

ANNUAL COMPREHENSIVE
FINANCIAL REPORT FISCAL
YEAR ENDING
SEPTEMBER 30, 2023
(ACFR)





CITY OF EUSTIS,
FLORIDA



Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

Eustis City Commission – May 16, 2024



ACFR VS. Budget

- ACFR very technical and lots of numbers
- Budget sets the ground work for the upcoming year
- Budget is the road map to the end product
- ACFR is the Destination



ACFR Award

- On December 12, 2023 the City of Eustis was awarded the Certificate of Achievement for Excellence in Financial Report for the 2022 ACFR for the 34th consecutive year.
- Over the years many changes have been made from pensions to leases. The most current change is the capitalization of leased software. This has been a difficult transition which the GFOA has granted an extension of filing.



WHO GETS TO PRODUCE AN ACFR?

- ACFR is nationwide and in Canada and the protocols are set by the Governmental Accounting Standards Board (GASB).
- In Florida this is considered a best practice and all states, municipalities and other governmental entities must have an independent auditor perform the audit to produce the report.
- GASB is consistently upgrading reporting requirements with new and improved standards.



EVERY ACFR IS BUILT THE SAME!

- An Introductory Section
- Management Discussion and Analysis
- A Financial Section includes:
Basic Financial Statements which consolidate all types of funds
Governmental, Special Revenue, Trust and Enterprise Funds – Including Notes to the Financial Statements.
- Required Other Supplemental Information on individual funds
- A Statistical Section for Eustis and
- Other Reports on internal control, management letter and Schedule of Awards



INTRODUCTORY SECTION

- Profile of our City
- Factors Affecting Financial Condition
- Long-Term Financial Planning including completion of Eastern WW Plant, expansion of Library, Police and Fire vehicles along with economic incentives and projects within the CRA



BASIC INFORMATION FOR EACH FUND

General Fund

- This fund accounts for all financial resources of the City; normal revenues included are:
 - Property Taxes Utility Taxes Franchise Fees State Shared Revenue
 - Certain Grants Fines Forfeitures Charges for Services
 - Licenses Interest Leases Other non classified receipts

- Normal expenditures included are:
 - City Commission City Manager Finance Legal Development Services
 - Human Resources Police Fire Library Parks & Recreation
 - Public Works Non-Departmental such as Transfers, Insurance, Contingency, Projects and other Miscellaneous expenditures.

Special Revenue Funds

- Various revenue sources are used for specific spending. Those used by the City are:
 - Street Improvement Funds – to account for gas tax and includes transfers
 - Community Redevelopment Trust Fund (CRA) – to account for the incremental tax
 - Building Services Fund – to account for monies associated with building permits
 - Stormwater Utility Fund – to account for monies associated with Stormwater fees charged.

Capital Projects Fund

- The Sales Tax Revenue Fund - accounts for the 1 cent tax shared 1/3 to the County, 1/3 to the School Board and the final 1/3 shared with the cities based on population.



BASIC INFORMATION FOR EACH FUND - CONTINUED

Enterprise Funds

- These funds are treated like normal business activities. They record the assets and liabilities on the full accrual basis and include the following:
 - Water and Sewer Fund – records the operations of the main and eastern plants
 - Water and Sewer Renewal and Replacement Fund - ensures that repairs and maintenance to the system are easily identified for the bond issuers.
 - Water Impact Fund - records funds received from impact fees to be spent solely on expansion projects
 - Sewer Impact Fund - records funds received from impact fees to be spent solely on expansion projects

Trust and Agency Funds

- These are created for Specific Reasons:
 - Fire, Police, Parks & Recreation and Library Impact Funds - record the funds received from impact fees to be spent solely on expansion projects. The Library may use the monies to purchase books.
 - Cemetery Trust Fund – accumulates monies to help fund new facilities.
 - Economic Development Trust Fund – helps provide grants for improvements and assistance to trigger desirable facilities and growth of the City.
 - Police and Fire Pension Funds – actuarially established to fund the FS 175 & 185 pension plans set up by the City for retired police and fire personnel.



