

Annual Comprehensive Financial Report



**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025**

Prepared by the Finance Department

CITY OF EUSTIS
COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR ENDED SEPTEMBER 30, 2025

CITY COMMISSION

Willie L. Hawkins, Mayor
Gary Ashcraft, Vice Mayor
Michael L. Holland, Commissioner
George, Asbate, Commissioner
Emily A. Lee, Commissioner

CITY MANAGER

Thomas R. Carrino, Jr.

Prepared by the Finance Department

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INTRODUCTORY SECTION

**Annual Comprehensive Financial Report
City of Eustis, Florida**



**CLIFFORD HOUSE
MUSEUM
& GARDENS**



CITRUS MUSEUM

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City of Eustis

P.O. Drawer 68 • Eustis, Florida 32727-0068 • (352) 483-5430

March 31, 2026

To the Honorable Mayor, City Commissioners and Citizens of Eustis:

It is an honor to submit this Annual Comprehensive Financial Report for the City of Eustis (City) for the fiscal year ending September 30, 2025. The report fulfills the requirements set forth by City ordinance and State law, by the City Charter Article V, Florida Statutes Chapters 11.45 and 218, and the Rules of the Auditor General 10.550, which requires that, each fiscal year, all local governments publish a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited under auditing standards generally accepted in the United States by a firm of licensed, certified public accountants.

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

Chapters 11.45 and 10.550 of the Florida Statutes require independent, certified public accountants to perform the annual financial audit. The audit was completed by Purvis Gray and Company, LLP, a firm of licensed, certified public accountants who meet the additional requirements necessary to audit governmental units.

The goal of the independent audit is to provide reasonable assurance that the City's financial statements for the fiscal year ended September 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, significant estimates made by management and evaluating the overall financial statement presentation.

The auditors expressed an opinion that the City's financial statements for the fiscal year ended September 30, 2025, are fairly stated in conformity with accounting principles in the United States. This is the most favorable conclusion, commonly known as an "unmodified" or clean opinion. The Independent Auditor's Report is presented as the first component of the Financial Section of this report.

Transmittal Letter

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the Basic Financial Statements in a Management's Discussion and Analysis (MD&A) document. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Auditor's Report.

PROFILE OF THE CITY

The City of Eustis is in Lake County, Florida, approximately 25 miles northwest of Orlando, Florida. The City's boundaries span over 12 square miles of gently rolling countryside and lakes, with a service area of approximately 26 square miles. The City was incorporated in 1883 and most recently amended the City Charter in 2018. A Charter Review Committee made appropriate recommendations, which updated and streamlined the Charter to current State statutes.

Lake County is part of the Orlando Metropolitan Statistical Area (MSA). In addition to Lake County, the area includes Orange, Seminole, and Osceola counties. The inclusion of Lake County in the Orlando MSA indicates that most people live, work, earn and spend money in this defined geographic area. The hub of this MSA is Orange County and Lake County serves as a residential unit of the MSA.

The City has an estimated population of 24,477 as of April 1, 2025, and provides a full range of general municipal services, including:

- Building Inspections
- Code Enforcement
- Community and Economic Development
- Parks, Recreation, Library, and Cultural Affairs
- Police and Fire Protection
- Stormwater Management
- Street Maintenance, Traffic Engineering, and Parking
- Water and Wastewater Services

Internal support services include the following:

- Financial Services - Budget, Payroll, Accounts Payable and Accounts Receivable
- Citywide Management - Administration, Information Technology, Human Resources, Labor Relations and Risk Management
- Legal Services
- Facilities Management
- Public Relations

Solid waste disposal is provided under a franchise agreement and is performed by a private company. The City's existing agreement was renewed on February 20, 2025. Under the new agreement, the City transitioned from a waste/recycle program to a waste-to-energy program for all residential customers.

Transmittal Letter

In addition to the above activities, the City exercises oversight responsibility for the Community Redevelopment Agency (CRA). Accordingly, these activities are included in the City's annual reporting document and are reflected in Note 1 in the Notes to the Financial Statements.

