

DUNEDIN

Home of Honeymoon Island



**City of Dunedin, Florida
Fiscal Year Ended
September 30, 2022**

Annual Comprehensive Financial Report

'Dedicated to Quality Service'

CITY OF DUNEDIN, FLORIDA

Annual Comprehensive Financial Report For the Fiscal Year Ended September 30, 2022

CITY COMMISSION

JULIE WARD BUJALSKI
Mayor

DEBORAH KYNES
Vice Mayor

JEFF GOW
Commissioner

JOHN TORNGA
Commissioner

MAUREEN "MOE" FREANEY
Commissioner

CITY MANAGER

JENNIFER K. BRAMLEY

DIRECTOR OF FINANCE

LES TYLER

PREPARED BY: CITY OF DUNEDIN FINANCE DEPARTMENT

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

City of Dunedin, Florida
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2022

TABLE OF CONTENTS

INTRODUCTORY SECTION:

Letter of Transmittal.....	1
Organizational Chart.....	5
GFOA Certificate of Achievement.....	6

FINANCIAL SECTION:

Independent Auditors’ Report.....	9
Management’s Discussion and Analysis.....	13

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position	31
Statement of Activities	32

Fund Financial Statements:

Balance Sheet - Governmental Funds	34
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	36
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	38
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	40
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund.....	41
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – Community Redevelopment Agency Fund.....	42
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – Penny Fund.....	43
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – American Rescue Plan Act Fund.....	44
Statement of Fund Net Position - Proprietary Funds	46
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	50
Statement of Cash Flows - Proprietary Funds	52
Statement of Fiduciary Net Position - Fiduciary Funds	54
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	55

Notes to the Financial Statements	57
---	----

Required Supplementary Information:

Florida Retirement System Defined Benefit Pension Plan	116
Municipal Firefighters’ Pension Trust Fund.....	118
Other Post Employment Benefits.....	123

City of Dunedin, Florida
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2022

TABLE OF CONTENTS

Combining and Other Supplementary Information and Schedules:

Schedule of Expenditure Detail – Budget and Actual – General Fund	125
Combining Balance Sheet - Nonmajor Governmental Funds.....	130
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	132
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - Nonmajor Governmental Funds:	
Public Art Fund	134
Impact Fee Fund	135
Building Fund	136
County Gas Tax Fund	137
Stadium Fund	138
Combining Statement of Net Position - Internal Service Funds	139
Combining Statement of Revenues, Expenses, and Changes in Net Position - Internal Service Funds	140
Combining Statement of Cash Flows - Internal Service Funds	141

STATISTICAL SECTION:

Financial Trends:

Net Position by Component	144
Changes in Net Position.....	146
General Governmental Tax Revenues by Source - Last Ten Fiscal Years	148
Fund Balances – Governmental Funds – Last Ten Fiscal Years.....	150
Change in Fund Balances – Governmental Funds - Last Ten Fiscal Years	152
General Governmental Expenditures and Transfers by Function - Last Ten Fiscal Years	154

Revenue Capacity:

Taxable Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years.....	158
Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years.....	160
Principal Property Taxpayers – Current Year and Ten Years Ago.....	161
Property Tax Levies and Collections – Last Ten Fiscal Years	162

Debt Capacity:

Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	164
Direct and Overlapping Governmental Activities Debt	165
Revenue Bond Coverage – Water and Sewer Revenue Bonds – Last Ten Fiscal Years	166
Revenue Bond Coverage – Stormwater Revenue Bonds	167
Schedule of Debt Service Ratio	168
Schedule of Total Annual General Government Debt Service – Last Two Fiscal Years plus Next Year.....	169

Demographic and Economic Information:

Demographic and Economic Statistics – Last Ten Fiscal Years.....	172
--	-----

City of Dunedin, Florida
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2022

TABLE OF CONTENTS

Principal Employers – Current Year and Ten Years Ago	173
Operating Information:	
Full-Time Equivalent City Government Employees	176
Operating Indicators by Function	178
Capital Asset and Facility Statistics by Function	180
COMPLIANCE SECTION:	
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Finance Statements Performed in Accordance with Government Auditing Standards	183
Independent Auditor’s Report on Compliance for each Major Federal Program and Major State Project and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance in Accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General	185
Schedule of Expenditures of Federal Awards and State Financial Assistance	188
Schedule of Findings and Questioned Costs	189
Independent Accountant’s Report	191
Independent Auditor’s Management Letter	192

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

INTRODUCTORY SECTION

April 4, 2023

Honorable Mayor, Members of the City Commission
and Citizens of the City of Dunedin, Florida

Mayor, Commissioners, and Citizens:

We hereby issue the Annual Comprehensive Financial Report (ACFR) of the City of Dunedin, Florida (the “City”) for the fiscal year ended September 30, 2022. This report fulfills the requirements set forth in Florida Statutes Chapter 218.39 and Rules of the Auditor General of the State of Florida, Chapter 10.550. This report presents a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP), and audited in accordance with Generally Accepted Auditing Standards by a firm of licensed certified public accountants.

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

The City’s financial statements have been audited in accordance with Generally Accepted Auditing Standards by MSL, P.A. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for fiscal year ended September 30, 2022 are free of material misstatement. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on the City of Dunedin’s financial statements for the year ended September 30, 2022. The independent auditor’s report is located at the front of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City’s MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City, incorporated in June 1899, is located in the western part of the state, bordering the north side of Clearwater, Florida. The City currently occupies a land area of 10 square miles and serves a population of approximately 36,817. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by State statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City operates under the Commission-Manager form of government. Policy-making and legislative authority are vested in a governing body consisting of the Mayor and four Commissioners. The City Commission is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Clerk, City Attorney and the independent auditor. The City Manager is responsible for carrying out the policies and ordinances of the City Commission, overseeing the day-to-day operations of the government, and appointing the heads of the various departments. The City Commission is elected on a non-partisan basis. Commission members, to include the Mayor, serve four-year staggered terms. The Mayor and the City Commission members are elected at large.

The City provides a full range of services, including fire protection and contracted law enforcement; the construction and maintenance of highways, streets, and other infrastructure; library; parks and recreation; marina; golf course, spring training facilities (for the Toronto Blue Jays); water and sewer; reclaimed water; and solid waste. The City also has a Community Redevelopment Agency which is reported within the City's financial statements. Although a legally separate entity, because of their close relationship with the City, the CRA is reported as though they are part of the City (i.e. a blended presentation). Information on this entity can be found under the Reporting Entity section of the Notes to the Financial Statements, on page 57.

The City Commission is required to hold two (2) public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City's fiscal year. The annual budget serves as the foundation for the City's financial planning and control. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., fire). All of the City's governmental funds are annually appropriated. Department Heads may make transfers of appropriations within a department and fund. Transfers of appropriations between funds, however, require the approval of the City Commission. Budget-to-Actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general, stadium, penny and ARPA funds, these comparisons are presented on pages 41 - 44 as part of the basic financial statements. For other governmental funds with appropriated annual budgets, the comparisons are presented on pages 134 - 138.

Local Economy

Dunedin is a city located to the north and west of Tampa, Florida and directly to the north of Clearwater, Florida. The city mainly consists of residential land use (56 percent), with industrial and commercial land uses comprising only 6 percent of the City's land area. The economy of Dunedin is primarily dependent upon tourism, services and retirement living. Major employers include the Pinellas County School System, Mease Dunedin Hospital (a medical complex), Publix Supermarkets, the City of Dunedin, Bay Care Home Care, and Coca-Cola North America. The service industry (banking, retailing, personal services, etc.) has risen significantly to meet the demands of the area's population. Some local demographic data is presented below.

As of September 2022, the City's unemployment was at 2.3 percent and total population at 36,817. The median age was 56.7 years of age and median household income was \$53,534, based on the most recent census data. Approximately 35.8 percent of Dunedin's residents were of retirement age (65 and over) in 2022. The local economy is also influenced during the winter months by a seasonal population of approximately 4,000 people.

Dunedin attractions include: Caladesi Island and Honeymoon Island State Parks located on coastal waters on St. Joseph Sound located within Dunedin's city limits; the Pinellas County Trail; and the newly renovated Spring Training Facility for the Toronto Blue Jays, a major league baseball team. Dunedin has a very low vacancy rate for office and commercial buildings; comparatively few vacant or foreclosed homes; and many events and activities in the City that keep it vibrant and fun year-round. Dunedin remains a choice area in which to reside.

The City has experienced nine consecutive years of increases in taxable property values. In the two most recent years, total taxable assessed value increased year over year by 8.3% and 8.4% in FY 2021 (2020 taxable value) and FY 2022 (2021 taxable value), respectively. Ad valorem taxes collected also increased year over year by \$1.0 million or 8.0% in fiscal year 2021; and \$1.1 million or 8.7% in fiscal year 2022. The increase in property tax revenue is due to higher property values. Property taxes were 34.3% of the general fund revenues in fiscal year 2022.

The general fund's main revenue sources include property tax, utility taxes, state revenue sharing and half cent sales taxes. In fiscal year 2022 utility taxes represent 14.1% of the general fund's revenue. Utility taxes have been relatively consistent over the past several years. State revenue sharing and half cent sales taxes combined increased by \$0.6 million in FY 2022, and together make up 13.2% of general fund revenue. Infrastructure sales tax revenues in the penny fund increased from \$4.6 million in fiscal year 2021 to \$5.3 million in fiscal year 2022, an increase of 16.0%. This revenue source represents approximately 11.2% of the Governmental Activities revenue. During fiscal year 2022, the City received \$18.3 million in grant funds from the United States Treasury Department pursuant to the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, to support response to and recovery from the Covid-19 public health emergency. An amount of \$3.4 million was applied to eligible expenditures during the fiscal year, with the balance to be used towards future programs and initiatives.

As a result of its strong local economy, sound fiscal policies, strong management, and strong budget flexibility and liquidity the City of Dunedin's S&P Global Rating remains at AA+.

Long-term Financial Planning and Major Initiatives

The City prepares an annual Business Plan which includes initiatives and a six-year Capital Improvements Program (CIP) that includes a long range financial plan (LRFP) for all Funds. The City Manager proposes the Business Plan to the City Commission annually and the City Commission approves the final Business Plan during the annual budget process. The Business Plan is an integral part of the City's planning and budget development process, but does not appropriate funds. The Business Plan provides information to assess the City's long term financial condition in comparison to the short term focus of the annual operating budget and ACFR. Projections are updated and the first year's initiatives and capital projects are incorporated into the next operating budget. The LRFP projects the City's major revenues, operating expenditures, fund balance and capital projects over a rolling six year period.

The City's responsible fiscal policies have placed the City in a stronger financial condition which is illustrated by the general fund's unassigned fund balance. At year end, that balance was \$9.0 million or 65.8% of fund balance, and 24.9% of the fiscal year 2022 adopted general fund operating budget. The goal for unassigned fund balance at year end is 15.0% of the current year's adopted operating expenditure budget.

Acknowledgements

Preparation of the ACFR and completion of the audit was made possible by the dedicated efforts of staff of the Finance Department. The City's Auditors, MSL, P.A. are commended for their professionalism in conducting the audit. MSL's expertise added credibility to contents found within this ACFR. Last, but certainly

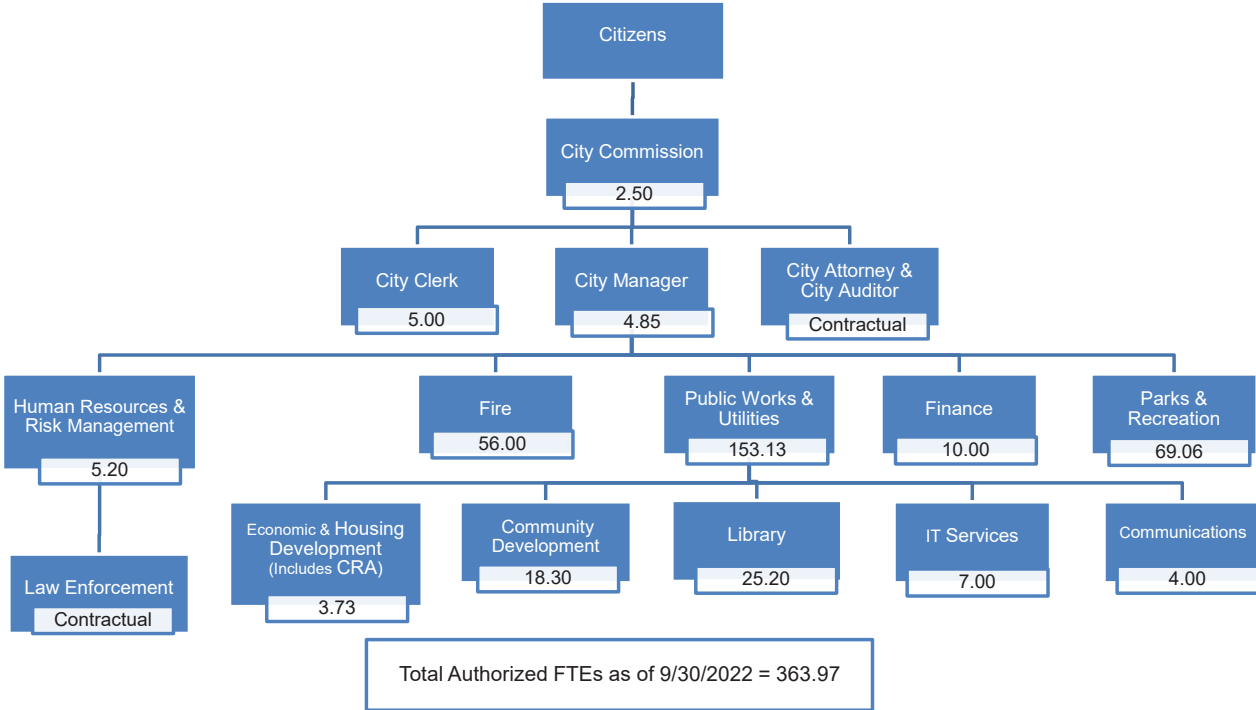
not least, we would also like to express our appreciation to the Mayor and the City Commission for their support. With their continued leadership, the City can look forward to a secure financial future.

Respectfully submitted,


Jennifer Bramley
City Manager


Les Tyler
Director of Finance

Authorized FY 2022 Organization Chart with Full Time Equivalents (FTEs)



City of Dunedin, Florida
Certificate of Achievement

For the year ended September 30, 2021

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Dunedin, Florida, for its annual comprehensive financial report for the fiscal year ended September 30, 2021.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Dunedin
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morill

Executive Director/CEO

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

FINANCIAL SECTION



Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the City Commission
City of Dunedin, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Dunedin, Florida (the City) as of and for the fiscal year ended September 30, 2022, 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, based on our audit and the report of the other auditors, 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, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and each major special revenue fund thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the City's Municipal Firefighters' Pension Trust Fund which represents 100% of the assets and net position of the fiduciary fund. Those financial statements were audited by other auditors, whose report thereon has been furnished to us and our opinion, insofar as it relates to the amounts included for the aforementioned fiduciary fund, is based solely on the report of the other auditors.

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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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.

Honorable Mayor and
Members of the City Commission
City of Dunedin, Florida

INDEPENDENT AUDITOR'S REPORT *(Continued)*

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Emphasis-of-Matter

As discussed in Note 1.F to the financial statements, in the fiscal year ended September 30, 2022, the City adopted the provisions of Government Accounting Standards Board Statement ("GASBS") Number 87, *Leases*. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information (other than MD&A), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Honorable Mayor and
Members of the City Commission
City of Dunedin, Florida

INDEPENDENT AUDITOR'S REPORT
(Concluded)

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 as a whole. The combining and individual fund statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2023, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
April 4, 2023

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

As management of the City of Dunedin, Florida (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our letter of transmittal, the basic financial statements, and the accompanying notes to the financial statements, which are included in this report.

Financial Highlights

- The City's net position (assets and deferred outflows over liabilities and deferred inflows) is \$247.9 million at the close of fiscal year 2022, an increase of \$9.4 million, or 4.0% over the net position at the prior fiscal year end. This change in net position consisted of an increase to governmental activities of \$7.2 million, and to business-type activities of \$2.2 million over prior fiscal year end.
 - Of this net position amount, \$175.5 million (70.8%) is net investment in capital assets and \$22.0 million (8.9%) is restricted. The remaining \$50.4 million (20.3%) represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens, creditors and other agencies.
 - General revenues total \$32.4 million or 40.8% of all revenues. Program-specific revenue in the form of charges for services, operating grants and contributions, and capital grants and contributions total \$47.0 million or 59.2% of all revenues.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$34.1 million, a decrease of \$9.0 million (21.0%) in comparison with the prior year combined ending fund balances. Unassigned fund balance was \$9.0 million, and therefore available for spending at the City's discretion. The remainder is nonspendable, restricted, committed, or assigned for contracts, programs, or debt.
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$11.7 million, or approximately 34.8% of total general fund expenditures including transfers out.
- The City's total outstanding debt obligations increased by \$1.1 million during the current fiscal year. Governmental activities debt increased by a net \$1.4 million primarily as a result of new debt being issued in the amount of \$4.1 million to fund the purchase of real property to be used as a public parking lot. Reduction in debt outstanding of \$2.7 million was the result of scheduled debt service payments on outstanding obligations. Debt obligations for business-type activities decreased by \$0.3 million, primarily attributable to payment of scheduled debt service on outstanding bonds, notes and financed lease purchases (\$1.8 million), offset by increases to the funding provided under the State Revolving Fund loan program towards the construction and refurbishment of the Water Treatment Plant (\$1.5 million). These changes are illustrated in the "Outstanding Debt" table and in the notes to the financial statements (see Note 4.B., Long-Term Obligations).
- As a result of implementing GASB Statement No. 87 (Leases) during fiscal year 2022, a liability for leases payable was recognized in the amount of \$2.7 million at September 30, 2022.

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

Overview of the Financial Statements

This discussion and analysis serves as an introduction to the City's basic financial statements. The City's statements consist of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows during future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

The government-wide financial statements include not only the City of Dunedin itself, but also the Community Redevelopment Agency (CRA). Although the CRA is legally separate, it is financially accountable to the City. The City Commission serves as the governing body for the CRA.

The government-wide financial statements can be found on pages 31 - 33 of this report.

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

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Community Redevelopment Agency Fund, the Penny Fund, and the American Rescue Plan Act Fund, all of which are considered major funds. Data from the other five governmental funds are combined into a single, aggregated presentation. The nonmajor government funds are the Public Art Fund, Impact Fee Fund, Building Fund, County Gas Tax Fund, and Stadium Fund. Individual fund data for each of these non-major governmental funds is provided in the combining and individual fund statements and schedules section of this report.

The City adopts an annual appropriated budget for its governmental funds and prepares budgetary comparison statements to demonstrate compliance.

The basic governmental fund financial statements can be found on pages 34 - 44 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its solid waste, water and wastewater utility, stormwater utility, and marina operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for vehicle maintenance, building maintenance, self-insurance functions, and information technology services. All four services have been allocated between governmental and business-type activities based on contribution rates within the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information on each enterprise activity, all of which are considered to be major funds of the City. Conversely, the four internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The basic proprietary fund financial statements can be found on pages 46 - 52 of this report.

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reported in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary fund financial statements can be found on pages 54 - 55 of this report.

Notes to the financial statements. The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are found on pages 57 - 113 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension and other postemployment benefits (OPEB) to its employees. Required supplementary information regarding pension and OPEB funding can be found on pages 116 - 123 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions and OPEB. Combining statements and other supplementary information schedules can be found on pages 125 - 141 of this report.

Government-wide Financial Analysis

As noted earlier, net position, over time may serve as a useful indicator of a government's financial health. In the case of the City of Dunedin, assets and deferred outflows of \$403.2 million exceeded liabilities and deferred inflows of \$155.3 million by \$247.9 million as of September 30, 2022.

As illustrated in the table on the next page, the largest portion of the City's net position (70.8%) reflects its net investment in capital and right to use leased assets (i.e., land, buildings, infrastructure, improvements other than buildings, and machinery and equipment). The City uses these assets to provide a variety of services to its residents. Accordingly, these assets are not available for future spending. Although the City's investment in capital and right to use leased assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the City's net position represents resources that are subject to external restrictions on how they may be used, e.g., for debt and capital improvements. Restricted net position increased \$4.9 million during the year, from \$17.1 million to \$22.0 million.

The remaining balance represents the City's unrestricted net position. As of September 30, 2022, the City's unrestricted net position was \$50.4 million, an increase of \$7.0 million from the prior fiscal year-end. The unrestricted portion of net position is used to meet the City's ongoing obligations to citizens and creditors.

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

City of Dunedin, Florida						
Net Position						
September 30						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 68,144,995	\$ 54,720,018	\$ 45,952,631	\$ 40,210,906	\$ 114,097,626	\$ 94,930,924
Capital assets	207,077,118	191,712,304	76,097,494	77,172,728	283,174,612	268,885,032
Right to use leased assets	2,667,359	-	21,527	-	2,688,886	-
Total assets	277,889,472	246,432,322	122,071,652	117,383,634	399,961,124	363,815,956
Deferred outflow of resources	2,814,361	2,356,564	414,741	441,239	3,229,102	2,797,803
Current liabilities	21,839,264	5,211,748	5,757,165	4,063,978	27,596,428	9,275,726
Long-term liabilities outstanding:						
Due within one year	6,672,512	4,281,568	2,842,008	2,681,786	9,514,520	6,963,354
Due in more than one year	57,307,066	55,736,608	47,847,040	48,328,917	105,154,106	104,065,525
OPEB liability	1,134,938	1,251,270	582,155	641,527	1,717,093	1,892,797
Net pension liability	1,217,454	752,770	1,212,868	753,604	2,430,322	1,506,374
Total liabilities	88,171,234	67,233,964	58,241,236	56,469,812	146,412,470	123,703,776
Deferred inflow of resources	7,137,162	3,341,822	1,783,871	1,140,633	8,921,033	4,482,455
Net position:						
Net investment in capital assets	149,064,004	150,762,773	26,395,199	27,212,411	175,459,203	177,975,184
Restricted	19,964,545	17,101,159	2,066,172	-	22,030,717	17,101,159
Unrestricted	16,366,888	10,349,168	33,999,915	33,002,017	50,366,803	43,351,185
Total net position	\$ 185,395,437	\$ 178,213,100	\$ 62,461,286	\$ 60,214,428	\$ 247,856,723	\$ 238,427,528

Governmental activities. The manner in which the City's net position changed during the most recent fiscal year is reflected in the statement of activities, a summary of which is shown in the table on the next page. This statement divides the activities between governmental activities and business-type activities. Governmental activities increased the City's net position by \$7.0 million before transfers. Key elements of this change are as follows:

- Revenues were down in fiscal year 2022 by \$ 4.8 million, or 9.3%, totaling \$47.5 million compared to the prior year's total of \$52.3 million. Capital grants and contributions decreased by \$10.7 million, primarily due to \$6.0 million less funding received from the Toronto Blue Jays Club in FY 2022 compared to FY 2021 towards the construction of the spring training facility. Additionally, \$4.5 million in privately-donated funds were received during FY 2021 towards the purchase of environmentally sensitive land, which was a non-recurring transaction. An investment loss of \$0.3 million was recognized as a result of fair value of securities held in the City's investment pool declining at September 30, 2022 compared to market.
- Partially offsetting these decreases, property tax revenue increased \$1.1 million, or 8.7% from fiscal year 2021 as a result of increased property values. Operating grant revenue increased from \$1.1 million to \$4.5 million between FY 2021 and FY 2022, or \$3.4 million as a result of the receipt and use of funding under the Coronavirus State and Local Fiscal Recovery (SLFRF) program in response to the Covid-19 public health emergency. Intergovernmental revenue was up by \$1.4 million in FY 2022

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

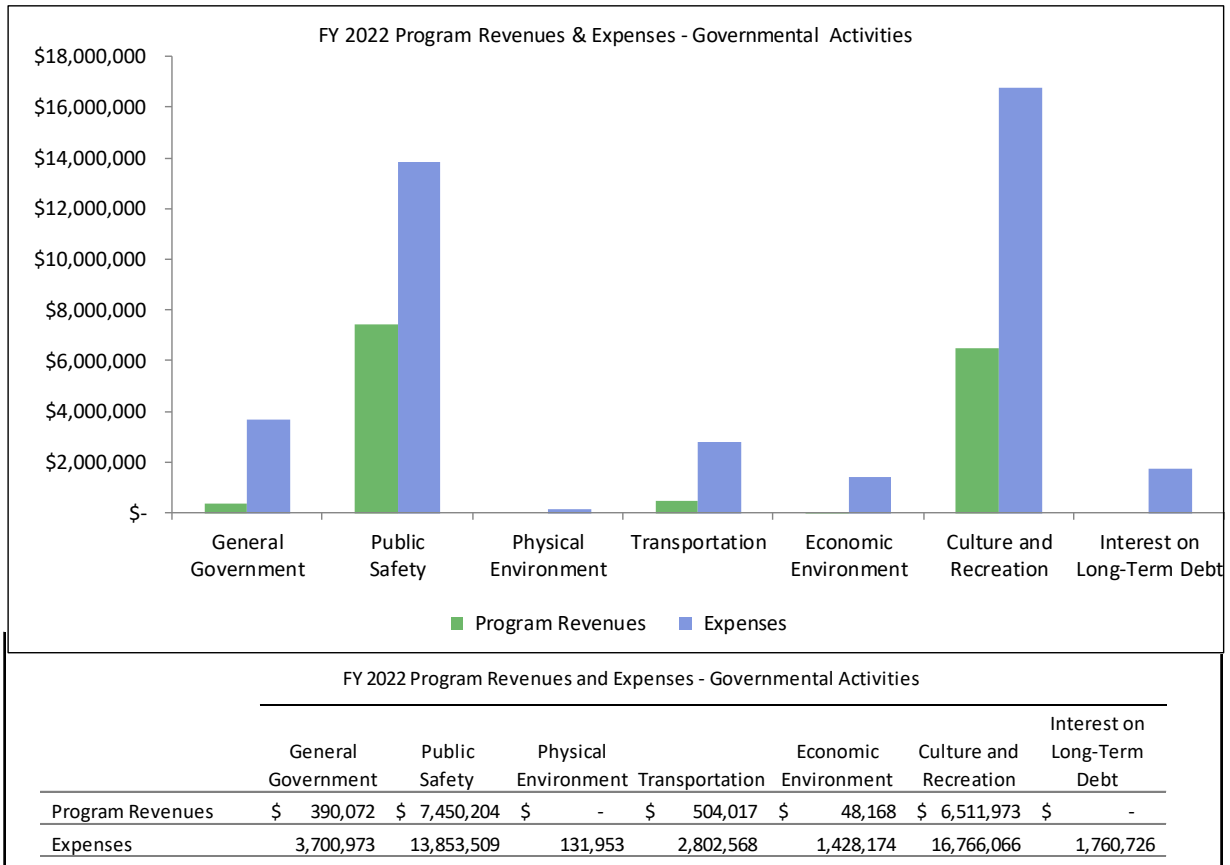
compared to the prior fiscal year, with increases in revenues recognized for infrastructure (penny) taxes (\$0.7 million), half-cent sales taxes (\$0.3 million), franchise fees for electric and gas (\$0.2 million), and state revenue sharing (\$0.3 million).

- Total expenses incurred in FY 2022 amounted to \$40.4 million; up \$4.9 million, or 13.9% from the \$35.5 million in FY 2021. Most City programs saw increases in expenses during the current fiscal year, with the most significant increases occurring in general government (\$0.4 million), economic environment (\$0.4 million), and culture and recreation (\$3.9 million).
 - Expenses for general government activities increased primarily as a result of \$0.2 million in additional charges to the general fund, over and above the prior year allocation, for funding the self insurance internal service fund based on anticipated claims history and the annual actuarial valuation study. In addition, \$0.2 million was charged to the American Rescue Plan Act fund for expenditures eligible for funding from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) grant program, which were initially received during fiscal year 2022.
 - Increases in expenses under the economic environment program were primarily a result of \$0.4 million in funds being provided to the Florida Department of Transportation during FY 2022 to perform all design and survey work activities relative to the Complete Streets Urban Corridor Improvement project (Skinner Boulevard).
 - Culture and recreation program expenses increased approximately \$3.9 million between the two fiscal years primarily as a result of a non-recurring full accrual accounting entry made in fiscal year 2021. During FY21 the City accepted donations from a private party to assist in funding the acquisition of environmentally sensitive lands, which required an accounting adjustment to credit capital outlay expenses during the year; an entry that would have been non-recurring during current fiscal year 2022.

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

City of Dunedin, Florida						
Changes in Net Position						
For the Year Ended September 30, 2022						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues						
Charges for services	\$ 8,237,267	\$ 8,370,251	\$ 31,899,101	\$ 29,895,187	\$ 40,136,368	\$ 38,265,438
Operating grants and contributions	4,457,483	1,077,753	-	32,143	4,457,483	1,109,896
Capital grants and contributions	2,209,684	12,898,687	160,767	103,315	2,370,451	13,002,002
General revenues:						
Property taxes	14,075,732	12,949,749	-	-	14,075,732	12,949,749
Utility services taxes	5,156,802	4,885,454	-	-	5,156,802	4,885,454
Franchise fees	3,005,162	2,758,247	-	-	3,005,162	2,758,247
Intergovernmental revenues	10,169,480	8,810,096	-	-	10,169,480	8,810,096
Other taxes	382,990	366,324	-	-	382,990	366,324
Other	(227,894)	188,520	(133,319)	203,707	(361,213)	392,227
Total Revenues	<u>47,466,706</u>	<u>52,305,081</u>	<u>31,926,549</u>	<u>30,234,352</u>	<u>79,393,255</u>	<u>82,539,433</u>
Expenses:						
General government	3,700,973	3,280,069	-	-	3,700,973	3,280,069
Public safety	13,853,509	14,077,677	-	-	13,853,509	14,077,677
Physical environment	131,953	-	-	-	131,953	-
Transportation	2,802,568	2,711,008	-	-	2,802,568	2,711,008
Economic environment	1,428,174	1,003,893	-	-	1,428,174	1,003,893
Culture and recreation	16,766,066	12,867,858	-	-	16,766,066	12,867,858
Interest on long-term debt	1,760,726	1,553,544	-	-	1,760,726	1,553,544
Solid waste	-	-	5,863,406	5,704,237	5,863,406	5,704,237
Water/Sewer utility	-	-	18,893,008	19,075,129	18,893,008	19,075,129
Stormwater utility	-	-	4,234,272	4,833,215	4,234,272	4,833,215
Marina	-	-	529,405	539,996	529,405	539,996
Total Expenses	<u>40,443,969</u>	<u>35,494,049</u>	<u>29,520,091</u>	<u>30,152,577</u>	<u>69,964,060</u>	<u>65,646,626</u>
Increase (decrease) in net position before transfers	7,022,737	16,811,032	2,406,458	81,775	9,429,195	16,892,807
Transfers	159,600	-	(159,600)	-	-	-
Increase (decrease) in net position after transfers	<u>7,182,337</u>	<u>16,811,032</u>	<u>2,246,858</u>	<u>81,775</u>	<u>9,429,195</u>	<u>16,892,807</u>
Net position-beginning	<u>178,213,100</u>	<u>161,402,068</u>	<u>60,214,428</u>	<u>60,132,653</u>	<u>238,427,528</u>	<u>221,534,721</u>
Net position-ending	<u>\$ 185,395,437</u>	<u>\$ 178,213,100</u>	<u>\$ 62,461,286</u>	<u>\$ 60,214,428</u>	<u>\$ 247,856,723</u>	<u>\$ 238,427,528</u>

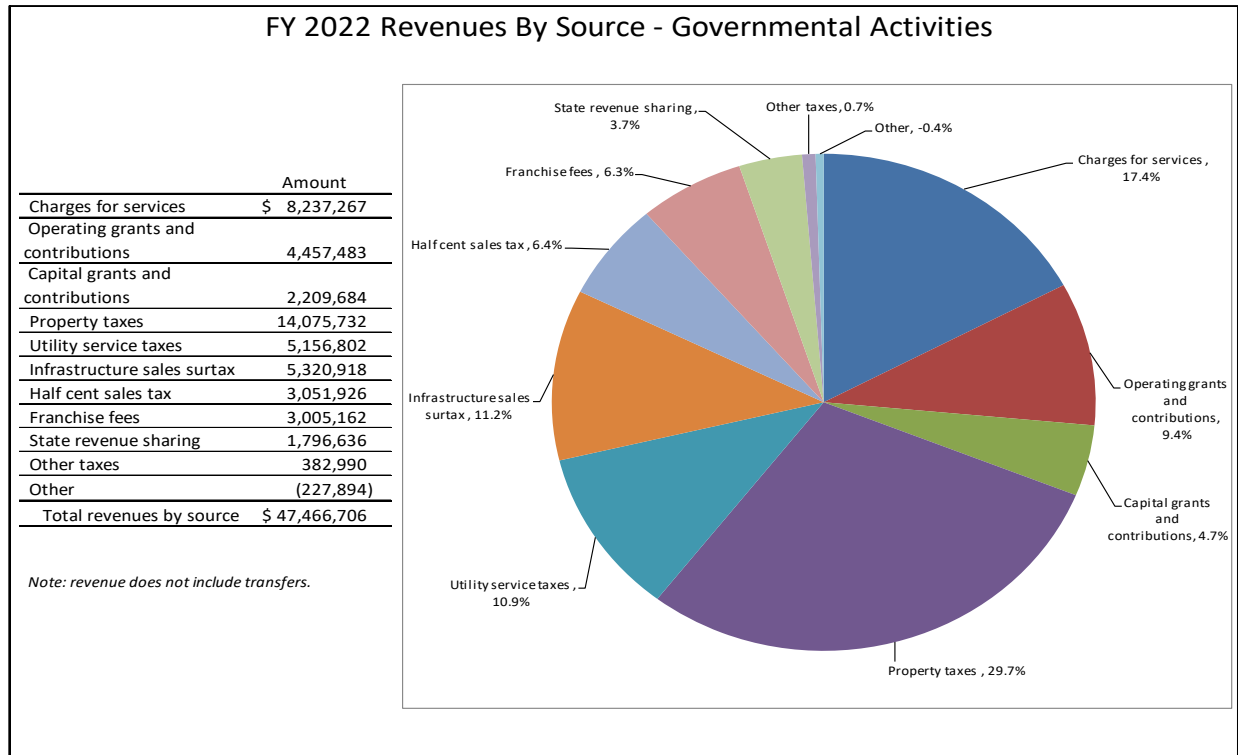
CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022



As the bar chart above illustrates, governmental activities typically do not pay for themselves. For example, public safety expenses exceed program revenues by \$6.4 million and culture and recreation expenses exceed program revenues by \$10.3 million.

The pie chart on the next page shows that overall, 31.5% of offsetting revenues for governmental activity expenses come from specific charges for services (17.4%) and grants (14.1%). The remaining 68.5% of revenue supporting governmental activities comes from property taxes (29.7%), utility service taxes (10.9%), infrastructure surtax (11.2%), and other taxes, fees and revenue sharing (16.7%).

**CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**



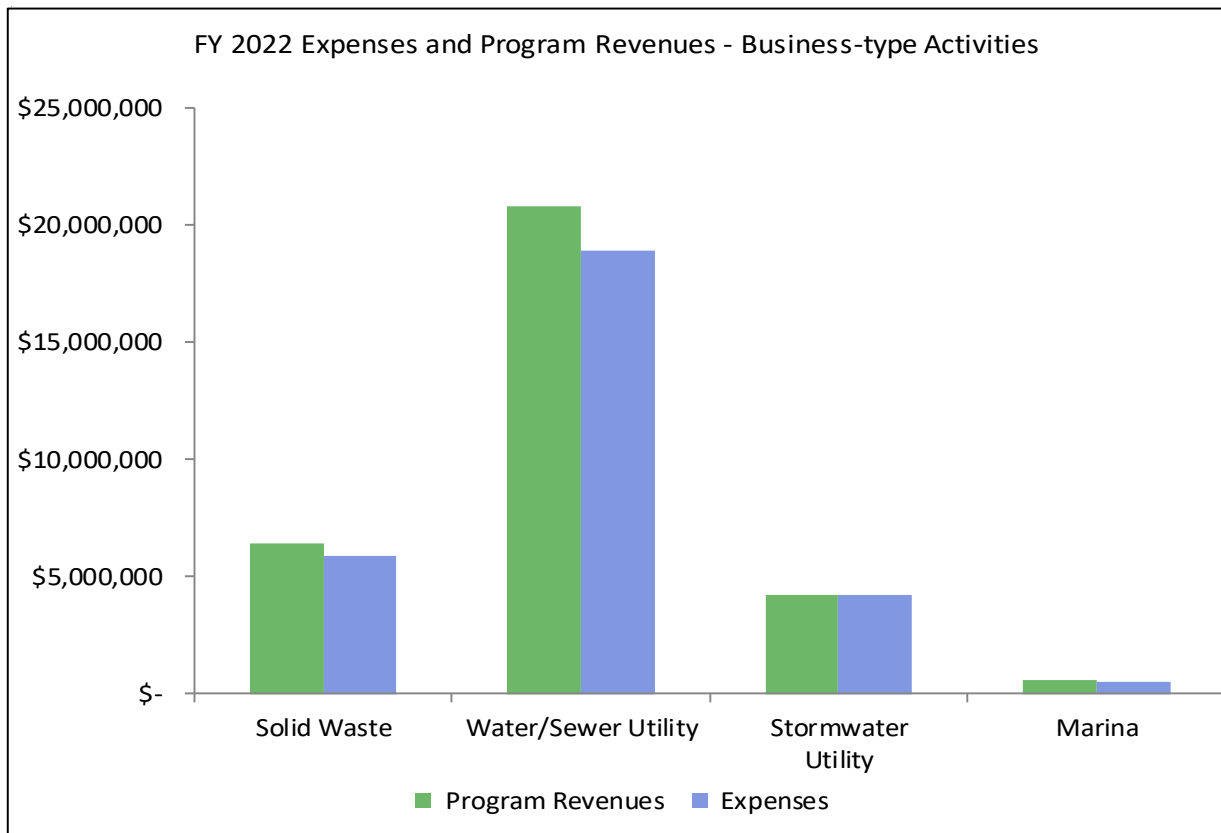
Business-type activities. Business-type activities increased the City's net position in FY 2022 by \$2.4 million before transfers. Key elements of this increase are as follows:

- Charges for services revenues recognized in fiscal year 2022 for business-type activities increased by \$2.0 million, or 6.7% from prior fiscal year 2021.
 - Solid Waste utility charges for services revenue increased from \$6.1 million to \$6.3 million, or 3.4% between FY 2021 and FY 2022. Effective October 1, 2021, solid waste rates for residential and non-residential customers increased by 2.0% over the prior year's rate, which accounts for the majority of the dollar increase in revenue.
 - Water and Sewer utility charges for services revenue was up \$1.5 million or 8.0%, from \$18.9 million to \$20.4 million, in line with the 6.0% average rate increase which went into effect October 1, 2021 for water/sewer unit charges and use fees.
 - Stormwater charges for services rose to \$4.2 million in fiscal year 2022, an increase of \$0.2 million, or 6.1% over the \$4.0 million realized in prior fiscal year 2021. Per City ordinance, stormwater utility rates increased from the prior year by 1.5% effective October 1, 2021, accounting for a portion of the additional charges for services revenue in FY 2022. In addition, as a result of the timing of billing cycles between the two years, approximately eight (8) additional days of charges (revenue) were accrued to fiscal year 2022 in comparison to the prior fiscal year, accounting for the majority of the remaining increase in stormwater charges for services revenue from FY 2021 to FY 2022.

CITY OF DUNEDIN, FLORIDA
MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

- Total expenses, excluding transfers-out for business-type activities decreased by \$1.0 million in fiscal year 2022, or 3.3% from the prior fiscal year 2021. Expenses between the two fiscal years for the solid waste and water/sewer utilities were relatively stable, as were expenses for the marina enterprise fund. The stormwater utility fund, however, saw a reduction in expenses from \$4.8 million to \$3.9 million, a decrease of \$0.9 million, or 18.8% between the two fiscal years. The primary contributing factor to the significant reduction in expense was \$0.8 million in costs incurred during fiscal year 2021 towards the upgrade of the storm drain system, a non-recurring expense in fiscal year 2022.

Unlike governmental activities, business-type activities are typically able to pay for themselves through specific user charges and other revenue sources. The bar chart below illustrates this case for the City’s solid waste, water/sewer utility, stormwater utility, and marina funds, each of which generated revenues sufficient to cover operational expenses during current fiscal year 2022.



	Solid Waste	Water/Sewer Utility	Stormwater Utility	Marina
Program Revenues	\$ 6,443,276	\$ 20,788,093	\$ 4,236,395	\$ 592,104
Expenses	5,863,406	18,893,008	4,234,272	529,405

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

Fund Level Financial Analysis

Governmental funds. As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The general fund, stadium fund, penny sales tax fund, ARPA fund, and a variety of special revenue funds are recorded in the *governmental funds*. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$34.1 million, a decrease of \$9.0 million in comparison with the prior fiscal year. Approximately 26.5% of this amount (\$9.0 million) constitutes unassigned fund balance, which is available for spending. The remainder of the fund balance is either *nonspendable, restricted, committed, or assigned*, to indicate that it is: not in spendable form (\$1.6 million), legally restricted for specific purposes by entities outside the City's control (\$20.8 million), committed for particular purposes (\$1.1 million), or assigned for particular purposes (\$1.6 million). For additional information, see Note 6 – Fund Balance Reporting.

As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 27.1% of total general fund expenditures for the current fiscal year, while total fund balance represents 102.4% of that same amount.

The total fund balance of the City's general fund increased by \$4.3 million (45.8%) during fiscal year 2022. The most significant factors contributing to the increase include the following:

- Revenues from property taxes increased by \$1.0 million, or 8.2% during FY 2022 compared to the prior year, primarily as a result of higher taxable assessed property values. The Pinellas County Property Appraiser estimated an increase of 8.4% in assessed taxable property values within the City of Dunedin during the year generally as a result of economic upturns and increased real estate market values.
- Intergovernmental revenue of \$7.7 million was realized during FY 2022, an increase of \$2.2 million over the \$5.5 million received in prior FY 2021. Primary contributors to this increase include \$1.6 million in additional grant funds received during FY 2022 to reimburse Covid-related expenditures, and an increase in proceeds from the local government half-cent sales tax and State revenue-sharing of \$0.3 million each as a result of continued economic improvements and upturns after the initial impacts from the Covid-19 pandemic.
- Charges for services revenue was up by \$0.9 million, from \$6.0 million in FY 2021 to \$6.9 million in FY 2022 primarily due to additional fees generated from recreational activities. The City recognized increased revenue of \$0.7 million in FY 2022 in the areas of summer and sports camps, facility rentals, swimming pool usage, fitness and gym memberships, and other leisure and recreational activities and events sponsored by the City which continued to be limited in availability during prior fiscal year 2021 as a result of the Covid-19 pandemic.

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

- Revenue from contributions and donations saw an increase of \$0.4 million in FY 2022 compared to prior FY 2021, primarily as the result of significant cash donations and endowments made during the current fiscal year by private individuals towards the betterment of the City's public library.
- Partially offsetting the above-described revenue increases during FY 2022, revenues from fines was \$0.5 million less in the current fiscal year compared to prior fiscal year 2021. During FY 2021, the City took temporary ownership of certain real property as a result of an unsatisfied code enforcement action. The property was later sold at auction during FY 2021, with the net proceeds of \$0.4 million being recognized as fine revenue. This type of revenue is non-recurring in nature.
- Expenditures related to the general government program increased by \$0.2 million in FY 2022 compared to prior FY 2021, from \$5.3 million to \$5.5 million, primarily due to a \$0.2 million increase in internal charges from the self-insurance internal service fund to the general fund to cover increased premiums for general liability risk coverage on existing City facilities and new assets and resources coming online in fiscal year 2022, as well as for anticipated worker's compensation claims based on the most recent actuarial valuation.
- Public safety program expenditures increased \$0.7 million in fiscal year 2022 compared to the prior year. The most significant factor contributing to the increase was labor costs of the City's fire and emergency medical operations, which increased approximately 5.5% as a result of scheduled wage rate adjustments, increased staffing, and rising costs of employee benefits provided.
- Expenditures for the remaining programs of physical environment, transportation, and culture and recreation were relatively stable from FY 2021 to FY 2022, with variances between the years of less than 2.0%.

The total fund balance of the community redevelopment agency fund increased \$31,629 (2.4%) during fiscal year 2022. Significant factors contributing to the change in fund balance include the following:

- Proceeds from the issuance on revenue bonds were recorded during FY 2022 in the amount of \$4.1 million for the purchase of land to be used for public parking. This issuance of debt would be considered as a non-recurring revenue source.
- Property tax revenue increased by \$0.2 million from FY 2021 to FY 2022 as a result of increased taxable assessed values of real property within the City.
- Partially offsetting the above-noted fund balance increases, an amount of \$0.4 million in expenditure was incurred during FY22 as a result of providing funds to the State of Florida, Department of Transportation, for design and survey services towards the Skinner Boulevard Complete Streets Urban Corridor Improvement Project.
- A non-recurring capital outlay expenditure of \$4.0 million was recorded during fiscal year 2022 as a result of the acquisition of real property (land) for use as public parking lot.
- Debt service expenditure incurred during FY 2022 on the above noted \$4.2 million borrowing amounted to \$0.3 million.

The penny sales tax fund has a total fund balance of \$10.2 million, all of which is restricted for a specific purpose. The net decrease in fund balance during the current year was \$14.1 million. Primary contributors to the fund balance change include the following:

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

- During FY 2021 the City received revenue in the form of contributions totaling \$4.5 million from private donors towards the purchase of environmentally sensitive lands referred to as the Gladys Douglas Preserve. The total acquisition price of the land was \$10.0 million, with funding provided by the City, Pinellas County, and the \$4.5 million from the not-for-profit. This revenue was non-recurring during FY 2022.
- Surplus property was sold during the prior fiscal year to a real estate developer as part of the City's initiative to revitalize the downtown corridor and stimulate economic development, with the City recognizing \$1.7 million in sales proceeds during FY 2021. This revenue was non-recurring during FY 2022.
- In FY 2021 the City authorized the issuance of debt, and subsequently received proceeds totaling \$20.7 million to be used towards funding capital costs associated with the construction of a new City Hall building. This revenue was non-recurring during FY 2022.
- Partially offsetting the above-noted revenue reductions between the prior and current fiscal years, during FY 2022 the City received an additional \$0.6 million in infrastructure (penny) surtaxes as a result of economic upturns during the year.
- Capital outlay expenditures incurred towards the construction of the City Hall building rose from \$3.3 million in FY 2021 to \$15.0 million in FY 2022, an increase of \$11.7 million. The construction phase of the project began approximately midway through prior fiscal year 2021. Compared to an approximate half-year of capital construction costs recognized during FY 2021, a full year of expenditures were incurred during FY 2022.
- As mentioned above, the City acquired environmentally sensitive land during FY 2021, with the City contributing \$2.0 million, private donors \$4.5 million, and Pinellas County the balance. The \$6.5 million provided by the City and private donors combined was recognized as a non-recurring capital outlay expenditure during FY 2021.

The American rescue plan act fund was established during fiscal year 2022, and has no fund balance as of September 30, 2022. During FY 2022 the City recognized the receipt of \$16.3 million in funds from the United States Treasury pursuant to the Coronavirus State and Local Fiscal Recovery program, which awarded state and local governments relief funding for economic impacts associated with the Covid-19 virus. During the year \$1.3 million in funds were applied to grant-eligible expenditures, with the balance of \$15.0 million recognized as unearned revenue.

As noted earlier the City maintains nine individual governmental funds. The four funds discussed above are all considered major funds. The other five governmental funds (public art, impact fee, building, county gas tax, and community redevelopment agency) are considered nonmajor funds and are summarized in aggregate below.

- The nonmajor funds have a total fund balance of \$5.4 million. The combined fund balances decreased by \$0.1 million during FY 2022, with the most significant increase and decrease attributable to the building fund (\$0.1 million) and impact fee fund (\$0.2 million), respectively. The remaining three nonmajor funds each realized insignificant changes in fund balance between FY 2021 and FY 2022, totaling less than \$0.1 million in the aggregate.
- Building fund fee revenue of \$1.3 million exceeded expenditures of \$1.2 million by \$0.1 million, resulting in a net increase in fund balance of \$0.1 million at the end of fiscal year 2022. In

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

comparison to the prior year, FY 2022 fee revenue was \$0.2 million less, and operational expenditures \$0.1 million higher.

- Within the impact fee fund, fee revenue applicable to the City's parks and community development programs (parkland impact fees) increased from \$0.1 million to \$0.2 million between FY 2021 and FY 2022 as a result of increased, or more impactful economic development activity during the year. Capital outlay expenditures of \$0.5 million were incurred in FY 2022 towards the acquisition of lands to be used for parks and recreation, pursuant to the underlying City ordinance. By comparison, \$0.1 million in capital outlay was expended in prior fiscal year 2021.

Proprietary funds. The City's proprietary funds report the same type of information found in the government-wide financial statements, but in more detail.

- In the solid waste fund, net position increased \$0.3 million in comparison to the prior fiscal year end, from \$2.2 million to \$2.5 million. Charges for services revenue increased marginally by \$0.2 million, or 3.4% during FY 2022 compared to prior FY 2021, in line with the authorized rate increase of 2.0% which went into effect at the start of the fiscal year. Expenses for personal services (wages and benefits) of solid waste operations staff increased by \$0.1 million during FY 2022 compared to prior FY 2021, primarily as a result of scheduled wage increases and rising costs of City-supplied employee benefits.
- In the water/sewer utility fund, net position increased by \$1.3 million (3.6%) during fiscal year 2022. Water/sewer operating revenues increased \$1.5 million (7.8%) during 2022, in line with the 6.0% average increase in water and sewer unit charges and usage fee rates which went into effect October 1, 2021. Operating expenses increased year-over-year by \$1.1 million (6.1%), from \$17.7 million to \$18.8 million primarily as a result of increased maintenance and repair costs of water/sewer facilities (\$0.5 million). This increase in operational expenses was partially offset by a FY 2022 reduction in interest fee expense related to a loan from the State to fund the refurbishment of the wastewater treatment plant due to less funding provided by the State towards project costs during FY 2022 compared to the prior fiscal year.
- In the stormwater utility fund, FY 2022 ending net position increased by \$0.2 million (1.5%) from fiscal year 2021. Current year revenues totaling \$4.2 million are \$0.2 million, or 6.0% higher than the \$4.0 million recorded in FY 2021. City ordinance provided for a stormwater rate increase of 1.5% effective at the beginning of FY2022, accounting for a portion of the revenue increase. The balance of the revenue increase primarily results from the accrual of unbilled utility revenue. At fiscal year end, stormwater utility revenue that has been earned as a result of services provided prior to September 30, but which has not yet been billed to the customers, is accrued (recorded) as FY 2022 revenue. The City's utility customers are billed according to multiple cycles which cover a 30 to 31-day period, but which don't necessarily coincide with the first or last day of any given month. The timing of the cycles at the end of FY 2022 in comparison to the end of prior fiscal year 2021 resulted in approximately \$0.1 million in additional 'charges for services' revenue being accrued, and recorded as current year revenue. Total operating expenses were \$0.8 million (16.7%) lower than prior fiscal year 2021. Repair and maintenance costs of \$0.9 million incurred in FY 2021 were unusually high, primarily due to stormwater system needs. Repair and maintenance incurred during FY 2022 amounted to \$0.1 million, for a reduction of \$0.8 million in costs between FY 2021 and FY 2022.

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

- In the marina fund, net position at the end of FY 2022 increased \$34,630, or 1.2% from fiscal year 2021. Operating revenue earned during fiscal year 2022 was comparable to that earned in prior fiscal year 2021. Operating expense categories of personal services, supplies and services, and depreciation each saw nominal increases from FY 2021 to FY 2022, for a combined total increase of \$46,360, or 9.0%.

General Fund Budgetary Highlights

Original budget compared to final budget

Revenues. Budgeted revenues in the general fund increased \$2,039,100 through budget amendments. This change was primarily a result of appropriating \$2,020,000 in grant funds received from the United States Department of Treasury, through the Florida Division of Emergency Management to reimburse expenditures under the Coronavirus State and Local Fiscal Recovery program. The City utilized these monies to fund a portion of the contractual cost of retaining law enforcement services from the Pinellas County Sheriff's Office. The remaining \$19,100 in increased revenue appropriations were related to, and essential as a result of the City implementing GASB Statement No. 87, Leases, during FY 2022.

Expenditures. Budgeted expenditure appropriations in the general fund increased \$2.5 million. Significant changes to expenditure appropriations included:

- Increase of \$0.8 million related to encumbered funds carried forward from FY 2021 to FY 2022 for purchase orders and contracts with committed obligations.
- Increase of \$0.4 million to cover unanticipated increases in labor overtime incurred by fire operations and emergency medical services personnel.
- Increase of \$1.2 million to accommodate accounting changes required of Governmental Accounting Standards Board Statement No. 87, Leases, which was implemented by the City during fiscal year 2022. Under the Statement, any leases of nonfinancial assets by the City meeting certain criteria require the initial recognition of a capital outlay expenditure equivalent to the net present value of future lease payments. The \$1.2 million accommodated capital outlay expenditures for the City's lease of a building, parking facilities, and copier equipment.

Final budget compared to actual results

Revenues. Actual general fund revenues were higher than budget by \$2.2 million or 6.5%. This variance was primarily attributable to the following:

- Actual intergovernmental revenue collected for half-cent sales tax proceeds and funds allocated to the City from the State under the revenue sharing program each exceeded budget by \$0.3 million (\$0.6 million combined) as a result of economic recoveries exceeding what was originally anticipated and forecast during the budget development process.
- Revenue realized in charges for services exceeded budget by \$0.7 million, primarily in the area of leisure and recreation. Fees collected for participation in athletic, leisure and social well-being programs offered by the City, as well as aquatics, youth and senior services, and special events undertaken or sponsored by the City collectively exceeded budget by \$0.6 million as a result of a robust sense of community participation in health, social, leisure, athletic and entertainment programs offered by the City.

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

Expenditures. Actual general fund expenditures were under budget by \$3.0 million or 8.2%. Significant variances in budget-to-actual expenditures were as follows:

- General government program expenditures were \$0.6 million under budget.
 - Professional fees for contractual legal services were \$0.2 million less than budget as a result of reduced needs for attorney services to preside over legal matters of the City.
 - Personnel services (labor) of the City's Finance Department were \$0.1 million lower than budget due to extended position vacancies.
 - Contractual and professional services expenditures incurred by the City's Planning and Economic Development Departments were under budget by \$0.3 million as a result of multiple projects being deferred due to redesigns or increased cost estimates. Along with operational expenditures, related capital outlay and aids & grants expenditures budgeted for FY 2022 were also delayed or deferred by these departments for similar reasons.
- Culture and recreation program expenditures were \$1.3 million less than amount budgeted.
 - Contingent or planned maintenance and repair services on parks and recreational facilities and equipment were budgeted at \$1.2 million, with actual expenditures amounting to \$0.4 million, or \$0.8 million less than budget.
- Capital outlay expenditures budget of \$2.1 million was \$0.8 million over actual expenditures of \$1.3 million.
 - \$0.4 million budgeted for the purchase of SCBA air pack replacements for fire operations was unspent as a result of other initiatives taking priority during the year. This equipment was acquired in early FY 2023.
 - \$0.2 million budgeted for enhancements to the Patricia Avenue corridor was unspent as a result of project delays. The project is scheduled to move forward in FY 2023.
 - \$0.1 million budgeted for replacement of playground equipment at the City Library went unexpended during fiscal year 2022 due to City leadership decisions to utilize alternate funding sources, including grants and public donations, for the project, which has been re-budgeted accordingly in FY 2023.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2022 amounts to \$285.9 million (net of accumulated depreciation / amortization). This investment in capital assets includes land, buildings, system improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total net increase in capital assets for the current fiscal year was approximately \$17.0 million or 6.3%, consisting of an increase of \$18.0 million to governmental activities and a decrease of \$1.0 million to business-type activities.

Significant changes to governmental activities capital asset balances between FY 2021 and FY 2022 include the following:

- Land increased by \$4.5 million primarily as a result of the acquisition of real property (land) for \$4.0 million, which is to be used as a public parking lot.
- Buildings decreased by \$3.7 million, primarily consisting of \$1.3 million in additions for the renovation of a building for use by the Parks Department maintenance facility, and \$5.0 annual depreciation expense on existing City buildings.

CITY OF DUNEDIN, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

- Construction in Progress increased by \$15.1 million pertaining to FY 2022 capital outlay expenditures incurred towards the City Hall construction project.
- Right to use leased assets increased by \$2.7 million due to the implementation of GASB Statement No. 87 during the fiscal year. The Statement provides for the recognition of the net present value of leased nonfinancial assets meeting certain qualifying criteria as capital assets during the term of the lease.

The decrease in business-type activities net capital assets balance is primarily a net result of the following:

- Annual depreciation expense, which amounted to \$5.9 million FY 2022, decreased the overall capital asset balance.
- Refurbishment and/or replacement of multiple wastewater lift stations during fiscal year 2022, accounted for in both the Improvements and Construction in Progress categories, resulted in approximately \$2.0 million in capital outlay expenditures and related increases to the capital asset balance for business-type activities.
- Contractual design services for upgrades to the wastewater plant's electrical system and project costs associated with the sewer pipe lining program contributed to the net increase in the net capital assets by an amount of \$1.5 million.
- In the stormwater fund, FY 2022 capital expenses of \$0.6 million incurred towards drainage improvements at Cedarwood and Lyndhurst increased capital assets from FY 2021 to FY 2022.

City of Dunedin, FL Capital Assets (Net of Depreciation / Amortization)						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 35,767,408	\$ 31,281,056	\$ 957,631	\$ 957,631	\$ 36,725,039	\$ 32,238,687
Buildings	123,544,887	127,229,670	532,152	560,591	124,077,039	127,790,261
Infrastructure	10,594,056	10,970,911	-	-	10,594,056	10,970,911
Improvements other than Buildings	8,571,454	7,673,563	70,572,026	72,508,196	79,143,480	80,181,759
Machinery and Equipment	8,217,078	9,259,079	1,659,342	1,780,488	9,876,420	11,039,567
Construction in Progress	20,382,235	5,298,025	2,376,343	1,365,822	22,758,578	6,663,847
Right to use Leased Assets:						
Buildings	229,151	-	-	-	229,151	-
Infrastructure	2,397,048	-	14,860	-	2,411,908	-
Machinery and Equipment	41,160	-	6,667	-	47,827	-
Total Capital Assets	\$ 209,744,477	\$ 191,712,304	\$ 76,119,021	\$ 77,172,728	\$ 285,863,498	\$ 268,885,032

Additional information on the City's capital and right to use leased assets can be found on pages 74 - 79 of this report in the notes to the financial statements (see Note 4.A.3).

CITY OF DUNEDIN, FLORIDA
MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

Outstanding debt obligations. At the end of the current fiscal year, the City had total borrowed debt outstanding of \$107.9 million. Of this amount, \$0.7 million is for financed purchases, and \$107.2 million of the City’s debt represents notes and bonds secured by specific revenue sources (i.e., revenue bonds) and State Revolving Fund loans. The City’s total outstanding debt increased by \$1.1 million during the current fiscal year. This net increase is the result of new debt incurred during FY 2022 to acquire real property (land) for public parking (\$4.1 million) and to construct a water treatment plant (\$1.3 million), less debt service payments (\$4.3 million) on existing debt during the fiscal year. Additional information on the City’s long-term debt can be found on pages 81 - 91 in the notes to the financial statements (see Note 4.B.).

	City of Dunedin, FL Outstanding Debt					
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Financed purchases	\$ -	\$ -	\$ 720,519	\$ 523,846	\$ 720,519	\$ 523,846
Bonds and notes payable	56,829,000	55,336,000	48,472,974	48,839,233	105,301,974	104,175,233
Add: Premiums	1,421,205	1,523,687	508,509	597,238	1,929,714	2,120,925
Total Liabilities	<u>\$ 58,250,205</u>	<u>\$ 56,859,687</u>	<u>\$ 49,702,002</u>	<u>\$ 49,960,317</u>	<u>\$ 107,952,207</u>	<u>\$ 106,820,004</u>

Economic Factors Impacting Next Year’s Budget

The following factors were considered in preparing the City’s budget for the 2023 fiscal year:

- The unemployment rate in Dunedin as of September 2022 was 2.3%, which is lower than the State of Florida’s unemployment rate of 2.7% as of the same date.
- Dunedin’s property tax rate will remain unchanged at 4.1345 mills.
- The City’s taxable value is estimated to grow by 12.7%.
- The American Rescue Plan Act of 2021 (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds for State and Local governments to assist in their response to the Covid-19 emergency and its economic impacts. The ARPA grant allocation for the City was \$18.3 million, received in FY 2022. City leadership has formulated strategies and plans on the most effective, critical, and essential needs and uses for these funds within the City and will continue to evaluate such needs and uses into fiscal year 2023 and beyond, as warranted.

Requests for Information

This financial report is designed to provide a general overview of the City’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, at 737 Loudon Avenue, Dunedin, Florida, 34698.

BASIC FINANCIAL STATEMENTS

City of Dunedin, Florida
Statement of Net Position
September 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash, cash equivalents, and investments	\$ 58,610,890	\$ 28,727,951	\$ 87,338,841
Cash with fiscal agent	4,942,486	1,681,396	6,623,882
Receivables, net of allowance for uncollectibles	1,208,466	4,335,666	5,544,132
Accrued interest receivable	31,475	72,633	104,108
Leases receivable	2,087,866	1,121,870	3,209,736
Internal balances	(5,809,525)	5,809,525	-
Due from other governments	2,187,768	162,899	2,350,667
Inventories	105,942	338,262	444,204
Prepaid items	1,929,356	2,795	1,932,151
Deposits	205,242	-	205,242
Restricted cash and cash equivalents	-	3,699,634	3,699,634
Notes receivable	333,394	-	333,394
Advances to other funds	-	-	-
Net pension assets	2,311,635	-	2,311,635
Capital assets, net of accumulated depreciation / amortization:			
Land	35,767,408	957,631	36,725,039
Buildings	123,544,887	532,152	124,077,039
Infrastructure	10,594,056	-	10,594,056
Improvements other than buildings	8,571,454	70,572,026	79,143,480
Machinery and equipment	8,217,078	1,659,342	9,876,420
Construction in progress	20,382,235	2,376,343	22,758,578
Right to use leased assets	2,667,359	21,527	2,688,886
Total assets	<u>277,889,472</u>	<u>122,071,652</u>	<u>399,961,124</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pensions and other post-employment benefits (OPEB)	2,814,361	414,741	3,229,102
Total deferred outflows of resources	<u>2,814,361</u>	<u>414,741</u>	<u>3,229,102</u>
LIABILITIES			
Accounts payable and other current liabilities	5,848,008	3,836,594	9,684,602
Accrued interest payable	910,251	287,109	1,197,360
Due to other governments	24,055	-	24,055
Unearned revenue	15,056,950	-	15,056,950
Liabilities payable from restricted assets	-	1,633,462	1,633,462
Noncurrent liabilities:			
Due within one year	6,672,512	2,842,008	9,514,520
Due in more than one year	57,307,066	47,847,040	105,154,106
OPEB liability	1,134,938	582,155	1,717,093
Pension liability	1,217,454	1,212,868	2,430,322
Total liabilities	<u>88,171,234</u>	<u>58,241,236</u>	<u>146,412,470</u>
DEFERRED INFLOWS OF RESOURCES			
Pensions and other post-employment benefits (OPEB)	5,049,296	662,001	5,711,297
Leases	2,087,866	1,121,870	3,209,736
Total deferred inflows of resources	<u>7,137,162</u>	<u>1,783,871</u>	<u>8,921,033</u>
NET POSITION			
Net investment in capital assets	149,064,004	26,395,199	175,459,203
Restricted for:			
Capital projects	10,515,915	2,066,172	12,582,087
Community Redevelopment Agency	1,290,685	-	1,290,685
Stadium	4,756,380	-	4,756,380
Building code	2,906,393	-	2,906,393
Bequests	448,106	-	448,106
Other	47,066	-	47,066
Unrestricted	16,366,888	33,999,915	50,366,803
Total net position	<u>\$ 185,395,437</u>	<u>\$ 62,461,286</u>	<u>\$ 247,856,723</u>

The accompanying notes are an integral part of this statement.

City of Dunedin, Florida
Statement of Activities
For the year ended September 30, 2022

Functions/Programs:	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government:				
<u>Governmental activities:</u>				
General government	\$ 3,700,973	\$ 390,072	\$ -	\$ -
Public safety	13,853,509	4,042,420	3,379,849	27,935
Physical environment	131,953	-	-	-
Transportation	2,802,568	-	-	504,017
Economic environment	1,428,174	48,168	-	-
Culture and recreation	16,766,066	3,756,607	1,077,634	1,677,732
Interest on long-term debt	1,760,726	-	-	-
Total governmental activities	<u>40,443,969</u>	<u>8,237,267</u>	<u>4,457,483</u>	<u>2,209,684</u>
<u>Business-type activities:</u>				
Solid waste	5,863,406	6,443,276	-	-
Water/Sewer utility	18,893,008	20,627,326	-	160,767
Stormwater utility	4,234,272	4,236,395	-	-
Marina	529,405	592,104	-	-
Total business-type activities	<u>29,520,091</u>	<u>31,899,101</u>	<u>-</u>	<u>160,767</u>
Total primary government	<u>\$ 69,964,060</u>	<u>\$ 40,136,368</u>	<u>\$ 4,457,483</u>	<u>\$ 2,370,451</u>

General Revenues:

Property taxes
Utility service taxes
Franchise fees
Intergovernmental revenues not restricted to specific programs:
 Infrastructure sales surtax
 Half cent sales tax
 State revenue sharing
Other taxes
Lease interest
Unrestricted investment losses
Loss on sale of capital assets
Transfers
 Total general revenues and transfers
 Change in net position
Net position - beginning
Net position - ending

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (3,310,901)	\$ -	\$ (3,310,901)
(6,403,305)	-	(6,403,305)
(131,953)	-	(131,953)
(2,298,551)	-	(2,298,551)
(1,380,006)	-	(1,380,006)
(10,254,093)	-	(10,254,093)
(1,760,726)	-	(1,760,726)
<u>(25,539,535)</u>	<u>-</u>	<u>(25,539,535)</u>
-	579,870	579,870
-	1,895,085	1,895,085
-	2,123	2,123
-	62,699	62,699
<u>-</u>	<u>2,539,777</u>	<u>2,539,777</u>
<u>(25,539,535)</u>	<u>2,539,777</u>	<u>(22,999,758)</u>
14,075,732	-	14,075,732
5,156,802	-	5,156,802
3,005,162	-	3,005,162
5,320,918	-	5,320,918
3,051,926	-	3,051,926
1,796,636	-	1,796,636
382,990	-	382,990
46,200	-	46,200
(273,814)	(133,319)	(407,133)
(280)	-	(280)
159,600	(159,600)	-
<u>32,721,872</u>	<u>(292,919)</u>	<u>32,428,953</u>
7,182,337	2,246,858	9,429,195
178,213,100	60,214,428	238,427,528
<u>\$ 185,395,437</u>	<u>\$ 62,461,286</u>	<u>\$ 247,856,723</u>

City of Dunedin, Florida
Balance Sheet
Governmental Funds
September 30, 2022

	<u>General</u>	<u>Community Redevelopment Agency</u>	<u>Penny</u>	<u>American Rescue Plan Act</u>
<u>ASSETS</u>				
Cash, cash equivalents, and investments	\$ 12,342,417	\$ 1,301,366	\$ 8,948,416	\$ 15,035,244
Cash with fiscal agent	-	\$ -	3,260,000	-
Receivables-net of allowance for uncollectibles	887,271	4,277	13,595	-
Due from other governments	812,480	-	1,258,395	-
Inventories	7,572	-	-	-
Prepaid items	1,547,707	44,361	-	-
Other assets	18,541	1,300	-	-
Notes receivable	333,394	-	-	-
Leases receivable	2,087,866	-	-	-
Total assets	<u>\$ 18,037,248</u>	<u>\$ 1,351,304</u>	<u>\$ 13,480,406</u>	<u>\$ 15,035,244</u>
<u>LIABILITIES</u>				
Accounts payable	\$ 489,773	\$ 5,891	\$ 2,629,285	\$ 79,277
Contracts payable	330,827	-	649,134	20,775
Accrued salaries payable	573,290	8,367	-	-
Deposits payable	258,361	2,000	-	-
Due to other governments	-	-	-	-
Unearned revenue	121,758	-	-	14,935,192
Other current liabilities	73,371	-	-	-
Advances from other funds	29,190	-	-	-
Total liabilities	<u>1,876,570</u>	<u>16,258</u>	<u>3,278,419</u>	<u>15,035,244</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Leases	2,087,866	-	-	-
Unavailable revenue	333,394	-	-	-
Total deferred inflows of resources	<u>2,421,260</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCES</u>				
Nonspendable	1,555,279	44,361	-	-
Restricted	495,172	1,290,685	10,201,987	-
Committed	1,074,131	-	-	-
Assigned	1,575,571	-	-	-
Unassigned	9,039,265	-	-	-
Total fund balances	<u>13,739,418</u>	<u>1,335,046</u>	<u>10,201,987</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 18,037,248</u>	<u>\$ 1,351,304</u>	<u>\$ 13,480,406</u>	<u>\$ 15,035,244</u>

The accompanying notes are an integral part of this statement.

Other Governmental Funds	Total Governmental Funds
\$ 6,805,318	\$ 44,432,761
1,682,486	4,942,486
301,796	1,206,939
116,893	2,187,768
-	7,572
-	1,592,068
-	19,841
-	333,394
-	2,087,866
<u>\$ 8,906,493</u>	<u>\$ 56,810,695</u>

\$ 23,958	\$ 3,228,184
3,000	1,003,736
21,667	603,324
500	260,861
24,055	24,055
-	15,056,950
7,337	80,708
-	29,190
<u>80,517</u>	<u>20,287,008</u>

-	2,087,866
-	333,394
-	<u>2,421,260</u>

-	1,599,640
8,829,060	20,816,904
-	1,074,131
-	1,575,571
<u>(3,084)</u>	<u>9,036,181</u>
<u>8,825,976</u>	<u>34,102,427</u>

<u>\$ 8,906,493</u>	<u>\$ 56,810,695</u>
---------------------	----------------------

City of Dunedin, Florida
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
September 30, 2022

Total fund balances - governmental funds		\$ 34,102,427
Amounts reported for governmental activities in the statement of net position are different because:		
Capital and right to use leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		203,292,508
Other long-term assets are not available to pay for current period expenditures and therefore, are reported as deferred inflows / unavailable revenue in the funds.		333,394
Deferred outflows/inflows of resources reported in the statement of net position:		
Net deferred outflows - pensions and OPEB	\$ 2,791,480	
Net deferred inflows - pensions and OPEB	<u>(4,997,101)</u>	(2,205,621)
Internal service funds are used by management to charge the costs of fleet and facility management and insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		13,284,971
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Accrued interest payable	(910,251)	
Revenue bonds payable	(34,421,204)	
Leases payable	(2,633,154)	
Notes payable	(23,829,000)	
Compensated absences	(1,709,333)	
Firefighters' net pension asset	2,311,635	
FRS net pension liability	(964,236)	
FRS HIS net pension liability	(253,218)	
OPEB liability	<u>(1,003,481)</u>	<u>(63,412,242)</u>
Net position of governmental activities		<u>\$ 185,395,437</u>

The accompanying notes are an integral part of this statement.

