>	N/A	N/A	N/A
Total	<u><u>2,778,488</u></u>			

Pension Cash and Investments:

Police Officer Pension:

FMiVT Cash and Money Market	44,253	N/A		N/A
FMiVT Broad Market High Quality Bond	461,500	6.90 Years	2	AAf/S4
FMiVT Core Plus	429,890	8.03 Years	3	Not Rated
FMiVT Diversified Large Cap Equity	771,274	N/A	2	Not Rated
FMiVT Small to Mid-Cap Equity Fund	439,373	N/A	2	Not Rated
FMiVT International Equity Portfolio	610,065	N/A	2	Not Rated
FMiVT Core Real Estate Portfolio	404,602	N/A	3	Not Rated

Regular Employee Pension:

FMiVT Cash and Money Market	68,471	N/A		N/A
FMiVT Broad Market High Quality Bond	714,055	6.70 Years	2	AAf/S4
FMiVT Core Plus	665,147	8.92 Years	3	Not Rated
FMiVT Diversified Large Cap Equity	1,193,353	N/A	2	Not Rated
FMiVT Small to Mid-Cap Equity Fund	679,820	N/A	2	Not Rated
FMiVT International Equity Portfolio	943,922	N/A	2	Not Rated
FMiVT Core Real Estate Portfolio	<u>626,021</u>	N/A	3	Not Rated

Total Pension Cash and Investments

Total	<u><u>\$ 10,830,234</u></u>			
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<u>Type</u>	<u>Fair Value</u>
As shown in the Statement of Net Position:	
Entity-Wide Cash and Cash Equivalents	\$ 2,433,857
Entity-Wide Restricted Cash and	
Cash Equivalents	344,631
Pension Cash and Money Market	112,724
Pension Investments	<u>7,939,022</u>
Total	<u><u>\$ 10,830,234</u></u>

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Fair Value Hierarchy

The City holds assets that are defined as short-term investments. The City's investments are recorded at fair value unless the investment qualifies as an external investment pool under the guidance in GASB Statement No. 79. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1—Inputs - are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2—Inputs - are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly. These inputs are derived from, or corroborated by, observable market data through correlation or by other means.

Level 3—Inputs - are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

Custodial Credit Risk—Cash Deposits

The City's cash deposits are covered by Federal depository insurance or by collateral held by the City's custodial bank, which is pledged to a state trust fund that provides security for amounts held in excess of Federal Deposit Insurance Corporation coverage in accordance with the *Florida Security for Public Deposits Act*, Chapter 280, Florida Statutes.

The *Florida Security for Public Deposits Act* (the Act) established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements, and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral up to a maximum of 125% may be required if deemed necessary under conditions set forth in the Act.

The City's investment policies are governed by state statutes and local ordinance. The basic allowable investment instruments include Local Government Surplus Funds, or any governmental investments pool authorized pursuant to the *Florida Interlocal Act*, as provided by Section 163, Florida Statutes, Security and Exchange Commission registered money market funds with the highest credit quality rating, interest bearing time deposits or savings accounts in qualified public depositories, and direct obligations of the U.S. Treasury.

The City's pension trust funds are held in the Florida Municipal Pension Trust Fund (FMPTF). The FMPTF is established as a trust whereby governmental entities with employee pension or OPEB plans may elect to join the trust and with the trust providing the plans with administrative and investment services for the benefit of participating employers, participating employees, and beneficiaries. All employee pension plan assets with the FMPTF are included in the trust's Master Trust Fund. Employee pension plan assets of the defined benefit type are invested by the FMPTF through the Florida Municipal Investment Trust (FMIVT) for the benefit of the participating employers, participating employees, and beneficiaries.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

The FMIvT, administered by the Florida League of Cities, Inc., is an interlocal governmental entity created under the laws of the State of Florida. The FMIvT is an Authorized Investment under Section 163.01 Florida Statutes. The FMIvT is a Local Government Investment Pool and is considered an external investment pool for GASB reporting purposes; however, subject to the fair value reporting under GASB Statement No. 72.

At September 30, 2023, the City's investment balances consisted of the pension trust funds held in the FMPTF. Asset allocation in the FMPTF external investment pool at September 30, 2023, is as follows:

<u>Asset Allocation</u>	<u>Asset Allocation Percentage</u>
Cash and Money Market	1.4%
Broad Market High Quality Bond	14.6%
Core Plus	13.6%
Diversified Large Cap Equity	24.4%
Diversified Small to Mid-Cap Equity	13.9%
International Equity	19.3%
Core Real Estate Portfolio	12.8%
Total	<u>100.0%</u>

Interest Rate Risk—Interest rate risk exists when there is a possibility the change in interest rates could adversely affect an investment's fair value. The City does not have a policy for interest rate risk. The weighted average maturity (WAM) of the underlying debt investments in the FMPTF pool is used to determine interest rate risk when applicable.

Credit Risk—Credit risk exists when there is a probability that the issuer or other counterparty to an investment may be unable to fulfill its obligations. The City's investment policy limits exposure to credit risk.

Custodial Credit Risk—Under GASB Statement No. 40, disclosure is only required if investments are uninsured, unregistered, and held by either the counterpart of the counterparty's trust department or agent but not in the City's name. The City's investments are through the FMPTF in the FMIvT, which are evidenced by shares in the pool. Investments in the pools should be disclosed but not categorized because they are not evidenced by securities that exist in a physical or book entry form. The City's investments are with the pool, not the securities that make up the pool and, therefore, no disclosure is required.

Foreign Current Risk—The City's investments are part of FMIvT and those investments are not subject to foreign current risk.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Note 4 - Capital Assets

Capital asset activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Transfers/ Adjustments	Ending Balance
Governmental Activities					
Capital Assets, Not Being					
Depreciated:					
Land	\$ 1,475,235	\$ -	\$ -	\$ -	\$ 1,475,235
Construction in Progress	1,603,193	503,755	(1,546,157)	(3,500)	557,291
Total Capital Assets, Not Being					
Depreciated	3,078,428	503,755	(1,546,157)	(3,500)	2,032,526
Capital Assets, Being					
Depreciated:					
Buildings and Improvements	20,747,865	1,983,107	-	-	22,730,972
Equipment	4,693,224	246,635	(37,545)	-	4,902,314
Total Capital Assets, Being					
Depreciated	25,441,089	2,229,742	(37,545)	-	27,633,286
Less Accumulated					
Depreciation for:					
Buildings and Improvements	(10,674,951)	(931,985)	-	-	(11,606,936)
Equipment	(3,491,803)	(237,253)	28,447	(2,310)	(3,702,919)
Total Accumulated Depreciation	(14,166,754)	(1,169,238)	28,447	(2,310)	(15,309,855)
Total Capital Assets, Being					
Depreciated, Net	11,274,335	1,060,504	(9,098)	(2,310)	12,323,431
Total Governmental Activities					
Capital Assets, Net	<u>\$ 14,352,763</u>	<u>\$ 1,564,259</u>	<u>\$ (1,555,255)</u>	<u>\$ (5,810)</u>	<u>\$ 14,355,957</u>
Business-Type Activities					
Capital Assets, Not Being					
Depreciated:					
Land and Land Improvements	\$ 133,966	\$ -	\$ -	\$ -	\$ 133,966
Construction in Progress	2,472,004	619,476	(2,152,378)	-	939,102
Construction in Progress - Non-CDBG	772,955	8,472	(707,251)	-	74,176
Total Capital Assets, Not					
Being Depreciated	3,378,925	627,948	(2,859,629)	-	1,147,244
Capital Assets, Being					
Depreciated:					
Plant and Distribution					
Systems	17,379,072	5,020,318	-	-	22,399,390
Machinery and Equipment	3,071,732	187,500	-	-	3,259,232
Total Capital Assets, Being					
Depreciated	20,450,804	5,207,818	-	-	25,658,622
Less Accumulated					
Depreciation for:					
Plant and Distribution					
Systems	(11,402,144)	(502,681)	-	31,733	(11,873,092)
Machinery and Equipment	(2,218,224)	(174,584)	-	(31,733)	(2,424,541)
Total Accumulated Depreciation	(13,620,368)	(677,265)	-	-	(14,297,633)
Total Capital Assets, Being					
Depreciated, Net	6,830,436	4,530,553	-	-	11,360,989
Business-Type Activities Capital					
Assets, Net	<u>\$ 10,209,361</u>	<u>\$ 5,158,501</u>	<u>\$ (2,859,629)</u>	<u>\$ -</u>	<u>\$ 12,508,233</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Depreciation expense was charged to functions/programs as follows:

Governmental Activities

General Government	\$ 2,638
Law Enforcement	72,822
Planning and Zoning	1,108
Streets and Sidewalks	43,838
Fire Control	77,060
Parks and Playgrounds	41,280
Library	10,477
Community Redevelopment	63,616
Animal Control	7,788
Airport Operations	848,611

Total Depreciation Expense - Governmental Activities	<u>\$ 1,169,238</u>
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Business-Type Activities

Electric	\$ 71,488
Water	184,734
Natural Gas	100,348
Sewer	254,298
Administrative Services - Utility	66,397

Total Depreciation Expense - Business-Type Activities	<u>\$ 677,265</u>
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Note 5 - Interfund Receivable, Payables, Transfers, and Advances

The outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur. All amounts are expected to be paid within one year. Noted no amounts receivable and/or payable as of fiscal year-end.

The composition of interfund advances as September 30, 2023, is as follows:

<u>Advanced To</u>	<u>Advanced From</u>	<u>Amount</u>
General Fund	Utility Fund	\$ 117,875
General Fund	Airport Fund	66,474

The advance to the Utility Fund was to fund the purchase of a fire truck. Payments are made as funds are available. In the current year the City budgeted and repaid \$50,100. The advance to the Airport Fund was to fund operating and capital shortfalls in the fund.