The City utilizes a Commission/Manager form of government. Five Commission members are elected to staggered four-year terms. Each year, the Commission chooses a new Mayor and Vice Mayor from the current group of Commissioners. Elections are held on the first Tuesday after the first Monday in November, and the elected candidates take a seat during the first City Commission meeting in January.

The City Manager is a full-time position appointed by the Commission and serves as the City's Chief Executive/Administrative Officer. The City Manager, per the charter, appoints both the Finance Director and the City Clerk. Once the City Manager appoints these positions, the City Commission must also approve the positions. The charter authorizes departments for Finance, Police, Fire, Water, Sewer, and Public Works. Other departments may be established by ordinance upon the recommendation of the City Manager. A Director shall head each department, subject to the discretion of the City Manager.

The annual budget is the City's financial planning and control foundation. All City departments are required to submit annual requests for appropriations to the City Manager. The City Manager uses these requests to develop the proposed budget.

The City Manager presents the proposed budget to the City Commission for review no less than forty-five (45) days before the expiration of each fiscal year. The City Commission must hold two (2) public hearings on the proposed budget and adopt a final budget no later than September 30th, the close of the City's fiscal year. The appropriated budget is prepared by fund, function and program. Budgets for all governmental fund types are adopted consistent with generally accepted accounting principles. Budget-to-actual comparisons are provided for each governmental fund. After adoption of the annual budget, the City Commission must still approve all purchases over \$100,000 in addition to any amendments to the budget. Staff prepare a resolution for any increase in expenditures to amend the budget.

The City also prepares a Five-Year Capital Improvement Plan (CIP), which is reviewed and updated annually. The Five-Year CIP provides a Citywide plan for utility improvements, equipment replacements and growth-related projects. The plan details the development of revenue projections and capital needs assumptions. The Sales Tax Capital Projects Fund revenue also provides funding for many improvements that benefit the community, such as infrastructure, police and fire vehicles, equipment and parks and recreation enhancements.

Budgeted revenue and operating expenditures are typically conservative and calculated based on the most recent history of revenue with a modest increase in expenditures. In addition to these general assumptions, each department estimates the workforce and equipment necessary to maintain adequate service levels. The City maintains a healthy unassigned fund balance in the General Fund of \$19.7 million, which is 96.4% of the total fund balance, which includes an emergency contingency of \$405,873.

As stated above, the City develops multi-year forecasts for the major funds and capital improvement plan. Some of the key projects reflected in the capital improvement plan are:

- Multiple community park improvements
- Street rehabilitation, including sealing and resurfacing projects

Transmittal Letter

- Library facility maintenance and computer upgrades
- Citywide information technology upgrades
- Water and sewer improvements
- Public Safety vehicle replacement program
- Improvements to buildings
- Major equipment upgrades in Public Works

Factors Affecting Financial Condition

The information presented in the financial statements is best understood when considered from the broader perspective of the specific environment within which the City operates.

The local economy was less impacted by inflation of 3.10% in June 2025, than it was in June 2024 with an inflation rate of 3.20%, according to the Bureau of Labor Statistics. The growth in property tax revenues has offset inflation over the past year. This City's 2025 tax value was \$1,831,981,923, including new construction. The City's final 2024 taxable value was \$1,680,329,807, including new construction. This represents a year-over-year increase of 9.03%.

The unemployment rate for Lake County rose from 3.7% in 2024 to 4.5% in 2025.

The City's tax base is primarily residential, as evidenced by the number of utility accounts served. With over 13,000 utility accounts, the City has just over 800 commercial utility accounts. This proportion illustrates that the City is a bedroom community for the Orlando MSA rather than a commercial or industrial hub. The City addresses its future needs by adjusting for the fact that the City's direction has shifted from an agricultural community to a substantially residential one.

The State of Florida has found the City's Comprehensive Plan to be in compliance with statutory requirements. This Plan is mandated under the State's growth management regulations. The Plan's objective is to address the needs of a predominantly residential community with provisions for light commercial and industrial sectors and to establish a well-rounded community that serves the needs of the citizens. This Plan reinforces and sets the future direction of the City.