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

City of Dunedin, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended September 30, 2022

	<u>General</u>	<u>Community Redevelopment Agency</u>	<u>Penny</u>	<u>American Rescue Plan Act</u>
<u>REVENUES</u>				
Taxes:				
Property	\$ 12,557,143	\$ 1,518,589	\$ -	\$ -
Franchise	3,005,162	-	-	-
Utility service	5,156,802	-	-	-
Licenses and permits	270,588	-	-	-
Intergovernmental	7,698,891	-	5,320,918	1,344,498
Charges for services	6,900,789	-	-	-
Impact fees	-	-	-	-
Fines	190,526	-	-	-
Investment earnings (losses)	(101,665)	(11,767)	18,264	-
Rents	181,478	48,168	-	-
Contributions and donations	505,436	-	-	-
Other revenue	253,173	-	2,024	-
Total revenues	<u>36,618,323</u>	<u>1,554,990</u>	<u>5,341,206</u>	<u>1,344,498</u>
<u>EXPENDITURES</u>				
Current:				
General government	5,526,635	-	-	196,818
Public safety	13,228,647	-	-	52,800
Physical environment	8,753	-	-	123,200
Transportation	1,716,515	-	-	4,800
Economic environment	-	500,555	-	1,600
Culture and recreation	11,089,472	-	-	120,862
Debt service:				
Principal	145,219	421,838	1,386,000	-
Interest	4,846	45,181	288,753	-
Debt - cost of issuance	-	45,876	1,263	-
Capital outlay:				
General government	285,761	-	14,997,490	615,118
Public safety	9,035	-	3,358	-
Transportation	932,239	-	955,307	-
Economic environment	-	5,795,941	-	-
Culture and recreation	117,649	-	1,963,687	-
Aids and grants	245,096	428,182	-	229,300
Total expenditures	<u>33,309,867</u>	<u>7,237,573</u>	<u>19,595,858</u>	<u>1,344,498</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,308,456</u>	<u>(5,682,583)</u>	<u>(14,254,652)</u>	<u>-</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	28,400	-	159,600	-
Transfers out	(265,000)	(63,910)	-	-
Issuance of debt	-	4,114,000	-	-
Lease financing	1,235,212	1,664,122	-	-
Sale of general capital assets	10,856	-	-	-
Total other financing sources (uses)	<u>1,009,468</u>	<u>5,714,212</u>	<u>159,600</u>	<u>-</u>
Net change in fund balances	4,317,924	31,629	(14,095,052)	-
Fund balances - beginning	<u>9,421,494</u>	<u>1,303,417</u>	<u>24,297,039</u>	<u>-</u>
Fund balances - ending	<u>\$ 13,739,418</u>	<u>\$ 1,335,046</u>	<u>\$ 10,201,987</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

Other Governmental Funds	Total Governmental Funds
\$ -	\$ 14,075,732
-	3,005,162
-	5,156,802
-	270,588
1,976,062	16,340,369
1,593,921	8,494,710
263,462	263,462
-	190,526
(60,980)	(156,148)
-	229,646
-	505,436
1,436,738	1,691,935
<u>5,209,203</u>	<u>50,068,220</u>
-	5,723,453
1,167,484	14,448,931
-	131,953
141,695	1,863,010
-	502,155
305,115	11,515,449
935,810	2,888,868
1,397,682	1,736,461
1,401	48,540
-	15,898,369
51,299	63,692
312,297	2,199,843
-	5,795,941
501,460	2,582,796
-	902,578
<u>4,814,243</u>	<u>66,302,039</u>
<u>394,960</u>	<u>(16,233,819)</u>
300,510	488,510
-	(328,910)
-	4,114,000
1,690	2,901,024
-	10,856
<u>302,200</u>	<u>7,185,480</u>
697,160	(9,048,339)
<u>8,128,816</u>	<u>43,150,766</u>
<u>\$ 8,825,976</u>	<u>\$ 34,102,427</u>

City of Dunedin, 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, 2022

Net change in fund balances - total governmental funds \$ (9,048,339)

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

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 / amortization expense. The details of this difference are as follows:

Expenditures for capital and leased assets	26,540,641	
Less current year depreciation / amortization	(7,517,713)	
Net book value of disposed assets	<u>(45,629)</u>	18,977,299

Other long-term assets are not available to pay for current period expenditures and therefore, are reported as deferred inflows / unavailable revenue in the funds. (14,663)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Debt Issuance	(4,114,000)	
Lease financing	(2,901,024)	
Principal payments	2,888,867	
Premium amortization	<u>102,482</u>	(4,023,675)

The net effect of pension contribution expense is to decrease net position. 824,120

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

Change in compensated absences / OPEB liability	(96,841)	
Change in accrued interest expense	<u>(78,183)</u>	(175,024)

Internal service funds are used by management to charge the costs of vehicle maintenance, facility maintenance, and self insurance to individual funds. The net income (loss) of the internal service funds is reported with governmental activities. 642,619

Change in net position of governmental activities \$ 7,182,337

The accompanying notes are an integral part of this statement.

City of Dunedin, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the year ended September 30, 2022

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 12,492,647	\$ 12,492,647	\$ 12,557,143	\$ 64,496
Franchise	2,800,000	2,800,000	3,005,162	205,162
Utility service	4,772,100	4,772,100	5,156,802	384,702
Licenses and permits	191,200	191,200	270,588	79,388
Intergovernmental	5,173,673	7,193,673	7,698,891	505,218
Charges for services	6,189,528	6,189,528	6,900,789	711,261
Fines	145,350	145,350	190,526	45,176
Investment earnings (losses)	35,000	67,182	(101,665)	(168,847)
Rents	210,866	178,684	181,478	2,794
Contributions and donations	221,750	231,750	505,436	273,686
Other revenue	126,500	135,600	253,173	117,573
Total revenues	32,358,614	34,397,714	36,618,323	2,220,609
EXPENDITURES				
Current:				
General government	6,146,748	6,175,688	5,526,635	649,053
Public safety	12,818,966	13,259,917	13,228,647	31,270
Physical environment	-	10,000	8,753	1,247
Transportation	1,867,526	1,809,469	1,716,515	92,954
Culture and recreation	11,911,750	12,364,191	11,089,472	1,274,719
Debt service:				
Principal	-	145,219	145,219	-
Interest	-	4,846	4,846	-
Capital outlay:				
General government	50,000	457,428	285,761	171,667
Public safety	376,000	385,100	9,035	376,065
Transportation	14,500	946,739	932,239	14,500
Culture and recreation	233,500	332,457	117,649	214,808
Aids and grants	296,500	376,500	245,096	131,404
Total expenditures	33,715,490	36,267,554	33,309,867	2,957,687
Excess (deficiency) of revenues over (under) expenditures	(1,356,876)	(1,869,840)	3,308,456	5,178,296
OTHER FINANCING SOURCES (USES)				
Transfers in	28,400	28,400	28,400	-
Transfers out	(295,310)	(295,310)	(265,000)	30,310
Lease financing	-	1,235,212	1,235,212	-
Sale of general capital assets	3,000	3,000	10,856	7,856
Total other financing sources (uses)	(263,910)	971,302	1,009,468	38,166
Net change in fund balances	\$ (1,620,786)	\$ (898,538)	4,317,924	\$ 5,216,462
Fund balance - beginning			9,421,494	
Fund balance - ending			\$ 13,739,418	

The accompanying notes are an integral part of this statement.

City of Dunedin, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
Community Redevelopment Agency Fund
For the year ended September 30, 2022

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<u>REVENUES</u>				
Taxes:				
Property	\$ 1,542,757	\$ 1,542,757	\$ 1,518,589	\$ (24,168)
Investment earnings (losses)	1,000	1,000	(11,767)	(12,767)
Rents	45,000	45,000	48,168	3,168
Other revenue	9,000	9,000	-	(9,000)
Total revenues	<u>1,597,757</u>	<u>1,597,757</u>	<u>1,554,990</u>	<u>(42,767)</u>
<u>EXPENDITURES</u>				
Current:				
Economic environment	957,923	773,790	500,555	273,235
Debt service:				
Principal	267,000	388,838	421,838	(33,000)
Interest	76,400	77,779	45,181	32,598
Debt - cost of issuance	65,000	65,000	45,876	19,124
Capital outlay:				
Economic environment	4,808,000	6,837,574	5,795,941	1,041,633
Aids and grants	114,000	549,750	428,182	121,568
Total expenditures	<u>6,288,323</u>	<u>8,692,731</u>	<u>7,237,573</u>	<u>1,455,158</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,690,566)</u>	<u>(7,094,974)</u>	<u>(5,682,583)</u>	<u>1,412,391</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(63,910)	(63,910)	(63,910)	-
Issuance of debt	3,965,000	3,965,000	4,114,000	149,000
Lease financing	-	1,664,122	1,664,122	-
Total other financing sources (uses)	<u>3,901,090</u>	<u>5,565,212</u>	<u>5,714,212</u>	<u>149,000</u>
Net change in fund balances	<u>\$ (789,476)</u>	<u>\$ (1,529,762)</u>	31,629	<u>\$ 1,561,391</u>
Fund balance - beginning			<u>1,303,417</u>	
Fund balance - ending			<u>\$ 1,335,046</u>	

The accompanying notes are an integral part of this statement.

City of Dunedin, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
Penny Fund
For the year ended September 30, 2022

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Intergovernmental:				
Infrastructure surtax	\$ 4,200,500	\$ 4,200,500	\$ 5,320,918	\$ 1,120,418
Grant revenues	471,855	-	-	-
Investment earnings	15,000	15,000	18,264	3,264
Other revenue	-	-	2,024	2,024
Total revenues	4,687,355	4,215,500	5,341,206	1,125,706
<u>EXPENDITURES</u>				
Debt service:				
Principal	1,395,000	1,395,000	1,386,000	9,000
Interest	280,400	280,400	288,753	(8,353)
Debt - cost of issuance	-	1,264	1,263	1
Capital outlay:				
General government	10,542,001	19,959,599	14,997,490	4,962,109
Public safety	-	168,451	3,358	165,093
Transportation	690,000	1,229,239	955,307	273,932
Economic environment	35,000	35,000	-	35,000
Culture and recreation	3,329,600	3,490,354	1,963,687	1,526,667
Total expenditures	16,272,001	26,559,307	19,595,858	6,963,449
Excess (deficiency) of revenues over (under) expenditures	(11,584,646)	(22,343,807)	(14,254,652)	8,089,155
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	659,600	659,600	159,600	(500,000)
Total other financing sources (uses)	659,600	659,600	159,600	(500,000)
Net change in fund balances	\$ (10,925,046)	\$ (21,684,207)	(14,095,052)	\$ 7,589,155
Fund balance - beginning			24,297,039	
Fund balance - ending			\$ 10,201,987	

The accompanying notes are an integral part of this statement.

City of Dunedin, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
American Rescue Plan Act Fund
For the year ended September 30, 2022

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Intergovernmental	\$ 9,150,000	\$ 7,130,000	\$ 1,344,498	\$ (5,785,502)
Total revenues	<u>9,150,000</u>	<u>7,130,000</u>	<u>1,344,498</u>	<u>(5,785,502)</u>
<u>EXPENDITURES</u>				
Current:				
General government	690,131	495,497	196,818	298,679
Public safety	-	52,800	52,800	-
Physical environment	-	123,200	123,200	-
Transportation	-	4,800	4,800	-
Economic environment	-	1,600	1,600	-
Culture and recreation	-	259,600	120,862	138,738
Capital outlay:				
General government	-	1,324,606	615,118	709,488
Public safety	-	72,725	-	72,725
Aids and grants	-	779,300	229,300	550,000
Total expenditures	<u>690,131</u>	<u>3,114,128</u>	<u>1,344,498</u>	<u>1,769,630</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,459,869</u>	<u>4,015,872</u>	<u>-</u>	<u>(4,015,872)</u>
Net change in fund balances	<u>\$ 8,459,869</u>	<u>\$ 4,015,872</u>	<u>-</u>	<u>\$ (4,015,872)</u>
Fund balance - beginning			<u>-</u>	
Fund balance - ending			<u>\$ -</u>	

The accompanying notes are an integral part of this statement.

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

City of Dunedin, Florida
Statement of Fund Net Position
Proprietary Funds (Continued)
September 30, 2022

	Business-type Activities - Enterprise Funds			
	Solid Waste	Water/Sewer Utility	Stormwater Utility	Marina
ASSETS				
Current assets:				
Cash, cash equivalents, and investments	\$ 1,970,078	\$ 19,805,434	\$ 6,132,641	\$ 819,798
Cash with fiscal agent	-	1,326,327	355,069	-
Restricted cash-customer deposits	118,005	1,408,419	1,600	105,438
Restricted cash-impact fees	-	2,066,172	-	-
Receivables-net of allowance for uncollectibles	730,195	2,174,774	489,278	36,618
Interest receivable	4,540	52,066	14,051	1,976
Charges receivable-capital recovery	-	116,224	-	-
Due from other governments	1,013	161,886	-	-
Inventories	-	338,262	-	-
Prepaid items	-	2,795	-	-
Deposits	-	-	-	-
Total current assets	<u>2,823,831</u>	<u>27,452,359</u>	<u>6,992,639</u>	<u>963,830</u>
Noncurrent assets:				
Leases receivable	-	572,411	-	549,459
Charges receivable-capital recovery	-	788,577	-	-
Advances to other funds	-	-	29,190	-
Capital assets:				
Land	-	707,631	250,000	-
Buildings	482,009	13,869,116	10,815	127,026
Improvements other than buildings	47,030	143,190,004	32,942,504	3,658,954
Machinery and equipment	3,900,829	1,841,009	527,105	12,977
Less: accumulated depreciation	(3,070,226)	(104,915,181)	(18,178,591)	(1,681,860)
Construction in progress	-	1,556,204	820,139	-
Total capital assets, net	<u>1,359,642</u>	<u>56,248,783</u>	<u>16,371,972</u>	<u>2,117,097</u>
Right to use leased assets:				
Infrastructure	-	-	-	20,612
Machinery and equipment	1,707	11,004	623	-
Less: accumulated amortization	(854)	(5,502)	(311)	(5,752)
Total right to use leased assets, net	<u>853</u>	<u>5,502</u>	<u>312</u>	<u>14,860</u>
Total noncurrent assets	<u>1,360,495</u>	<u>57,615,273</u>	<u>16,401,474</u>	<u>2,681,416</u>
Total assets	<u>4,184,326</u>	<u>85,067,632</u>	<u>23,394,113</u>	<u>3,645,246</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pensions and OPEB	<u>84,711</u>	<u>288,151</u>	<u>39,530</u>	<u>2,349</u>
Total deferred outflows of resources	<u>84,711</u>	<u>288,151</u>	<u>39,530</u>	<u>2,349</u>
Total assets and deferred outflows of resources	<u>4,269,037</u>	<u>85,355,783</u>	<u>23,433,643</u>	<u>3,647,595</u>

The accompanying notes are an integral part of this statement.

Total	Governmental Activities - Internal Service Funds
\$ 28,727,951	\$ 14,178,129
1,681,396	-
1,633,462	-
2,066,172	-
3,430,865	1,527
72,633	31,475
116,224	-
162,899	-
338,262	98,370
2,795	337,289
-	185,401
38,232,659	14,832,191
1,121,870	-
788,577	-
29,190	-
957,631	-
14,488,966	1,862,569
179,838,492	6,970
6,281,920	17,401,320
(127,845,858)	(12,832,771)
2,376,343	-
76,097,494	6,438,088
20,612	-
13,334	23,973
(12,419)	(10,092)
21,527	13,881
78,058,658	6,451,969
116,291,317	21,284,160
414,741	22,881
414,741	22,881
116,706,058	21,307,041

City of Dunedin, Florida
Statement of Fund Net Position
Proprietary Funds (Concluded)
September 30, 2022

	Business-type Activities - Enterprise Funds			
	Solid Waste	Water/Sewer Utility	Stormwater Utility	Marina
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	\$ 195,783	\$ 668,449	\$ 61,488	\$ 35,770
Accrued liabilities	-	115,000	706,428	3,138
Contracts payable	-	1,115,209	224,390	-
Accrued salaries payable	54,506	248,210	43,622	4,956
Accrued interest payable	4,663	148,278	134,139	29
Customer deposit payable-restricted asset	118,005	1,408,419	1,600	105,438
Bonds payable	-	1,256,285	574,444	-
Financed purchases payable	204,333	-	-	-
Compensated absences	140,658	566,522	73,145	14,239
Claims payable	-	-	-	-
Leases payable	856	5,516	312	5,698
Judgments / settlements payable	-	50,351	309,294	-
Total current liabilities	<u>718,804</u>	<u>5,582,239</u>	<u>2,128,862</u>	<u>169,268</u>
Noncurrent liabilities:				
Bonds payable	-	7,002,417	9,134,363	-
Notes payable	-	31,013,974	-	-
Financed purchases payable	516,186	-	-	-
Compensated absences	29,857	122,114	15,724	2,967
Other post employment benefits	96,421	404,734	69,980	11,020
Pension liability	266,556	839,619	106,693	-
Claims payable	-	-	-	-
Leases payable	16	103	7	9,312
Total noncurrent liabilities	<u>909,036</u>	<u>39,382,961</u>	<u>9,326,767</u>	<u>23,299</u>
Total liabilities	<u>1,627,840</u>	<u>44,965,200</u>	<u>11,455,629</u>	<u>192,567</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Pensions and OPEB	118,801	481,131	57,197	4,872
Leases	-	572,411	-	549,459
Total deferred inflows of resources	<u>118,801</u>	<u>1,053,542</u>	<u>57,197</u>	<u>554,331</u>
Total liabilities and deferred inflows of resources	<u>1,746,641</u>	<u>46,018,742</u>	<u>11,512,826</u>	<u>746,898</u>
<u>NET POSITION</u>				
Net investment in capital assets	639,104	16,975,990	6,663,158	2,116,947
Restricted for capital projects	-	2,066,172	-	-
Unrestricted	1,883,292	20,294,879	5,257,659	783,750
Total net position	<u>\$ 2,522,396</u>	<u>\$ 39,337,041</u>	<u>\$ 11,920,817</u>	<u>\$ 2,900,697</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

Net position of business-type activities

The accompanying notes are an integral part of this statement.

Total	Governmental Activities - Internal Service Funds
\$ 961,490	\$ 590,517
824,566	-
1,339,599	-
351,294	80,677
287,109	-
1,633,462	-
1,830,729	-
204,333	-
794,564	167,911
-	248,400
12,382	11,896
359,645	-
8,599,173	1,099,401
16,136,780	-
31,013,974	-
516,186	-
170,662	35,772
582,155	131,457
1,212,868	-
-	921,021
9,438	1,885
49,642,063	1,090,135
58,241,236	2,189,536
662,001	52,195
1,121,870	-
1,783,871	52,195
60,025,107	2,241,731
26,395,199	6,438,188
2,066,172	-
28,219,580	12,627,122
56,680,951	\$ 19,065,310
5,780,335	
\$ 62,461,286	

City of Dunedin, Florida
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the year ended September 30, 2022

	Business-type Activities - Enterprise Funds			
	Solid Waste	Water/Sewer Utility	Stormwater Utility	Marina
Operating revenues:				
Charges for services	\$ 6,346,144	\$ 20,384,870	\$ 4,236,395	\$ 588,475
Other operating revenue	97,132	242,456	-	3,629
Total operating revenues	<u>6,443,276</u>	<u>20,627,326</u>	<u>4,236,395</u>	<u>592,104</u>
Operating expenses:				
Personal services	1,578,653	6,481,845	897,314	169,991
Supplies and services	4,052,726	8,541,777	1,303,274	233,984
Depreciation / amortization	397,968	3,817,479	1,541,545	156,109
Total operating expenses	<u>6,029,347</u>	<u>18,841,101</u>	<u>3,742,133</u>	<u>560,084</u>
Operating income (loss)	<u>413,929</u>	<u>1,786,225</u>	<u>494,262</u>	<u>32,020</u>
Nonoperating revenues (expenses):				
Investment earnings (losses)	(20,712)	(68,255)	(47,388)	3,036
Interest expense	(37,797)	(368,533)	(269,041)	(426)
Loss on disposal of capital assets	-	-	-	-
Judgments and settlements	-	(50,351)	(309,294)	-
Total nonoperating revenues (expenses)	<u>(58,509)</u>	<u>(487,139)</u>	<u>(625,723)</u>	<u>2,610</u>
Income before contributions and transfers	355,420	1,299,086	(131,461)	34,630
Capital contributions	-	160,767	-	-
Transfers out	-	(159,600)	-	-
Change in net position	355,420	1,300,253	(131,461)	34,630
Net position - beginning	2,166,976	38,036,788	12,052,278	2,866,067
Net position - ending	<u>\$ 2,522,396</u>	<u>\$ 39,337,041</u>	<u>\$ 11,920,817</u>	<u>\$ 2,900,697</u>
Adjustment for the net effect of the current year activity between the internal service funds and the enterprise funds.				
Change in net position of business-type activities				

The accompanying notes are an integral part of this statement.

Total	Governmental Activities - Internal Service Funds
\$ 31,555,884	\$ 13,504,630
343,217	122,871
31,899,101	13,627,501
9,127,803	2,144,354
14,131,761	8,808,284
5,913,101	1,203,552
29,172,665	12,156,190
2,726,436	1,471,311
(133,319)	(140,371)
(675,797)	(24)
-	(280)
(359,645)	-
(1,168,761)	(140,675)
1,557,675	1,330,636
160,767	-
(159,600)	-
1,558,842	1,330,636
	17,734,674
	\$ 19,065,310
688,016	
\$ 2,246,858	

City of Dunedin, Florida
Statement of Cash Flows
Proprietary Funds
For the year ended September 30, 2022

	Business-type Activities - Enterprise Funds				Total	Governmental
	Solid Waste	Water/Sewer Utility	Stormwater Utility	Marina		Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 6,214,615	\$ 20,231,499	\$ 4,121,405	\$ 572,856	\$ 31,140,375	\$ 13,503,910
Payments to suppliers	(4,092,484)	(7,986,157)	(597,597)	(204,569)	(12,880,807)	(9,123,305)
Payments to employees	(1,556,403)	(6,537,436)	(880,724)	(166,488)	(9,141,051)	(2,084,473)
Other operating revenue	135,957	242,456	-	32,285	410,698	122,871
Net cash provided by (used in) operating activities	701,685	5,950,362	2,643,084	234,084	9,529,215	2,419,003
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers in	-	-	-	-	-	(29,400)
Transfers out	-	(159,600)	-	-	(159,600)	29,400
Advances to other funds	-	-	30,310	-	30,310	-
Net cash provided by (used in) noncapital financing activities	-	(159,600)	30,310	-	(129,290)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of capital assets	(339,696)	(2,969,844)	(1,514,317)	(1,590)	(4,825,447)	(234,735)
Lease of right to use assets	(835)	(5,384)	(304)	(5,603)	(12,126)	(10,191)
Proceeds from capital contributions	-	160,767	-	-	160,767	-
Proceeds of capital debt	333,808	1,227,740	-	-	1,561,548	-
Principal earned / (paid) on capital debt	(137,134)	(1,210,087)	(472,642)	-	(1,819,863)	-
Interest earned / (paid) on capital debt	(34,514)	(379,477)	(274,635)	12,109	(676,517)	(24)
Net cash provided by (used in) capital and related financing activities	(178,371)	(3,176,285)	(2,261,898)	4,916	(5,611,638)	(244,950)
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment earnings (losses)	(23,308)	(107,453)	(52,214)	(9,238)	(192,213)	(151,402)
Net cash provided by (used in) investing activities	(23,308)	(107,453)	(52,214)	(9,238)	(192,213)	(151,402)
Net increase (decrease) in cash and cash equivalents	500,006	2,507,024	359,282	229,762	3,596,074	2,022,651
Cash and cash equivalents - October 1	1,588,077	22,099,328	6,130,028	695,474	30,512,907	12,155,478
Cash and cash equivalents - September 30	\$ 2,088,083	\$ 24,606,352	\$ 6,489,310	\$ 925,236	\$ 34,108,981	\$ 14,178,129
CLASSIFIED AS:						
Cash and cash equivalents	\$ 1,970,078	\$ 19,805,434	\$ 6,132,641	\$ 819,798	\$ 28,727,951	\$ 14,178,129
Cash with fiscal agent	-	1,326,327	355,069	-	1,681,396	-
Restricted cash and cash equivalents	118,005	3,474,591	1,600	105,438	3,699,634	-
Total cash and cash equivalents	\$ 2,088,083	\$ 24,606,352	\$ 6,489,310	\$ 925,236	\$ 34,108,981	\$ 14,178,129
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ 413,929	\$ 1,786,225	\$ 494,262	\$ 32,020	\$ 2,726,436	\$ 1,471,311
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation / amortization	397,968	3,817,479	1,541,545	156,109	5,913,101	1,203,552
(Increase) decrease in:						
Accounts receivable	(85,341)	(139,282)	(114,992)	(4,224)	(343,839)	(721)
Due from other governments	(46)	(12,760)	-	-	(12,806)	-
Inventories	-	26,849	-	-	26,849	(21,425)
Prepaid items	-	(1,589)	-	-	(1,589)	(54,562)
Deposits	-	-	-	-	-	(8,772)
Deferred outflows	4,951	17,949	3,165	433	26,498	5,261
Increase (decrease) in:						
Accounts payable	(39,757)	530,360	705,677	29,415	1,225,695	(139,121)
Accrued wages payable	22,331	80,233	21,146	445	124,155	31,121
Customer deposits payable	(7,315)	(1,330)	-	17,259	8,614	-
Pension liability	78,483	327,948	52,833	-	459,264	-
Compensated absences / OPEB	(3,447)	(135,985)	(5,966)	867	(144,531)	2,109
Claims payable	-	-	-	-	-	(91,144)
Deferred Inflows	(80,071)	(345,735)	(54,586)	1,760	(478,632)	21,394
Total adjustments	287,756	4,164,137	2,148,822	202,064	6,802,779	947,692
Net cash provided by (used in) operating activities	\$ 701,685	\$ 5,950,362	\$ 2,643,084	\$ 234,084	\$ 9,529,215	\$ 2,419,003

The accompanying notes are an integral part of this statement.

Fiduciary Funds

Fiduciary Funds are used to account for resources that are managed in a trustee capacity or as an agent for other parties or funds.

Pension Trust

To account for the accumulation of resources to be used for the retirement annuities of all firefighters. The City contributes an amount determined by an annual actuarial study.

City of Dunedin, Florida
Statement of Fiduciary Net Position
September 30, 2022

	Municipal Firefighters Pension Trust Fund
ASSETS	
Investments	
U.S. government obligations	\$ 5,105,572
U.S. government agencies	711,094
Corporate equities	19,467,550
Temporary investment funds	779,750
Real estate investment funds	3,577,104
Corporate obligations	1,851,824
Due from other governments	770
Prepaid items	1,250
Interest receivable	42,918
Total assets	<u>31,537,832</u>
LIABILITIES	
Accounts payable	<u>120,400</u>
Total liabilities	<u>120,400</u>
NET POSITION	
Restricted for pensions	<u>\$ 31,417,432</u>

The accompanying notes are an integral part of this statement.

City of Dunedin, Florida
Statement of Changes in Fiduciary Net Position
For the year ended September 30, 2022

	Municipal Firefighters Pension Trust Fund
ADDITIONS:	
Contributions	
Employer	\$ 518,801
Plan members	182,669
Total contributions	<u>701,470</u>
Intergovernmental revenue	
Excise tax rebate	349,243
Total intergovernmental revenue	<u>349,243</u>
Investment earnings (losses)	
Net depreciation in fair value of investments	(5,962,357)
Interest	146,872
Dividends	683,909
Total investment earnings	<u>(5,131,576)</u>
Less investment expenses	<u>(149,801)</u>
Net investment earnings (losses)	<u>(5,281,377)</u>
Miscellaneous revenue	<u>450</u>
Total additions	<u>(4,230,214)</u>
DEDUCTIONS:	
Benefits	1,577,690
Refunds	8,937
Administrative expenses	80,751
Total deductions	<u>1,667,378</u>
Change in net position	(5,897,592)
Net position - beginning	<u>37,315,024</u>
Net position - ending	<u>\$ 31,417,432</u>

The accompanying notes are an integral part of this statement.

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

A. REPORTING ENTITY

The City of Dunedin, Florida (the "City"), which was founded on June 1, 1899, and incorporated under Chapter 4877, Acts of 1899 of the State of Florida, has a population of approximately 36,817 (which includes seasonal residents) living within an area approximating 10 square miles. The City is contiguous to the northern side of Clearwater, Florida. The City operates under a Charter originally adopted January 6, 1926, and a Commission-Manager form of government. The most recent revision to the City's Charter was on July 27, 2017. The City is a Florida municipal corporation with a five member City Commission comprised of the Mayor (elected at large) and four commissioners. The City's primary operations include providing emergency services, transportation, economic development, social and human services, culture and recreation, as well as water, sewer and solid waste services.

In evaluating the City as a reporting entity, management has addressed all potential component units (traditionally separate reporting entities) for which the City may or may not be financially accountable and, as such, may be included within the City's Financial Statements. In accordance with GASB Statement No. 14, the City (i.e. the primary government) is financially accountable if it appoints a majority of the potential component unit's governing board, and (1) it is able to impose its will on the organization, or (2) there is a potential for the potential component unit to provide specific financial benefit to or impose specific financial burden on the City. Further, GASB Statement No. 61 amended Statement No. 14, providing that in order to report a component unit's financial activities as if they were essentially part of the primary government, then (1) the two entities must have a financial benefit or burden relationship, or (2) management of the primary government must have operational responsibility for the activities of the component unit. Additionally, the primary government is required to consider other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Based on the foregoing criteria, the Community Redevelopment Agency (CRA) has been included in the City's financial statements in a blended presentation. The City Commission serves as the CRA Board and has operational responsibility for the CRA. The financial activity of the CRA is presented in this report as a nonmajor governmental special revenue fund of the primary government.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

Individual fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All other funds (nonmajor) are combined according to their category, governmental or internal service, and are reported in a single column. Combining statements for nonmajor funds are found beginning on page 130 of this report.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The basis of accounting refers to when revenues, expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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 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 when payment is due.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Property taxes, franchise taxes, intergovernmental revenues, 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.

The City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It accounts for all financial sources of the general government, except those required to be accounted for in another fund.
- The *Community Redevelopment Agency (CRA) Fund* is a special revenue fund to account for the receipt, custody and expenditure of property tax increment funds associated with related redevelopment projects.
- The *Penny Fund* is a special revenue fund to account for the costs of public safety equipment, vehicles, and infrastructure having a life expectancy of five (5) or more years, and is funded by proceeds from the one-cent sales surtax approved by Pinellas County, Florida voters.
- The *American Rescue Plan Act Fund* is a special revenue fund to account for the receipt and disbursement of revenues received under the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program to support response to and recovery from the Covid-19 public health emergency.

The City reports the following major proprietary funds:

- The *Solid Waste Fund* is an enterprise fund to account for the provision of solid waste services to the residents of the City and some County residents. All activities necessary to the provisions of this service are accounted for in this fund.
- The *Water/Sewer Utility Fund* is an enterprise fund to account for the provision of water and sewer services to residents of the City, and some County residents. All activities necessary for the provision of these services are accounted for in this fund.
- The *Stormwater Utility Fund* is an enterprise fund to account for the provision of services for the collection, storage, treatment and conveyance of stormwater for the benefit of all developed property within the City.
- The *Marina Fund* is an enterprise fund to account for the financing, operation and maintenance of the City marina and the associated real property.

Additionally, the City reports the following fund types:

- The *Internal Service Funds* account for building maintenance, vehicle maintenance, self-insurance (risk management for property and casualty and health), and information technology provided by one department to other departments of the City on a cost reimbursement basis.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

- The *Pension Trust Fund* is a fiduciary fund and accounts for the activities of the Firefighters' Retirement Plan, which accumulates resources for pension benefit payments to firefighters.

As a general rule the effect of the interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 restricted investment earnings. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the solid waste, water/sewer utility, stormwater utility, and marina enterprise funds and of the City's internal service funds are charges to customers for sales and services. Operating expenses for these funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition, such as water/sewer utility fund impact fees, are reported as non-operating revenues and expenses.

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.

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND FUND BALANCE/NET POSITION

1. Cash, Cash Equivalents and Investments

The City considers cash on hand and demand deposits with an original maturity of 90 days or less to be cash and cash equivalents. In addition, each fund's equity in the City's investment pool has been treated as a cash equivalent since cash may be withdrawn from the pool at any time without prior notice or penalty.

State statutes and local law authorize the City to invest in direct obligations of the United States, Federally-supported agencies and instrumentalities, Florida government investment pools, commercial paper, repurchase agreements, debt of Florida political subdivisions, money market mutual funds, time deposits, savings accounts and bankers acceptances.

The City categorizes its fair value measurements within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Types and amounts of investments held at fiscal year-end are described in Note 4.A.

2. Receivables and Payables

Activity between funds that is representative of short-term lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "due to/from other funds". All other outstanding balances between funds not expected to be repaid within the availability period are reported as advances. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statements as "internal balances."

Accounts receivable are recorded in the general, special revenue, enterprise, and internal service funds. Where appropriate, an associated allowance for doubtful accounts has been established.

Utility (water/sewer and stormwater), solid waste and marina operating revenues are generally recognized on the basis of monthly cycle billings. The City records utility revenue and receivables for services delivered during the current fiscal year which will be billed during the next fiscal year. Unbilled revenue for utility services as of September 30, 2022 amounts to \$2,443,979.

3. Leases Receivable

The City's leases receivable is measured at the present value of future lease payments expected to be received during the term of the leases. A deferred inflow of resources is also recorded for each lease at the initiation of the agreement, in an amount equal to the initial lease receivable. The deferred inflow of resources is amortized over the term of the leases in amounts and frequencies equal to the principal reduction on the outstanding lease values.

4. Inventories

All City inventories are maintained on a consumption basis of accounting where items are purchased for inventory and charged to the expenditure accounts as the items are consumed. Inventories held by the General Fund consist principally of general office, printing, traffic control and maintenance supplies. Inventories included in the Water/Sewer Utility Fund consist of parts held for repair and maintenance of the system. Inventories included in the Internal Service Funds consist of maintenance parts, tires, fuels and supplies. Inventories are stated at average or weighted average cost. Appropriate allowances have been recorded for obsolete and surplus items. Inventories are equally offset by a fund balance reserve categorized as nonspendable, which indicates that they do not constitute "available spendable resources" even though they are a component of current assets.

5. Prepaid Items

Payments made to vendors for services that will benefit subsequent fiscal years are recorded as prepaid items. The cost of these items are recorded as expenditures when consumed rather than when purchased. Prepaid items are equally offset by a fund balance reserve categorized as nonspendable, which indicates that they do not constitute "available spendable resources" even though they are a component of current assets.

6. Restricted Assets

A portion of assets are restricted due to constraints that are either 1) externally imposed by creditors (debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation. Cash and cash equivalents held as customer deposits and impact fee revenues are shown as restricted.

7. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value at the date of donation.

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.

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

Assets	Years
Buildings	10-30
Building Improvements	7-50
Infrastructure	15-50
Improvements other than Buildings	7-50
Machinery and Equipment	5-30

8. Right to Use Leased Assets

Leased assets, which include computer hardware services, postage and copier equipment, real property for use as parking facilities, a parking garage, and building space, are recorded in the City's financial statements as a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 87. These leased assets are initially measured at an amount equal to the related lease liability, and are amortized on a straight-line basis over the term of the related lease agreement.

9. Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

10. Accumulated Unused Compensated Absences

The City records the "vested portion of accumulated unused compensated absences" at the end of each fiscal year, based on each employee's accumulated unused hours and rate of pay. The accumulated unused portion as of September 30 is treated as both a short-term and long-term liability.

It is the City's policy in its Proprietary Funds to reflect on an accrual basis the amounts of earned but unused vacation leave and that portion of earned but unused sick leave estimated to be payable upon retirement.

11. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, and any losses on the refunding of any bond issuances (gain or loss on defeasance), are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Loss on defeasance is the difference between the reacquisition price of the refunded debt and the net carrying amount at the time of the refunding. Bonds payable are reported net of the applicable unamortized bond premium or discount or deferred loss on refunding.

12. Postemployment Health and Life Insurance Benefits

The City makes available healthcare insurance for eligible retirees through the City's group health insurance plan, which covers both active and retired members. Retirees pay the full cost of healthcare insurance, which is a single, blended premium rate that is used for both active employees and retired members. The City follows the provisions of GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" by recognizing annual Other Postemployment Benefits (OPEB) expense and related obligations.

13. Unearned Revenue

Certain receipts are unearned because the money has been received, but not earned. These payments are received in advance of the services provided. The unearned revenue will be recognized as revenue in the fiscal year it is deemed earned or in the year that it becomes available.

14. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to future periods and therefore will not be recognized as an inflow of resources (revenue) until that future time.

15. Fund Balance / Net Position

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City has established limitations on the use of resources through commitments (committed fund balance) or assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for specific purposes determined by a formal action of the City's Commission, via resolution and must be removed in the same fashion.

Amounts in assigned fund balance are also intended to be used for specific purposes but do not meet the criteria to be classified as committed. The Commission has by resolution authorized the City Manager or Finance Director to assign fund balance.

Net position reported in the government-wide and proprietary fund financial statements is categorized as net investment in capital assets, restricted or unrestricted. The first category represents net position related to net investment in capital assets. Restricted net position represents net position restricted for capital projects, community redevelopment, the stadium, housing services, public safety, bequests, and other externally imposed constraints or imposed by law through constitutional provisions or enabling legislation.

16. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the general fund and special revenue funds. Since they do not constitute expenditures or liabilities, encumbrances outstanding at year end are reported as restricted, committed, or assigned fund balances, depending on the nature of each encumbrance.

E. REVENUES, EXPENDITURES AND EXPENSES

1. Property Taxes

All real and tangible personal property taxes are due and payable on November 1 of each year, or as soon thereafter as the assessment roll is certified by the County Property Appraiser. The County mails to each property owner on the assessment roll a notice of tax levy by the various governmental entities in the County. Taxes may be paid upon receipt of such notice with discounts at the rate of 4% if paid in November, 3% if paid in December, 2% if paid in January and 1% if paid in February. Taxes paid during the month of March are without discount. All unpaid taxes on real and tangible personal property become delinquent on April 1 of the year following the year in which the taxes were assessed.

On or before April 25 of each year, a list of delinquent personal property tax payers is advertised. Warrants are issued directing seizure and sale of the personal property of the taxpayer if the delinquent taxes are not paid before May 1. On or before June 1 of the following year in which taxes are assessed, liens are filed and tax certificates are sold on all real estate parcels with outstanding taxes.

The City is permitted by state law to levy taxes up to 10 mills of assessed valuation (exclusive of taxes levied for the payment of bonds). The millage rate levied by the City for the fiscal year ended September 30, 2022 was 4.1345.

2. Operating Subsidies, Grants, and Impact Fees

Grants to proprietary funds used for construction or to finance current operations are recorded as contributions or non-operating revenue, respectively, when earned.

Impact fees represent a capacity charge for the proportionate share of the cost of expanding, oversizing, separating or constructing new additions to the Utility System. The City is obligated to expend these funds only to provide expanded capacity to the system. Water and sewer impact fee revenues are classified as contributions.

