

## **TOWN OF WHITE SPRINGS, FLORIDA**

### **Management's Discussion and Analysis**

This discussion and analysis is intended to be an easily readable analysis of the Town of White Springs, Florida's (the Town) financial activities based on currently known facts, decisions or conditions. This analysis focuses on current year activities and should be read in conjunction with the financial statements that follow.

#### **Report Layout**

The Town implemented Government Accounting Standards Board (GASB) Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. This statement requires governmental entities to report finances in accordance with specific guidelines. Among these guidelines are the components of this section dealing with management's discussion and analysis. Besides this Management's Discussion and Analysis (MD&A), the report consists of government-wide statements, fund financial statements, notes to the financial statements, and supplementary information. The first several statements are highly condensed and present a government-wide view of the Town's finances. Within this view, all Town operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services such as public works, parks and recreation, human services, community development, public safety, and general governmental administration. The Town's water, sewer, and solid waste management services are reported as business-type activities. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the Town.

#### ***Basic Financial Statements***

- The Statement of Net Position focuses on resources available for future operations. In simple terms, this statement presents a snap-shot view of the assets the Town owns, the liabilities it owes and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts. Governmental activities reflect capital assets including infrastructure and long-term liabilities. Business-type activities have report capital assets and long-term liabilities. Also, governmental activities are reported on the accrual basis of accounting.
- The Statement of Activities focuses on gross and net costs of the Town's programs and the extent to which such programs rely upon general tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.
- Fund financial statements focus separately on governmental and proprietary funds. Governmental fund statements follow the more traditional presentation of financial statements. The Town has one major governmental fund which is the general fund. Statements for the Town's proprietary fund follow the governmental fund statements and include net position, revenue, expenses and changes in net position, and cash flows.
- The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the Town's financial condition.

The MD&A is intended to serve as an introduction to the Town's basic financial statements and to explain the significant changes in the financial position and differences in operations between the current and prior years.

## Town as a Whole

### Government-wide Financial Statements

A condensed version of the Statement of Net Position follows:

#### Net Position at September 30, 2024 and 2023

	Governmental Activities	Business-type Activities	Total Government	
			2024	2023
Cash and investments	\$ 925,273	\$ 478,222	\$ 1,403,495	\$ 1,239,854
Other assets	1,000	55,714	56,714	81,378
Internal balances	167,400	(167,400)	-	-
Capital assets	3,146,293	8,308,573	11,454,866	11,814,818
Total assets	4,239,966	8,675,109	12,915,075	13,136,050
Current liabilities	50,722	171,519	222,241	219,406
Long-term liabilities	48,329	1,356,113	1,404,441	1,442,466
Total liabilities	99,051	1,527,632	1,626,683	1,661,873
Net position				
Invested in capital				
assets, net of related debt	3,090,775	6,889,974	9,980,749	10,297,695
Restricted	280,750	189,619	470,369	258,326
Unrestricted	769,390	67,884	837,274	918,156
Total net position	\$ 4,140,915	\$ 7,147,477	\$ 11,288,392	\$ 11,474,177

88% of the Town's net position reflect its investment in capital assets (land, buildings, infrastructure, and equipment), less any related outstanding debt used to acquire those assets. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted assets of \$470,369 consist of \$189,619 for debt service, \$275,750 transportation expenses and, \$5,000 in donations restricted for fire department operations. The remaining balance of unrestricted net position \$837,274 may be used to meet the Town's ongoing obligations to citizens and creditors.

A condensed version of the Statement of Activities follows:

**Change in Net Position  
For the Fiscal Years ended September 30, 2024 and 2023**

	Governmental Activities	Business-type Activities	Total Government	
			2024	2023
<b>Revenues</b>				
<b>Program revenues</b>				
Charges for services	\$ 121,333	\$ 494,265	\$ 615,598	\$ 443,666
Grants and contributions	-	90,000	90,000	428,654
<b>General revenues</b>				
Taxes	556,452	-	556,452	492,736
State shared revenues	83,827	-	83,827	85,686
Other general revenues	152,410	27,880	180,290	145,085
<b>Total revenues</b>	<b>914,022</b>	<b>612,145</b>	<b>1,526,167</b>	<b>1,595,827</b>
<b>Expenses</b>				
General government	427,499	-	427,499	261,234
Public safety	216,139	-	216,139	333,230
Transportation	212,786	-	212,786	177,190
Culture and recreation	39,759	-	39,759	32,168
Economic environment	40,461	-	40,461	43,002
Interest on long-term debt	2,746	-	2,746	-
Utility funds	-	772,562	772,562	761,356
<b>Total expenses</b>	<b>939,390</b>	<b>772,562</b>	<b>1,711,952</b>	<b>1,608,180</b>
<b>Change in net position</b>	<b>(25,368)</b>	<b>(160,417)</b>	<b>(185,785)</b>	<b>(12,353)</b>
<b>Beginning net position</b>	<b>4,166,283</b>	<b>7,307,894</b>	<b>11,474,177</b>	<b>11,486,530</b>
<b>Ending net position</b>	<b>\$4,140,915</b>	<b>\$7,147,477</b>	<b>\$ 11,288,392</b>	<b>\$ 11,474,177</b>

