

CITY OF EDGEWATER, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended September 30, 2025





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CITY OF EDGEWATER, FLORIDA



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the fiscal year ended September 30, 2025

Prepared by: The Finance Department



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March 20, 2026

To the Honorable Mayor, and Members of the City Council, and Citizens of the City of Edgewater

City Charter and State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with the generally accepted accounting principles in the United States of America (GAAP) and that they be audited in accordance with generally accepted auditing standards in the United States of America by a firm of licensed certified public accountants. Pursuant to the requirement, it is with great pleasure that we present to the City of Edgewater, the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30th, 2025.

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

James Moore & Co., P.L. a firm of licensed certified public accountants, has issued an unmodified ("clean") opinion on the City of Edgewater's financial statements for the fiscal year ended September 30, 2025. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' 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. This letter of transmittal is designated to complement the MD&A and should be read in conjunction with it.

Profile of the Government

The City of Edgewater was incorporated in 1951 and has operated under the Council-Manager form of government since 1981. Primary responsibilities of the City Manager are to implement the policies of the elected officials. The City Manager assumes responsibilities of the day-to-day operations of the City, annual budget preparation, appointing/removing officers and employees. In addition to supervising the daily operations, the City Manager works with elected officials, committees and citizens to plan for the future of the community.

The City of Edgewater is located in southeast Volusia County, primarily east of I-95 south of New Smyrna Beach, two miles west of the Atlantic Ocean and runs along 10.5 miles of the Indian River coastline. The City is within the economic zone of Central Florida, which roughly follows Interstate 4 from Tampa through

The City of Edgewater offers a full range of services to its citizens through multiple funds. The City uses funds to separate resources and assure that the City adheres to restrictions placed upon it by legislators, grantors, donors, and other outside parties (e.g. GASB, GAAP). The following is a list of services provided by each fund:

- **General Fund** - provides planning and zoning, economic development, building (e.g. permits, inspections, etc), police, fire, fire rescue, animal control, parks, recreation, streets (new and maintained), code enforcement, and general administrative services.
- **Water and Sewer Fund** - provides water and sewer services.
- **Solid Waste Fund** - uses a combination of City personnel and assets along with private contracted companies to provide solid waste collection.
- **Stormwater Fund** – provides and ensures proper water drainage from all properties.
- **Internal Service Funds** – account for fleet management services, management information systems, general liability insurance, health insurance, workers compensation insurance, and public works complex.
- **CRA Fund** - account for the ad valorem proceeds for the redevelopment of the City's US1 and Park Avenue Corridor.
- **ARPA Economic Impact Fund** – account for American Rescue Plan grant funds.

Whenever possible the City seeks alternative sources of revenue to provide services, enhance services, and supplement the existing expenses in the budget. The most prominent example of alternative revenue is grants through the federal, state, and local levels.

Local Economy

Long established businesses such as Boston Whaler, Everglades Boats, Edgewater Power Boats, R.J. Dougherty Associates, Inc., Publix and Winn Dixie Supermarkets provide employment opportunities within the City. NASA and related supporting enterprises at Cape Canaveral as well as the cruise industry located at Port Canaveral provide further employment opportunities.

The County of Volusia currently has a 4.9 percent unemployment rate. During the last year, taxable assessment values of property in Edgewater increased 12.25 percent. The City continues exploring several options to increase economic growth within the City and improve economic development within southeast Volusia County. The Community Redevelopment Agency was created to encourage redevelopment along the City's US. 1 and Park Ave. corridor. The City continues to develop many partnerships between various economic development agencies and local businesses.

The City of Edgewater's outlook for fiscal year 2026 is for modest gains in economic growth. The City of Edgewater continues to apply for Federal and State grants to fund sewer, wetlands, public works complex, green infrastructure, stormwater, canals, and other hazard mitigation identified projects. Without these funds, these projects would not have been completed within the foreseeable future.

Financial Planning and Budgeting

The City continued to stress expenditure control in preparing the FY2026 General Fund budget. The City ad valorem millage rate for FY2026 was 6.33, which was 7.00% more than the rolled-back rate. The millage rate of 6.33 will result in an anticipated property tax collections increase of 12.22% due to an increase in property assessments and annexations.

The City adopts a five-year capital improvement plan that identifies future funding needs to maintain, repair and upgrade capital assets and infrastructure including road resurfacing, water line upgrades and vehicle and technology replacement programs within the funding constraints. It should be noted; however, that the CIP is not a fixed document but a flexible, evolutionary document that may change to reflect changing priorities, opportunities, costs, or different financing approaches.

Relevant Financial Policies

The City Council recognizes the need to meet seasonal shortfalls in cash flows, its susceptibility to emergency or unanticipated expenditures or the possibility of revenue shortfalls during any fiscal year. To address these issues, the City Council included in its Charter a requirement to maintain reserves at a minimum of 15 percent for all operating funds. The September 30, 2025, unassigned fund balance was approximately 44.8% which was higher than the range of 15%-25% per fund balance policy. The Management's Discussion and Analysis section of this report details funding carry forwards and other funding considerations that effect this number. The unassigned fund balance is reviewed annually and recommendations are made for mid-year budget amendment and carryforward of additional funds.

Budgeting Controls

The annual budget serves as the foundation for the City of Edgewater's financial planning and control. All departments of the City of Edgewater are required to submit requests for appropriation to the City Manager. The City Manager then uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the City Council for review. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City of Edgewater's fiscal year. The appropriated budget is prepared by fund (i.e., General Fund), department (i.e., Fire Department) and division (i.e., Fire Operations). The City Manager may make transfers of appropriations within and between divisions and departments; however, any revisions that alter the total appropriations of any funds must be approved by City Council. Original and final amended budget-to-actual comparisons are provided in this report for each individual governmental fund.

Certificate of Achievement Award

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 Edgewater for its annual comprehensive financial report for the fiscal year ended September 30, 2024. This was the fortieth consecutive year that the City of Edgewater has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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 that 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 of another certificate.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated commitment of the entire Finance Department. The City departments, although not extensively involved in year-end audit activities, contributed significantly by ensuring the accuracy and integrity of the accounting information and statistics compiled throughout the year. Without their diligence, the work of the Finance Department would have been considerably more difficult. Appreciation must also be expressed to the City's external auditor whose suggestions and attention to detail enhanced the quality of this report.

In closing, special thanks to the Mayor and City Council for their support and commitment to maintaining the financial integrity and sustainability of the City.

Respectfully submitted,



Joe Mahoney
City Manager



Bridgette Vaissiere
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Edgewater
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO

CITY OF EDGEWATER FLORIDA

List of Elected and Appointed Officials

September 30, 2025

CITY COUNCIL

MAYOR

Diezel Depew

DISTRICT 1

Charlotte Gillis

DISTRICT 2

Mike Thomas

DISTRICT 3

Debbie Dolbow

DISTRICT 4

Eric Rainbird

ADMINISTRATION

**INTERIM CITY
MANAGER**

Joe Mahoney

**FINANCE
DIRECTOR**

Bridgette Vaissiere

FIRE CHIEF

Jeff Lariscy

**HUMAN RESOURCES
DIRECTOR**

Julie A. Christine

**INTERIM PUBLIC
WORKS DIRECTOR**

Jeff Thurman

CITY ATTORNEY

Aaron R. Wolfe

ACTING CITY CLERK

Monique Toupin

ACTING POLICE CHIEF

Chas Geiger

**ECONOMIC AND
DEVELOPMENT SERVICES
DIRECTOR**

Ryan Solstice

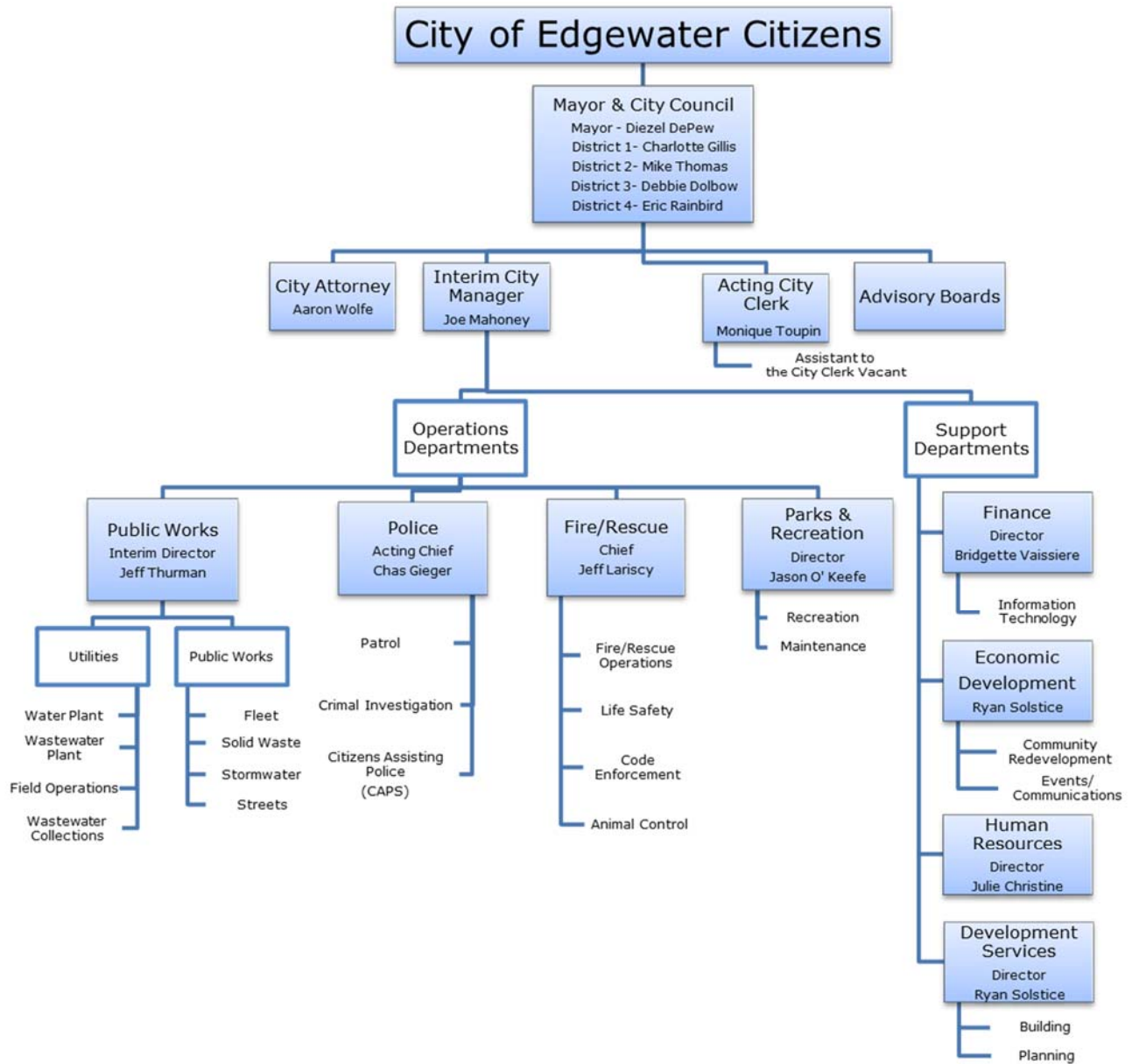
**PARKS & RECREATION
DIRECTOR**

Jason O' Keefe

CITY OF EDGEWATER FLORIDA

City Organization Chart

September 30, 2025





INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, City Council, and City Manager
City of Edgewater, Florida:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Edgewater, Florida (the City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2025, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General, CRA, and ARPA Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 GAAS and GAS 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 GAAS and GAS, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and schedule of expenditures of federal awards as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Information Included in the Annual Comprehensive Financial Report

Management is responsible for the other information included in the annual comprehensive financial report (ACFR). The other information comprises the introductory section and statistical sections but does not include the financial statements and our auditors' report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 March 20, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.



Daytona Beach, Florida
March 20, 2026



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Management's Discussion and Analysis

As management of the City of Edgewater, Florida we offer readers of the City of Edgewater's financial statements this narrative overview and analysis of the financial activities of the City of Edgewater for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- Net Position - The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of FY 2024-2025 by \$160,117,069, which represents an increase in Net Position of \$12,751,488 or 8.65% from the prior fiscal year.
- Governmental Activities Net Position increased by \$7,345,980. The increase in Net Position was largely from added Capital Projects in the amount of \$14,916,197, Net Investment in Capital Assets of \$9,907,926, Pensions \$3,804,393 and offset by a decrease in Unrestricted Net Position of \$21,138,185. The Governmental Funds had \$1,471,600 of Interest Revenue which \$900,638 higher than budgeted for Fiscal Year 2025. Capital outlays exceeded depreciation in the current period by \$1,883,713. The remainder of the increase in Net Position was largely from revenues collected to fund future expenditures, miscellaneous revenues greater than budget including impact fees, and departmental budget savings.
- Business Type Activities Net Position increased by \$5,405,508. Business Type activities had increases of Investment in Capital Assets of \$2,992,688, in Capital Projects of \$1,363,973, in Unrestricted of \$1,276,880 and a decrease in Debt Service of \$228,033.
- At the end of FY 2024-2025, the General Fund unassigned fund balance was \$17,833,178 or an estimated 44.8% of the budgeted FY 2025 General Fund expenditures. This represents an increase of \$4,170,329 from the prior fiscal year.
- During the fiscal year, the City's total debt increased by \$17,797,556. Governmental debt decreased by \$376,667 and business-type debt increased by \$18,174,223.

Overview of the Financial Statements

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

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Edgewater'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 and liabilities, with the difference between the two reported as Net Position. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of the City of Edgewater 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 of Edgewater include general administration, public safety, public works, community redevelopment, and culture and recreation. The business-type activities of the City of Edgewater include water and sewer, solid waste, and stormwater management.

The government-wide financial statements include only the City of Edgewater itself (known as the *primary government*). The City of Edgewater has one component unit, the Edgewater Community Redevelopment Agency (CRA). The CRA is reported in a separate ACFR Annual Comprehensive Financial Report.

The government-wide financial statements can be found on pages 19-21 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Edgewater, 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 of Edgewater 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 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 of Edgewater maintains eleven (11) 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 (CRA), ARPA and the capital projects fund, all of which are considered to be major funds. Data from the other seven (7) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Edgewater adopts an annual appropriated budget for all of its governmental funds. Budgetary comparison statements have been provided for the general fund and community redevelopment fund to demonstrate compliance with their budgets on pages 26-27. Budgetary comparison schedules have been provided for the non-major, debt service and capital projects funds at pages 94-98. The basic governmental fund financial statements can be found on pages 20-24 of this report.

Proprietary Funds - The City of Edgewater maintains two types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report functions presented as *business-type activities* in the government-wide financial statements. The City of Edgewater uses enterprise funds to account for water and sewer, solid waste collection and stormwater management. Internal service funds are used to account for management information systems, fleet servicing, property and casualty, health dental life, workers compensation insurances, and public works complex. Because the services of these funds predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water and sewer, solid waste collection and stormwater management which are all considered to be major funds.

The basic proprietary fund financial statements can be found on pages 29-31 of this report.

Internal Service funds are used to account for the financing of centralized services to the City departments on a cost-reimbursement basis.

The basic internal services fund financial statements can be found on pages 105-106 of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City of Edgewater's own programs. The accounting used for fiduciary funds is much like that used for the proprietary funds.

The basic fiduciary fund financial statements can be found on pages 109-110 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a more complete understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 35-77 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 its obligation to provide pension and OPEB benefits to its employees which can be found on pages 78-91. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to financial statements and required supplementary information. Combining and individual fund statements and schedules can be found on pages 94-103 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Edgewater, assets and deferred outflows exceed liabilities and deferred inflows by \$160,117,069 at the close of the most recent fiscal year. The following table reflects the condensed statement of net position for the current and prior years. For more detail see the Statement of Net Position on page 19.

City of Edgewater's Statement of Net Position (in whole dollars)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Assets:						
Current and other assets	\$ 60,964,906	\$ 40,156,301	\$ 38,981,560	\$ 35,510,911	\$ 99,946,466	\$ 75,667,212
Capital Assets	66,979,556	55,163,331	52,343,077	50,604,370	119,322,633	105,767,701
Total Assets	127,944,462	95,319,632	91,324,637	86,115,281	219,269,099	181,434,913
Total deferred outflows of resources	7,412,182	8,808,197	1,921,326	2,395,171	9,333,508	11,203,368
Liabilities:						
Long term liabilities	34,237,241	16,956,047	12,167,245	14,906,334	46,404,486	31,862,381
Other liabilities	7,255,761	3,788,907	6,234,858	4,008,080	13,490,619	7,796,987
Total Liabilities	41,493,002	20,744,954	18,402,103	18,914,414	59,895,105	39,659,368
Total deferred inflows of resources	6,171,779	3,036,992	2,418,654	2,576,340	8,590,433	5,613,332
Net Position:						
Net investment in capital assets	59,991,503	50,083,577	43,331,537	40,338,849	103,323,040	90,422,426
Restricted	26,445,697	7,869,458	8,655,127	7,519,187	35,100,824	15,388,645
Unrestricted	1,254,663	22,392,848	20,438,542	19,161,662	21,693,205	41,554,510
Total Net Position	\$87,691,863	\$80,345,883	\$72,425,206	\$67,019,698	\$160,117,069	\$147,365,581

At the end of the current fiscal year, the Governmental total assets increased \$32,624,830 due to increases in Investments \$14,121,848, cash and cash equivalents of \$2,378,995, capital assets of \$11,816,225 and net pension asset of \$3,804,393. The increase in investments and cash and cash equivalents increases were largely related to the construction of the Public Works Complex funds being held for the construction of the Public Works Complex.

Business-Type total assets increased by \$5,209,356. The investments and cash type assets increased by \$3,411,252 and capital assets increased by \$1,735,707.

The City's net position reflects sixty-five percent (65%) investment in capital assets (e.g., land, buildings, improvements, infrastructure and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Edgewater's investment in its capital assets is reported net of related debt, it should be noted that the resources

needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Edgewater's net position 22% represents resources that are subject to external restrictions on how they may be used. The City external restrictions are largely from restrictions related to the Public Works Complex construction. The remaining balance of Net Position is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Edgewater is able to report positive balances in all categories of net position.

The government's net position increased \$12,751,488 in the current fiscal year. The government's unrestricted net position decreased by \$19,861,305 in the current fiscal year. This was mainly attributed to increases in Restricted Net Position in Capital Projects of \$16,280,170, Investment in Capital Assets \$12,900,614 and Pensions of \$3,804,393. The explanations of the increase are proceeded in this section. The following table reflects the condensed Statement of Activities for the current and prior years. For more detail see the Statement of Activities on page 20-21.

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City of Edgewater's Changes in Revenues, Expenses and Net Position (in whole dollars)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues -						
Charges for services	\$ 3,948,934	\$ 4,569,565	\$ 24,445,435	\$ 22,245,526	\$ 28,394,369	\$ 26,815,091
Operating grants and contributions	1,275,983	1,241,623	-	-	1,275,983	1,241,623
Capital grants and contributions	1,269,102	1,690,106	2,349,615	3,519,549	3,618,717	5,209,655
General revenues -						
Property taxes	13,058,538	11,316,008	-	-	13,058,538	11,316,008
Franchise and utility taxes	5,230,320	4,863,148	-	-	5,230,320	4,863,148
Intergovernmental	3,261,827	3,204,823	-	-	3,261,827	3,204,823
Investment income and miscellaneous	2,756,887	2,233,012	1,407,821	1,474,952	4,164,708	3,707,964
Total revenues	30,801,591	29,118,285	28,202,871	27,240,027	59,004,462	56,358,312
Expenses:						
General government	5,058,814	5,362,755	-	-	5,058,814	5,362,755
Public safety	13,311,141	13,868,778	-	-	13,311,141	13,868,778
Transportation/public works	2,409,902	2,776,380	-	-	2,409,902	2,776,380
Parks and recreation	2,634,552	2,140,476	-	-	2,634,552	2,140,476
Community Redevelopment	376,667	294,949	-	-	376,667	294,949
Interest on long-term debt	137,446	135,459	-	-	137,446	135,459
Water and sewer	-	-	14,138,046	12,333,464	14,138,046	12,333,464
Solid waste	-	-	4,889,781	3,193,546	4,889,781	3,193,546
Stormwater management	-	-	3,296,625	2,163,989	3,296,625	2,163,989
Total expenses	23,928,522	24,578,797	22,324,452	17,690,999	46,252,974	42,269,796
Excess (deficiency) before transfers	6,873,069	4,539,488	5,878,419	9,549,028	12,751,488	14,088,516
Transfers in / (out)	472,911	1,410,431	(472,911)	(1,410,431)	-	-
Increase (Decrease) in net position	7,345,980	5,949,919	5,405,508	8,138,597	12,751,488	14,088,516
Net Position - Beginning	80,345,883	74,395,964	67,019,698	58,881,101	147,365,581	133,277,065
Net Position - Ending	\$ 87,691,863	\$ 80,345,883	\$ 72,425,206	\$ 67,019,698	\$ 160,117,069	\$ 147,365,581

Statement of Activities

Governmental Activities - Governmental activities increased the City of Edgewater's net position by \$7,345,980.

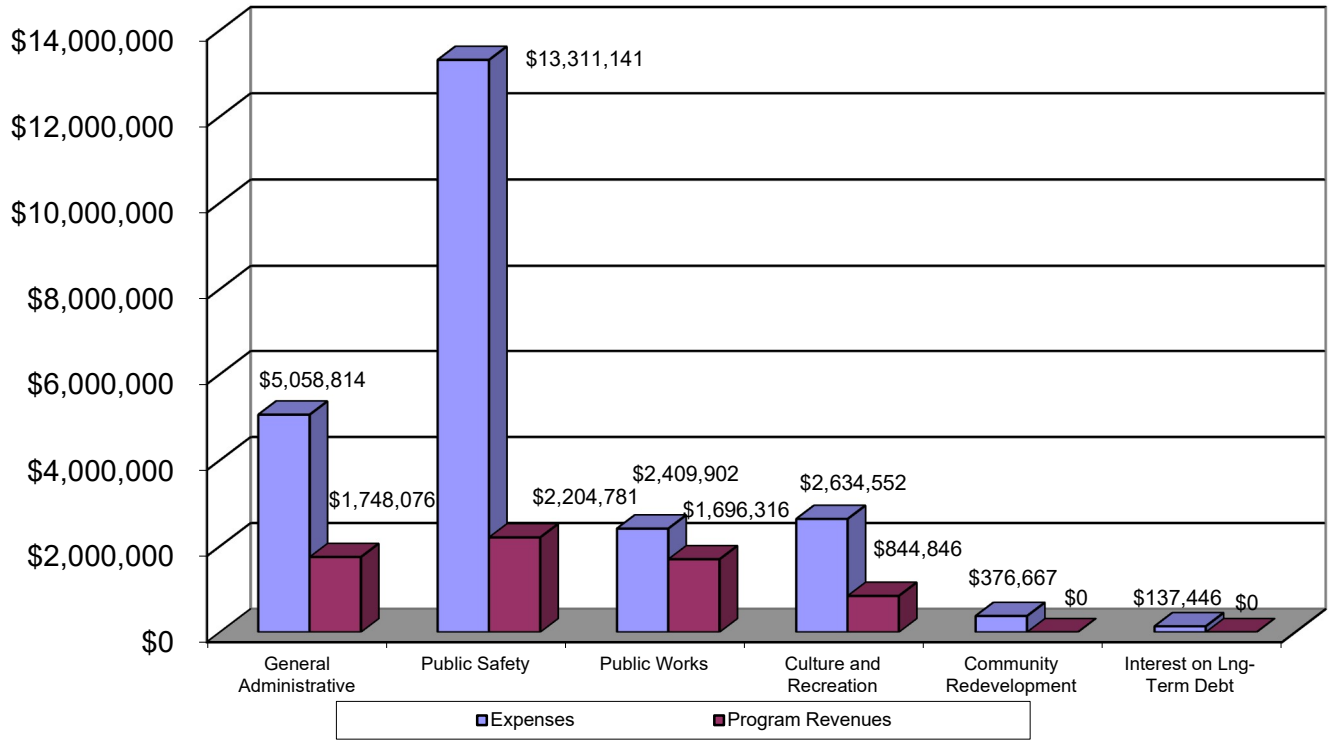
Key elements of this increase are as follows:

- The Statement of Revenues, Expenditures, and Changes in Fund Balances shows a Net change in Fund Balance of \$2,114,948. The Governmental Funds Interest of \$1,471,600 which is \$900,638 over budget. The Interest revenue was budgeted conservatively. The General Fund Property Tax Revenue were \$308,048 higher than budgeted. Utility and Franchise taxes were \$665,980 higher than budgeted. The higher than budgeted revenue along with reductions in budgeted expenditures make up the change in Net Fund Balance.
- Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation in the current period is \$1,883,713.
- The net revenue of certain activities of internal service funds is reported with governmental activities was \$1,745,401 for Fiscal Year 2025. The Public Works Complex Fund change in Net Position was \$1,397,800. These increases were a combination of Interest Earnings of \$839,177 and Transfers in of \$641,209. These revenues were offset by \$82,586 in Contract Services related to the construction of the Public Work Complex. The Fully Insured fund also increased \$305,284 which resulted from the timing of the insurance expenditures.
- Pension and OPEB expenses in the Statement of Activities are deferred inflow and deferred outflow amounts required to be amortized. In the Statement of Activities, the amount contributed to defined benefit pension/OPEB plans decreases (increases) the future net pension/OPEB liability (asset). The change in Net Pension Liability increased Net Position by \$1,339,689. The change in Total OPEB Liability decreased Net Position by \$140,601.

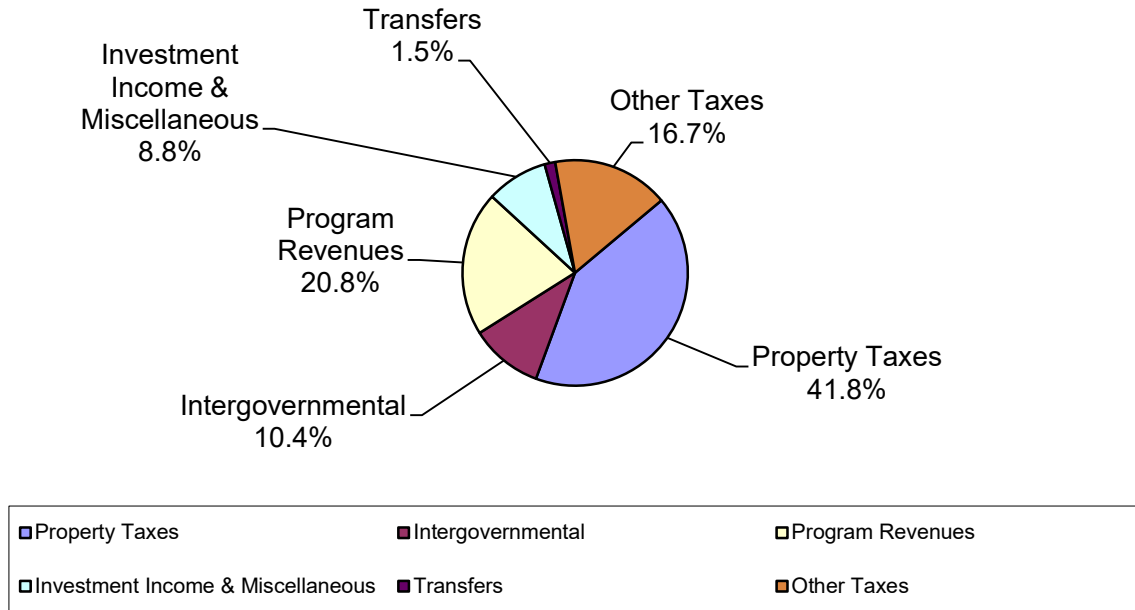
Business-Type Activities - Business-type activities increased the City of Edgewater's net position by \$5,405,508. Key elements of this increase are as follows:

- The City increased Total Business-Type Capital Assets net of depreciation by \$1,738,707. This resulted from the City purchasing more assets than it depreciated during Fiscal Year 2025.
- City collected \$1,282,230 of Water and Sewer impact fees related to future expenditures.
- Business Type activities had \$1,222,556 of Interest Revenue which was \$750,257 higher than budgeted for Fiscal Year 2025. This increase in revenue resulted from conservative estimates in Interest Revenue.
- The remainder of the increase in net Position was largely from revenues collected to fund future expenditures and capital projects, including revenues related to impact fees as well departmental budget savings.

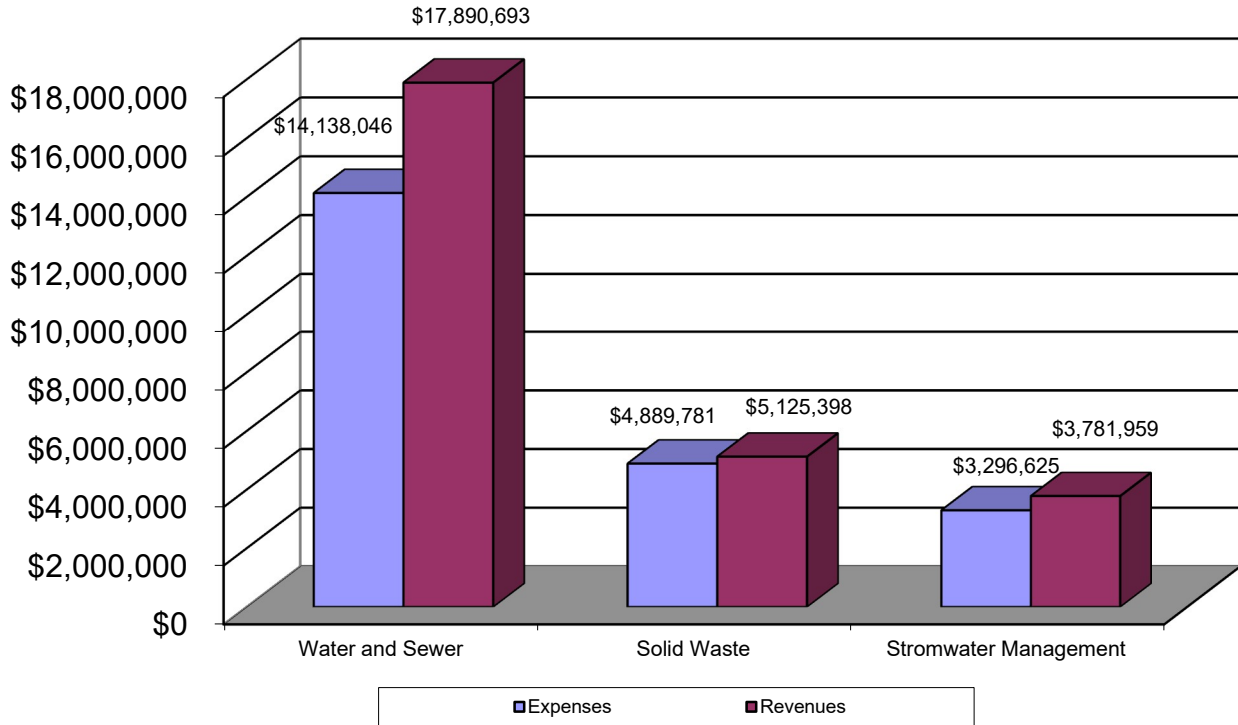
Expenses and Program Revenues - Governmental Activities



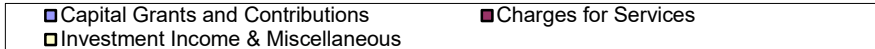
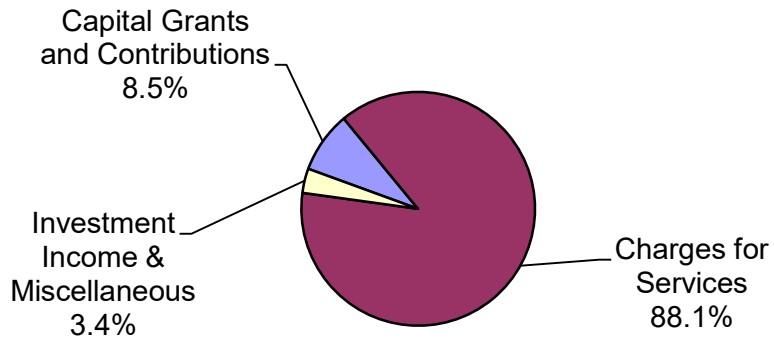
Revenues by Source – Governmental Activities



Expenses and Program Revenues - Business-Type Activities



Revenues by Source - Business-Type Activities



Financial Analysis of the Government's Funds

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

Governmental Funds - The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Edgewater'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 of Edgewater's governmental funds reported combined ending fund balances of \$33,842,230 an increase of \$2,114,948 in comparison with the prior year. Approximately 52% of this amount or \$17,833,178 constitutes unassigned fund balance, which is available for expenditures at the City's discretion. The City also has \$1,347,360 of fund balance committed to Capital Projects. The City has assigned fund balance for the Capital Projects of \$733,596, subsequent year's budget of \$5,365,588 and replacement of City Hall in the amount of \$489,133. Restricted fund balance of \$8,054,086 is for scholarships, public safety, debt service, building permits, community redevelopment, opioid settlements, tree mitigation, and capital projects. Non-spendable fund balance of \$19,289 is held for inventories and prepaids.