3. Interfund Transactions

Interfund sales and purchases are accounted for as fund revenues, expenditures or expenses (as appropriate). Transactions which constitute reimbursements to a fund for expenditures (expenses) initially made are recorded as expenditures or expenses (as appropriate) in the reimbursing fund, and as reductions of the expenditures (expenses) in the reimbursed fund. All interfund transactions except loans and reimbursements are accounted for as transfers.

4. Administrative Charges

Certain administrative expenses are incurred by the General Fund on behalf of the other funds. In addition, some administrative charges are incurred by the Water/Sewer Utility Fund for services rendered that benefit other funds. Both the General Fund and the Water/Sewer Utility Fund receive payment for these services based on a percentage allocation in accordance with budgeted appropriations. These administrative reimbursements for the year ended September 30, 2022, are presented on the following page.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Reimbursements to the General Fund were charged to the following funds:

Fund	Amount
Building	\$ 63,100
Solid Waste	507,100
Water/ Sewer Utility	1,561,700
Marina	45,800
Stormwater	331,600
Total	\$ 2,509,300

Reimbursements to the Water/Sewer Utility Fund were charged to the following funds:

Fund	Amount
Solid Waste	\$ 93,500
Stormwater	61,300
Total	\$ 154,800

F. IMPLEMENTATION OF NEW ACCOUNTING PRINCIPLES

1. Governmental Accounting Standards Board (GASB) Statement No. 87

During the current fiscal year, the City adopted the provisions of GASB Statement No. 87, Leases. The objective of this statement is to better meet the informational needs of financial statement users by improving accounting and financial reporting for leases by governments. The statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized inflows of resources or outflows of resources based on the payment provisions of the lease agreement. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. As a lessee, the City is required to recognize a lease liability and an intangible right-to-use lease asset, and as a lessor is required to recognize a lease receivable and a deferred inflow of resources.

NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. THE CITY'S BUDGET POLICY IS SUMMARIZED AS FOLLOWS:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds. All annual appropriations lapse at fiscal year-end.
2. The City Manager submits to the City Commission a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures/expenses and the means of financing.
3. Public hearings are conducted to obtain taxpayer comments.
4. The budget is approved by the City Commission through the passage of a resolution. The level on which expenditures/expenses may not legally exceed appropriations is at the fund level.
5. The appropriated budget is prepared by fund, function and department. The City Manager is authorized to transfer budgeted amounts between departments, and make budget transfers affecting personnel, provided these changes have a zero net effect on the City's budget. All increases and decreases in fund balance, personnel budget changes, and transfers between funds, must have City Commission approval.

B. ESTABLISHMENT/ELIMINATION OF FUNDS

During the fiscal year ended September 30, 2022 the American Rescue Plan Act special revenue fund was established to account for Coronavirus State and Local Fiscal Recovery Funds (SLFRF) utilized in response to and recovery from the Covid-19 public health emergency. The fund is considered a major fund of the City.

NOTE 4 – DETAIL NOTES - ALL FUNDS

A. ASSETS

1. Cash and Cash Equivalents and Investments

The City of Dunedin maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is reported in "Cash and Cash Equivalents." Interest earned by this pool is distributed monthly to each fund based on the fund's cash balance.

The City's investment policy and guidelines are defined by City ordinance. The written investment policy was last revised, by City Commission approval, on July 23, 2019. The policy specifies limits by instrument and institution (within instrument) and establishes a diversified investment strategy, minimum credit quality and authorized institutions available as counterparties. In addition to authorizing investment instruments, the City's policy also identifies various portfolio parameters addressing issuer diversification, term-to-maturity and liquidity. Implementation and

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

direction, within policy limits, is managed by the Director of Finance, with City Manager approval required for all transactions.

The investment policy of the City of Dunedin Municipal Firefighters Pension Trust Fund was created by, and is periodically amended by, the pension board.

a. Custodial Credit Risk – Cash and Investments

Custodial credit risk is defined as the risk that a government will not be able to recover deposits or the value of its investments in the event of a failure of a depository financial institution or a third party holding the investment securities.

The City's investment policy requires that time deposits, demand deposits, savings accounts and non-negotiable certificates of deposit must be held by institutions organized under the laws of Florida and/or in national banks organized under the laws of the United States and doing business and situated in Florida as qualified public depositories, ensuring that any such deposits are secured and collateralized according to the Florida Security for Public Deposits Act (Chapter 280 of the Florida Statutes). In addition, the policy requires all investment securities to be held by a third party custodian in the name of the City.

Securities transactions between a broker-dealer and the custodian involving the purchase or sale of securities must be made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusions of the transaction.

As of September 30, 2022, the bank balance of the City's cash deposits was \$7,452,783. The bank balance is insured by federal depository insurance and, for the amount in excess of such federal depository insurance, is collateralized pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the government entity for the loss.

The investment policy of the City of Dunedin Municipal Firefighters Pension Trust Fund (the Firefighters Pension Plan) requires all securities to be held by a third party custodian (Salem Trust Company) in the name of the Firefighters Pension Plan. Securities transactions between a broker-dealer and the custodian involving the purchase or sale of securities must be made on a "delivery vs. payment" basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction.

As of September 30, 2022, the Firefighters Pension Plan's investments are managed under separate investment agreements with Great Lakes Advisors, LLC, Rockwood Capital Advisors, LLC and Harding Loevner LP. These agreements give Salem Trust Company the custodianship, but gives Great Lakes Advisors, LLC, Rockwood Capital Advisors, LLC and Harding Loevner LP the authority to manage the investments. These assets are invested in accordance with specific investment guidelines as set forth in the Plan.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

The Firefighters Pension Plan invests in Barings Core Property Fund, which is an alternative real estate investment vehicle. The real estate funds are open end, commingled private real estate portfolios valued using the net asset value (NAV) provided by the investment managers of the fund. The NAV is based on the value of the underlying assets owned by these funds minus its liabilities and then divided by the number of shares or percentage of ownership outstanding. The investments of the fund are valued quarterly. Withdrawal requests must be made 60 days in advance and may be paid in one or more installments.

b. Credit Risk

Credit risk is the risk resulting from potential default of investments that are not financially sound. The City's investment policy limits credit risk by restricting authorized investments to include only the following types, along with the following minimum credit rating, where applicable:

- U.S. Treasuries
- U.S. Agencies and Government Sponsored Enterprises (AAA/Aaa)
- Local Government Investment Pools (AAAm or equivalent)
- The State Board of Administration (SBA) or Florida PRIME (AAAm or equivalent)
- General or Revenue Debt Obligations of State and Local Governments (AAA/Aaa)
- Money Market Mutual Funds (AAAm)
- Money Market Savings Account
- Bank Deposits / Certificates of Deposit
- Corporate Debt Instruments and Commercial Paper (AA-/Aa3)
- Repurchase Agreements (A1+/P1/F1+)

The City's cash and cash equivalents and investments consisted of the following as of September 30, 2022:

Investment Type	Fair Value	Rating	Rating Agency	% of Total	Weighted Average Maturity	Hierarchy Level
Florida Fixed Income Trust (FL-FIT)	\$ 4,253,433	AAAf	Fitch	4.36%	33 Days	n/a
Florida Surplus Asset Trust Fund (FLSAFE)	4,980,216	AAAm	Standard & Poor	5.10%	40 Days	n/a
US Government Agencies	22,747,403	Aaa	Moody's	23.29%	841 Days	2
Treasury Notes	17,813,900	Aaa	Moody's	18.24%	152 Days	1
FLCLASS	11,246,772	AAAm	Standard & Poor	11.52%	68 Days	n/a
Florida Short Term Asset Reserve (FLSTAR)	10,076,318	AAAm	Standard & Poor	10.32%	10 Days	n/a
Morgan Stanley Money Market Fund	7,058,513	AAAm	Standard & Poor	7.23%	13 Days	n/a
SBA - Florida PRIME	2,401,349	AAAm	Standard & Poor	2.47%	15 Days	n/a
Certificate of Deposits	3,050,710			3.12%	209 Days	n/a
Cash in bank	7,406,333			7.58%		n/a
Cash with Fiscal Agent	6,623,882			1.89%		n/a
Petty cash	3,528			0.00%		n/a
Total Cash and Investments	\$ 97,662,357					

Florida SAFE is a surplus asset trust fund, which was developed by and for Florida local governments. Florida SAFE adheres to the requirement to maintain a net asset value of \$1.00 per share or higher. Florida SAFE invests its proceeds in U.S. Government Agencies and Commercial Paper. Florida CLASS and FL Star are intergovernmental investment pools

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

authorized under Section 218.415 Florida Statutes. SBA-Florida PRIME operates as a ‘2a-7 like’ fund. The Morgan Stanley Fund is an exchange traded Institutional Liquidity Fund that focuses on preserving capital and liquidity. There are no withdrawal restrictions for any of the investments referenced in this paragraph.

In accordance with GASB Statement 72, *Fair Value Measurement and Application*, the City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets
- Level 2 inputs are significant other observable inputs
- Level 3 inputs are significant unobservable inputs

The Firefighters Pension Plan’s investment guidelines limit its fixed income investments to a credit quality rating of “A” or equivalent as rated by Moody’s or by Standard & Poor’s bond rating services at the time of purchase. Fixed income investments which are downgraded below the minimum rating must be liquidated at the earliest beneficial opportunity.

Investments held by the Firefighters Pension Plan are summarized as follows:

Investment Type	Fair Value	Standard & Poor's Rating	% of Total	Effective Duration (In	Hierarchy Level
U.S. Government Obligations	\$ 5,105,572	AA	16.21%	5.9	1
U.S. Government Agencies	711,094	AA	2.26%	4.3	2
Corporate Obligations	1,851,824	BAA-A	5.88%	7.6	2
Temporary Investment Funds	779,750	AAA	2.48%	Daily	2
Domestic Stocks	15,999,747		50.80%		1
International Stocks	3,467,803		11.01%		1
Real Estate Investment Fund	3,577,104		11.36%		n/a
Total Pension Funds	\$ 31,492,894				

For both City owned investments and Firefighter Pension owned investments, standardized hierarchy levels are indicated in the investment type listings shown in the table on the previous page. The levels were established to provide an understanding of the techniques used to arrive at fair value. Investments classified as Level 1 use quoted prices at September 30 in active markets from the custodian bank’s external pricing vendor. Investments classified as Level 2 are evaluated prices from the custodian bank’s external pricing vendor. This pricing methodology involves the use of evaluation models, such as matrix pricing, which are based on the investments’ relationship to benchmark quoted prices.

c. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to the quantity of investment in a single issuer. To limit this risk, the City’s investment policy requires diversification of the portfolio with maximum limits on what can be invested per investment type. In addition to a maximum level of investment in aggregate by security type, no more than 25% of the City’s

investment portfolio may be invested in a single issuer. The maximum concentration limits per investment type allowed by the City's investment policy are as follows:

- U.S. Treasuries – 95%
- U.S. Agencies and Government Sponsored Enterprises – 40%
- Local Government Investment Pools – 75%
- The State Board of Administration (SBA) or Florida PRIME – 5%
- General or Revenue Debt Obligations of State and Local Governments – 10%
- Money Market Mutual Funds – 50%
- Money Market Savings Account – 40%
- Certificates of Deposit – 40%
- Corporate Debt Instruments and Commercial Paper – 10%, 40%
- Repurchase Agreements – 10%

The Firefighters Pension Plan's policy limits investments in foreign fixed income or equity securities to 25% of the total portfolio. The equity and bond investment mix is targeted at 65% equities and 25% bonds. In addition, not more than 5% of the portfolio may be invested in common stock of any one issuing company. The Firefighters Pension Plan had no investments that individually represented 5% or more of the Plan's net assets available for benefits as of September 30, 2022.

d. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. Generally, the longer time to maturity equates to greater exposure to interest rate risk. The City manages its exposure to fair value losses arising from increasing rates through its adopted investment policy. The City's policy limits its fixed portfolio's weighted average maturity to 3 years and the duration of the overall portfolio to 5 years. At September 30, 2022 the City's investments in U.S. Government Agencies and U.S. Treasury Notes had weighted average maturities of 2.3 years and 0.4 years, respectively.

The Firefighters Pension Plan's investment policy limits the effective duration of its fixed income portfolios through the adoption of the Barclays Capital Aggregate Bond Index benchmark. The U.S. Government obligations had an effective duration of 5.9 years; the U.S. Government agencies 4.3 years, and corporate obligations 7.6 years.

2. Receivables

a. Receivables

Receivables as of the fiscal year ended September 30, 2022 for the City's major governmental and enterprise funds, including the applicable allowances for uncollectible accounts, are as follows:

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	General	Community Redevelopment Agency	Penny	Solid Waste	Water/ Sewer Utility	Storm- water Utility	Marina	Total
Receivables:								
Accounts Billed	\$ 844,628	\$ 1,158	\$ -	\$ 212,499	\$ 640,078	\$ 130,233	\$ 36,618	\$1,865,214
Accounts Unbilled	-	-	-	519,952	1,561,470	362,557	-	2,443,979
Liens	-	-	-	7,301	2,898	1,655	-	11,854
Connection Fees	-	-	-	-	116,224	-	-	116,224
Leases	130,638	-	-	-	43,772	-	25,745	200,155
Interest	42,643	3,119	13,595	4,540	52,066	14,051	1,976	131,990
Gross Receivables	1,017,909	4,277	13,595	744,292	2,416,508	508,496	64,339	4,769,416
Less: Allowance for Uncollectibles	-	-	-	9,557	29,672	5,167	-	44,396
Net Total Receivables	\$1,017,909	\$ 4,277	\$ 13,595	\$ 734,735	\$ 2,386,836	\$ 503,329	\$ 64,339	\$4,725,020

As the operator of Solid Waste, Utilities, and Marina programs, the City grants credit to their customers, substantially all of whom are City residents. Non-current receivables are not included in the chart above.

Governmental funds do not record revenue in connection with resources that have been received, but not yet earned. Governmental funds report *unavailable revenue* in connection with receivables for revenues that are not considered to be available to liquidate current period liabilities.

b. Notes Receivable

On March 11, 2016 the City entered into a Development Agreement with Developer, 203 N. Marion Street, L.L.C. to convey City property valued at \$400,000. During the same time period the same Developer and the City entered into a Parking Garage Lease whereby the City will lease 215 parking spaces from the Developer. In return for the conveyance of the City property to the Developer, the Developer will pay its purchase obligation amortized over a 20 year period with interest and annual installments of \$32,211. The payments to the City will be applied against the City's obligations under the terms of the Lease. The principal amount outstanding on the note receivable as of September 30, 2022 is \$333,394.

c. Leases Receivable

A lease is defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset, for a minimum period of more than one year, in an exchange or exchange-like transaction.

As a lessor, the City has entered into agreements involving the lease of water tower space, land, and building space. Certain building space is leased from an entity by the City, then subleased by the City to other tenants. Real property (land) owned by the City is leased to a tenant for operation of cellular communication equipment, who subleases a portion of such

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

property to other cellular communication providers, with the City recognizing lease fees from both the lessee and sublessees. The related receivables for all leases are presented in the Statement of Net Position in amounts equal to the present value of lease payments expected to be received during the lease term. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows recognized during the fiscal year ended September 30, 2022 was \$277,788.

The City entered into an agreement on October 1, 2015, for the lease of building space for use as an artisan incubator. On December 17, 2015 and February 22, 2016, the City entered into two separate agreements to sublease a portion of the building space. Each lease agreement was retroactive to a start date of October 1, 2015, for a term of five years, terminating September 30, 2020. Both lease agreements were extended for a period of two additional years, through September 30, 2022. Amended and restated sublease agreements executed with each tenant provide for an additional two-year term, through September 30, 2024, with an option to renew for an additional year. Combined, the agreements require annual lease payments of \$50,910 and \$54,910 during FY 2023 and FY 2024, respectively.

An agreement was entered into on July 1, 2019, for the lease of a portion of real property (land and a building) owned by the City for use as a vehicle maintenance facility. The term of the agreement is for five years, terminating June 30, 2024, with an option to automatically renew the lease for up to three additional five-year terms (through June 30, 2039). The lease agreement requires annual lease payments of from \$47,264 during the initial year of the lease, escalating to \$82,771 during the final year of the agreement (if fully renewed).

An agreement was entered into on November 1, 2020, for the lease of building space for use as a business premise for the retail and wholesale sale of food, drink, and sundry products. The term of the agreement is ten years, with an option to renew for one additional five-year term at the end of the initial term. The lease agreement requires annual lease payments of from \$36,000 during the initial year of the lease, escalating to \$62,340 during the final year of the agreement (if the agreement is renewed for the additional five-year term).

Agreements were entered into on October 21, 2000 and February 24, 2015, with two separate lessees for the lease of space on the City's water tower for the installation and operation of cellular communication equipment. The first agreement was for a term of five years, renewable for three additional five-year terms. An amendment to the agreement, effective November 1, 2014, modified the remaining term to five additional five-year periods, terminating October 31, 2044. However, the City has advised the lessee of its intent to terminate the agreement effective October 31, 2024. During FY 2022, the City received \$28,750 in rent under the agreement. The second agreement is for an initial term of five years, renewable for four additional five-year terms, terminating February 23, 2040. Annual rent is \$25,000 during the initial five-year term, escalated by 15.0% at the commencement of each additional five-year term. The updated annual lease amount remains in effect for the duration of the five-year term.

An agreement was entered into on August 12, 1998, for the lease of real property for the purpose of installing, operating and maintaining cellular communication equipment. The

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

term of the original agreement was for five years, renewable for four additional five-year periods. A third amendment to the agreement, effective December 4, 2018, provided for an extended term of three additional five-year extensions, expiring January 21, 2039. During FY 2022, annual rent paid was \$46,805, with such amount to be escalated annually based on the consumer price index, with annual increases being no less than 2.0% and no greater than 5.0%. The lessee may enter into sublease agreements from time to time with other cellular communication providers, with the City realizing a portion of such proceeds paid the primary lessee. During FY 2022, the City received \$25,816 in rent from sublessees.

3. Capital Assets

a. Capital Asset Activity

Capital asset activity for the fiscal year ended September 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<i>Capital Assets not being Depreciated -</i>				
Land	\$ 31,281,056	\$ 4,486,352	\$ -	\$ 35,767,408
Construction in Progress	5,298,025	15,622,052	(537,842)	20,382,235
Total Capital not being Depreciated	<u>36,579,081</u>	<u>20,108,404</u>	<u>(537,842)</u>	<u>56,149,643</u>
<i>Capital Assets being Depreciated:</i>				
Buildings	159,325,815	1,376,920	(13,648)	160,689,087
Infrastructure	16,231,781	312,296	-	16,544,077
Improvements other than Buildings	26,838,589	2,086,920	(62,538)	28,862,971
Machinery and Equipment	26,096,187	527,653	(628,317)	25,995,523
Total Capital Assets being Depreciated	<u>228,492,372</u>	<u>4,303,789</u>	<u>(704,503)</u>	<u>232,091,658</u>
<i>Less: Accumulated Depreciation for -</i>				
Buildings	(32,096,145)	(5,061,704)	13,649	(37,144,200)
Infrastructure	(5,260,870)	(689,151)	-	(5,950,021)
Improvements other than Buildings	(19,165,026)	(1,145,018)	18,527	(20,291,517)
Machinery and Equipment	(16,837,108)	(1,567,756)	626,419	(17,778,445)
Total Accumulated Depreciation	<u>(73,359,149)</u>	<u>(8,463,629)</u>	<u>658,595</u>	<u>(81,164,183)</u>
Total Capital Assets being Depreciated, net	<u>155,133,223</u>	<u>(4,159,840)</u>	<u>(45,908)</u>	<u>150,927,475</u>
Governmental Activities Capital Assets, net	<u>\$ 191,712,304</u>	<u>\$ 15,948,564</u>	<u>\$ (583,750)</u>	<u>\$ 207,077,118</u>

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
<i>Capital Assets not being Depreciated -</i>				
Land	\$ 957,631	\$ -	\$ -	\$ 957,631
Construction in Progress	1,365,822	1,046,388	(35,867)	2,376,343
Total Capital not being Depreciated	<u>2,323,453</u>	<u>1,046,388</u>	<u>(35,867)</u>	<u>3,333,974</u>
<i>Capital Assets being Depreciated:</i>				
Buildings	14,488,966	-	-	14,488,966
Improvements other than Buildings	176,443,179	3,426,316	(31,003)	179,838,492
Machinery and Equipment	5,962,934	388,611	(69,624)	6,281,921
Total Capital Assets being Depreciated	<u>196,895,079</u>	<u>3,814,927</u>	<u>(100,627)</u>	<u>200,609,379</u>
<i>Less: Accumulated Depreciation for -</i>				
Buildings	(13,928,375)	(28,439)	-	(13,956,814)
Improvements other than Buildings	(103,934,983)	(5,362,485)	31,002	(109,266,466)
Machinery and Equipment	(4,182,446)	(509,758)	69,625	(4,622,579)
Total Accumulated Depreciation	<u>(122,045,804)</u>	<u>(5,900,682)</u>	<u>100,627</u>	<u>(127,845,859)</u>
Total Capital Assets being Depreciated, net	<u>74,849,275</u>	<u>(2,085,755)</u>	<u>-</u>	<u>72,763,520</u>
Business-type Activities Capital Assets, net	<u>\$ 77,172,728</u>	<u>\$ (1,039,367)</u>	<u>\$ (35,867)</u>	<u>\$ 76,097,494</u>

b. Depreciation

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

Governmental Activities:

General government	\$ 404,164
Public safety	416,483
Transportation	963,430
Economic environment	303,521
Culture and recreation	5,182,571
Internal Service Funds	1,193,460
Total Depreciation Expense	<u>\$ 8,463,629</u>

Business-type Activities:

Solid Waste	\$ 397,114
Water/Sewer Utility	3,811,977
Stormwater Utility	1,541,234
Marina	150,357
Total Depreciation Expense	<u>\$ 5,900,682</u>

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

c. Construction Contracts

The City has entered into contracts for the construction of its governmental capital assets:

	<u>September 30, 2022</u>	
	<u>Estimated</u>	
	Project	Construction
	Amount	in Progress
<u>Governmental Activities:</u>		
Construction of a new City Hall.	\$ 23,809,000	\$ 19,798,334
Miscellaneous sidewalk and crosswalk improvements.	620,515	39,033
Design services-Patricia Ave. corridor improvement.	365,000	38,446
Construction services to replace the pram shed located at the Dunedin Marina.	600,000	41,997
Design services for construction of an aquatics center.	3,000,000	48,912
Construction improvements to the City-wide broadband cable network.	2,800,000	415,513
Total Governmental Activities	<u>\$ 31,194,515</u>	<u>\$ 20,382,235</u>

The City has entered into contracts for the construction of business-type assets:

	<u>September 30, 2022</u>	
	<u>Estimated</u>	
	Project	Construction
	Amount	in Progress
<u>Water/Sewer Utility Fund:</u>		
Improvements to various wastewater lift stations.	\$ 5,019,154	\$ 546,711
Design services for the upgrade of the Wastewater SCADA system.	1,238,484	149,602
Design services for the replacement of the Bayshore Boulevard water main.	531,270	41,806
Design services for the upgrade of the wastewater plant electrical systems.	13,949,217	711,581
Design services required for the Lofty Pine Estates sewer line project.	2,500,000	85,542
Improvements to Wastewater chlorine contact basin.	30,000	20,962
<u>Stormwater Fund:</u>		
Design services for the Brady Dr. box culvert project.	769,540	103,027
Design services for drainage improvements at Cedarwood & Lyndhurst.	983,514	650,624
Design services for the replacement of the Bayshore Boulevard water main.	723,500	66,488
Total Enterprise Funds	<u>\$ 25,744,679</u>	<u>\$ 2,376,343</u>

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

d. Other Significant Commitments

The City had active projects as of September 30, 2022. The major projects are listed below:
 At year end, the City’s significant outstanding purchase commitments were as follows:

<u>Project</u>	<u>Remaining Commitment</u>
Construction of city hall complex	\$ 4,225,359
SCBA air pack replacements for Fire Operations	369,925
Consulting services for ARPA grant funding	298,677
Purchase of ASL sanitation truck	374,273
Construction of Water Treatment Plant	360,371
Wastewater treatment plant electrical system upgrades	3,877,895
Wastewater treatment plant SCADA system upgrades	879,515
Wastewater lift stations rehabilitation	577,627
Design services - Cedarwood & Lyndhurst drainage	206,342
	<u>\$ 11,169,984</u>

The remaining commitment amounts were encumbered at fiscal year-end.

4. Right to Use Leased Assets

a. Right to Use Leased Asset Activity

The City has recorded right to use leased assets. The assets are leased computer hardware, postage and copier equipment, real property for public parking, a parking garage, and building space. The right to use leased assets are amortized on a straight-line basis over the terms of the related leases.

Leased/right to use asset activity for the fiscal year ended September 30, 2022, is as noted on the following page:

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
<i>Right to Use Leased Assets being Amortized:</i>				
Buildings	\$ -	\$ 343,727	\$ -	\$ 343,727
Infrastructure	-	2,507,417	-	2,507,417
Machinery and Equipment	-	73,852	-	73,852
Total Right to Use Leased Assets being Amortized	-	2,924,996	-	2,924,996
<i>Less: Accumulated Amortization for -</i>				
Buildings	-	(114,576)	-	(114,576)
Infrastructure	-	(110,369)	-	(110,369)
Machinery and Equipment	-	(32,692)	-	(32,692)
Total Accumulated Amortization	-	(257,637)	-	(257,637)
Governmental Activities Right to Use Leased Assets, net	<u>\$ -</u>	<u>\$ 2,667,359</u>	<u>\$ -</u>	<u>\$ 2,667,359</u>

Note: All increases are a result of the implementation of GASB Statement No. 87, Leases, during FY 2022.

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
<i>Right to Use Leased Assets being Amortized:</i>				
Infrastructure	\$ -	\$ 20,612	\$ -	\$ 20,612
Machinery and Equipment	-	13,334	-	13,334
Total Right to Use Leased Assets being Amortized	-	33,946	-	33,946
<i>Less: Accumulated Amortization for -</i>				
Infrastructure	-	(5,752)	-	(5,752)
Machinery and Equipment	-	(6,667)	-	(6,667)
Total Accumulated Amortization	-	(12,419)	-	(12,419)
Business-type Activities Right to Use Leased Assets, net	<u>\$ -</u>	<u>\$ 21,527</u>	<u>\$ -</u>	<u>\$ 21,527</u>

Note: All increases are a result of the implementation of GASB Statement No. 87, Leases, during FY 2022.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

b. Amortization

Amortization expense was charged to functions of the primary government as noted on the following page:

Governmental Activities:

General government	\$	10,291
Public safety		845
Transportation		39,129
Economic environment		187,255
Culture and recreation		10,025
Internal Service Funds		10,092
Total Amortization Expense	<u>\$</u>	<u>257,637</u>

Business-type Activities:

Solid Waste	\$	854
Water/Sewer Utility		5,502
Stormwater Utility		311
Marina		5,752
Total Amortization Expense	<u>\$</u>	<u>12,419</u>

5. Interfund Transfers, Receivables and Payables

a. Interfund Transfers

<u>Transfers Out:</u>	<u>Transfers In:</u>			
	<u>General</u>	<u>Penny</u>	<u>Nonmajor Gvmtl</u>	<u>Total</u>
General	\$ -	\$ -	\$265,000	\$ 265,000
Community Redevelopment	28,400	-	35,510	63,910
Water/Sewer Utility	-	159,600	-	159,600
Total Transfers	<u>\$ 28,400</u>	<u>\$ 159,600</u>	<u>\$300,510</u>	<u>\$ 488,510</u>

The General Fund transferred \$265,000 to the Stadium Fund to support annual operations and maintenance needs.

The Community Redevelopment Agency (CRA) Fund transferred \$28,400 to the General Fund to offset expenditures related to special events.

The CRA Fund transferred \$35,510 to the Impact Fee Fund in support of economic development initiatives.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

The Water/Sewer Utility Fund transferred \$159,600 to the Penny Fund in support of the construction of the City Hall building.

b. Interfund Receivables and Payables

<u>Due From Other Funds / Receivable</u>		<u>Due To Other Funds / Payable</u>	
<u>Fund</u>	<u>Amount</u>	<u>Fund</u>	<u>Amount</u>
N/A	\$ -	N/A	\$ -

At September 30, 2022 the City had no amounts due from / to other funds.

<u>Advances To Other Funds / Receivable</u>		<u>Advances From Other Funds / Payable</u>	
<u>Fund</u>	<u>Amount</u>	<u>Fund</u>	<u>Amount</u>
Stormwater Utility	\$ 29,190	General	\$ 29,190
	\$ 29,190		\$ 29,190

The Stormwater Utility Fund advanced \$59,500 to the General Fund in fiscal year 2021 for funding assistance to purchase radios for the Fire Department. An amount of \$30,310 was paid back during current fiscal year 2022, with the balance of \$29,190 scheduled for repayment during fiscal year 2023.

6. Leases

A lease is defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial asset, for a minimum period of more than one year, in an exchange or exchange-like transaction.

As a lessee, the City leases computer hardware services, postage and copier equipment, real property for use as parking facilities, a parking garage, and building space. The City also subleases building space to other entities. The related obligations are presented in amounts equal to the present value of lease payments payable during the remaining lease term. For one existing agreement involving the lease of land for use as a parking lot, the annual rent paid by the City is equal to the amount paid for property taxes on the subject land by the owner. As such, this payment is variable from year to year. For measurement of the total lease liability as presented on the following page, the current year's lease payment value is assumed to remain consistent throughout the lease term. As the lessee, a lease liability and associated lease asset is recognized on the government-wide Statement of Net Position.

The City's leased assets are recorded at a cost of \$2,958,942, less accumulated amortization of \$270,056.

B. LONG-TERM OBLIGATIONS

The following presents the City's long-term obligations for the fiscal year ended September 30, 2022:

1. Leases

The City has entered into agreements to lease certain equipment, real property, and buildings. The lease agreements qualify as other than short-term leases under Governmental Accounting Standards Board (GASB) Statement No. 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of implementation of the Statement.

An agreement was executed on April 1, 2018, to lease a postage meter. The lease term ends March 31, 2023, and requires quarterly payments of \$720 over the term. For this lease, an intangible asset has been recorded with a net book value of \$1,427 at September 30, 2022.

An agreement was executed on April 5, 2022, for the lease of real property to be utilized as a public parking lot. The lease term ends May 31, 2027, with an option to renew for two additional one-year terms. The agreement calls for semi-annual payments starting at \$20,000, escalating to \$22,000 over the term of the lease. For this lease, an intangible asset has been recorded with a net book value of \$257,422 at September 30, 2022.

An agreement was executed on April 9, 2015, for the lease of real property to be utilized as a public parking lot. The initial lease term ended April 30, 2018, with options to renew for additional one-year terms through April 30, 2023. The agreement requires monthly payments of \$500. For this lease, an intangible asset has been recorded with a net book value of \$15,009 at September 30, 2022.

An agreement was executed on March 19, 2020, for the lease of real property to be utilized as a public parking lot. The lease term ends July 31, 2023, with an option to renew for three additional one-year terms. The agreement stipulates the City is to reimburse the lessor for the annual property taxes assessed on the subject land. As such, the ongoing lease payment requirements are considered to be variable in value. For measurement of the total lease liability, the current fiscal year's lease payment value is assumed to remain consistent throughout the lease term. For this lease, an intangible asset has been recorded with a net book value of \$21,371 at September 30, 2022.

An agreement was executed on December 1, 2021, for the lease of computer hardware and maintenance services. The lease term ends November 30, 2023, with an option to renew for two additional one-year terms. The agreement requires annual payments of \$11,500. For this lease, an intangible asset has been recorded with a net book value of \$13,144 at September 30, 2022.

An agreement was executed on October 1, 2015, for the lease of building space to be used as an artisan incubator. The initial lease term ended September 30, 2020, with an option to renew for up to an additional five years. At the end of the initial term, the lease was renewed and extended for two additional years, ending September 30, 2022. A restated and amended lease agreement was entered into effective October 1, 2022, for a period of two years, terminating on September

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

30, 2024. The current agreement requires quarterly payments of \$27,659, escalating to \$31,667 by lease end. For this lease, an intangible asset has been recorded with a net book value of \$238,382 at September 30, 2022.

An agreement was executed on March 11, 2016, for the lease of space in a building structure (parking garage) for public parking, including a maintenance component to cover taxes, insurance, repair & maintenance, and utilities. The lease term ends January 31, 2038. The agreement requires annual payments of \$182,323, including the maintenance fee. For this lease, an intangible asset has been recorded with a net book value of \$2,088,040 at September 30, 2022.

Multiple agreements have been executed, effective on various dates, to lease copier equipment. The ending lease terms vary, and typically are for a period of from one to four years. Combined, fixed lease payment requirements amount to \$2,330 per month for all leased copiers. For these leases, intangible assets have been recorded with a combined net book value of \$33,961 at September 30, 2022.

Except for the payment of a lease fee equivalent to the property taxes assessed on the real property to be used as a public parking lot as described above, there are no variable payment components to any of the above-described leases. The lease liability for each agreement is measured at a discount rate of 2.43%, which is an imputed borrowing rate based on an independent actuarial valuation of the City's post-employment benefits program.

As of September 30, 2022, the City had minimum principal and interest payment requirements for its leasing activities, including its subleasing activities, with a remaining term in excess of one year, as follows:

	Liability Beginning Balance	Total Principal	Total Interest	Total Payment	Liability Ending Balance
Governmental Activities:					
Fiscal year ending September 30, 2022	\$ 2,924,996	\$ 278,060	\$ 6,257	\$ 284,318	\$ 2,646,936
FY2023	\$ 2,646,936	\$ 336,323	\$ 61,150	\$ 397,473	\$ 2,310,613
FY2024	2,310,613	307,274	53,471	360,745	2,003,339
FY2025	2,003,339	182,322	47,193	229,515	1,821,017
FY2026	1,821,017	186,724	42,723	229,447	1,634,293
FY2027	1,634,293	185,698	38,159	223,857	1,448,595
FY2028-FY2032	1,448,595	852,785	125,622	978,407	595,810
FY2033-FY2037	595,810	573,262	100,559	673,821	22,548
FY2038	22,548	22,548	-	22,548	-
Lease liability:		<u>\$ 2,646,936</u>			

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	Liability Beginning Balance	Total Principal	Total Interest	Total Payment	Liability Ending Balance
<i>Business type Activities:</i>					
Fiscal year ending September 30, 2022	\$ 33,947	\$ 12,127	\$ 648	\$ 12,775	\$ 21,820
FY2023	\$ 21,820	\$ 12,382	\$ 393	\$ 12,775	\$ 9,438
FY2024	9,438	5,965	162	6,127	3,473
FY2025	3,473	3,473	28	3,501	-
Lease liability:		<u>\$ 21,820</u>			

2. Financed Purchase Agreements

On July 12, 2019, the City entered into a lease-purchase agreement to finance \$191,584 for a grapple truck to be used by the Solid Waste operations. This five-year financed purchase agreement has a 2.16% interest rate and provides for annual payments of \$40,838.

On September 4, 2020, the City entered into a lease-purchase agreement to finance \$503,484 for two garbage trucks to be used by the Solid Waste operations. This five-year financed purchase agreement has an interest rate of 1.85% and provides for annual payments of \$106,354.

On January 21, 2022, the City entered into a lease-purchase agreement to finance \$333,808 for a refuse truck to be used by the Solid Waste operations. This five-year financed purchase agreement has an interest rate of 1.69% and provides for annual payments of \$70,184.

The future minimum lease obligations and the net present value of these minimum lease payments at September 30, 2022 were as follows:

Fiscal Year	Annual Payments
2023	\$ 217,376
2024	217,376
2025	176,538
2026	70,184
2027	<u>70,184</u>
Total Minimum Lease Payments	751,658
Less: Amount Representing Interest	<u>31,139</u>
Present Value of Minimum Lease Payments	<u>\$ 720,519</u>

3. Bonds and Notes Indebtedness

a. Community Center, Sales Tax Refunding Revenue Bonds, Series 2015

On January 23, 2015, the City issued \$6,505,000 Sales Tax Refunding Revenue Bond, Series 2015, authorized by Resolution Nos. 14-37, 14-38 and 15-04, collectively the 2015 Bond Resolution. The City’s sales tax revenues are pledged as collateral. The purpose of incurring the debt was to fully advance refund all amounts outstanding of \$10,000,000 Sales Tax Revenue Bonds, Series 2005. The original bonds were used to pay or reimburse the costs of acquisition, construction, and equipment installation for the City Community Center.

The net proceeds of the Series 2015 Bonds were deposited into an irrevocable trust with an escrow agent to provide funds for future debt service payments. The Series 2005 Bonds were redeemed on October 1, 2015. The City advance refunded the Series 2005 Bonds to reduce its total debt service payments over 10 years by \$553,000 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$498,000.