The composition of interfund receivables and payables as September 30, 2023, is as follows:

<u>Advanced To</u>	<u>Advanced From</u>	<u>Amount</u>
General Fund	Community Redevelopment	\$ 130,591

The City makes transfers among its funds in the course of the fiscal year. The principal purpose of the transfers is to allocate resources from the enterprise funds to the general fund to assist with various governmental activities. Also, transfers are used to move unrestricted general fund revenues to finance various activities that the City must account for in the other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs. A summary of interfund transfers follows:

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

	Interfund Transfers In	Transfers (Out)
Major Funds		
General Fund	\$ 1,509,043	\$ (170,991)
Utility Fund	-	(1,466,301)
Airport Fund	-	(42,742)
Community Redevelopment Fund	170,991	-
Total Interfund Transfers	<u>\$ 1,680,034</u>	<u>\$ (1,680,034)</u>

Note 6 - Long-Term Debt

Bank Notes Related to Governmental Activities—The City has one bank promissory note, which was for the purpose of financing a fire truck. Interest rate on the note is 2.50%. The original loan amount was \$148,900 and is secured by a pledge of revenues received from Levy County for fire protection services. At September 30, 2023, total interest paid on this note was \$175 with the final payment.

New City Hall Bank Note—In May 2018, the City obtained a bank note with a local bank for up to \$3,000,000 to finance the demolition of the old City Hall building and construction of the new City Hall building. The interest rate is 3.5% from May 8, 2018 through May 8, 2039. The City will make 12 monthly payments of interest only, beginning May 8, 2018, followed by 240 payments in the amount required to amortize the unpaid principal balance. All outstanding principal and interest are due on May 8, 2039. At September 30, 2023, the interest rate was 3.5% and total interest paid on this note was \$38,484.

Fire Department and Police Building Renovation – In July 2021, the City entered into a loan agreement for \$100,000 to renovate the Fire Department and Police Buildings. As of fiscal year-end, the full amount was drawn down. At September 30, 2023, the interest rate was 3.75% and total interest paid on this note was \$2,225.

General Long-Term Debt Schedules:

Note Payable Year Ended September 30,	Direct Borrowings Governmental Activities	
	Principal	Interest
2024	\$ 18,909	\$ 3,055
2025	19,658	2,307
2026	20,408	1,557
2027	21,187	778
2028	9,205	87
Total	<u>\$ 89,367</u>	<u>\$ 7,784</u>

Business-Type Long-Term Debt Schedules:

Note Payable Year Ended September 30,	Direct Borrowings Business-Type Activities - Utility System	
	Principal	Interest
2024	\$ 51,942	36,085
2025	53,789	34,237
2026	55,702	32,234
2027	57,683	30,343
2028	59,735	28,291
2029-2033	332,095	108,035
2034-2038	395,506	44,624
2039	51,145	541
Total	<u>\$ 1,057,597</u>	<u>\$ 314,390</u>

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Changes in Long-Term Liabilities—Long-term liability activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Direct Borrowing					
Note Payable - Fire Truck	\$ 7,985	\$ -	\$ (7,985)	\$ -	\$ -
Note Payable - Building Renovations	-	100,000	(10,633)	89,367	18,909
Compensated Absences	151,500	45,423	-	196,923	39,385
Other Postemployment Benefits	266,641	79,894	-	346,535	58,418
Net Pension Liability (FRS and HIS)	918,727	244,114	-	1,162,841	-
Total Governmental Activities					
Long-Term Activities	<u>\$ 1,344,853</u>	<u>\$ 469,431</u>	<u>\$ (18,618)</u>	<u>\$ 1,795,666</u>	<u>\$ 116,712</u>
Business-Type Activities					
Direct Borrowings					
Note Payable:					
City Hall	\$ 1,107,140	\$ -	\$ (49,543)	\$ 1,057,597	\$ 51,942
Compensated Absences	101,624	33,796	-	135,420	27,084
Other Postemployment Benefits	183,546	32,992	-	216,538	36,504
Total Business-Type Activities	<u>\$ 1,392,310</u>	<u>\$ 66,788</u>	<u>\$ (49,543)</u>	<u>\$ 1,409,555</u>	<u>\$ 115,530</u>

Pledged Revenues

The City has pledged certain revenues to repay loans outstanding as of September 30, 2023. The following table reports the revenues, pledged for each note issued, the amounts of such revenues received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue, which is pledged to meet the note obligation, the date through which the revenue is pledged under the note agreement, and the total pledged future revenues for each note, which is the amount of the remaining principal and interest on the notes at September 30, 2023:

Description of Notes	Pledge Revenue	Revenue Received	Principal and Interest Paid	Estimated Percentage Pledged	Outstanding Principal and Interest	Pledged Through
Governmental Activity						
Note Payable:						
Renovation	Communications					
	Service Tax	\$ 77,583	\$ 12,858	7.58%	\$ 97,151	2039
Business-Type Activity						
Note Payable:						
City Hall Loan	Net System					
	Revenues (1)(2)	\$ 1,138,262	\$ 88,026	7.53%	\$ 1,371,987	2039

- (1) Net System Revenues - all excess revenues received by the City for the operation of utility system (after payment of associated operation and maintenance expense).
- (2) Per the loan agreement, pledged revenues for the City Hall Note will be "all utility system revenues". Additionally, the City agrees to pledge such additional non-ad valorem tax revenues as is necessary. Information for pledged revenue amounts will be included when loan balance outstanding is finalized.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Note 7 - Regulated Leases

The City is the lessor in sixteen agreements that qualify to be treated as regulated in accordance with the requirements of GASB Statement No. 87, *Leases*. The City leases land and facilities for airport grounds, hangars, parking, and buildings through 2053. T-hangar rents are on a monthly basis and all others are completed on an agreement basis for a specified period of time. The City received \$242,653 during the current fiscal year related to these leases.

<u>September 30,</u>	<u>Revenue</u>
2024	\$ 197,753
2025	173,388
2026	158,172
2027	142,609
2028	99,902
Thereafter	<u>1,249,567</u>
Total	<u><u>\$ 2,021,391</u></u>

Note 8 - Other Postemployment Benefits (OPEB)

Plan Description – The OPEB Plan is a single employer benefit plan administered by the City.

Pursuant to the provision of Section 112.0801, Florida Statutes, former employees who retire from the City and their dependents are eligible to participate in the City's Health Plan for health and life insurance, as long as they pay a full premium applicable to the coverage elected.

Benefits Provided – The OPEB Plan is a single employer benefit plan administered by the City. The retirees are charged the same premium amount the insurance company charges for the type of coverage elected. However, the premiums set by the insurance company are based on average experiences among younger active employees and older retired employees. The older retirees would have a higher cost for health insurance coverage without the City's subsidizing the cost of the retiree coverage because it pays all or a significant portion of the premium on behalf of the active employees. Per GASB Statement No. 75, this is called the "implicit rate subsidy".

Employees Covered by Benefit Terms – At October 1, 2022, the date of the most recent actuarial valuation, plan participation consisted of the following covered by the benefit terms:

Active Plan Members	60
Inactive Plan Members	<u>1</u>
Total Participants	<u><u>61</u></u>

Contributions – For the OPEB Plan, contribution requirements of the City are established and may be amended through action from the City Council. Currently the City's OPEB benefits are unfunded. The actual contributions are based on pay-as-you-go financing requirements. There is not a separate trust fund or equivalent arranged in which the City would make contributions to advance-fund the obligation, as it does for its pension funds.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Net OPEB Liability – The City’s net OPEB liability was measured as of September 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions – The total OPEB liability in the October 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate:	4.91% per annum; this rate was used to discount all future benefit payments and based on the return on the S & P Municipal Bond 20-year High Grade Index as of the measurement date.
Inflation:	3.50%
Salary Increases:	3.00% per annum
Investment Rate of Return:	4.91%
Healthcare Cost Trend Rates:	Increases in healthcare costs are assumed to be 7.50% for the 2022/2023 fiscal year graded down by 0.50% per year to 5.00% for the 2027/28 and later fiscal years.
Mortality Basis:	Sex-distinct rates set forth in the PUB-2010 Mortality Table for general and public safety employees, with full generational improvements in mortality using Scale MP-2020.
Changes:	<p>Since the prior measurement date, the discount rate was increased from 2.14% per annum to 2.43% per annum; the healthcare cost trend rates were changed from 6.50% for the 2020/2021 fiscal year graded down to 5.00% per year to 8.50% for the 2020/2021 fiscal year graded down to 5.00% per year; and the monthly implied subsidy at age 55 for the 2020/2021 fiscal year for the retiree and his spouse was increased from \$267.50 to \$350.00.</p> <p>Since the prior measurement date, the discount rate was increased from 4.77% per annum to 4.97% per annum and the monthly implied subsidy at age 55 for the 2022/2023 fiscal year for the retiree and his spouse was decreased from \$324.00 to \$375.00.</p>
Types of Benefits Offered:	Post-retirement medical, dental, vision, and life insurance benefits.
Premium:	Retirees must pay the full monthly premium as determined by the insurance carrier for coverage other than medical and life insurance coverage for the retiree himself and must pay the full cost of health insurance coverage for himself above any explicit subsidies provided by the City. The City pays any applicable premiums for single coverage under the medical insurance program until age 65 for those employees who retire on or after age 62 with at least 25 years of service and who were

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

covered under the City's health insurance program for at least five years immediately prior to their retirement. In addition, the City pays the entire premium for a \$15,000 life insurance policy to each retiree. Life insurance coverage decreases by 35% upon the attainment of age 65 and decreases by another 15% upon the attainment of age 70.