The General Fund is the chief operating fund of the City of Edgewater. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$17,833,178, while total fund balance was \$24,478,295. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 44.8% of the total General Fund 2026 budgeted expenditures, while total fund balance represents 61.4% of that same amount.

During the current fiscal year, the fund balance of the General Fund increased by \$5,414,243. The City had few Revenue sources that were higher than budgeted this helped to increase the Fund Balance for the General Fund. These several Revenue types were higher than budget by the following amounts, Interest Earnings \$535,935, Utility and Franchise Taxes \$665,980 and Ad Valorem taxes \$308,048. The Interest Earnings were higher due to conservative estimates in Interest Revenue. The Utility and Franchise Taxes increases in revenue were up from changes in Utility Services in the City mostly from increased services being provided. The increase Ad Valorem Tax Revenue were from a combination of increased development resulting in a higher tax base along with a higher than estimated along with a higher collection rate. The remainder of the increase in fund balance was largely from revenues collected to fund future expenditures as well departmental budget savings.

The Capital Projects fund balance increased by \$12,680. The City had several Projects in Fiscal Year 2025 including Pickle Ball Courts, Sun Trail improvements, Road Resurfacing and other projects.

The ARPA American Rescue Plan fund balance decreased by \$3,421,198. The fund had transfer of \$2,079,000 to fund the grant match for Storm Water projects. The fund also funded improvement projects of \$963,941 for Parktowne area of the City and \$551,413 the Public Works Complex. The fund also had \$178,955 interest earnings.

Fiscal Year 2025 is the tenth year of activity for the City's established Community Redevelopment Agency Fund (CRA). This agency is established for the purpose of making improvements to core downtown properties to enhance economic activity in the City. Revenues

are being collected from the County and City. Future expenditures are budgeted primarily for land acquisitions or qualified community enhancements.

Proprietary Funds - The City of Edgewater's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the proprietary funds (including enterprise and internal service funds) at the year-end amounted to \$5,929,699. The total decrease in unrestricted net position for the Proprietary Funds was \$19,021,879.

The Water and Sewer Utility Fund unrestricted net position increased by \$1,797,649. The total net position increased by \$3,697,284. The Total net position increased from increases in Net Investment in Capital Assets of \$763,695, and restricted for Capital Projects of \$1,363,973. The restricted for Debt service decreased by \$228,033.

Solid Waste Utility Fund unrestricted fund balance increased by \$64,745. The total net position increased by \$268,459. The increase was largely from an increase in Net Investment in Capital Assets of \$333,204.

Stormwater Utility Fund unrestricted fund balance decreased by \$456,024. The total net position increased by \$1,439,765. This change in Total Net Position was from an increase in net investment in capital assets of \$1,895,789 and a decrease in unrestricted net position of \$456,024.

The enterprise funds Edgewater's business-type include Internal Service Capital Projects being restricted for \$14,500,868. This restriction relates largely to the Construction of the Public Works Complex.

General Fund Budgetary Highlights

The final revenue budget was increased from the original budget by \$3,421,606. Actual revenues were \$18,931 higher than budget due mainly to the following, increased Utility and franchise taxes of \$665,980, Investment earnings \$535,935 and Property Taxes \$308,048 which is mostly related to conservative budget estimates for Fiscal Year 2025. Fiscal Year 2025 had increased Utility rates along with new utility customers which increased the actual utility and franchise taxes amounts. Fiscal Year 2025 also had higher than estimated interest rates which increased interest earnings.

Actual expenditures were \$6,675,817 less than budgeted expenditures mostly due to project and purchase orders that were not complete being carried forward into the Fiscal Year 2026 budgeted projects. The City also had some savings from position vacancies in the Community development department and general administrative services.

The final expenditure budget was increased from the original budget by \$3,792,300. This was due largely to increase in the Community development budget of \$1,236,937. Capital Outlay increase was \$764,466 which included \$565,249 of motor vehicles and \$199,217 for machinery and equipment. Several departments had increases, including the following: Law Enforcement increased \$714,017, Fire and Emergency Services \$468,532 and General administrative Services \$383,085. The other increases were related to roll forward purchase orders from the prior year and approved budget amendments.

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Capital Asset and Debt Administration

Capital Assets - The City of Edgewater's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounts to \$119,322,633 net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, and Construction in Process. The total increase in the City's investment in capital assets for the 2025 fiscal year was 12.82%.

**City of Edgewater's Capital Assets
(net of depreciation)(in whole dollars)**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Land	\$ 29,055,732	\$ 28,558,918	\$ 1,397,173	\$ 1,397,173	\$ 30,452,905	\$ 29,956,091
Buildings	4,243,511	4,253,310	2,524,995	2,958,073	6,768,506	7,211,383
Improvements	8,737,860	9,022,289	39,229,377	38,048,598	47,967,237	47,070,887
Machinery and equipment	4,538,435	4,277,970	6,221,388	5,861,519	10,759,823	10,139,489
Infrastructure	3,818,719	4,142,408	-	-	3,818,719	4,142,408
Construction in progress	15,830,151	4,050,099	2,970,144	2,331,935	18,800,295	6,382,034
Right-to-use assets	755,148	858,337	-	7,072	755,148	865,409
Total	\$ 66,979,556	\$ 55,163,331	\$ 52,343,077	\$ 50,604,370	\$ 119,322,633	\$ 105,767,701

Additional information on the City of Edgewater's capital assets can be found in the notes to the financial statements on pages 51-52 of this report.

Long-Term Debt

At the end of the current fiscal year, the City of Edgewater had total debt outstanding of \$15,345,275. This debt includes notes payable, state revolving loans, and leases. The City is current on all required debt service obligations.

**City of Edgewater's Outstanding Debt
(in whole dollars)**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Notes payable	\$ 3,539,000	\$ 3,918,000	\$ 22,077,000	\$ 3,081,000	\$ 25,616,000	\$ 6,999,000
State revolving loans	-	-	6,344,897	6,870,195	6,344,897	6,870,195
Leases	1,026,934	1,161,754	155,000	314,326	1,181,934	1,476,080
Total	\$ 4,565,934	\$ 5,079,754	\$ 28,576,897	\$ 10,265,521	\$ 33,142,831	\$ 15,345,275

During the current fiscal year, the City's total debt increased by \$17,797,556 which was an 115.98% increase. This increase was largely from the issuing \$20,000,000 of new debt for a Public Works complex. Additional information on the City of Edgewater's long-term debt can be found in the notes to the financial statements on pages 54-62 of this report.

Reserve Policy

In November 2016, voter's approved a charter amendment requiring the City to maintain reserves at a minimum of 15 percent of all operating funds (General, Water & Sewer, Solid Waste and Stormwater). The policy addresses that the City is required to maintain reserves at a minimum of 15 percent. The reserve minimum is established based on a percentage of current years' budget. Reserve levels above the minimum of the range are deemed to be available for capital or other lawful purposes.

The minimum Reserve amount per Charter is currently set at \$4,614,372 (15%) of the FY2025 – 2026 General Fund Budget. The amount available for capital or other lawful purposes less any reserves or set asides is \$13,218,806 unassigned less reserves at September 30, 2025.

Next Year’s Budget and Rates

The City Council adopted a conservative budget for Fiscal Year 2026. The proposed budget contains many ambitious work plan objectives that are intended to address the highest priorities in the community and the goals of the City Council. This budget also sets the financial foundation to establish an accurate and understandable assessment and tracking of the uses and sources of all funds. The 2026 budget presents a number of opportunities and challenges to improve overall service to the community.

Requests for Information

This financial report is designed to provide a general overview of the City of Edgewater’s finances for those with an interest in the government’s finances. Questions concerning any of the information should be addressed to the office of the Finance Director, City of Edgewater, P.O. Box 100, Edgewater, Florida 32132-0100.

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CITY OF EDGEWATER, FLORIDA
Statement of Net Position
September 30, 2025

	Governmental - type Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 8,741,382	\$ 6,177,253	\$ 14,918,635
Investments	45,380,107	18,848,289	64,228,396
Receivables, net	746,649	3,223,932	3,970,581
Lease receivable	-	1,398,797	1,398,797
Special assessment receivable	-	100,314	100,314
Due from other governments	2,053,909	254,886	2,308,795
Inventories and prepaids	107,265	26,533	133,798
Net pension asset	3,935,594	-	3,935,594
Restricted assets:			
Cash and cash equivalents	-	4,171,004	4,171,004
Investments	-	4,780,552	4,780,552
Capital assets:			
Nondepreciable assets	44,885,883	4,367,317	49,253,200
Depreciable assets, net	22,093,673	47,975,760	70,069,433
Total assets	<u>\$ 127,944,462</u>	<u>\$ 91,324,637</u>	<u>\$ 219,269,099</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	\$ 4,473,827	\$ 543,077	\$ 5,016,904
Deferred outflows related to OPEB	2,938,355	1,378,249	4,316,604
Total deferred outflows of resources	<u>\$ 7,412,182</u>	<u>\$ 1,921,326</u>	<u>\$ 9,333,508</u>
LIABILITIES			
Accounts payable and other current liabilities	\$ 5,243,708	\$ 2,193,999	\$ 7,437,707
Accrued interest payable	66,279	474,185	540,464
Unearned revenue	98,730	-	98,730
Due to other governments	11,921	-	11,921
Customer deposits	-	809,580	809,580
Internal balances	20,000,000	(20,000,000)	-
Noncurrent liabilities:			
Due within one year:			
Notes and leases payable	511,200	2,256,512	2,767,712
Compensated absences	1,110,181	400,324	1,510,505
OPEB liability	213,742	100,258	314,000
Due in more than one year:			
Notes and leases payable	4,054,734	26,320,385	30,375,119
Compensated absences	512,404	280,379	792,783
Net pension liability	4,579,136	3,178,532	7,757,668
OPEB liability	5,090,967	2,387,949	7,478,916
Total liabilities	<u>\$ 41,493,002</u>	<u>\$ 18,402,103</u>	<u>\$ 59,895,105</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	\$ 3,916,761	\$ 121,367	\$ 4,038,128
Deferred inflows related to OPEB	2,255,018	1,057,728	3,312,746
Deferred inflows related to leases	-	1,239,559	1,239,559
Total deferred inflows of resources	<u>\$ 6,171,779</u>	<u>\$ 2,418,654</u>	<u>\$ 8,590,433</u>
NET POSITION			
Net investment in capital assets	\$ 59,991,503	\$ 43,331,537	\$ 103,323,040
Restricted for:			
Debt service	132,559	918,424	1,050,983
Public safety	63,817	-	63,817
Building permits	652,633	-	652,633
Opioid settlements	64,018	-	64,018
Pensions	3,935,594	-	3,935,594
Tree mitigation	94,602	-	94,602
Capital projects	20,362,773	7,736,703	28,099,476
Community redevelopment	1,132,478	-	1,132,478
Scholarships	7,223	-	7,223
Unrestricted	1,254,663	20,438,542	21,693,205
Total net position	<u>\$ 87,691,863</u>	<u>\$ 72,425,206</u>	<u>\$ 160,117,069</u>

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

CITY OF EDGEWATER, FLORIDA

Statement of Activities

For the Fiscal Year Ended September 30, 2025

Functions / Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Governmental activities:			
General administrative	\$ 5,058,814	\$ 1,588,532	\$ 58,060
Public works	2,409,902	451,287	1,004,511
Public safety	13,311,141	1,830,572	86,654
Culture and recreation	2,634,552	78,543	126,758
Community redevelopment	376,667	-	-
Interest on long-term debt	137,446	-	-
Total governmental activities	<u>23,928,522</u>	<u>3,948,934</u>	<u>1,275,983</u>
Business-type activities:			
Water / Sewer	14,138,046	16,495,331	-
Solid waste	4,889,781	5,157,223	-
Stormwater	3,296,625	2,792,881	-
Total business-type activities	<u>22,324,452</u>	<u>24,445,435</u>	<u>-</u>
Total primary government	<u>\$ 46,252,974</u>	<u>\$ 28,394,369</u>	<u>\$ 1,275,983</u>

General revenues:

- Property taxes
- Utility and franchise taxes
- Intergovernmental shared revenue - non-program
- Investment earnings
- Gain/Loss on sale of assets
- Miscellaneous revenue
- Transfers
- Total general revenues and transfers
- Change in net position
- Net position - beginning
- Net position - ending

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

**Net (Expense) Revenue and
Changes in Net Position**

Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
\$ 101,484	\$ (3,310,738)	\$ -	\$ (3,310,738)
240,518	(713,586)	-	(713,586)
287,555	(11,106,360)	-	(11,106,360)
639,545	(1,789,706)	-	(1,789,706)
-	(376,667)	-	(376,667)
-	(137,446)	-	(137,446)
<u>1,269,102</u>	<u>(17,434,503)</u>	<u>-</u>	<u>(17,434,503)</u>
1,392,362	-	3,749,647	3,749,647
(31,825)	-	235,617	235,617
989,078	-	485,334	485,334
<u>2,349,615</u>	<u>-</u>	<u>4,470,598</u>	<u>4,470,598</u>
<u>\$ 3,618,717</u>	<u>(17,434,503)</u>	<u>4,470,598</u>	<u>(12,963,905)</u>
	13,058,538	-	13,058,538
	5,230,320	-	5,230,320
	3,261,827	-	3,261,827
	2,464,055	1,222,556	3,686,611
	3,400	-	3,400
	289,432	185,265	474,697
	472,911	(472,911)	-
	<u>24,780,483</u>	<u>934,910</u>	<u>25,715,393</u>
	7,345,980	5,405,508	12,751,488
	80,345,883	67,019,698	147,365,581
	<u>\$ 87,691,863</u>	<u>\$ 72,425,206</u>	<u>\$ 160,117,069</u>

CITY OF EDGEWATER, FLORIDA

Balance Sheet
 Governmental Funds
 September 30, 2025

	General Fund	Capital Projects Fund	CRA Fund	ARPA Economic Impact Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$ 4,657,848	\$ 515,402	\$ 290,929	\$ 227,074	\$ 1,628,150	\$ 7,319,403
Investments	18,851,227	-	865,771	1,697,784	4,516,974	25,931,756
Receivables, net	651,133	-	778	711	5,377	657,999
Due from other governments	1,998,418	55,995	-	-	-	2,054,413
Inventories and prepaids	19,289	-	-	-	-	19,289
Total assets	<u>\$ 26,177,915</u>	<u>\$ 571,397</u>	<u>\$ 1,157,478</u>	<u>\$ 1,925,569</u>	<u>\$ 6,150,501</u>	<u>\$ 35,982,860</u>
LIABILITIES						
Accounts payable	\$ 279,685	\$ 416,010	\$ 25,000	\$ -	\$ -	\$ 720,695
Accrued liabilities	1,309,284	-	-	-	-	1,309,284
Due to other governments	11,921	-	-	-	-	11,921
Unearned revenue	98,730	-	-	-	-	98,730
Total liabilities	<u>1,699,620</u>	<u>416,010</u>	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>2,140,630</u>
FUND BALANCES						
Nonspendable:						
Inventories and prepaids	19,289	-	-	-	-	19,289
Restricted for:						
Scholarships	7,223	-	-	-	-	7,223
Public safety	-	-	-	-	63,817	63,817
Debt service	47,233	-	-	-	130,177	177,410
Building permits	652,633	-	-	-	-	652,633
Community redevelopment	-	-	1,132,478	-	-	1,132,478
Opioid settlements	64,018	-	-	-	-	64,018
Tree mitigation	-	-	-	-	94,602	94,602
Capital projects	-	-	-	-	5,861,905	5,861,905
Committed to:						
Capital projects	-	155,387	-	1,191,973	-	1,347,360
Assigned to:						
Subsequent year's budget	5,365,588	-	-	-	-	5,365,588
City Hall	489,133	-	-	-	-	489,133
Capital projects	-	-	-	733,596	-	733,596
Unassigned	17,833,178	-	-	-	-	17,833,178
Total fund balances	<u>24,478,295</u>	<u>155,387</u>	<u>1,132,478</u>	<u>1,925,569</u>	<u>6,150,501</u>	<u>33,842,230</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 26,177,915</u>	<u>\$ 571,397</u>	<u>\$ 1,157,478</u>	<u>\$ 1,925,569</u>	<u>\$ 6,150,501</u>	<u>\$ 35,982,860</u>

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

CITY OF EDGEWATER, FLORIDA

Reconciliation of the Balance Sheet of Governmental Funds
 To the Statement of Net Position
 September 30, 2025

Total governmental funds fund balance \$ 33,842,230

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds - total less accumulated depreciation.

Land and land rights	28,118,829	
Buildings and improvements	36,694,950	
Infrastructure	61,747,975	
Furniture and equipment	11,290,168	
Construction in progress	3,589,179	
Right to use asset	870,092	
Accumulated depreciation	<u>(88,617,792)</u>	53,693,401

Internal service funds are used by management to charge the costs of fleet, management information systems and insurance activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

10,856,061

On the governmental fund statements, a net pension liability/asset is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's net pension liability/asset of the defined benefit pension plans is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported.

Net pension liability	(4,579,136)	
Net pension asset	3,935,594	
Deferred outflows related to pensions	4,473,827	
Deferred inflows related to pensions	<u>(3,916,761)</u>	(86,476)

On the governmental fund statements, an OPEB liability is not recorded unless an amount is due and payable (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's OPEB liability is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to OPEB are also reported.

Total OPEB liability	(5,097,359)	
Deferred outflows related to OPEB	2,823,501	
Deferred inflows related to OPEB	<u>(2,166,874)</u>	(4,440,732)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences	(1,540,408)	
Long-term debt	<u>(4,565,934)</u>	(6,106,342)

Accrued interest payable on long-term debt that is not recognized on the fund statements. (66,279)

Net position of governmental activities \$ 87,691,863

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

CITY OF EDGEWATER, FLORIDA

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Fiscal Year Ended September 30, 2025

	General Fund	Capital Projects Fund	CRA Fund	ARPA Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes:						
Property	\$ 12,221,912	\$ -	\$ 552,677	\$ -	\$ 283,949	\$ 13,058,538
Utility and franchise taxes	5,230,320	-	-	-	-	5,230,320
Intergovernmental	5,065,505	334,183	-	-	-	5,399,688
Licenses and permits	1,289,704	-	-	-	-	1,289,704
Charges for services	3,337,544	-	-	-	-	3,337,544
Fines and forfeitures	148,124	-	-	-	8,034	156,158
Investment earnings	1,038,997	-	65,393	173,156	244,526	1,522,072
Fire assessment	733,396	-	-	-	-	733,396
Impact fees	-	-	-	-	702,500	702,500
Miscellaneous revenue	113,086	-	-	-	-	113,086
Total revenues	<u>29,178,588</u>	<u>334,183</u>	<u>618,070</u>	<u>173,156</u>	<u>1,239,009</u>	<u>31,543,006</u>
EXPENDITURES						
Current:						
Legislative	123,449	-	-	-	-	123,449
Executive	958,502	-	-	-	-	958,502
Legal counsel	193,941	-	-	-	-	193,941
Community development	1,509,575	-	63,764	-	-	1,573,339
Public works	1,430,990	855,879	-	-	1,000	2,287,869
Public safety:						
Law enforcement	6,899,841	-	-	-	3,823	6,903,664
Fire and emergency services	6,004,043	-	-	-	-	6,004,043
Code enforcement	328,196	-	-	-	-	328,196
Animal services	223,512	-	-	-	-	223,512
Culture and recreation	1,774,817	-	-	-	-	1,774,817
General administrative services	4,016,305	-	-	-	-	4,016,305
Debt service:						
Principal	179,820	-	-	-	334,000	513,820
Interest	33,957	-	-	-	103,657	137,614
Capital outlay	1,219,589	2,110,915	823,253	-	70,332	4,224,089
Total expenditures	<u>24,896,537</u>	<u>2,966,794</u>	<u>887,017</u>	<u>-</u>	<u>512,812</u>	<u>29,263,160</u>
Excess (deficiency) of revenues over expenditures	<u>4,282,051</u>	<u>(2,632,611)</u>	<u>(268,947)</u>	<u>173,156</u>	<u>726,197</u>	<u>2,279,846</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	3,438,806	2,645,291	-	-	162,585	6,246,682
Transfers out	(2,310,014)	-	-	(3,594,354)	(510,612)	(6,414,980)
Sale of capital assets	3,400	-	-	-	-	3,400
Total other financing sources (uses)	<u>1,132,192</u>	<u>2,645,291</u>	<u>-</u>	<u>(3,594,354)</u>	<u>(348,027)</u>	<u>(164,898)</u>
Net change in fund balances	5,414,243	12,680	(268,947)	(3,421,198)	378,170	2,114,948
Beginning fund balances	19,064,052	142,707	1,401,425	5,346,767	5,772,331	31,727,282
Ending fund balances	<u>\$ 24,478,295</u>	<u>\$ 155,387</u>	<u>\$ 1,132,478</u>	<u>\$ 1,925,569</u>	<u>\$ 6,150,501</u>	<u>\$ 33,842,230</u>

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

CITY OF EDGEWATER, FLORIDA

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Fiscal Year Ended September 30, 2025

Net change in fund balances - total governmental funds \$ 2,114,948

Amounts recorded 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 expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Expenditure for capital assets	4,224,089	
Current year depreciation	<u>(2,335,376)</u>	1,888,713

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations, CIP project abandoned) is to increase net position. (40,099)

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.

Changes in compensated absences (76,059)

The net revenue of certain activities of internal service funds is reported with governmental activities.

1,745,401

Governmental funds report contributions to defined benefit pension/ OPEB plans as expenditures. However, in the Statement of Activities, the amount contributed to defined benefit pension/OPEB plans decreases (increases) the future net pension/OPEB liability (asset). Also included in pension/OPEB expense in the Statement of Activities are deferred inflow and deferred outflow amounts required to be amortized.

Change in net pension liability/asset and deferred inflows/outflows related to pensions	1,339,689
Change in Total OPEB liability and deferred inflows/outflows related to OPEB	(140,601)

The issuance of long-term debt (i.e., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and deferred amount on refunding when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Principal payments 513,988

Change in net position of governmental activities \$ 7,345,980

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

CITY OF EDGEWATER, FLORIDA

Statement of Revenues, Expenditures, and
Changes in Fund Balances--Budget and Actual
General Fund
For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Over (Under)
	Original	Final		Actual
REVENUES				
Taxes:				
Property	\$ 11,913,864	\$ 11,913,864	\$ 12,221,912	\$ 308,048
Utility and franchise taxes	4,564,340	4,564,340	5,230,320	665,980
Intergovernmental	3,725,922	6,057,327	5,065,505	(991,822)
Licenses and permits	1,296,643	1,296,643	1,289,704	(6,939)
Charges for services	2,961,153	3,956,081	3,337,544	(618,537)
Fines and forfeitures	166,500	166,500	148,124	(18,376)
Investment earnings	452,700	503,062	1,038,997	535,935
Impact fees	622,339	622,339	733,396	111,057
Miscellaneous revenue	34,590	79,501	113,086	33,585
Total revenues	<u>25,738,051</u>	<u>29,159,657</u>	<u>29,178,588</u>	<u>18,931</u>
EXPENDITURES				
Current:				
Legislative	151,049	169,942	123,449	46,493
Executive	1,004,313	1,161,114	958,502	202,612
Legal counsel	165,000	213,574	193,941	19,633
Community development	1,957,626	3,194,563	1,509,575	1,684,988
Public works	1,784,742	1,792,717	1,430,990	361,727
Public safety:				
Law enforcement	6,806,342	7,520,359	6,899,841	620,518
Fire and emergency services	5,777,917	6,246,449	6,004,043	242,406
Code enforcement	366,153	366,853	328,196	38,657
Animal services	215,823	238,224	223,512	14,712
Culture and recreation	2,367,437	2,337,356	1,774,817	562,539
General administrative services	3,965,776	4,348,861	4,016,305	332,556
Debt service:				
Principal	100,000	100,000	179,820	(79,820)
Interest	15,484	15,484	33,957	(18,473)
Capital outlay	3,102,392	3,866,858	1,219,589	2,647,269
Total expenditures	<u>27,780,054</u>	<u>31,572,354</u>	<u>24,896,537</u>	<u>6,675,817</u>
Excess (deficiency) of revenues over expenditures	<u>(2,042,003)</u>	<u>(2,412,697)</u>	<u>4,282,051</u>	<u>6,694,748</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,277,984	3,369,734	3,438,806	69,072
Transfers out	(1,629,781)	(6,927,432)	(2,310,014)	4,617,418
Leases (as lessee)	2,100,000	2,100,000	-	(2,100,000)
Sale of capital assets	-	-	3,400	3,400
Total other financing sources (uses)	<u>2,748,203</u>	<u>(1,457,698)</u>	<u>1,132,192</u>	<u>2,589,890</u>
Net change in fund balances	706,200	(3,870,395)	5,414,243	9,284,638
Beginning fund balances	19,064,052	19,064,052	19,064,052	-
Ending fund balances	<u>\$ 19,770,252</u>	<u>\$ 15,193,657</u>	<u>\$ 24,478,295</u>	<u>\$ 9,284,638</u>

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

CITY OF EDGEWATER, FLORIDA

Statement of Revenues, Expenditures, and
 Changes in Fund Balances--Budget and Actual
 CRA Fund
 For the Fiscal Year Ended September 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget- Over (Under)
	<u>Original</u>	<u>Final</u>		<u>Actual</u>
REVENUES				
Property tax	\$ 559,477	\$ 559,477	\$ 552,677	\$ (6,800)
Investment earnings	9,900	9,900	65,393	55,493
Total revenues	<u>569,377</u>	<u>569,377</u>	<u>618,070</u>	<u>48,693</u>
EXPENDITURES				
Capital outlay	-	-	823,253	(823,253)
Other Services & Charges	1,922,742	1,922,742	63,764	1,858,978
Total expenditures	<u>1,922,742</u>	<u>1,922,742</u>	<u>887,017</u>	<u>1,035,725</u>
Excess (deficiency) of revenues over expenditures	<u>(1,353,365)</u>	<u>(1,353,365)</u>	<u>(268,947)</u>	<u>1,084,418</u>
Net change in fund balance	(1,353,365)	(1,353,365)	(268,947)	1,084,418
Beginning fund balances	<u>1,401,425</u>	<u>1,401,425</u>	<u>1,401,425</u>	-
Ending fund balances	<u>\$ 48,060</u>	<u>\$ 48,060</u>	<u>\$ 1,132,478</u>	<u>\$ 1,084,418</u>

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

CITY OF EDGEWATER, FLORIDA

Statement of Revenues, Expenditures, and
 Changes in Fund Balances--Budget and Actual
 ARPA Fund
 For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Over (Under) Actual
	Original	Final		
REVENUES				
Investment earnings	\$ 9,900	\$ 9,900	\$ 173,156	\$ 163,256
Total revenues	9,900	9,900	173,156	163,256
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,000,000)	(6,578,508)	(3,594,354)	2,984,154
Total other financing sources (uses)	(1,000,000)	(6,578,508)	(3,594,354)	2,984,154
Net change in fund balance	(990,100)	(6,568,608)	(3,421,198)	3,147,410
Beginning fund balances	5,346,767	5,346,767	5,346,767	-
Ending fund balances	\$ 4,356,667	\$ (1,221,841)	\$ 1,925,569	\$ 3,147,410

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

CITY OF EDGEWATER, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2025

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major Funds				
	Water/ Sewer Utility	Solid Waste Utility	Stormwater Utility	Total	
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 4,405,723	\$ 761,683	\$ 1,009,847	\$ 6,177,253	\$ 1,421,979
Investments	12,377,199	3,098,574	3,372,516	18,848,289	4,947,483
Receivables, net	2,196,035	675,420	352,477	3,223,932	88,146
Due from other governments	119,950	22,451	112,485	254,886	-
Due from other funds	11,764,706	4,705,882	3,529,412	20,000,000	-
Lease receivable	99,254	-	-	99,254	-
Inventories	-	-	-	-	39,228
Prepaid items	26,533	-	-	26,533	48,748
Total current assets	<u>30,989,400</u>	<u>9,264,010</u>	<u>8,376,737</u>	<u>48,630,147</u>	<u>6,545,584</u>
Noncurrent assets:					
Restricted cash and investments:					
Debt service cash and cash equivalents	1,214,853	-	-	1,214,853	-
Capital projects cash and cash equivalents	2,956,151	-	-	2,956,151	-
Capital projects investments	4,780,552	-	-	4,780,552	14,500,868
Total restricted cash and investments	<u>8,951,556</u>	<u>-</u>	<u>-</u>	<u>8,951,556</u>	<u>14,500,868</u>
Capital assets:					
Land and land rights	1,079,749	-	317,424	1,397,173	936,903
Buildings and improvements	92,093,896	69,075	13,121,191	105,284,162	60,684
Machinery and equipment	12,887,138	4,173,866	2,981,754	20,042,758	530,714
Construction in progress	915,450	-	2,054,694	2,970,144	12,240,972
Less accumulated depreciation	(67,051,507)	(1,839,607)	(8,460,046)	(77,351,160)	(483,118)
Total capital assets (net of accumulated depreciation)	<u>39,924,726</u>	<u>2,403,334</u>	<u>10,015,017</u>	<u>52,343,077</u>	<u>13,286,155</u>
Lease receivable	1,299,543	-	-	1,299,543	-
Special assessment receivable	100,314	-	-	100,314	-
Total noncurrent assets	<u>50,276,139</u>	<u>2,403,334</u>	<u>10,015,017</u>	<u>62,694,490</u>	<u>27,787,023</u>
Total assets	<u>\$ 81,265,539</u>	<u>\$ 11,667,344</u>	<u>\$ 18,391,754</u>	<u>\$ 111,324,637</u>	<u>\$ 34,332,607</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	\$ 388,340	\$ 124,788	\$ 29,949	\$ 543,077	\$ -
Deferred outflows related to OPEB	937,974	248,851	191,424	1,378,249	114,854
Total deferred outflows of resources	<u>\$ 1,326,314</u>	<u>\$ 373,639</u>	<u>\$ 221,373</u>	<u>\$ 1,921,326</u>	<u>\$ 114,854</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 1,012,508	\$ 132,048	\$ 953,164	\$ 2,097,720	\$ 3,209,648
Accrued liabilities	82,525	7,493	6,261	96,279	4,081
Due to other funds	-	-	-	-	20,000,000
Compensated absences	297,867	38,876	63,581	400,324	30,486
Customer deposits	809,580	-	-	809,580	-
Accrued interest payable	-	101,874	75,882	177,756	-
Accrued interest payable from restricted cash	296,429	-	-	296,429	-
Leases payable	-	282,529	-	282,529	-
Notes payable	1,550,921	-	95,647	1,646,568	-
Revenue bonds payable	327,415	-	-	327,415	-
OPEB liability	68,231	18,102	13,925	100,258	8,354
Total current liabilities	<u>4,445,476</u>	<u>580,922</u>	<u>1,208,460</u>	<u>6,234,858</u>	<u>23,252,569</u>
Noncurrent liabilities:					
Compensated absences	191,160	74,683	14,536	280,379	51,691
Bonds, notes, and leases payable	18,308,267	4,578,353	3,433,765	26,320,385	-
Net pension liability	2,272,884	730,361	175,287	3,178,532	-
OPEB liability	1,625,133	431,157	331,659	2,387,949	198,996
Total noncurrent liabilities	<u>22,397,444</u>	<u>5,814,554</u>	<u>3,955,247</u>	<u>32,167,245</u>	<u>250,687</u>
Total liabilities	<u>\$ 26,842,920</u>	<u>\$ 6,395,476</u>	<u>\$ 5,163,707</u>	<u>\$ 38,402,103</u>	<u>\$ 23,503,256</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pensions	\$ 86,787	\$ 27,888	\$ 6,692	\$ 121,367	\$ -
Deferred inflows related to OPEB	719,842	190,979	146,907	1,057,728	88,144
Deferred inflows related to leases	1,239,559	-	-	1,239,559	-
Total deferred inflows of resources	<u>\$ 2,046,188</u>	<u>\$ 218,867</u>	<u>\$ 153,599</u>	<u>\$ 2,418,654</u>	<u>\$ 88,144</u>
NET POSITION					
Net investment in capital assets	\$ 31,068,186	\$ 2,248,334	\$ 10,015,017	\$ 43,331,537	\$ 10,864,036
Restricted:					
Capital projects	7,736,703	-	-	7,736,703	14,500,868
Debt service	918,424	-	-	918,424	-
Unrestricted	13,979,432	3,178,306	3,280,804	20,438,542	(14,508,843)
Total net position	<u>\$ 53,702,745</u>	<u>\$ 5,426,640</u>	<u>\$ 13,295,821</u>	<u>\$ 72,425,206</u>	<u>\$ 10,856,061</u>