FINANCIAL SECTION

City of Eustis

STATEMENT OF INCOME AND EXPENDITURES/EXPENSES

SUPER SUMMARIZED

Fiscal Year End 9-30-2023

	<u>General Fund</u>	<u>Water & Sewer Funds</u>	<u>TOTAL</u>
<u>GENERAL REVENUES:</u>			
Property Taxes	\$ 9,818,398	\$ -	\$ 9,818,398
Franchise and Utility Taxes	4,776,516	-	4,776,516
State Shared Revenue	1,029,724	-	1,029,724
Other Intergovernmental Rev.	2,644,920	-	2,644,920
Charges for Services	852,215	13,100,101	13,952,316
Fines and Forfeitures	412,670		
Other Miscellaneous Rev.	1,178,976	3,980,548	5,159,524
Interest Earnings	635,797	802,520	1,438,317
Capital Grants & Contributions		3,687,593	3,687,593
Transfers-In	2,330,719	-	2,330,719
Total Revenues	23,679,935	21,570,762	44,838,027
<u>Expenditures/Expenses:</u>			
General Government	4,965,517	-	4,965,517
Public Safety	10,269,421	-	10,269,421
Physical Environment	-	10,045,180	10,045,180
Cultural and Recreation	1,927,269	-	1,927,269
Non Departmental Expenditures/Expenses	1,365,502	12,769	1,378,271
Debt Service	135,140	280,465	
Transfers-Out	1,434,837	2,317,182	3,752,019
Total Expenditures/Expenses	20,097,686	12,655,596	32,337,677
CHANGE IN NET POSITION	3,582,249	8,915,166	12,497,415
NET POSITION, BEG. OF YEAR	14,589,959	54,995,184	69,585,143
NET POSITION, END OF YEAR	\$ 18,172,208	\$ 63,910,350	\$ 82,082,558

City Commission – May 16, 2024



FINANCIAL SECTION - CONTINUED

	9/30/22	9/30/23		
	<u>General Fund</u>	<u>General Fund</u>	<u>Difference</u>	
<u>GENERAL REVENUES:</u>				
1	Property Taxes	\$ 8,951,790	\$ 9,818,398	866,608 9.68%
2	Franchise and Utility Taxes	4,346,251	4,776,516	430,265 9.90%
3	State Shared Revenue	892,585	1,029,724	137,139 15.36%
3	Other Intergovernmental Rev.	2,371,019	2,644,920	273,901 11.55%
4	Charges for Services	618,966	852,215	233,249 37.68%
5	Fines and Forfeitures	51,458	412,670	361,212 701.95%
6	Other Miscellaneous Rev.	550,738	1,178,976	628,238 114.07%
7	Interest Earnings	103,046	635,797	532,751 517.00%
8	Transfers-In	3,683,610	2,330,719	(1,352,891) -36.73%
	Total Revenues	21,569,463	23,679,935	2,110,472 9.78%
<u>Expenditures/Expenses:</u>				
9	General Government	4,422,230	4,965,517	543,287 -10.94%
9	Public Safety	8,476,713	10,269,421	1,792,708 -17.46%
9	Cultural and Recreation	1,823,596	1,927,269	103,673 -5.38%
10	Other Expenditures/Expenses	2,697,799	1,365,502	(1,332,297) 97.57%
11	Debt Service	-	135,140	135,140 -100.00%
12	Transfers-Out	1,288,300	1,434,837	146,537 -10.21%
	Total Expenditures/Expenses	18,708,638	20,097,686	1,389,048 -6.91%
	CHANGE IN NET POSITION	2,860,825	3,582,249	721,424 -20.14%
	NET POSITION, BEG. OF YEAR	11,729,134	14,589,959	
	NET POSITION, END OF YEAR	\$ 14,589,959	\$ 18,172,208	

- 1 The Values rose 8.83%
- 2 Fees vary based on Usage. With inflation and usage this appears to be a reasonable increase
- 3 Net difference in Monies received from the State is \$273,901
- 4 Increase in Recreation Fees during the year as well as SRO with School Board and County Wide Library Contributions
- 5 Collection up for the current year
- 6 Sale of Fixed Assets increase \$117,264 - Vehicles at Auction Mar. \$74,440, Feb. 19,712 and Jan. 15,549
- 7 Interest rates went naturally and we switched from Comensating Balance to paying fees and received another interest rate increase
- 8 Transfers to General Fund included a reduction since Fire Truck was previous year at \$1,358,316 .
- 9 The largest difference is the cost of the Fire Truck while other increase and decrease for assets between the two
- 10 General Fund included a reduction since Fire Truck was previous year at \$1,358,316 .
- 11 Current year has new GASB which requires software on a subscription to be capitalized.
- 12 The General Fd Increased contributions CRA \$127,668



FINANCIAL SECTION - Continued

	<u>9/30/22</u>	<u>9/30/23</u>		
	Water & Sewer	Water & Sewer		
	Funds	Funds	Difference	
<u>GENERAL REVENUES:</u>				
1	11,906,610	13,100,101	1,193,491	10.02%
2	3,359,429	8,470,661	5,111,232	152.15%
	<u>15,266,039</u>	<u>21,570,762</u>	6,304,723	41.30%
<u>Expenditures/Expenses:</u>				
	9,357,821	10,045,180	687,359	7.35%
	302,824	293,234	(9,590)	-3.17%
5	3,676,243	2,317,182	(1,359,061)	-36.97%
	<u>13,336,888</u>	<u>12,655,596</u>	(681,292)	-5.11%
	1,929,151	8,915,166	6,986,015	362.13%
	53,066,033	54,995,184		
	<u>\$ 54,995,184</u>	<u>\$ 63,910,350</u>		

1 Charges for Services is reasonable based on growth and increase in rates by 2.5%

2 During the Year an influx of revenue from the American Recover Act was recognized \$3,753,785 and previous year was \$65,647.