Based on current and future needs outlined in the Plan, the City has identified and established appropriate projects and funding sources to complete its goals. A State Revolving Loan and Revenue Bond have provided funding for water, sewer and other infrastructure needs. The City adopted impact fees for water, sewer, recreation, police, fire and library services. These fees can be used for eligible growth-related projects.

The City adopted new Land Development Regulations (LDRs) in 2008, and the Commission adopted amendments in 2015, 2016, 2017, 2019, and 2024. The LDRs set forth requirements for density, open space and compatibility.

The City has established a Joint Planning Area (JPA) with Lake County and provides review and comments on any County projects within the geographically defined area. New development in the unincorporated area of the Joint Planning Area requesting water service must either annex into the City or sign an annexation agreement with the City to meet the City's development standards.

Transmittal Letter

LONG-TERM FINANCIAL PLANNING

Major Initiatives

During the fiscal year 2025, several major projects were completed or started.. Listed below are some items of interest.

- The City focused attention on obtaining grants at the local, County, State and Federal levels. The City was awarded three general grants for a total of \$27,295. A Federal grant was awarded for \$100,000 from the American Rescue Plan Act for a septic to sewer project. The Florida Department of Transportation awarded the City \$200,000 for North Shore Culvert project. The City has received approximately \$19,000 from FEMA for Hurricane Milton and is obligated to receive another \$370,000. The City has been awarded a CDBG Mitigation Grant of \$1.4 million, which will be received in FY2026.
- The Finance Department hired a grant writer to research alternative funding sources for capital projects as well as operating grants.
- The Fire Department purchased a fire captain vehicle, radios and GovWell software for fire and building inspections.
- The City maintained its ISO rating of 2. The lower the rating, the higher the ability of the Fire Department to meet the community's needs. The safer the community, the lower homeowners' insurance rates are within the City.
- The Police Department purchased five new vehicles and body camera equipment. All equipment purchased is critical for officer safety and the safety of residents.
- The Information Technology Department purchased numerous cameras around public buildings and area parks. The Police Department has found the new technology very useful in crime prevention and enforcement.
- The Fire Department made the final payment in FY2025 on a Pierce Impel Pumper truck. The purchase will replace a unit that is over ten years old; the maintenance and servicing became cost prohibitive. Not only will the new equipment provide an enhanced level of service for the residents of Eustis, but it will be instrumental in maintaining the ISO rating.
- An impact fee study was completed in FY2025 and new rates will be in effect starting January 1, 2026. The new and increased impact fees will apply to most new residential, commercial and industrial development in the City of Eustis. Impact fees ensure that new growth pays its fair share for Police, Fire, Parks and Recreation, Library, Water, and Wastewater facilities, rather than shifting costs onto existing residents and businesses. Consistent with Florida law, rebuilding an existing structure of the same size and use will not trigger new impact fees.
- A Risk Manager position was created and has been filled in FY2025. The Risk Manager will be tasked with identifying, assessing and mitigating potential financial, operational and reputational risks to the City. The new staff will reside in the Human Resources department and will develop risk policies, analyze data trends, ensure regulatory compliance and implement strategies like insurance or business continuity plans to minimize negative impacts.
- The Stormwater Department purchased a new street sweeper to replace aging equipment that required frequent, costly repairs. The equipment is used regularly and it is prudent to purchase new, rather renting, which would be most costly over time. The new sweeper will maintain the desired level of service to the City and its residents.