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

CITY OF EDGEWATER, FLORIDA

Statement of Revenues, Expense and

Changes in Fund Net Position

Proprietary Funds

For the Fiscal Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major Funds				
	Water/ Sewer Utility	Solid Waste Utility	Stormwater Utility	Total	
Operating revenues:					
Charges for sales and services	\$ 16,495,331	\$ 5,157,223	\$ 2,792,881	\$ 24,445,435	\$ 7,315,579
Total operating revenues	<u>16,495,331</u>	<u>5,157,223</u>	<u>2,792,881</u>	<u>24,445,435</u>	<u>7,315,579</u>
Operating expenses:					
Salaries and employee benefits	4,238,968	1,207,375	922,841	6,369,184	4,489,619
Supplies and materials	1,697,609	197,570	91,173	1,986,352	640,572
Contract services	865,700	2,434,421	880,537	4,180,658	482,189
Other services and charges	3,123,512	609,716	470,076	4,203,304	1,628,509
Depreciation and amortization	3,672,351	349,458	841,534	4,863,343	27,559
Total operating expenses	<u>13,598,140</u>	<u>4,798,540</u>	<u>3,206,161</u>	<u>21,602,841</u>	<u>7,268,448</u>
Operating income (loss)	<u>2,897,191</u>	<u>358,683</u>	<u>(413,280)</u>	<u>2,842,594</u>	<u>47,131</u>
Nonoperating revenues (expenses):					
Investment earnings	901,611	162,825	158,120	1,222,556	941,983
Miscellaneous revenues	40,146	132,936	12,183	185,265	115,078
Gain on disposition of capital assets	5,709	79,980	34,320	120,009	-
Interest expense	(545,615)	(171,221)	(124,784)	(841,620)	-
Total nonoperating revenues (expenses)	<u>401,851</u>	<u>204,520</u>	<u>79,839</u>	<u>686,210</u>	<u>1,057,061</u>
Income (loss) before capital contributions and transfers	<u>3,299,042</u>	<u>563,203</u>	<u>(333,441)</u>	<u>3,528,804</u>	<u>1,104,192</u>
Transfers in	-	-	963,941	963,941	641,209
Transfers out	(994,120)	(262,919)	(179,813)	(1,436,852)	-
Capital grants	126,443	(31,825)	989,078	1,083,696	-
Capital contributions	1,265,919	-	-	1,265,919	-
Change in net position	<u>3,697,284</u>	<u>268,459</u>	<u>1,439,765</u>	<u>5,405,508</u>	<u>1,745,401</u>
Total net position - beginning	50,005,461	5,158,181	11,856,056	67,019,698	9,110,660
Total net position - ending	<u>\$ 53,702,745</u>	<u>\$ 5,426,640</u>	<u>\$ 13,295,821</u>	<u>\$ 72,425,206</u>	<u>\$ 10,856,061</u>

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

CITY OF EDGEWATER, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2025

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Major Funds			Total	
	Water/ Sewer Utility	Solid Waste Utility	Stormwater Utility		
Cash flows from operating activities:					
Receipts-customers and users	\$ 16,585,709	\$ 5,203,445	\$ 2,780,053	\$ 24,569,207	\$ 7,431,548
Payments-suppliers	(5,454,069)	(3,235,019)	(610,222)	(9,299,310)	(6,633,079)
Payments-employees	(4,196,802)	(1,204,400)	(859,232)	(6,260,434)	(620,473)
Net cash provided (used) by operating activities	<u>6,934,838</u>	<u>764,026</u>	<u>1,310,599</u>	<u>9,009,463</u>	<u>177,996</u>
Cash flows from noncapital financing activities:					
Cash paid to other funds	(994,120)	(262,919)	(179,813)	(1,436,852)	-
Cash received from other funds (net)	(11,764,706)	(4,705,882)	(2,565,471)	(19,036,059)	20,641,209
Net cash provided (used) by noncapital financing activities	<u>(12,758,826)</u>	<u>(4,968,801)</u>	<u>(2,745,284)</u>	<u>(20,472,911)</u>	<u>20,641,209</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(3,339,775)	(530,662)	(2,840,981)	(6,711,418)	(7,024,767)
Proceeds from sale of capital assets	11,419	79,980	137,978	229,377	-
Grant revenue	95,636	2,775	884,237	982,648	-
Interest payments on debt	(612,171)	(70,728)	(48,902)	(731,801)	-
Capital contributions and fees	1,265,919	-	-	1,265,919	-
Proceeds from issuance of debt	11,764,706	-	-	11,764,706	-
Principal paid on debt	(1,230,581)	4,553,882	3,529,412	6,852,713	-
Net cash provided (used) by capital and related financing activities	<u>7,955,153</u>	<u>4,035,247</u>	<u>1,661,744</u>	<u>13,652,144</u>	<u>(7,024,767)</u>
Cash flows from investing activities:					
Interest on investments	901,611	162,825	158,120	1,222,556	781,492
Purchase of investment securities	(2,537,742)	-	(153,714)	(2,691,456)	(14,933,957)
Transfer of investment securities between funds	-	110,128	-	110,128	-
Net cash provided (used) by investing activities	<u>(1,636,131)</u>	<u>272,953</u>	<u>4,406</u>	<u>(1,358,772)</u>	<u>(14,152,465)</u>
Net increase (decrease) in cash and cash equivalents	495,034	103,425	231,465	829,924	(358,027)
Beginning cash and cash equivalents	8,081,693	658,258	778,382	9,518,333	1,780,006
Ending cash and cash equivalents	<u>\$ 8,576,727</u>	<u>\$ 761,683</u>	<u>\$ 1,009,847</u>	<u>\$ 10,348,257</u>	<u>\$ 1,421,979</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 2,897,191	\$ 358,683	\$ (413,280)	\$ 2,842,594	\$ 47,131
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	3,672,351	349,458	841,534	4,863,343	27,559
Miscellaneous revenues	40,146	132,936	12,183	185,265	115,078
(Increase) decrease in assets:					
Accounts receivable	80,105	(86,714)	(25,011)	(31,620)	891
Lease receivable	89,304	-	-	89,304	-
Inventories	-	-	-	-	(1,094)
Prepaid items	(16,033)	-	-	(16,033)	(29,556)
Increase (decrease) in liabilities:					
Accounts payable and accrued expenses	242,526	6,688	831,564	1,080,778	(939)
Lease liability	(119,177)	-	-	(119,177)	-
Compensated absences	9,147	32,309	6,267	47,723	13,804
Net pension liability	(212,632)	(68,326)	(16,397)	(297,355)	-
Total OPEB liability	245,651	38,992	73,739	358,382	5,122
Customer deposits	6,259	-	-	6,259	-
Total adjustments	<u>4,037,647</u>	<u>405,343</u>	<u>1,723,879</u>	<u>6,166,869</u>	<u>130,865</u>
Net cash provided (used) by operating activities	<u>\$ 6,934,838</u>	<u>\$ 764,026</u>	<u>\$ 1,310,599</u>	<u>\$ 9,009,463</u>	<u>\$ 177,996</u>
Classified As:					
Cash and cash equivalents	\$ 4,405,723	\$ 761,683	\$ 1,009,847	\$ 6,177,253	\$ 1,421,979
Restricted cash and cash equivalents	4,171,004	-	-	4,171,004	-
Total	<u>\$ 8,576,727</u>	<u>\$ 761,683</u>	<u>\$ 1,009,847</u>	<u>\$ 10,348,257</u>	<u>\$ 1,421,979</u>
Non-cash investing, capital, and financing activities:					
Capital assets transferred (to) from other funds	\$ -	\$ -	\$ -	\$ -	\$ -

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

CITY OF EDGEWATER, FLORIDA

Statement of Fiduciary Net Position

Fiduciary Funds

September 30, 2025

	Pension Trust Funds
ASSETS	
Accrued interest	\$ 130,064
Accounts receivable	139,172
Due from other funds	25,464
Investments, at fair value:	
Money market funds	2,902,034
Bonds:	
US Treasury notes	2,298,535
GNMA/FMNA	2,690,578
Municipal bonds	56,642
Corporate bonds	9,029,229
Foreign bonds	15,387
Mutual fund - equities	42,811,627
Commingled real estate fund	2,233,674
Total assets	<u><u>\$ 62,332,406</u></u>
LIABILITIES	
Due to other funds	25,464
Total liabilities	<u><u>\$ 25,464</u></u>
NET POSITION	
Restricted for pensions	<u><u>\$ 62,306,942</u></u>

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

CITY OF EDGEWATER, FLORIDA

Statement of Changes in Fiduciary Net Position

Pension Trust Funds

For the Fiscal Year Ended September 30, 2025

	Pension Trust Funds
ADDITIONS	
Contributions:	
Employer	\$ 2,802,366
Employee	335,144
State of Florida	604,399
Total contributions	<u>3,741,909</u>
Investment earnings (loss):	
Interest and dividends	1,789,481
Net increase (decrease) in the fair value of investments	<u>5,117,132</u>
Total investment earnings	6,906,613
Less investment expenses	<u>(256,086)</u>
Net investment earnings (loss)	<u>6,650,527</u>
Total additions	<u>10,392,436</u>
DEDUCTIONS	
Pension benefits	3,526,283
Administrative expenses	<u>191,552</u>
Total deductions	<u>3,717,835</u>
Change in net position	6,674,601
Net position - beginning of year	<u>55,632,341</u>
Net position - end of year	<u>\$ 62,306,942</u>

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



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CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(1) Summary of Significant Accounting Policies:

The accompanying financial statements present the financial position, changes in financial position and cash flows of the applicable fund types governed by the City Council of the City of Edgewater, Florida (“the City”) and have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The most significant of the City's accounting policies are described below.

(a) **Reporting entity**—The City of Edgewater was originally incorporated under general law on October 20, 1924. The City became the City of Edgewater and incorporated in 1951 as a political subdivision of the State of Florida and a municipal corporation with a five-member Council, including a Mayor and Vice-Mayor. The registered voters of the City of Edgewater elect the Mayor and Council. The Council appoints the City Manager, who in turn performs as the administrator of the everyday operations of the City. The City provides a full range of municipal services as directed by the City Charter including general government, public safety, public improvements, planning and zoning, water and sewer service, solid waste collection, a recycling program, a stormwater management utility program, and related general and administrative services to 25,655 residents.

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

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organizations’ resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. In applying the above criteria, management has determined there is one component unit to be included within the reporting entity.

The City of Edgewater, Florida, Edgewater Community Redevelopment Agency (CRA) was created by Ordinance No. 2015-O-04 to account for the receipt and expenditure of property tax revenues from the tax increment financing district to support City redevelopment in the designated community redevelopment area. The CRA's focus is mitigation or correction of infrastructure and utilities deficiencies, revitalization of the Ridgewood Avenue (US-1) corridor, various transportation and urban design improvements, and pedestrian safety issues. Although legally separate the City Council declared itself to be the CRA Board, and provided for the appointment of two additional members. Since the City is financially accountable for the activities of the CRA, its governing board is the same, and its relationship to the City is significant, its financial activities are reported on a blended basis as if it were part of the primary government as a major special revenue fund. Activity began in the CRA Fund during the fiscal year ended September 30, 2016. The CRA issues separately audited financial statements. Those statements may be obtained from the City of Edgewater Finance Department or accessed on the City’s official website.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(1) **Summary of Significant Accounting Policies:** (Continued)

(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 City. For the most part the effect of inter-fund 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 are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Certain indirect expenses are included in the program expense reported for individual functions and segments. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate 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.

(c) **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**—The government-wide financial statements are reported using the economic resources measurement focus and the full 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.

Grant funds received prior to the incurrence of eligible expenditures are reported as deferred revenues in the fund financial statements and are included in accounts payable and other current liabilities on the government-wide financial statements.

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. When grant terms provide that an expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. 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.

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

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(1) **Summary of Significant Accounting Policies:** (Continued)

The City reports the following major governmental funds:

The ***General Fund*** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The ***Capital Projects Fund*** is used to account for the financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds).

The ***Community Redevelopment Agency (CRA) Fund*** is used to account for the receipt and expenditure of property tax revenues from the tax increment financing district to support City redevelopment in the designated community redevelopment area.

The ***American Rescue Plan Act (ARPA) Economic Impact Fund*** is used to account for the receipt and expenditure of ARPA funding to support the City's recover from the COVID-19 pandemic.

The City reports the following major proprietary funds:

The ***Water and Sewer Utility Fund*** is used to account for the activities of the City's water and wastewater systems, which are financed similar to private business enterprises, where the costs, including depreciation, of providing services to the general public on an ongoing basis are financed through user charges.

The ***Solid Waste Utility Fund*** accounts for the activities of the City's solid waste collection and recycling services.

The ***Stormwater Management Utility Fund*** accounts for the activities of the City's stormwater management, conservation, protection, control, use and enhancement of stormwater.

Additionally, the City reports the following fund types:

The ***Special Revenue Funds*** account for specific revenue resources that are restricted by law or administrative action to expenditures for specific purposes.

The ***Pension Trust Funds*** account for the activities of the Police Officers Pension Fund, the Firefighters Pension Fund and the General Employees' Pension Fund, which accumulate resources for pension benefit payments to qualified employees.

The ***Internal Services Funds*** account for fleet management services, management information systems, general liability insurance, health insurance, workers' compensation insurance and the public works complex.

As a rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to the rule are payments-in-lieu of taxes and other charges between the government's water, sewer, and stormwater functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(1) **Summary of Significant Accounting Policies:** (Continued)

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. Internal, 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 Water and Sewer Utility Fund, the Solid Waste Utility Fund, and the Stormwater Management Utility Fund are charges to customers for sales and services. The Water and Sewer Utility fund also recognizes as operating revenue the portion of impact fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make use of estimates that affect reported amounts in the basic financial statements. Actual results could differ from estimates.

(d) **Deposits and investments**—The City's cash consists of cash on hand, demand deposits, and equity in pooled cash. The equity in pooled cash represents a fund's share of a cash pool maintained by the City for the use of all funds except the pension trust funds and funds that require separate bank accounts. For the statement of cash flows, the City considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Florida Statutes and/or the City's investment policy authorize the City to invest in the Local Government Surplus Funds Trust Fund Investment Pool, United States Government Securities, United States Government Agencies, Federal Instrumentalities, Interest Bearing Time Deposit or Saving Accounts, Repurchase Agreements, Commercial Paper, High Grade Corporate Notes, Bankers' Acceptances, State and/or Local Government Taxable and/or Tax-Exempt Debt, Registered Investment Companies (Money Market Mutual Funds), and Intergovernmental Investment Pools.

Florida Statutes and/or the pension plans' investment policies allow the City's retirement plans' trustees to invest in time deposits, savings and money market deposit accounts of a national bank, a state bank insured by the Bank Insurance Fund, a savings/building and loan association insured by the Savings Association Insurance Fund, a state or federal chartered credit union whose share accounts are insured by the National Credit Union Share Insurance Fund; obligations issued by the United States Government or obligations guaranteed as to principal and interest by the United States

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(1) **Summary of Significant Accounting Policies:** (Continued)

Government or by an agency of the United States Government; stocks, bonds or other evidences of indebtedness issued or guaranteed by a corporation organized under the laws of the United States or the District of Columbia; foreign stocks, bonds or other evidences of indebtedness; and real estate investments made through participation in diversified commingled funds of real properties.

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application* (generally based on quoted market prices). Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. FLCLASS securities are valued at the amortized cost of investments, which approximates fair value. Real estate assets are reported at fair value utilizing an income approach to valuation. Changes in the fair value during the year are included in investment income. The Local Governmental Surplus Funds Trust Fund (LGSF) is governed by Chapter 19-7 of the Florida Administrative Code which identifies the Rules of the State Board of Administration (SBA). These rules provide guidance and establish the general operating procedures for the administration of the LGSF. The LGSF is not a registrant with the Securities and Exchange Commission. The LGSF Pool's investments are recorded at amortized cost. The fair value of the City's position in the pool is the same as the value of the pool shares.

(e) **Receivables and payables**—Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/due from other funds” (i.e., the current portion of inter-fund loans) or “advances to/from other funds” (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as “due to/due from other funds.” Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Accounts receivable balances are shown net of the allowance for uncollectibles. The allowances are determined based on management estimates of uncollectible amounts.

Advances between funds, as reported in the fund financial statements, are offset by nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

(f) **Inventories and prepaid items**—Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased. Payments made to vendors for services that will benefit periods beyond the current fiscal year are recorded as prepaid items. Costs are recorded as expenditures when consumed rather than when purchased.

(g) **Restricted assets**—Certain proceeds of revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet and statement of net position and their use is limited by applicable bond covenants. Restricted cash and investments in the enterprise funds represent debt issuance proceeds that are restricted assets for purchase of assets, construction and repayment of bonded debt respectively. In the enterprise fund statement of net position, bond issuance proceeds as well as other assets are set aside for their repayment and itemized in the restricted cash and investments.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(1) **Summary of Significant Accounting Policies:** (Continued)

(h) **Capital assets**—In the Government Wide and Proprietary Fund financial statements, capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value as of the date received. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The City defines capital assets as assets with an initial, individual cost of more than \$25,000 for infrastructure and building assets and more than \$5,000 for all other capital assets, as well as an estimated useful life in excess of one year. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

The City has implemented the provisions of GASB Statement No. 34. In this process, infrastructure assets are being accounted for using different methods. For governmental activities, the cost or estimated cost of roads and sidewalks are presented. The City compiled this information and recorded all roads and sidewalks acquired after June 30, 1980, during the fiscal year ending September 30, 2007. For business type activities, infrastructure assets have been capitalized at cost. Water and sewer utility improvements are being depreciated over their useful lives. The City has recorded all drainage infrastructure acquired including pre-GASB 34 assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. In Governmental funds capital outlay (capital assets) are reported as expenditures and no depreciation expense is reported.

Right-to-use lease equipment and subscription assets are amortized over the life of the associated contract. Buildings and improvements, improvements other than buildings, and machinery and equipment are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Infrastructure	20 – 30 Years
Buildings and improvements	10 – 50 Years
Improvements other than buildings	5 – 65 Years
Machinery and equipment	3 – 35 Years

(i) **Deferred outflows of resources**—In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

The City has two items that qualify for reporting as deferred outflows of resources, reported in both the government-wide statement of financial position and the proprietary funds statement of financial position. The items are the deferred outflows related to pensions and other post-employment benefits (OPEB) which are calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The deferred outflows related to pensions and OPEB will be recognized as either pension/OPEB expense or a reduction in the net pension/total OPEB liability, respectively, in future reporting years. Details on the composition of deferred outflows related to pensions and OPEB are reported in subsequent notes.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(1) **Summary of Significant Accounting Policies:** (Continued)

(j) **Compensated absences**—The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The City records the accumulated unused compensated absences at year-end based on each employee’s unused hours and rate of pay, including the salary-related-related benefits, where applicable. All compensated absences are accrued when earned in the government-wide and proprietary fund financial statements as accrued liabilities. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability for compensated absences in the proprietary fund types is liquidated in the proprietary fund in which the liability originally incurred.

(k) **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 are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expenses when paid.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuances costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

The net pension liabilities and OPEB liabilities are liquidated by the reporting units of the underlying employees, including the general fund, governmental funds, and all proprietary funds where the respective liability is reported.

(l) **Deferred inflows of resources**—In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Currently, the City has three items that qualify for reporting as deferred inflows of resources, in both the government-wide statement of financial position and the proprietary funds statement of financial position. The first two items are the deferred inflows related to pensions and other post-employment benefits (OPEB), which are calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The deferred inflows related to pensions and OPEB will be recognized as a component of expense in future reporting years. The third item is deferred inflows related to leases, which is calculated under GASB Statement No. 87, *Leases*. Lease-related amounts are recognized at the inception of leases in which the City is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease. Details on the composition of deferred inflows related to pensions, OPEB, and leases are reported in subsequent notes.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(1) **Summary of Significant Accounting Policies:** (Continued)

(m) **Fund balance**—In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance – amounts that are not in spendable form (such as prepaid expenses and advances due from other funds) or are required to be maintained intact.

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation.

Committed fund balance – amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (City Council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove or change the constraint. City Council establishes (and modifies or rescinds) fund balance commitments by passage of a resolution.

Assigned fund balance – amounts the City intends to use for a specific purpose. Intent can be expressed by the City Council or as delegated to the City Manager. The City Council has by resolution authorized City management to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the general fund or the fund balance for any special revenue, debt service, or capital projects fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

Disbursements of fund balances will first be made from restricted amounts when both restricted and unrestricted fund balance is available. Additionally, the City will first use committed fund balance, followed by assigned fund balance, and then unassigned fund balance when expenditures are incurred for purposes which amounts in any of the unrestricted fund balance classifications could be used.

(n) **Net position flow assumption**—In order to determine amounts reported as restricted and unrestricted net position, it is the City's policy to consider restricted net position to have been used before unrestricted net position is applied.

(o) **Pensions**—For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's defined benefit retirement plans, as described in Note 11(c), and additions to / deductions from the pension plans' fiduciary net position have been determined on the same basis as they are reported by the pension plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(1) **Summary of Significant Accounting Policies:** (Continued)

(p) **Leases**— The City is both a lessee and a lessor in various lease agreements.

Lessee: The City currently leases office equipment and buildings and determines if an arrangement is a lease at inception. The City recognizes intangible right-to-use (RTU) assets and corresponding lease liabilities for all leases that are not considered short-term. RTU assets represent the City's right to use an underlying asset for the lease term and lease liabilities represent the City's obligation to make lease payments arising from the lease. RTU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term.

Basis of lease classification – Leases that meet the following requirements will not be considered short term: (1) the maximum possible lease term(s) is non-cancelable by both lessee and lessor, and is more than 12 months, and (2) the present value of lease payments for the lease is less than \$5,000.

Discount Rate – Unless explicitly stated in the lease agreement, known by the City, or the City is able to determine the rate implicit within the lease, the discount rate used to calculate lease right-to-use assets and liabilities will be the City's incremental borrowing rate (IBR), which will be the rate utilized for the subsequent fiscal year. The City's IBR was calculated at 2.530% at September 30, 2024, and was the discount rate utilized for applicable leases beginning during the fiscal year and for applicable lease conversions.

The City's lessee agreements do not contain any material residual value guarantees or material restrictive covenants.

Lessor: The City is the lessor of buildings and of cell towers and determines if an arrangement is a lease at inception. The City recognizes lease receivables and corresponding deferred inflows for all leases that are not considered short-term. Lease receivables represent the City's right to receive lease payments arising from the lease. Deferred inflows represent resources recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods. Subsequently, the lease receivable is reduced by the principal portion of lease payments received, and deferred inflow of resources are recognized as revenue over the life of the lease term.

Basis of lease classification – Leases that meet the following requirements will not be considered short term: (1) the maximum possible lease term(s) is non-cancelable by both lessee and lessor, and is more than 12 months, and (2) the present value of lease payments for the lease is less than \$5,000.

Discount Rate – Unless explicitly stated in the lease agreement, known by the City, or the City is able to determine the rate implicit within the lease, the discount rate used to calculate lease receivable will be the City's incremental borrowing rate (IBR), which will be the rate utilized for the subsequent fiscal year. The City's IBR was calculated at 2.530% at September 30, 2024, and was the discount rate utilized for applicable leases beginning during the fiscal year and for applicable lease conversions.

The City's lessor agreements do not contain any material residual value guarantees or material restrictive covenants.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(2) **Reconciliation of Government-wide and Fund Financial Statements:**

(a) **Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position**—The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position.

(b) **Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities**—The governmental fund statement of revenues, expenditures, and changes in fund balance includes reconciliation between net change in fund balance – total governmental funds and change in net position of governmental activities as reported in the government-wide statement of activities.

(3) **Stewardship, Compliance and Accountability:**

(a) **Budgetary information**—The annual operating budgets are adopted by City Council using the following procedures:

Annual budgets are adopted for all funds of the City except for the Pension Trust funds that are effectively controlled through governing agreements and related City ordinances. The annual operating budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America. Annual budget appropriations lapse at the end of each fiscal year, except for unexpended appropriations on open grant programs and capital projects, which are carried forward in subsequent annual budgets.

Encumbrance accounting is employed in governmental funds. Encumbrances represent open purchase orders and other commitments for goods/services that are not yet received and are recorded to reserve that portion of the applicable appropriation. Encumbrances are recognized as expenditures in the period in which the actual goods/services are received and a liability is incurred. Encumbrances outstanding at year-end are canceled and re-appropriated in the succeeding year's budget; such amounts, if material, are disclosed in the notes as commitments.

Prior to the first day of August of each year, the City Manager prepares a recommended budget for the next succeeding fiscal year and submits it to the City Council. The recommended budget includes proposed expenditures and the source of receipts to finance them.

City Council holds a series of budget workshops in addition to a minimum of two public hearings on the proposed budget and adopts the official annual budget of the City, by ordinance, prior to September 30.

The budget, as adopted, may only be amended through formal approval by City Council. Budgetary integration is established in the accounting records for control purposes at the object of expenditure level; however, the City Charter establishes the level at which expenditures may not legally exceed budget at the fund level. Therefore, the City Manager may transfer budgeted amounts within and between departments of the City without formal approval by City Council.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(3) **Stewardship, Compliance and Accountability:** (Continued)

(b) **Ad valorem property taxes**—Under Florida law, the assessment of all properties and the collections of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and the County Tax Collector. Florida Statutes regulating tax assessment are also designed to assure a consistent property valuation method statewide. State Statutes permit cities to levy property taxes at a rate of up to ten (10) mills. For the fiscal year ended September 30, 2025, the millage rate in effect was 6.33. Additionally, the Edgewater I&S 2005 voted debt millage was .0200 and the Edgewater Parks voted millage rate was .1267 for a total millage of 6.330.

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

Property taxes are levied in November and attached as a lien on property as of January 1 of each year. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% for payments received in the month of November, 3% for payments received in the month of December, 2% for payments received in the month of January and 1% for payments received in the month of February. The taxes paid in March are not subject to discount. Tax certificates on all property for which taxes are delinquent are sold on or about June 1 of each year.

(c) **Connection fees and impact fees**—Water and sewer connection fees represent reimbursement of the costs incurred to perform the connection of the respective utilities. These fees are recorded as non-operating revenue at the time of service. Impact fees, which are not considered connection fees since they substantially exceed the cost of connection, are recorded as non-operating revenue in the period earned in the appropriate Enterprise Fund.

(d) **Reserve policy**—The City Council has approved a reserve policy, which was adopted within the City Charter. The policy states that the City is required to maintain reserves at a minimum of 15 percent for all operating funds. The reserve minimum is established based on a percentage of current year's original budgeted operating expenditures and transfers out. Reserve levels above the minimum are deemed to be available for capital or other lawful purposes.

(4) **Deposits and Investments:**

(a) **Deposits**—At September 30, 2025, the carrying amount of the City's bank deposits was \$19,089,639. The bank balances at September 30, 2025, were \$19,113,539, all of which was held by a bank that qualifies as a public depository, as required by Chapter 280 of the Florida Statutes. All of the deposits were covered by the FDIC or collateralized in accordance with the "Florida Security for Public Deposits Act". Under the Act, every qualified public depository shall deposit with the Treasurer eligible collateral having a fair value equal to 50% of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. If the public deposits exceed the total amount of the regulatory capital accounts of a bank or the regulatory net worth of a savings association, the required collateral shall have a fair value equal to 125% of the deposits. Of the bank balance, no amount was uninsured and uncollateralized in banks or savings and loans not qualifying under the Act at September 30, 2025.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(4) Deposits and Investments: (Continued)

(b) **Investments**—The City Council formally adopted a comprehensive investment policy pursuant to Section 218.415, Florida Statutes that established permitted investments, asset allocation limits and issuer limits, credit ratings requirements and maturity limits to protect the City's cash and investment assets. The City maintains a cash and investment pool for the use of all funds except the pension trust funds and funds that require separate bank accounts. The City's investment policy allows for the following investments: Local Government Surplus Funds Trusts (SBA), SEC registered money market funds, interest-bearing time deposits or savings accounts, direct obligations of the U.S. Treasury, Federal agencies and instrumentalities, Securities of, or other interests in, any open-end or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940, Intergovernmental Investment Pools, and other investments authorized by ordinance.

The City invests in the Local Government Investment Pool (State Pool). The State Pool is administered by the Florida Prime Investment Pool, who provides regulatory oversight. Florida Prime Investment Pool (Florida PRIME) is similar to money market funds in which units are owned in the fund rather than the underlying investments. The City also invests in the Florida Short Term Asset Reserve (FLSTAR) and the Florida Cooperative Liquid Assets Securities System (FLCLASS). These investments are reported at amortized cost and meet the requirements of GASB Statement No. 31, as amended by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. There is no limitation or restrictions on withdrawals from Florida PRIME, FLSTAR, or FLCLASS; although in the occurrence of an event that has a material impact on liquidity or operations of the trust fund, the funds' executive director may limit contributions to or withdrawals from the trust fund for a period of 48 hours.

Investments of the defined benefit pension plans consist principally of debt and equity mutual funds, all of which are authorized by the plans.

The City measures and records its investments, assets whose use is limited, and restricted assets using fair value measurement guidelines established by GASB. The City has not changed valuation techniques since the prior year. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

As of September 30, 2025, the City had the following investments, effective duration presented in terms of years, and fair value hierarchy level:

Investment Type	Fair Value	Investment Maturities (in Years)				Credit Rating	Fair Value Hierarchy Level
		Less Than 1	1-5	6-10	More Than 10		
Government-wide:							
Investments subject to rate risk:							
FL PRIME	\$ 51,195,719	\$ 51,195,719	\$ -	\$ -	\$ -	AAAm	N/A
FL STAR	17,206,948	17,206,948	-	-	-	AAAm	N/A
FLCLASS	606,281	606,281	-	-	-	AAAm	N/A
Total government-wide investments	<u>\$ 69,008,948</u>	<u>\$ 69,008,948</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(4) Deposits and Investments: (Continued)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>				<u>Credit Rating</u>	<u>Fair Value Hierarchy Level</u>
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>		
Fiduciary funds:							
Investments subject to rate risk:							
Money market funds and cash	\$ 2,902,033	\$ 2,902,033	\$ -	\$ -	\$ -	N/A	1
Bonds:							
US treasury notes	2,298,536	-	361,965	1,312,422	624,148	N/A	1
GNMA	2,690,578	538	154,166	6,392	2,529,482	N/A	2
Municipal obligations	56,641	-	56,641	-	-	*	2
Corporate bonds	9,044,617	345,958	3,849,312	3,782,331	1,067,016	**	2
	<u>16,992,405</u>	<u>\$ 3,248,529</u>	<u>\$ 4,422,084</u>	<u>\$ 5,101,145</u>	<u>\$ 4,228,947</u>		
Other investments:							
Corporate equities	42,154,386						1, 2
Mutual funds – Fixed income	657,241						1
Commingled real estate	<u>2,233,674</u>						2
Total fiduciary investments	<u>62,037,706</u>						
Total City investments	<u>\$ 131,046,654</u>						

* – The Standard and Poor’s credit rating is A- and Moody’s credit rating is A2 for the municipal obligations bonds.

** – The Standard and Poor’s credit rating ranges from BBB- to A+ and Moody’s credit rating ranges from BAA3 to A1 for the corporate bonds.

The following is a description of the valuation techniques used for assets measured at fair value:

US treasury notes, GNMA, and Municipal obligations—Valued based on a matrix pricing model.

Corporate Bonds—Valued based on a matrix pricing model.

Corporate Equities and Mutual Funds—Valued at fair value based on quoted market prices at year end.

Money Market Funds—Valued at the underlying fund balance.