The term, interest rate and payments are as follows:

Original Amount Issued	\$	6,505,000
Final Maturity		October 1, 2025
Interest Rate		1.960%
Annual Payments Range	\$	<u>669,000 - 676,000</u>
Amount Outstanding at September 30, 2022	\$	<u>2,590,000</u>

b. Spring Training Facility, State Sales Tax Revenue Bonds, Series 2018; Spring Training Facility, Taxable Non-Ad Valorem Revenue Bonds, Series 2018A; and Fire Station Project, Non-Ad Valorem Refunding Revenue Bonds, Series 2018B

On December 13, 2018, pursuant to Resolution Nos. 18-28, 18-29 and 18-30, the City issued \$12,310,000 of State Sales Tax Payments Revenue Bonds, Series 2018; and \$20,225,000 of Taxable Non-Ad Valorem Revenue Bonds, Series 2018A. The purpose of the borrowings was to fund a portion of the cost of the design, construction, renovation, expansion, improvement, and equipping of the spring training facilities utilized by the Toronto Blue Jays, a Major League Baseball team. The Series 2018 and Series 2018A bonds are 20 and 25 year bonds, respectively.

The debt service on the Series 2018 bonds is payable solely from sales tax payments distributable to the City from the State of Florida, pursuant to sections 288.11631 and 212.20(6) (d)6.e., Florida Statutes. The bonds were sold to Bank of America Merrill Lynch, the bond underwriter. Funds are directly remitted monthly from the State to the bond paying agent pursuant to an agreement between City and the State of Florida Department of

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Economic Opportunity for paying the scheduled debt service. The Series 2018A bonds are secured by a pledge of and are payable solely and secured by non-ad valorem revenues budgeted and appropriated by the City.

Pursuant to Resolution No. 18-28, the City issued, on December 13, 2018, \$840,000 of Non-Ad Valorem Refunding Revenue Bonds, Series 2018B, for the purpose of refinancing the City's outstanding debt associated with the Non-Ad Valorem Note, Series 2013, authorized by Resolution No. 13-49. The outstanding principal on the Series 2013 Note was \$909,000 at the time of the refunding. The Series 2018B bonds are 10 year bonds, issued at a premium of \$101,526. The original Series 2013 debt was in the amount of \$1,280,000, with the funds being borrowed for the purpose of partially funding the construction of Fire Station No. 61.

The terms, interest rates and payments are as follows:

	<u>Series 2018</u>
Original Amount Issued	\$ 12,310,000
Final Maturity	October 1, 2038
Interest Rate	5.000%
Annual Payments Range	<u>\$ 974,000 - 986,000</u>
Amount Outstanding at September 30, 2022	<u>\$ 11,245,000</u>

	<u>Series 2018A</u>
Original Amount Issued	\$ 20,225,000
Final Maturity	October 1, 2043
Interest Rate Range	3.370% - 4.750%
Annual Payments Range	<u>\$ 1,321,000 - 1,347,000</u>
Amount Outstanding at September 30, 2022	<u>\$ 18,540,000</u>

	<u>Series 2018B</u>
Original Amount Issued	\$ 840,000
Final Maturity	October 1, 2028
Interest Rate	5.000%
Annual Payments Range	<u>\$ 103,000 - 107,000</u>
Amount Outstanding at September 30, 2022	<u>\$ 625,000</u>

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

c. City Hall, Non-Ad Valorem Revenue Note, Series 2021

On June 16, 2021, the City issued \$20,711,000 of Non-Ad Valorem Revenue Notes, Series 2021. The purpose of the borrowing was to finance the costs of design and construction of a new City Hall office building. Together with project proceeds, the amount borrowed included approximately \$67,600 in financing costs. The Series 2021 Note is payable solely from pledged revenues, which consist primarily of non-ad valorem revenues budgeted, appropriated and deposited in the manner provided in the note resolution.

The terms, interest rates and payments are as follows:

Original Amount Issued	\$	20,711,000
Final Maturity		October 1, 2029
Interest Rate		1.239%
Annual Payments Range		<u>\$2,628,000</u>
Amount Outstanding at September 30, 2022	\$	<u>20,015,000</u>

d. Real Property, Non-Ad Valorem Revenue Note, Series 2021B

On November 18, 2021, the City issued \$4,114,000 of Non-Ad Valorem Revenues Notes, Series 2021B to finance the purchase of real property to be used as a public parking lot. The financing included costs of issuance in the amount of \$50,329.00. An interlocal agreement between the City and the Community Redevelopment Agency (CRA) provides terms whereby the CRA shall reimburse the City for its obligations incurred by the financing by paying to the City the annual amount of the principal and interest on the borrowing attributable to the CRA.

The terms, interest rates and payments are as follows:

Original Amount Issued	\$	4,114,000
Final Maturity		August 1, 2032
Interest Rate		1.515%
Annual Payments Range		<u>\$ 414,000</u>
Amount Outstanding at September 30, 2022	\$	<u>3,814,000</u>

e. Water and Sewer System Refunding Revenue Bonds, Series 2012

On June 8, 2012, the City issued \$17,900,000 of Water and Sewer System Refunding Revenue Bonds, Series 2012. These bonds were issued at a premium of \$1,125,672 and refunded several outstanding debt issues, including the 1994 Reclaimed Water Credit Facility from SunBank of Tampa Bay - \$317,744; a portion of the 2007 Utility Revenue Bonds, and accrued interest - \$11,789,096; a portion of the 2006 Utility System Refunding Bonds, and accrued interest - \$3,074,241. Additionally, these bonds provided project funds in the amount of \$2,208,080, and included SWAP termination fees and interest in the amount of \$180,420 and costs of issuance of \$215,637. The City contributed \$120,658 toward issue costs.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Scheduled payments of principal and interest is guaranteed under a municipal bond insurance policy issued by Assured Guaranty Municipal Corporation. The bonds are secured by a pledge of net revenues of the system. A debt service reserve fund surety policy was purchased in lieu of holding a debt service reserve. The rate covenant requires net revenues in each fiscal year sufficient to pay one hundred and twenty-five percent of the annual debt service requirement on all outstanding bonds of the fund.

The term, interest rate and payments are as follows:

Original Amount Issued	\$	17,900,000
Final Maturity		October 1, 2027
Interest Rate Range		3.000% - 5.000%
Annual Payments Range		<u>\$ 1,564,000 - 1,579,000</u>
Amount Outstanding at September 30, 2022	\$	<u>8,515,000</u>

f. Stormwater System Revenue and Refunding Bonds, Series 2012

On June 8, 2012, the City issued \$5,876,000 of Stormwater System Refunding Revenue Bonds, Series 2012. These bonds were issued at a premium of \$84,971 and refunded the following issues: a portion of the 2007 Utility Revenue Bonds, and accrued interest - \$2,610,624; a portion of the 2006 Utility System Refunding Bonds, and accrued interest - \$104,912. Additionally, these bonds provided project funds in the amount of \$3,100,296, and included costs of issuance in the amount of \$159,054 and accrued interest of \$5,580 on the SWAP termination. The City contributed \$19,495 toward issue costs. The bonds are secured by a lien on pledged revenues which are gross revenues of the system.

On January 15, 2021, the City issued a \$3,968,000 Stormwater System Refunding Revenue Note, Series 2021 to refund the outstanding Refunding Revenue Bonds, Series 2012.

The term, interest rate and payments are as follows:

Original Amount Issued	\$	5,876,000
Final Maturity		October 1, 2032
Interest Rate		1.390%
Annual Payments Range		<u>\$ 367,000 - 368,000</u>
Amount Outstanding at September 30, 2022	\$	<u>3,744,000</u>

g. Stormwater System Revenue Bonds, Series 2014

On December 18, 2014, the City issued \$6,120,000 Stormwater System Revenue Bonds, Series 2014, pursuant to Resolution Nos. 12-18 and 14-36. The purpose of incurring the debt was to finance and/or reimburse the costs of design, permitting, acquisition, construction and reconstruction of improvements to the stormwater system. Together with project proceeds, the amount borrowed included approximately \$132,000 in financing costs.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

The term, interest rate and payments are as follows:

Original Amount Issued	\$	6,120,000
Final Maturity		October 1, 2044
Interest Rate Range		2.375% - 4.000%
Annual Payments Range	\$	<u>335,000 - 342,000</u>
Amount Outstanding at September 30, 2022	\$	<u>5,200,000</u>

h. Pledged Revenue Disclosures

The City has pledged a portion of future non ad valorem revenues for the repayment of the Spring Training Facility Revenue Bonds, and the Fire Station Project Refunding Revenue Bonds. Future State and County revenues were also pledged for the repayment of the Spring Training Facility Bonds. For the current year, principal and interest paid towards the Fire Station Bonds amounted to \$108,125. During the current year, principal and interest paid towards the Spring Training Facility Bonds totaled \$2,332,650. Legally available non ad valorem revenues were \$10,772,560 while payments from the State totaled \$500,004.

The City has pledged a portion of future half cent sales tax revenue to repay the Community Center Refunding Bonds. Principal and interest payments of \$671,791 were paid in the current year and half cent sales tax revenues were \$3,051,926.

The City has pledged the net revenues of the water/sewer and stormwater utility systems to repay the Water and Sewer System Refunding Revenue Bonds, Series 2012. Principal and interest payments paid for the current year and net revenue for the water/sewer utility were \$1,451,045 and \$5,535,449 respectively. Principal and interest payments paid for the current year and net revenue for the stormwater utility were \$119,418 and \$1,988,419, respectively.

The City has pledged the gross revenues of the stormwater utility system to repay the Stormwater System Revenue and Refunding Bonds, Series 2012 and the Stormwater System Revenue Bonds, Series 2014. The current year principal and interest paid for these stormwater bonds were \$616,605 and total gross revenues were \$4,189,007.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

i. Debt Service Requirements

Revenue bonds, notes and financed purchase debt service requirements to maturity are as follows:

Year	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>All Funds</u>
2023	\$ 4,426,000	\$ 1,723,639	\$ 1,946,333	\$ 541,550	\$ 8,637,522
2024	4,516,000	1,631,275	2,025,133	463,844	8,636,252
2025	4,617,000	1,535,629	2,067,165	397,079	8,616,873
2026	4,718,000	1,436,292	2,008,871	340,947	8,504,110
2027	4,134,000	1,339,969	2,069,018	281,512	7,824,499
2028-2032	16,453,000	5,316,220	4,229,000	867,352	26,865,572
2033-2037	8,200,000	3,362,567	1,504,000	554,522	13,621,089
2038-2042	7,240,000	1,355,768	1,375,000	311,719	10,282,487
2042-2045	2,525,000	121,244	955,000	54,656	3,655,900
Total	\$ 56,829,000	\$ 17,822,603	\$ 18,179,520	\$ 3,813,181	\$ 96,644,304

j. State Revolving Fund Note Payable, DW520260, DW520261 and WW5202C0

The City approved three loan agreements with the State of Florida for State Revolving Funds (SRF). The purpose of this type of funding is to provide low-interest loans to plan, design, and build water and sanitation infrastructure. The City is utilizing this funding to construct a reverse-osmosis water treatment plant and for planning associated with the design and construction of a wastewater pollution control facility.

This type of loan is structured as a cost-reimbursement agreement. Eligible expenses are submitted to the State for review and reimbursement. These reimbursement payments, over time, become the principal amount of the loan. For both agreements, the City is eligible for funds totaling up to \$32.4 million.

Debt service on the SRF loans DW520260 and DW520261 is not included in the Debt Service Requirements table reflected on the previous page because the loans are not fully drawn. If, when the loans are fully drawn, repayments on the loans will commence in November, 2023 with semi-annual payments due in the annualized amounts reflected below.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Loan DW520260 was awarded in April 2018 for the planning and design portion of the water treatment plant project. The term, interest rate, and payments are as follows:

Original Amount	\$	4,048,295
Final Maturity		May 15, 2033
Interest Rates		1.84%
Annual Payments	\$	459,600
Amount Outstanding at September 30, 2022	\$	<u>3,828,813</u>

Loan DW520261 was awarded in July 2019 for the construction phase of the water treatment plant project. The term, interest rate, and payments are as follows:

Original Amount	\$	28,270,737
Final Maturity		May 15, 2043
Interest Rates		1.03%
Annual Payments	\$	1,622,330
Amount Outstanding at September 30, 2022	\$	<u>27,100,387</u>

Loan WW5202C0 was awarded in October 2020 for the planning phase of the wastewater facility project. The term, interest rate, and payments are as follows:

Original Amount	\$	100,000
Final Maturity		October 15, 2041
Interest Rates		0.09%
Annual Payments	\$	4,264
Amount Outstanding at September 30, 2022	\$	<u>84,773</u>

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

4. Changes in Long-Term Liabilities

Long-term liability activities for the year ended September 30, 2022, were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds and notes payable	\$ 55,336,000	\$ 4,114,000	\$ (2,621,000)	\$ 56,829,000	\$4,426,000
Deferred amounts for:					
Unamortized premiums	1,523,687	-	(102,482)	1,421,205	102,482
Compensated absences	1,897,925	1,571,559	(1,556,468)	1,913,016	1,577,503
OPEB liability	1,251,270	140,331	(256,663)	1,134,938	-
Net pension liability	464,015	1,310,326	(556,887)	1,217,454	-
Leases payable	-	2,924,996	(278,060)	2,646,936	318,126
Claims	1,260,565	2,856,996	(2,948,140)	1,169,421	248,400
Governmental activity long-term liabilities	<u>\$ 61,733,462</u>	<u>\$12,918,208</u>	<u>\$ (8,319,700)</u>	<u>\$ 66,331,970</u>	<u>\$6,672,511</u>
Business-Type Activities:					
Bonds and notes payable	\$ 48,839,233	\$ 1,227,741	\$ (1,594,000)	\$ 48,472,974	\$1,742,000
Deferred amounts for:					
Unamortized premiums	597,238	-	(88,729)	508,509	88,729
Financed purchases	523,846	333,808	(137,135)	720,519	204,333
Compensated absences	1,050,386	629,620	(714,780)	965,226	794,564
OPEB liability	641,527	71,617	(130,989)	582,155	-
Net pension liability	753,604	798,694	(339,430)	1,212,868	-
Leases payable	-	33,946	(12,126)	21,820	12,382
Business-type activity long-term liabilities	<u>\$ 52,405,834</u>	<u>\$ 3,095,426</u>	<u>\$ (3,017,189)</u>	<u>\$ 52,484,071</u>	<u>\$2,842,008</u>

Internal service funds predominately serve governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, \$203,683 and \$131,457 of internal service funds' compensated absences and OPEB liability, respectively, are included in the above amounts. Claims in the governmental activities are liquidated in the self insurance internal service fund. Compensated absences and net pension obligations are liquidated in the respective general, special revenue, or proprietary funds from which expenses are paid. The OPEB liability has been liquidated by all of the City's funds in the form of health insurance premiums paid. The amount paid by each fund is derived from the number of employees in each fund.

NOTE 5 – OTHER INFORMATION

A. PENSION

1. Florida Retirement System (FRS) and Retiree Health Insurance (HIS) Program

In fiscal year 2015, the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pension*, for reporting the employers' proportionate share of the net pension liabilities for the FRS and HIS defined benefit pension plans.

Detailed information about FRS and HIS Pension Plans' fiduciary net positions are available in the separately issued FRS Annual Comprehensive Financial Report (ACFR). The FRS ACFR is available by mail P.O. Box 9000, Tallahassee, Florida 32315-9000; by telephone at (850) 907-6500; by e-mail at rep@dms.myflorida.com; or at the Division's Web site (http://www.dms.myflorida.com/workforce_operations/retirement/publications).

Florida Retirement System (FRS)

Plan Description - All of the City's non uniformed full-time employees (hired before January 1, 1996) participate in the Florida Retirement System (FRS). It is a cost-sharing, multiple-employer defined benefit pension plan.

The City of Dunedin contributes to the FRS for the benefit of these employees. This retirement system is administered by the Florida Department of Management Services, Division of Retirement.

FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Annual cost of living adjustments are based on the participant's years of service prior to July 1, 2011. Chapter 121 of the Florida Statutes assigns the authority to establish and amend benefit provisions to the Department of Management Services through the Division of Retirement.

Benefits are computed on the basis of age, average final compensation, and service credit. Regular class employees who retire at or after age 65 with 8 years of credited service (age 62 with 6 years of service if enrolled prior to July 1, 2011) regardless of age are entitled to a retirement benefit payable monthly for life equal to 1.60% to 1.68% (depending on their service class) of their average final compensation for each year of credited service. Final average compensation is the employee's average of the five highest years of salary earned during credited service.

Vested employees with less than 33 years of service (30 years of service if enrolled prior to July 1, 2011), may retire before normal retirement age and receive benefits that are reduced 5% for each year prior to normal retirement age or date.

The FRS Deferred Retirement Option Program (DROP) is available under the FRS Pension Plan when the member first reaches eligibility for normal retirement. DROP allows a member to retire

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

while continuing employment for up to 60 months. While in DROP, the member's retirement benefits (increased by a cost-of-living adjustment each July) accumulate in the FRS Trust Fund and earn interest compounded monthly, equivalent to an effective annual rate of 6.5%.

The election to participate in DROP must be made within 12 months of the member's normal retirement date, unless the member is eligible to defer the election. To participate for the maximum DROP period, the member must enter DROP upon first reaching eligibility for normal retirement, or upon reaching an eligible deferral date as described below:

- A member of the Regular Class, Elected Officers' Class, or the Senior Management Service Class who reaches his or her normal retirement date before reaching age 57 may defer DROP entry until age 57 and still participate for 60 months.
- A member of the Elected Officers' Class who reaches his or her normal retirement date during a term of office may defer the DROP election until the next succeeding term in that office and still participate for up to 60 months or until the end of the succeeding term, whichever is less.

Upon termination, the DROP account is paid out as a lump-sum payment, a rollover, or a combination partial lump-sum payment and rollover, and monthly benefits are paid to the member in the amount as calculated upon entry into DROP, plus cost-of-living adjustments for intervening years.

In most cases, the DROP participant must cease employment after a maximum of 60 months in DROP, must satisfy the termination requirements for retirement, and is subject to reemployment restrictions thereafter. However, effective July 1, 2002, a DROP participant who holds an elective office covered by the Elected Officers' Class may end DROP participation and postpone compliance with termination requirements and reemployment limitations until he or she no longer holds the elective office (including consecutive terms in the same office). For the period of time between the end of DROP participation and termination, no retirement credit is earned and the member's DROP accumulation accrues no additional monthly benefits (but continues to earn interest).

The FRS funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll are adequate to accumulate sufficient assets to pay benefits when due. The FRS requires a 3% contribution for members effective July 1, 2011. Governmental employers are required to make contributions based on statewide rates. The FRS establishes contributions based on the state fiscal year, which begins July 1st. For the period of October 1, 2021 to June 30, 2022, the contribution rates, by job class, were as follows: regular employees 10.82%, senior management 29.01%, and DROP participants 18.34%. The City's contribution includes .06% for an administrative and educational fee. For the period of July 1, 2022 to September 30, 2022, the contribution rates, by job class, were as follows: regular employees 11.91%, senior management 31.57%, and DROP participants 18.60%. The City's contribution includes .06% for an administrative and educational fee. These fees do not apply to DROP participants. FRS also provides disability and survivors' benefits. Benefits are

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

established by Florida State Statute. The contribution requirements of employers are established and may be amended by the Division of Retirement.

The City's contributions to the FRS Pension Plan (not including the 1.66 percent HIS Program Contributions or employee contributions) totaled \$214,064 for fiscal year ending September 30, 2022. Employee contributions totaled \$38,088 for the same period.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2022 the City reported a liability of \$1,910,035 for its proportionate share of the FRS Pension Plan net pension liability. The City's proportionate share of the total FRS net pension plan liability was 0.005133395%.

For the year ended September 30, 2022, the City recognized a negative pension expense of \$122,006 for the FRS Pension Plan, compared to a negative expense of \$387,958 at the prior fiscal year end. The City's proportionate share of the net pension liability rose from \$0.5 million at the end of prior FY 2021 to \$1.9 million at the end of FY 2022, and the pension plan's funded ratio decreased from 96.4% to 82.9% during the same period, both factors of which contributed to the increased expense recognition in the current fiscal year. At September 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to pensions for the FRS Pension Plan from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ 90,716	\$ -
Changes of assumptions	235,229	-
Net difference between projected and actual earnings	126,119	-
Changes in City proportion	<u>-</u>	<u>626,672</u>
Subtotal	452,064	626,672
City contributions subsequent to the measurement date	<u>47,745</u>	<u>-</u>
Total	<u>\$ 499,809</u>	<u>\$ 626,672</u>

The deferred outflows of resources related to pensions totaling \$47,745 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 for the FRS Pension Plan as deferred outflows of resources and deferred inflows of resources related to the pensions will be recognized in pension expense as follows:

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Year ended September 30:	
2023	\$ (79,346)
2024	(114,089)
2025	(176,056)
2026	208,637
2027	(13,754)
Thereafter*	-
	<u>\$ (174,608)</u>

* Note that additional future deferred inflows and outflows of resources may impact these numbers.

Actuarial Assumptions – The total pension liability for the FRS Pension Plan was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions listed below.

The actuarial assumptions that determined the total pension liability of the FRS Pension Plan as of June 30, 2022, were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Valuation Date	July 1, 2022
Measurement date	June 30, 2022
Discount rate	6.70%
Investment rate of return	6.70%
Inflation	2.40%
Salary increases, including inflation	3.25%
Mortality	PUB-2010 base table with projection scale MP-2018
Actuarial cost method	Individual Entry Age

The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in funding valuations of the defined pension plan pursuant to section 216.136 (10), Florida Statutes. There were no substantive changes in actuarial assumptions between the current and prior year.

Discount Rate – The discount rate used to measure the total pension liability for the FRS Pension Plan disclosed above is based on a projection of cash flows that assumed that employee contributions will be made at the current contribution rate and the contributions from participating members will be made at statutorily required rates, actuarially determined. Based on those assumptions, the FRS Pension Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Long-Term Expected Rate of Return – To develop an analytical basis for the selection of the long-term assumption for the FRS Pension Plan, the 2021 FRS Actuarial Assumptions Conference reviewed long-term assumptions developed by multiple contracted capital market assumptions teams. The table below shows resulting assumptions for each of the asset classes in which the plan was invested based on the long-term target asset allocation. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The expected real rate of return is presented in arithmetic means.

Asset Class	Target Allocation	Long-Term Arithmetic Expected Real Rate of Return
Cash	1.0%	2.6%
Fixed Income	19.8%	4.4%
Global Equity	54.0%	8.8%
Real Estate	10.3%	7.4%
Private Equity	11.1%	12.0%
Strategic Investments	3.8%	6.2%
Total	100.0%	

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 of the FRS Pension Plan calculated using the discount rate of 6.70 percent. Also presented is what the City’s proportionate share of the FRS Pension Plan 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:

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
City's proportionate share of the FRS Pension Plan net pension liability	\$ 3,303,275	\$ 1,910,035	\$ 745,121

Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

Plan Description – The HIS Pension 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 health insurance subsidy payments who are retired

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

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 Section 121.40, 237.08(18)(a) and 250.33, 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 Florida Retirement System 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 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 per provisions under Chapter 112, Florida Statutes.

Benefits Provided – The benefit of the HIS Pension Plan 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. 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.

For the fiscal year ended June 30, 2020, 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. Terms of the benefits provided by the Plan may be amended only by the State Legislature with a change in the Statutes governing the Plan.

Contributions – The HIS Pension Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2022, the contribution rate was 1.66 percent of payroll pursuant to section 112.363, Florida Statutes. There are no employee contributions required for the HIS Pension Plan. HIS Pension Plan contributions are deposited in a separate trust fund from which HIS payments are authorized.

The City's contributions to the HIS Pension Plan totaled \$27,223 for the fiscal year ended September 30, 2022.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2022 the City reported a liability of \$520,287 for its proportionate share of the HIS Pension Plan net pension liability. The City’s proportionate share of the total HIS net pension plan liability was 0.004912211%.

For the year ended September 30, 2022, the City recognized a negative pension expense of \$111,176 for the HIS Pension Plan as a result of the City’s proportionate share of the net pension liability being reduced from \$0.7 million to \$0.5 million between fiscal year ends 2021 and 2022. At September 30, 2022 the City reported deferred outflows of resources and deferred inflows of resources related to pensions for the HIS Pension Plan from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 15,792	\$ 2,289
Changes of assumptions	29,823	80,487
Net difference between projected and actual earnings	753	-
Changes in City proportion	-	334,840
Subtotal	<u>46,368</u>	<u>417,616</u>
City contributions subsequent to the measurement date	5,944	-
Total	<u>\$ 52,312</u>	<u>\$ 417,616</u>

The deferred outflows of resources related to pensions totaling \$5,944 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 for the FRS Pension Plan as deferred outflows of resources and deferred inflows of resources related to the pensions will be recognized in pension expense as follows:

Year ended September 30:	
2023	\$(103,642)
2024	(84,386)
2025	(68,408)
2026	(59,592)
2027	(42,430)
Thereafter*	<u>(12,790)</u>
	<u><u>\$(371,248)</u></u>

* Note that additional future deferred inflows and outflows of resources may impact these numbers.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Actuarial Assumptions – Actuarial valuations for the HIS Program are conducted biennially. The July 1, 2022, HIS valuation is the most recent actuarial valuation and was used to develop the liabilities for the June 30, 2022, financial reporting exhibits shown on the following page. Liabilities originally calculated as of the actuarial valuation date have been recalculated as of a later GASB Measurement Date using standard actuarial roll forward procedures. The discount rates used at the two liability measurement dates differ due to changes in the applicable municipal bond index between dates.

The actuarial assumptions that determined the total pension liability of the HIS Pension Plan as of June 30, 2022, were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Valuation Date	July 1, 2022
Measurement date	June 30, 2022
Discount rate	3.54%
Investment rate of return	N/A
Bond Buyer General 20-Bond Municipal Bond	3.54%
Inflation	2.40%
Salary increases, including inflation	3.25%
Mortality	PUB-2010 base table with projection scale MP-2018
Actuarial cost method	Individual Entry Age

Discount Rate – In general the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS Pension Plan is essentially funded on a pay as you go basis, the depletion date is considered to be immediate, and the single rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate increased by 1.38% from 2.16% at June 30, 2021 to 3.54% at June 30, 2022 due to changes in the applicable municipal bond index.

Long-Term Expected Rate of Return – as stated above, the HIS Pension Plan is essentially funded on a pay as you go basis. As such, there is no assumption for a long-term expected rate of return on a portfolio, no assumption for cash flows into and out of the pension plan, or assumed asset allocation.

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 of the HIS Pension Plan calculated using the discount rate of 3.54 percent. Also presented is what the City’s proportionate share of the FRS Pension Plan net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54 percent) or 1-percentage-point higher (4.54 percent) than the current rate:

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
City's proportionate share of the HIS Pension Plan net pension liability	\$ 595,245	\$ 520,287	\$ 458,251

3. Firefighters' Retirement Fund

The City of Dunedin Municipal Firefighters' Pension Trust Fund issues a publicly available financial report that includes financial statements and required supplementary information for single employer pension plans. That report may be obtained by writing to: Saltmarsh, Cleaveland & Gund, 201 N. Franklin St., Suite 1625, Tampa, FL, 33602.

GASB Statement 67 *Financial Reporting For Pension Plans*, requires certain disclosures to be made for state and local government pension plans. It requires the net pension liability (asset) to be measured as the total pension liability, less the amount of the pension plan's fiduciary net position. The total pension liability (asset) should be determined by (a) an actuarial valuation as of the date of measurement, or (b) the use of update procedures to roll forward the measurement date amounts from an actuarial valuation as of a date no more than 24 months prior to the pension plan's fiscal year end. Since the Firefighters' Pension Plan issues its own financial statements incorporating these disclosures, these disclosures are not included in the City's notes to its financial statements.

Contributions are received from members through payroll deductions at 5.5% of wages. Employer contributions include Chapter 175 Premium Tax Refunds received from the State of Florida under Florida Statutes and any additional amount determined by the actuary to fund the plan properly according to State Laws. If a non-vested firefighter retires, dies, becomes disabled, or terminates employment with the City, accumulated contributions paid by the firefighter are refunded to the firefighter or the designated beneficiary.

Plan Membership in the Plan as of October 1, 2020:

Group	Number of Employees
Inactive plan members or beneficiaries currently receiving benefits	53
Inactive plan members entitled to but not yet receiving benefits	5
Active plan members	44
Total	<u>102</u>

Pension Benefits under the Plan include retirement benefits as well as death and disability benefits. To be eligible for normal retirement the participant must be age 55 with 10 years of service or age 52 with 25 years of service. Benefits are equal to 3% of the participant's average

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

final compensation for each of the first 25 years of credited service and 2% of average compensation for each year in excess of 37.5 years. Service between 25 and 37.5 years does not add benefits. Beginning in April 2003, a supplemental monthly benefit of \$3 per year of service, not to exceed \$75, was added for future retirees. In fiscal year 2016 the supplemental monthly benefit was increased to \$13 per year of service, and the limitation not to exceed \$75 was increased to \$325. In fiscal year 2019 the supplemental monthly benefit was increased to \$16 per year of service and the limitation to \$400. A participant is vested after ten years of service.

Deferred Retirement Option Plan (DROP) is available to any plan member who is eligible to receive a normal retirement pension. Upon electing to participate in DROP, the member becomes a retiree for all Plan purposes while continuing his or her active employment as a firefighter. He or she ceases to accrue any further benefits under the pension plan. Normal retirement payments that would have been payable to the member as a result of retirement are accumulated and invested in the DROP to be distributed to the member upon his or her termination of employment. Participation in the DROP ceases for a Plan participant after the earlier of 5 years or the attainment of thirty years of service.

Basis of Accounting - The accrual basis of accounting is used for the Plan. Under the accrual basis of accounting, revenues are recognized when they are earned and collection is reasonably assured, and expenses are recognized when the liability is incurred. Plan member contributions are recognized in the period in which the contributions are due. City contributions to the plan, as calculated by the Plan's actuary, are recognized as revenue when due. Benefits and refunds are recognized when due and payable, in accordance with the terms of the plan. Investments are measured at fair value based on quoted market prices for securities held by the Plan.

Valuation of Investments – Investments of common stock and bonds traded on a national securities exchange are valued at the last reported sales price on the last business day of the plan year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the mean between the past reported bid and asked prices; investments in securities not having an established market value are valued at fair value as determined by the Board of Trustees. The fair value of an investment is the amount that the Plan could reasonably expect to receive for it in a current sale between market participants, other than in a forced or liquidated sale. Investment transactions are recorded on a trade date basis.

Investment income is recognized on the accrual basis as earned. Unrealized appreciation or depreciation in fair value of investments includes the differences between cost and fair value of investments held. The net realized and unrealized investment appreciation or depreciation for the year is reflected in the Statement of Change in Fiduciary Net Pension.

The City's Firefighters' Pension Plan's net pension asset recorded in the September 30, 2022 financial statements was measured as of September 30, 2021 and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date.

The City's firefighters' net pension asset at September 30, 2022 will agree to the Change in Net Pension Liability (Asset) schedule that is presented on the following page. The City's firefighters'

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

pension plan’s fiduciary net position used in the calculation is dated as of the measurement date of September 30, 2021 and will agree to the Pension Plan’s financial statements as of September 30, 2021.

Actuarial Assumptions – The total pension liability (asset) was determined by an actuarial valuation as of October 1, 2020 updated to September 30, 2021 using the following actuarial assumptions:

Inflation	2.50%
Salary increases	Service Based
Discount Rate	7.25%
Investment rate of return	7.25%
<i>Mortality Rate Healthy Lives:</i>	
Female: PubS.H-2010 (Below Median) for Employees, set forward one year.	
Male: PubS.H-2010 (Below Median) for Employees, set forward one year.	
<i>Mortality Rate Healthy Inactive Lives:</i>	
Female: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.	
Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.	
<i>Mortality Rate Disabled Lives:</i>	
Female: 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H2010 for Disabled Retirees.	
Male: 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H2010 for Disabled Retirees.	

The inflation assumption remained the same as prior year at 2.50%.

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 expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included the pension plan’s target asset allocation as of September 30, 2021, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	52.50%	7.50%
International Equity	12.50%	8.50%
Domestic Fixed Income	25.00%	2.50%
Real Estate	10.00%	4.50%
Total	<u>100.00%</u>	

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Changes in Net Pension Liability (Asset)

	Firefighters' Plan		
	Increase (Decrease)		
	Total Pension Liability (Asset)	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balance at September 30, 2021	\$ 32,562,372	\$ 32,273,617	\$ 288,755
Changes for the year:			
Service cost	833,104	-	833,104
Interest	2,433,871	-	2,433,871
Share Plan Allocation	54,321	-	54,321
Difference between actual & expected experience	(148,847)	-	(148,847)
Changes in assumptions	1,152,682		1,152,682
Contributions - Employer	-	555,076	(555,076)
Contributions - Employer (through state)	-	355,479	(355,479)
Contributions - Employee	-	182,933	(182,933)
Contributions - Buy Back	-	-	-
Net investment income	-	5,924,254	(5,924,254)
Benefit Payments, Including Refunds of Employee Contributions	(1,887,729)	(1,887,729)	-
Administrative expense	-	(92,221)	92,221
Net changes	2,437,402	5,037,792	(2,600,390)
Balance at September 30, 2022	\$ 34,999,774	\$ 37,311,409	\$ (2,311,635)

Discount Rate – The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the City’s contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability to Changes in the Discount Rate – The following table illustrates the impact of interest rate sensitivity on the net pension liability (asset) as of September 30, 2022.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City's net pension liability (asset)	\$ 1,597,963	\$ (2,311,635)	\$ (5,594,165)

Detailed information about the pension plan's fiduciary net position is available in a separately issued Plan financial report.

For the year ended September 30, 2022, the City will recognize a pension expense of \$222,152. At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 5,719	\$ 310,130
Changes of assumptions	864,513	96,333
Net difference between projected and actual earnings on Plan investments	615,456	3,523,415
	<u>1,485,688</u>	<u>3,929,878</u>
Employer and state contributions subsequent to the measurement date	868,044	-
Total	<u>\$ 2,353,732</u>	<u>\$ 3,929,878</u>

The deferred outflows of resources related to the City contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net position liability (asset) for the year ended September 30, 2022. Deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2023	\$ (602,775)
2024	(430,200)
2025	(703,820)
2026	(707,395)
	<u>\$ (2,444,190)</u>

The following summarizes net pension asset, net pension liability, and deferred inflow/outflow of resources previously disclosed for the Defined Benefit Pension Plans:

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

	Net Pension Liability (Asset)	Deferred Outflow of Resources	Deferred Inflow of Resources	Pension Expense (Credit)
FRS	\$ 1,910,035	\$ 499,809	\$ 626,672	\$ (122,006)
HIS	520,287	52,312	417,616	(111,176)
Firefighters'	(2,311,635)	2,353,732	3,929,878	222,152
	<u>\$ 118,687</u>	<u>\$ 2,905,853</u>	<u>\$ 4,974,166</u>	<u>\$ (11,030)</u>

3. Defined Contribution Plan

Beginning January 1, 1996, the City began providing retirement benefits for all of its regular status employees not covered under the Florida Retirement System or the Municipal Firefighters' Pension Trust Fund through a non-contributory defined contribution plan administered by Empower Retirement under their prototype Profit-Sharing Plan and Trust Agreement. At September 30, 2022 there were 265 Plan members in the defined contribution plan. Benefits depend solely on amounts contributed to the Plan plus investment earnings. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after five years of continuous service, 75% vested after four years of service, and 50% vested after three years of service.

City contributions for, and interest forfeited by, employees who leave employment before five years are used to reduce the City's current-period contribution requirement. Plan provisions and contribution requirements are established and may be amended by the City Commission.

The City's total payroll for fiscal year ended September 30, 2022 upon which contributions were based, was approximately \$16.1 million. The City's contributions are calculated using the participant's total compensation. City contributions for the years ended September 30, 2022, 2021, and 2020 were \$1,177,518, \$1,118,222, and \$1,120,984, respectively.

B. SELF INSURANCE PROGRAM

As a public entity, the City always has the potential risk for exposure to: torts; theft of, damage to and destruction of assets; errors and omissions by employees; injuries to employees and citizens; and natural disasters.

In 2009, the City established a Self-Insurance Fund which is an Internal Service Fund to account for and finance a portion of any uninsured loss. The City utilizes this fund to self-insure the first \$100,000 of property damage per occurrence (except named storms). Other deductibles include 5% for Named Storm, subject to a minimum of \$500,000; (\$100,000 for all other wind damage), and the first \$350,000 of any employee work-related injuries (i.e. workers compensation claims). The City is also insured for all automobile physical damage, subject to the first \$25,000. Separate insurance policies are maintained for other purposes, such as Camp liability for City camps and before/after school care, Marina Operators Liability for the Dunedin Marina, Medical Professional liability for the City's fire department personnel, Public Officials liability for City personnel, and Storage Tank 3rd Party liability to mitigate liability created by fuel tank environmental pollution.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Such coverages are fully insured and, in most cases, subject to a deductible. All claims for general liability, settlements, as well as insurance premiums and deductibles for covered assets are included within the City's Self-Insurance Fund.

The City is a governmental entity entitled to all statutory protection for such entities, including Fla. Statutes § 768.28 (5). Settled claims have not exceeded the overall program premiums since the plan's inception.