Transmittal Letter

- The City implemented significant, much-needed technology upgrades. We installed CJIS compliant security cameras throughout the City and plan to add more each year. We also upgraded and improved our backup system and are utilizing a new Endpoint Antivirus system and Multi Factor Authentication. All of these upgrades provide for enhanced security, compliance with cybersecurity mandates, better efficiency, future growth, better reliability and less downtime due to system failures.
- In 2025, the Economic Development Department completed two major strategic planning initiatives: a Target Industry and Smart Growth Analysis (TISGA) and an Economic Development Marketing Study (EDMS). These efforts will guide the City's economic strategy by identifying industries aligned with Eustis's workforce, infrastructure, and long-term market trends while providing data-driven recommendations to strengthen the City's economic positioning, attract targeted investment, support local businesses and effectively market Eustis to visitors, residents and prospective businesses.
- Department staff advanced economic growth and job creation initiatives across multiple channels. The UCF/Eustis Business Incubator at Mega Workplace had a strong year, with client companies securing \$300,000 in funding and hosting more than 16 entrepreneurial education and training events that attracted over 250 emerging entrepreneurs and growth-stage companies. Staff also marketed industrial sites to site selectors and business prospects and led a targeted recruitment campaign that generated direct engagement with corporate leaders and site consultants, resulting in eight prospect leads.
- Through a partnership with the Greater Lake Eustis Chamber of Commerce and direct outreach, staff met with more than 40 local businesses to address operational challenges and provide support, including workforce resources, infrastructure assistance referrals, business training and potential grant opportunities.
- Applications to the City's Gateway Grant Façade Improvement Program increased by 10 percent over the prior year, supporting visible enhancements to downtown and major commercial corridors that strengthened the City's aesthetic appeal, foot traffic and economic vitality.
- City staff also worked collaboratively with the Lake County Economic Development Office, Lake Area Economic Development (LEAD), and regional partners to align priorities, implement joint initiatives and leverage regional partnerships to advance the City's economic development goals.
- The City Clerk's Office focused on streamlining processes to include the handling of public records requests and records retention. The City Clerk's Office, with assistance from other departments, has continued to review the City's paper records. A significant number of permanent records have been scanned.
- The Eustis Memorial Library held over 500 programs with nearly 13,000 attendees- an 11% increase over the previous fiscal year. The library also launched a Eustis-exclusive Libby e-book collection, resulting in an 83% increase in active users in just one month. In addition, the exterior of the building was also repainted.
- Each year, money is set aside to address the constant need to upgrade streets and sidewalks; a five-year total for this project is approximately \$520,000. The City also intends to install new sidewalks as part of the Eustis Mobility plan. The City is one of the few entities in Lake County with the equipment and personnel to perform most of the work in-house, thereby providing the highest value for the dollars spent.

Transmittal Letter

- The remaining projects under general government street sealing and resurfacing are just over \$2.7 million for the next five years. The design of the Coolidge Street, several side streets and a storm project is completed and should be under construction in 2026.
- Upgrades and replacement of equipment, such as water and sewer line upgrades, storage tanks and water and sewer system engineering for the wastewater treatment facilities occurs annually. The major projects completed were the bypass force main connection on CR 44, completion of all water and sewer system relocation for the SR 19 project and the premaintenance and rehabilitation of the Ardice potable well.
- The Parks and Recreation Department continues to expand its program offerings to include Teen Zone, a program for teens aged 13 and up. The Department also has completed a newly renovated programs facility and several park renovations to improve aesthetics and functionality. They also introduced a new Winterfest Parade, which drew over 1,500 attendees and participants at the inaugural event.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024. This was the 36th consecutive year the City received this prestigious award. To qualify for the award, the City must publish an easily readable and efficiently organized annual report. Last year's report satisfied all requirements. A Certificate of Achievement is valid for one year only. Staff believes this annual report meets the Certificate of Achievement Program's requirements and will submit it to the GFOA to determine its eligibility for another certificate.

The City received the GFOA's Award for Distinguished Budget Presentation for its annual financial plan for the FY 2024/25 budget document. This was the eleventh consecutive year the City received this prestigious award. To qualify for the Distinguished Budget Presentation Award, the City's budget document was judged proficient in all categories, including policy documentation, financial planning, organization, and as a communication medium. We expect to receive the Award for the FY 2025/26 budget document.

The preparation of this report was only possible with the efficient and dedicated services of the entire Finance staff. We want to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. We also thank the Mayor and the Commissioners for your support in maintaining the highest standards of professionalism in managing the City's finances.