Units in the American Core Realty Fund (the Core Fund) are offered and sold by means of a private placement offering conducted in compliance with Rule 506 of Regulation D under the Securities Act of 1933, as amended. The Core Fund is an open-end diversified core commingled real estate fund that invests in private real estate and is structured as a Delaware limited partnership. As a result, the City of Edgewater Police Officers’ and General Employees’ Retirement Plans own units in the Core Fund, and the Core Fund holds no securities on behalf of the Retirement Plan’s account in the Core Fund. As of September 30, 2025, the Retirement Plans held 10.2324 and 8.3678 units for the Police Officers’ and General Employee’s Retirement Plans, respectively. The net asset value on that date was \$1,228,796 and \$1,004,878 for the Police Officers’ and General Employee’s Retirement Plans, respectively. Units are purchased and redeemed through periodic transactions and the value of the units purchased or sold in such transactions is based on the unit value applicable to the valuation date at which each individual transaction occurred.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(4) **Deposits and Investments:** (Continued)

Requests for redemptions of units in the American Core Realty Fund may be made at any time, with 10 business day's notification by submitting a Redemption Notice form signed by a representative of the City of Edgewater Police Officers' and General Employees' Retirement Plans and are effective at the end of the calendar quarter in which the request is received by American Realty Advisors (ARA). The units that are subject to a redemption notice may be redeemed in full or in installments on a pro-rata basis as funds become available for such purpose and the redemption price will be the value per unit based on ARA's estimate of the fair value of the Core Fund's net assets as computed under generally accepted accounting principles at such time that each payment is made. Although ARA is required to use reasonable efforts to cause the Core Fund to pay the redemption price as soon as practicable after the effective date of the request, redemptions are subject to the availability of cash flow arising from investment transactions, sales and other fund operations occurring in the normal course of business. ARA is not required to liquidate or encumber assets or defer investments in order to satisfy redemption requests.

As of September 30, 2025, there were no unfunded commitments.

Interest rate risk—The City's investment policy does not specifically address interest rate risk; however, the general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments. The City manages its exposure to declines in fair values by investing primarily in pooled investments that have a weighted average maturity of one year or less, with a special provision allowing up to 20% of the investment portfolio to have a maturity of not more than five years.

Credit risk—The City's investment policy limits credit risk by restricting authorized investments to those described above. Also, the policy requires that investments held are to be diversified to the extent practicable to control the risk of loss resulting from overconcentration of assets in a specific maturity, issue, instrument, dealer or bank through which financial instruments are bought and sold.

Custodial credit risk—The City's investment policy pursuant to Section 218.415(18), Florida Statutes requires securities, with the exception of certificates of deposits, shall be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The securities must be held in an account separate and apart from the assets of the financial institution. A third-party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Florida. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

As of September 30, 2025, the City's investment portfolio was held with a third-party custodian as required by the City's investment policy. The City's investment policy requires that time deposit investments be made only with banking institutions that are members of the State of Florida collateral pool. Florida Statutes authorize, and the state administers, a collateral pool that ensures no loss of public funds.

Concentration of Credit Risk—The City's investment policy requires diversification but does not specify limits on types of investments.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(5) **Receivables:**

Receivables as of year-end including the applicable allowances for uncollectible accounts are as follows:

	<u>General</u>	<u>Capital Projects</u>	<u>CRA</u>	<u>ARPA</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Governmental Funds						
Accounts	\$ 662,308	\$ -	\$ 778	\$ 711	\$ 5,377	\$ 669,174
Intergovernmental	1,998,418	55,995	-	-	-	2,054,413
Leases	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Gross receivables	<u>2,660,726</u>	<u>55,995</u>	<u>778</u>	<u>711</u>	<u>5,377</u>	<u>2,723,587</u>
Less: Allowance for uncollectible	(11,175)	-	-	-	-	(11,175)
Net total receivables	<u>\$ 2,649,551</u>	<u>\$ 55,995</u>	<u>\$ 778</u>	<u>\$ 711</u>	<u>\$ 5,377</u>	<u>\$ 2,712,412</u>
	<u>Water/ Sewer Utility</u>	<u>Solid Waste Utility</u>	<u>Stormwater Utility</u>	<u>Internal Service</u>	<u>Total</u>	
Proprietary Funds						
Accounts	\$ 2,624,115	\$ 829,992	\$ 411,182	\$ 88,146	\$ 3,953,435	
Intergovernmental	119,950	22,451	112,485	-	254,886	
Special assessments	100,314	-	-	-	100,314	
Leases	1,395,854	-	-	-	1,395,854	
Interest	2,943	-	-	-	2,943	
Gross receivables	<u>4,243,176</u>	<u>852,443</u>	<u>523,667</u>	<u>88,146</u>	<u>5,707,432</u>	
Less: Allowance for uncollectible	(428,080)	(154,572)	(58,705)	-	(641,357)	
Net total receivables	<u>\$ 3,815,096</u>	<u>\$ 697,871</u>	<u>\$ 464,962</u>	<u>\$ 88,146</u>	<u>\$ 5,066,075</u>	

Governmental funds may report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities in the current period. No such deferred inflows are reported as of September 30, 2025.

Governmental and proprietary funds also defer revenue recognition and report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the fiscal year, unearned revenue, in the amount of \$98,730, reported in the major and non-major governmental funds was unearned business tax receipts. Such amounts have also been included as current liabilities on the government-wide financial statements.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(6) Interfund Loans, Advances, and Transfers:

The composition of Interfund balances as of September 30, 2025, is as follows:

There were the following due from / to other funds or advances from / to other funds comprised of the following:

	Due from Other Funds	Due to Other Funds
Public Works	\$ -	\$ 20,000,000
Water Sewer	11,764,706	-
Refuse	4,705,882	-
Stormwater	3,529,412	-
Firefighters Pension	25,464	-
General Pension	-	25,464
Total	\$ 20,025,464	\$ 20,025,464

Interfund transfers were comprised of the following:

Transfers are used to 1) move revenues from the fund with collection authorization to the fund that statute or budget requires expending them and, 2) move unrestricted fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations. Transfers from the enterprise funds to the general fund were transfers in lieu of franchisee fees. Transfers from the ARPA fund to the general fund were related to capital projects, primarily for canal armoring. Transfers from the general fund to the capital projects fund were related to capital projects, primarily parks and recreation projects. Transfers from the ARPA fund to the stormwater fund were related to park capital projects. Transfers from the ARPA fund to the public works fund were related to the public works complex capital project.

	Transfers In						Total
	General Fund	Nonmajor Special Law Enforcement	Debt Service	Nonmajor Capital Projects	Stormwater	Public Works	
<u>Transfers Out:</u>							
General Fund	\$ -	\$ 854	\$ 161,731	\$ 2,147,429	\$ -	\$ -	\$ 2,310,014
Transportation Impact	-	-	-	163,962	-	-	163,962
Police Impact	-	-	-	3,900	-	-	3,900
Fire Impact	12,750	-	-	-	-	-	12,750
Recreation Impact	-	-	-	300,000	-	-	300,000
Tree Mitigation	-	-	-	30,000	-	-	30,000
ARPA	2,079,000	-	-	-	963,941	551,413	3,594,354
Enterprise:							
Water Sewer	941,298	-	-	-	-	52,822	994,120
Solid Waste	241,791	-	-	-	-	21,128	262,919
Stormwater	163,967	-	-	-	-	15,846	179,813
Total	\$ 3,438,806	\$ 854	\$ 161,731	\$2,645,291	\$ 963,941	\$ 641,209	\$ 7,851,832

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(7) Capital Assets:

Capital asset activity for the year ended September 30, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 28,558,918	\$ 496,814	\$ -	\$ 29,055,732
Construction in progress	4,050,099	12,054,088	(274,036)	15,830,151
Total capital assets, not being depreciated	<u>32,609,017</u>	<u>12,550,902</u>	<u>(274,036)</u>	<u>44,885,883</u>
Capital assets, being depreciated				
Buildings	10,011,393	347,766	(66,564)	10,292,595
Improvements other than buildings	26,338,127	124,912	-	26,463,039
Machinery and equipment	10,620,873	1,312,149	(112,140)	11,820,882
Infrastructure	61,563,602	184,373	-	61,747,975
Right-to-use assets, equipment and buildings	948,201	-	(78,109)	870,092
Total capital assets, being depreciated	<u>109,482,196</u>	<u>1,969,200</u>	<u>(256,813)</u>	<u>111,194,583</u>
Less accumulated depreciation				
Buildings	(5,758,083)	(297,658)	6,657	(6,049,084)
Improvements other than buildings	(17,315,838)	(409,341)	-	(17,725,179)
Machinery and equipment	(6,342,903)	(1,044,685)	105,141	(7,282,447)
Infrastructure	(57,421,194)	(508,062)	-	(57,929,256)
Right-to-use assets, equipment and buildings	(89,864)	(103,189)	78,109	(114,944)
Total accumulated depreciation	<u>(86,927,882)</u>	<u>(2,362,935)</u>	<u>189,907</u>	<u>(89,100,910)</u>
Total capital assets, being depreciated, net	<u>22,554,314</u>	<u>(393,735)</u>	<u>(66,906)</u>	<u>22,093,673</u>
Governmental activities capital assets, net	<u>\$ 55,163,331</u>	<u>\$ 12,157,167</u>	<u>\$ (340,942)</u>	<u>\$ 66,979,556</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 1,397,173	\$ -	\$ -	\$ 1,397,173
Construction in progress	2,331,935	4,792,304	(4,154,095)	2,970,144
Total capital assets, not being depreciated	<u>3,729,108</u>	<u>4,792,304</u>	<u>(4,154,095)</u>	<u>4,367,317</u>
Capital assets, being depreciated				
Buildings	24,140,550	-	-	24,140,550
Improvements other than buildings	76,989,517	4,154,095	-	81,143,612
Machinery and equipment	18,868,006	1,809,745	(634,993)	20,042,758
Right-to-use assets, equipment	32,527	-	(32,527)	-
Total capital assets, being depreciated	<u>120,030,600</u>	<u>5,963,840</u>	<u>(667,520)</u>	<u>125,326,920</u>
Less accumulated depreciation				
Buildings	(21,182,477)	(433,078)	-	(21,615,555)
Improvements other than buildings	(38,940,919)	(2,973,316)	-	(41,914,235)
Machinery and equipment	(13,006,487)	(1,449,877)	634,994	(13,821,370)
Right-to-use assets, equipment	(25,455)	(7,071)	32,526	-
Total accumulated depreciation	<u>(73,155,338)</u>	<u>(4,863,342)</u>	<u>667,520</u>	<u>(77,351,160)</u>
Total capital assets, being depreciated, net	<u>46,875,262</u>	<u>1,100,498</u>	<u>-</u>	<u>47,975,760</u>
Business-type activities capital assets, net	<u>\$ 50,604,370</u>	<u>\$ 5,892,802</u>	<u>\$ (4,154,095)</u>	<u>\$ 52,343,077</u>

**CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

(7) **Capital Assets:** (Continued)

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

Governmental activities:	
General government	\$ 185,358
Public safety	857,479
Transportation / public works	580,493
Parks and recreation	712,046
Capital assets held by the City’s internal service funds are charged to the various functions based on their usage of the assets	27,559
Total depreciation expense – governmental activities	\$ 2,632,935
 Business-type activities:	
Water Sewer Utility	\$ 3,672,350
Solid Waste Utility	349,458
Stormwater System	841,534
Total depreciation expense – business-type activities	\$ 4,863,342

(8) **Leases:**

(a) **City as Lessor**—The City was the lessor in five lease agreements for one building facility and four cell towers. A lease receivable and deferred inflow of resources was recorded for each of these leases.

In 2014, the City entered into a lease agreement with the Volusia/Flagler Family Young Men’s Christian Association, Inc. (the “YMCA”) for the leasing and reimbursement for the expansion of, certain buildings and facilities located at Hawks Park Recreational Complex, which may be renegotiated and renewed at the request of the City Council or the YMCA Board at any time, provided any amendments are in writing and executed by both parties. Based on the terms of the agreement, the initial ten-year lease began on April 1, 2014, and expired on May 1, 2025, with renewal options not exercised. Annual rentals under the lease agreement include minimum monthly payments of \$3,779 until April 1, 2024, when the payment shall increase to \$5,779 per month. For the year ended September 30, 2025, the City recognized \$36,892 in lease revenue and \$339 in interest revenue related to this lease. As of September 30, 2025, the City had no remaining balances for receivable for lease payments, for interest payments, and for deferred inflow of resources associated with this lease.

In 2006, 2007, 2008, and 2014, the City entered into lease agreements with MetroPCS, Sprint, T-Mobile, and Vertex for the leasing of cell towers owned by the City. Based on the terms of the agreements, each lease is for an initial five or ten-year term with four additional five-year renewal periods. For the year ended September 30, 2025, the City recognized \$119,177 in lease revenue and \$36,362 in interest revenue related to these leases. As of September 30, 2025, the City’s receivable for lease payments was \$1,395,854 and for interest payments was \$2,943. Also, the City has a deferred inflow of resources associated with these leases that will be recognized over the lease terms. As of September 30, 2025, the balance of the deferred inflow of resources was \$1,239,559.

**CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

(8) **Leases:** (Continued)

(b) **City as Lessee**—The City is the lessee in one lease agreement for copier equipment for both the General Fund and the Water Sewer Fund as well as one lease agreement for a building facility for the General Fund. A lease liability and a right-to-use asset was recorded for these leases.

In 2020, the City entered into a 63 month lease agreement with Dex Imaging for the use of copier equipment valued at \$870,092. The City was required to make monthly principal and interest payments of \$2,521. The City’s IBR was calculated at 2.530% at September 30, 2024, and was the discount rate utilized in the prior years for this lease. The equipment had a seven-year estimated useful life. A right-to-use asset and initial lease liability was recorded by the City during prior years, but the agreement expired in July 2025. As of September 30, 2025, there was no remaining value of the lease liability. There was no remaining right-to-use asset or accumulated depreciation as of September 30, 2025.

In 2024, the City entered into a lease agreement with Yosef Aleichem LLC for leasing the real property, 2410 ste 26-30 S Riverside Dr, Edgewater, FL 32141. Based on the terms of the agreement, the initial ten-year lease began in June 2024 and is scheduled to expire in June 2034, with automatic 30-day renewal unless prior written notice is given by either party. The City is required to make monthly principal and interest payments of \$6,859. As of September 30, 2025, the value of the lease liability was \$791,934. The City’s IBR was calculated at 2.530% at September 30, 2024, and was the discount rate utilized in the current year for this lease. The building has a twenty-year estimated useful life. The value of the right-to-use assets as of September 30, 2025 was \$869,270 and had accumulated depreciation of \$114,945.

Lease expense for the right-to-use assets for the years ended September 30, 2025 was as follows:

September 30, 2025	Governmental Activities	Business-type Activities
Building depreciation expense	\$ 86,209	\$ -
Equipment depreciation expense	16,980	7,071
Interest on lease liabilities	20,936	70
Total	\$ 124,125	\$ 7,141

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(8) **Leases:** (Continued)

The principal and interest requirements to maturity for the lease liability as of September 30, 2025, is as follows. There were no remaining principal or interest requirements for business-type activity leases as of September 30, 2025.

Governmental Activities				
Year Ending September 30,	Principal	Interest	Total Payments	
2026	\$ 67,200	\$ 19,268	\$ 86,468	
2027	72,469	17,508	89,977	
2028	78,050	15,610	93,660	
2029	83,960	13,568	97,528	
2030	90,218	11,372	101,590	
2031-2035	400,036	20,199	420,235	
Total future minimum lease payments	<u>\$ 791,933</u>	<u>\$ 97,525</u>	<u>\$ 889,458</u>	

(9) **Long-term Debt:**

Notes Payable

The Utility System Revenue Note, Series 2024, (the Series 2024 Note) was issued on December 5, 2024, in the amount of \$20,000,000 to finance the acquisition, construction, and equipping the public works facility and related improvements and pay certain costs of issuance associated with the Series 2024 Note. The loan will have semi-annual payments due on April 1 and October 1. The interest rate on the note is 4.3% and maturity is on October 1, 2044. The original amount of the note issued and outstanding at year-end is as follows:

	Interest Rates and Dates	Maturity	Original Amount	Outstanding Balance
Business-type activities:				
Utility System Revenue Note Series 2024	4.3% (4/1 and 10/1)	10/1/2044	\$ 20,000,000	\$ 20,000,000

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(9) **Long-term Debt:** (Continued)

Annual requirements to amortize the Series 2024 Note outstanding as of September 30, 2025, are as follows:

Year Ending September 30,	Business-Type Activities	
	Principal	Interest
2026	\$ 542,000	\$ 848,347
2027	683,000	822,010
2028	712,000	792,017
2029	743,000	760,735
2030	775,000	728,098
2031 – 2035	4,403,000	3,099,763
2036 – 2040	5,434,000	2,046,069
2041 – 2045	6,708,000	745,403
	\$20,000,000	\$ 9,842,442

During the year ended September 30, 2019, the City executed an agreement with the Florida Department of Environmental Protection (FDEP) to borrow up to \$4,533,200, at an interest rate of 0.63% through the State Revolving Fund (SRF) loan program, for the purpose of financing the construction of wastewater pollution control facilities. During the fiscal year 2020, the total amount awarded was reduced by \$759,402. The revised total amount awarded is \$3,773,798 plus capitalized interest. The loan is payable semi-annually beginning on February 15, 2021. The loan will have semi-annual payments of \$103,341 on February 15 and August 15 each year until all amounts due under the agreement have been fully paid. The amount of the loan issued and outstanding at year-end is as follows:

	Interest Rates and Dates	Maturity	Original Amount	Outstanding Balance
Business-type activities:				
Clean Water State Revolving Fund Loan Agreement	0.63% (2/15 and 8/15)	8/15/2040	\$ 3,773,798	\$ 2,951,558

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(9) **Long-term Debt:** (Continued)

Annual requirements to amortize the State Revolving Fund loan outstanding as of September 30, 2025, are as follows:

<u>Year Ending September 30,</u>	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 188,092	\$ 18,590
2027	189,297	17,384
2028	190,511	16,170
2029	191,732	14,949
2030	192,961	13,720
2031 – 2035	983,518	49,887
2036 – 2040	1,015,447	17,958
	<u>\$ 2,951,558</u>	<u>\$ 148,658</u>

The General Obligation Note, Series 2017, was issued on April 5, 2017, in the amount of \$3,436,000 to finance certain acquisitions and capital improvements consisting of the engineering, permitting, construction, expansion, and renovation of city recreational areas, facilities, parks, and related amenities. The loan will have annual payments due on July 1. The interest rate on the note is 3.06% and maturity is on July 1, 2036. The original amount of the note issued and outstanding at year-end is as follows:

	<u>Interest Rates and Dates</u>	<u>Maturity</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>
Governmental activities:				
General Obligation Note	3.06%			
Series 2017	(7/1)	7/1/2036	\$ 3,436,000	\$ 2,198,000

Annual requirements to amortize the General Obligation Note outstanding as of September 30, 2025, are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 171,000	\$ 67,259
2027	176,000	62,026
2028	182,000	56,641
2029	187,000	51,071
2030	193,000	45,349
2031 – 2035	1,058,000	134,456
2036	231,000	7,069
	<u>\$ 2,198,000</u>	<u>\$ 423,871</u>

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(9) **Long-term Debt:** (Continued)

The Capital Improvement Revenue Note, Series 2017, was issued on June 19, 2017, in the amount of \$2,000,000 to finance the acquisition of approximately 27 acres of land for the construction of a public waterfront park and related amenities. The loan will have semi-annual payments due on June 1 and December 1. The interest rate on the note is 2.47% and maturity is on June 1, 2032. The original amount of the note issued and outstanding at year-end is as follows:

	Interest Rates and Dates	Maturity	Original Amount	Outstanding Balance
Governmental activities:				
Capital Improvement Revenue	2.47%			
Notes Series 2017	(6/1 and 12/1)	6/1/2032	\$ 2,000,000	\$ 1,026,000

The Capital Improvement Revenue Note resolution provides for:

- 1) Establishment of a debt covenant to not issue additional obligations secured by the pledged revenues unless the aggregate amount of the pledged revenues received during the 12 months consecutive designated by the City within 24 months immediately preceding the date of delivery of such additional obligation equals at least 1.35 times the maximum annual debt service on all debt secured or payable from the pledged revenues, including debt service on the proposed additional obligations to be issued.
- 2) Pledged revenues consist of half cent state sales tax.

Annual requirements to amortize the Capital Improvement Revenue Note outstanding as of September 30, 2025, are as follows:

Year Ending September 30,	Governmental Activities	
	Principal	Interest
2026	\$ 136,000	\$ 25,342
2027	139,000	21,983
2028	143,000	18,550
2029	146,000	15,018
2030	150,000	11,411
2031 – 2032	312,000	11,609
	\$ 1,026,000	\$ 103,913

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(9) **Long-term Debt:** (Continued)

During the year ended September 30, 2017, the City executed an agreement with FDEP to borrow up to \$336,500 at an interest rate of 3.15% through the State Revolving Fund loan program, for the purpose of financing the design of wastewater pollution control facilities. The agreement allowed the City to borrow up to \$336,500 at an interest rate of 3.15%. The loan is payable semi-annually in the amount of Loan payments with payments beginning on September 15, 2018. The loan will have semi-annual payments of \$9,178 on March 15 and September 15 each year until all amounts due under the agreement have been fully paid. The total amount of funding received during fiscal year 2017 was \$305,848 with the remaining amount received in fiscal year 2018. The amount of the loan issued and outstanding at year-end is as follows:

	<u>Interest Rates and Dates</u>	<u>Maturity</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>
Business-Type activities:				
Clean Water State Revolving Fund Loan Agreement	3.15% (3/15 and 9/15)	3/15/2038	\$ 336,500	\$ 220,444

Annual requirements to amortize the State Revolving Fund loan outstanding as of September 30, 2025, are as follows:

<u>Year Ending September 30,</u>	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 17,005	\$ 1,362
2027	17,112	1,255
2028	17,220	1,147
2029	17,329	1,038
2030	17,438	929
2031 – 2035	88,854	2,979
2036 – 2038	45,486	431
	<u>\$ 220,444</u>	<u>\$ 9,141</u>

In 2016, the City issued Water and Sewer Revenue Refunding Note, Series 2016:

Original amount issued	\$10,000,000
Issue date	February 29, 2016
Final maturity	October 1, 2026
Interest due	April 1 and October 1
Interest rate	Fixed – 2.30%

The Utility System Refunding Revenue Note is secured by a first lien on and pledge of the net revenues of the City's water, wastewater and stormwater utility systems and a first lien on and pledge of allowable impact fees imposed on new users of the systems.

The Utility System Refunding Revenue Note resolution provides for:

- (1) Establishment and maintenance of various funds and accounts

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(9) **Long-term Debt:** (Continued)

(2) Restrictions on the use of cash from operations in order of priority

- (a) Deposits are made to the operations and maintenance fund each month in an amount which will pay the costs of operation and maintenance for the next month;
- (b) Deposits to the sinking fund are made monthly in an amount equal to one-sixth (1/6) of the interest coming due on the next semi-annual interest payment date and one-twelfth (1/12) of the bond amortization installment coming due during the next year;
- (c) Deposits to the reserve fund are required to make up any deficiency in its balance as compared to the reserve equipment;
- (d) Deposits to the Renewal and Replacement Fund are required each month in an amount equal to one-twelfth (1/12) of five per centum (5%) of the gross revenues of the system for the previous fiscal year; provided, however, that so long as there shall be on deposit in the renewal and replacement fund a balance of at least five per centum (5%) of the value of the fixed assets of the system, no additional deposits shall be required;
- (e) Deposits will next be made into the rate stabilization fund for the amount budgeted for the then current period; and
- (f) Thereafter for any lawful purposes.

Annual requirements to amortize the Utility System Refunding Revenue Note outstanding as of September 30, 2025, are as follows:

<u>Year Ending</u> <u>September 30,</u>	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 1,027,000	\$ 35,961
2027	1,050,000	12,075
	<u>\$ 2,077,000</u>	<u>\$ 48,036</u>

In 2010, the City issued Guaranteed Entitlement Revenue Note, Series 2010:

Original amount issued	\$750,000
Issue date	November 23, 2010
Final maturity	October 1, 2030
Interest due	April 1 and October 1
Interest rate	Fixed – 2.77%

The note is pledged by State Revenue Sharing monies received by the City and the proceeds were used to construct Fire Station Number 55. Debt service requirements for this revenue note using interest rate of 2.77% at September 30, 2025, are as follows:

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(9) **Long-term Debt:** (Continued)

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 45,000	\$ 7,134
2027	45,000	5,888
2028	45,000	4,652
2029	45,000	3,395
2030	50,000	2,079
2031	50,000	694
	<u>\$ 280,000</u>	<u>\$ 23,842</u>

In March 2006, the City signed a limited general obligation note payable for \$500,000 to fund the construction of a new animal shelter. The note is secured by a limited pledge of ad valorem taxes. While the note is outstanding, the City will levy ad valorem taxes, not to exceed .06 mills to pay principal and interest on the note. The note matures in July 2026 and has an interest rate of 3.85%. Annual debt service requirements are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 35,000	\$ 1,346
	<u>\$ 35,000</u>	<u>\$ 1,346</u>

November 2012, the City executed an agreement with the Florida Department of Environmental Protection to borrow up to \$6,438,083 at an interest rate of 1.72-1.84% through the State Revolving Fund loan program, for the purpose of wastewater treatment replacement and renewal. Capitalized interest added to the loan was \$89,773. Repayment commenced on December 15, 2014, and is due semiannually thereafter on June 15 and December 15, each year until all amounts due under the agreement have been fully paid in June 2034. Current debt service requirements are as follows:

<u>Year Ending September 30,</u>	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 327,415	\$ 56,555
2027	333,432	50,538
2028	339,559	44,410
2029	345,799	38,170
2030	352,154	31,815
2031 – 2034	1,474,536	61,340
	<u>\$ 3,172,895</u>	<u>\$ 282,828</u>

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(9) **Long-term Debt:** (Continued)

The City has financed purchase agreements for financing the acquisition of rescue vehicles and other vehicles from BB&T and Truist Bank in 2019 and 2020, respectively. These agreements qualify as financed purchase agreements for accounting purposes and, therefore, were recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through the financed purchase agreements are as follows:

	BB&T Governmental Activities	Truist Bank Business-type Activities
Machinery and equipment	\$ 594,457	\$ 891,766
Less: Accumulated depreciation	(327,845)	(416,156)
Total	<u>\$ 266,612</u>	<u>\$ 475,610</u>

The future minimum obligations and the net present value of these payments as of September 30, 2025 were as follows:

Year Ending September 30,	BB&T Governmental Activities	Truist Bank Business-type Activities
2026	\$ 62,758	\$ 157,790
2027	62,361	-
2028	61,940	-
2029	<u>62,494</u>	<u>-</u>
Total minimum payments	249,553	157,790
Amounts representing interest	<u>(14,553)</u>	<u>(2,790)</u>
Present value of minimum payments	<u>\$ 235,000</u>	<u>\$ 155,000</u>

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(9) **Long-term Debt:** (Continued)

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Notes payable:					
General Obligation Note, 2017	\$ 2,364,000	\$ -	\$ (166,000)	\$ 2,198,000	\$ 171,000
Capital Improvement Revenue Note, 2017	1,159,000	-	(133,000)	1,026,000	136,000
Guaranteed Entitlement Note, Series 2010	325,000	-	(45,000)	280,000	45,000
General Obligation Note, 2007	70,000	-	(35,000)	35,000	35,000
BB&T Vehicle	290,000	-	(55,000)	235,000	55,000
Leases, equipment and buildings	871,754	-	(79,820)	791,934	67,200
Compensated absences	1,532,237	90,348	-	1,622,585	1,110,181
Total governmental activities long-term liabilities	<u>\$ 6,611,991</u>	<u>\$ 90,348</u>	<u>\$ (513,820)</u>	<u>\$ 6,188,519</u>	<u>\$ 1,619,381</u>
Business-type activities:					
Notes payable:					
State Revolving loan, 2013	\$ 3,494,401	\$ -	\$ (321,506)	\$ 3,172,895	\$ 327,415
State Revolving loan, 2017	237,342	-	(16,898)	220,444	17,005
State Revolving loan, 2018	3,138,452	-	(186,894)	2,951,558	188,092
Refunding Revenue Note 2016	3,081,000	-	(1,004,000)	2,077,000	1,027,000
Utility System Revenue Note 2024	-	20,000,000	-	20,000,000	542,000
Truist Refuse Trucks	307,000	-	(152,000)	155,000	155,000
Leases payable, equipment	7,326	-	(7,326)	-	-
Compensated absences	632,980	47,723	-	680,703	400,324
Total business-type activities long term debt	<u>\$ 10,898,501</u>	<u>\$ 20,047,723</u>	<u>\$ (1,688,624)</u>	<u>\$ 29,257,600</u>	<u>\$ 2,656,836</u>

Internal service funds predominately serve the governmental funds. Accordingly, \$82,177 of compensated absences are included in the above governmental activities amounts. Also, for governmental activities, net pension liabilities, and OPEB liabilities are generally liquidated by the General Fund. The change in compensated absences above is a net change for the year.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(10) **Other Commitments:**

The City has entered into several agreements that are outstanding at September 30, 2025, which will result in future financial obligation as follows:

Commitments	Amount
General Fund	\$ 1,446,393
Capital Projects Fund	3,362,176
Water and Sewer Utility Fund	10,505,050
Stormwater Utility Fund	16,401,151
Public Works Complex	19,923,005
IT Fund	16,967
Fleet Fund	55,189
Total	\$ 51,709,931

(11) **Other Matters:**

(a) **Risk Management:**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. During 2025, there were no significant reductions in insurance coverage from the previous year or any settlements in excess of insurance coverage in the current year or the prior three years.

(b) **Other Postemployment Benefits (OPEB):**

Plan Description—Effective October 1, 2017, the City implemented GASB Statement No. 75, *Accounting and Reporting for Post-Employment Benefits Other Than Pensions*, for certain post-employment healthcare benefits provided by the City. The City elected to implement the requirements of this statement prospectively. No assets are held in trust for payment of the OPEB liability as the City had no OPEB liability other than as arising from the implicit rate subsidy, as discussed in the following paragraph.

Retirees and their dependents are permitted to remain covered under the City’s respective health care plans as long as they pay a full premium applicable to the coverage elected. This conforms to the minimum required of Florida governmental employers per Chapter 112.08, Florida Statutes. The Other Post-Employment Benefit Plan does not issue a stand-alone report.

Benefits Provided—The Other Post Employment Benefit Plan is a single-employer benefit plan administered by the City. Retirees are charged whatever the insurance company charges for the type of coverage elected, however, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees. The older retirees actually have a higher cost which means the City is actually subsidizing the cost of the retiree coverage because it pays all or a significant portion of the premium on behalf of the active employee. This is referred to as the “implicit rate subsidy.”

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(11) **Other Matters:** (Continued)

Plan Membership—At September 30, 2023, the date of the latest actuarial valuation, plan participation consisted of the following:

Active Participants	207
Retirees, Beneficiaries, and Disabled Members	15
Covered Spouses	4
	226
	226

Total OPEB Liability—The City’s total OPEB liability of \$7,792,916 was measured as of September 30, 2024, and was determined by an actuarial valuation as of September 30, 2024.

Actuarial Assumptions and Other Inputs—The total OPEB liability in the September 30, 2024 actuarial valuation, updated to September 30, 2025, was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Inflation		2.50%
Salary increases	Varies By Service	
Discount rate		4.06%
Initial Trend Rate		7.00%
Ultimate Trend Rate		4.00%
Years to Ultimate		51

Given the City’s decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 4.06%. The high-quality municipal bond rate was based on the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices as of the measurement date. The S&P Municipal 20 Year High Grade Rate 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 Ratings Services, Aa2 by Moody’s or AA by Fitch. If there are multiple ratings, the lowest rating is used.

All mortality rates were based on the Pub-2010 mortality tables. All mortality rates are based on those outlined in Milliman’s July 1, 2023, Florida Retirement System (FRS) valuation report with certain demographic adjustments. All tables include fully generational adjustments for mortality improvements using gender-specific improvement scale MP-2018.

Changes of Assumptions reflect a change in the discount rate from 4.87% for the reporting period ended September 30, 2024, to 4.06% for the reporting period ended September 30, 2025.

**CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

(11) **Other Matters:** (Continued)

Changes in the OPEB liability for the fiscal year ended September 30, 2025, were as follows:

	Total OPEB Liability
Balance at September 30, 2024	\$ 6,715,607
Changes for a year:	
Service cost	228,857
Interest	330,637
Changes of assumptions	831,937
Benefit payments – implicit rate subsidy	(314,122)
Net changes	1,077,309
Balance at September 30, 2025	\$ 7,792,916

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the City calculated using the discount rate of 4.06%, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.06%) or 1% higher (5.06%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 9,070,485	\$ 7,792,916	\$ 6,787,200

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate:

The following presents the total OPEB liability of the City as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (3.00%-6.00%) or 1% higher (5.00%-8.00%) than the current healthcare cost trend rates (4.00%-7.00%):

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	\$ 6,675,457	\$ 7,792,916	\$ 9,201,294

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2025, the City recognized OPEB expense of \$725,199.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(11) **Other Matters:** (Continued)

At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,890,068	\$ -
Changes of Assumptions	2,084,075	3,312,746
Employer Contributions Subsequent to the Measurement Date	342,461	-
Total	\$ 4,316,604	\$ 3,312,746

Amounts reported as deferred outflows of resources (except for contributions made subsequent to the measurement date, which will be recognized in the succeeding fiscal year) and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending September 30,	Amount
2024	\$ 158,455
2025	158,455
2026	158,453
2027	(14,574)
2028	(232,479)
Thereafter	433,087

(c) **Employee Defined Benefit Retirement Pension Plans:**

Plan Description and Administration

The City maintains three separate single-employer, defined benefit pension plans for full-time general employees, police officers and firefighters, which are administered by and maintained as the respective Pension Trust Funds and included as part of the City's reporting entity. The General Employees' Retirement Trust Fund was established by Chapter 13 of the City's Code of Ordinances. The Police Officers' Retirement Trust Fund was established pursuant with Chapter 185, Florida Statutes. The Firefighters' Pension Fund was established pursuant with Chapter 175, Florida Statutes. The applicable Ordinances or Statutes grant the authority to establish and amend the benefit terms to the Boards of Trustees.

Separate boards of trustees independently govern each system. The General Employees' Pension Fund is Board of Trustees is comprised of two legal residents of the City, who are appointed by the City Council; two members of the Plan employed by the City and elected by the plan members; one member as a union representative, as appointed by the union. Both the Police Officers' Retirement Trust Fund and the Firefighters' Pension Fund are comprised of two Council appointees; two members of the department elected by the membership; one member elected by the other four members and appointed by the Council. The funding methods and determination of benefits payable are provided in the various acts of the Florida Legislature, the respective board of trustees and the City Council.

**CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

(11) **Other Matters:** (Continued)

Benefits Provided

Each system provides retirement, disability and death benefits. All employees vest for full benefits after five years of service. Retirement benefits for general employees are based on the three consecutive years which give the highest average out of the last ten years. General employees will receive a benefit amount equal to 2% of that average multiplied by years of accrued service. Retirement benefits for police officers are based on the three years which give the highest average out of the last five years. Police officers will receive a benefit amount equal to 2% of that average multiplied by years of accrued service up to October 1, 1987, and 3% of that average multiplied by years of accrued service after October 1, 1987. Retirement benefits for firefighters are based on the five years, which give the highest average out of the last ten years. Firefighters will receive a benefit amount equal to 3% of that average multiplied by years of accrued service. All employees with 5 years of accrued service are eligible to retire at age 55. General employees may retire at any age after 25 years of service. Police officers and Firefighters may retire at any age after 20 years of service. All employees are eligible for non-service disability benefits after 5 years of service and for service-related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits for vested general employees prior to retirement and with a 50% qualified joint survivor annuity will be paid monthly. Death benefits are paid for vested police officers, prior to retirement and with a 100% qualified joint survivor annuity. Death benefits for firefighters are paid for 10 years. All nonvested employees do not receive a death benefit and the Plan refunds accumulated contributions without interest. An employee that leaves the City prior to reaching 5 years of service may withdraw his or her contributions without interest. After 5 years, the employee may elect to receive the accrued benefit payable at retirement age. There are no annual cost of living adjustments.

Employees Covered by Benefit Terms

As of the latest actuarial valuation report, the following employees were covered by the benefit terms:

Group	General Employees	Police Officers	Fire Fighters'
Inactive plan members and beneficiaries currently receiving benefits	101	36	22
Inactive plan members entitled to but not receiving benefits	10	13	7
Active plan members	1	31	35
Total	112	80	64

The General Employees' Pension Fund was amended in October 1996, which closed off the plan to any new employees hired by the City after October 1, 1996. Employees hired after October 1, 1996, however, are eligible for the City's 401(a) Defined Contribution Plan. Employees hired prior to October 1, 1996, and not vested in the General Employees' Pension Fund as of September 30, 1997, may elect to participate in the 401(a) Defined Contribution Plan.

**CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

(11) **Other Matters:** (Continued)

With the October 1, 2013, valuation, the General Employees' Board of Trustees adopted changes to years of service, and the benefit limitation. Starting for the year ending September 30, 2014, funding requirements are now based on a dollar funding methodology as compared to the percentage of payroll methodology.

Contributions

Legislature grants the authority to establish and amend the contribution requirements of the City and active employees to the respective Boards of Trustees. The Boards establish rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of the employees. For the year ended September 30, 2025, the average active employee contribution was \$3,383 for general employees and 6% of annual pay for both police officers and firefighters. The general employee pension fund requires a contribution from City based on a dollar funding methodology. For the year ended September 30, 2025, the total required contribution from the City was \$998,303 for the general employees' pension fund. The City's average contribution rate for the year ended September 30, 2025, was 46.5% and 22.5% of annual payroll for the police officers and firefighters pension funds, respectively.

Investment Policy

The pension plan's policies in regard to the allocation of invested assets is established and may be amended by the Board of Trustees by a majority vote of its members. It is the policy of the respective Board of Trustees to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except the liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of September 30, 2025:

<u>Asset Class</u>	<u>General Employees' Target Allocation</u>	<u>Police Officers' Target Allocation</u>	<u>Firefighters' Target Allocation</u>
Domestic equity	40%	45%	50%
International equity	10%	15%	15%
Bonds/domestic fixed income	40%	25%	35%
Global fixed income	-	5%	-
Real estate	10%	10%	-
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>

Concentrations

The plans did not hold investments in any one organization that represent 5% or more of the Pension Plan's fiduciary net position.

**CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

(11) **Other Matters:** (Continued)

Reserves

As of September 30, 2025, there are no amounts legally required to be reserved for the general, police and firefighter pension funds, respectively.

Financial Statements

The financial statements of the Employee Retirement plans are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The government's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value. These plans do not issue stand-alone financial reports.

Individual Fiduciary Fund Statements

Individual statements of net position for the three plans included in the City of Edgewater fiduciary funds are as follows:

**Combining Statement of Fiduciary Net Position
Pension Trust Funds
September 30, 2025**

	General Employees'	Police Officers'	Firefighters'
ASSETS			
Accrued income	\$ 41,758	\$ 41,945	\$ 46,361
Accounts receivable	46,166	64,281	28,725
Due from other funds	-	-	25,464
Money market funds	260,140	653,289	1,988,605
Bonds			
US Treasury notes	1,017,014	1,281,521	-
GNMA	1,251,412	1,329,468	109,698
Municipal bonds	33,041	23,601	-
Corporate bonds	1,728,465	1,671,998	5,628,766
Foreign bonds	15,387	-	-
Mutual fund - equities	7,868,578	13,999,225	20,943,824
Commingled real estate fund	<u>1,004,878</u>	<u>1,228,796</u>	<u>-</u>
Total assets	13,266,839	20,294,124	28,771,443
LIABILITIES			
Due to other funds	\$ <u>25,464</u>	\$ -	\$ -
Total Liabilities	25,464	-	-
NET POSITION			
Restricted for pensions	<u>\$ 13,241,375</u>	<u>\$ 20,294,124</u>	<u>\$ 28,771,443</u>

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(11) **Other Matters:** (Continued)

Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the fiscal year ended September 30, 2025

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>
ADDITIONS			
Contributions:			
Employer	\$ 998,303	\$ 1,287,907	\$ 516,156
Employee	3,541	173,166	158,437
State of Florida	-	302,631	301,768
Total contributions	<u>1,001,844</u>	<u>1,763,704</u>	<u>976,361</u>
Investment earnings (loss):			
Interest and dividends	503,476	852,935	433,070
Net increase (decrease) in fair value of investments	849,030	1,356,591	2,911,511
Total investment earnings (loss)	<u>1,352,506</u>	<u>2,209,526</u>	<u>3,344,581</u>
Less: investment expense	<u>(43,982)</u>	<u>(78,350)</u>	<u>(133,754)</u>
Net investment earnings (loss)	<u>1,308,524</u>	<u>2,131,176</u>	<u>3,210,827</u>
Total additions	<u>2,310,368</u>	<u>3,894,880</u>	<u>4,187,188</u>
DEDUCTIONS			
Pension benefits	1,533,892	1,204,644	787,747
Administrative expenses	43,752	52,930	94,870
Total deductions	<u>1,577,644</u>	<u>1,257,574</u>	<u>882,617</u>
Change in net position	732,724	2,637,306	3,304,571
Net position, beginning of year	<u>12,508,651</u>	<u>17,656,818</u>	<u>25,466,872</u>
Net position, end of year	<u>\$ 13,241,375</u>	<u>\$ 20,294,124</u>	<u>\$ 28,771,443</u>

Net Pension Liability

Actuarial Assumptions:

The total pension liability was determined with a measurement date of September 30, 2024, and an actuarial valuation as of October 1, 2023 updated to September 30, 2024, using the following actuarial assumptions to all measurement periods.

	<u>General Employees</u>	<u>Police Officers</u>	<u>Firefighters</u>
Inflation	2.50%	2.50%	2.50%
Salary increases	4.00%	Service based	Service based
Investment rate of return/discount rate	6.25%	7.30%	7.00%

**CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

(11) **Other Matters:** (Continued)

Mortality rates:	General Employees'	Police Officers' & Firefighters'
<i>Mortality Rate Healthy Active Lives:</i>	Female: PubG.H-2010 (Above Median) for Employees Male: PubG.H-2010 (Below Median) for Employees, set back one year.	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 Retiree Lives:</i>	Female: PubG.H-2010 for Healthy Retirees Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.	Female: PubS.H-2010 for Healthy Retirees, set forward one year. Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.
<i>Mortality Rate Beneficiary Lives:</i>	Female: PubG.H-2010 (Below Median) for Healthy Retirees. Male: PubG.H-2010 for Healthy Retirees, set back one year.	Female: PubG.H-2010 (Below Median) for Healthy Retirees. Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.
<i>Mortality Rate Disabled Lives:</i>	PubG.H-2010 for Disabled Retirees, set forward three years.	80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

Mortality rates for General Employees are projected generationally with mortality Improvements Scale MP-2018. The above described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. The above rates are those outlined in Milliman's July 1, 2021, FRS valuation report for non-special risk employees, with appropriate adjustments made based on plan demographics. The actuarial assumptions are based upon the most recent actuarial experience study dated June 13, 2013.

Mortality rates for the Police Officers are projected generationally with mortality Improvements Scale MP-2018. The above described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. The above rates are those outlined in Milliman's July 1, 2021, FRS valuation report for non-special risk employees, with appropriate adjustments made based on plan demographics. The actuarial assumptions are based upon the most recent actuarial experience study dated September 17, 2020.

Mortality rates for the Firefighters are projected generationally with mortality Improvements Scale MP-2018. The above described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. The above rates are those outlined in Milliman's July 1, 2021, FRS valuation report for non-special risk employees, with appropriate adjustments made based on plan demographics. The actuarial assumptions are based upon the most recent actuarial experience study dated December 6, 2019.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(11) **Other Matters:** (Continued)

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 costs and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major class as of September 30, 2025, are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>		
	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>
Domestic equity	8.20%	7.50%	7.50%
International equity	3.30%	8.50%	8.50%
Bonds/domestic fixed income	2.20%	2.50%	2.50%
Global fixed income	-	3.50%	-
Real estate	5.50%	4.50%	-

Discount rate:

The discount rate used to measure the total pension liability for the General Pension Plan was 6.25%, 7.30% for Police, and 7.00% Fire Pension Plans. The projection of cash flows used to determine the discount rate assumed the plan member contributions will be made at the current contribution rate and that City contributions will be made as 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 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.

The components of the net pension liability of the pension plans at September 30, 2025, were as follows:

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>
Total pension liability	\$ 18,337,429	\$ 19,546,715	\$ 21,490,839
Plan fiduciary net position	<u>(12,494,540)</u>	<u>(17,631,936)</u>	<u>(25,426,433)</u>
Net pension liability (asset)	<u>\$ 5,842,889</u>	<u>\$ 1,914,779</u>	<u>\$ (3,935,594)</u>
Plan fiduciary net position as percentage of total pension liability	68.14%	90.20%	118.31%

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(11) **Other Matters:** (Continued)

Changes in the Net Pension Liability

	General Employee's Retirement Trust Fund		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a – b)
Beginning Balance	\$ 18,533,416	\$ 11,148,918	\$ 7,384,498
Changes for year:			
Service cost	25,726	-	25,726
Interest	1,112,053	-	1,112,053
Differences between expected and actual experience	198,832	-	198,832
Contributions – employer	-	777,332	(777,332)
Contributions – employee	-	3,218	(3,218)
Net investment income	-	2,151,673	(2,151,673)
Benefit payments, including refunds	(1,532,598)	(1,532,598)	-
Administrative expenses	-	(54,003)	54,003
Net changes	(195,987)	1,345,622	(1,541,609)
Ending Balance	<u>\$ 18,337,429</u>	<u>\$ 12,494,540</u>	<u>\$ 5,842,889</u>

	Police Officer's Retirement Trust Fund		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a – b)
Beginning Balance	\$ 17,711,262	\$ 13,929,207	\$ 3,782,055
Changes for year:			
Service cost	457,306	-	457,306
Interest	1,305,892	-	1,305,892
Share plan allocation	271,643	-	271,643
Differences between expected and actual experience	640,421	-	640,421
Changes in Assumptions	187,976	-	187,976
Contributions – employer	-	1,153,949	(1,153,949)
Contributions – State	-	271,643	(271,643)
Contributions – employee	-	151,173	(151,173)
Contributions – buy back	14,970	14,970	-
Net investment income	-	3,222,337	(3,222,337)
Benefit payments, including refunds	(1,042,755)	(1,042,755)	-
Administrative expenses	-	(68,588)	68,588
Net changes	1,835,453	3,702,729	(1,867,276)
Ending Balance	<u>\$ 19,546,715</u>	<u>\$ 17,631,936</u>	<u>\$ 1,914,779</u>

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(11) **Other Matters:** (Continued)

	Firefighter's Retirement Trust Fund		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a – b)
Beginning Balance	\$ 19,481,393	\$ 19,612,594	\$ (131,201)
Changes for year:			
Service cost	568,637	-	568,637
Interest	1,377,150	-	1,377,150
Share plan allocation	213,007	-	213,007
Differences between expected and actual experience	590,223	-	590,223
Contributions – employer	-	489,541	(489,541)
Contributions – State	-	279,953	(279,953)
Contributions – employee	-	143,919	(143,919)
Contributions – buy back	13,361	13,361	-
Net investment income	-	5,698,144	(5,698,144)
Benefit payments, including refunds	(752,932)	(752,932)	-
Administrative expenses	-	(58,147)	58,147
Net changes	2,009,446	5,813,839	(3,804,393)
Ending Balance	\$ 21,490,839	\$ 25,426,433	\$ (3,935,594)

**CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

(11) **Other Matters:** (Continued)

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the net pension liability of the City calculated using the discount rate of 6.25% for the General Employee's Pension, 7.30% for Police, and 7.00% for Firefighters. The information presented below is what the City's net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

<u>City's Net Pension Liability (Asset)</u>	<u>1% Decrease 5.25%</u>	<u>Current Discount Rate 6.25%</u>	<u>1% Increase 7.25%</u>
General Employees' Retirement Trust Fund	\$ 7,567,288	\$ 5,842,889	\$ 4,370,144
<u>City's Net Pension Liability (Asset)</u>	<u>1% Decrease 6.30%</u>	<u>Current Discount Rate 7.30%</u>	<u>1% Increase 8.30%</u>
Police Officers' Retirement Trust Fund	\$ 4,004,104	\$ 1,914,779	\$ 180,578
<u>City's Net Pension Liability (Asset)</u>	<u>1% Decrease 6.00%</u>	<u>Current Discount Rate 7.00%</u>	<u>1% Increase 8.00%</u>
Firefighters' Retirement Trust Fund	\$ (1,547,934)	\$ (3,935,594)	\$ (5,906,213)

For the year ended September 30, 2025, the annual-money weighted rate of return on each pension plan investments, net of pension plan investment expense was as follows:

	<u>General Employees Retirement Trust Fund</u>	<u>Police Officers Retirement Trust Fund</u>	<u>Firefighters Retirement Trust Fund</u>
Annual money-weighted rate of return	19.99%	22.93%	29.10%

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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

For the year ended September 30, 2025, the City recognized pension expense of \$674,623, \$1,004,401 and \$211,891 in the General Employees, Police Officers, and Firefighters pension plans, respectively, for a total aggregate pension expense of \$1,890,915 for all three plans.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(11) **Other Matters:** (Continued)

At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	General Employees’ Retirement Trust Fund		Police Officers’ Retirement Trust Fund		Firefighters’ Retirement Trust Fund	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -	\$ 426,948	\$ 28,649	\$ 829,891	\$ 29,184
Changes of assumptions	-	-	125,318	-	227,982	27,808
Net difference between projected and actual investment earnings	-	223,102	-	907,021	-	2,822,364
Contributions made subsequent to measurement date	998,303	-	1,590,538	-	817,924	-
	<u>\$ 998,303</u>	<u>\$ 223,102</u>	<u>\$2,142,804</u>	<u>\$ 935,670</u>	<u>\$ 1,875,797</u>	<u>\$2,879,356</u>

Amounts reported as deferred outflows of resources (except for contributions made subsequent to the measurement date, which will be recognized in the succeeding fiscal year) and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30:	General Employees	Police Officers	Firefighters
2026	\$ 60,105	\$ 138,373	\$ (278,358)
2027	328,192	430,757	75,159
2028	(315,388)	(517,774)	(992,962)
2029	(296,011)	(434,760)	(723,693)
2030	-	-	98,371

(d) **Employee Defined Contribution Retirement Pension Plans:**

General Employees—The City adopted a defined contribution plan effective October 1, 1996. The plan is a money purchase plan administered for the City by the ICMA. Eligible employees are employees hired effective October 1, 1996, or thereafter that would otherwise qualify for the General Employees’ Pension Plan. Employees hired prior to October 1, 1996, and not vested in the General Employees’ Pension Plan may also elect, instead, to participate in the defined contribution plan. Employee participation is immediate upon hiring and are 100% vested after five years of employment. Employees direct the investment of funds contributed to the plan on their behalf. Employer contributions made during the year amounted to \$862,454. The City Council has the authority to amend the General Employees’ Pension Plan’s provisions including amending contribution requirements.

CITY OF EDGEWATER, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

(11) **Other Matters:** (Continued)

(e) **Deferred Compensation Plans**—The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457; i.e., International City/County Management Association (ICMA). The plan is available to all City employees and permit employees to defer a portion of their salary until future years. Participation in the plan is optional. Deferred compensation withdrawals are not available to employees until termination, retirement, death, or an unforeseeable emergency. In accordance with current professional pronouncements, the City has not included such funds in its financial statements.

(f) **Contingencies**—The City has been involved in miscellaneous collections, lot cleaning, stormwater, and other liens. In addition, the City has numerous pending/threatened claims against it. In the opinion of City management, the loss, if any, resulting from these actions will not have a material adverse effect on the financial condition of the City.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state government. 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.

(g) **Subsequent Events**—The City has evaluated subsequent events for potential recognition and disclosure through March 20, 2026, which is the date the financial statements were complete in a form and format that complies with GAAP and approvals necessary for issuance had been obtained. No subsequent events requiring recognition or disclosure were identified.

(12) **Recently Issued Pronouncements:**

The Governmental Accounting Standards Board (“GASB”) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented.

Management has not currently determined what, if any, impact implementation of the following will have on the City’s financial statements:

(a) GASB issued Statement No. 103, Financial Reporting Model Improvements, in April 2024. The objective of GASB 103 is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. The effective date for implementation is fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

(b) GASB issued Statement No. 104, Disclosure of Certain Capital Assets, in September 2024. GASB 104 requires governments to provide detailed information about certain types of capital assets, including lease assets, intangible right-to-use assets, and subscription assets, in the notes to financial statements. The provisions for GASB 104 are effective for fiscal years beginning after June 15, 2025.

(c) GASB issued Statement No. 105, Subsequent Events, in December 2025. GASB Statement No. 105 clarifies the subsequent events time frame and establishes accounting and disclosure requirements for recognized and nonrecognized subsequent events. The provisions of GASB Statement No. 105 are effective for fiscal years beginning after June 15, 2026, and all reporting periods thereafter.

CITY OF EDGEWATER, FLORIDA

Required Supplementary Information (unaudited)

General Employees' Retirement Trust

Schedules of Changes in the City's Net Pension Liability and Related Ratios

Reporting Period Ending Measurement Date	9/30/2025 9/30/2024	9/30/2024 9/30/2023	9/30/2023 9/30/2022	9/30/2022 9/30/2021
Total pension liability				
Service cost	\$ 25,726	\$ 23,562	\$ 21,934	\$ 18,922
Interest	1,112,053	1,127,494	1,159,603	1,210,245
Differences between Expected and Actual Experience	198,832	134,551	(172,428)	57,121
Changes of assumptions	-	-	-	843,369
Contributions – buy back	-	-	-	-
Benefit payments, including refunds of employee contributions	(1,532,598)	(1,537,079)	(1,511,876)	(1,505,269)
Net change in total pension liability	(195,987)	(251,472)	(502,767)	624,388
Total pension liability, beginning	18,533,416	18,784,888	19,287,655	18,663,267
Total pension liability, ending (a)	\$ 18,337,429	\$ 18,533,416	\$ 18,784,888	\$ 19,287,655
Plan fiduciary net position				
Contributions – employer	\$ 777,332	\$ 719,791	\$ 755,895	\$ 793,823
Contributions – employee	3,218	3,033	2,759	2,564
Contributions – buy back	-	-	-	-
Net investment income	2,151,673	772,193	(2,344,112)	2,189,050
Benefit payments, including refunds of employee contributions	(1,532,598)	(1,537,079)	(1,511,876)	(1,505,269)
Administrative expense	(54,003)	(42,217)	(53,397)	(45,537)
Net change in plan fiduciary net position	1,345,622	(84,279)	(3,150,731)	1,434,631
Plan fiduciary net position, beginning	11,148,918	11,233,197	14,383,928	12,949,297
Plan fiduciary net position, ending (b)	\$ 12,494,540	\$ 11,148,918	\$ 11,233,197	\$ 14,383,928
Net pension liability (asset) – ending (a) - (b)	\$ 5,842,889	\$ 7,384,498	\$ 7,551,691	\$ 4,903,727
Plan fiduciary net position as a percentage of the total pension liability	68.14%	60.16%	59.80%	74.58%
Covered payroll	\$ 128,721	\$ 121,334	\$ 110,371	\$ 102,558
Net pension liability as a percentage of payroll	4539.19%	6086.09%	6842.10%	4781.42%
Annual Money-Weighted Rate of Return	19.99%	7.11%	-16.73%	17.37%

<u>9/30/2021</u> <u>9/30/2020</u>	<u>9/30/2020</u> <u>9/30/2019</u>	<u>9/30/2019</u> <u>9/30/2018</u>	<u>9/30/2018</u> <u>9/30/2017</u>	<u>9/30/2017</u> <u>9/30/2016</u>	<u>9/30/2016</u> <u>9/30/2015</u>
\$ 18,087	\$ 17,847	\$ 29,715	\$ 53,793	\$ 34,222	\$ 60,573
1,241,131	1,255,470	1,254,084	1,254,173	1,250,244	1,238,859
16,468	39,215	248,369	176,321	(50,657)	259,399
(221,363)	-	-	-	1,777,486	-
-	-	-	-	299,746	-
<u>(1,520,177)</u>	<u>(1,530,253)</u>	<u>(1,469,263)</u>	<u>(1,453,783)</u>	<u>(1,386,624)</u>	<u>(1,374,722)</u>
(465,854)	(217,721)	62,905	30,504	1,924,417	184,109
19,129,121	19,346,842	19,283,937	19,253,433	17,329,016	17,144,907
\$ 18,663,267	\$ 19,129,121	\$ 19,346,842	\$ 19,283,937	\$ 19,253,433	\$ 17,329,016
\$ 799,291	\$ 782,806	\$ 744,629	\$ 667,440	\$ 661,699	\$ 713,396
2,465	2,615	4,662	6,091	5,851	8,535
-	-	-	-	299,746	-
1,317,329	663,572	803,070	1,055,669	950,355	(67,754)
<u>(1,520,177)</u>	<u>(1,530,253)</u>	<u>(1,469,263)</u>	<u>(1,453,783)</u>	<u>(1,386,624)</u>	<u>(1,374,722)</u>
<u>(48,073)</u>	<u>(54,055)</u>	<u>(47,203)</u>	<u>(44,217)</u>	<u>(40,442)</u>	<u>(48,589)</u>
550,835	(135,315)	35,895	231,200	490,585	(769,134)
12,398,462	12,533,777	12,497,882	12,266,682	11,776,097	12,545,231
\$ 12,949,297	\$ 12,398,462	\$ 12,533,777	\$ 12,497,882	\$ 12,266,682	\$ 11,776,097
\$ 5,713,970	\$ 6,730,659	\$ 6,813,065	\$ 6,786,055	\$ 6,986,751	\$ 5,552,919
69.38%	64.81%	64.78%	64.81%	63.71%	67.96%
\$ 98,612	\$ 104,603	\$ 193,713	\$ 236,414	\$ 349,034	\$ 341,408
5794.40%	6434.48%	3517.09%	2870.41%	2001.74%	1626.48%
10.95%	5.47%	6.63%	8.92%	8.40%	-0.56%

CITY OF EDGEWATER, FLORIDA

Required Supplementary Information (unaudited)

Police Officers' Pension Trust

Schedules of Changes in the City's Net Pension Liability and Related Ratios

Reporting Period Ending Measurement Date	9/30/2025 9/30/2024	9/30/2024 9/30/2023	9/30/2023 9/30/2022
Total pension liability			
Service cost	\$ 457,306	\$ 409,709	\$ 371,275
Interest	1,305,892	1,249,017	1,201,013
Share Plan Allocation	271,643	229,206	195,502
Differences between Expected and Actual Experience	640,421	(85,948)	(18,569)
Changes of assumptions	187,976	-	-
Contributions – buy back	14,970	59,573	-
Benefit payments, including refunds of employee contributions	(1,042,755)	(1,238,397)	(1,039,491)
Net change in total pension liability	1,835,453	623,160	709,730
Total pension liability, beginning	17,711,262	17,088,102	16,378,372
Total pension liability, ending (a)	\$ 19,546,715	\$ 17,711,262	\$ 17,088,102
Plan fiduciary net position			
Contributions – employer	\$ 1,153,949	\$ 1,045,108	\$ 1,016,434
Contributions – state	271,643	229,206	195,502
Contributions – employee	151,173	129,827	114,851
Contributions – buy back	14,970	59,573	-
Net investment income	3,222,337	1,340,654	(2,282,091)
Benefit payments, including refunds of employee contributions	(1,042,755)	(1,238,397)	(1,039,491)
Administrative expense	(68,588)	(63,974)	(55,197)
Net change in plan fiduciary net position	3,702,729	1,501,997	(2,049,992)
Plan fiduciary net position, beginning	13,929,207	12,427,210	14,477,202
Plan fiduciary net position, ending (b)	\$ 17,631,936	\$ 13,929,207	\$ 12,427,210
Net pension liability (asset) – ending (a) - (b)	\$ 1,914,779	\$ 3,782,055	\$ 4,660,892
Plan fiduciary net position as a percentage of the total pension liability	90.20%	78.65%	72.72%
Covered payroll	\$ 2,519,544	\$ 2,163,784	\$ 1,914,187
Net pension liability as a percentage of payroll	76.00%	174.79%	243.49%
Annual Money-Weighted Rate of Return	22.93%	10.78%	-15.68%

9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015
\$ 354,462	\$ 254,215	\$ 256,785	\$ 264,098	\$ 241,471	\$ 248,453	\$ 209,572
1,133,974	1,105,408	1,066,672	989,631	939,389	874,946	855,433
180,475	177,890	177,174	163,282	147,327	138,245	-
221,220	233,955	48,813	565,564	148,378	230,533	(19,907)
-	(227,835)	-	-	-	244,939	-
61,476	-	-	-	-	-	-
(1,085,491)	(1,031,883)	(1,028,888)	(867,226)	(791,362)	(950,417)	(697,208)
866,116	511,750	520,556	1,115,349	685,203	786,699	347,890
15,512,256	15,000,506	14,479,950	13,364,601	12,679,398	11,892,699	11,544,809
\$ 16,378,372	\$ 15,512,256	\$ 15,000,506	\$ 14,479,950	\$ 13,364,601	\$ 12,679,398	\$ 11,892,699
\$ 999,201	\$ 891,041	\$ 781,147	\$ 777,360	\$ 578,155	\$ 621,470	\$ 618,054
180,475	177,890	177,174	163,282	147,327	138,245	127,668
108,217	98,822	90,656	86,174	96,436	84,939	79,610
61,476	-	-	-	-	-	-
2,218,422	1,242,126	463,243	736,836	950,106	568,335	(15,324)
(1,085,491)	(1,031,883)	(1,028,888)	(867,226)	(791,362)	(950,417)	(697,208)
(63,757)	(52,255)	(63,994)	(50,879)	(58,416)	(67,029)	(49,324)
2,418,543	1,325,741	419,338	845,547	922,246	395,543	63,476
12,058,659	10,732,918	10,313,580	9,468,033	8,545,787	8,150,244	8,086,768
\$ 14,477,202	\$ 12,058,659	\$ 10,732,918	\$ 10,313,580	\$ 9,468,033	\$ 8,545,787	\$ 8,150,244
\$ 1,901,170	\$ 3,453,597	\$ 4,267,588	\$ 4,166,370	\$ 3,896,568	\$ 4,133,611	\$ 3,742,455
88.39%	77.74%	71.55%	71.23%	70.84%	67.40%	68.53%
\$ 1,803,615	\$ 1,647,026	\$ 1,510,925	\$ 1,503,600	\$ 1,539,919	\$ 1,415,650	\$ 1,396,624
105.41%	209.69%	282.45%	277.09%	253.04%	291.99%	267.96%
18.32%	11.61%	4.52%	7.78%	11.26%	7.05%	-0.19%

CITY OF EDGEWATER, FLORIDA

Required Supplementary Information (unaudited)

Firefighters' Pension Trust

Schedules of Changes in the City's Net Pension Liability and Related Ratios

Reporting Period Ending Measurement Date	9/30/2025 9/30/2024	9/30/2024 9/30/2023	9/30/2023 9/30/2022
Total pension liability			
Service cost	\$ 568,637	\$ 436,693	\$ 371,596
Interest	1,377,150	1,269,635	1,197,978
Share Plan Allocation	213,007	188,033	146,008
Changes of Benefit Terms	-	-	-
Differences between Expected and Actual Experience	590,223	253,073	182,768
Changes of assumptions	-	-	-
Contributions – buy back	13,361	47,870	25,692
Benefit payments, including refunds of employee contributions	(752,932)	(829,734)	(1,101,196)
Net change in total pension liability	2,009,446	1,365,570	822,846
Total pension liability, beginning	19,481,393	18,115,823	17,292,977
Total pension liability, ending (a)	\$ 21,490,839	\$ 19,481,393	\$ 18,115,823
Plan fiduciary net position			
Contributions – employer	\$ 489,541	\$ 475,743	\$ 373,350
Contributions – state	279,953	254,979	201,300
Contributions – employee	143,919	127,448	110,380
Contributions – buy back	13,361	47,870	25,692
Net investment income	5,698,144	2,540,925	(3,120,462)
Benefit payments, including refunds of employee contributions	(752,932)	(829,734)	(1,101,196)
Administrative expense	(58,147)	(63,882)	(54,081)
Net change in plan fiduciary net position	5,813,839	2,553,349	(3,565,017)
Plan fiduciary net position, beginning	19,612,594	17,059,245	20,624,262
Plan fiduciary net position, ending (b)	\$ 25,426,433	\$ 19,612,594	\$ 17,059,245
Net pension liability (asset) – ending (a) - (b)	\$ (3,935,594)	\$ (131,201)	\$ 1,056,578
Plan fiduciary net position as a percentage of the total pension liability	118.31%	100.67%	94.17%
Covered payroll	\$ 2,398,652	\$ 2,124,141	\$ 1,839,663
Net pension liability as a percentage of payroll	-164.08%	-6.18%	57.43%
Annual Money-Weighted Rate of Return	29.10%	14.95%	-15.25%

9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016	9/30/2016 9/30/2015
\$ 388,119	\$ 393,523	\$ 349,645	\$ 354,548	\$ 358,456	\$ 322,776	\$ 317,342
1,135,760	1,081,097	1,011,898	922,206	825,460	752,753	715,242
130,864	110,814	98,967	96,388	92,260	84,235	90,777
-	-	437,981	-	-	-	-
288,633	(27,143)	(172,618)	(89,479)	473,491	(45,934)	(367,566)
442,448	(166,848)	563,502	-	-	147,249	-
48,403	24,931	17,854	17,703	8,544	9,721	-
(837,563)	(476,428)	(510,414)	(566,702)	(362,003)	(312,107)	(210,052)
1,596,664	939,946	1,796,815	734,664	1,396,208	958,693	545,743
15,696,313	14,756,367	12,959,552	12,224,888	10,828,680	9,869,987	9,324,244
\$ 17,292,977	\$ 15,696,313	\$ 14,756,367	\$ 12,959,552	\$ 12,224,888	\$ 10,828,680	\$ 9,869,987
\$ 353,847	\$ 434,699	\$ 409,471	\$ 358,424	\$ 317,000	\$ 358,086	\$ 354,899
186,156	166,106	154,258	151,680	147,551	139,527	150,763
104,018	103,245	105,323	91,166	117,483	107,966	93,950
48,403	24,931	17,854	17,703	8,544	9,721	-
3,158,726	2,147,750	531,717	1,618,036	1,734,571	1,143,088	(536,507)
(837,563)	(476,428)	(510,414)	(566,702)	(362,003)	(312,107)	(210,052)
(57,600)	(67,890)	(53,585)	(49,647)	(44,046)	(58,960)	(48,746)
2,955,987	2,332,413	654,624	1,620,660	1,919,100	1,387,321	(195,693)
17,668,275	15,335,862	14,681,238	13,060,578	11,141,478	9,754,157	9,949,850
\$ 20,624,262	\$ 17,668,275	\$ 15,335,862	\$ 14,681,238	\$ 13,060,578	\$ 11,141,478	\$ 9,754,157
\$ (3,331,285)	\$ (1,971,962)	\$ (579,495)	\$ (1,721,686)	\$ (835,690)	\$ (312,798)	\$ 115,830
119.26%	112.56%	103.93%	113.29%	106.84%	102.89%	98.83%
\$ 1,733,638	\$ 1,720,751	\$ 1,755,385	\$ 1,674,877	\$ 1,802,605	\$ 1,799,429	\$ 1,579,650
-192.16%	-114.60%	-33.01%	-102.79%	-46.36%	-17.38%	7.33%
17.98%	14.00%	3.61%	12.44%	15.51%	11.64%	-5.33%

CITY OF EDGEWATER, FLORIDA

Required Supplementary Information (unaudited)
Schedules of General Employees' Contributions

Reporting Period Ending Measurement Date	September 30, 2025 September 30, 2024	September 30, 2024 September 30, 2023	September 30, 2023 September 30, 2022	September 30, 2022 September 30, 2021
Actuarially Determined Contribution (ADC)	\$ 998,303	\$ 777,332	\$ 719,791	\$ 755,898
Contributions in Relation to ADC	998,303	777,332	719,791	755,895
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ 3
Covered Payroll	\$ 133,870	\$ 128,721	\$ 121,334	\$ 110,371
Contributions as a Percentage of Covered Payroll	745.73%	603.89%	593.23%	684.87%

Notes to Schedule:

Valuation Date: 10/1/2023
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 contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method
Interest - A half year, based on the current 6.25% assumption.
Salary - A full year, based on the current average assumption of 4.0%.
Mortality: PubG.H-2010 for Employees
Interest Rate: 6.25% per year compounded annually, net of investment related expenses.
Normal Retirement:

Age	Retirement Probability
55	50%
56-59	0%
60 and older	100%

In addition to the above table, 100% Retirement is assumed upon the completion of 25 years of Credited Service.