**Governmental activities:**

Governmental activities reported a decrease in net position of \$25,368 for the fiscal year. This loss resulted primarily from non-cash depreciation expenses totaling \$113,299. Compared to the prior fiscal year, when excluding the impact of the ARPA grant, governmental activities experienced a loss of \$112,719, this year's results reflect an improvement in operational performance. The stronger outcome was driven by increases in general revenues and charges for services, which outpaced the growth in expenses. Taxes provided 61% of the revenues for Governmental Activities, grant and contributions provided 17%, while state shared revenues provided 9%. Most of the Governmental Activities resources are spent for, General Government (46%), Public Safety (23%), and Transportation (23%).

**Business-type activities:**

Business-type activities reported a decrease in net position of \$160,417. Like governmental activities, this loss was largely attributable to non-cash depreciation expenses, which totaled \$273,530. Despite the reported decrease, this represents a substantial improvement over the prior year's loss of \$283,288. The improved performance is primarily the result of increased utility billings, which contributed to higher revenues during the fiscal year.

## Budgetary Highlights

In the General Fund budgeted revenue amounts were less than actual revenue amounts by \$19,309, and actual expenditures were less than budgeted expenditures by \$68,798.

## Capital Assets and Debt Administration

### Capital Assets

At September 30, 2024, the Town had \$11.45 million invested in capital assets, including park and recreation facilities, buildings, roads, bridges and water and sewer facilities.

### Capital Assets at September 30, 2024 and 2023

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Land	\$ 189,839	\$ 189,839	\$ 3,570	\$ 3,570	\$ 193,409	\$ 193,409
Buildings and improvements	3,827,038	3,827,038	11,786,477	11,786,477	15,613,515	15,613,515
Equipment	952,314	943,076	302,283	284,643	1,254,597	1,227,719
Subtotal	4,969,191	4,959,953	12,092,330	12,074,690	17,061,521	17,034,643
Accumulated depreciation	(1,822,898)	(1,709,599)	(3,783,756)	(3,510,226)	(5,606,654)	(5,219,825)
Capital assets, net	\$ 3,146,293	\$ 3,250,354	\$ 8,308,574	\$ 8,564,464	\$ 11,454,867	\$ 11,814,818

### Debt Outstanding

At year-end, the Town had \$1,502,036 in debt outstanding versus \$1,539,393 last year, a decrease of \$37,357.

### Debt Outstanding at September 30, 2024 and 2023

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Compensated absences	\$ 16,380	\$ 13,647	\$ 11,539	\$ 8,623	\$ 27,919	\$ 22,270
SRF loan	-	-	230,509	259,192	230,509	259,192
Notes Payable	55,518	76,329	-	-	55,518	76,329
Water & Sewer bonds	-	-	477,000	496,000	477,000	496,000
FDEP note payable #1	-	-	17,876	18,196	17,876	18,196
FDEP note payable #2	-	-	693,214	667,406	693,214	667,406
Total	\$ 71,898	\$ 89,976	\$ 1,430,138	\$ 1,449,417	\$ 1,502,036	\$ 1,539,393

More detailed information on the Town's long-term liabilities is presented in the notes to the financial statements.

## **OTHER FINANCIAL INFORMATION**

### **Economic Factors and Rates**

- The current unemployment rate for the Town was 6.10%, which is higher than the approximate Hamilton County rate of 4.70%.
- The population of the Town in 2024 is estimated to be 760 by demographic services.
- The Town's ad valorem tax rate for fiscal year 2024 was 6.000 mills, which was the same compared to fiscal year 2023 rate of 6.000 mills.

### **Financial Contact**

The Town's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the Town's finances and to demonstrate the Town's accountability. If you have questions about the report or need additional financial information, please contact the Town at P.O. Drawer D, White Springs, Florida 32096.