Respectfully submitted,



Rick Gierok,
Interim City Manager

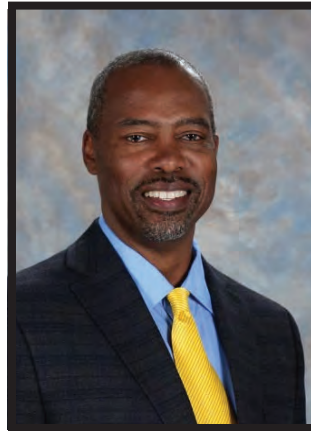


Lori Carr
Finance Director

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CITY OFFICIALS



Willie Hawkins
Mayor



Emily A. Lee
Commissioner



Gary Ashcraft
Vice Mayor



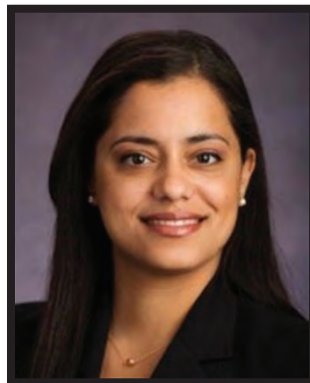
Rick Gierok
Interim City Manager



Michael Holland
Commissioner



George Asbate
Commissioner



Sasha O. Garcia
City Attorney

List of Elected and City Officials September 30, 2025

Elected Officials City Commission

<u>Title</u>	<u>Name</u>	<u>Seat</u>	<u>Current Term of Seat</u>
Mayor	Willie Hawkins	3	1/2025 through 12/2028
Vice Mayor	Gary Ashcraft	1	1/2023 through 12/2026
Commissioner	Michael L. Holland	2	1/2023 through 12/2026
Commissioner	George Asbate	4	9/2025 through 12/2028
Commissioner	Emily A. Lee	5	1/2025 through 12/2028

Appointed and Key Officials

<u>Title</u>	<u>Name</u>
City Manager	Thomas R. Carrino, Jr.
Legal Counsel and City Attorney	Sasha O. Garcia
Director of Finance	Lori Carr
City Clerk	Christine Halloran

Executive Team

<u>Title</u>	<u>Name</u>
Deputy City Manager	Miranda Burrowes
City Clerk	Christine Halloran
Director of Development Services	Mike Lane
Director of Economic Development	Albert Latimer
Director of Engineering & Capital Projects	Richard Gierok
Director of Eustis Memorial Library	Ann S. Ivey
Director of Events and Communication	Cheri Moan
Director of Finance	Lori Carr
Director of Human Resources	Karen Crouch
Director of Parks and Recreation	Sam Brinson
Director of Public Works	Greg Dobbins
Fire Chief	Michael Swanson
Police Chief	Craig Capri

Division Heads

Director of Information Technology	Bryce Hale
Director of Purchasing	Tracy M. Jeanes
Deputy City Clerk	Mary Montez
Deputy Director of Finance	Mari Leisen
Deputy Director PW Streets & Lawn	Joseph Jones
Deputy Director PW Utilities	Michael Brundage
Superintendent, Streets	Devon Evans
Superintendent, Lawn	Brent Matthews
Superintendent, Water	Paul Shepherd
Superintendent, Wastewater	Jeff Brinson