Changes in the OPEB Liability – for the fiscal year ended September 30, 2023, were as follows:

	Total OPEB Liability
Balance at September 30, 2022	<u>\$ 450,187</u>
Changes for a Year:	
Service Cost	104,061
Demographic Gain/Loss	(40,290)
Assumption Changes	35,176
Expected Interest Growth	26,899
Benefit Payments and Refunds	<u>(12,960)</u>
Net Changes	<u>112,886</u>
Balance at September 30, 2023	<u><u>\$ 563,073</u></u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates –

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.91 percent) or 1-percentage-point higher (5.91 percent) than the current discount rate:

Comparison of Net OPEB Liability Using Alternative Discount Rates

	<u>3.91% Decrease</u>	<u>4.91% Discount Rate</u>	<u>5.91% Increase</u>
Net OPEB Liability	\$ 623,039	\$ 563,073	\$ 510,166

Comparison of Net OPEB Liability Using Alternative Healthcare Cost Trend Rates

	<u>1% Decrease</u>	<u>7.5% Graded Down to 5.0%</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 487,169	\$ 563,073	\$ 657,388

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources – For the year ended September 30, 2023, the City recognized OPEB expense of \$94,922. At September 30, 2023, the City reported \$174,462 of deferred outflows of resources related to OPEB and deferred inflows of resources related to OPEB of \$380,494.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2022	\$ 158,402	\$ 382,398
Change due to:		
Amortization Payments	(19,116)	(42,194)
Demographic Gain/Loss	-	40,290
Assumption Changes	<u>35,176</u>	<u>-</u>
Total Change	<u>16,060</u>	<u>(1,904)</u>
Balance as of September 30, 2023	<u><u>\$ 174,462</u></u>	<u><u>\$ 380,494</u></u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Net inflows of resources shown above will be recognized in OPEB expense in the following years:

<u>Fiscal Year</u>	<u>Net OPEB Expense</u>
2024	(41,206)
2025	(41,206)
2026	(41,206)
2027	(41,206)
2028	(41,208)
Thereafter	-
Total	<u>\$ (206,032)</u>

Note 9 - Employee Retirement Plans

Defined Contribution Plan

The City provides a 457 Deferred Compensation Plan for the City Manager. Contributions to the Plan for the year ended September 30, 2023, were \$2,929.

Defined Benefits Plans

The City maintains two single employer, defined benefit plans that separately cover full-time police officer employees and all other general employees. Prior to October 1, 2004, the City's police officers were covered under the same defined benefit plan along with the City's general employees. Effective October 1, 2004, the City established a separate plan and trust for police officers and transferred all liabilities for any accrued benefits, and the cash equivalents equal to the present value to pay the accrued benefits, to the new plan and trust.

Police Officers Plan

Retirement Plan and Trust for Police Officers—The City sponsors and administers the Retirement Plan for the Police Officers of the City of Williston (the Plan). The Plan is considered a defined benefit single-employer plan and is accounted for as a separate pension trust fund. The Plan covers all full-time police officers. A City employee shall become a participant of the Plan at the time of employment. Participants contribute 5% of compensation to the Plan, whereas the City is required to contribute an amount actuarially determined using the aggregate actuarial cost method, currently 3.00% (October 1, 2022) of covered payroll. The cost of administering the Plan is financed by investment earnings.

Name of the Pension Plan:	Retirement Plan and Trust for Police Officers of the City of Williston.
Legal Plan Administrator:	Board of Trustees of the Retirement Plan for the Police Officers of the City of Williston Single-Employer Defined Benefit Pension Plan.
Pension Plan Reporting:	The Plan issues a stand-alone financial report each year, which contains information about the Plan's fiduciary net position. The Plan's fiduciary net position has been determined on the same basis used by the pension plan and is equal to the market value of the assets as calculated under the accrual basis of accounting. This report is available to the public at the Plan's administrative office: Retirement Department, Florida League of Cities, Inc. P.O. Box 1757, Tallahassee, Florida 32302, (800) 342-8112.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Description of Benefit Terms:

Employees Covered:	Full-time police officers employed by the City of Williston.
Types of Benefits Offered:	Retirement, disability, and pre-retirement death benefits.
Basic Pension Formula:	3.00% of average earnings times service.
Early Retirement Adjustment:	Early retirement pension is reduced by 3% for each year by which the early retirement date precedes the normal retirement date.
Disability Pension:	Larger of basic pension formula or 42% of average earnings (for service-connected disabilities). Larger of basic pension formula or 25% of average earnings (for non-service-connected disabilities). Disability benefits are offset as necessary to preclude the total of the disability compensation from exceeding average earnings.
Pre-Retirement Death Benefit:	Basic pension formula payable for 10 years at early or normal retirement age (payable to the beneficiary of vested participant). Return of accumulated employee contributions (payable to the beneficiary of a non-vested participant).
Normal Retirement Age:	Age 55 with at least five years of service (only for participants who were fully vested at the time of their transfer into the Plan from the general employees' plan prior to June 1, 2008), or Age 55 with at least 10 years of service, or Age 52 with at least 25 years of service, or any age with at least 30 years of service.
Early Retirement Age:	Age 50 with at least 10 years of service.
Vesting Requirement:	100% vesting after five years of service (only for participants who were fully vested at the time of their transfer into the Plan from the general employees' plan prior to June 1, 2008), or 100% vesting after 10 years of service.
Form of Payment:	Actuarially increased single life annuity 10-year certain and life annuity. Actuarially equivalent 50%, 66 ^{2/3} %, 75%, or 100% joint and contingent annuity. Any other actuarially equivalent form of payment approved by the Board of Trustees.
Average Earnings:	Average of the highest five-years of pensionable earnings out of the last 10 years.
Cost-of-Living Adjustment:	No automatic cost-of-living adjustment is provided.
Deferred Retirement Option Plan (DROP):	A participant who has attained their normal retirement age is eligible to participate in the DROP for a period of up to 60 months. The DROP accounts are credited with interest at the rate of 6.50% per annum.
Legal Authority:	The Plan was established effective October 1, 2004, pursuant to City ordinance and has been amended several times since that date.
Plan Amendments:	Since the completion of the previous valuation, Ordinances 638 and 641 were adopted. These Ordinances added a DROP provision. This addition of the DROP had no actuarial impact.

Information used to determine the Net Pension Liability:

Employer's Reporting Date:	September 30, 2023
Measurement Date:	September 30, 2023

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Actuarial Valuation Date: October 1, 2022

Additional information as of the latest actuarial valuation is as follows:

Actuarial Cost Method	Aggregate
Amortization Method	Level Percentage, Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value
Non-Investment Expenses	Liabilities have been loaded by 2.75% to account for non-investment expenses.
Mortality Basis	Sex-distinct rates set forth in the RP-2000 Blue Collar Mortality Table, with full generational improvements in mortality using Scale BB. For non-retired participants, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year (pre-retirement mortality); for non-disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Healthy Retiree Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year; for disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table (80% general employee rates plus 20% public safety employee rates), with full generational improvements in mortality using Scale MP-2018.
Retirement	Retirement is assumed to occur at normal retirement age.
Future Contributions	Contributions from the employer and employees are assumed to be made as legally required.
Changes	Contributions from the employer and employees are assumed to be made as legally required. Since the prior measurement date, the mortality basis was changed from the RP-2000 Blue Collar Mortality Table with generational improvements in mortality using Scale BB to selected PUB-2010 Mortality Tables with generational improvements in mortality using Scale MP-2018.
Actuarial Assumptions:	
Investment Rate of Return	7.00%
Projected Salary Increases	4.50% per annum
Non-Investment Expenses	Liabilities have been loaded by 2.75%
Includes Inflation at *	2.92%
Discount Rate	7.00% (2.77% per annum is due to inflation)
Cost-of-Living Adjustments	0.0%
Changes	No assumptions were changed since the prior measurement date.

*Same assumptions as used for the actuarial valuation of system.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Determination of Long-Term Expected Rate of Return on Plan Assets:

Investment Category	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

Current membership in the Plan is comprised of the following:

Group	October 1, 2022
Retirees and Beneficiaries Currently Receiving Benefits	6
Terminated Plan Participants Entitled to But Not Yet Receiving Benefits	6
Active Plan Participants	<u>11</u>
Total	<u><u>23</u></u>

The components of the net pension liability (asset) of the sponsor on September 30, 2023, were as follows:

Total Pension Liability	\$ 2,650,748
Plan Fiduciary Net Position	<u>(2,832,613)</u>
Sponsor's Net Pension Liability (Asset)	<u>\$ (181,865)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)	106.86%

The differences between the actuarial financial statements and the pension financial statement were due to timing differences.

The investments in the Police Officers separate Share Plan are not included in the calculation of the Plan Fiduciary Net Position, however, are included in the Statement of Fiduciary Net Position. These investments totaled \$332,681 as of September 30, 2023.

Pension Expense

Service Cost	\$ 130,179
Other Recognized Changes in Net Pension Liability:	
Expected Interest Growth	(6,629)
Investment Gain (Loss)	63,261
Demographic Gain (Loss)	(64,694)
Employee Contributions	(32,921)
Administrative Expenses	16,679
Assumption Changes	<u>38,499</u>
Total Pension Expense	<u><u>\$ 144,374</u></u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Deferred Inflows and Deferred Outflows of Resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2022	\$ 616,065	\$ 516,505
Amortization Payments	(188,336)	(151,270)
Investment Gain (Loss)	-	45,411
Demographic Gain (Loss)	-	33,976
Balance as of September 30, 2023	<u>\$ 427,729</u>	<u>\$ 444,622</u>

Amortization schedule for deferred outflows and inflows of resources:

Year Ending September 30,	Pension Expense Amounts
2024	\$ 23,498
2025	(19,132)
2026	41,631
2027	(58,304)
Thereafter	(4,586)
Total	<u>\$ (16,893)</u>

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

	1% Decrease	Discount Rate 7.00%	1% Increase
Total Pension Liability	\$ 2,929,184	\$ 2,650,748	\$ 2,414,871
Less Fiduciary Net Position	(2,832,613)	(2,832,613)	(2,832,613)
Net Pension Liability (Asset)	<u>\$ 95,571</u>	<u>\$ (181,865)</u>	<u>\$ (417,742)</u>

Changes in Net Pension Liability (Asset):

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a+b)
Reporting Period Ended September 30, 2022	\$ 2,508,210	\$ (2,703,663)	\$ (195,453)
Change for a Year:			
Service Cost	130,179	-	130,179
Interest	179,111	(185,740)	(6,629)
Unexpected Investment Income	-	(45,411)	(45,411)
Demographic Experience	(33,976)	-	(33,976)
Employer Contributions	-	(14,333)	(14,333)
Employee Contributions	-	(32,921)	(32,921)
Benefit Payments and Refunds	(132,776)	132,776	-
Administrative Expenses	-	16,679	16,679
Change in Benefit Terms	-	-	-
Reporting Period Ended September 30, 2023	<u>\$ 2,650,748</u>	<u>\$ (2,832,613)</u>	<u>\$ (181,865)</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

General Employees Plan

Retirement Plan and Trust for General Employees—The City sponsors and administers the Retirement Plan and Trust for the General Employees of the City (the Plan). The Plan is considered a defined benefit single-employer plan and is accounted for as a separate pension trust fund. The Plan covers all full-time general employees. A government employee shall become a participant of the Plan at the time of employment.