Salary Increases: 4% per year.
Termination Rates: None assumed.
Early Retirement: None assumed.
Actuarial Asset Method: All assets are valued at fair value with an adjustment made to uniformly spread actuarial investment gains and losses (as measured by actual fair value investment return against expected fair value investment return) over a four-year period.
Disability Rates: 0.30% - 1.55%

September 30, 2021 September 30, 2020	September 30, 2020 September 30, 2019	September 30, 2019 September 30, 2018	September 30, 2018 September 30, 2017	September 30, 2017 September 30, 2016	September 30, 2016 September 30, 2015
\$ 793,736	\$ 799,181	\$ 781,161	\$ 744,629	\$ 667,440	\$ 657,825
793,823	799,291	782,806	744,629	667,440	661,699
<u>\$ (87)</u>	<u>\$ (110)</u>	<u>\$ (1,645)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,874)</u>
\$ 102,558	\$ 98,612	\$ 98,639	\$ 104,603	\$ 193,713	\$ 236,414
774.02%	810.54%	793.61%	711.86%	344.55%	279.89%

CITY OF EDGEWATER, FLORIDA

Required Supplementary Information (unaudited)
Schedules of Police Officers' Contributions

Reporting Period Ending Measurement Date	September 30, 2025 September 30, 2024	September 30, 2024 September 30, 2023	September 30, 2023 September 30, 2022	September 30, 2022 September 30, 2021
Actuarially Determined Contribution (ADC)	\$ 1,287,907	1,153,951	1,045,108	\$ 1,016,434
Contributions in Relation to ADC	1,287,907	1,153,949	1,045,108	1,016,434
Contribution Deficiency (Excess)	\$ -	\$ 2	\$ -	\$ -
Covered Payroll	\$ 2,647,630	\$ 2,519,541	\$ 2,163,785	\$ 1,914,187
Contributions as a Percentage of Covered Payroll	48.64%	45.80%	48.30%	53.10%

Notes to Schedule:

Valuation Date: 10/1/2023
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 contribution rates:

Funding Method:	Entry Age Normal Actuarial Cost Method. New UAAL amortization amounts are established according to the following amortization periods:						
Amortization Method:	Experience: 10 years Assumption/Method Changes: 20 years Benefit Changes: 30 years						
Mortality:	PubS.H.-2010 Combined Healthy.						
Interest Rate:	7.4% per year compounded annually, net of investment related expenses.						
Retirement Age:	<table border="0"> <tr> <td><u>Years Eligible for Normal Retirement</u></td> <td><u>Retirement Probability</u></td> </tr> <tr> <td>1 - 2</td> <td>50%</td> </tr> <tr> <td>more than 2</td> <td>100%</td> </tr> </table> <p>In addition to the above, 100% Retirement is assumed upon the attainment of age 55 if eligible to retire.</p>	<u>Years Eligible for Normal Retirement</u>	<u>Retirement Probability</u>	1 - 2	50%	more than 2	100%
<u>Years Eligible for Normal Retirement</u>	<u>Retirement Probability</u>						
1 - 2	50%						
more than 2	100%						
Early Retirement:	None assumed						
Salary Increases:	14% for less than 2 years credited service. 6.5% for 2 years to 9 years of credited service. 4% for 10 years or more of credited service						
Actuarial Asset Method:	All assets are valued at fair value with an adjustment made to uniformly spread actuarial investment gains and losses (as measured by actual fair value investment return against expected fair value investment return) over a four-year period.						
Termination Rates:	10% for less than 10 years credited service. 1% per year thereafter						
Disability Rates:	0.82% - 8.45%						

September 30, 2021 September 30, 2020	September 30, 2020 September 30, 2019	September 30, 2019 September 30, 2018	September 30, 2018 September 30, 2017	September 30, 2017 September 30, 2016	September 30, 2016 September 30, 2015
\$ 999,201	\$ 891,041	\$ 781,148	\$ 777,361	\$ 742,241	\$ 746,047
999,201	891,041	781,147	777,360	578,155	621,470
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 164,086</u>	<u>\$ 124,577</u>
\$ 1,803,615	\$ 1,647,026	\$ 1,510,925	\$ 1,503,600	\$ 1,539,919	\$ 1,415,650
55.40%	54.10%	51.70%	51.70%	37.54%	43.90%

CITY OF EDGEWATER, FLORIDA

Required Supplementary Information (unaudited)
Schedules of Firefighters' Contributions

Reporting Period Ending Measurement Date	September 30, 2025 September 30, 2024	September 30, 2024 September 30, 2023	September 30, 2023 September 30, 2022	September 30, 2022 September 30, 2021
Actuarially Determined Contribution (ADC)	\$ 516,156	\$ 556,487	\$ 531,035	\$ 428,642
Contributions in Relation to ADC	516,156	556,487	542,689	428,642
Contribution Deficiency (Excess)	\$ -	\$ -	\$ (11,654)	\$ -
Covered Payroll	\$ 2,439,749	\$ 2,398,651	\$ 2,124,141	\$ 1,839,663
Contributions as a Percentage of Covered Payroll	21.16%	23.20%	25.55%	23.30%

Notes to Schedule:

Valuation Date: 10/1/2023

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 contribution rates:

Funding Method:	Entry Age Normal Actuarial Cost Method.								
Amortization Method:	All new UAAL amortization bases are amortized over 15 years								
Mortality:	PubS.H-2010 Combined Healthy.								
Interest Rate:	7.00% per year compounded annually, net of investment related expenses.								
Normal Retirement:	<table border="1"> <thead> <tr> <th><u>Years Eligible for Normal Retirement</u></th> <th><u>Retirement Probability</u></th> </tr> </thead> <tbody> <tr> <td>0</td> <td>60%</td> </tr> <tr> <td>1-4</td> <td>0%</td> </tr> <tr> <td>5 and greater</td> <td>100%</td> </tr> </tbody> </table> <p>In addition to the above, 100% Retirement is assumed upon the attainment of age 55 with 5 years of Credited Service.</p>	<u>Years Eligible for Normal Retirement</u>	<u>Retirement Probability</u>	0	60%	1-4	0%	5 and greater	100%
<u>Years Eligible for Normal Retirement</u>	<u>Retirement Probability</u>								
0	60%								
1-4	0%								
5 and greater	100%								
Disability Rates:	0.06% - .36%								
Payroll Growth:	None								
Asset Smoothing Methodology:	The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Fair Value Returns (net-of-fees). Over time, this may result in a negligible bias that is above or below the FairValue of Assets.								
Salary Increases:	5.5% for less than 10 years credited service. 5.0% for 10-15 years credited service. 4.5% for 15 years or greater of credited service.								
Final Salary Load:	No load for 0 years of credited service. 10.0% for less than 10 years of credited service. 20.0% for 10 or more years of credited service.								
Termination Rates:	7.5% for less than 5 years credited service. 2.0% for 5 years or greater of credited service. Commencing at eligibility for Early Retirement, Members are assumed to retire with an immediate benefit at the rate of 5% per year.								

September 30, 2021 September 30, 2020	September 30, 2020 September 30, 2019	September 30, 2019 September 30, 2018	September 30, 2018 September 30, 2017	September 30, 2017 September 30, 2016	September 30, 2016 September 30, 2015
\$ 409,139	\$ 531,712	\$ 423,048	\$ 413,695	\$ 389,363	\$ 430,063
409,139	489,991	464,763	413,716	372,292	413,378
\$ -	\$ 41,721	\$ (41,715)	\$ (21)	\$ 17,071	\$ 16,685
\$ 1,733,638	\$ 1,720,751	\$ 1,755,385	\$ 1,674,877	\$ 1,802,605	\$ 1,799,429
23.60%	28.48%	26.48%	24.70%	20.65%	22.97%

CITY OF EDGEWATER, FLORIDA

Required Supplementary Information (unaudited)

Schedule of Changes in the City's Total OPEB Liability and Related Ratios

Reporting Period Ending Measurement Date	September 30, 2025 September 30, 2024	September 30, 2024 September 30, 2023	September 30, 2023 September 30, 2022
Total OPEB Liability			
Service cost	\$ 228,857	\$ 113,668	\$ 163,476
Interest	330,637	278,494	216,877
Differences between expected and actual experience	-	217,566	-
Changes of assumptions	831,937	483,415	(3,222,452)
Benefit payments – implicit rate subsidy	(314,122)	(202,302)	(188,188)
Net change in total OPEB liability	1,077,309	890,841	(3,030,287)
Total OPEB liability – beginning	6,715,607	5,824,766	8,855,053
Total OPEB liability – ending	<u>\$ 7,792,916</u>	<u>\$ 6,715,607</u>	<u>\$ 5,824,766</u>
Covered employee payroll (projected)	12,151,944	11,603,117	8,954,905
Total OPEB liability as a percentage of covered employee payroll	64.13%	57.88%	65.05%

Notes to Schedule:

Covered Employee Payroll was projected two years forward from the valuation date for the reporting period ending September 30, 2025.

Valuation Date: 9/30/2023

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

FY 2025	4.06%
FY 2024	4.87%
FY 2023	4.77%
FY 2022	2.43%
FY 2021	2.14%
FY 2020	3.58%
FY 2019	4.18%
FY 2018	3.64%

Benefit Payments. The Plan sponsor did not provide actual net benefits paid by the Plan for each fiscal year shown above. Expected net benefits payments produced by the valuation model for the same periods are shown in the table above.

Differences Between Expected and Actual Experience . Differences Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuations.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

*10 years of data will be presented as it becomes available.

September 30, 2022 September 30, 2021	September 30, 2021 September 30, 2020	September 30, 2020 September 30, 2019	September 30, 2019 September 30, 2018	September 30, 2018 September 30, 2017
\$ 283,368	\$ 211,112	\$ 106,831	\$ 112,011	\$ 118,498
189,238	231,941	197,470	182,927	165,495
2,522,578	-	1,378,682	-	-
(2,597,431)	2,045,375	178,595	(367,847)	(454,875)
(203,380)	(189,191)	(232,555)	(214,336)	(197,091)
194,373	2,299,237	1,629,023	(287,245)	(367,973)
8,660,680	6,361,443	4,732,420	5,019,665	5,387,638
<u>\$ 8,855,053</u>	<u>\$ 8,660,680</u>	<u>\$ 6,361,443</u>	<u>\$ 4,732,420</u>	<u>\$ 5,019,665</u>
8,553,735	9,565,197	9,180,533	9,596,433	9,163,898
103.52%	90.54%	69.29%	49.31%	54.78%



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CITY OF EDGEWATER, FLORIDA

Nonmajor Governmental Funds

September 30, 2025

SPECIAL REVENUE FUNDS are used to account for revenue derived from specific taxes or other earmarked revenue sources (other than for major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

Special Law Enforcement Trust Fund – This fund was established to receive revenues derived from confiscated property obtained during the enforcement purposes, exclusive of salaries and vehicles. Such purposes may include drug education programs such as DARE.

Transportation Impact Fees Fund – This fund was established to account for road impact fees collected from new developments constructed in the City.

Police Impact fees Fund – This fund was established to account for police impact fees collected from new developments constructed in the City.

Fire Impact Fees Fund – This fund was established to account for fire impact fees collected from new developments constructed in the City.

Recreation Impact Fees Fund – This fund was established to account for recreation impact fees collected from new developments constructed in the City.

Tree Mitigation Fund – This fund was established to account for revenues and associated expenditures of tree mitigation restricted to replace trees extinguished by development activities.

DEBT SERVICE FUNDS are established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service Fund – This fund was established to account for the payment of general long-term debt principal and interest for the Animal Shelter and Parks.

CAPITAL PROJECTS FUNDS are established to account for resources used for the acquisition and construction of capital facilities by the City, except for those financed by proprietary funds.

Capital Projects Fund – This fund was established to account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary funds.

CITY OF EDGEWATER, FLORIDA

Combining Balance Sheet

Nonmajor Governmental Funds

September 30, 2025

	Special Revenue			
	SLETF	Transportation Impact	Police Impact	Fire Impact
ASSETS				
Cash	\$ 63,633	\$ 739,311	\$ 238,896	\$ 168,583
Investments	-	2,645,497	808,205	512,356
Receivables	184	2,666	713	557
Total assets	<u>\$ 63,817</u>	<u>\$ 3,387,474</u>	<u>\$ 1,047,814</u>	<u>\$ 681,496</u>
FUND BALANCES				
Spendable:				
Restricted for:				
Public safety	\$ 63,817	\$ -	\$ -	\$ -
Debt service	-	-	-	-
Tree mitigation	-	-	-	-
Capital projects	-	3,387,474	1,047,814	681,496
Total fund balances	<u>63,817</u>	<u>3,387,474</u>	<u>1,047,814</u>	<u>681,496</u>
Total liabilities and fund balances	<u>\$ 63,817</u>	<u>\$ 3,387,474</u>	<u>\$ 1,047,814</u>	<u>\$ 681,496</u>

Recreation Impact	Tree Mitigation	Debt Service	Total Nonmajor Governmental Funds
\$ 193,603	\$ 94,327	\$ 129,797	\$ 1,628,150
550,916	-	-	4,516,974
602	275	380	5,377
<u>\$ 745,121</u>	<u>\$ 94,602</u>	<u>\$ 130,177</u>	<u>\$ 6,150,501</u>

\$ -	\$ -	\$ -	\$ 63,817
-	-	130,177	130,177
-	94,602	-	94,602
<u>745,121</u>	<u>-</u>	<u>-</u>	<u>5,861,905</u>
<u>745,121</u>	<u>94,602</u>	<u>130,177</u>	<u>6,150,501</u>
<u>\$ 745,121</u>	<u>\$ 94,602</u>	<u>\$ 130,177</u>	<u>\$ 6,150,501</u>

CITY OF EDGEWATER, FLORIDA

Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Fiscal Year Ended September 30, 2025

Special Revenue

	SLETF	Transportation Impact	Police Impact
REVENUES			
Taxes:			
Property	\$ -	\$ -	\$ -
Fines and forfeitures	8,034	-	-
Investment earnings	1,812	139,174	38,977
Impact fees	-	240,518	118,005
Total revenues	<u>9,846</u>	<u>379,692</u>	<u>156,982</u>
EXPENDITURES			
Current:			
Public safety	3,823	-	-
Public works	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Capital outlay	30,332	-	-
Total expenditures	<u>34,155</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(24,309)</u>	<u>379,692</u>	<u>156,982</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	854	-	-
Transfers out	-	(163,962)	(3,900)
Total other financing sources (uses)	<u>854</u>	<u>(163,962)</u>	<u>(3,900)</u>
Net change in fund balances	(23,455)	215,730	153,082
Beginning fund balances	87,272	3,171,744	894,732
Ending fund balances	<u>\$ 63,817</u>	<u>\$ 3,387,474</u>	<u>\$ 1,047,814</u>

Fire Impact	Recreation Impact	Tree Mitigation	Debt Service	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 283,949	\$ 283,949
-	-	-	-	8,034
23,699	31,591	3,182	6,091	244,526
169,550	174,427	-	-	702,500
193,249	206,018	3,182	290,040	1,239,009
-	-	-	-	3,823
-	-	1,000	-	1,000
-	-	-	334,000	334,000
-	-	-	103,657	103,657
40,000	-	-	-	70,332
40,000	-	1,000	437,657	512,812
153,249	206,018	2,182	(147,617)	726,197
-	-	-	161,731	162,585
(12,750)	(300,000)	(30,000)	-	(510,612)
(12,750)	(300,000)	(30,000)	161,731	(348,027)
140,499	(93,982)	(27,818)	14,114	378,170
540,997	839,103	122,420	116,063	5,772,331
\$ 681,496	\$ 745,121	\$ 94,602	\$ 130,177	\$ 6,150,501

CITY OF EDGEWATER, FLORIDA
Schedule of Revenues, Expenditures, and
Changes in Fund Balances--Budget and Actual
Annually - Budgeted Nonmajor Special Revenue Funds
For the Fiscal Year Ended September 30, 2025

	Special Revenue			
	SLETF			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget- Over (Under)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ -	\$ -	\$ 8,034	\$ 8,034
Investment earnings	-	-	1,812	1,812
Impact fees	-	-	-	-
Total revenues	-	-	9,846	9,846
EXPENDITURES				
Current:				
Public safety	-	3,823	3,823	-
Public works	-	-	-	-
Capital outlay	-	34,177	30,332	3,845
Total expenditures	-	38,000	34,155	3,845
Excess (deficiency) of revenues over expenditures	-	(38,000)	(24,309)	13,691
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	854	854
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	854	854
Net change in fund balances	-	(38,000)	(23,455)	14,545
Beginning fund balances	87,272	87,272	87,272	-
Ending fund balances (deficit)	<u>\$ 87,272</u>	<u>\$ 49,272</u>	<u>\$ 63,817</u>	<u>\$ 14,545</u>

CITY OF EDGEWATER, FLORIDA
Schedule of Revenues, Expenditures, and
Changes in Fund Balances--Budget and Actual--
Annually-Budgeted Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended September 30, 2025

	Special Revenue							
	Transportation Impact				Police Impact			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Over (Under)	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Over (Under)
	Original	Final			Original	Final		
REVENUES								
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	139,174	139,174	-	-	38,977	38,977
Impact fees	-	-	240,518	240,518	-	-	118,005	118,005
Total revenues	-	-	379,692	379,692	-	-	156,982	156,982
EXPENDITURES								
Current:								
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	379,692	379,692	-	-	156,982	156,982
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	(601,033)	(163,962)	437,071	(55,000)	(100,000)	(3,900)	96,100
Total other financing sources (uses)	-	(601,033)	(163,962)	437,071	(55,000)	(100,000)	(3,900)	96,100
Net change in fund balances	-	(601,033)	215,730	816,763	(55,000)	(100,000)	153,082	253,082
Beginning fund balances	3,171,744	3,171,744	3,171,744	-	894,732	894,732	894,732	-
Ending fund balances (deficit)	<u>\$3,171,744</u>	<u>\$2,570,711</u>	<u>\$3,387,474</u>	<u>\$ 816,763</u>	<u>\$839,732</u>	<u>\$794,732</u>	<u>\$1,047,814</u>	<u>\$ 253,082</u>

CITY OF EDGEWATER, FLORIDA
Schedule of Revenues, Expenditures, and
Changes in Fund Balances--Budget and Actual--
Annually-Budgeted Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended September 30, 2025

	Special Revenue							
	Fire Impact				Recreation Impact			
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget- Over (Under)	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget- Over (Under)
	Original	Final			Original	Final		
REVENUES								
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment earnings	-	-	23,699	23,699	-	-	31,591	31,591
Impact fees	-	-	169,550	169,550	-	-	174,427	174,427
Total revenues	-	-	193,249	193,249	-	-	206,018	206,018
EXPENDITURES								
Current:								
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Capital outlay	40,000	40,000	40,000	-	-	-	-	-
Total expenditures	40,000	40,000	40,000	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	(40,000)	(40,000)	153,249	193,249	-	-	206,018	206,018
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	12,750	(12,750)	(25,500)	-	(300,000)	(300,000)	-
Total other financing sources (uses)	-	12,750	(12,750)	(25,500)	-	(300,000)	(300,000)	-
Net change in fund balances	(40,000)	(27,250)	140,499	167,749	-	(300,000)	(93,982)	206,018
Beginning fund balances	540,997	540,997	540,997	-	839,103	839,103	839,103	-
Ending fund balances (deficit)	<u>\$ 500,997</u>	<u>\$ 513,747</u>	<u>\$ 681,496</u>	<u>\$ 167,749</u>	<u>\$ 839,103</u>	<u>\$ 539,103</u>	<u>\$ 745,121</u>	<u>\$ 206,018</u>

CITY OF EDGEWATER, FLORIDA
Schedule of Revenues, Expenditures, and
Changes in Fund Balances--Budget and Actual--
Annually-Budgeted Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended September 30, 2025

	Special Revenue				Total			
	Tree Mitigation			Variance with Final Budget- Over (Under)	Budgeted Amounts			Variance with Final Budget- Over (Under)
	Budgeted Amounts		Actual Amounts		Budgeted Amounts		Actual Amounts	
Original	Final			Original	Final			
REVENUES								
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,034	\$ 8,034
Investment earnings	-	-	3,182	3,182	-	-	238,435	238,435
Impact fees	-	-	-	-	-	-	702,500	702,500
Total revenues	-	-	3,182	3,182	-	-	948,969	948,969
EXPENDITURES								
Current:								
Public safety	-	-	-	-	-	3,823	3,823	-
Public works	-	1,000	1,000	-	-	1,000	1,000	-
Capital outlay	-	-	-	-	40,000	74,177	70,332	3,845
Total expenditures	-	1,000	1,000	-	40,000	79,000	75,155	3,845
Excess (deficiency) of revenues over expenditures	-	(1,000)	2,182	3,182	(40,000)	(79,000)	873,814	952,814
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	854	854
Transfers out	-	(30,000)	(30,000)	-	(55,000)	(1,018,283)	(510,612)	507,671
Total other financing sources (uses)	-	(30,000)	(30,000)	-	(55,000)	(1,018,283)	(509,758)	508,525
Net change in fund balances	-	(31,000)	(27,818)	3,182	(95,000)	(1,097,283)	364,056	1,461,339
Beginning fund balances	122,420	122,420	122,420	-	5,656,268	5,656,268	5,656,268	-
Ending fund balances (deficit)	\$ 122,420	\$ 91,420	\$ 94,602	\$ 3,182	\$ 5,561,268	\$ 4,558,985	\$ 6,020,324	\$ 1,461,339

CITY OF EDGEWATER, FLORIDA
Schedule of Revenues, Expenditures, and
Changes in Fund Balances--Budget and Actual
Annually - Budgeted Nonmajor Debt Service Fund
For the Fiscal Year Ended September 30, 2025

	Debt Service			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Over (Under)
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 276,097	\$ 276,097	\$ 283,949	\$ 7,852
Investment earnings	-	-	6,091	6,091
Total revenues	<u>276,097</u>	<u>276,097</u>	<u>290,040</u>	<u>13,943</u>
EXPENDITURES				
Debt Service:				
Principal	334,000	334,000	334,000	-
Interest	103,577	103,657	103,657	-
Total expenditures	<u>437,577</u>	<u>437,657</u>	<u>437,657</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(161,480)	(161,560)	(147,617)	13,943
OTHER FINANCING SOURCES (USES)				
Transfers in	161,731	161,731	161,731	-
Net change in fund balances	251	171	14,114	13,943
Beginning fund balances	116,063	116,063	116,063	-
Ending fund balances	<u>\$ 116,314</u>	<u>\$ 116,234</u>	<u>\$ 130,177</u>	<u>\$ 13,943</u>

CITY OF EDGEWATER, FLORIDA

Schedule of Revenues, Expenditures, and
 Changes in Fund Balances--Budget and Actual
 Annually - Budgeted Major Capital Projects Fund
 For the Fiscal Year Ended September 30, 2025

	Capital Projects			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Over (Under)
	Original	Final		
REVENUES				
Intergovernmental	\$ 249,000	\$ 249,000	\$ 334,183	\$ 85,183
Total revenues	<u>249,000</u>	<u>249,000</u>	<u>334,183</u>	<u>85,183</u>
EXPENDITURES				
Capital outlay	872,050	5,055,921	2,110,915	2,945,006
Other services & charges	900,000	910,813	855,879	54,934
Total expenditures	<u>1,772,050</u>	<u>5,966,734</u>	<u>2,966,794</u>	<u>2,999,940</u>
Excess (deficiency) of revenues over expenditures	(1,523,050)	(5,717,734)	(2,632,611)	3,085,123
OTHER FINANCING SOURCES (USES)				
Transfers in	1,523,050	5,717,734	2,645,291	(3,072,443)
Total other financing sources (uses)	<u>1,523,050</u>	<u>5,717,734</u>	<u>2,645,291</u>	<u>(3,072,443)</u>
Net change in fund balance	-	-	12,680	12,680
Beginning fund balances	142,707	142,707	142,707	-
Ending fund balances	<u>\$ 142,707</u>	<u>\$ 142,707</u>	<u>\$ 155,387</u>	<u>\$ 12,680</u>

CITY OF EDGEWATER, FLORIDA

Internal Service Funds

September 30, 2025

INTERNAL SERVICE FUNDS are used to account for the financing of centralized services to City departments on a cost-reimbursement basis (including depreciation).

Management Information Systems (MIS) – To account for data processing operations and the cost of computer services used by other City departments.

Fleet – To account for the cost of operating a maintenance facility for automotive equipment used by other City departments / divisions.

Loss Fund – To account for the general liability and property insurances of the City.

Fully Insured – To account for the health, dental and life insurance of the City's employees and retirees.

Workers Comp – To account for the workers compensation insurance of the City.

Public Works Complex – To account for costs associated with a public works complex.