The self insurance program is supported by funding provided by various City departments and accounting funds, based on the following allocations:

- For potential property damage or loss funding is allocated based on property asset values maintained by departments,
- For potential general liability claims funding is allocated based on fund/department operating expenditure/expense percentages, and
- For potential worker's compensation claims funding is allocated based on job classifications assigned to the departments.

The Fund maintains a minimum of \$3.5 million in reserves per Resolution No. 15-05 adopted on January 22, 2015.

The claims liability of \$897,820, reported in the Fund at September 30, 2022, is based on information identified prior to the issuance of the financial statements, and indicates that a liability has been incurred as of the date of the financial statements and that the amount of the loss can be reasonably estimated. These liabilities, including IBNR (incurred but not reported claims), are based on the estimated ultimate cost of settling the claims (excluding the effects of inflation and other societal and economic factors), using past experience adjusted for current trends and any other factors that would modify past experiences. Claims liabilities also include specific incremental claim adjustment expenses. Changes in the Fund's claims liability amount during the year ended September 30, 2022, are as follows:

	Workers Compensation	Property and Liability	Total
Claims reserve, September 30, 2020	\$ 612,454	\$ 267,955	\$ 880,409
Plus: Incurred claims and reserve adjustments	201,559	567,923	769,482
Less: Paid claims and reserve adjustments	<u>(204,605)</u>	<u>(480,020)</u>	<u>(684,625)</u>
Claims reserve, September 30, 2021	609,408	355,858	965,266
Plus: Incurred claims and reserve adjustments	27,401	248,520	275,921
Less: Paid claims and reserve adjustments	<u>(78,401)</u>	<u>(264,966)</u>	<u>(343,367)</u>
Claims reserve, September 30, 2022	<u>\$ 558,408</u>	<u>\$ 339,412</u>	<u>\$ 897,820</u>

The City is also self-insured for its Employee Health Plans. The Health Benefits Fund was established October 1, 2010. The Fund is accounted for in an Internal Service Fund and is externally administered, for an annually contracted amount that is based on dollar value of claims

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

processed. Contributions to the health plans (i.e. medical and dental insurance) for City employees and their dependents are shared by the City and the employee. Administrative fees are paid primarily out of this fund. Stop-loss insurance is maintained for this program at \$110,000 per individual with an annual aggregate stop-loss of 125% of total claims. No claims have exceeded the annual aggregate maximum since the Plan’s inception.

Changes in the Fund’s claims liability amount during the year ended September 30, 2022, are as follows:

	Health Benefit Plan
Claims reserve, October 1, 2020	\$ 167,503
Plus: Incurred claims and reserve adjustments	3,782,947
Less: Paid claims and reserve adjustments	<u>(3,655,151)</u>
Claims reserve, September 30, 2021	295,299
Plus: Incurred claims and reserve adjustments	2,581,075
Less: Paid claims and reserve adjustments	<u>(2,604,773)</u>
Claims reserve, September 30, 2022	<u><u>\$ 271,601</u></u>

C. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

GASB Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other than Pensions”, established new accounting and reporting requirements for postretirement benefits (OPEB). The standard does not require funding of OPEB expense, but any difference between amounts funded to the plan and the OPEB liability is required to be recorded in the employer's financial statement as an increase (or decrease) in the net liability. The plan is ‘pay as you go’, therefore the full OPEB liability is recorded in the statements.

Plan Description and Funding Policy

The City of Dunedin has a single-employer defined benefit plan (OPEB) that covers eligible retirees and their dependents, who may continue to participate in the City's health insurance programs at the “blended” employee group rate which is determined annually by the City and approved by the City Commission. Retirees have 31 days to elect to enroll in the City’s health insurance plan in which they were participating at the time of retirement unless otherwise stated in a plan document or collective bargaining agreement. As of the latest actuarial valuation date, a total of 326 active employees and 3 retired, inactive employees were participating in the City’s health program. The City provides no funding for any portion of the premiums after retirement; however, the City recognizes that there is an "implicit subsidy" arising as a result of the blended rate premium since retiree health care costs, on average, are higher than active employee healthcare costs. The plan is not accounted for as a trust fund since an irrevocable trust has not been established to fund the plan. The plan does not issue a separate financial report.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Total OPEB Liability

The measurement date for the City's OPEB liability is September 30, 2022, the same as the reporting date. The measurement period for the OPEB cost was October 1, 2021 to September 30, 2022. The components of the City's OPEB liability at September 30, 2022 are as follows:

Total OPEB liability	\$ 1,717,093
OPEB Plan fiduciary net position	-
City's net OPEB liability	<u>\$ 1,717,093</u>
 OPEB Plan fiduciary net position as a percentage of total OPEB liability	 0.00%

Actuarial Assumptions - The total OPEB liability at September 30, 2022 was based on an actuarial valuation date of September 30, 2021. Significant methods and assumptions used for this valuation are as follows:

Inflation Rate	2.50%
Discount Rate	4.77%
Healthcare cost trend rate	4.00%

Mortality rates were based on the Pub-2010 mortality tables. All tables include fully generational adjustments for mortality improvements using gender-specific improvement scale MP-2018.

Discount Rate – The discount rate used to measure the total OPEB liability at September 30, 2022 was 4.77%, up from the September 30, 2021 rate of 2.43%. Because the City's OPEB costs are funded on a pay-as-you-go structure, in accordance with GASB Statement No. 75 a municipal bond rate must be used to in valuing the total OPEB liability. For the current valuation, the discount rate was based on the S&P Municipal Bond 20 Year High Grade Rate Index as published by the S&P Dow Jones Indices nearest the measurement date. The Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor's Rating Services, Aa2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating is used.

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at September 30, 2021	\$ 1,892,798
<i>Changes for the Year:</i>	
Service cost	162,350
Interest	49,598
Changes in assumptions	(359,355)
Differences between expected and actual experience	-
Benefit payments	<u>(28,298)</u>
Net Changes	<u>(175,705)</u>
Balance at September 30, 2022	<u>\$ 1,717,093</u>

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Sensitivity of the total OPEB Liability to Changes in the Discount Rate – The following table represents the total OPEB liability, calculated using the discount rate of 4.77%, as well as what the City’s total liability would be if it were calculated using a discount rate that is one percentage-point lower (3.77%) or one percentage-point higher (5.77%) than the current discount rate:

	1% Decrease <u>3.77%</u>	Current Discount Rate <u>4.77%</u>	1% Increase <u>5.77%</u>
Total OPEB Liability	\$ 1,865,533	\$ 1,717,093	\$ 1,577,638

Sensitivity of the total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following table represents the total OPEB liability, calculated using the healthcare cost trend rate of 4.00%, as well as what the City’s total liability would be if it were calculated using a healthcare cost trend rate that is one percentage-point lower (3.00%) or one percentage-point higher (5.00%) than the current discount rate:

	1% Decrease <u>3.00%</u>	Current Healthcare Cost Trend Rate <u>4.00%</u>	1% Increase <u>5.00%</u>
Total OPEB Liability	\$ 1,496,822	\$ 1,717,093	\$ 1,979,810

OPEB Expense, Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB – For the year ended September 30, 2022 the City recognized OPEB expense of \$197,210. At September 30, 2022, the City has deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 183,540	\$ 188,594
Changes of assumptions	139,706	548,533
Total	<u>\$ 323,246</u>	<u>\$ 737,127</u>

Deferred outflow of resources above will be recognized as OPEB expense in the following years:

Year ended September 30:	
2023	\$ (16,738)
2024	(16,738)
2025	(16,735)
2026	(21,599)
2027	(44,887)
Thereafter*	<u>(297,184)</u>
	<u>\$ (413,881)</u>

* Note that additional future deferred inflows and outflows of resources may impact these numbers.

D. CONTINGENCIES AND COMMITMENTS

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial. Various other suits and claims, arising in the ordinary course of the City's operations, are pending against the City of Dunedin. These claims consist of personal injury, discrimination, property damage and sales tax. The ultimate effect of such litigation cannot be ascertained at this time, but are not expected to be material.

E. FEDERAL AND STATE GRANTS

The City participates in a number of federal and state grant programs. These programs are subject to audit by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the City does believe, the amount of disallowances, if any, would have a material effect on the financial position of the City.

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 6 – FUND BALANCE REPORTING

Governmental fund balances reported on the fund financial statements at September 30, 2022, include the following:

	General Fund	Community Redevelopment Agency Fund	Penny Fund	Other Governmental Funds	Total
Nonspendable:					
Inventory	\$ 7,572	\$ -	\$ -	\$ -	\$ 7,572
Prepaid	1,547,707	44,361	-	-	1,592,068
Restricted:					
Windlasses/DYSA	8,175	-	-	-	8,175
Training - Building Dept.	38,891	-	-	-	38,891
Bequests - Library	448,006	-	-	-	448,006
Bequests - Other	100	-	-	-	100
Stadium	-	-	-	4,756,380	4,756,380
Impact Fees	-	-	-	635,693	635,693
Building	-	-	-	2,906,393	2,906,393
County Gas Tax	-	-	-	530,594	530,594
Penny Community Redevelopment Agency	-	-	10,201,987	-	10,201,987
	-	1,290,685	-	-	1,290,685
Committed:					
G. Koutsourais	14,979	-	-	-	14,979
Cemetery	358,296	-	-	-	358,296
Tree Bank	700,856	-	-	-	700,856
Assigned:					
Subsequent year's Operations	1,575,571	-	-	-	1,575,571
Unassigned	9,039,265	-	-	(3,084)	9,036,181
Total	\$13,739,418	\$ 1,335,046	\$ 10,201,987	\$ 8,825,976	\$34,102,427

Nonspendable Fund Balance – Amounts that are (a) not in spendable form or (b) legally or contractually required to remain intact.

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

CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the City Commission, which is the City’s highest level of decision making authority, with same formal action (resolution) occurring prior to the City’s fiscal year-end. Commitments may be modified or removed only by the City Commissioners taking the same formal action that imposed the constraint originally.

Included in committed fund balance are Cemetery revenues from the sale of burial spaces as established by Resolution 94-20 which was amended by Resolution 08-27, contributions to the G. Koutsourais fund to provide recreational activities for Dunedin’s youth (Resolution 93-58), and fees collected and held in the Tree Bank for the purchase of trees to be used on city owned property. The Tree Bank was established as part of the city’s Code of Ordinances (Section 105-43.18).

Assigned Fund Balance – Includes spendable fund balance amounts established by an official (either the City Manager or Finance Director) authorized by the City Commission that are intended to be used for specific purposes that are neither considered restricted nor committed. Such authorization was established via Resolution 12-09.

The table below shows the breakout of encumbrances by major and nonmajor governmental funds in the aggregate, and the General Fund’s subsequent year’s budget. The total of the General Fund’s encumbrances and subsequent year’s budget are included in assigned fund balance.

<u>Encumbrances</u>	
Major governmental funds:	
General Fund	\$ 648,243
CRA Fund	92,832
Penny Fund	5,184,525
ARPA Fund	<u>382,281</u>
Total Major funds	6,307,881
Other Governmental Funds	<u>69,888</u>
Total Encumbrances	<u>\$ 6,377,769</u>
<u>Subsequent Year's Budget</u>	
General Fund	<u>\$ 927,328</u>

Unassigned Fund Balance – The residual classification for the General Fund, representing fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance may also include negative balances for any governmental fund, except for the General Fund, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

Regarding spending priorities, the City’s fund balance guideline does not address prioritization among fund balance categories. However, it is assumed that restricted funds will be spent first unless there are legal documents that prohibit doing this, such as grant agreements. For unrestricted fund balance amounts, committed would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

**CITY OF DUNEDIN, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

NOTE 7 – FUND BALANCE DEFICITS

The following fund had a deficit fund balance at September 30, 2022:

<u>Fund Name</u>	<u>Deficit Amount</u>
Public Art Fund	\$ (3,084)

The Public Art Fund was established in FY 2020 to account for the receipt and disbursement of revenues and expenditures associated with contributions received from private owners and developers who are subject to the City's design/review process, or as required by City ordinance related to capital improvement projects. As of fiscal year end, the fund had not realized revenues sufficient to cover the minor expenditures incurred during the fiscal year under the guidelines of the public art program. The anticipation is that future year revenues will reverse the deficit balance in the fund.

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

REQUIRED SUPPLEMENTARY INFORMATION

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

**CITY OF DUNEDIN, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022**

**FLORIDA RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
Schedule of City's Proportionate Share of Net Pension Liability**

Florida Retirement System (FRS) Defined Benefit Pension Plan

<u>Fiscal Year</u>	<u>City's Proportion of the Net Pension Liability</u>	<u>City's Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of Total Liability</u>
2022	0.005133395%	\$ 1,910,035	\$ 1,768,816	107.98%	82.89%
2021	0.006373160%	481,420	2,124,726	22.66%	96.40%
2020	0.007694751%	3,335,018	2,617,510	127.41%	78.85%
2019	0.007751248%	2,669,422	2,669,498	100.00%	82.61%
2018	0.007958517%	2,397,146	2,855,150	83.96%	84.26%
2017	0.009039450%	2,673,809	3,088,310	86.58%	83.89%
2016	0.010615074%	2,680,315	3,302,909	81.15%	84.88%
2015	0.012671046%	1,636,636	3,733,272	43.84%	92.00%

Note:

The City implemented GASB Statement No. 68 for the fiscal year ended September 30, 2015. Information for prior years is not available.

Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

<u>Fiscal Year</u>	<u>City's Proportion of the Net Pension Liability</u>	<u>City's Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of Total Liability</u>
2022	0.004912211%	\$ 520,287	\$ 1,768,816	29.41%	4.81%
2021	0.006001668%	736,199	2,124,726	34.65%	3.56%
2020	0.007541682%	920,831	2,617,510	35.18%	3.00%
2019	0.007981751%	893,078	2,669,498	33.45%	2.63%
2018	0.008741557%	925,216	2,855,150	32.41%	2.15%
2017	0.009688790%	1,035,980	3,088,310	33.55%	1.64%
2016	0.010699153%	1,246,942	3,302,909	37.75%	0.97%
2015	0.012305445%	1,254,962	3,733,272	33.62%	0.50%

Note:

The City implemented GASB Statement No. 68 for the fiscal year ended September 30, 2015. Information for prior years is not available.

**CITY OF DUNEDIN, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022**

**FLORIDA RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN
Schedule of City Contributions**

Florida Retirement System (FRS) Defined Benefit Pension Plan

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions Related to the Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2022	\$ 219,051	\$ 219,051	\$ -	\$ 1,639,918	13.36%
2021	242,790	242,790	-	2,007,843	12.09%
2020	255,662	255,662	-	2,515,582	10.16%
2019	240,345	240,345	-	2,656,290	9.05%
2018	226,811	226,811	-	2,780,854	8.16%
2017	235,319	235,319	-	3,025,094	7.78%
2016	258,866	258,866	-	3,407,136	7.60%
2015	308,931	308,931	-	3,585,918	8.62%

Note:

The City implemented GASB Statement No. 68 for the fiscal year ended September 30, 2015. Information for prior years is not available.

Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	<u>Contributions Related to the Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2022	\$ 29,723	\$ 29,723	\$ -	\$ 1,639,918	1.81%
2021	35,278	35,278	-	2,007,843	1.76%
2020	43,459	43,459	-	2,515,582	1.73%
2019	44,322	44,322	-	2,656,290	1.67%
2018	47,406	47,406	-	2,780,854	1.70%
2017	51,276	51,276	-	3,025,094	1.70%
2016	54,840	54,840	-	3,407,136	1.61%
2015	47,039	47,039	-	3,585,918	1.31%

Note:

The City implemented GASB Statement No. 68 for the fiscal year ended September 30, 2015. Information for prior years is not available.

CITY OF DUNEDIN, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022

MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND
Schedule of Changes in the Net Pension
Liability (Asset) and Related Ratios
Last Ten Fiscal Years

	2021	2020	2019	2018
Total Pension Liability (Asset)				
Service cost	\$ 833,104	\$ 861,826	\$ 896,035	\$ 818,157
Interest	2,433,871	2,347,830	2,232,784	2,087,665
Changes in excess state money	-	-	-	(32,072)
Share plan allocation	54,321	32,646	22,417	14,179
Changes of benefit terms	-	-	170,785	-
Differences between Expected & Actual Experience	(148,847)	(217,129)	(170,541)	28,595
Changes of Assumptions	1,152,682	(160,554)	-	-
Contributions - buy back	-	44,510	70,955	-
Benefit payments, including refunds of employee contributions	(1,887,729)	(1,578,674)	(1,388,306)	(1,136,362)
Net Change in Total Pension Liability (Asset)	2,437,402	1,330,455	1,834,129	1,780,162
Total Pension Liability (Asset) - Beginning	32,562,372	31,231,917	29,397,788	27,617,626
Total Pension Liability (Asset) - Ending (a)	<u>\$34,999,774</u>	<u>\$32,562,372</u>	<u>\$31,231,917</u>	<u>\$29,397,788</u>
Plan Fiduciary Net Position				
Contributions - city	\$ 555,076	\$ 541,139	\$ 460,063	\$ 458,623
Contributions - state	355,479	326,578	312,939	301,956
Contributions - employee	182,933	183,196	186,986	181,279
Contributions - buy back	-	44,510	70,955	-
Net investment income	5,924,254	3,070,432	660,182	2,899,009
Benefit payments, including refunds of employee contributions	(1,887,729)	(1,578,674)	(1,388,306)	(1,136,362)
Administrative expense	(92,221)	(75,671)	(74,005)	(71,296)
Net Change in Plan Fiduciary Net Position	5,037,792	2,511,510	228,814	2,633,209
Plan Fiduciary Net Position - Beginning	32,273,617	29,762,107	29,533,293	26,900,084
Plan Fiduciary Net Position - Ending (b)	<u>\$37,311,409</u>	<u>\$32,273,617</u>	<u>\$29,762,107</u>	<u>\$29,533,293</u>
City's Net Pension Liability (Asset) - Ending (a) - (b)	<u>\$ (2,311,635)</u>	<u>\$ 288,755</u>	<u>\$ 1,469,810</u>	<u>\$ (135,505)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	106.60%	99.11%	95.29%	100.46%
Covered Payroll	\$ 3,326,112	\$ 3,330,834	\$ 3,399,726	\$ 3,295,962
City's Net Pension Liability (Asset) as a Percentage of Covered Payroll	-69.50%	8.67%	43.23%	-4.11%

CITY OF DUNEDIN, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022

2017	2016	2015	2014	2013
\$ 856,749	\$ 818,555	\$ 795,653	\$ 793,320	\$ 736,260
1,969,652	1,946,348	1,800,848	1,685,549	1,586,064
-	-	5,213	9,746	-
11,304	2,432	15,635	29,234	-
-	495,699	-	-	-
(89,355)	(836,436)	(214,235)	-	-
-	201,521	-	-	-
1,118	73,537	32,877	64,645	-
<u>(1,138,395)</u>	<u>(1,052,549)</u>	<u>(1,091,385)</u>	<u>(1,083,306)</u>	<u>(1,108,108)</u>
1,611,073	1,649,107	1,344,606	1,499,188	1,214,216
26,006,553	24,357,446	23,012,840	21,513,652	20,299,436
<u>\$27,617,626</u>	<u>\$ 26,006,553</u>	<u>\$ 24,357,446</u>	<u>\$ 23,012,840</u>	<u>\$ 21,513,652</u>
\$ 446,583	\$ 442,686	\$ 501,383	\$ 510,314	\$ 549,848
298,122	286,293	303,898	322,030	314,996
180,673	186,769	178,122	176,623	172,605
1,118	73,537	32,877	64,645	-
1,888,678	1,676,263	(353,976)	1,904,122	2,667,160
(1,138,395)	(1,052,549)	(1,091,385)	(1,083,306)	(1,108,108)
(62,596)	(69,374)	(76,367)	(44,389)	(48,564)
<u>1,614,183</u>	<u>1,543,625</u>	<u>(505,448)</u>	<u>1,850,039</u>	<u>2,547,937</u>
<u>25,285,901</u>	<u>23,742,276</u>	<u>24,247,724</u>	<u>22,397,685</u>	<u>19,849,748</u>
<u>\$26,900,084</u>	<u>\$ 25,285,901</u>	<u>\$ 23,742,276</u>	<u>\$ 24,247,724</u>	<u>\$ 22,397,685</u>
<u>\$ 717,542</u>	<u>\$ 720,652</u>	<u>\$ 615,170</u>	<u>\$ (1,234,884)</u>	<u>\$ (884,033)</u>
97.40%	97.23%	97.47%	105.37%	104.11%
\$ 3,284,952	\$ 3,395,812	\$ 3,288,615	\$ 3,211,327	\$ 3,138,275
21.84%	21.22%	18.71%	-38.45%	-28.17%

**CITY OF DUNEDIN, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022**

City of Dunedin Municipal Firefighters' Retirement System

Notes to Schedule of Changes in the Net Pension:

The City implemented GASB Statement No. 68 for the fiscal year ended September 30, 2016, using a measurement date of September 30, 2015. Information for years prior to September 30, 2013 is not available.

The Covered Payroll numbers shown are in compliance with GASB 82, except for the 09/30/2015 measurement period which includes DROP payroll.

Changes of Benefits Terms: For measurement date 09/30/2016, Ordinance 16-22 was adopted. The change was an increase in the Supplemental benefit from \$3 to \$13 per month per year of service up to a maximum of \$325 for Members who retire on or after October 1, 2016 or enter the DROP on or after October 1, 2014.

Changes of Assumptions: For measurement date 09/30/2016, as a result of an October 3, 2016 Experience Study and as a result of recent State legislation, the Board has made the following assumption changes:

The assumed rates of mortality were changed to match those used by the FRS for special risk employees in their July 1, 2015 valuation report.

The expected withdrawal rates were reduced, as shown in the Actuarial Assumptions and Methods section of the 10/01/2016 valuation report.

The investment return assumption was reduced from 7.75% to 7.50% per year, net of investment related expenses.

The assumed rates of individual salary increase were reduced as shown in the Actuarial Assumptions and Methods section of the 10/01/2016 valuation report.

The assumed rates of retirement were reduced at each age, as shown in the Actuarial Assumptions and Methods section of the 10/01/2016 valuation report.

In addition, the inflation assumption rate was lowered from 3.0% to 2.5%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

Changes of Assumptions: For measurement date 09/30/2019, amounts reported as changes of benefit terms resulted from the provisions of Chapter 112.1816, Florida Statutes.

Effective July 1, 2019, a death or disability (under the Plan's definition of total and permanent disability) for a Firefighter due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer will be treated as duty-related.

Additionally, the Supplemental Benefit has been increased from \$13 per month per year of service to \$16 per month per year of service.

**MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND
Schedule of City Contributions
Last Ten Fiscal Years**

Fiscal Year	Contributions Related to the			Covered Payroll	Contributions as a Percentage of Covered Payroll
	Actuarially Determined Contribution	Actuarially Determined Contribution	Contribution Deficiency (Excess)		
2022	\$ 812,733	\$ 818,400	\$ (5,667)	\$ 3,321,233	24.64%
2021	856,234	856,234	-	3,326,112	25.74%
2020	839,734	835,071	4,663	3,330,834	25.07%
2019	746,882	750,586	(3,704)	3,399,726	22.08%
2018	777,513	778,472	(959)	3,295,962	23.62%
2017	733,401	733,401	-	3,284,952	22.33%
2016	725,736	725,736	-	3,395,812	21.37%
2015	784,433	784,433	-	3,288,615	23.85%
2014	793,364	793,364	-	3,211,327	24.71%
2013	832,898	832,898	-	3,138,275	26.54%

**CITY OF DUNEDIN, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SEPTEMBER 30, 2022**

City of Dunedin Municipal Firefighters' Retirement System

Valuation date: October 1, 2020. Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine the actuarially determined contribution:

Funding method: Entry Age Normal Actuarial Cost Method
 Amortization method: Level percentage of pay, closed
 Amortization period: 30 years
 Mortality Rates: RP-2000 Generational, Scale BB; Disabled Females and Males.
 set forward 2 and 4 years respectively.

Termination Rates:	% of Active Members	
	Years of Service	Separating within Next Year
	0 to 5	5.0%
	6 to 7	4.0%
	8 to 9	0.0%
	10+	0.5%

Retirement Rates (assumed rate of retirement is 2.0% for each year of eligibility for early retirement):	Years After 1st Eligibility for Normal Retirement	
	Normal Retirement	Probability of Normal Retirement
	0	20%
	1-4	10%
	5+	100%

Disability Rates:	% Becoming Disabled	
	Age	During the Year
	20	0.14%
	25	0.15%
	30	0.18%
	35	0.23%
	40	0.30%
	45	0.51%
	50	1.00%

**CITY OF DUNEDIN, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION
 SEPTEMBER 30, 2022**

City of Dunedin Municipal Firefighters' Retirement System (Continued)

Salary Increase Assumptions Used

Years of Service	% Increase in Salary	Years of Service	% Increase in Salary	Years of Service	% Increase in Salary
0	11.0%	5	6.5%	10	6.0%
1	10.0%	6	6.5%	11	5.5%
2	9.0%	7	6.5%	12	5.0%
3	8.0%	8	6.5%	13	4.5%
4	7.0%	9	6.5%	14+	4.0%

Interest Rate: 7.25% per year, compounded annually, net of investment related expenses.
 Salary increases: See table below.
 Post Retirement COLA: None.
 Payroll Growth: 1.13% per year for amortization of the Unfunded Actuarial Accrued Liability. This is in compliance with Part VII of Chapter 112, Florida Statutes.
 Funding Projection: The required dollar contributions for the following year include a half year of interest and a full year of salary increase based on the average salary increase for the upcoming year.
 Actuarial Asset Method: All assets are valued at market value with and adjustment made to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return) over a five-year period.

**MUNICIPAL FIREFIGHTERS' PENSION TRUST FUND
 Schedule of Investment Returns
 Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Annual Money- Weighted Rate of Return Net of Investment Expense</u>
2022	-14.39%
2021	18.72%
2020	10.50%
2019	2.26%
2018	10.90%
2017	7.55%
2016	7.12%
2015	-1.47%
2014	8.56%
2013	13.40%

CITY OF DUNEDIN, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2022

OTHER POST EMPLOYMENT BENEFITS
Schedule of Changes in Total Liability

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability						
Service cost	\$ 162,350	\$ 126,708	\$ 120,790	\$ 103,839	\$ 94,934	\$ 81,305
Interest	49,598	55,617	68,418	73,265	50,846	38,882
Changes in assumptions	(359,355)	(223,445)	177,034	16,382	(87,808)	37,732
Differences between expected and actual experience	-	(221,322)	74,003	(13,524)	297,485	5,975
Benefit payments	<u>(28,298)</u>	<u>(51,271)</u>	<u>(47,695)</u>	<u>(54,629)</u>	<u>(48,859)</u>	<u>(71,690)</u>
Net change in total OPEB liability	<u>(175,705)</u>	<u>(313,713)</u>	<u>392,550</u>	<u>125,333</u>	<u>306,598</u>	<u>92,204</u>
Total OPEB liability - beginning	<u>1,892,798</u>	<u>2,206,511</u>	<u>1,813,961</u>	<u>1,688,628</u>	<u>1,382,030</u>	<u>1,289,826</u>
Total OPEB liability - ending	<u>\$ 1,717,093</u>	<u>\$ 1,892,798</u>	<u>\$ 2,206,511</u>	<u>\$ 1,813,961</u>	<u>\$ 1,688,628</u>	<u>\$ 1,382,030</u>
Covered employee payroll	\$ 18,836,662	\$ 17,956,780	\$ 17,556,795	\$ 17,201,635	\$ 17,196,303	\$ 16,655,015
Total OPEB liability as a percentage of covered employee payroll	9.12%	10.54%	12.57%	10.55%	9.82%	8.30%

Notes:

Plan Assets:

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

Other Items:

- This information is required for ten years. However, only six years of information is currently available.

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

**COMBINING AND OTHER SUPPLEMENTARY
INFORMATION SCHEDULES**

City of Dunedin
General Fund
Schedule of Expenditure Detail - Budget and Actual
For the year ended September 30, 2022

	Budget			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
GENERAL GOVERNMENT				
City commission				
Personnel services	\$ 132,100	\$ 132,100	\$ 125,296	\$ 6,804
Supplies and services	179,600	178,773	144,873	33,900
Debt service	-	834	834	-
Capital outlay	-	1,645	1,645	-
Aids and grants	148,000	148,000	154,076	(6,076)
City commission total	459,700	461,352	426,724	34,628
City manager				
Personnel services	721,200	721,200	670,491	50,709
Supplies and services	354,950	360,370	308,327	52,043
Debt service	-	832	832	-
Capital outlay	-	1,645	1,645	-
City manager total	1,076,150	1,084,047	981,295	102,752
Legal				
Supplies and services	475,000	475,000	238,520	236,480
Legal total	475,000	475,000	238,520	236,480
City clerk				
Personnel services	350,500	350,500	296,036	54,464
Supplies and services	183,796	179,918	129,426	50,492
Debt service	-	5,130	5,130	-
Capital outlay	-	10,085	10,085	-
City clerk total	534,296	545,633	440,677	104,956
Finance				
Personnel services	949,900	949,900	840,076	109,824
Supplies and services	213,700	209,722	177,711	32,011
Debt service	-	1,978	1,978	-
Capital outlay	-	3,763	3,763	-
Finance total	1,163,600	1,165,363	1,023,528	141,835
Administration				
Personnel services	548,770	544,146	556,706	(12,560)
Supplies and services	366,087	437,065	352,159	84,906
Debt service	-	832	832	-
Capital outlay	-	1,645	1,645	-
Administration total	914,857	983,688	911,342	72,346
Planning and development				
Personnel services	842,700	842,700	753,383	89,317
Supplies and services	711,945	677,794	368,313	309,481
Debt service	-	842	842	-
Capital outlay	50,000	438,645	266,978	171,667
Aids and grants	128,500	208,500	80,040	128,460
Planning and development total	1,733,145	2,168,481	1,469,556	698,925
Fleet				
Supplies and services	-	-	306	(306)
Fleet total	-	-	306	(306)
Building maintenance administration				
Supplies and services	-	-	7,312	(7,312)
Building maint. admin. total	-	-	7,312	(7,312)
Non-departmental				
Supplies and services	116,500	116,500	557,700	(441,200)
Non-departmental total	116,500	116,500	557,700	(441,200)

City of Dunedin
General Fund
Schedule of Expenditure Detail - Budget and Actual (Continued)
For the year ended September 30, 2022

	Budget		Actual	Variance with
	Original	Final		Final Budget- Positive (Negative)
PUBLIC SAFETY				
Building services				
Supplies and services	\$ -	\$ -	\$ 119	\$ (119)
Building services total	-	-	119	(119)
Law enforcement				
Supplies and services	4,825,926	4,825,926	4,821,057	4,869
Aids and grants	10,000	10,000	10,000	-
Law enforcement total	4,835,926	4,835,926	4,831,057	4,869
Fire				
Personnel services	4,957,197	5,313,055	5,297,596	15,459
Supplies and services	1,343,315	1,422,285	1,392,398	29,887
Capital outlay	376,000	385,100	9,035	376,065
Fire total	6,676,512	7,120,440	6,699,029	421,411
EMS				
Personnel services	1,444,395	1,450,518	1,494,135	(43,617)
Supplies and services	248,133	248,133	223,342	24,791
EMS total	1,692,528	1,698,651	1,717,477	(18,826)
PHYSICAL ENVIRONMENT				
Water admin				
Supplies and services	-	-	181	(181)
Water admin total	-	-	181	(181)
Water production				
Supplies and services	-	-	120	(120)
Water production total	-	-	120	(120)
WPC treatment plant				
Supplies and services	-	-	695	(695)
WPC treatment plant total	-	-	695	(695)
Stormwater				
Supplies and services	-	10,000	7,703	2,297
Stormwater total	-	10,000	7,703	2,297
Residential collection				
Supplies and services	-	-	54	(54)
Residential collection total	-	-	54	(54)
TRANSPORTATION				
Downtown parking				
Supplies and services	69,289	-	132,456	(132,456)
Debt service	-	46,192	46,192	-
Capital outlay	-	931,617	931,617	-
Downtown parking total	69,289	977,809	1,110,265	(132,456)
Streets / traffic				
Personnel services	604,300	604,300	544,735	59,565
Supplies and services	1,193,937	1,205,169	1,039,324	165,845
Debt service	-	316	316	-
Capital outlay	14,500	15,122	622	14,500
Streets / traffic total	1,812,737	1,824,907	1,584,997	239,910

City of Dunedin
General Fund
Schedule of Expenditure Detail - Budget and Actual (Continued)
For the year ended September 30, 2022

	Budget			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
ECONOMIC ENVIRONMENT				
Economic & Housing Development				
Debt service	\$ -	\$ 82,935	\$ 82,935	\$ -
Economic & Housing dev. total	-	82,935	82,935	-
CULTURE AND RECREATION				
Library				
Personnel services	1,696,000	1,698,325	1,631,901	66,424
Supplies and services	1,174,419	1,195,731	909,276	286,455
Debt service	-	2,751	2,751	-
Capital outlay	100,000	133,193	9,196	123,997
Library total	2,970,419	3,030,000	2,553,124	476,876
Parks & Recreation admin				
Personnel services	583,240	583,240	594,792	(11,552)
Supplies and services	147,702	145,392	80,371	65,021
Debt service	-	2,310	2,310	-
Capital outlay	-	5,646	5,646	-
Parks & Recreation admin total	730,942	736,588	683,119	53,469
Recreation				
Personnel services	2,141,340	2,142,335	2,084,516	57,819
Supplies and services	2,747,030	3,079,254	2,454,799	624,455
Debt service	-	4,480	4,480	-
Capital outlay	88,500	122,468	95,907	26,561
Recreation total	4,976,870	5,348,537	4,639,702	708,835
Parks				
Personnel services	1,934,900	1,936,204	1,979,670	(43,466)
Supplies and services	1,360,819	1,432,270	1,202,791	229,479
Debt service	-	633	633	-
Capital outlay	45,000	71,150	6,900	64,250
Aids and grants	10,000	10,000	980	9,020
Parks total	3,350,719	3,450,257	3,190,974	259,283
Dunedin Historical Society				
Supplies and services	16,400	40,030	40,030	-
Dunedin Historical Society total	16,400	40,030	40,030	-
Dunedin Fine Arts Center				
Supplies and services	109,900	111,410	111,326	84
Aids and grants	-	-	-	-
Dunedin Fine Arts Center total	109,900	111,410	111,326	84
Total expenditures	\$ 33,715,490	\$ 36,267,554	\$ 33,309,867	\$ 2,957,687

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used to account for the receipt, custody, and expenditure of revenues from specific sources for which the City is required legally to limit expenditures to particular uses and to account separately for these resources.

Public Art

To account for the receipt and disbursement of revenues and expenditures associated with contributions received from private owners and developers who are subject to the City's design/review process, or as required by City ordinance related to capital improvement projects.

Impact Fees

To account for the receipt and disbursement of fees levied to pay for future parkland, fire department capital outlays, law enforcement capital outlays, and transportation capital outlays. This fund is also used to collect for and disburse to the County its share of transportation impact fees.

Building

To account for the revenue and expenditures associated with the enforcement of the Florida Building Code. In addition, the fund was established to ensure that the existing permit fee structure covers operating expenses and that funds are being used in accordance with State law.

County Gas Tax

To account for the costs of road and street improvements funded by proceeds of the Pinellas County gas tax.

Stadium

To account for the receipt and disbursement of revenues from various recreational activities as mandated upon the issuance of Capital Improvement Recreation Certificates.