Name of Pension Plan:	Retirement Plan for the General Employees of the City of Williston.
Legal Plan Administrator:	Board of Trustees of the Retirement Plan for the General Employees of the City of Williston Single-Employer Defined Benefit Pension Plan.
Type of Plan:	Single-Employer Defined Benefit Pension Plan.
Current Contribution Requirements:	Employer contributions are actuarially determined; employees contribute 5.00% of pensionable earnings; employee contribution requirement may be amended by City ordinance, but employer contribution requirement is subject to State minimums.
Pension Plan Reporting:	The Plan issues a stand-alone financial report each year, which contains information about the Plans fiduciary net position. The Plan's fiduciary net position has been determined on the same basis used by the pension plan and is equal to the market value of the assets as calculated under the accrual basis of accounting. This report is available to the public at the Plan's administrative office: Retirement Department, Florida League of Cities, Inc. P.O. Box 1757, Tallahassee, Florida 32302, (800) 342-8112.

Description of Benefit Terms:

Employees Covered:	Full-time employees of the City of Williston, other than Police Officers and the City Manager.
Types of Benefits Offered:	Retirement, disability, and pre-retirement death benefits.
Basic Pension Formula:	2.25% of average earnings times service.
Early Retirement Adjustment:	The early retirement pension is actuarially equivalent to the normal retirement pension.
Disability Pension:	The disability pension is actuarially equivalent to the normal retirement pension.
Pre-Retirement Death Benefit:	The pre-retirement death benefit is actuarially equivalent to the normal retirement pension and is payable as a single life annuity or as a single lump sum payment to the beneficiary of a vested participant. Return of accumulated employee contributions (payable to the beneficiary of a non-vested participant).
Normal Retirement Age:	Age 62 with at least five years of service.
Early Retirement Age:	Age 55 with at least five years of service.
Vesting Requirement:	100% vesting after five years of service.
Form of Payment:	Single life annuity. Actuarially equivalent 10-year certain and life annuity. Actuarially equivalent 50%, 66 ^{2/3} %, 75%, or 100% joint and contingent annuity. Actuarially equivalent single lump sum payment. Any other actuarially equivalent form of payment approved by the Board of Trustees.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Average Earnings:	Average of the highest five years of pensionable earnings out of the last 10 years; pensionable earnings include total compensation other than bonuses, lump sum payments, overtime pay, and extraordinary compensation.
Cost-of-Living Adjustment:	None
DROP:	A deferred retirement option plan (DROP) is available to those participants who have attained their early or normal retirement age, and individuals may participate in the DROP for up to 60 months; DROP accounts are credited with interest at the rate of 6.50% per annum.
Legal Authority:	The Plan was established effective October 1, 1983, pursuant to City ordinance and has been amended several times since that date.
Changes:	The benefit terms did not change from the prior measurement date.

Additional information as of the latest actuarial valuation is as follows:

Valuation Date	October 1, 2022
Actuarial Cost Method	Aggregate
Amortization Method	Level Percentage, Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value
Mortality Basis	Pre-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year; post-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Healthy Retiree Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year.
Retirement	Retirement is assumed to occur at normal retirement age.
Non-Investment Expenses	Liabilities have been loaded by 2.75% to account for non-investment expenses.
Future Contributions	Contributions from the employer and employees are assumed to be made as legally required.
Changes	Since the prior measurement date, the mortality basis was changed from the RP-2000 Combined Mortality Table with generational improvements in mortality using Scale BB to selected PUB-2010 Mortality Tables with generational improvements in mortality using Scale MP-2018.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Actuarial Assumptions:

Investment Rate of Return	7.00%
Projected Salary Increases	4.00%
Non-Investment Expenses	Liabilities have been loaded by 2.25%
Includes Inflation at *	3.25%
Discount Rate	7.00% (2.77% per annum is due to inflation)
Cost of Living Adjustments	0.0%
Changes	No assumptions were changed since the prior measurement date.

*Same assumptions as used for the actuarial valuation of system.

Current membership in the Plan is comprised of the following:

<u>Group</u>	<u>October 1, 2022</u>
Retirees and Beneficiaries Currently Receiving Benefits	20
Terminated Plan Participants Entitled to But Not Yet Receiving Benefits	65
Plan Participants:	
Active	42
Total	<u><u>127</u></u>

Net Pension Liability (Asset)

The components of the net pension liability of the sponsor on September 30, 2023, were as follows:

Total Pension Liability	\$ 4,031,312
Plan Fiduciary Net Position	<u>(4,900,867)</u>
Sponsor's Net Pension Liability (Asset)	<u><u>\$ (869,555)</u></u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	121.57%

The differences between the actuarial financial statements and the pension financial statement were due to timing differences related to investments.

Pension Expense

Service Cost	\$ 245,399
Other Recognized Changes in Net Pension Liability:	
Expected Interest Growth	(49,218)
Investment Gain (Loss)	104,604
Demographic Gain (Loss)	(126,330)
Employee Contributions	(101,419)
Administrative Expenses	28,261
Assumption Changes	<u>(24,244)</u>
Pension Expense (Negative)	<u><u>\$ 77,053</u></u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Determination of Long-Term Expected Rate of Return on Plan Assets:

Investment Category	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

Deferred Inflows and Deferred Outflows of Resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Total of Components:		
Balance as of September 30, 2022	\$ 1,170,587	\$ 1,122,155
Amortization Payments	(315,625)	(361,595)
Investment Gain (Loss)	-	77,239
Demographic Gain (Loss)	-	28,583
Balance as of September 30, 2023	<u>\$ 854,962</u>	<u>\$ 866,382</u>

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year Ending September 30,	Net Pension Expense
2024	\$ (48,020)
2025	3,533
2026	127,486
2027	(75,312)
2028	(15,934)
Thereafter	(3,173)
Total	<u>\$ (11,420)</u>

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

	1% Decrease	Discount Rate – 7.00%	1% Increase
Total Pension Liability	\$ 4,554,143	\$ 4,031,312	\$ 3,600,707
Less Fiduciary Net Position	(4,900,867)	(4,900,867)	(4,900,867)
Net Pension Liability (Asset)	<u>\$ (346,724)</u>	<u>\$ (869,555)</u>	<u>\$ (1,300,160)</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Changes in Net Pension Liability (Asset):

	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Asset (a+b)</u>
Reporting Period Ended September 30, 2022	\$ 3,784,487	\$ (4,650,958)	\$ (866,471)
Change for a Year:			
Service Cost	245,399	-	245,399
Interest	271,263	(320,481)	(49,218)
Unexpected Investment Income	-	(77,239)	(77,239)
Demographic Experience	(28,583)	-	(28,583)
Employer Contributions	-	(20,285)	(20,285)
Employee Contributions	-	(101,419)	(101,419)
Benefit Payments and Refunds	(241,254)	241,254	-
Administrative Expenses	-	28,261	28,261
Reporting Period Ended September 30, 2023	<u>\$ 4,031,312</u>	<u>\$ (4,900,867)</u>	<u>\$ (869,555)</u>

**Combining Schedule of Fiduciary
Net Position
Pension Trust Funds
September 30, 2023**

	<u>Retirement Plan and Trust for the Police Officers</u>	<u>Retirement Plan and Trust for the General Employees</u>	<u>Total</u>
Assets			
Cash and Money Market	\$ 44,253	\$ 68,471	\$ 112,724
Investment in External Investment Pool at Fair Value	3,116,704	4,822,318	7,939,022
Due from General Fund	41,036	-	41,036
Contributions Receivable	4,334	10,081	14,415
Total Assets	<u>3,206,237</u>	<u>4,900,871</u>	<u>8,107,197</u>
Liabilities			
Accrued Expenses	2,580	3,446	6,026
Total Liabilities	<u>2,580</u>	<u>3,446</u>	<u>6,026</u>
Net Positions - Held in Trust for Pension Benefits	<u>\$ 3,203,747</u>	<u>\$ 4,897,424</u>	<u>\$ 8,101,171</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

**Combining Schedule of Changes in Fiduciary Net Position
Pension Trust Funds
For The Fiscal Year Ended September 30, 2023**

	Retirement Plan and Trust for the Police Officers	Retirement Plan and Trust for the General Employees	Total
Additions			
Contribution:			
Employer	\$ 13,085	\$ 21,606	\$ 34,691
State	41,036	-	41,036
Employees	<u>32,920</u>	<u>101,420</u>	<u>134,340</u>
Total Contributions	87,041	123,026	210,067
Investment Earnings	<u>257,494</u>	<u>397,721</u>	<u>655,215</u>
Total Additions	<u>344,535</u>	<u>520,747</u>	<u>865,282</u>
Deductions			
Benefits Paid	132,776	211,604	344,380
Lump Sum Distributions	-	29,650	29,650
Administrative Expenses	<u>17,039</u>	<u>28,013</u>	<u>45,052</u>
Total Deductions	<u>149,815</u>	<u>269,267</u>	<u>419,082</u>
Change in Net Position	194,720	251,480	446,200
Net Position Held in Trust for Pension Benefits, Beginning of Year	<u>3,009,027</u>	<u>4,645,944</u>	<u>7,654,971</u>
Net Position Held in Trust for Pension Benefits, End of Year	<u>\$ 3,203,747</u>	<u>\$ 4,897,424</u>	<u>\$ 8,101,171</u>

Florida State Retirement System – Pension Plan

Beginning in 2017, all Fire Fighters of the City are eligible to participate in the Florida State Retirement System (the System). This System was created by the Florida Legislature and is a cost-sharing, multiple-employer defined benefit, and public retirement plan available to governmental units within the State of Florida. The System issued a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315, or by calling (850) 488-5706.