CITY OF EDGEWATER, FLORIDA

Combining Statement of Net Position

Internal Service Funds

September 30, 2025

	MIS	FLEET	Loss Fund	Fully Insured	Workers Comp	Public Works Complex	Total
ASSETS							
Current assets:							
Cash	\$ 200,375	\$ 70,824	\$ 22,544	\$ 828,004	\$ 34,644	\$ 265,588	\$ 1,421,979
Receivables - net	(504)	97	-	10,434	-	78,119	88,146
Investments	485,468	581,969	-	1,283,475	-	2,596,571	4,947,483
Inventories	-	39,228	-	-	-	-	39,228
Prepaid items	39,016	9,732	-	-	-	-	48,748
Total current assets	<u>724,355</u>	<u>701,850</u>	<u>22,544</u>	<u>2,121,913</u>	<u>34,644</u>	<u>2,940,278</u>	<u>6,545,584</u>
Noncurrent assets:							
Investments - restricted for capital projects	-	-	-	-	-	14,500,868	14,500,868
Capital assets:							
Land and land rights	-	-	-	-	-	936,903	936,903
Buildings and improvements	60,684	-	-	-	-	-	60,684
Machinery and equipment	307,841	222,873	-	-	-	-	530,714
Construction in progress	-	-	-	-	-	12,240,972	12,240,972
Less accumulated depreciation	(347,724)	(135,394)	-	-	-	-	(483,118)
Total capital assets (net of accumulated depreciation)	<u>20,801</u>	<u>87,479</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,177,875</u>	<u>13,286,155</u>
Total noncurrent assets	<u>20,801</u>	<u>87,479</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,678,743</u>	<u>27,787,023</u>
Total assets	<u>\$ 745,156</u>	<u>\$ 789,329</u>	<u>\$ 22,544</u>	<u>\$ 2,121,913</u>	<u>\$ 34,644</u>	<u>\$ 30,619,021</u>	<u>\$ 34,332,607</u>
DEFERRED OUTFLOWS OF RESOURCES							
Deferred outflows related to OPEB	<u>\$ 57,427</u>	<u>\$ 57,427</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 114,854</u>
LIABILITIES							
Current liabilities:							
Accounts payable	\$ 8,543	\$ 5,579	\$ -	\$ 273,112	\$ -	\$ 2,922,414	\$ 3,209,648
Due to other funds	-	-	-	-	-	20,000,000	20,000,000
Accrued liabilities	2,253	1,828	-	-	-	-	4,081
Compensated absences	25,214	5,272	-	-	-	-	30,486
OPEB liability	4,177	4,177	-	-	-	-	8,354
Total current liabilities	<u>40,187</u>	<u>16,856</u>	<u>-</u>	<u>273,112</u>	<u>-</u>	<u>22,922,414</u>	<u>23,252,569</u>
Noncurrent liabilities:							
Compensated absences	16,375	35,316	-	-	-	-	51,691
OPEB liability	99,498	99,498	-	-	-	-	198,996
Total noncurrent liabilities	<u>115,873</u>	<u>134,814</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,687</u>
Total liabilities	<u>\$ 156,060</u>	<u>\$ 151,670</u>	<u>\$ -</u>	<u>\$ 273,112</u>	<u>\$ -</u>	<u>\$ 22,922,414</u>	<u>\$ 23,503,256</u>
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows related to OPEB	<u>\$ 44,072</u>	<u>\$ 44,072</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 88,144</u>
Net investment in capital assets	\$ 20,801	\$ 87,479	\$ -	\$ -	\$ -	\$ 10,755,756	\$ 10,864,036
Restricted for capital projects	-	-	-	-	-	14,500,868	14,500,868
Unrestricted	581,650	563,535	22,544	1,848,801	34,644	(17,560,017)	(14,508,843)
Total net position	<u>\$ 602,451</u>	<u>\$ 651,014</u>	<u>\$ 22,544</u>	<u>\$ 1,848,801</u>	<u>\$ 34,644</u>	<u>\$ 7,696,607</u>	<u>\$ 10,856,061</u>

CITY OF EDGEWATER, FLORIDA

Combining Statement of Revenues, Expenses, and

Changes in Fund Net Position

Internal Service Funds

For the Fiscal Year Ended September 30, 2025

	MIS	FLEET	Loss Fund	Fully Insured	Workers Comp	Public Works Complex	Total
Operating revenues:							
Billings to City departments	\$ 1,023,814	\$ 1,425,825	\$ 817,101	\$ 3,639,307	\$ 409,532	\$ -	\$ 7,315,579
Operating expenses:							
Salaries and employee benefits	365,689	273,710	-	3,455,482	394,738	-	4,489,619
Supplies and materials	129,992	510,580	-	-	-	-	640,572
Contract services	345,827	2,277	-	51,499	-	82,586	482,189
Other services and charges	112,468	696,089	819,952	-	-	-	1,628,509
Depreciation	8,360	19,199	-	-	-	-	27,559
Total operating expenses	962,336	1,501,855	819,952	3,506,981	394,738	82,586	7,268,448
Operating income (loss)	61,478	(76,030)	(2,851)	132,326	14,794	(82,586)	47,131
Nonoperating revenues (expenses)							
Investment earnings	14,457	26,928	453	60,914	54	839,177	941,983
Miscellaneous income (expense)	-	3,034	-	112,044	-	-	115,078
Total nonoperating revenues	14,457	29,962	453	172,958	54	839,177	1,057,061
Income (loss) before contributions and transfers	75,935	(46,068)	(2,398)	305,284	14,848	756,591	1,104,192
Transfers in	-	-	-	-	-	641,209	641,209
Change in net position	75,935	(46,068)	(2,398)	305,284	14,848	1,397,800	1,745,401
Total net position - beginning	526,516	697,082	24,942	1,543,517	19,796	6,298,807	9,110,660
Total net position - ending	\$ 602,451	\$ 651,014	\$ 22,544	\$ 1,848,801	\$ 34,644	\$ 7,696,607	\$ 10,856,061

CITY OF EDGEWATER, FLORIDA

Combining Statement of Cash Flows

Internal Service Funds

For the Fiscal Year Ended September 30, 2025

	MIS	FLEET	Loss Fund	Fully Insured	Workers Comp	Public Works Complex	Total
Cash flows from operating activities:							
Receipts-customers and users	\$ 1,024,424	\$ 1,429,504	\$ 817,101	\$ 3,750,987	\$ 409,532	\$ -	\$ 7,431,548
Payments-suppliers	(616,621)	(1,231,820)	(819,952)	(3,487,362)	(394,738)	(82,586)	(6,633,079)
Payments-employees	(357,949)	(262,524)	-	-	-	-	(620,473)
Net cash provided (used) by operating activities	49,854	(64,840)	(2,851)	263,625	14,794	(82,586)	177,996
Cash flows from noncapital financing activities:							
Cash received from (paid to) other funds	-	-	-	-	-	20,641,209	20,641,209
Net cash provided (used) in noncapital financing activities	-	-	-	-	-	20,641,209	20,641,209
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	-	(57,257)	-	-	-	(6,967,510)	(7,024,767)
Net cash provided (used) in capital and related financing activities	-	(57,257)	-	-	-	(6,967,510)	(7,024,767)
Cash flows from investing activities:							
Interest on investments	14,457	26,928	453	60,914	54	678,686	781,492
Sale or (purchase) of investment securities	(485,468)	(101,948)	-	(249,102)	-	(14,097,439)	(14,933,957)
Net cash provided (used) by investing activities	(471,011)	(75,020)	453	(188,188)	54	(13,418,753)	(14,152,465)
Net increase (decrease) in cash and cash equivalents	(421,157)	(197,117)	(2,398)	75,437	14,848	172,360	(358,027)
Beginning cash and cash equivalents	621,532	267,941	24,942	752,567	19,796	93,228	1,780,006
Ending cash and cash equivalents	\$ 200,375	\$ 70,824	\$ 22,544	\$ 828,004	\$ 34,644	\$ 265,588	\$ 1,421,979
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	\$ 61,478	\$ (76,030)	\$ (2,851)	\$ 132,326	\$ 14,794	\$ (82,586)	\$ 47,131
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Miscellaneous nonoperating income	-	3,034	-	112,044	-	-	115,078
Depreciation and amortization	8,360	19,199	-	-	-	-	27,559
(Increase) decrease in assets:							
Receivables - net	610	645	-	(364)	-	-	891
Inventories	-	(1,094)	-	-	-	-	(1,094)
Prepaid Items	(19,824)	(9,732)	-	-	-	-	(29,556)
Increase (decrease) in liabilities:							
Accounts payable	2,311	(5,104)	-	19,619	-	-	16,826
Accrued liabilities	(10,821)	(6,944)	-	-	-	-	(17,765)
OPEB liability	2,561	2,561	-	-	-	-	5,122
Compensated absences	5,179	8,625	-	-	-	-	13,804
Total adjustments	(11,624)	11,190	-	131,299	-	-	130,865
Net cash provided (used) by operating activities	\$ 49,854	\$ (64,840)	\$ (2,851)	\$ 263,625	\$ 14,794	\$ (82,586)	\$ 177,996

CITY OF EDGEWATER, FLORIDA

Other Supplemental Schedules

September 30, 2025

Fiduciary Funds – Pension Trust Funds

Police, Firefighter and General Employees' Pension Funds – These funds are used to account for the accumulation of resources to be used for retirement annuity payments at the appropriate amounts and times in the future. Resources are contributed by employees at a rate fixed by law and by the City and the State at amounts determined by an annual actuarial study.

CITY OF EDGEWATER, FLORIDA

Combining Statement of Fiduciary Net Position

Pension Trust Funds

September 30, 2025

	General Employees	Police Officers	Firefighters	Total
ASSETS				
Accrued income	\$ 41,758	\$ 41,945	\$ 46,361	\$ 130,064
Accounts receivable	46,166	64,281	28,725	139,172
Due from other funds	-	-	25,464	25,464
Investments, at fair value:				
Money market funds	260,140	653,289	1,988,605	2,902,034
Bonds:				
US Treasury notes	1,017,014	1,281,521	-	2,298,535
GNMA	1,251,412	1,329,468	109,698	2,690,578
Municipal bonds	33,041	23,601	-	56,642
Corporate bonds	1,728,465	1,671,998	5,628,766	9,029,229
Foreign bonds	15,387	-	-	15,387
Mutual fund - equities	7,868,578	13,999,225	20,943,824	42,811,627
Commingled real estate fund	1,004,878	1,228,796	-	2,233,674
Total assets	<u>\$ 13,266,839</u>	<u>\$ 20,294,124</u>	<u>\$ 28,771,443</u>	<u>\$ 62,332,406</u>
LIABILITIES				
Due to other funds	25,464	-	-	25,464
Total liabilities	<u>\$ 25,464</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,464</u>
NET POSITION				
Restricted for pensions	<u>\$ 13,241,375</u>	<u>\$ 20,294,124</u>	<u>28,771,443</u>	<u>\$ 62,306,942</u>

CITY OF EDGEWATER, FLORIDA

Combining Statement of Changes in Fiduciary Net Position

Pension Trust Funds

For the Fiscal Year Ended September 30, 2025

	<u>General Employees</u>	<u>Police Officers</u>	<u>Firefighters</u>	<u>Total</u>
ADDITIONS				
Contributions:				
Employer	\$ 998,303	\$ 1,287,907	\$ 516,156	\$ 2,802,366
Employee	3,541	173,166	158,437	335,144
State of Florida	-	302,631	301,768	604,399
Total contributions	<u>1,001,844</u>	<u>1,763,704</u>	<u>976,361</u>	<u>3,741,909</u>
Investment earnings (loss):				
Interest and dividends	503,476	852,935	433,070	1,789,481
Net increase (decrease) in the fair value of investments	849,030	1,356,591	2,911,511	5,117,132
Total investment earnings (loss)	<u>1,352,506</u>	<u>2,209,526</u>	<u>3,344,581</u>	<u>6,906,613</u>
Less investment expenses	<u>(43,982)</u>	<u>(78,350)</u>	<u>(133,754)</u>	<u>(256,086)</u>
Net investment earnings (loss)	<u>1,308,524</u>	<u>2,131,176</u>	<u>3,210,827</u>	<u>6,650,527</u>
Total additions	<u>2,310,368</u>	<u>3,894,880</u>	<u>4,187,188</u>	<u>10,392,436</u>
DEDUCTIONS				
Pension benefits	1,533,892	1,204,644	787,747	3,526,283
Administrative expenses	43,752	52,930	94,870	191,552
Total deductions	<u>1,577,644</u>	<u>1,257,574</u>	<u>882,617</u>	<u>3,717,835</u>
Change in net position	732,724	2,637,306	3,304,571	6,674,601
Net position - beginning	<u>12,508,651</u>	<u>17,656,818</u>	<u>25,466,872</u>	<u>55,632,341</u>
Net position - ending	<u>\$ 13,241,375</u>	<u>\$ 20,294,124</u>	<u>\$ 28,771,443</u>	<u>\$ 62,306,942</u>

CITY OF EDGEWATER, FLORIDA
Statistical Section

This part of the City of Edgewater, Florida'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 conveys about the City's overall financial standing and is unaudited.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	112-121
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax, and the municipal sales tax.	122-126
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	127-133
Demographic and Economic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	134-135
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	136-138

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant fiscal year.

CITY OF EDGEWATER, FLORIDA

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

Fiscal Year	2025	2024	2023	2022	2021
Governmental Activities					
Net Investment in Capital Assets	\$ 59,991,503	\$ 50,083,577	\$ 47,148,356	\$ 42,612,125	\$ 42,309,674
Restricted	26,445,697	7,869,458	9,541,343	7,467,107	5,050,309
Unrestricted	1,254,663	22,392,848	17,706,264	18,181,554	5,531,435
<i>Total Governmental Activities Net Position</i>	\$ 87,691,863	\$ 80,345,883	\$ 74,395,963	\$ 68,260,786	\$ 52,891,418
Business-Type Activities					
Net Investment in Capital Assets	\$ 43,331,537	\$ 40,338,849	\$ 37,081,360	\$ 31,013,423	\$ 29,362,572
Restricted	8,655,127	7,519,187	5,988,829	3,484,697	3,770,920
Unrestricted	20,438,542	19,161,662	15,810,912	17,502,799	14,144,962
<i>Total Business-Type Activities Net Position</i>	\$ 72,425,206	\$ 67,019,698	\$ 58,881,101	\$ 52,000,919	\$ 47,278,454
Total					
Net Investment in Capital Assets	\$ 103,323,040	\$ 90,422,426	\$ 84,229,716	\$ 73,625,548	\$ 71,672,246
Restricted	35,100,824	15,388,645	15,530,172	10,951,804	8,821,229
Unrestricted	21,693,205	41,554,510	33,517,176	35,684,353	19,676,397
<i>Total Net Position</i>	\$ 160,117,069	\$ 147,365,581	\$ 133,277,064	\$ 120,261,705	\$ 100,169,872

2020	2019	2018	2017	2016
\$ 42,407,665	\$ 41,180,772	\$ 41,987,558	\$ 41,696,283	\$ 41,225,542
3,093,854	3,474,736	2,077,678	1,438,666	783,398
<u>2,912,289</u>	<u>(681,925)</u>	<u>(3,647,781)</u>	<u>(3,049,568)</u>	<u>(2,675,115)</u>
\$ 48,413,808	\$ 43,973,583	\$ 40,417,455	\$ 40,085,381	\$ 39,333,825
\$ 28,941,594	\$ 28,541,299	\$ 28,304,107	\$ 29,261,065	\$ 29,634,955
2,391,607	1,863,314	1,641,390	1,386,492	1,302,217
<u>9,764,845</u>	<u>9,348,106</u>	<u>5,778,281</u>	<u>4,590,333</u>	<u>4,060,782</u>
\$ 41,098,046	\$ 39,752,719	\$ 35,723,778	\$ 35,237,890	\$ 34,997,954
\$ 71,349,259	\$ 69,722,071	\$ 70,291,665	\$ 70,957,348	\$ 70,860,497
5,485,461	5,338,050	3,719,068	2,825,158	2,085,615
<u>12,677,134</u>	<u>8,666,181</u>	<u>2,130,500</u>	<u>1,540,765</u>	<u>1,385,667</u>
<u>\$ 89,511,854</u>	<u>\$ 83,726,302</u>	<u>\$ 76,141,233</u>	<u>\$ 75,323,271</u>	<u>\$ 74,331,779</u>

CITY OF EDGEWATER, FLORIDA

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

Fiscal Year	2025	2024	2023	2022	2021
Program Revenues					
Governmental Activities:					
Charges for Services:					
General Administrative	\$ 1,588,532	\$ 1,899,304	\$ 2,424,030	\$ 1,435,832	\$ 1,181,901
Public Safety	1,830,572	1,780,786	853,102	737,428	739,019
Public Works	451,287	799,366	101,005	116,396	100,619
Culture and recreation	78,543	90,109	90,765	73,514	36,170
Operating Grants and Contributions	1,275,983	1,241,623	977,856	10,965,625	1,163,296
Capital Grants and Contributions	1,269,102	1,690,106	1,562,039	1,807,038	1,291,930
<i>Total Governmental Activities Program Revenues</i>	<u>\$ 6,494,019</u>	<u>\$ 7,501,294</u>	<u>\$ 6,008,797</u>	<u>\$ 15,135,833</u>	<u>\$ 4,512,935</u>
Business-Type Activities:					
Charges for Services:					
Water / Sewer Utility	\$ 16,495,331	\$ 15,383,827	\$ 14,137,406	\$ 13,676,600	\$ 12,533,913
Solid Waste Utility	5,157,223	4,423,826	3,968,825	3,803,187	3,685,613
Stormwater Utility	2,792,881	2,437,873	2,381,619	2,324,667	2,154,753
Capital Grants and Contributions	2,349,615	3,519,549	5,197,266	1,643,207	1,962,257
<i>Total Business-Type Activities Program Revenues</i>	<u>\$ 26,795,050</u>	<u>\$ 25,765,075</u>	<u>\$ 25,685,116</u>	<u>\$ 21,447,661</u>	<u>\$ 20,336,536</u>
<i>Total Government Program Revenues</i>	<u>\$ 33,289,069</u>	<u>\$ 33,266,369</u>	<u>\$ 31,693,913</u>	<u>\$ 36,583,494</u>	<u>\$ 24,849,471</u>
Expenses					
Governmental Activities:					
General administrative	\$ 5,058,814	\$ 5,362,755	\$ 3,883,703	\$ 3,464,788	\$ 2,683,052
Culture and recreation	2,634,552	2,140,476	2,122,595	2,295,671	1,969,040
Public Works	2,409,902	2,776,380	2,014,572	2,729,692	1,779,480
Public Safety	13,311,141	13,868,778	11,746,314	8,822,595	8,767,933
Community Redevelopment	376,667	294,949	236,270	187,878	177,892
Interest on long-term debt	137,446	135,459	143,554	159,233	174,585
<i>Total Governmental Activities Expenses</i>	<u>\$ 23,928,522</u>	<u>\$ 24,578,797</u>	<u>\$ 20,147,008</u>	<u>\$ 17,659,857</u>	<u>\$ 15,551,982</u>
Business-Type Activities:					
Water / Sewer Utility	\$ 14,138,046	\$ 12,333,464	\$ 11,386,639	\$ 10,536,200	\$ 9,436,947
Solid Waste Utility	4,889,781	3,193,546	5,358,199	3,137,039	2,806,094
Stormwater Utility	3,296,625	2,163,989	1,803,069	1,633,805	1,396,460
<i>Total Business-Type Activities Expenses</i>	<u>\$ 22,324,452</u>	<u>\$ 17,690,999</u>	<u>\$ 18,547,907</u>	<u>\$ 15,307,044</u>	<u>\$ 13,639,501</u>
<i>Total Government Expenses</i>	<u>\$ 46,252,974</u>	<u>\$ 42,269,796</u>	<u>\$ 38,694,915</u>	<u>\$ 32,966,901</u>	<u>\$ 29,191,483</u>

	2020	2019	2018	2017	2016
\$	763,962	\$ 709,513	\$ 197,951	\$ 204,378	\$ 193,140
	721,016	762,914	825,894	785,462	773,067
	94,256	88,366	507,365	455,431	382,989
	59,715	61,091	69,562	62,967	51,991
	1,863,557	1,729,846	754,837	3,899,222	832,376
	942,886	426,590	1,244,620	1,550,007	702,644
\$	<u>4,445,392</u>	<u>\$ 3,778,320</u>	<u>\$ 3,600,229</u>	<u>\$ 6,957,467</u>	<u>\$ 2,936,207</u>
\$	11,748,365	\$ 11,084,416	\$ 10,216,833	\$ 9,742,911	\$ 9,284,327
	4,011,195	3,767,242	3,570,233	3,248,848	2,962,543
	2,089,492	1,897,185	1,720,625	1,479,727	1,466,495
	603,251	1,647,841	306,841	1,085,533	334,843
\$	<u>18,452,303</u>	<u>\$ 18,396,684</u>	<u>\$ 15,814,532</u>	<u>\$ 15,557,019</u>	<u>\$ 14,048,208</u>
\$	<u>22,897,695</u>	<u>\$ 22,175,004</u>	<u>\$ 19,414,761</u>	<u>\$ 22,514,486</u>	<u>\$ 16,984,415</u>
\$	2,953,514	\$ 2,661,429	\$ 2,445,179	\$ 6,430,834	\$ 3,112,845
	1,818,683	1,778,174	1,325,064	1,393,064	1,534,765
	2,809,163	1,958,770	1,863,482	1,696,747	1,914,982
	8,968,716	7,503,374	7,583,092	8,109,942	7,164,944
	116,568	85,486	60,174	22,063	4,955
	218,638	188,327	227,505	190,935	56,794
\$	<u>16,885,282</u>	<u>\$ 14,175,560</u>	<u>\$ 13,504,496</u>	<u>\$ 17,843,585</u>	<u>\$ 13,789,285</u>
\$	9,674,743	\$ 9,086,584	\$ 9,218,732	\$ 10,090,938	\$ 8,697,283
	2,815,826	2,939,631	2,678,923	3,313,117	2,427,299
	1,452,765	1,547,998	1,373,361	1,430,987	1,336,821
\$	<u>13,943,334</u>	<u>\$ 13,574,213</u>	<u>\$ 13,271,016</u>	<u>\$ 14,835,042</u>	<u>\$ 12,461,403</u>
\$	<u>30,828,616</u>	<u>\$ 27,749,773</u>	<u>\$ 26,775,512</u>	<u>\$ 32,678,627</u>	<u>\$ 26,250,688</u>

City of Edgewater, Florida

Changes in Net Position (continued)

Last Ten Fiscal Years

(accrual basis of accounting)

Fiscal Year	2025	2024	2023	2022	2021
Net (Expense)/Revenue					
Governmental Activities	\$ (17,434,503)	\$ (17,077,503)	\$ (14,138,211)	\$ (2,524,024)	\$ (11,039,047)
Business-Type Activities	4,470,598	8,074,076	7,137,209	6,140,617	6,697,035
<i>Total Government Net Expense</i>	<u>\$ (12,963,905)</u>	<u>\$ (9,003,427)</u>	<u>\$ (7,001,002)</u>	<u>\$ 3,616,593</u>	<u>\$ (4,342,012)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property taxes	\$ 13,058,538	\$ 11,316,008	\$ 9,748,795	\$ 8,744,994	\$ 8,108,454
Utility and franchise taxes	5,230,320	4,863,148	4,766,954	4,263,593	3,887,989
Intergovernmental shared revenue	3,261,827	3,204,823	3,221,515	3,132,123	2,757,368
Investment earnings	2,464,055	1,843,345	1,185,243	86,591	33,895
Miscellaneous revenue	292,832	389,667	141,422	36,166	19,522
Transfers	472,911	1,410,431	1,209,459	1,629,925	709,429
<i>Total Governmental Activities</i>	<u>\$ 24,780,483</u>	<u>\$ 23,027,422</u>	<u>\$ 20,273,388</u>	<u>\$ 17,893,392</u>	<u>\$ 15,516,657</u>
Business-Type Activities:					
Investment earnings	\$ 1,222,556	\$ 1,327,198	\$ 751,094	\$ 87,396	\$ 23,189
Miscellaneous revenue	185,265	147,754	201,338	124,377	169,613
Transfers	(472,911)	(1,410,431)	(1,209,459)	(1,629,925)	(709,429)
<i>Total Business-Type Activities</i>	<u>\$ 934,910</u>	<u>\$ 64,521</u>	<u>\$ (257,027)</u>	<u>\$ (1,418,152)</u>	<u>\$ (516,627)</u>
<i>Total Government</i>	<u>\$ 25,715,393</u>	<u>\$ 23,091,943</u>	<u>\$ 20,016,361</u>	<u>\$ 16,475,240</u>	<u>\$ 15,000,030</u>
Change in Net Position					
Governmental Activities	\$ 7,345,980	\$ 5,949,919	\$ 6,135,177	\$ 15,369,368	\$ 4,477,610
Business-Type Activities	5,405,508	8,138,597	6,880,182	4,722,465	6,180,408
<i>Total Government Change in Net Position</i>	<u>\$ 12,751,488</u>	<u>\$ 14,088,516</u>	<u>\$ 13,015,359</u>	<u>\$ 20,091,833</u>	<u>\$ 10,658,018</u>

	2020	2019	2018	2017	2016
\$	(12,439,890)	\$ (10,397,240)	\$ (9,904,267)	\$ (10,886,118)	\$ (10,853,078)
	4,508,969	4,822,471	2,543,516	721,977	1,586,805
\$	<u>(7,930,921)</u>	<u>(5,574,769)</u>	<u>(7,360,751)</u>	<u>(10,164,141)</u>	<u>(9,266,273)</u>
\$	7,236,722	\$ 6,641,903	\$ 6,025,937	\$ 5,095,759	\$ 4,572,959
	3,716,918	3,723,199	3,608,538	3,303,147	3,222,232
	2,395,284	2,480,837	2,327,579	2,144,426	2,028,373
	57,294	106,239	111,156	61,213	38,006
	18,991	29,692	66,061	75,659	106,099
	2,156,666	971,498	914,544	957,470	752,502
\$	<u>15,581,875</u>	<u>13,953,368</u>	<u>13,053,815</u>	<u>11,637,674</u>	<u>10,720,171</u>
\$	51,955	\$ 37,838	\$ 39,732	\$ 13,067	\$ 5,704
	239,309	140,130	126,466	462,362	411,448
	(2,156,666)	(971,498)	(914,544)	(957,470)	(752,502)
\$	<u>(1,865,402)</u>	<u>(793,530)</u>	<u>(748,346)</u>	<u>(482,041)</u>	<u>(335,350)</u>
\$	<u>13,716,473</u>	<u>13,159,838</u>	<u>12,305,469</u>	<u>11,155,633</u>	<u>10,384,821</u>
\$	3,141,985	\$ 3,556,128	\$ 3,149,548	\$ 751,556	\$ (132,907)
	2,643,567	4,028,941	1,795,170	239,936	1,251,455
\$	<u>5,785,552</u>	<u>7,585,069</u>	<u>4,944,718</u>	<u>991,492</u>	<u>1,118,548</u>

CITY OF EDGEWATER, FLORIDA

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

Fiscal Year	2025	2024	2023	2022	2021
General Fund					
Nonspendable	\$ 19,289	\$ 23,895	\$ 14,732	\$ 20,148	\$ 4,983
Restricted	771,107	609,352	587,764	285,828	94,850
Assigned	5,854,721	4,767,956	5,002,842	4,971,497	4,094,817
Unassigned	17,833,178	13,662,849	12,192,088	9,740,727	8,590,952
<i>Total General Fund</i>	<u>\$ 24,478,295</u>	<u>\$ 19,064,052</u>	<u>\$ 17,797,426</u>	<u>\$ 15,018,200</u>	<u>\$ 12,785,602</u>
All Other Governmental Funds					
Restricted	\$ 7,282,979	\$ 7,173,756	\$ 5,302,362	\$ 4,549,305	\$ 3,164,171
Committed	1,347,360	4,662,428	6,277,628	5,417,000	-
Assigned	733,596	827,046	2,053,013	4,630,227	-
<i>Total All Other Governmental Funds</i>	<u>\$ 9,363,935</u>	<u>\$ 12,663,230</u>	<u>\$ 13,633,003</u>	<u>\$ 14,596,532</u>	<u>\$ 3,164,171</u>
<i>Total Governmental Funds</i>	<u><u>\$ 33,842,230</u></u>	<u><u>\$ 31,727,282</u></u>	<u><u>\$ 31,430,429</u></u>	<u><u>\$ 29,614,732</u></u>	<u><u>\$ 15,949,773</u></u>

2020	2019	2018	2017	2016
\$ 11,315	\$ 136,150	\$ 14,485	\$ 28,664	\$ 30,041
650,834	51,165	50,278	46,073	45,538
2,224,395	2,547,190	2,193,018	807,749	1,083,984
7,899,216	5,481,191	3,180,919	3,018,746	2,376,555
<u>\$ 10,785,760</u>	<u>\$ 8,215,696</u>	<u>\$ 5,438,700</u>	<u>\$ 3,901,232</u>	<u>\$ 3,536,118</u>
\$ 1,752,258	\$ 1,752,115	\$ 2,937,739	\$ 4,441,391	\$ 746,891
-	-	-	-	-
-	-	-	-	-
<u>\$ 1,752,258</u>	<u>\$ 1,752,115</u>	<u>\$ 2,937,739</u>	<u>\$ 4,441,391</u>	<u>\$ 746,891</u>
<u>\$ 12,538,018</u>	<u>\$ 9,967,811</u>	<u>\$ 8,376,439</u>	<u>\$ 8,342,623</u>	<u>\$ 4,283,009</u>

CITY OF EDGEWATER, FLORIDA

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

Fiscal Year	2025	2024	2023	2022
Revenues				
Taxes	\$ 18,288,858	\$ 16,179,156	\$ 14,515,749	\$ 13,008,587
Intergovernmental	5,399,688	5,582,863	4,691,000	14,731,863
Licenses and permits	1,289,704	1,462,415	1,391,815	1,096,132
Charges for services	3,337,544	3,138,592	2,882,511	2,610,790
Fines and forfeitures	156,158	180,671	78,040	95,977
Investment Earnings	1,522,072	1,750,985	1,172,289	86,166
Fire assessment	733,396	635,128	-	-
Impact fees	702,500	1,287,590	1,591,742	1,286,581
Miscellaneous	113,086	392,066	213,046	80,918
Total Revenues	\$ 31,543,006	\$ 30,609,466	\$ 26,536,192	\$ 32,997,014
Expenditures				
Current:				
General administrative services	\$ 4,016,305	\$ 4,053,902	\$ 3,767,655	\$ 3,130,507
Legislative	123,449	103,277	98,406	92,439
Executive	958,502	972,323	786,326	660,158
Legal Counsel	193,941	159,780	133,219	140,313
Community Development	1,573,339	1,673,104	1,186,218	1,059,806
Cultural and recreation	1,774,817	1,704,066	1,687,099	1,762,895
Public works	2,287,869	2,328,580	1,649,848	2,018,913
Public safety				
Law enforcement	6,903,664	6,459,571	5,690,131	4,996,766
Fire and emergency services	6,004,043	5,562,019	5,182,499	4,383,367
Code enforcement	328,196	318,897	245,345	180,587
Animal services	223,512	207,089	198,231	175,786
Debt service:				
Principal	513,820	524,589	493,968	597,880
Interest and Fiscal Charges	137,614	133,587	143,210	158,456
Capital outlay	4,224,089	4,560,157	4,634,193	1,014,107
Total Expenditures	\$ 29,263,160	\$ 28,760,941	\$ 25,896,348	\$ 20,371,980
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,279,846</u>	<u>1,848,525</u>	<u>639,844</u>	<u>12,625,034</u>
Other Financing Sources (Uses)				
Transfers In	\$ 6,246,682	\$ 3,750,038	\$ 4,674,649	\$ 2,157,440
Transfers Out	(6,414,980)	(5,339,607)	(3,498,796)	(1,117,515)
Leases	-	-	-	-
Debt Issued	-	-	-	-
Sale of capital assets	3,400	37,897	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>(164,898)</u>	<u>(1,551,672)</u>	<u>1,175,853</u>	<u>1,039,925</u>
<i>Net Change in Fund Balances</i>	<u>\$ 2,114,948</u>	<u>\$ 296,853</u>	<u>\$ 1,815,697</u>	<u>\$ 13,664,959</u>
Debt Service as a Percentage of Noncapital Expenditures	2.60%	2.72%	3.00%	3.91%

	2021	2020	2019	2018	2017	2016
\$	11,996,443	\$ 10,953,640	\$ 10,365,102	\$ 9,634,475	\$ 8,398,906	\$ 7,795,191
	4,074,319	4,888,172	4,582,125	4,233,086	7,513,956	3,506,532
	1,011,043	595,206	556,145	499,510	455,435	398,346
	2,123,609	2,126,525	2,108,874	2,011,630	1,860,657	1,736,070
	105,392	106,211	155,058	151,461	194,901	266,864
	31,147	54,564	105,120	110,204	60,436	37,833
	-	-	-	-	-	-
	1,257,087	422,811	151,056	185,507	151,151	160,103
	67,477	123,672	65,978	108,149	166,841	265,625
\$	<u>20,666,517</u>	<u>\$ 19,270,801</u>	<u>\$ 18,089,458</u>	<u>\$ 16,934,022</u>	<u>\$ 18,802,283</u>	<u>\$ 14,166,564</u>
\$	2,688,032	\$ 2,679,056	\$ 2,725,148	\$ 2,813,463	\$ 5,697,152	\$ 2,234,076
	102,180	85,624	99,990	103,794	109,377	99,820
	647,166	558,331	757,013	521,481	560,939	619,910
	131,493	116,745	113,682	113,286	89,708	158,443
	772,342	753,879	727,440	610,462	618,871	983,354
	1,399,914	1,379,292	1,238,162	1,066,734	1,154,810	1,265,641
	862,385	1,817,029	944,770	876,198	739,971	1,051,075
	4,723,307	4,252,364	3,990,383	3,928,928	3,725,582	3,524,244
	3,932,412	3,752,972	3,579,140	3,398,597	3,656,321	3,460,655
	169,672	173,677	168,193	142,907	113,069	125,334
	158,139	161,337	143,551	129,980	113,304	109,865
	566,002	514,289	476,647	520,000	231,586	375,675
	173,669	217,465	186,906	225,844	140,369	49,848
	1,637,478	1,638,952	2,305,359	3,335,123	4,583,159	1,249,938
\$	<u>17,964,191</u>	<u>\$ 18,101,012</u>	<u>\$ 17,456,384</u>	<u>\$ 17,786,797</u>	<u>\$ 21,534,218</u>	<u>\$ 15,307,878</u>
	<u>2,702,326</u>	<u>1,169,789</u>	<u>633,074</u>	<u>(852,775)</u>	<u>(2,731,935)</u>	<u>(1,141,314)</u>
\$	1,651,270	\$ 2,201,023	\$ 1,305,186	\$ 1,127,109	\$ 3,401,828	\$ 1,018,996
	(941,841)	(1,444,357)	(346,888)	(240,518)	(2,479,558)	(314,584)
	-	620,000	-	-	433,279	-
	-	-	-	-	5,436,000	-
	-	23,752	-	-	-	6,510
	<u>709,429</u>	<u>1,400,418</u>	<u>958,298</u>	<u>886,591</u>	<u>6,791,549</u>	<u>710,922</u>
\$	<u>3,411,755</u>	<u>\$ 2,570,207</u>	<u>\$ 1,591,372</u>	<u>\$ 33,816</u>	<u>\$ 4,059,614</u>	<u>\$ (430,392)</u>

4.53%

4.45%

4.38%

5.16%

2.19%

3.03%

CITY OF EDGEWATER, FLORIDA

Tax Revenues by Source of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

Fiscal Year Ended September 30	Property Taxes	Utility and franchise taxes	Intergovernmental Revenue	Total
2016	\$ 4,572,959	\$ 3,222,232	\$ 3,506,532	\$ 11,301,723
2017	5,095,759	3,303,147	7,513,956	15,912,862
2018	6,025,937	3,608,538	4,233,086	13,867,561
2019	6,641,903	3,723,199	4,582,125	14,947,227
2020	7,236,722	3,716,918	4,888,172	15,841,812
2021	8,108,454	3,887,989	4,074,319	16,070,762
2022	8,744,994	4,263,593	14,731,863	27,740,450
2023	9,748,795	4,766,954	4,691,000	19,206,749
2024	11,316,008	4,863,148	5,582,863	21,762,019
2025	13,058,538	5,230,320	5,399,688	23,688,546

CITY OF EDGEWATER, FLORIDA

Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended	Real Property	Personal Property	Centrally Assessed Property	Estimated Actual Value	Exemptions Real Property	Total Taxable Assessed Value	Total Direct Tax Rate
2016	\$ 1,044,677,842	\$ 56,648,037	\$ 4,165,413	\$ 1,105,491,292	\$ 355,523,202	\$ 749,968,090	6.7486
2017	1,152,122,321	82,170,227	4,403,969	1,238,696,517	374,317,083	864,379,434	6.7445
2018	1,245,616,754	92,091,785	4,487,968	1,342,196,507	394,071,253	948,125,254	7.0040
2019	1,344,364,414	100,155,114	4,497,383	1,449,016,911	408,076,606	1,040,940,305	6.9737
2020	1,479,116,741	108,444,187	4,439,949	1,592,000,877	429,755,270	1,162,245,607	6.9479
2021	1,579,632,391	118,653,510	4,554,064	1,702,839,965	444,395,076	1,258,444,889	6.9284
2022	1,815,893,400	134,724,089	4,923,275	1,955,540,764	471,738,595	1,483,802,169	6.5230
2023	2,077,067,185	142,490,250	5,297,098	2,224,854,533	505,201,223	1,719,653,310	6.4992
2024	2,354,119,575	149,939,822	4,409,510	2,508,468,907	530,122,775	1,978,346,132	6.4767
2025	2,611,980,255	167,431,408	4,327,883	2,783,739,546	563,095,825	2,220,643,721	6.4529

Source: Volusia County Property Appraiser's Office

CITY OF EDGEWATER, FLORIDA

Property Tax Rates
 Direct and Overlapping Governments
 Last Ten Fiscal Years

Fiscal Year	City of Edgewater ⁽¹⁾ Operating Millage	Debt Service Millage	Total Direct Rate	Volusia County ⁽²⁾ Millage	School District Millage	Other ⁽³⁾	Grand Total
2016	6.7000	0.0486	6.7486	7.2709	7.1970	3.2492	24.4657
2017	6.7000	0.0445	6.7445	7.0520	6.5200	1.8643	22.1808
2018	6.7000	0.3040	7.0040	6.6464	6.2810	1.7675	21.6989
2019	6.7000	0.2737	6.9737	6.5420	6.0810	1.6756	21.2723
2020	6.7000	0.2479	6.9479	6.1509	5.9070	1.5842	20.5900
2021	6.7000	0.2284	6.9284	6.2986	5.8020	1.5210	20.5500
2022	6.3300	0.1930	6.5230	5.7134	5.4820	1.3852	19.1036
2023	6.3300	0.1692	6.4992	5.6708	5.4090	1.2716	18.8506
2024	6.3300	0.1467	6.4767	5.5892	5.2850	1.1926	18.5435
2025	6.3300	0.1229	6.4529	5.5698	5.2790	0.7397	18.0414

- (1) Millage includes City of Edgewater General Fund.
- (2) Millage includes County General Fund, Library, Forever, Echo and Voter Approved Debt service.
- (3) Millage includes Ponce Inlet and Port Authority, Florida Inland Navigation District, St. Johns River Water Management Districts, Mosquito Control, and Hospital Operating.