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

City of Dunedin, Florida
Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2022

	<u>Public Art</u>	<u>Impact Fee</u>	<u>Building</u>	<u>County Gas Tax</u>
<u>ASSETS</u>				
Cash, cash equivalents, and investments	\$ (3,084)	\$ 658,243	\$ 2,950,730	\$ 417,917
Cash with fiscal agent	-	-	-	-
Receivables-net of allowance for uncollectibles	-	1,505	6,520	889
Due from other governments	-	-	-	116,893
Total assets	<u>\$ (3,084)</u>	<u>\$ 659,748</u>	<u>\$ 2,957,250</u>	<u>\$ 535,699</u>
<u>LIABILITIES</u>				
Accounts payable	\$ -	\$ -	\$ 21,853	\$ 2,105
Contracts payable	-	-	-	3,000
Accrued salaries payable	-	-	21,667	-
Deposits payable	-	-	-	-
Due to other governments	-	24,055	-	-
Other current liabilities	-	-	7,337	-
Total liabilities	<u>-</u>	<u>24,055</u>	<u>50,857</u>	<u>5,105</u>
<u>FUND BALANCES</u>				
Nonspendable	-	-	-	-
Restricted	-	635,693	2,906,393	530,594
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(3,084)	-	-	-
Total fund balances	<u>(3,084)</u>	<u>635,693</u>	<u>2,906,393</u>	<u>530,594</u>
Total liabilities and fund balances	<u>\$ (3,084)</u>	<u>\$ 659,748</u>	<u>\$ 2,957,250</u>	<u>\$ 535,699</u>

<u>Stadium</u>	<u>Total</u>
\$ 2,781,512	\$ 6,805,318
1,682,486	1,682,486
292,882	301,796
-	116,893
<u>\$ 4,756,880</u>	<u>\$ 8,906,493</u>

\$ -	\$ 23,958
-	3,000
-	21,667
500	500
-	24,055
-	7,337
<u>500</u>	<u>80,517</u>

-	-
4,756,380	8,829,060
-	-
-	-
-	(3,084)
<u>4,756,380</u>	<u>8,825,976</u>

<u>\$ 4,756,880</u>	<u>\$ 8,906,493</u>
---------------------	---------------------

City of Dunedin, Florida
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the year ended September 30, 2022

	Public Art	Impact Fee	Building	County Gas Tax
<u>REVENUES</u>				
Intergovernmental	-	-	-	\$ 476,062
Charges for services	-	-	1,307,620	-
Impact fees	17,134	246,328	-	-
Investment earnings (losses)	2	(5,685)	(28,490)	(4,102)
Other revenue	-	-	3,831	-
Total revenues	<u>17,136</u>	<u>240,643</u>	<u>1,282,961</u>	<u>471,960</u>
<u>EXPENDITURES</u>				
Current:				
Public safety	-	-	1,167,484	-
Transportation	-	-	-	141,695
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	810	-
Interest	-	-	32	-
Debt - cost of issuance	-	-	-	-
Capital outlay:				
Public safety	-	-	51,299	-
Transportation	-	-	-	312,297
Culture and recreation	-	498,866	-	-
Aids and grants	-	-	-	-
Total expenditures	<u>-</u>	<u>498,866</u>	<u>1,219,625</u>	<u>453,992</u>
Excess (deficiency) of revenues over (under) expenditures	<u>17,136</u>	<u>(258,223)</u>	<u>63,336</u>	<u>17,968</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	-	35,510	-	-
Lease financing	-	-	1,690	-
Total other financing sources (uses)	<u>-</u>	<u>35,510</u>	<u>1,690</u>	<u>-</u>
Net change in fund balances	17,136	(222,713)	65,026	17,968
Fund balances - beginning	<u>(20,220)</u>	<u>858,406</u>	<u>2,841,367</u>	<u>512,626</u>
Fund balances - ending	<u>\$ (3,084)</u>	<u>\$ 635,693</u>	<u>\$ 2,906,393</u>	<u>\$ 530,594</u>

	<u>Stadium</u>	<u>Total</u>
\$	1,500,000	\$ 1,976,062
	286,301	1,593,921
	-	263,462
	(22,705)	(60,980)
	<u>1,432,907</u>	<u>1,436,738</u>
	<u>3,196,503</u>	<u>5,209,203</u>
	-	1,167,484
	-	141,695
	305,115	305,115
	935,000	935,810
	1,397,650	1,397,682
	1,401	1,401
	-	51,299
	-	312,297
	2,594	501,460
	-	-
	<u>2,641,760</u>	<u>4,814,243</u>
	<u>554,743</u>	<u>394,960</u>
	265,000	300,510
	-	1,690
	<u>265,000</u>	<u>302,200</u>
	819,743	697,160
	<u>3,936,637</u>	<u>8,128,816</u>
\$	<u><u>4,756,380</u></u>	<u><u>\$ 8,825,976</u></u>

City of Dunedin, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
Public Art Fund
For the year ended September 30, 2022

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Special assessments	\$ 27,750	\$ 27,750	\$ 17,134	\$ (10,616)
Investment earnings	-	-	2	2
Total revenues	<u>27,750</u>	<u>\$ 27,750</u>	<u>\$ 17,136</u>	<u>(10,614)</u>
<u>EXPENDITURES</u>				
Current:				
Culture and recreation	25,000	29,728	-	29,728
Capital outlay:				
Culture and recreation	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Total expenditures	<u>40,000</u>	<u>44,728</u>	<u>-</u>	<u>44,728</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,250)</u>	<u>(16,978)</u>	<u>17,136</u>	<u>34,114</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(35,100)</u>	<u>(35,100)</u>	<u>-</u>	<u>35,100</u>
Total other financing sources	<u>(35,100)</u>	<u>(35,100)</u>	<u>-</u>	<u>35,100</u>
Net change in fund balances	<u>\$ (47,350)</u>	<u>\$ (52,078)</u>	17,136	<u>\$ 69,214</u>
Fund balance - beginning			<u>(20,220)</u>	
Fund balance - ending			<u>\$ (3,084)</u>	

City of Dunedin, Florida

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

Impact Fee Fund

For the year ended September 30, 2022

	<u>Budget</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Impact fees	\$ 244,000	\$ 244,000	\$ 246,328	\$ 2,328
Investment earnings (losses)	2,100	2,100	(5,685)	(7,785)
Total revenues	<u>246,100</u>	<u>246,100</u>	<u>240,643</u>	<u>(5,457)</u>
<u>EXPENDITURES</u>				
Capital outlay:				
Transportation	140,000	140,000	-	140,000
Culture and recreation	-	500,691	498,866	1,825
Total expenditures	<u>140,000</u>	<u>640,691</u>	<u>498,866</u>	<u>141,825</u>
Excess (deficiency) of revenues over (under) expenditures	<u>106,100</u>	<u>(394,591)</u>	<u>(258,223)</u>	<u>136,368</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	<u>35,510</u>	<u>35,510</u>	<u>35,510</u>	-
Total other financing sources	<u>35,510</u>	<u>35,510</u>	<u>35,510</u>	-
Net change in fund balances	<u>\$ 141,610</u>	<u>\$ (359,081)</u>	<u>(222,713)</u>	<u>\$ 136,368</u>
Fund balance - beginning			<u>858,406</u>	
Fund balance - ending			<u>\$ 635,693</u>	

City of Dunedin, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
Building Fund
For the year ended September 30, 2022

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Charges for services	\$ 1,000,000	\$ 1,000,000	\$ 1,307,620	\$ 307,620
Investment earnings (losses)	3,000	3,000	(28,490)	(31,490)
Other revenue	5,000	5,000	3,831	(1,169)
Total revenues	<u>1,008,000</u>	<u>1,008,000</u>	<u>1,282,961</u>	<u>274,961</u>
<u>EXPENDITURES</u>				
Current:				
Public safety	1,385,057	1,392,715	1,167,484	225,231
Debt service:				
Principal	-	810	810	-
Interest	-	32	32	-
Capital outlay:				
Public safety	-	98,556	51,299	47,257
Total expenditures	<u>1,385,057</u>	<u>1,492,113</u>	<u>1,219,625</u>	<u>272,488</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(377,057)</u>	<u>(484,113)</u>	<u>63,336</u>	<u>547,449</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	35,100	35,100	-	(35,100)
Transfers out	-	-	-	-
Issuance of debt	-	-	-	-
Lease financing	-	1,690	1,690	-
Total other financing sources	<u>35,100</u>	<u>36,790</u>	<u>1,690</u>	<u>(35,100)</u>
Net change in fund balances	<u>\$ (341,957)</u>	<u>\$ (447,323)</u>	65,026	<u>\$ 512,349</u>
Fund balance - beginning			<u>2,841,367</u>	
Fund balance - ending			<u>\$ 2,906,393</u>	

City of Dunedin, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
County Gas Tax Fund
For the year ended September 30, 2022

	<u>Budget</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
<u>REVENUES</u>				
Intergovernmental	\$ 561,074	\$ 437,500	\$ 476,062	\$ 38,562
Investment earnings (losses)	1,000	1,000	(4,102)	(5,102)
Total revenues	<u>562,074</u>	<u>438,500</u>	<u>471,960</u>	<u>33,460</u>
<u>EXPENDITURES</u>				
Current:				
General government	5,500	5,500	-	5,500
Transportation	176,000	195,414	141,695	53,719
Capital outlay:				
Transportation	345,000	396,497	312,297	84,200
Total expenditures	<u>526,500</u>	<u>597,411</u>	<u>453,992</u>	<u>143,419</u>
Excess (deficiency) of revenues over (under) expenditures	<u>35,574</u>	<u>(158,911)</u>	<u>17,968</u>	<u>176,879</u>
Net change in fund balances	<u>\$ 35,574</u>	<u>\$ (158,911)</u>	<u>17,968</u>	<u>\$ 176,879</u>
Fund balance - beginning			<u>512,626</u>	
Fund balance - ending			<u>\$ 530,594</u>	

City of Dunedin, Florida

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

Stadium Fund

For the year ended September 30, 2022

	Budget		Actual	Variance with
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Intergovernmental:				
Grants - state	\$ 500,000	\$ 500,000	\$ 1,500,000	\$ 1,000,000
Grants - local	1,000,000	1,000,000	-	(1,000,000)
Charges for Services	386,000	386,000	286,301	(99,699)
Investment earnings (losses)	10,000	10,000	(22,705)	(32,705)
Other revenue	1,627,800	1,627,800	1,432,907	(194,893)
Total revenues	<u>3,523,800</u>	<u>3,523,800</u>	<u>3,196,503</u>	<u>(327,297)</u>
EXPENDITURES				
Current:				
Culture and recreation	567,400	565,999	305,115	260,884
Debt service:				
Principal	935,000	935,000	935,000	-
Interest	1,397,800	1,397,800	1,397,650	150
Debt cost of issuance	-	1,401	1,401	-
Capital outlay:				
Culture and recreation	-	30,515	2,594	27,921
Total expenditures	<u>2,900,200</u>	<u>2,930,715</u>	<u>2,641,760</u>	<u>288,955</u>
Excess (deficiency) of revenues over (under) expenditures	<u>623,600</u>	<u>593,085</u>	<u>554,743</u>	<u>(38,342)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	265,000	265,000	265,000	-
Transfers out	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>	<u>500,000</u>
Total other financing sources	<u>(235,000)</u>	<u>(235,000)</u>	<u>265,000</u>	<u>500,000</u>
Net change in fund balances	<u>\$ 388,600</u>	<u>\$ 358,085</u>	819,743	<u>\$ 461,658</u>
Fund balance - beginning			<u>3,936,637</u>	
Fund balance - ending			<u>\$ 4,756,380</u>	

City of Dunedin
Combining Statement of Net Position
Internal Service Funds
September 30, 2022

	<u>Fleet Maintenance</u>	<u>Facilities Maintenance</u>	<u>Self Insurance</u>	<u>Information Technology</u>	<u>Total</u>
ASSETS					
Current assets:					
Cash, cash equivalents, and investments	\$ 6,102,166	\$ 1,538,316	\$ 5,310,481	\$ 1,227,166	\$ 14,178,129
Receivables-net of allowance for uncollectibles	33	-	1,494	-	1,527
Interest receivable	13,217	3,495	12,210	2,553	31,475
Inventories	98,370	-	-	-	98,370
Prepaid items	714	4,791	329,867	1,917	337,289
Deposits	-	-	185,401	-	185,401
Total current assets	<u>6,214,500</u>	<u>1,546,602</u>	<u>5,839,453</u>	<u>1,231,636</u>	<u>14,832,191</u>
Noncurrent assets:					
Capital assets:					
Buildings	1,179,463	683,106	-	-	1,862,569
Improvements other than buildings	-	-	-	6,970	6,970
Machinery and equipment	15,543,678	112,229	-	1,745,413	17,401,320
Less: accumulated depreciation	<u>(11,722,523)</u>	<u>(409,644)</u>	<u>-</u>	<u>(700,604)</u>	<u>(12,832,771)</u>
Total capital assets, net	5,000,618	385,691	-	1,051,779	6,438,088
Right to use leased assets:					
Machinery and equipment	-	623	-	23,350	23,973
Less: accumulated amortization	-	<u>(311)</u>	<u>-</u>	<u>(9,781)</u>	<u>(10,092)</u>
Total right to use leased assets, net	<u>-</u>	<u>312</u>	<u>-</u>	<u>13,569</u>	<u>13,881</u>
Total noncurrent assets	<u>5,000,618</u>	<u>386,003</u>	<u>-</u>	<u>1,065,348</u>	<u>6,451,969</u>
Total assets	<u>11,215,118</u>	<u>1,932,605</u>	<u>5,839,453</u>	<u>2,296,984</u>	<u>21,284,160</u>
DEFERRED OUTFLOWS OF RESOURCES					
Other post employment benefits (OPEB)	8,966	5,622	4,503	3,790	22,881
Total deferred outflows of resources	<u>8,966</u>	<u>5,622</u>	<u>4,503</u>	<u>3,790</u>	<u>22,881</u>
Total assets and deferred outflows of resources	<u>11,224,084</u>	<u>1,938,227</u>	<u>5,843,956</u>	<u>2,300,774</u>	<u>21,307,041</u>
LIABILITIES					
Current liabilities:					
Accounts payable	157,210	82,108	291,881	59,318	590,517
Accrued salaries payable	20,598	24,347	12,562	23,170	80,677
Compensated absences	45,166	39,818	30,736	52,191	167,911
Claims payable	-	-	248,400	-	248,400
Leases payable	-	312	-	11,584	11,896
Total current liabilities	<u>222,974</u>	<u>146,585</u>	<u>583,579</u>	<u>146,263</u>	<u>1,099,401</u>
Noncurrent liabilities:					
Compensated absences	9,674	8,487	6,326	11,285	35,772
Other post employment benefits	49,176	45,767	9,369	27,145	131,457
Claims payable	-	-	921,021	-	921,021
Leases payable	-	7	-	1,878	1,885
Total noncurrent liabilities	<u>58,850</u>	<u>54,261</u>	<u>936,716</u>	<u>40,308</u>	<u>1,090,135</u>
Total liabilities	<u>281,824</u>	<u>200,846</u>	<u>1,520,295</u>	<u>186,571</u>	<u>2,189,536</u>
DEFERRED INFLOWS OF RESOURCES					
Other post employment benefits (OPEB)	13,426	18,498	6,530	13,741	52,195
Total deferred inflows of resources	<u>13,426</u>	<u>18,498</u>	<u>6,530</u>	<u>13,741</u>	<u>52,195</u>
Total liabilities and deferred inflows of resources	<u>295,250</u>	<u>219,344</u>	<u>1,526,825</u>	<u>200,312</u>	<u>2,241,731</u>
NET POSITION					
Net investment in capital assets	5,000,618	385,684	-	1,051,886	6,438,188
Unrestricted	5,928,216	1,333,199	4,317,131	1,048,576	12,627,122
Total net position	<u>\$ 10,928,834</u>	<u>\$ 1,718,883</u>	<u>\$ 4,317,131</u>	<u>\$ 2,100,462</u>	<u>\$ 19,065,310</u>

City of Dunedin
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the year ended September 30, 2022

	<u>Fleet Maintenance</u>	<u>Facilities Maintenance</u>	<u>Self Insurance</u>	<u>Information Technology</u>	<u>Total</u>
Operating revenues:					
Charges for services	\$ 3,391,651	\$ 1,491,200	\$ 6,819,579	\$ 1,802,200	\$ 13,504,630
Other operating revenue	-	-	122,871	-	122,871
Total operating revenues	<u>3,391,651</u>	<u>1,491,200</u>	<u>6,942,450</u>	<u>1,802,200</u>	<u>13,627,501</u>
Operating expenses:					
Personal services	593,970	637,659	337,785	574,940	2,144,354
Supplies and services	1,283,340	1,005,893	5,879,775	639,276	8,808,284
Depreciation / amortization	964,114	37,069	-	202,369	1,203,552
Total operating expenses	<u>2,841,424</u>	<u>1,680,621</u>	<u>6,217,560</u>	<u>1,416,585</u>	<u>12,156,190</u>
Operating income (loss)	<u>550,227</u>	<u>(189,421)</u>	<u>724,890</u>	<u>385,615</u>	<u>1,471,311</u>
Nonoperating revenues (expenses):					
Investment losses	(61,373)	(13,734)	(52,811)	(12,453)	(140,371)
Interest expense	-	(12)	-	(12)	(24)
Loss on disposal of capital assets	-	-	-	(280)	(280)
Total nonoperating revenues (expenses)	<u>(61,373)</u>	<u>(13,746)</u>	<u>(52,811)</u>	<u>(12,745)</u>	<u>(140,675)</u>
Income before contributions and transfers	<u>488,854</u>	<u>(203,167)</u>	<u>672,079</u>	<u>372,870</u>	<u>1,330,636</u>
Change in net position	488,854	(203,167)	672,079	372,870	1,330,636
Net position - beginning	<u>10,439,980</u>	<u>1,922,050</u>	<u>3,645,052</u>	<u>1,727,592</u>	<u>17,734,674</u>
Net position - ending	<u>\$ 10,928,834</u>	<u>\$ 1,718,883</u>	<u>\$ 4,317,131</u>	<u>\$ 2,100,462</u>	<u>\$ 19,065,310</u>

City of Dunedin
Combining Statement of Cash Flows
For the year ended September 30, 2022

	<u>Fleet Maintenance</u>	<u>Facilities Maintenance</u>	<u>Self Insurance</u>	<u>Information Technology</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 3,391,617	\$ 1,491,199	\$ 6,818,894	\$ 1,802,200	\$ 13,503,910
Payments to suppliers	(1,193,691)	(1,035,519)	(6,300,235)	(593,860)	(9,123,305)
Payments to employees	(563,429)	(625,250)	(325,220)	(570,574)	(2,084,473)
Other operating revenue	-	-	122,871	-	122,871
Net cash provided by (used in) operating activities	<u>1,634,497</u>	<u>(169,570)</u>	<u>316,310</u>	<u>637,766</u>	<u>2,419,003</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	-	-	(29,400)	-	(29,400)
Transfers out	-	-	29,400	-	29,400
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase of capital assets	(127,449)	-	-	(107,286)	(234,735)
Lease of right to use assets	-	(304)	-	(9,887)	(10,191)
Interest paid on capital debt	-	(12)	-	(12)	(24)
Net cash provided by (used in) capital and related financing activities	<u>(127,449)</u>	<u>(316)</u>	<u>-</u>	<u>(117,185)</u>	<u>(244,950)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment earnings (losses)	(67,628)	(14,401)	(55,588)	(13,785)	(151,402)
Net cash provided by (used in) investing activities	<u>(67,628)</u>	<u>(14,401)</u>	<u>(55,588)</u>	<u>(13,785)</u>	<u>(151,402)</u>
Net increase in cash and cash equivalents	1,439,420	(184,287)	260,722	506,796	2,022,651
Cash and cash equivalents - October 1	4,662,746	1,722,603	5,049,759	720,370	12,155,478
Cash and cash equivalents - September 30	<u>\$ 6,102,166</u>	<u>\$ 1,538,316</u>	<u>\$ 5,310,481</u>	<u>\$ 1,227,166</u>	<u>\$ 14,178,129</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income / (loss)	<u>\$ 550,227</u>	<u>\$ (189,421)</u>	<u>\$ 724,890</u>	<u>\$ 385,615</u>	<u>\$ 1,471,311</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:					
Depreciation / amortization	964,114	37,069	-	202,369	1,203,552
(Increase) decrease in:					
Accounts receivable	(36)	-	(685)	-	(721)
Inventories	(21,425)	-	-	-	(21,425)
Prepaid items	(714)	(4,791)	(47,500)	(1,557)	(54,562)
Deposits	-	-	(8,772)	-	(8,772)
Deferred outflows	1,461	1,778	602	1,420	5,261
Increase (decrease) in:					
Accounts payable	111,788	(24,836)	(273,045)	46,972	(139,121)
Accrued wages payable	10,556	5,981	5,063	9,521	31,121
Compensated absences / OPEB	12,586	(2,582)	4,454	(12,349)	2,109
Claims payable	-	-	(91,144)	-	(91,144)
Deferred inflows	5,940	7,232	2,447	5,775	21,394
Total adjustments	<u>1,084,270</u>	<u>19,851</u>	<u>(408,580)</u>	<u>252,151</u>	<u>947,692</u>
Net cash provided by operating activities	<u>\$ 1,634,497</u>	<u>\$ (169,570)</u>	<u>\$ 316,310</u>	<u>\$ 637,766</u>	<u>\$ 2,419,003</u>

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

STATISTICAL SECTION

Statistical Section

This part of the City of Dunedin’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	143
These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time	
Revenue Capacity	157
These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax	
Debt Capacity	163
These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future	
Demographic and Economic Information	171
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place	
Operating Information	175
These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs	

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

FINANCIAL TRENDS

City of Dunedin, Florida
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2022	2021	2020	2019
Governmental activities:				
Net investment in capital / right to use assets	\$ 149,064,004	\$ 150,762,773	\$ 137,406,572	\$ 66,403,811
Restricted	19,964,545	17,101,159	16,728,776	33,699,242
Unrestricted	16,366,888	10,349,168	7,266,720	8,931,649
 Total governmental activities net position	 <u>\$ 185,395,437</u>	 <u>\$ 178,213,100</u>	 <u>\$ 161,402,068</u>	 <u>\$ 109,034,702</u>
 Business type activities:				
Net investment in capital / right to use assets	\$ 26,395,199	\$ 27,212,411	\$ 31,584,991	\$ 34,609,553
Restricted	2,066,172	-	-	-
Unrestricted	33,999,915	33,002,017	28,547,662	25,785,669
 Total business type activities net position	 <u>\$ 62,461,286</u>	 <u>\$ 60,214,428</u>	 <u>\$ 60,132,653</u>	 <u>\$ 60,395,222</u>
 Primary government:				
Net investment in capital / right to use assets	\$ 175,459,203	\$ 177,975,184	\$ 168,991,563	\$ 101,013,364
Restricted	22,030,717	17,101,159	16,728,776	33,699,242
Unrestricted	50,366,803	43,351,185	35,814,382	34,717,318
 Total primary government net position	 <u>\$ 247,856,723</u>	 <u>\$ 238,427,528</u>	 <u>\$ 221,534,721</u>	 <u>\$ 169,429,924</u>

Source: City Records

	2018	2017	2016	2015	2014	2013
\$	63,664,408	\$ 62,763,046	\$ 64,339,229	\$ 64,170,000	\$ 64,104,251	\$ 58,239,411
	15,029,816	11,721,407	7,026,213	6,506,661	4,840,593	4,424,603
	7,168,991	8,073,971	10,836,332	9,270,449	7,363,412	6,502,111
	<u>\$ 85,863,215</u>	<u>\$ 82,558,424</u>	<u>\$ 82,201,774</u>	<u>\$ 79,947,110</u>	<u>\$ 76,308,256</u>	<u>\$ 69,166,125</u>
\$	31,280,649	\$ 30,862,852	\$ 27,018,599	\$ 25,618,520	\$ 33,534,035	\$ 33,405,168
	1,542,739	1,456,178	3,741,836	1,283,476	1,184,262	1,146,633
	27,874,765	25,161,006	23,659,881	28,031,653	21,764,460	22,845,536
	<u>\$ 60,698,153</u>	<u>\$ 57,480,036</u>	<u>\$ 54,420,316</u>	<u>\$ 54,933,649</u>	<u>\$ 56,482,757</u>	<u>\$ 57,397,337</u>
\$	94,945,057	\$ 93,625,898	\$ 91,357,828	\$ 89,788,520	\$ 97,638,286	\$ 91,644,579
	16,572,555	13,177,585	10,768,049	7,790,137	6,024,855	5,571,236
	35,043,756	33,234,977	34,496,213	37,302,102	29,127,872	29,347,647
	<u>\$ 146,561,368</u>	<u>\$ 140,038,460</u>	<u>\$ 136,622,090</u>	<u>\$ 134,880,759</u>	<u>\$ 132,791,013</u>	<u>\$ 126,563,462</u>

City of Dunedin, Florida
Changes in Net Position
Last Ten Fiscal Years

(accrual basis of accounting)

	2022	2021	2020	2019	2018	2017	2016
EXPENSES							
Governmental activities:							
General government	\$ 3,700,973	\$ 3,280,069	\$ 4,104,628	\$ 3,762,390	\$ 4,722,335	\$ 3,086,600	\$ 3,163,785
Public safety	13,853,509	14,077,677	14,479,676	12,921,980	12,898,138	12,863,393	12,016,757
Physical environment	131,953	-	47,883	-	-	-	-
Transportation	2,802,568	2,711,008	2,859,142	2,434,329	2,768,959	2,301,533	2,234,895
Economic environment	1,428,174	1,003,893	893,009	965,342	914,486	750,068	768,565
Culture and recreation	16,766,066	12,867,858	12,576,585	11,878,621	11,272,053	11,057,908	11,163,145
Interest on long term debt	1,760,726	1,553,544	1,474,647	1,649,974	155,629	182,007	190,979
Total government activities expenses	40,443,969	35,494,049	36,435,570	33,612,636	32,731,600	30,241,509	29,538,126
Business type activities:							
Solid waste	5,863,406	5,704,237	5,812,572	5,610,862	5,289,057	4,761,646	4,428,289
Water / sewer utility	18,893,008	19,075,129	18,512,252	16,813,915	17,006,572	17,045,668	16,919,664
Stormwater utility	4,234,272	4,833,215	4,779,585	4,293,384	4,028,592	3,558,252	3,665,865
Marina	529,405	539,996	423,298	407,017	423,653	381,384	350,845
Golf course	-	-	-	-	-	-	-
Parking	-	-	-	409,850	663,977	592,086	-
Total business type activities expenses	29,520,091	30,152,577	29,527,707	27,535,028	27,411,851	26,339,036	25,364,663
Total primary government expenses	\$ 69,964,060	\$ 65,646,626	\$ 65,963,277	\$ 61,147,664	\$ 60,143,451	\$ 56,580,545	\$ 54,902,789
PROGRAM REVENUES							
Governmental activities:							
Charges for services							
General government	\$ 390,072	\$ 469,549	\$ 293,177	\$ 968,688	\$ 475,513	\$ 570,903	\$ 528,147
Public safety	4,042,420	4,724,020	3,841,768	5,817,639	5,593,433	5,477,227	4,242,095
Physical environment	-	-	-	-	-	-	-
Economic environment	48,168	38,962	39,763	65,179	56,085	42,050	46,770
Culture and recreation	3,756,607	3,137,720	2,384,100	3,479,883	2,085,419	2,054,132	2,090,589
Operating grants and contributions	4,457,483	1,077,753	808,473	729,456	667,625	607,504	474,084
Capital grants and contributions	2,209,684	12,898,687	53,292,249	16,129,162	1,857,026	1,459,227	1,555,222
Total governmental activities program revenues	14,904,434	22,346,691	60,659,530	27,190,007	10,735,101	10,211,043	8,936,907
Business type activities:							
Charges for services							
Solid waste	6,443,276	6,166,472	6,041,016	6,002,350	5,378,853	5,220,755	5,094,407
Water / sewer utility	20,627,326	19,134,635	18,396,237	17,664,186	16,847,695	16,200,581	15,303,808
Stormwater utility	4,236,395	3,998,104	3,970,045	3,892,484	3,710,150	3,533,250	3,375,543
Marina	592,104	595,976	349,231	565,415	555,103	532,872	490,601
Golf course	-	-	-	-	-	-	-
Parking	-	-	-	24,000	169,891	804,959	-
Operating grants and contributions	-	32,143	171,141	154,115	7,429	-	-
Capital grants and contributions	160,767	103,315	207,400	490,371	3,567,449	300,607	262,397
Total business type activities revenues	32,059,868	30,030,645	29,135,070	28,792,921	30,236,570	26,593,024	24,526,756
Total primary government program revenues	\$ 46,964,302	\$ 52,377,336	\$ 89,794,600	\$ 55,982,928	\$ 40,971,671	\$ 36,804,067	\$ 33,463,663
NET EXPENSE							
Governmental activities	\$ (25,539,536)	\$ (13,147,358)	\$ 24,223,960	\$ (6,422,629)	\$ (21,996,499)	\$ (20,030,466)	\$ (20,601,219)
Business type activities	2,539,777	(121,932)	(392,637)	1,257,893	2,824,719	253,988	(837,907)
Total primary government net (expense) / revenue	\$ (22,999,758)	\$ (13,269,290)	\$ 23,831,323	\$ (5,164,736)	\$ (19,171,780)	\$ (19,776,478)	\$ (21,439,126)
General Revenues							
Governmental activities:							
Taxes:							
Property taxes	\$ 14,075,732	\$ 12,949,749	\$ 11,965,881	\$ 10,677,022	\$ 9,801,125	\$ 8,920,112	\$ 8,250,501
Utility service taxes	5,156,802	4,885,454	4,754,781	4,589,508	4,360,098	4,250,024	4,282,054
Infrastructure sales surtax	5,320,918	4,586,465	3,933,570	4,141,748	3,936,776	3,715,371	3,614,528
Half cent sales tax	3,051,926	2,753,354	2,315,453	2,410,633	2,351,985	2,256,442	2,237,167
Franchise fees	3,005,162	2,758,247	2,732,590	2,789,433	2,592,367	2,406,038	2,448,302
Other taxes	382,990	366,324	354,180	373,484	336,747	333,972	338,061
State revenue sharing	1,796,636	1,470,277	1,280,158	1,367,990	1,328,774	1,300,819	1,242,420
Lease interest	46,200	-	-	-	-	-	-
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	-
Unrestricted investment earnings (losses)	(273,814)	83,995	447,808	669,495	387,808	227,835	73,505
Gain / (loss) on sale of capital assets	(280)	104,525	90,065	221,769	122,910	98,681	369,345
Transfers	159,600	-	268,920	2,353,034	82,700	(2,649,858)	-
Total government activities revenues	32,721,872	29,958,390	28,143,406	29,594,116	25,301,290	20,859,436	22,855,883
Business type activities:							
Unrestricted investment earnings	(133,319)	203,707	398,988	792,210	476,098	417,154	324,574
Gain (loss) on sale of capital assets	-	-	-	-	-	-	-
Transfers	(159,600)	-	(268,920)	(2,353,034)	(82,700)	2,649,858	-
Total business type activities	(292,919)	203,707	130,068	(1,560,824)	393,398	3,067,012	324,574
Total primary government revenues	\$ 32,428,953	\$ 30,162,097	\$ 28,273,474	\$ 28,033,292	\$ 25,694,688	\$ 23,926,448	\$ 23,180,457
CHANGE IN NET POSITION							
Governmental activities	\$ 7,182,337	\$ 16,811,032	\$ 52,367,366	\$ 23,171,487	\$ 3,304,791	\$ 828,970	\$ 2,254,664
Business type activities	2,246,858	81,775	(262,569)	(302,931)	3,218,117	3,321,000	(513,333)
Total primary government	\$ 9,429,195	\$ 16,892,807	\$ 52,104,797	\$ 22,868,556	\$ 6,522,908	\$ 4,149,970	\$ 1,741,331

2015	2014	2013
\$ 3,902,176	\$ 3,941,552	\$ 3,359,312
10,316,706	10,476,788	10,361,120
-	-	-
2,112,366	2,135,489	1,999,785
745,113	488,187	445,629
10,641,476	10,136,799	10,111,776
469,673	424,781	528,625
<u>28,187,510</u>	<u>27,603,596</u>	<u>26,806,247</u>
4,588,418	5,229,076	5,335,131
16,326,720	15,970,790	15,508,529
3,360,965	3,037,098	2,725,954
369,324	345,892	292,000
-	594	30,206
-	-	-
<u>24,645,427</u>	<u>24,583,450</u>	<u>23,891,820</u>
<u>\$ 52,832,937</u>	<u>\$ 52,187,046</u>	<u>\$ 50,698,067</u>
\$ 343,285	\$ 523,230	\$ 486,155
3,635,991	3,227,174	3,394,107
51,600	-	-
-	42,216	89,624
2,040,989	1,943,283	2,215,859
627,511	511,380	381,213
1,336,528	6,719,504	1,606,456
<u>8,035,904</u>	<u>12,966,787</u>	<u>8,173,414</u>
4,946,096	4,775,203	4,687,484
15,147,998	15,253,874	15,419,636
3,273,122	2,956,426	2,937,216
515,457	556,073	469,253
-	-	7,452
-	-	-
-	-	-
334,300	1,375,017	137,414
<u>24,216,973</u>	<u>24,916,593</u>	<u>23,658,455</u>
<u>\$ 32,252,877</u>	<u>\$ 37,883,380</u>	<u>\$ 31,831,869</u>
\$ (20,151,606)	\$ (14,636,809)	\$ (18,632,833)
(428,454)	333,143	(233,365)
<u>\$ (20,580,060)</u>	<u>\$ (14,303,666)</u>	<u>\$ (18,866,198)</u>
\$ 7,040,424	\$ 6,569,073	\$ 5,767,080
4,282,586	4,446,105	4,223,089
3,436,710	3,192,877	3,013,051
2,165,558	2,045,485	1,947,273
2,634,802	2,624,822	2,371,745
321,603	351,802	171,956
1,221,632	1,157,604	1,109,982
-	-	-
2,932,567	-	-
98,536	21,778	48,438
-	-	11,732
(39,329)	1,369,394	1,800
<u>24,095,089</u>	<u>21,778,940</u>	<u>18,666,146</u>
327,714	121,671	55,609
-	-	9,179
39,329	(1,369,394)	(1,800)
<u>367,043</u>	<u>(1,247,723)</u>	<u>62,988</u>
<u>\$ 24,462,132</u>	<u>\$ 20,531,217</u>	<u>\$ 18,729,134</u>
\$ 3,943,483	\$ 7,142,131	\$ 33,313
(61,411)	(914,580)	(170,377)
<u>\$ 3,882,072</u>	<u>\$ 6,227,551</u>	<u>\$ (137,064)</u>

City of Dunedin, Florida
General Governmental Tax Revenues By Source
Last Ten Fiscal Years

Fiscal Year	Property	Franchise	Utility Service	Total
2013	\$ 5,767,080	\$ 2,371,745	\$ 4,223,089	\$ 12,361,914
2014	6,569,073	2,624,822	4,446,105	13,640,000
2015	7,040,424	2,634,802	4,282,586	13,957,812
2016	8,250,501	2,448,302	4,282,054	14,980,857
2017	8,920,112	2,406,038	4,250,024	15,576,174
2018	9,801,125	2,592,367	4,360,098	16,753,590
2019	10,677,022	2,789,433	4,589,508	18,055,963
2020	11,965,881	2,732,590	4,754,781	19,453,252
2021	12,949,749	2,758,247	4,885,454	20,593,450
2022	14,075,732	3,005,162	5,156,802	22,237,696

Source: City Records

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

City of Dunedin, Florida
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2022	2021	2020	2019
General fund:				
Nonspendable	\$ 1,555,279	\$ 1,633,789	\$ 1,735,594	\$ 1,865,202
Restricted	495,172	120,228	119,197	181,500
Committed	1,074,131	1,038,993	1,131,556	815,006
Assigned	1,575,571	2,281,412	301,400	757,632
Unassigned	9,039,265	4,347,072	5,148,034	5,448,652
Total general fund	<u>\$ 13,739,418</u>	<u>\$ 9,421,494</u>	<u>\$ 8,435,781</u>	<u>\$ 9,067,992</u>
All other governmental funds:				
Nonspendable	\$ 44,361	\$ -	\$ 67,734	\$ 506,800
Restricted	20,321,732	33,749,492	17,341,138	33,704,702
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(3,084)	(20,220)	(14,006)	-
Total all other governmental funds	<u>\$ 20,363,009</u>	<u>\$ 33,729,272</u>	<u>\$ 17,394,866</u>	<u>\$ 34,211,502</u>

Source: City Records

2018	2017	2016	2015	2014	2013
\$ 14,673	\$ 210,175	\$ 212,299	\$ 13,339	\$ 216,896	\$ 11,052
251,301	268,627	280,928	350,064	352,473	585,458
759,997	676,837	354,800	277,219	228,418	-
957,200	510,219	3,143,941	765,970	65,447	115,416
4,158,234	4,663,984	4,252,961	6,414,126	3,217,422	3,097,698
<u>\$ 6,141,405</u>	<u>\$ 6,329,842</u>	<u>\$ 8,244,929</u>	<u>\$ 7,820,718</u>	<u>\$ 4,080,656</u>	<u>\$ 3,809,624</u>
\$ 1,800	\$ 1,800	\$ 3,831	\$ -	\$ 4,899	\$ -
14,778,515	11,452,780	6,745,285	6,156,597	4,483,221	3,839,145
-	-	-	284,151	328,405	237,177
-	-	-	-	-	-
(417,350)	(750,108)	-	-	-	23,155
<u>\$14,362,965</u>	<u>\$10,704,472</u>	<u>\$ 6,749,116</u>	<u>\$ 6,440,748</u>	<u>\$ 4,816,525</u>	<u>\$ 4,099,477</u>

City of Dunedin, Florida
Change in Fund Balances - Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	2022	2021	2020	2019
REVENUES				
Taxes	\$ 22,237,696	\$ 20,593,450	\$ 19,453,252	\$ 18,055,963
Licenses, fees and permits	270,588	259,352	264,243	533,171
Intergovernmental	16,340,369	12,228,853	41,332,614	23,785,637
Charges for services	8,494,710	7,944,562	7,348,006	9,055,377
Impact Fees	263,462	111,643	246,679	379,861
Fines and forfeits	190,526	686,936	338,030	614,292
Investment earnings (losses)	(156,148)	72,531	490,659	1,166,652
Miscellaneous	2,427,017	12,599,954	21,820,098	1,929,434
Total revenues	50,068,220	54,497,281	91,293,581	55,520,387
EXPENDITURES				
General government	5,723,453	5,322,274	5,503,298	5,152,121
Public safety	14,448,931	13,783,787	13,715,275	12,786,971
Physical environment	131,953	7,187	38,090	-
Transportation	1,863,010	1,894,077	2,206,048	1,862,671
Economic environment	502,155	665,169	495,726	552,483
Culture and recreation	11,515,449	11,098,569	10,181,139	10,348,294
Debt service:				
Principal	2,888,867	1,810,953	1,978,150	1,060,025
Interest	1,736,462	1,541,351	1,596,544	580,251
Cost of issuance	48,540	64,998	1,724	402,593
Capital outlay	26,540,641	23,115,716	72,836,440	35,837,467
Aids and grants	902,578	253,975	333,440	534,314
Total expenditures	66,302,039	59,558,056	108,885,874	69,117,190
Excess (deficiency) of revenues over expenditures	(16,233,819)	(5,060,775)	(17,592,293)	(13,596,803)
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	10,856	1,669,894	5,795	29,080
Debt proceeds	4,114,000	20,711,000	-	35,180,513
Lease financing	2,901,024	-	-	-
Transfers in	488,510	815,000	1,778,962	2,526,271
Transfers out	(328,910)	(815,000)	(1,641,311)	(454,937)
Refund of debt	-	-	-	(909,000)
Total other financing sources (uses)	7,185,480	22,380,894	143,446	36,371,927
Net change in fund balances	\$ (9,048,339)	\$ 17,320,119	\$ (17,448,847)	\$ 22,775,124
Debt service as a percentage of noncapital expenditures	11.6%	9.2%	9.9%	4.9%

Source: City Records

2018	2017	2016	2015	2014	2013
\$ 16,753,590	\$ 15,576,174	\$ 14,980,857	\$ 13,957,812	\$ 13,640,000	\$ 12,361,914
303,130	574,584	1,732,716	1,304,991	941,721	863,480
9,883,895	9,240,743	9,072,239	8,713,327	8,607,752	7,980,907
8,189,818	8,014,070	5,966,581	5,778,492	5,537,719	5,593,634
303,196	140,762	143,435	24,228	14,785	16,557
1,374,964	870,548	483,228	384,288	378,643	497,113
256,993	144,174	43,770	71,817	14,659	22,547
759,924	808,812	803,547	3,748,837	685,853	972,102
37,825,510	35,369,867	33,226,373	33,983,792	29,821,132	28,308,254
6,072,395	4,308,759	4,419,611	4,525,270	4,366,316	3,939,915
12,243,373	11,765,529	11,399,327	10,230,404	10,175,544	9,927,788
-	-	-	-	-	-
2,158,745	1,749,797	1,724,305	1,643,219	1,694,823	1,616,462
470,142	331,851	390,839	370,393	448,045	398,917
9,665,303	9,299,140	9,157,382	8,817,280	8,304,517	8,013,764
1,035,992	1,013,050	1,216,501	1,496,651	1,394,636	1,410,650
153,066	180,344	189,422	292,372	343,697	540,297
-	-	-	-	-	-
2,250,394	1,269,870	3,537,097	1,211,986	2,718,624	2,779,744
248,758	211,627	176,632	214,292	287,472	286,677
34,298,168	30,129,967	32,211,116	28,801,867	29,733,674	28,914,214
3,527,342	5,239,900	1,015,257	5,181,925	87,458	(605,960)
2,989	27,050	1,473	8,252	25,817	8,683
-	-	-	(119,211)	-	104,138
-	-	-	-	-	-
5,871,604	1,531,785	337,985	1,011,810	2,697,443	1,370,702
(5,931,879)	(4,758,466)	(622,136)	(718,490)	(1,822,638)	(1,608,492)
-	-	-	-	-	-
(57,286)	(3,199,631)	(282,678)	182,361	900,622	(124,969)
<u>\$ 3,470,056</u>	<u>\$ 2,040,269</u>	<u>\$ 732,579</u>	<u>\$ 5,364,286</u>	<u>\$ 988,080</u>	<u>\$ (730,929)</u>
<u>3.7%</u>	<u>4.1%</u>	<u>4.9%</u>	<u>6.5%</u>	<u>6.4%</u>	<u>7.5%</u>

City of Dunedin, Florida

General Governmental Expenditures and Transfers by Function ¹

Last Ten Fiscal Years ²

Fiscal Year	General Government	Public Safety	Physical Environment	Transportation	Economic Environment	Culture and Recreation
2013	\$ 3,939,915	\$ 9,927,788	\$ -	\$ 1,616,462	\$ 398,917	\$ 8,013,764
2014	4,366,316	10,175,544	-	1,694,823	448,045	8,304,517
2015	4,525,270	10,230,404	-	1,643,219	370,393	8,817,281
2016	4,419,611	11,399,327	-	1,724,305	390,839	9,157,382
2017	4,308,759	11,765,529	-	1,749,797	331,851	9,299,140
2018	6,072,395	12,243,373	-	2,158,745	470,142	9,665,303
2019	5,152,121	12,786,971	-	1,862,671	552,483	10,348,294
2020	5,503,298	13,715,275	38,090	2,206,048	495,726	10,181,139
2021	5,322,274	13,783,787	7,187	1,894,077	665,169	11,098,569
2022	5,723,453	14,448,931	131,953	1,863,010	502,155	11,515,449

¹ Includes general, special revenue, debt service and capital projects funds.