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Eustis
Florida**

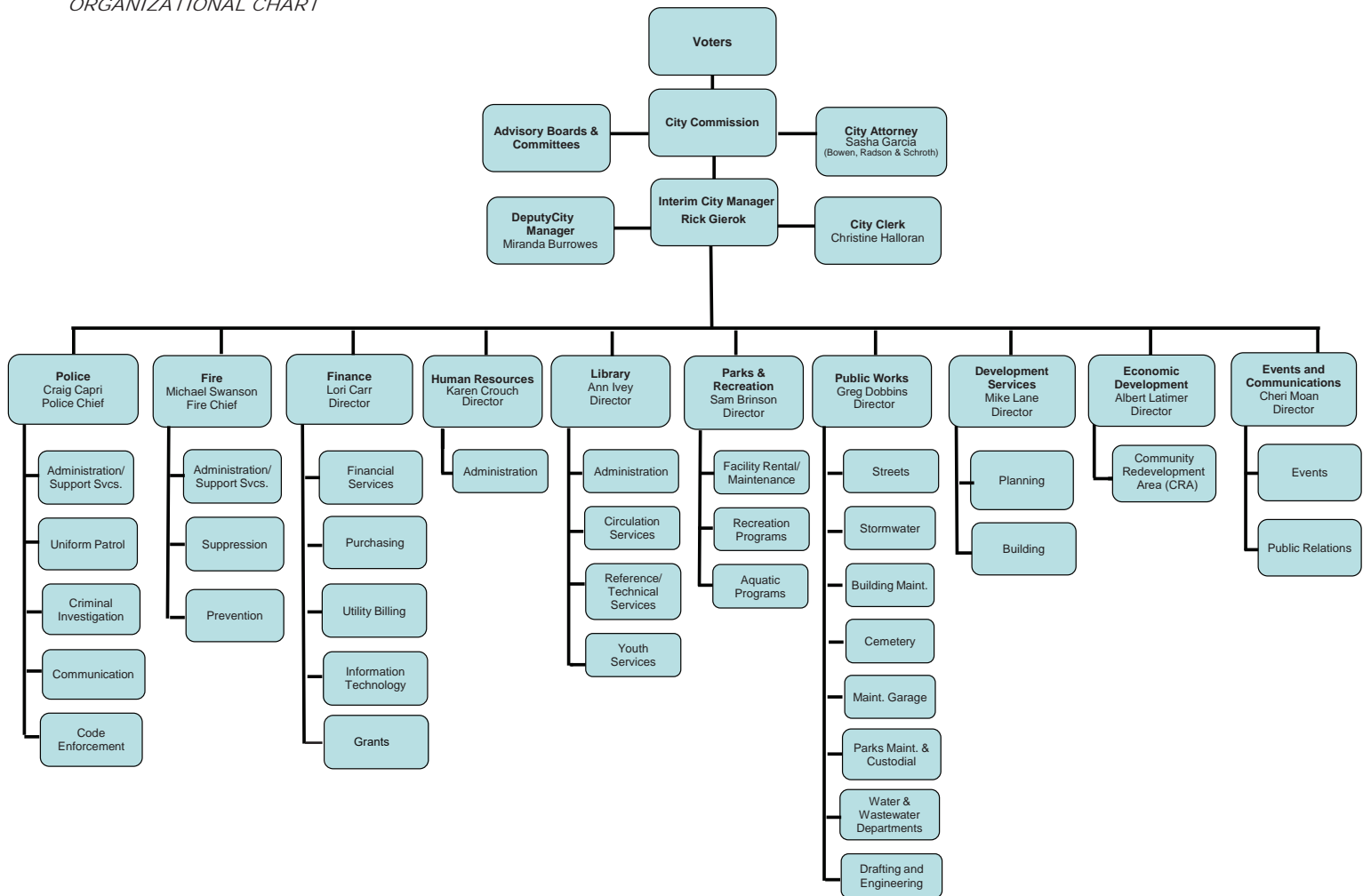
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

*CITY OF EUSTIS
ORGANIZATIONAL CHART*



FINANCIAL SECTION

This section contains the following subsections:

AUDITOR'S REPORT
MANAGEMENT DISCUSSION & ANALYSIS
BASIC FINANCIAL STATEMENTS
NOTES TO THE FINANCIAL STATEMENTS



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PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Eustis, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | Tampa

purvisgray.com

Members of American and Florida Institutes of Certified Public Accountants

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, general and major special revenue funds budgetary comparison information, schedules of changes in net pension liabilities and related ratios, the schedule of employer contributions, schedule of investments returns, schedule of proportionate share of net pension liability, and schedule of total OPEB Liability as listed in the table of contents, be presented to supplement the basic financial

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

INDEPENDENT AUDITOR'S REPORT

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 basic financial statements. The accompanying combining and individual non-major fund financial statements, non-major fund budgetary comparison schedules, and capital projects fund budgetary schedule, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, non-major fund budgetary comparison schedules, and capital projects fund budgetary schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 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