All fire employees of the City are eligible to participate in the System. Special risk employees who retire at or after age 55, with six years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to the product of: 1) average monthly compensation in the highest five years of creditable service; 2) creditable service during the appropriate period; and 3) the appropriate benefit percentage. Benefits fully vest on reaching six years of service. Vested employees may retire after six years of creditable service and receive reduced retirement benefits. The System also provides death benefits, disability benefits, and annual cost-of-living adjustments. Benefits are established by Florida Statute. Beginning in 2011, the state mandated a 3% contribution to the plan by the employees. The City currently only has fire employees that participate in the Florida Retirement System.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that employers, such as the City, are required to contribute 27.83% of the compensation for Regular Special Risk and 38.65% for Administrative (with 1.66% for HIS) as of September 30, 2022. In addition, employees that are not participating in the DROP program are required to contribute 3% of their gross salary.

The City contributed 100% of the required contributions to the System for the year ended September 30, 2023, as follows:

<u>Year</u>	<u>Amount</u>
2023	\$ 139,172

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At September 30, 2023, the City reported a net pension liability of \$979,557 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City's proportionate share of the net pension liability was based on projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the City's proportionate share of the FRS liability was .00245860724% an increase of .000292632320% from the prior year.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources—For the year ended September 30, 2023, the Sponsor recognized a Pension Expense of \$122,732. On September 30, 2023, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

	<u>Deferred Inflow of Resources</u>	<u>Deferred Outflow of Resources</u>
Differences Between Expected and Actual Experience	\$ 91,972	\$ -
Change in Assumptions	63,856	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	40,909	-
Changes in Proportion and Differences Between the City Contributions and Proportionate Share of Contributions	142,175	98,544
City Contributions Subsequent to Measurement Date	<u>32,181</u>	-
Total	<u>\$ 371,093</u>	<u>\$ 98,544</u>

The Deferred Outflows of Resources related to pensions totaling \$32,181 resulting from City contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

<u>Year</u>	<u>Pension Expense</u>
2024	\$ 50,146
2025	(3,085)
2026	152,516
2027	31,710
2028	<u>9,081</u>
Total	<u><u>\$ 240,368</u></u>

Actuarial Assumptions

The total pension liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.25% Including Inflation
Investment Rate of Return 7.10%, Net Pension Plan	Investment Expense, Including Inflation

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period June 30, 2013 through June 30, 2018.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.9%	2.9%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global Equity	54.0%	8.7%	7.1%	18.1%
Real Estate	10.3%	7.6%	6.6%	14.8%
Private Equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	<u>3.8%</u>	6.3%	6.1%	7.7%
Total	<u><u>100%</u></u>			

Discount Rate—The discount rate used to measure the total pension liability was 6.70 percent. In general, the discount rate for calculating the total pension liability under GASB Statement No. 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. The rate of return assumption is a prescribed assumption as defined by Actuarial Standard of Practice No. 27.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

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

	<u>1% Decrease</u> <u>5.70%</u>	<u>Current Discount</u> <u>Rate – 6.70%</u>	<u>1% Increase</u> <u>7.70%</u>
City's Proportionate Share of the Net Pension Liability	\$ 1,673,284	\$ 979,558	\$ 914,688

*FRS Pension Plan Fiduciary Net Position—*Detailed information about pension plan's fiduciary net position is available in the separately issued FRS Annual Comprehensive Financial Report.

Health Insurance Subsidy (HIS) Defined Benefit Pension Plan

*Plan Description—*The HIS Pension Plan (HIS Plan) is a cost-sharing, multiple-employer defined benefit pension plan established to provide a monthly subsidy payment to retired members of any state-administered retirement system in order to assist such retired members in paying the costs of health insurance. Persons are eligible for HIS payments who are retired under a state-administered retirement system, or a beneficiary who is a spouse or financial dependent entitled to receive benefits under a state-administered retirement system, except those individuals who are pension recipients under Sections 121.40, 237.08(18)(a), and 250.22, Florida Statutes, or recipients of health insurance coverage under Section 110.1232, Florida Statutes, or any other special pension or relief act are not eligible for such pension payments. A person is deemed retired from a state-administered retirement system when he or she terminates employment with all employers participating in the FRS and:

- For a member of the FRS investment plan, the participant meets the age or service requirements to qualify for normal retirement per Section 121.021(29), Florida Statutes and meets the definition of retiree in Section 121.4501(2), Florida Statutes.
- For a member of the FRS defined benefit pension plan, or any employee who maintains creditable service under the pension plan and the investment plan, the member begins drawing retirement benefits from the pension plan.

Any person retiring on or after July 1, 2001, as a member of the FRS, including a member of the investment plan, must satisfy the vesting requirements for his or her membership class under the pension plan as administered under Chapter 121, Florida Statutes. Any person retiring due to disability must qualify for a regular or in-line-of-duty disability benefit per provisions under Chapter 112, Florida Statutes. Additionally, participants in the Senior Management Service Optional Annuity Program and the State City System Optional Retirement Program are not eligible to receive benefits from the HIS Plan.

*Benefits Provided—*The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Department of Management Services, Division of Retirement.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

For the fiscal year ended June 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions—The HIS Program is funded by required contributions from FRS participating employers as set by the Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2023, the contribution rate was 1.66 percent of payroll. The state contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The City's contributions to the HIS defined benefit pension plan are reported as a total with the pension plan contributions listed above.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to HIS—At September 30, 2023, the City reported a net pension liability of \$183,284 for its proportionate share of the net pension liability for HIS. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The City's proportionate share of the net pension liability was based on projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022 the City's proportionate share was .00173046459%, which was an increase of .0000664351235% from its proportionate share measured as of June 30, 2022.

For the year ended September 30, 2023, the City recognized pension expense is \$76,583. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflow Funds	Deferred Outflow Funds
Differences Between Expected and Actual Experience	\$ 2,683	\$ -
Change in Assumptions	4,818	15,882
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	95	-
Changes in Proportion and Differences Between the City Contributions and Proportionate Share of Contributions	33,917	6,910
City Contributions Subsequent to Measurement Date	<u>2,103</u>	<u>-</u>
Total	<u><u>\$ 43,616</u></u>	<u><u>\$ 22,792</u></u>

The deferred outflows of resources related to pensions totaling \$2,103 resulting from City contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

<u>September 30,</u>	<u>Inflows/Outflows</u>
2024	\$ 13,790
2025	5,123
2026	2,023
2027	(2,080)
2028	(421)
Thereafter	<u>286</u>
Total	<u><u>\$ 18,721</u></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 Increase	3.25% Average, Including Inflation
Bond Buyer General Obligation 20-Bond Municipal Bond	3.65%

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

The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

Discount Rate—The discount rate used to measure the total pension liability was 3.54 percent. In general, the discount rate for calculating the total pension liability under GASB Statement No. 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The discount rate used in the 2023 valuation was updated from 3.65 percent, reflecting the change in the Bond Buyer General Obligation 20-Bond Municipal Bond Index as of June 30, 2023.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate—The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 3.65 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65 percent) or 1-percentage-point higher (4.65 percent) than the current rate:

	<u>1% Decrease</u> <u>2.65%</u>	<u>Current Discount</u> <u>Rate 3.65%</u>	<u>1% Increase</u> <u>4.65%</u>
City's Proportionate Share of the Net Pension Liability	\$ 209,692	\$ 183,284	\$ 161,432

Pension Plan Fiduciary Net Position—Detailed information about the pension plan's fiduciary net position is available in the separately issued FRS Annual Comprehensive Financial Report.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Note 10 - Other Disclosures

Allowances for Doubtful Accounts

Allowances for doubtful accounts at September 30, 2023, are as follows:

Utility Fund	\$ 78,314
General Fund	16,339
Airport Fund	<u>60,000</u>
Total Allowances for Doubtful Accounts	<u>\$ 154,653</u>

Note 11 - Other Information

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; workers' compensation; and natural disasters for which the City carries commercial insurance. There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

Contingent Liabilities

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

Note 12 - Commitments and Contingencies

The City has a construction commitment for a new airport terminal building for a total commitment of \$3,539,689 funded with grant proceeds. As of September 30, 2023, the amount paid is \$93,041 with a remaining balance of approximately \$3,446,648 to be paid on the project.

The City has a construction commitment for the John Henry Celebration Park Drainage project for a total commitment of \$1,565,557 funded with grant proceeds. As of September 30, 2023, the amount paid is \$0 with a remaining balance of approximately \$1,565,557 to be paid on the project.

REQUIRED SUPPLEMENTARY INFORMATION

The following supplementary schedules present trend information regarding the retirement plans for the City's General Employees and Police Officers retirement plans, retirement plans for the City's Firefighters, and Other Postemployment Benefits. This information is necessary for a fair presentation in conformity with generally accepted accounting principles.