² Prior years were for general fund only. Values have been restated to include all governmental funds. Restatement also includes previously classified fiduciary trust funds reclassified to special revenue funds.

Debt Service	Capital Outlay	Transfers Out	Other	Total
\$ 1,950,947	\$ 2,779,744	\$ 1,608,492	\$ 286,677	\$ 30,522,706
1,738,333	2,718,624	1,822,638	287,472	31,556,312
1,789,023	1,211,986	718,490	214,292	29,520,358
1,405,923	3,537,097	622,136	176,632	32,833,252
1,193,394	1,269,870	4,758,466	211,627	34,888,433
1,189,058	2,250,394	5,931,879	248,758	40,230,047
2,036,521	35,837,467	454,937	534,314	69,565,779
3,576,418	72,836,440	1,641,311	333,440	110,527,185
3,417,302	23,115,716	815,000	253,975	60,373,056
4,673,869	26,540,641	328,910	902,578	66,630,949

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

REVENUE CAPACITY

City of Dunedin, Florida
Taxable Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

FY Ended Sept 30,	Real Property				
	Residential Property	Commercial Property	Industrial Property	Other Property¹	Personal Property
2013	\$ 1,344,271,312	\$ 231,166,397	\$ 21,212,491	\$44,261,605	\$ 78,233,683
2014	1,384,844,153	236,587,023	21,953,609	33,279,232	82,734,943
2015	1,483,004,224	247,113,147	23,427,290	37,317,833	85,583,545
2016	1,590,057,102	260,788,703	24,727,399	33,767,027	82,542,474
2017	1,723,298,384	284,633,686	24,568,659	29,151,938	85,718,582
2018	1,899,389,751	300,424,374	25,893,267	29,113,218	90,001,921
2019	2,085,770,235	316,650,025	26,974,210	29,858,189	92,135,762
2020	2,320,877,682	344,425,152	28,433,732	31,043,100	99,060,085
2021	2,515,211,889	371,665,541	31,713,860	32,919,475	105,783,547
2022	2,748,522,707	384,684,892	33,737,190	35,934,355	111,104,463
Change 2021 - 2022	18.43%	11.69%	18.65%	15.76%	12.16%

¹ Other Property includes Agricultural, Institutional, Government, Leasehold Interests, Miscellaneous and Non-Agriculture Acreage

² City of Dunedin tax rates per \$1,000 of assessed value

³ "Just Value" as determined by the Pinellas County Property Appraiser

Source: Pinellas County Property Appraiser

Total Taxable Assessed Value	Total Direct Tax Rate ²	Estimated Actual Market Value ³	Taxable Assessed Value as a % of Actual Value
\$ 1,719,145,488	3.3817	\$ 2,609,865,581	65.9%
1,759,398,960	3.7345	2,675,288,098	65.8%
1,876,446,039	3.7345	2,954,536,952	63.5%
1,991,882,705	4.1345	3,239,899,785	61.5%
2,147,371,249	4.1345	3,528,185,824	60.9%
2,344,822,531	4.1345	3,936,702,579	59.6%
2,551,388,421	4.1345	4,365,257,429	58.4%
2,823,839,751	4.1345	4,728,970,102	59.7%
3,057,294,312	4.1345	5,098,784,952	60.0%
3,313,983,607	4.1345	5,582,279,629	59.4%
17.36%	0.00%	18.04%	

City of Dunedin, Florida
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	City Direct Rate ¹	Overlapping Rates					TOTAL
		County Wide ²	School	Transit District ³	EMS ³	Other Districts ⁴	
2013	3.3817	5.0727	8.3020	0.7305	0.9158	1.3034	19.7061
2014	3.7345	5.3377	8.0600	0.7305	0.9158	1.2959	20.0744
2015	3.7345	5.3377	7.8410	0.7305	0.9158	1.2799	19.8394
2016	4.1345	5.3377	7.7700	0.7305	0.9158	1.2629	20.1514
2017	4.1345	5.3377	7.3180	0.7500	0.9158	1.2448	19.7008
2018	4.1345	5.3590	7.0090	0.7500	0.9158	1.2262	19.3945
2019	4.1345	5.3590	6.7270	0.7500	0.9158	1.2086	19.0949
2020	4.1345	5.3590	6.5840	0.7500	0.9158	1.1932	18.9365
2021	4.1345	5.3590	6.4270	0.7500	0.9158	1.1800	18.7663
2022	4.1345	5.2092	6.3250	0.7500	0.9158	1.1666	18.5011

¹ There are no separate components to this direct rate

² County Wide includes:

General Fund	5.1302
Health Department	0.0790
	<u>5.2092</u>

³ Emergency Medical Services (EMS) and Transit District are assessed on Real Property only

⁴ Other Districts includes:

Pinellas County Planning Council	0.0150
Juvenile Welfare Board	0.8981
Southwest Florida Water Mgmt.	0.2535
	<u>1.1666</u>

Source: Pinellas County Property Appraiser

City of Dunedin, Florida
Principal Property Taxpayers
Current Year and Ten Years Ago

Taxpayer	September 30, 2022			September 30, 2012		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
MacAlpine Place Apt Ptn, LTD	\$ 70,950,000	1	2.14%	\$ 32,300,000	1	1.82%
Westdale Dunedin, LLC	53,100,000	2	1.60%			
Chesapeake Apt.	33,000,000	3	1.00%	14,000,000	3	0.79%
1763 Main Street, LLC	21,600,000	4	0.65%			
MHC Lake Haven LLC	18,763,075	5	0.57%	9,095,000	4	0.51%
203 N Marion Street LLC	18,000,000	6	0.54%			
PBH Logarto, LLC	14,881,112	7	0.45%			
Scottish Towers II Apt LTD Partnership	13,750,000	8	0.41%	6,850,000	7	0.39%
MHC Marker 1 LLC	11,461,261	9	0.35%			
DV Honeymoon LP	10,850,000	10	0.33%			
Coastal Palms SDM LLC						
Odyssey DP I LLC				7,525,000	5	0.42%
SES Group-Windemere LTD				7,138,058	6	0.40%
Publix Super Markets, Inc.				6,615,000	8	0.37%
Coca Cola Co. Inc.				6,526,278	9	0.37%
Walnut & Vine Property II LLC				15,239,850	2	0.86%
Doheny-Vidovich Partners				6,250,000	10	0.35%
SUB-TOTAL:	266,355,448		8.04%	111,539,186		6.28%
ALL OTHERS:	3,047,628,159		91.96%	1,660,277,008		93.72%
TOTAL:	<u>\$ 3,313,983,607</u>		<u>100.00%</u>	<u>\$ 1,771,816,194</u>		<u>100.00%</u>

Source: Pinellas County Property Appraiser

City of Dunedin, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

FY Ended Sept 30	Taxable Assessed Valuation	Millage Tax Rate	Total Tax Levy	Collected within the Fiscal Year of the Levy			Total Collections to Date	
				Amount ¹	Percent of Levy	Delinquent Collections ²	Amount	Percentage of Levy
2013	\$ 1,719,145,488	3.3817	\$ 5,813,631	\$ 5,269,249	90.6%	\$ 134,104	\$ 5,403,353	92.9%
2014	1,759,398,960	3.7345	6,570,474	6,035,872	91.9%	140,809	6,176,681	94.0%
2015	1,876,446,039	3.7345	7,007,587	6,435,377	91.8%	155,057	6,590,434	94.1%
2016	1,991,882,705	4.1345	8,235,439	7,577,173	92.0%	167,274	7,744,447	94.0%
2017	2,147,371,249	4.1345	8,878,306	8,141,071	91.7%	209,599	8,350,670	94.1%
2018	2,344,822,531	4.1345	9,694,669	8,829,887	91.1%	199,469	9,029,356	93.1%
2019	2,551,388,421	4.1345	10,548,715	9,581,919	90.8%	193,106	9,775,025	92.7%
2020	2,823,839,751	4.1345	11,675,165	10,502,020	90.0%	244,921	10,746,941	92.1%
2021	3,057,294,312	4.1345	12,640,383	11,411,780	90.3%	189,772	11,601,552	91.8%
2022	3,313,983,607	4.1345	13,701,665	12,355,636	90.2%	201,507	12,557,143	91.7%

¹ These amounts are net of discounts taken. Discounts are allowed for early payment:
4% for November, 3% for December, 2% for January, and 1% for February.

² This column represents delinquent collections received that fiscal year

DEBT CAPACITY

City of Dunedin, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business Type Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	Revenue Bonds	Financed Purchases	Leases ²	Water / Sewer & Stormwater Bonds & Notes	Financed Purchases	Leases ²			
2013	\$ 11,759,958	\$ 717,261	\$ -	\$ 24,946,102 *	\$ -	\$ -	\$ 37,423,321	3.93%	\$ 1,076
2014	11,645,322	415,177	-	23,976,774 *	-	-	36,037,273	3.76%	1,029
2015	10,273,672	104,349	-	28,938,612 *	-	-	39,316,633	3.87%	1,110
2016	9,057,170	624,420	-	27,526,883	694,142	-	37,902,615	3.41%	1,044
2017	8,044,120	503,493	-	26,047,154	559,712	-	35,154,479	2.94%	949
2018	7,008,128	380,619	-	24,530,425	423,119	-	32,342,291	2.67%	881
2019	40,142,754	255,767	-	26,234,660	475,910	-	67,109,091	4.95%	1,791
2020	38,062,122	128,905	-	45,353,897	801,671	-	84,346,595	6.25%	2,248
2021	56,859,687	-	-	49,436,471	523,846	-	106,820,004	7.69%	2,901
2022	58,250,205	-	2,633,155	48,981,483	720,519	21,820	110,607,182	7.96%	3,004

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

¹ See the schedule of Demographic and Economic Statistics for personal income and population data.

² Reporting of leases as a result of the implementation of Governmental Accounting Standards Board Statement No. 87, Leases.

* Updated figures to show bond net of related unamortized premiums, discounts, and adjustments.

City of Dunedin, Florida
Direct and Overlapping Governmental Activities Debt
September 30, 2022

<u>GOVERNMENTAL UNIT</u>	<u>DEBT OUTSTANDING</u>	<u>ESTIMATED PERCENTAGE APPLICABLE¹</u>	<u>ESTIMATED SHARE OF OVERLAPPING DEBT</u>
Overlapping debt:			
Pinellas County	\$ 42,223,679		
Pinellas County School Board	\$ 140,451,849		
Total overlapping debt	\$ 182,675,528	3.380%	\$ 6,174,433
City of Dunedin direct debt			<u>\$ 58,250,205</u>
Total direct and overlapping debt			<u><u>\$ 64,424,638</u></u>

¹ Applicable net debt percentage is based on ratio of City to County taxable values

City Taxable Value:	\$ 3,313,983,607
County Taxable Value:	\$ 97,961,436,488

Sources:

Assessed value used to estimate applicable percentages provided by the Pinellas County Property Appraiser.

Debt outstanding data provided by Pinellas County School Board.

City of Dunedin, Florida
Revenue Bond Coverage
Water and Sewer Revenue Bonds
Last Ten Fiscal Years

Fiscal Year	Gross Revenues ¹	Operating Expenses ²	Net Revenue Available for Debt Service	Debt Service Requirements ³	Coverage Ratio
2013	\$ 15,475,054	\$ 11,028,345	\$ 4,446,709	\$ 495,803 ⁴	8.97
2014	15,244,674	11,248,564	3,996,110	1,891,887	2.11
2015	15,370,160	12,023,320	3,346,840	1,462,502	2.29
2016	15,528,153	12,836,457	2,691,696	1,463,195	1.84
2017	16,481,791	12,978,691	3,503,100	1,463,056	2.39
2018	17,124,551	12,760,865	4,363,686	1,457,235	2.99
2019	18,254,464	13,240,652	5,013,811	1,454,648	3.45
2020	18,549,688	14,225,391	4,324,297	1,455,110	2.97
2021	19,328,529	13,743,649	5,584,880	1,453,909	3.84
2022	20,559,071	15,023,622	5,535,449	1,451,045	3.81

¹ Total revenues (including investment income), exclusive of impact fees and capital grant revenue.

² Operating expenses are the costs of operation and maintenance of the system, exclusive of depreciation.

³ Includes principal and interest of water and sewer revenue bonds and debt issued in parity with the water and sewer revenue bonds.

⁴ FY2013 debt service included interest-only payments.

City of Dunedin, Florida
Revenue Bond Coverage
Stormwater Revenue Bonds

Fiscal Year	Gross Revenues¹	Operating Expenses²	Net Revenue Available for Debt Service	Debt Service Requirements³	Coverage Ratio
2014	\$ 2,964,128	\$ 1,443,056	\$ 1,521,072	\$ 446,308	3.41
2015	3,306,550	1,743,304	1,563,246	578,891	2.70
2016	3,408,426	1,937,639	1,470,787	830,071	1.77
2017	3,595,509	1,925,125	1,670,384	858,555	1.95
2018	3,773,863	2,091,993	1,681,870	862,838	1.95
2019	4,032,797	2,388,598	1,644,199	886,879	1.85
2020	4,009,046	2,864,528	1,144,518	886,898	1.29
2021	4,026,575	2,952,665	1,073,910	866,388	1.24
2022	4,189,007	2,200,588	1,988,419	730,428	2.72

¹ Total revenues (including investment income), exclusive of impact fees capital grant revenue.

² Operating expenses are the costs of operation and maintenance of the system, exclusive of depreciation.

³ Includes principal and interest of stormwater revenue bonds and debt issued in parity with the stormwater revenue bonds.

City of Dunedin, Florida
Schedule of Debt Service Ratio

Description	Actual September 30 2022	Adopted Budget September 30 2022	Adopted Budget September 30 2023
Total Governmental Revenues	\$ 50,068,220	\$ 58,153,060	\$ 56,731,619
Internal Service Revenues:			
Non-Operating:			
Investment earnings	(140,371)	29,300	30,500
Total Internal Services Revenues	(140,371)	29,300	30,500
Total Annual Revenues - September 30	<u>\$ 49,927,849</u>	<u>\$ 58,182,360</u>	<u>\$ 56,762,119</u>
Total Annual General Government Debt Service exclusive of Enterprise Funds, Internal Service Funds and Special Assessment Debt Service	<u>\$ 4,351,205</u>	<u>\$ 4,351,600</u>	<u>\$ 6,346,371</u>
Debt Service Ratio	<u>8.71%</u>	<u>7.48%</u>	<u>11.18%</u>
Total Capacity Debt Service (12.5%)	\$ 6,240,981	\$ 7,272,795	\$ 7,095,265
Less: Current Debt Service	4,351,205	4,351,600	6,346,371
Excess Debt Service Available	<u>\$ 1,889,776</u>	<u>\$ 2,921,195</u>	<u>\$ 748,894</u>
Excess Outstanding Debt Service Available			
10 Years	\$ 16,135,783	\$ 24,942,513	\$ 6,394,402
20 Years	28,164,443	43,536,283	11,161,205

City of Dunedin, Florida
Schedule of Total Annual General Government Debt Service
Last Two Fiscal Years plus Next Year

Debt Description	September 30 2021	September 30 2022	Adopted Budget September 30 2023
Community Center			
\$6.5M - Sales Tax Refunding Revenue Bond, Series 2015	\$ 668,698	\$ 671,791	\$ 669,700
Spring Training Facilities			
\$5.2M Series 2012 Revenue Note	242,170	-	-
\$12.3M Series 2018 Revenue Bond	987,875	987,625	986,000
\$20.2M Series 2018A Revenue Bond	1,346,812	1,345,024	1,347,400
Fire Station 61			
\$0.8M Series 2018B Non AV Refunding Revenue Bonds	106,750	108,125	108,700
City Hall Complex			
\$20.7M Series 2021 Non Ad Valorem Revenue Note	-	894,837	2,628,200
Downtown Parking Lot			
\$4.12M Series 2021B Non Ad Valorem Revenue Note	-	343,802	606,371
Total Annual General Government Debt Service	\$ 3,352,305	\$ 4,351,204	\$ 6,346,371

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

DEMOGRAPHIC AND ECONOMIC INFORMATION

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

Fiscal Year	Population ¹	Personal Income ²	Per Capita Income ³	Median Age ⁴	Unemployment Rate ⁵
2013	35,247	\$ 964,216,932	\$ 27,356	53.3	6.2%
2014	35,690	1,054,032,770	29,533	51.8	5.8%
2015	35,410	1,015,665,030	28,683	54.0	5.0%
2016	36,311	1,112,823,217	30,647	54.2	4.7%
2017	37,063	1,195,392,939	32,253	55.0	3.2%
2018	36,695	1,209,283,725	32,955	55.4	2.9%
2019	37,463	1,356,909,860	36,220	55.4	2.5%
2020	37,520	1,349,519,360	35,968	55.9	4.7%
2021	36,817	1,388,516,338	37,714	56.7	3.3%
2022	36,817 ⁶	1,388,516,338 ⁶	38,714 ⁶	56.7 ⁶	2.4%

Data Source:

¹ FY 2014: City-data.com; FY 2013, FY 2015-2022: Pinellas County Economic Development.

² Calculated using the above displayed Population and Per Capita Income figures.

³ FY 2014: US Census results; FY 2013, FY 2015-2022: Pinellas County Economic Development.

⁴ FY 2014: US Census; FY 2013, 2015-2022: Pinellas County Economic Development.

⁵ Bureau of Labor Statistics; not seasonally adjusted.

⁶ Data for FY2022 unavailable at time of publication. Repeating FY2021 data.

City of Dunedin, Florida
Principal Employers
Current Year and Ten Years Ago

Employer	September 30, 2022 ¹			September 30, 2012		
	Employees	Rank	Percentage of Total City Employment ²	Employees	Rank	Percentage of Total City Employment ²
BayCare *	750	1	4.04%	563	2	3.63%
Pinellas School System	600	2	3.23%	618	1	3.98%
Mease Life, Inc **	400	3	2.15%	300	5	1.93%
City of Dunedin	391	4	2.10%	340	4	2.19%
Publix Super Markets	275	5	1.48%	346	3	2.23%
Fenway Hotel	200	6	1.08%			
Coca-Cola Bottling Company	200	6	1.08%	168	7	1.08%
Pinellas County Sheriff	125	8	0.67%	174	6	1.12%
McDonald's	115	9	0.62%			
One Health Direct	113	10	0.61%			
Consumer Sales Solutions				150	8	0.97%
Bon Appetit				100	9	0.64%
Ocean Optics				63	10	0.41%
Nielsen Media Research						
TOTAL	<u>3,169</u>		<u>17.06%</u>	<u>2,822</u>		<u>18.18%</u>

* BayCare includes Mease Dunedin Hospital, Alliant Hospital, BayCare Medical Group, and BayCare Home Care)

** Mease Life includes Mease Manor and Mease Continuing Care

¹ Information was obtain from David Chawk - Marketing Intelligence Specialist for Pinellas County Economic Development (dchawk@pinellas.gov)

² Employment statistics from the Bureau of Labor Statistics for the City of Dunedin (Not Seasonally Adjusted)

Total employment for 2022 18,578 at September 30, 2022

Total employment for 2012 15,515 at September 30, 2012.

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

OPERATING INFORMATION

City of Dunedin, Florida
Full-time Equivalent City Government Employees
Last Ten Fiscal Years at September 30

Function	2022	2021	2020	2019	2018	2017
General government	50.480	49.030	48.590	53.890	54.570	51.990
Public safety						
Fire*	46.000	46.000	46.000	46.000	46.000	45.250
EMS*	10.000	10.000	10.000	10.000	10.000	9.750
Building services**	10.600	10.500	10.520	10.410	8.700	8.700
Culture and recreation	93.130	93.610	94.830	88.970	86.400	86.400
Highways and streets						
Engineering	13.800	13.800	13.580	14.000	14.080	14.000
Maintenance	10.360	11.060	10.360	9.660	8.660	8.660
Facilities	11.680	11.680	11.680	11.680	10.680	10.680
Fleet services	9.000	9.000	9.000	9.000	9.000	9.000
Solid waste	21.000	21.000	21.000	21.000	21.000	21.000
Water	37.300	37.300	37.420	30.330	31.080	30.330
Wastewater	35.960	35.330	35.330	35.330	35.330	35.330
Stormwater	14.660	14.660	14.660	14.660	13.660	13.660
TOTAL	<u>363.970</u>	<u>362.970</u>	<u>362.970</u>	<u>354.930</u>	<u>349.160</u>	<u>344.750</u>

*In FY17 corrected prior year Fire and EMS FTE splits. FTE's previously reported as: Fire 22 and EMS 33.

**A new fund was created for building services in FY17. Prior year FTE's were reported under General government.

Source: City Records

2016	2015	2014	2013
60.690	57.660	60.470	55.880
45.250	45.250	45.250	45.250
9.750	9.750	9.750	9.750
-	-	-	-
84.520	82.770	79.500	77.750
14.000	14.500	14.500	14.750
8.660	8.660	8.660	8.660
10.680	9.680	9.680	9.680
8.500	8.500	8.500	8.500
21.000	21.000	24.000	24.000
30.330	30.330	30.330	31.000
35.330	35.330	35.330	36.000
13.660	13.660	13.660	12.660
<u>342.370</u>	<u>337.090</u>	<u>339.630</u>	<u>333.880</u>

City of Dunedin, Florida
Operating Indicators by Function
as of September 30

Function	2022	2021	2020	2019
Fire				
Number of fire emergencies with dollar loss	39	59	53	61
EMS responses	7,515	6,944	6,389	5,905
Other calls	2,125	2,092	1,904	2,543
Inspections	874	1,191	523	940
Investigations	16	17	18	18
Highways and streets				
Streets paved (miles)	135	135	135	135
Streets unimproved (miles)	4	4	4	4
Street lights	3,427	3,427	3,427	3,427
Culture and recreation **				
Recreation facilities - parks (acres)	350	226	226	248
Recreation facilities - specialty facilities (acres)	228	228	228	203
Recreation facilities - beaches (acres)	37	37	37	37
Library materials	128,045	124,105	122,674	125,624
Library annual circulation	379,769	350,999	391,968	427,887
Library registered borrowers	26,869	29,348	28,127	33,027
Solid waste				
Customers serviced	14,325	14,470	14,614	14,725
Refuse / recycling collected (tons)	33,585	35,717	36,272	36,933
Water				
Total connections - regular	11,617	11,511 ***	11,511	11,755
Total connections - reclaimed	3,935	3,873 ***	3,873	3,835
Average daily consumption (Gallons) - regular	3,047,490	3,710,000 ***	3,710,000	3,899,000
Average daily consumption (Gallons) - reclaimed	2,817,214	3,500,000 ***	3,500,000	2,639,679
Operating wells	29	29 ***	29	29
Sewer (wastewater)				
Miles of sanitary sewers	128	128 ***	128	128
Average daily sewage treatment (Gallons)	3,678,000	4,388,000 ***	4,388,000	4,751,000

* Information not available

** As of 2013, recreation facilities are divided into three categories instead of two. Prior years data not available for the new "specialty facilities" category.

*** Data unavailable for FY2021. Statistics from FY2020 are being utilized for FY2021.

Source: City Records

2018	2017	2016	2015	2014	2013
54	72	86	86	69	91
5,613	5,918	5,780	6,930	5,423	5,173
2,257	2,664	2,229	1,000	1,639	1,739
979	915	807	1,011	1,097	1,279
22	27	14	25	26	20
135	130	130	130	130	130
4	6	3	3	3	3
3,427	3,885	3,885	3,885	3,918	3,568
248	248	248	240	240	240
206	206	206	206	206	201
37	37	37	37	37	37
127,049	130,758	139,290	138,568	158,566	141,734
443,295	451,050	561,431	543,419	549,885	590,323
31,255	29,354	27,337	29,653	32,716	31,454
14,775	14,700	14,715	14,607	14,536	14,442
36,538	37,800	36,902	35,594	35,366	34,929
11,800	11,713	11,618	11,437	11,361	11,331
3,763	3,714	3,659	3,628	3,554	3,549
3,741,000	3,708,000	3,753,000	3,645,000	3,605,000	3,400,000
3,001,000	3,070,000	2,852,000	2,500,000	2,590,000	2,800,000
29	29	29	27	27	27
128	128	128	128	128	128
4,316,000	4,071,000	4,598,000	4,707,000	4,232,000	4,100,000

City of Dunedin, Florida
Capital Asset and Facility Statistics by Function
as of September 30

Function	2022	2021	2020	2019
Fire				
Fire stations	3	3	3	3
Culture and recreation				
Baseball fields	11	11	11	10
Baseball stadium (seating capacity)	8,500	8,500	8,500	5,509
Basketball - indoor courts	1	1	1	1
Basketball - outdoor courts	5	5	5	5
Community center	1	1	1	1
Fishing areas	15	15	15	15
Golf courses	1	1	1	2
Library	2	2	2	2
Marina (slips)	191	191	191	183
Multi-purpose indoor court	1	1	1	1
Nature center	1	1	1	1
Parks	32	32	32	32
Picnic areas	15	15	15	15
Public boat ramps	1	1	1	1
Recreation centers	3	3	3	3
Senior center	1	1	1	1
Soccer / football fields	4	4	4	4
Softball fields	3	3	3	5
State and county parks	4	4	4	4
Swimming pools	1	1	1	1
Tennis courts	11	11	11	11
Utility playfields #	-	-	-	4
Water				
Water mains (miles)	172	172	172	172
Water plants	1	1	1	1
Fire hydrants	1,249	1,335	1,335	1,334
Sewer (wastewater)				
Mains	153	153	153	153
Lift stations	43	43	43	43
Treatment plants	1	1	1	1
Sewers (miles)	128	128	128	128

Reduction due to the cancellation of the co-location agreement

Source: City Records

2018	2017	2016	2015	2014	2013
3	3	3	3	3	3
10	10	10	10	10	12
5,509	5,509	5,509	5,509	5,509	5,509
1	1	1	1	1	1
5	5	5	5	5	5
1	1	1	1	1	1
15	15	15	15	15	15
2	2	2	2	2	2
2	2	2	2	2	2
183	183	183	183	183	194
1	1	1	1	1	1
1	1	1	1	1	1
32	32	31	31	31	31
15	15	15	15	15	15
1	1	1	1	1	1
3	3	3	3	3	3
1	1	1	1	1	1
4	4	4	4	4	4
5	5	5	5	5	5
4	4	4	4	4	4
1	1	1	1	1	1
11	11	11	11	11	11
4	4	4	4	4	4
172	172	172	172	172	172
1	1	1	1	1	1
1,354	1,314	1,310	1,292	1,238	1,236
153	153	150	150	150	150
43	43	43	43	43	43
1	1	1	1	1	1
128	128	128	128	128	128

DUNEDIN

Home of Honeymoon Island

This page intentionally left blank.

COMPLIANCE SECTION



Certified Public Accountants

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

Honorable Mayor and
Members of the City Commission
City of Dunedin, 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 Dunedin, Florida (the City) as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated April 4, 2023. Our report includes a reference to other auditors who audited the financial statements of the City's Municipal Firefighters' Pension Trust Fund, as described in our report on the City's financial statements. The financial statements of the City's Municipal Firefighters' Pension Trust Fund were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the City's Municipal Firefighters' Pension Trust Fund.

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 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control 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 may exist that have not been identified.

Honorable Mayor and
Members of the City Commission
City of Dunedin, Florida

Report on Compliance and Other Matters

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

We noted certain matters that we reported to management of the City in a separate letter dated April 4, 2023.

Purpose of this Report

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

MSL, P.A.

Certified Public Accountants

Tampa, Florida
April 4, 2023



Certified Public Accountants

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

Honorable Mayor and
Members of the City Commission
City of Dunedin, Florida

Report on Compliance for Each Federal Program and State Project

We have audited the compliance of the City of Dunedin, Florida (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and the requirements described in the Department of Financial Services State Projects *Compliance Supplement* that could have a direct and material effect on each of its major federal programs and major state projects for the fiscal year ended September 30, 2022. The City's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the fiscal year ended September 30, 2022.

Basis for Opinion for Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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); and Chapter 10.550, *Rules of the Auditor General*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibility 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.

Honorable Mayor and
Members of the City Commission
City of Dunedin, Florida

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance; and Chapter 10.550, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program and state project as a whole.

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

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

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

Report on Internal Control over Compliance

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

Honorable Mayor and
Members of the City Commission
City of Dunedin, Florida

Report on Internal Control over Compliance (Continued)

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

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General

We have audited the basic 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 fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated April 4, 2023, which contained unmodified opinions on those financial statements. 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 and State Financial Assistance is presented for the purposes of additional analysis, as required by the Uniform Guidance, Chapter 69I-5, *Schedule of Expenditures of State Financial Assistance*, Rules of the Department of Financial Services, and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
April 4, 2023

CITY OF DUNEDIN, FLORIDA
Schedule of Expenditures of Federal Awards
and State Financial Assistance
For The Year Ended September 30, 2022

<u>Federal / State Agency Federal Program / State Project</u>	<u>CFDA/CSFA Number</u>	<u>Grant/Contract Number</u>	<u>Total Project Expenditures</u>
<u>FEDERAL AWARDS</u>			
US Department of Treasury			
Passed through the State of Florida, Division of Emergency Management			
Coronavirus State and Local Fiscal Recovery Funds	21.027	Y5074	\$ 3,364,498
Department of Homeland Security, Federal Emergency Management Agency			
Passed through the State of Florida, Division of Emergency Management			
Covid-19 related expenses	97.048	PA-04-FL-4486-PW-00424	11,351
Federal Communications Commission			
Universal Service Fund - Schools and Libraries	32.004	11771496	8,179
Total Expenditures of Federal Financial Assistance			<u><u>\$ 3,384,028</u></u>
 <u>STATE FINANCIAL ASSISTANCE</u>			
Florida Department of Economic Opportunity			
Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise (Toronto Blue Jays Stadium)	40.040	08-CT-C1-07-F7-J1-097	\$ 500,004
Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise (Toronto Blue Jays Stadium)	40.040	SB-18-007	999,996
			<u>1,500,000</u>
Total Expenditures of State Financial Assistance			<u><u>\$ 1,500,000</u></u>

The Schedule of Expenditures of Federal Awards and State Financial Assistance includes the federal and state grant activity of the City of Dunedin, 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 and Chapter 215.97, Florida Statutes; and Rule 69I-5.003 (1)(f). Therefore, amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

Indirect Cost Rate

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

CITY OF DUNEDIN, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
For the Year Ended September 30, 2022

SECTION II – FINDINGS RELATED TO THE FINANCIAL STATEMENT AUDIT, AS REQUIRED TO BE REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

No matters are reported.

SECTION III – FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS SECTION REPORTED IN ACCORDANCE WITH THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

No matters are reported.

SECTION IV – PRIOR-YEAR AUDIT FINDINGS

No matters are reported.



INDEPENDENT ACCOUNTANT'S REPORT

Honorable Mayor and
Members of the City Commission
City of Dunedin, Florida

We have examined the compliance of the City of Dunedin, Florida (the City) with the requirements of Sections 218.415, Florida Statutes, during the fiscal year ended September 30, 2022. 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 with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the City's compliance with specified requirements.

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

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2022.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
April 4, 2023



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Mayor and
Members of the City Commission
City of Dunedin, Florida

Report on the Financial Statements

We have audited the basic financial statements of the City of Dunedin, Florida (the City) as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated April 4, 2023.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Major State Project and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance in Accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated April 4, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

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 is disclosed in the notes to the financial statements.

Honorable Mayor and
Members of the City Commission
City of Dunedin, Florida

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require that we apply appropriate procedures and report 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 identification of 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. 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, accounting procedures, and internal controls. In connection with our audit, we did not have any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c, *Rules of the Auditor General*, requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, see separately issued financial statements for the City of Dunedin CRA.

Additional Matters

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

Purpose of this Letter

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

MSL, P.A.

Certified Public Accountants

Tampa, Florida
April 4, 2023