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Eustis, Florida

INDEPENDENT AUDITOR'S REPORT

financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Purvis Gray

March 31, 2026
Ocala, Florida



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Management's Discussion and Analysis

The City of Eustis' (City) Management Discussion and Analysis (MD&A) section serves as a narrative overview of the City's Basic Financial Statements for the fiscal year ended September 30, 2025. The MD&A is designed to:

- Assist the reader in focusing on and understanding significant financial issues;
- Provide an overview of the City's financial activity;
- Identify significant financial achievements or concerns;
- Identify any material changes from the City's adopted budget; and
- Identify any fund specific issues or concerns.

The MD&A focuses on the reporting year's activities resulting in changes and currently known facts. Readers should consider the information contained within the MD&A along with the City's financial statements which begin on page 41.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the fiscal year ended September 30, 2025 by \$166,183,301 (Net Position). This is an increase of \$4,624,687, or 2.86%, over fiscal year 2024.
- At the close of the fiscal year, the City's Governmental Funds reporting combined ending fund balances of \$31,537,655, a decrease of \$1,947,875 or 5.82%. Revenues increased by \$2.1 million or 7.04% and transfers in from other funds which amounted to \$2.2 million. FY2025 reported an increase of expenditures of \$5.3 million or 20.24% over the prior year.
- The City's Propriety Fund had an ending Net Position of \$76,088,002, an increase of \$1,401,876, or 1.88% over the prior year. Revenues decreased by \$8.8 million due or 33.10% attributable to a decrease in Capital Grants and Contributions from prior year due to the absence of developer contributions in FY2025 and the conclusion of the American Rescue Plan Act grant. The operation expenditures increased by 11.48%, or \$1.3 million.
- The unrestricted net position in the Governmental Fund was \$7.58 million, a decrease of \$426,870, or 5.33%, and may be used at the City's discretion to meet ongoing obligations. The unrestricted fund balance in the Proprietary fund was \$12.1 million, an increase from FY2024 of 10.44%. The Proprietary fund balance represents the equity in business-type activities; the unrestricted balance reflects funds available for future operating expenses.
- The City's net investment capital assets increased by \$6.9 million, or 5.54%. This was predominantly driven by increases in equipment and vehicle purchases and the completion of projects as of September 30, 2025.
- The City's total long-term debt on loans decreased by \$3,176,110 or 29.39%. This decrease in is attributable in part to the payoff of the CRA balloon payment for the purchase of three properties for development in the downtown area. The project is incomplete and the loan was refinanced in October 2025. Regularly scheduled debt service payments also decrease the outstanding loan balance.

Management's Discussion and Analysis

Overview of the Financial Statements

The intention of the discussion and analysis is serve as an introduction to the City's basic financial statements which includes the Government-Wide Financial Statements, Fund Financial Statements and Notes to the Financial Statements.

This report contains other supplemental information that may assist in understanding of the financial condition of the City.

Government-Wide Financial Statements:

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the City's finances, similar to a private sector business. The Government-Wide statements provide short and long-term information about the City's financial status.

The Statement of Net Position presents information on all the City's assets, liabilities, and deferred outflows and inflows with the difference between the two reported as Net Position. Over time, an increase or decrease in Net Position may indicate whether the City's financial position is improving or deteriorating.

The Statement of Activities shows 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 time of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both Government-Wide Financial Statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other operations intended to recover all or a significant portion of their costs through user charges. The governmental activities of the City include General Government, Public Safety, Physical Environment, Transportation (Streets & Highways), and Culture and Recreation. The business-type activities of the City include the Water and Sewer Utility Fund. Solid waste is franchised to an independent contractor. The Government-Wide Financial Statements can be found on pages 41-42 of this report.

The Government-Wide Financial Statements do not include any component units which would be required to be reported separately. The City does have three blended component units which are reported in the Fund Financial Statements included in 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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds.

Governmental Funds:

Governmental funds account for those functions reported as governmental activities in the Government-Wide Financial Statements. Most of the City's essential services are accounted for in governmental funds. However, unlike the Government-Wide Financial Statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and the balance of spendable resources available at the end of the fiscal year. Such information may help evaluate a government's near-term financing requirements.