CITY OF WILLISTON, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GENERAL FUND
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 1,466,435	\$ 1,466,435	\$ 1,968,371	\$ 501,936
Licenses, Permits, and Fees	307,250	536,250	504,915	(31,335)
Intergovernmental	1,618,705	1,678,705	1,026,309	(652,396)
Fines and Forfeitures	23,550	23,550	18,692	(4,858)
Interest Earnings	500	500	53	(447)
Contributions and Donations	3,500	3,500	-	(3,500)
Miscellaneous Revenues	24,750	24,750	93,836	69,086
Total Revenues	3,444,690	3,733,690	3,612,176	(121,514)
Expenditures				
Current:				
General Government	558,899	558,899	504,356	54,543
Law Enforcement	1,307,198	1,252,198	1,176,208	75,990
Communications	309,414	309,414	285,329	24,085
Streets and Sidewalks	645,151	715,151	604,571	110,580
Fire Control	1,017,553	757,553	864,424	(106,871)
Parks and Recreation	28,235	28,235	29,633	(1,398)
Library	6,389	6,389	9,277	(2,888)
Planning and Zoning	341,338	556,338	537,559	18,779
Legislative and Legal	51,455	51,455	57,616	(6,161)
Animal Control	76,702	76,702	79,764	(3,062)
Information Technology	223,304	238,304	315,605	(77,301)
Non-Departmental	21,191	21,191	75,884	(54,693)
Capital Outlay	632,775	1,047,775	414,748	633,027
Debt Service:				
Principal	29,303	34,303	18,618	15,685
Interest	650	650	2,400	(1,750)
(Total Expenditures)	(5,249,557)	(5,654,557)	(4,975,992)	678,565
(Deficiency) of Revenues (Under)				
Expenditures	(1,804,867)	(1,920,867)	(1,363,816)	557,051
Other Financing Sources (Uses)				
Transfers in	1,455,958	1,455,958	1,509,043	53,085
Transfers (out)	(201,091)	(201,091)	(170,991)	30,100
Issuance of Debt	400,000	500,000	100,000	(400,000)
Sale of Capital Assets	15,000	15,000	2,278	(12,722)
Total Other Financing Sources (Uses)	1,669,867	1,769,867	1,440,330	(329,537)
Net Change in Fund Balance	(135,000)	(151,000)	76,514	227,514
Fund Balances, Beginning of Year	135,000	151,000	747,738	(227,514)
Fund Balances, End of Year	\$ -	\$ -	\$ 824,252	\$ -

CITY OF WILLISTON, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND
AIRPORT DEVELOPMENT
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Intergovernmental Revenue	\$ 4,116,500	\$ 6,096,352	\$ 340,872	\$ (5,755,480)
Interest Earnings	750	150	128	(22)
Rental Income	353,600	412,000	467,588	55,588
Timber and Hay Sales	4,500	3,000	136,923	133,923
Fuel Sales	1,655,000	2,133,748	1,841,517	(292,231)
Miscellaneous	20,309	20,000	22,349	2,349
Total Revenues	6,150,659	8,665,250	2,809,377	(5,855,873)
Expenditures				
Current:				
Airport Operations	1,999,159	2,561,399	2,193,375	368,024
Debt Service	15,000	7,500	-	7,500
Capital Outlay	4,196,500	6,171,351	340,872	5,830,479
(Total Expenditures)	(6,210,659)	(8,740,250)	(2,534,247)	6,206,003
Excess (Deficiency) of Revenues Over				
(Under) Expenditures	(60,000)	(75,000)	275,130	350,130
Other Financing Sources (Uses)				
Transfers (out)	-	-	(42,742)	(42,742)
Total Other Financing Sources (Uses)	-	-	(42,742)	(42,742)
Net Change in Fund Balances	(60,000)	(75,000)	232,388	307,388
Fund Balances, Beginning of Year	60,000	75,000	295,752	(307,388)
Fund Balances, End of Year	\$ -	\$ -	\$ 528,140	\$ -

CITY OF WILLISTON, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND
COMMUNITY REDEVELOPMENT
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 227,988	\$ 227,988	\$ 227,988	\$ -
Interest and Other	150	150	13	(137)
Contributions and Donations	-	-	5,296	5,296
Miscellaneous	500	500	485	(15)
Total Revenues	<u>228,638</u>	<u>228,638</u>	<u>233,782</u>	<u>5,144</u>
Expenditures				
Current:				
Community Redevelopment	142,553	142,553	93,000	49,553
Debt Service	27,475	27,475	-	27,475
Capital Outlay	1,346,636	1,346,636	431,720	914,916
Total Expenditures	<u>1,516,664</u>	<u>1,516,664</u>	<u>524,720</u>	<u>991,944</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,288,026)</u>	<u>(1,288,026)</u>	<u>(290,938)</u>	<u>997,088</u>
Other Financing Sources (Uses)				
Transfer in	170,991	170,991	170,991	-
Issuance of Debt	1,000,000	1,000,000	-	(1,000,000)
Total Other Financing Sources (Uses)	<u>1,170,991</u>	<u>1,170,991</u>	<u>170,991</u>	<u>(1,000,000)</u>
Net Change in Fund Balance	(117,035)	(117,035)	(119,947)	(2,912)
Fund Balances, Beginning of Year	<u>117,035</u>	<u>117,035</u>	<u>270,385</u>	<u>(392,830)</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150,438</u>	<u>\$ (395,742)</u>

CITY OF WILLISTON, FLORIDA
RETIREMENT PLAN AND TRUST FOR POLICE OFFICERS
FOR YEAR ENDED SEPTEMBER 30, 2023
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION
LIABILITY (ASSET) AND RELATED RATIOS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$ 130,179	\$ 119,921	\$ 130,047	\$ 138,458	\$ 113,336	\$ 101,591	\$ 91,379	\$ 81,601	\$ 59,909	\$ 62,994
Interest on the Total Pension Liability	179,111	183,854	181,889	186,496	169,828	157,781	141,704	103,951	136,436	114,442
Demographic Experience	(33,976)	(266,938)	(55,717)	(19,888)	5,253	(28,525)	(17,330)	26,226	19,567	-
Assumption Changes	-	-	(57,264)	-	-	-	65,439	354,990	(216,983)	-
Change in Benefit Terms	-	5,374	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(132,776)	(112,163)	(153,662)	(357,722)	(69,746)	(71,101)	(54,371)	(37,231)	(37,236)	(85,337)
Net Change in Total Pension Liability	142,538	(69,952)	45,293	(52,656)	218,671	159,746	226,821	529,537	(38,307)	92,099
Total Pension Liability, Beginning of Year	2,508,210	2,578,162	2,532,869	2,585,525	2,366,854	2,207,108	1,980,287	1,450,750	1,489,057	1,396,958
Total Pension Liability, End of Year (a)	\$ 2,650,748	\$ 2,508,210	\$ 2,578,162	\$ 2,532,869	\$ 2,585,525	\$ 2,366,854	\$ 2,207,108	\$ 1,980,287	\$ 1,450,750	\$ 1,489,057
Plan Fiduciary Net Position										
Contributions - Employer	\$ (14,333)	\$ (122,842)	\$ (98,038)	\$ (109,578)	\$ (97,045)	\$ (90,446)	\$ (74,311)	\$ (79,553)	\$ (75,005)	\$ (119,278)
Contributions - Employee	(32,921)	(29,932)	(26,986)	(26,958)	(24,421)	(21,005)	(18,698)	(18,330)	(18,053)	(21,100)
Expected Interest Growth	(45,411)	(216,958)	-	-	-	-	-	-	-	-
Net Investment Income	(185,740)	625,654	(503,060)	(163,769)	(137,328)	(173,485)	(269,174)	(149,871)	2,555	(134,338)
Benefit Payments	132,776	112,163	153,662	357,722	69,746	71,101	54,371	37,231	37,236	44,390
Administrative Expense	16,679	15,115	12,234	10,160	10,954	10,325	9,711	8,354	10,065	7,685
Net Change in Plan Fiduciary Net Position	(128,950)	383,200	(462,188)	67,577	(178,094)	(203,510)	(298,101)	(202,169)	(43,202)	(222,641)
Plan Fiduciary Net Position, Beginning of Year	(2,703,663)	(3,086,863)	(2,624,675)	(2,692,252)	(2,514,158)	(2,310,648)	(2,012,547)	(1,810,378)	(1,767,176)	(1,544,535)
Plan Fiduciary Net Position, End of Year (b)	\$ (2,832,613)	\$ (2,703,663)	\$ (3,086,863)	\$ (2,624,675)	\$ (2,692,252)	\$ (2,514,158)	\$ (2,310,648)	\$ (2,012,547)	\$ (1,810,378)	\$ (1,767,176)
Net Pension Liability (Asset), Ending (a) - (b)	\$ (181,865)	\$ (195,453)	\$ (508,701)	\$ (91,806)	\$ (106,727)	\$ (147,304)	\$ (103,540)	\$ (32,260)	\$ (359,628)	\$ (278,119)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	106.86%	107.79%	119.73%	103.62%	104.13%	106.22%	104.69%	101.63%	124.79%	118.68%
Covered Payroll*	\$ 465,905	\$ 440,525	\$ 514,896	\$ 533,995	\$ 444,302	\$ 402,249	\$ 363,641	\$ 331,296	\$ 337,006	\$ 306,244
Net Pension Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*For the 2017 fiscal year, the covered payroll was based on pensionable salary.