2a Donations from developers increased \$700,441 and impact fees

2b Interest Earning increased significantly with the rise in rates and converting from compensating balance to fee base \$704,679

5 Transfers to General Fund returned to normal Previous year ARA transferred \$1,358,316 for Fire Truck.



FINANCIAL SECTION CONTINUED

CITY OF EUSTIS, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 REMAINING GOVERNMENTAL & SPECIAL REVENUE FUNDS
 SEPTEMBER 30, 2023

	Street Improvement Fund	Community Redevelopment Trust Fund	Building Services Fund	Law Enforcement/ Education/ Enforcement Trust Funds	Stormwater Utility Fund	Sales Tax Capital Projects Fund	Other Non Major Governmental Funds	Total
Revenues								
Intergovernmental	\$ 922,995	\$ 461,736	\$ -	\$ -	\$ -	\$ 2,893,096	\$ 75,000	\$ 4,352,827
Fines and Forfeitures	-	-	1,217,074	127,416	-	-	-	1,344,490
Charges for Services	-	-	-	-	874,322	-	-	874,322
Permits and Fees	-	-	-	-	-	-	184,945	184,945
Miscellaneous	146,422	85,380	39,181	2,921	17,870	74,847	99,480	466,101
Total Revenues	1,069,417	547,116	1,256,255	130,337	892,192	2,967,943	359,425	7,222,685
Expenditures								
Current:								
General Government	-	588,001	-	-	-	586,329	-	1,174,330
Public Safety	-	-	630,829	109,471	-	594,274	155,350	1,489,924
Physical Environment	-	-	-	-	552,477	218,157	-	770,634
Transportation	1,695,877	-	-	-	-	725,874	-	2,421,751
Culture and Recreation	-	-	-	-	-	178,916	15,777	194,693
(Total Expenditures)	(1,695,877)	(588,001)	(630,829)	(109,471)	(552,477)	(2,303,550)	(171,127)	(6,051,332)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(626,460)	(40,885)	625,426	20,866	339,715	664,393	188,298	1,171,353
Other Financing Sources (Uses)								
Operating Transfers from Other Funds	1,055,000	610,882	-	-	-	-	28,955	1,694,837
Operating Transfers to Other Funds	-	-	-	-	(260,000)	-	(13,537)	(273,537)
Total Other Financing Sources (Uses)	1,055,000	610,882	-	-	(260,000)	-	15,418	1,421,300
Net Change in Fund Balances	428,540	569,997	625,426	20,866	79,715	664,393	203,716	2,592,653
Fund Balances, Beginning of Year	851,891	2,354,994	1,101,104	94,747	720,321	2,519,617	1,266,043	8,908,717
Fund Balances, End of Year	\$ 1,280,431	\$ 2,924,991	\$ 1,726,530	\$ 115,613	\$ 800,036	\$ 3,184,010	\$ 1,469,759	\$ 11,501,370

City Commission – May 16, 2024



FINANCIAL SECTION DEBT

City of Eustis
Outstanding Debt
September 30, 2023

Debt	Beginning Balance			Ending Balance	Due Within
	9/30/2022	Increases	Decreases		
<u>Water and Sewer Funds</u>					
Bonds					
Revenue Bonds, Series 2016	5,950,000	-	(330,000)	5,620,000	340,000
Unamortized Bond Premium	391,004	-	(21,686)	369,318	22,343
	<u>6,341,004</u>	<u>-</u>	<u>(351,686)</u>	<u>5,989,318</u>	<u>362,343</u>
Notes Payable					
State Revolving Note	2,759,425	-	(244,757)	2,514,668	247,963
State Revolving Note	161,407	-	(14,410)	146,997	14,770
	<u>2,920,832</u>	<u>-</u>	<u>(259,167)</u>	<u>2,661,665</u>	<u>262,733</u>
Total Water & Sewer Fund	\$ 9,261,836	\$ -	\$ (610,853)	\$ 8,650,983	\$ 625,076
<u>General Government</u>					
<u>Notes Payable</u>					
Note Payable - 2018	\$ 160,000	\$ -	\$ (160,000)	\$ -	\$ -
Note Payable - CRA - 2020	2,772,346	-	(118,884)	2,653,462	123,549
Total General Fund	<u>\$ 2,932,346</u>	<u>\$ -</u>	<u>\$ (278,884)</u>	<u>\$ 2,653,462</u>	<u>\$ 123,549</u>
Total City-Wide	<u>\$ 12,194,182</u>	<u>\$ -</u>	<u>\$ (889,737)</u>	<u>\$ 11,304,445</u>	<u>\$ 748,625</u>



QUESTIONS?

The final audit is currently being reviewed by the auditors. The Commission will be notified if there are any material changes to the report. Upon completion of the auditor's certification of the City's Annual Comprehensive Financial Report for 9-30-23, Finance will submit the report to all required agencies. Hard copies will be provide to all commissioners.