CITY OF EDGEWATER, FLORIDA

Principal Taxpayers

Current Year and Nine Years Ago

Taxpayer	2025			2016		
	Real Property Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Real Property Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Sun Hacienda Del Rio LLC	\$ 51,306,423	1	1.96%			
Florida Power & Light Company	51,273,409	2	1.96%	\$ 17,697,347	1	2.53%
Brunswick Corporation	33,704,714	3	1.29%			
Boston Whaler Inc.	26,494,682	4	1.01%			
RJ Dougherty Associates Inc.	18,955,260	5	0.73%	6,813,496	2	0.97%
HPA III Acquisitions LLC	9,006,428	6	0.34%			
4H-Development LLC	7,731,933	7	0.30%			
Eastern Shores Ventures LLC	6,920,230	8	0.26%			
Diamond Edgewater RE LLC	6,590,254	9	0.25%			
3050 Holdings LLC	6,425,839	10	0.25%	4,102,096	3	0.59%
Florida East Coast Railway CO				3,738,747	4	0.53%
Revenue Properties Florida				3,727,444	5	0.53%
Bright House Networks LLC				3,321,255	6	0.47%
Carder James C TR				3,189,737	7	0.46%
Edgewater Power Boats LLC				3,072,392	8	0.44%
Holly Investments LTD				2,878,392	9	0.41%
Transcapital Bank				2,736,218	10	0.39%
	<u>\$ 218,409,172</u>		<u>8.36%</u>	<u>\$ 51,277,124</u>		<u>7.33%</u>
Total Assessed Valuation	<u>\$ 2,611,980,255</u>			<u>\$ 699,538,868</u>		

Source: Volusia County Property Appraiser's Office and 2016 City of Edgewater ACFR.

CITY OF EDGEWATER, FLORIDA

Property Tax Levies And Collections

Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy
2016	\$ 4,686,910	\$ 4,387,633	93.61 %	\$ 143,061	\$ 4,530,694	96.67 %
2017	5,024,786	4,848,641	96.49 %	23,795	4,872,436	96.97 %
2018	5,791,342	5,589,817	96.52 %	35,559	5,625,376	97.13 %
2019	6,352,439	6,206,999	97.71 %	41,382	6,248,381	98.36 %
2020	6,974,300	6,749,013	96.77 %	35,104	6,784,117	97.27 %
2021	7,787,046	7,514,400	96.50 %	32,674	7,547,074	96.92 %
2022	8,441,222	8,136,885	96.39 %	31,180	8,168,065	96.76 %
2023	9,414,483	8,849,860	94.00 %	39,020	8,888,880	94.42 %
2024	10,885,842	10,282,818	94.46 %	48,990	10,331,808	94.91 %
2025	12,525,137	11,832,117	94.47 %	33,792	11,865,909	94.74 %

Source: Volusia County Property Appraiser and Tax Collector.

Note: Levy and collections include General Fund Operating and exclude Voter Approved Debt service.

CITY OF EDGEWATER, FLORIDA
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding				
	Population (1)	Estimated Actual Taxable Value	Net General Obligation Bonded Debt (2)	Percentage of Actual Taxable Value of Property	Net Bonded Debt Per Capita
2016	21,280	\$ 699,538,868	\$ 290,868	0.042%	13.86
2017	21,509	864,931,848	3,579,477	0.414%	170.49
2018	23,319	948,125,254	3,428,825	0.362%	143.36
2019	23,455	1,040,940,305	3,257,102	0.313%	135.37
2020	23,818	1,162,245,607	3,085,182	0.265%	129.53
2021	23,310	1,258,444,889	2,904,981	0.231%	124.62
2022	23,855	1,483,802,169	2,719,556	0.183%	114.00
2023	24,334	1,719,653,310	2,528,402	0.147%	103.90
2024	24,981	1,978,346,132	2,317,937	0.117%	92.79
2025	25,655	2,220,643,721	2,102,823	0.095%	81.97

Source: Volusia County Property Appraiser and Tax Collector.

(1) See Demographic and Economic Statistics information for references

(2) General Obligation Bonded Debt is netted by the Net Position restricted for Debt Service.

CITY OF EDGEWATER, FLORIDA

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business Type Activities	
	Notes Payable	Special Assessment Notes	General Obligation Note	Leases	Line of Credit	Notes Payable	Leases
2016	\$ 1,063,288	\$ -	\$ 295,000	\$ 294,150	\$ -	\$ 13,692,712	\$ -
2017	2,903,034	-	3,667,000	635,717	-	12,090,966	62,220
2018	2,784,638	-	3,507,000	458,923	-	10,430,362	50,282
2019	2,582,373	-	3,343,000	338,479	-	8,805,627	38,088
2020	2,375,050	-	3,175,000	809,055	-	7,291,950	25,647
2021	2,158,081	-	2,998,000	626,246	-	6,954,919	12,953
2022	1,938,288	-	2,816,000	463,292	-	5,791,712	24,292
2023	1,713,262	-	2,630,000	403,221	-	4,602,738	15,916
2024	1,484,000	-	2,434,000	1,160,754	-	3,388,000	7,326
2025	1,306,000	-	2,233,000	1,026,934	-	22,232,000	-

Note-1: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See Demographic and Economic Statistics for personal income and population data.

	State Revolving Loan	Revenue Bonds	Line of Credit	Total	Percentage of Personal Income (1)	Per Capita (1)	Personal Income	Population
\$	5,866,152	\$ -	\$ -	\$ 21,211,302	5.05%	997	\$ 499,079,840	21,280
	5,894,079	-	-	25,253,016	4.50%	1,174	514,323,208	21,509
	5,635,032	-	-	22,866,237	3.68%	981	562,990,617	23,319
	8,840,950	-	-	23,948,517	4.23%	1,021	566,274,065	23,455
	8,826,049	-	-	22,502,752	3.57%	945	629,795,556	23,818
	8,403,950	-	-	21,154,149	3.10%	908	682,703,280	23,310
	7,899,609	-	-	18,933,193	2.50%	794	757,447,431	23,855
	7,388,395	-	-	16,753,531	1.98%	688	847,699,224	24,334
	6,870,195	-	-	15,344,274	1.69%	614	908,833,761	24,981
	6,344,897	-	-	33,142,831	3.58%	1,292	925,760,675	25,655

CITY OF EDGEWATER, FLORIDA

Direct and Overlapping Debt

<u>Governmental Unit</u>	<u>Net General Obligation Debt Outstanding</u>	<u>Percentage Applicable to the City of Edgewater</u>	<u>City of Edgewater Share of Debt</u>
Volusia County	\$ -	0.00%	\$ -
Volusia County School District	-	0.00%	-
Subtotal Overlapping Debt	-	0.00%	-
City Direct Debt	<u>4,565,934</u>	100.00%	<u>4,565,934</u>
Total Direct and Overlapping Debt	<u>\$ 4,565,934</u>		<u>\$ 4,565,934</u>

Note: The county-wide debt amount is comprised of \$0 of the County of Volusia's Limited Tax general obligation bonds.

The County's debt is overlapping to the City's in relation to its taxable property value compared to the County's as a whole. The City's general obligation debt is listed above and is direct debt to the City and underlapping to the County.

Source: Volusia County.

CITY OF EDGEWATER, FLORIDA

Pledged-Revenue Coverage

Last Ten Fiscal Years

(dollars in thousands)

Water and Wastewater Refunding Revenue Bond, Series 2016 ⁽¹⁾								
Fiscal Year ⁽²⁾	Gross Revenues ⁽³⁾	Less:		Available Net Revenue & Impact Fees	Debt Service			Coverage
		Operating Expenses ⁽⁴⁾	Impact Fees		Principal	Interest	Total	
2016	\$ 9,284,327	\$ 5,457,041	\$ 102,899	\$ 3,930,185	\$ 1,473,500	\$ 260,024	\$ 1,733,524	2.27
2017	9,742,911	6,826,218	100,988	3,017,681	497,000	218,569	715,569	4.22
2018	10,216,833	6,019,564	231,688	4,428,957	856,000	198,881	1,054,881	4.20
2019	11,084,416	6,329,690	216,890	4,971,616	876,000	178,733	1,054,733	4.71
2020	11,748,365	6,800,478	389,302	5,337,189	896,000	158,125	1,054,125	5.06
2021	12,533,913	6,693,068	1,494,459	7,335,304	916,000	137,057	1,053,057	6.97
2022	13,676,600	7,730,032	1,060,761	7,007,329	938,000	115,483	1,053,483	6.65
2023	14,137,406	8,237,818	1,061,369	6,960,957	959,000	93,426	1,052,426	6.61
2024	15,383,827	8,930,007	1,333,359	7,787,179	981,000	70,863	1,051,863	7.40
2025	16,495,331	9,925,789	1,067,797	7,637,339	1,004,000	47,771	1,051,771	7.26

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

- (1) The two Water and Wastewater Refunding Revenue Bond Series (2009 and 2012) have been retroactively combined as of 9/30/2015 through a refinancing that occurred on 2/25/2016.
- (2) The Water and Wastewater Refunding Revenue Bond has not been active for fifteen years.
- (3) According to the Resolution, Gross Revenues should exclude interest earnings on the Renewal and Replacement Fund and Construction Fund.
- (4) Total direct operating expenses excludes depreciation, amortization and overhead charges.

CITY OF EDGEWATER, FLORIDA

Legal Debt Margin Information
 Last Ten Fiscal Years

	Legal Debt Margin Calculation for Fiscal Years			
	2025	2024	2023	2022
Assessed Valuation				
Assessed taxable real property value	\$ 2,059,723,356	\$ 1,834,734,922	\$ 1,582,304,444	\$ 1,357,441,810
Add back: exempt real property	552,256,899	519,384,653	494,836,671	460,534,983
Total assessed value of real property	<u>\$ 2,611,980,255</u>	<u>\$ 2,354,119,575</u>	<u>\$ 2,077,141,115</u>	<u>\$ 1,817,976,793</u>
Legal debt margin:				
Debt limit	\$ 19,589,852	\$ 17,655,897	\$ 15,578,558	\$ 13,634,826
Total net debt applicable to limit	<u>4,565,934</u>	<u>5,079,754</u>	<u>4,746,483</u>	<u>5,217,580</u>
Legal debt margin	<u>\$ 15,023,918</u>	<u>\$ 12,576,143</u>	<u>\$ 10,832,076</u>	<u>\$ 8,417,246</u>
Total net debt applicable to the limit as a percentage of debt limit	23.31%	28.77%	30.47%	38.27%

Note 1: Per *City of Edgewater City Charter*, the City's outstanding legal debt should not exceed .75 % of total assessed property value.

Note 2: Total net debt applicable to limit includes governmental activities, notes payable, and leases.

2021	2020	2019	2018	2017	2016
\$ 1,057,679,617	\$ 944,575,170	\$ 860,690,466	\$ 787,008,907	\$ 696,387,893	\$ 649,384,830
421,155,760	399,789,244	384,926,288	365,113,414	348,289,949	336,519,836
<u>\$ 1,478,835,377</u>	<u>\$ 1,344,364,414</u>	<u>\$ 1,245,616,754</u>	<u>\$ 1,152,122,321</u>	<u>\$ 1,044,677,842</u>	<u>\$ 985,904,666</u>
\$ 11,091,265	\$ 10,082,733	\$ 9,342,126	\$ 8,640,917	\$ 7,835,084	\$ 7,394,285
5,782,327	6,359,105	6,263,852	6,291,638	6,570,034	1,357,438
<u>\$ 5,308,938</u>	<u>\$ 3,723,628</u>	<u>\$ 3,078,274</u>	<u>\$ 2,349,279</u>	<u>\$ 1,265,050</u>	<u>\$ 6,036,847</u>
52.13%	63.07%	72.81%	83.85%	18.36%	24.57%

CITY OF EDGEWATER, FLORIDA

Demographic and Economic Statistics
 Last Ten Fiscal Years

Calendar Year	Population (1)	Total Personal Income	Per Capita Personal Income (2)	Median Age (3)	County Unemployment Rate (4)	School Enrollment (5)
2016	21,280	\$ 499,079,840	\$ 23,453	49.8	5.1%	1,369
2017	21,509	514,323,208	23,912	51	4.2%	1,332
2018	23,319	562,990,617	24,143	50.9	3.1%	1,321
2019	23,455	566,274,065	25,914	49.9	3.2%	1,276
2020	23,818	629,795,556	26,442	51.1	5.6%	1,091
2021	23,310	682,703,280	29,288	51.1	4.3%	1,238
2022	23,241	757,447,431	32,591	55.3	2.5%	1,291
2023	24,334	847,699,224	34,836	54.7	3.4%	1,374
2024	24,981	908,833,761	36,381	54.7	3.9%	1,204
2025	25,655	925,760,675	36,085	53.7	4.9%	1,195

2025 Sources:

- (1) Source: University of Florida, Bureau of Economic and Business Research, 2025 Estimate.
- (2) US Census Bureau, 2024 American Community Survey 5 year Estimates.
- (3) US Census Bureau, 2024 American Community Survey 5 year Estimates.
- (4) US Bureau of Labor Statistics, Local Area Unemployment Statistics, Volusia County, FL, Civilian Labor Force, not seasonally adjusted, September 2025.
- (5) Received from Schools Directly as of 9-30-25 (Includes Discovery Academy, Indian River Elementary, Edgewater Public Elementary, Discovery Academy, and Little Explorers Montessori)

CITY OF EDGEWATER, FLORIDA

Principal Employers

Current Year and Nine Years Ago

Employer	2025		2016	
	Number of Employees (1)	Percentage of Total County Employment	Number of Employees (2)	Percentage of Total County Employment
Boston Whaler	750	0.28%	750	0.30%
Everglades Boats	250	0.09%	247	0.10%
City of Edgewater	230	0.09%	204	0.08%
Solace Boats	167	0.06%	-	0.00%
Publix Supermarkets	150	0.06%	135	0.05%
EdgeWater Power Boats	92	0.03%	130	0.05%
Winn Dixie Supermarkets	85	0.03%	100	0.04%
Indian River Elementary	72	0.03%	75	0.03%
Edgewater Elementary	78	0.03%	101	0.04%
Southeast Volusia YMCA	63	0.02%	60	0.02%
Brunswick Commerical & Government Products	-	0.00%	101	0.04%
Total	1,937	0.72%	1,903	0.77%
Total County Employment (3)		268,628		247,109

Sources:

(1) Information provided by each employer.

(2) City of Edgewater ACFR 2016.

(3) Florida Commerce, Bureau of Workforce Statistics and Economic Research, Local Area Unemployment Statistics (LAUS). Not Seasonally Adjusted.

CITY OF EDGEWATER, FLORIDA

Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/program	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government:										
Mayor and Commission	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
City Manager	3.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0	3.0	3.0
City Clerk	3.0	3.0	3.0	3.0	2.0	2.0	3.0	2.0	2.0	2.0
Support Departments										
Finance	13.0	14.0	14.0	12.0	12.0	11.0	11.5	12.5	9.0	10.0
IT/MIS/GIS	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Economic Development	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Human Resources	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0
Community Development										
Planning and Zoning	3.0	4.0	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0
Building	8.0	7.0	6.0	4.0	4.0	3.0	4.0	4.0	4.0	4.0
Public Safety:										
Police Department	39.0	39.0	38.0	34.0	34.0	36.0	33.0	35.0	34.0	33.5
Fire Department	40.0	41.0	43.0	36.0	37.0	32.0	33.0	32.0	31.0	33.5
Animal Control/Shelter	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Code Enforcement	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	2.0	1.0
Water Resources										
Water Utility	16.0	12.0	11.0	10.0	10.0	10.0	10.5	9.0	10.0	15.0
Wastewater Utility	19.0	16.0	17.0	15.0	15.0	14.0	14.0	14.0	15.0	15.0
Field Operations	14.0	10.0	12.0	11.0	11.0	8.0	10.0	12.0	10.0	11.0
Stormwater	10.0	8.0	9.0	7.0	7.0	8.0	9.0	10.0	9.0	11.0
Solid Waste Utility	14.0	13.0	14.0	11.0	11.0	13.0	22.5	19.5	25.0	24.0
Parks and Recreation	22.0	21.0	21.0	20.0	19.5	21.0	22.0	17.5	17.0	15.0
Fleet	3.0	3.0	3.0	4.0	4.0	4.0	3.0	3.0	3.0	3.0
Public Works	7.0	14.0	13.0	9.0	9.0	9.0	9.0	8.0	7.0	9.0
Totals:	<u>230.0</u>	<u>224.0</u>	<u>226.0</u>	<u>197.0</u>	<u>196.5</u>	<u>190.0</u>	<u>203.5</u>	<u>197.5</u>	<u>195.0</u>	<u>204.0</u>

Source: Provided by the City of Edgewater Finance Department.

CITY OF EDGEWATER, FLORIDA

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/program	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government										
Employment Applications Received	2,068	1,681	824	509	858	906	1,401	922	428	471
Personnel Actions Processed	209	198	196	205	177	210	196	205	156	211
Accidents & Injuries Reviewed	33	48	60	33	59	73	56	53	61	49
Business Tax Receipts Issued	2,943	3,195	3,091	2,742	2,452	934	1,866	1,075	837	970
Checks Issued	2,637	1,996	1,920	1,842	1,565	1,683	1,430	1,413	1,810	2,369
Competitive Procurements (ITB,RFP,) issued	5	16	15	12	14	11	18	8	16	13
Purchase Orders Issued	1,228	982	973	1,205	763	868	850	618	690	815
Public Safety										
Police Department										
Accidents	528	570	355	296	412	533	470	454	489	471
Traffic citations issued	2,313	2,259	2,101	1,195	2,192	1,806	2,001	3,215	4,677	3,100
Evidence Processed	2,938	2,198	1,330	1,063	1,127	1,996	2,592	2,824	2,799	2,654
Physical arrests	1,329	1,387	1,271	1,026	1,028	924	1,332	1,282	861	1,311
Calls for service	32,291	31,325	30,985	25,642	27,126	29,202	25,493	27,663	34,179	32,426
Fire Department										
Emergency responses	3,850	3,968	4,164	4,556	6,834	6,434	3,601	3,509	3,605	3,333
Average response time - minutes	5.22	5.84	5.04	3.31	5.25	5.40	5.31	5.50	4.48	5.08
Public Education Programs	19	19	18	19	15	38	80	72	68	62
Fire inspections	172	463	358	350	325	287	379	525	1,288	1,203
Public Works										
Miles of street Resurfaced	5	1	4	7	-	11	-	-	-	2
Miles of unpaved streets	15	13	13	14	8	8	8	8	8	14
Sidewalks - new construction - miles	-	-	-	-	3	4	-	1	-	4
Parks and Recreation										
Ball games, practices & field rentals	850	991	862	686	459	319	635	823	536	372
Events/Programs	20	23	20	18	16	4	24	24	33	23
Water Resources										
Water main breaks	71	48	60	69	44	169	73	109	90	103
Average daily consumption - mgd	2.37	2.31	2.11	1.66	1.91	1.96	1.97	1.99	1.92	1.746
Number of water customers	12,483	11,839	11,979	11,727	11,571	10,995	10,861	10,864	10,757	10,879
New Connections	216	335	252	210	348	101	46	64	27	24
Sewer Resources										
New Connections	261	326	272	179	273	85	46	57	19	20
Average daily consumption - mgd	1.812	1.158	1.481	1.569	1.523	1.699	1.730	1.710	1.493	1.719
Number of customers	11,326	10,949	11,054	10,782	10,481	10,323	10,224	10,185	10,008	10,416
Solid Waste Utility										
Number of Customers	11,281	10,958	11,034	10,388	10,366	10,094	9,502	9,707	9,920	9,631

Sources: Provided by the respective departments of the City of Edgewater

CITY OF EDGEWATER, FLORIDA
 Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years

Function/program	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Police										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Vehicles	53	51	44	40	42	40	34	33	34	30
Patrol Zones	2	2	2	2	2	2	2	2	2	2
Fire										
Fire Stations	2	2	2	2	2	2	2	2	2	2
Fire Vehicles	22	18	15	13	14	16	17	19	17	19
Public Works										
Vehicles	12	13	13	13	10	10	10	10	10	11
Parks and Recreation										
Vehicles	24	19	15	11	10	10	10	13	15	15
Parks Acreage	151	151	151	151	151	151	151	151	151	151
Parks	12	12	12	12	12	12	12	12	12	12
Baseball Fields	5	5	5	5	5	5	5	4	5	5
Tennis Courts	2	2	2	2	2	2	2	-	4	4
Basketball Courts	2	2	2	2	2	2	2	1	3	3
Racquetball Courts	2	2	2	2	2	2	2	-	4	4
Shuffleboard Courts	-	-	-	-	-	-	-	-	-	-
Boat Ramps	3	3	3	3	3	3	3	3	5	5
Paddling Trails	6	6	6	6	6	6	6	6	6	6
Gymnasiums (YMCA)	1	1	1	1	1	1	1	1	1	1
Water Resources										
Water mains (miles)	188	188	184	175	170	168	166	165	165	165
Fire hydrants	843	843	843	884	884	874	860	719	719	720
Vehicles	33	30	30	27	26	26	26	26	26	26
Sewer mains (miles)	153	157	157	225	225	223	221	220	220	189
Reclaim Water (miles)	96	94	92	90	87	85	79	79	79	79
Stormwater Utility										
Storm Sewers (miles)	36	36	36	36	36	36	36	36	36	36
Vehicles	14	28	28	28	21	21	21	19	18	18
Solid Waste Utility										
Garbage Trucks	10	10	10	10	8	8	8	9	8	9
Other Vehicles	10	7	8	8	10	10	10	10	10	11

Sources: Provided by the respective departments of the City of Edgewater

**INDEPENDENT AUDITORS' 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**

To the Honorable Mayor, City Council, and City Manager,
City of Edgewater, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Edgewater, Florida, (the City) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 20, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a deficiency in internal control (2025-001), described in the Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations,

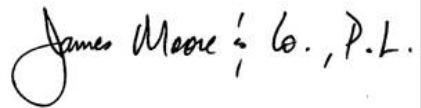
contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Edgewater, Florida's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described above. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial "J".

Daytona Beach, Florida
March 20, 2026



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE STATE OF FLORIDA OFFICE OF THE AUDITOR GENERAL**

To the Honorable Mayor, City Council, and City Manager,
City of Edgewater, Florida:

Report on the Financial Statements

We have audited the financial statements of City of Edgewater, Florida (the City), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 20, 2026.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Examination 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 March 20, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Programs

The following items have been provided to us to comply with state reporting requirements and have not been audited by us. We did not audit the following information within this section, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on this data.

As required by Section 10.554(1)(i)6.b., Rules of the Auditor General, if a PACE program was operating within the geographical areas of the City a list of all program administrators and third-party administrators that administered the program.

As required by Section 10.554(1)(i)6.c., Rules of the Auditor General, if a PACE program was operating within the geographical areas of the City the full names and contact information of each such program administrator and third-party administrator. They are as follows:

- a. Fortifi Financial, Inc. - info@fortifi.com (Florida PACE Funding Agency)
- b. Home Run Financing LLC - info@homerunfinancing.com (Florida PACE Funding Agency)
- c. Bayview PACE - info@bayviewpace.com (Florida PACE Funding Agency)
- d. Northbridge ESG - info@NorthBridgeops.com (Florida PACE Funding Agency)
- e. Ygrene Florida Energy Fund, LLC customer.care@ygrene.com (Green Corridor PACE District)
- f. The Renew Financial Group, LLC info@renewfinancial.com (Florida Green Finance Authority)

Special District Component Units

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

Specific Special District Information - City of Edgewater Community Redevelopment Agency

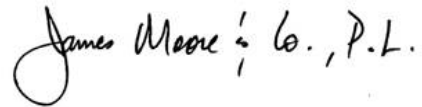
The required reporting items in accordance with Section 218.39(3)(c), Florida Statutes for the City of Edgewater Community Redevelopment Agency (the CRA) have been reported in the separately-issued audited financial statements of the CRA.

Additional Matters

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

Purpose of this Letter

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

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Daytona Beach, Florida
March 20, 2026



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Honorable Mayor, City Council, and City Manager,
City of Edgewater, Florida:

We have examined the City of Edgewater, Florida's (the City) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2025. The City's 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 responsibility is to obtain reasonable assurance by evaluating the City's compliance with those requirements and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating whether the City's compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2025, and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of evaluation of the City's compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2025. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that the City's compliance was not in accordance with the Statute in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the City of Edgewater, Florida, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement.

In our opinion, the City of Edgewater, Florida complied with the aforementioned requirements for the year ended September 30, 2025, in all material respects.

A handwritten signature in black ink that reads 'James Moore & Co., P.L.' is enclosed within a thin black rectangular border.

Daytona Beach, Florida
March 20, 2026

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To the Honorable Mayor, City Council, and City Manager
City of Edgewater, Florida:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Edgewater, Florida's (the City) compliance with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2025. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program

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

Responsibilities of Management for Compliance

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

Auditors' 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance 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 as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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, 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

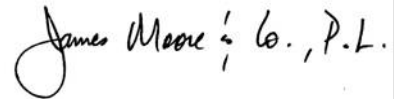
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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 or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style and is enclosed within a thin black rectangular border.

Daytona Beach, Florida
March 20, 2026

CITY OF EDGEWATER, FLORIDA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2025

Federal Agency Pass Through Entity Federal Program	Assistance Listing Number	Contract/Grant Number	Grant Amount	Expenditures
Federal Awards				
<u>U.S. Department of Environmental Protection</u>				
Passed Through Florida Department of Environmental Protection Nonpoint Source Implementation Grants	66.460	NF091	\$ 82,500	\$ 82,500
Total U.S. Department of Justice				<u>82,500</u>
<u>U.S. Department of Housing and Urban Development</u>				
Direct				
Community Development Block Grants	14.228	IRO24	14,697,665	915,756
Community Development Block Grants	14.228	DBF23	750,000	30,000
Total U.S. Department of Housing and Urban Development				<u>945,756</u>
<u>U.S. Department of Justice</u>				
Passed Through Florida Office of Attorney General Victim of Crime Act Grant	16.575	VOCA 2022-00788	51,491	50,147
Total U.S. Department of Justice				<u>50,147</u>
<u>U.S. Department of Transportation</u>				
Passed Through Florida Department of Transportation Highway Training and Education	20.215	G1X15	2,904	231
Total U.S. Department of Justice				<u>231</u>
<u>U.S. Department of Homeland Security</u>				
Passed through State of Florida, Division of Emergency Management				
Disaster Grants - Public Assistance	97.036	19-PA-00-06-74-01-481	1,272,572	(6,369)
Disaster Grants - Public Assistance	97.036	Z3103	2,457,567	245,944
Disaster Grants - Public Assistance	97.036	17-PA-U5-06-74-01-030	3,301,973	(142,745)
Total U.S. Department of Homeland Security				<u>96,830</u>
Total Expenditures of Federal Awards				<u>\$ 1,175,464</u>

The accompanying notes to the schedule of expenditures of federal awards are an integral part of this schedule.

CITY OF EGDEWATER, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

(1) **Basis of Presentation:**

The accompanying Schedule of Expenditures of Federal Awards include federal award activity of City of Edgewater, Florida. The information in this schedule is presented in accordance with the 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). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(2) **Summary of Significant Accounting Policies:**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Pass-through entity identifying numbers are presented where available.

No amounts were passed through to subrecipients during the fiscal year ended September 30, 2025.

(3) **De Minimis Indirect Cost Rate Election:**

City of Edgewater, Florida did not elect to use the de minimis indirect cost rate as covered in §200.414, *Indirect (F&A) costs*, of the Uniform Guidance.

(4) **Contingency:**

Project expenditures are subject to audit and adjustment. If any expenditures were to be disallowed by the grantor agency as a result of such an audit, any claim for reimbursement to the grantor agency would become a liability of the City. In the opinion of management, all project expenditures included on the accompanying schedule are in compliance with the terms of the project agreements and applicable federal and state laws and regulations.

**CITY OF EDGEWATER, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SEPTEMBER 30, 2025**

I. Summary of Auditors' Results:

Financial Statements:

Type of audit report issued on the financial statements: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? X yes _____ none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards:

Internal control over major Federal programs:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for major Federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? _____ yes X none reported

Identification of major Federal programs:

AL Number	Program Name
14.228	Community Development Block Grants

Dollar threshold used to distinguish between type A and type B Federal programs: \$1,000,000

Auditee qualified as low-risk auditee? X yes _____ no

II. Financial Statement Findings:

2025-001 Reconciliation of General Ledger Account Balances

Condition –During testing of year-end balances, we noted \$20,000,000 of debt proceeds were recorded as revenue for the 2024 Utility Revenue Note, which needed to be reclassified to amounts due to and from the funds for proper financial reporting.

CITY OF EDGEWATER, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SEPTEMBER 30, 2025

Criteria – Year-end balances for balances such as debt proceeds should be reviewed and reconciled thoroughly at year-end.

Cause – The cause of the audit adjustments was due to insufficient review and reconciliation of year-end general ledger account balances.

Effect – The effect was, had the audit adjustments not been proposed, there would have been misstatements of the general ledger account balances at year-end.

Recommendation – We recommend additional controls be put in place to reconcile year-end general ledger balances so that any similar items will be detected by the City’s accounting controls going forward.

- III. **Federal Programs Findings and Questioned Costs:** No findings and questioned costs were noted.
- IV. **Summary Schedule of Prior Audit Findings:** No Summary Schedule of Prior Audit Findings is required because there were no prior audit findings for the year ended September 30, 2024.



MEMO TO: The Honorable Mayor and City Council
The State Auditor General

THRU: Joe Mahoney, City Manager

FROM: Bridgette A. Vaissiere, Finance Director

DATE: March 13, 2026

MANAGEMENT'S RESPONSE TO CURRENT YEAR FINDINGS AND RECOMMENDATIONS

Reconciliation of General Ledger Account Balances

Management concurs with this finding and will implement changes to the processing of reconciling debt proceeds revenue. The City will implement additional review procedures for significant financing transactions and year end journal entries to ensure proper classification.