CITY OF WILLISTON, FLORIDA
RETIREMENT PLAN AND TRUST FOR POLICE OFFICERS
FOR YEAR ENDED SEPTEMBER 30, 2023
SCHEDULE OF CONTRIBUTIONS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 11,193	\$ 113,563	\$ 119,604	\$ 110,636	\$ 100,309	\$ 94,683	\$ 82,868	\$ 80,725	\$ 75,174	\$ 117,485
Contributions in Relation to the										
Actuarially Determined Contribution	14,333	122,842	98,038	109,578	97,045	90,446	74,311	79,553	75,005	119,278
Contribution Deficiency (Excess)	<u>\$ (3,140)</u>	<u>\$ (9,279)</u>	<u>\$ 21,566</u>	<u>\$ 1,058</u>	<u>\$ 3,264</u>	<u>\$ 4,237</u>	<u>\$ 8,557</u>	<u>\$ 1,172</u>	<u>\$ 169</u>	<u>\$ (1,793)</u>
Covered Payroll	<u>\$ 465,905</u>	<u>\$ 440,525</u>	<u>\$ 514,896</u>	<u>\$ 533,995</u>	<u>\$ 444,302</u>	<u>\$ 402,249</u>	<u>\$ 363,641</u>	<u>\$ 331,296</u>	<u>\$ 337,066</u>	<u>\$ 306,244</u>
Contributions as a Percentage										
of Covered Payroll	3.08%	27.89%	19.04%	20.52%	21.84%	22.49%	20.44%	24.01%	22.25%	38.95%

CITY OF WILLISTON, FLORIDA
RETIREMENT PLAN AND TRUST FOR GENERAL EMPLOYEES
FOR YEAR ENDED SEPTEMBER 30, 2023
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION
LIABILITY (ASSET) AND RELATED RATIOS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$ 245,399	\$ 205,360	\$ 182,311	\$ 189,718	\$ 170,840	\$ 141,746	\$ 121,584	\$ 128,374	\$ 95,658	\$ 101,093
Interest on the Total Pension Liability	271,263	269,993	288,495	278,616	280,605	286,840	268,562	212,271	297,696	260,459
Demographic Experience	(28,583)	(238,169)	(49,335)	(65,801)	(223,621)	(115,227)	32,335	104,482	(250,574)	-
Assumption Changes	-	-	(381,350)	-	-	-	265,359	695,988	(302,502)	-
Benefit Payments, Including										
Refunds of Employee Contributions	(241,254)	(254,922)	(314,826)	(246,250)	(276,669)	(423,229)	(446,417)	(322,256)	(201,578)	(211,313)
Net Change in Total Pension Liability	246,825	(17,738)	(274,705)	156,283	(48,845)	(109,870)	241,423	818,859	(361,300)	150,239
Total Pension Liability,										
Beginning of Year	3,784,487	3,802,225	4,076,930	3,920,647	3,969,492	4,079,362	3,837,939	3,019,080	3,380,380	3,230,141
Total Pension Liability,										
End of Year (a)	\$ 4,031,312	\$ 3,784,487	\$ 3,802,225	\$ 4,076,930	\$ 3,920,647	\$ 3,969,492	\$ 4,079,362	\$ 3,837,939	\$ 3,019,080	\$ 3,380,380
Plan Fiduciary Net Position										
Contributions - Employer	\$ (20,285)	\$ (35,260)	\$ (26,952)	\$ (25,474)	\$ (30,143)	\$ (107,990)	\$ (76,582)	\$ (32,832)	\$ (50,643)	\$ (112,114)
Contributions - Employee	(101,419)	(88,148)	(67,437)	(64,038)	(60,484)	(53,296)	(53,684)	(41,937)	(48,533)	(48,537)
Net Investment Income	(77,239)	1,098,395	(928,524)	(303,613)	(242,575)	(338,157)	(573,325)	(343,551)	(3,205)	(368,167)
Expected Interest Growth	(320,481)	(381,672)	-	-	-	-	-	-	-	-
Benefit Payments	241,254	254,922	314,827	246,250	276,669	423,229	446,417	322,256	201,578	384,331
Administrative Expense	28,261	35,229	24,016	19,065	20,221	20,487	19,911	17,752	18,972	18,141
Net Change in Plan Fiduciary										
Net Position	(249,909)	883,466	(684,070)	(127,810)	(36,312)	(55,727)	(237,263)	(78,312)	118,169	(126,346)
Plan Fiduciary Net Position,										
Beginning of Year	(4,650,958)	(5,534,424)	(4,850,354)	(4,722,544)	(4,686,232)	(4,630,505)	(4,393,242)	(4,314,930)	(4,433,099)	(4,306,753)
Plan Fiduciary Net Position,										
End of Year (b)	\$ (4,900,867)	\$ (4,650,958)	\$ (5,534,424)	\$ (4,850,354)	\$ (4,722,544)	\$ (4,686,232)	\$ (4,630,505)	\$ (4,393,242)	\$ (4,314,930)	\$ (4,433,099)
Net Pension Liability										
(Asset) - Ending (a) + (b)	\$ (869,555)	\$ (866,471)	\$ (1,732,199)	\$ (773,424)	\$ (801,897)	\$ (716,740)	\$ (551,143)	\$ (555,303)	\$ (1,295,850)	\$ (1,052,719)
Plan Fiduciary Net Position as a										
Percentage of Total Pension Liability	121.57%	122.90%	145.56%	118.97%	120.45%	118.06%	113.51%	114.47%	142.92%	131.14%
Covered Payroll*	\$ 1,496,641	\$ 1,255,248	\$ 1,144,391	\$ 1,166,771	\$ 1,053,876	\$ 895,351	\$ 787,576	\$ 880,740	\$ 941,185	\$ 824,054
Net Pension Liability as a Percentage										
of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*For the 2017 fiscal year, the covered payroll was based on pensionable salary.

CITY OF WILLISTON, FLORIDA
RETIREMENT PLAN AND TRUST FOR GENERAL EMPLOYEES
FOR YEAR ENDED SEPTEMBER 30, 2023
SCHEDULE OF CONTRIBUTIONS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 147,464	\$ -	\$ 26,165	\$ 89,095	\$ 75,498	\$ 56,834	\$ 106,400	\$ 57,705	\$ 34,167	\$ 50,478
Contributions in Relation to the										
Actuarially Determined Contribution	20,285	35,260	26,952	25,474	30,143	107,990	76,582	32,832	50,643	112,114
Contribution Deficiency (Excess)	<u>\$ 127,179</u>	<u>\$ (35,260)</u>	<u>\$ (787)</u>	<u>\$ 63,621</u>	<u>\$ 45,355</u>	<u>\$ (51,156)</u>	<u>\$ 29,818</u>	<u>\$ 24,873</u>	<u>\$ (16,476)</u>	<u>\$ (61,636)</u>
Covered Payroll	<u>\$ 1,496,641</u>	<u>\$ 1,255,248</u>	<u>\$ 1,144,391</u>	<u>\$ 1,166,771</u>	<u>\$ 1,053,876</u>	<u>\$ 895,351</u>	<u>\$ 787,576</u>	<u>\$ 880,740</u>	<u>\$ 941,185</u>	<u>\$ 824,054</u>
Contributions as a Percentage										
of Covered Payroll	1.36%	2.81%	2.36%	2.18%	2.86%	12.06%	9.72%	3.73%	5.38%	13.61%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Note 1: Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution rates in the schedule of contributions are calculated as of October 1, 2022, one year prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

	Police Officers' Pension Plan	General Employees' Pension Plan
Valuation Date	October 1, 2022	October 1, 2022
Actuarial Cost Method	Aggregate	Aggregate
Amortization Method	Level Percentage, Open	Level Percentage, Open
Remaining Amortization Period	30 Years	30 Years
Asset Valuation Method	Market Value	Market Value
Salary Increase	4.5% per Annum	4.00% per Annum
Discount Rate	7.00%	7.00%

Note 2: Changes in Assumptions

There were no changes in assumptions in either plan.

CITY OF WILLISTON, FLORIDA
FLORIDA RETIREMENT SYSTEM PENSION PLAN (1)
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	2023	2022	2021	2020	2019	2018	2017
City's Proportion of the Net Pension Liability	0.0024583072%	0.0021656840%	0.0021357330%	0.0028013258%	0.0021972346%	0.0019285260%	0.00120060470%
City's Proportionate Share of the Net Pension Liability	\$ 979,557	\$ 805,809	\$ 161,330	\$ 1,214,136	\$ 756,697	\$ 580,882	\$ 355,131
City's Covered Payroll (June 30)	\$ 471,142	\$ 394,545	\$ 359,481	\$ 302,438	\$ 299,039	\$ 255,001	\$ 154,244
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	207.91%	204.24%	44.88%	401.45%	253.04%	227.80%	230.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.38%	82.89%	96.40%	82.61%	78.85%	84.26%	83.89%

SCHEDULE OF CITY CONTRIBUTIONS

	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contribution	131,733	96,198	\$ 86,024	\$ 94,233	\$ 73,666	\$ 59,700	\$ 55,327
Contributions in Relation to the Contractually Required Contribution	(131,733)	(96,198)	(86,024)	(94,233)	(73,666)	(59,700)	(55,327)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-
City's Covered Payroll (September 30)	\$ 480,825	\$ 400,096	\$ 356,917	\$ 400,474	\$ 315,454	\$ 250,613	\$ 154,244
Contributions as a Percentage of Covered Payroll	27.40%	24.04%	24.10%	23.53%	23.35%	23.82%	35.87%

(1) 2017 was the first year that the City's Firefighters were entered into the Plan. Information for the subsequent 10 years' data will be accumulated.

CITY OF WILLISTON, FLORIDA
FLORIDA HEALTH INSURANCE SUBSIDY PENSION PLAN (1)
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	2023	2022	2021	2020	2019	2018	2017
City's Proportion of the Net Pension Liability	0.0017304646%	0.00106611336%	0.00101142522%	0.00112852490%	0.00089413716%	0.00078074600%	0.00047024182%
City's Proportionate Share of the Net Pension Liability	\$ 183,284	\$ 112,918	\$ 124,066	\$ 137,791	\$ 100,045	\$ 82,635	\$ 50,280
City's Covered Payroll (June 30)	\$ 471,142	\$ 394,545	\$ 359,481	\$ 302,438	\$ 299,039	\$ 255,001	\$ 154,244
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	38.90%	28.62%	34.51%	45.56%	33.46%	32.41%	32.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	4.12%	4.81%	3.56%	2.63%	3.00%	2.15%	1.64%

SCHEDULE OF CITY CONTRIBUTIONS

	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contribution	\$ 7,439	\$ 5,432	\$ 4,160	\$ 4,858	\$ 5,133	\$ 4,160	\$ 2,560
Contributions in Relation to the Contractually Required Contribution	(7,439)	(5,432)	(4,160)	(4,858)	(5,133)	(4,160)	(2,560)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-
City's Covered Payroll (September 30)	\$ 480,825	\$ 400,096	\$ 356,917	\$ 400,474	\$ 315,454	\$ 250,613	\$ 154,244
Contributions as a Percentage of Covered Payroll	1.55%	1.36%	1.17%	1.21%	1.63%	1.66%	1.66%

(1) 2017 was the first year that the City's Firefighters were entered into the Plan. Information for the subsequent 10 years' data will be accumulated.

CITY OF WILLISTON, FLORIDA
OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY

	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018
Total OPEB Liability						
Service Cost	\$ 104,061	\$ 71,353	\$ 127,835	\$ 91,224	\$ 48,542	\$ 52,877
Expected Interest Growth	26,899	29,638	13,998	9,456	12,783	13,394
Demographic Gain/Loss	(40,290)	4,120	(136,289)	(1,624)	(1,654)	-
Difference Between Expected and Actual Expense Amortization	-	-	-	2,841	(24,641)	-
Changes in Assumptions and Other Inputs	35,176	(200,229)	102,240	(850)	(850)	-
Benefit Payments	(12,960)	(9,256)	(2,867)	(4,040)	(37,793)	(51,738)
Net Change in Total OPEB Liability	112,886	(104,374)	104,917	97,007	(3,613)	14,533
Total OPEB Liability - Beginning	450,187	554,561	449,644	352,637	356,250	341,717
Total OPEB Liability - Ending	\$ 563,073	\$ 450,187	\$ 554,561	\$ 449,644	\$ 352,637	\$ 356,250
 Covered-Employee Payroll	 \$ 2,691,045	 \$ 2,151,469	 \$ 2,150,285	 \$ 2,125,527	 \$ 1,730,542	 \$ 1,586,211
 Total OPEB Liability as a Percentage of Covered Payroll	 20.92%	 20.92%	 25.79%	 21.15%	 20.38%	 22.46%

Note: No plan assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Assumption Changes: Since the prior measurement date, the discount rate was decreased from 3.58% per annum to 3.00% per annum, the monthly implied subsidy at age 55 for the 2019/2020 fiscal year for the retiree and his spouse was increased from \$215 to \$250, and the mortality basis was changed from the RP-2000 Mortality Table with generational improvements in mortality using Scale BB to the PUB-2010 Mortality Table with generational improvements in mortality using Scale MP-2017.

Historical information is required only for measurement periods for which GASB Statement No. 75 is applicable. Future years' information will be displayed as it becomes available for a period of up to 10 years.

Since the prior measurement date, the discount rate was increased from 2.14% per annum to 2.43% per annum; the healthcare cost trend rates were changed from 6.50% for the 2020/2021 fiscal year graded down to 5.00% per year to 8.50% for the 2020/2021 fiscal year spouse was increased from \$267.50 to \$350.00 graded down to 5.00% per year; and the monthly implied subsidy at age 55 for the 2020/2021 fiscal year for the retiree and his spouse was increased from \$267.50 to \$350.00.

Since the prior measurement date, the discount rate was increased from 2.43% per annum to 4.77% per annum and the monthly implied subsidy at age 55 for the 2021/2022 fiscal year for the retiree and his spouse was decreased from \$379.75 to \$300.00.

Since the prior measurement date, the discount rate was increased from 4.77% per annum to 4.791% per annum.

OTHER REPORTS

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

Honorable Mayor and City Council
City of Williston
Williston, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Williston, Florida (the City) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 27, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

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Williston, Florida

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



June 27, 2024
Ocala, Florida

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

Honorable Mayor and City Council
City of Williston
Williston, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Williston, Florida’s (the City) compliance with the types of compliance requirements, identified as subject to audit in the OMB *Compliance Supplement*, that could have a direct and material effect on each of the City’s major federal programs for the year ended September 30, 2023. The City’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

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City of Williston
Williston, Florida

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable

Honorable Mayor and City Council
City of Williston
Williston, Florida

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

possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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



June 27, 2024
Ocala, Florida

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES – INVESTMENT
OF PUBLIC FUNDS**

Honorable Mayor and City Council
City of Williston
Williston, Florida

We have examined the City of Williston, Florida's (the City) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, with regards to the City's investments during the fiscal year ended September 30, 2023. 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2023.

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



June 27, 2024
Ocala, Florida

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CITY OF WILLISTON, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Federal Grantor/Pass-Through Grantor/Project Title	Assistance Listing No.	Grantor's Contract Number	Project Award	Expenditures
U.S. Department of Treasury				
Florida Department of Environmental Protection				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSFRF)	21.027	WG022	\$ 1,825,000	\$ 1,801,573
Florida Department of State				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSFRF)	21.027	23.s.aa.900.137	465,392	33,630
Florida Department of Emergency Management				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSFRF)	21.027	Y5320	1,369,835	369,669
Total U.S. Department of Treasury			<u>3,660,227</u>	<u>2,204,872</u>
U.S. Department of Transportation				
Technical Assistance Grant	20.710	693JK32740 023PTAG	9,164	9,164
Total U.S. Department of Transportation			<u>9,164</u>	<u>9,164</u>
U.S. Department of Agriculture				
Community Facilities Loans and Grants	10.766	USDA (FY2023)	65,850	65,850
Florida Department of Agriculture and Consumer Services				
Volunteer Fire Assistance Program	10.664	USDA (FY2023)	10,029	10,029
Total U.S. Department of Agriculture			<u>75,879</u>	<u>75,879</u>
U.S. Department of Justice				
Florida Department of Justice				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2021-JAGC-LEVY-1-3B-081	24,812	11,414
Total U.S. Department of Justice			<u>24,812</u>	<u>11,414</u>
Total Federal Awards			<u>\$ 3,770,082</u>	<u>\$ 2,301,329</u>

Note 1 - Basis of Presentation

The Schedule of Federal Awards includes the federal grant activity of the City of Williston, Florida and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

Note 2 - Indirect Cost Rate

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

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS
CITY OF WILLISTON, FLORIDA
YEAR ENDED SEPTEMBER 30, 2023**

1. Summary of Audit Results

I. Type of Audit Report Issued on Financial Statements:

Unmodified Opinion

II. Internal Control Over Financial Reporting:

Audit disclosed no significant deficiencies or material weaknesses in internal control.

III. Non-Compliance Material to Audited Financial Statements:

Audit disclosed no material instances of non-compliance.

IV. Significant Deficiencies and/or Material Weaknesses in Internal Control Over Major Federal Award Programs:

Audit disclosed no material instances and/or significant deficiencies of non-compliance.

V. Type of Audit Report Issued on Compliance with Requirements Applicable to Major Federal Award Program:

Unmodified Opinion

VI. Major Program:

Federal:

- U.S. Department of Treasury

AL#: 21.027 COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSFRF)

VII. Dollar Threshold Used to Distinguish Between Type A and Type B Federal Program

\$750,000 for Federal Programs

VIII. Auditee Qualification as Low-Risk Auditee for Federal Programs

2. Findings Related to the Financial Statements Required to be Reported Under Generally Accepted Government Auditing Standards (GAGAS)

Noted no current year recommendations.

3. Findings and Questioned Costs for Major Federal Program

Noted no current year recommendations.

4. Audit Findings Disclosed that are Required to be Reported in Accordance with 2 CFR 200.516

Noted no current year recommendations.

5. Prior Audit Findings

Noted no prior audit findings.

MANAGEMENT LETTER

Honorable Mayor and City Council
City of Williston
Williston, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Williston, Florida (the City) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated June 27, 2024.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance, Schedule of Findings and Questioned Costs, and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated June 27, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority for the City is reported in Note 1 to the basic financial statements. The City included the following blended component unit:

- Williston Community Redevelopment Agency

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Honorable Mayor and City Council
City of Williston
Williston, Florida

MANAGEMENT LETTER

Financial Condition and Management

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

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

Special District Component Units

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

Specific Information as required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General* for the Williston Community Redevelopment Agency can be found in its separately issued report.

Additional Matters

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

Purpose of this Letter

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

Honorable Mayor and City Council
City of Williston
Williston, Florida

MANAGEMENT LETTER

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



June 27, 2024
Ocala, Florida

MANAGEMENT LETTER COMMENT

Honorable Mayor and City Council
City of Williston
Williston, Florida

Current Fiscal Year

Inventory

During the current fiscal year, the City's subsidiary reporting module did not agree to the general ledger. In addition there were several differences between the subsidiary records and the physical inventory on hand during the fiscal year end count. The difference was attributed to new assets that were not tracked within the subsidiary system. We recommend that the City complete a physical count of their inventory to ensure that the subsidiary system maintains the records for all inventory assets. In addition, identify improvements to the inventory processing procedures to ensure that all purchases are captured correctly in the subsidiary records as well as the ledger records.



June 27, 2024
Ocala, Florida

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CITY OF
WILLISTON
FLORIDA

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Phone (352) 528-3060 • Fax (352) 528-2877

June 26, 2024

Honorable Mayor and City Council
City of Williston
Williston, Florida

RE: MANAGEMENT'S RESPONSE TO AUDIT FINDINGS

This letter represents our required response and follow-up to audit findings under Section 10.558(2), Rules of the Auditor General, State of Florida, for the year ended September 30, 2023:

Inventory ---- The City will complete a physical count of the inventory prior to fiscal year end to ensure the subsidiary records matches the on-hand inventory and general ledger. In addition, the City will review current processes and implement any necessary improvements to ensure that all purchases are captured correctly in the subsidiary records as well as the general ledger.

Very truly yours,

CITY OF WILLISTON, FLORIDA

By Stephen Bloom

Stephen Bloom
Finance Director

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