Management's Discussion and Analysis

Because the focus of governmental funds is narrower than that of the Government-Wide Financial Statements, it is helpful 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. The governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains thirteen individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, one special revenue fund, and one capital projects fund, all considered major funds. Data from the other ten funds are combined into a single, aggregated presentation. Individual fund data for each non-major governmental fund is provided within combining statements elsewhere in this report. The Governmental Fund Financial Statements can be found on pages 46-46 of this report.

Proprietary Funds:

The City maintains only one type of proprietary fund, also called an enterprise fund. The proprietary fund financial report is presented as business-type activities in the Government-Wide Financial Statements. The City uses a proprietary fund to account for its Water and Sewer System operations.

Proprietary funds provide the same information as the Government-Wide Financial Statements, but with more detail. The proprietary fund financial statements provide information for the water and sewer system, a major fund of the City. The proprietary fund financial statements can be found on pages 47-51 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's programs. The accounting for fiduciary funds is similar to that of proprietary funds. The City's fiduciary funds include pension trust funds for police and fire. The fiduciary fund financial statements can be found on pages 52-53 of this report.

Notes to the Financial Statements (Notes):

The Notes provide additional information needed to present a complete understanding of the data provided in the government-wide and fund financial statements. The Notes can be found on pages 57-104 of this report.

Required Supplementary Information

In addition to the Basic Financial Statements and accompanying Notes, this report also presents certain required supplementary information concerning the City's compliance with its General Fund budget and the City's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required Supplementary Information can be found on pages 108-125 of this report.

Management's Discussion and Analysis

Other Supplemental Information

This section of the report presents information regarding the City's non-major governmental funds and can be found on pages 128-131 of this report.

Statistical information on major areas of the community, such as economic and social development, living conditions, water and wastewater usage and rates, taxes, education, and the environment, can be found at the end of this report.

Government-Wide Financial Analysis

Statement of Net Position

Net Position may serve as a valuable indicator of a government's financial position over time. In the fiscal year, ending September 30, 2025, the City's assets exceed its liabilities by \$166,183,301. Governmental Net Position increased by \$3,222,811 or 3.71% over the prior year. Business Activities Net Position increased by \$1,401,876, or 1.88%, over the prior year. The following table reflects the condensed government-wide Statement of Net Position.

City of Eustis, Florida Statement of Net Position September 30, 2025

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and Other						
Assets	\$ 38,397,935	\$ 39,279,928	\$ 21,512,353	\$ 21,225,379	\$ 59,910,288	\$ 60,505,306
Capital Assets (Net)	\$ 71,854,910	69,464,092	67,040,964	65,844,562	138,895,874	135,308,654
Total Assets	110,252,845	108,744,020	88,553,317	87,069,941	198,806,161	195,813,961
Deferred Outflows						
of Resources	2,896,793	660,035	266,477	188,457	3,163,270	848,492
Liabilities						
Current and Other						
Liabilities	3,659,918	2,983,516	3,300,162	2,706,734	6,960,080	5,690,250
Long-Term Liabilities	13,276,894	14,913,224	9,154,500	9,469,844	22,431,394	24,383,068
Total Liabilities	16,936,812	17,896,740	12,454,663	12,176,578	29,391,474	30,073,318
Deferred Inflows						
of Resources	6,117,527	4,634,827	277,129	395,694	6,394,656	5,030,521
Net Position:						
Net Investment in						
Capital Assets	71,335,948	66,336,509	59,669,608	57,793,381	131,005,556	124,129,890
Restricted	11,178,592	12,528,350	4,288,802	5,909,707	15,467,394	18,438,057
Unrestricted	7,580,759	8,007,630	12,129,592	10,983,038	19,710,352	18,990,668
Total Net Position	\$ 90,095,299	\$ 86,872,488	\$ 76,088,002	\$ 74,686,126	\$166,183,301	\$ 161,558,614

Management’s Discussion and Analysis

Approximately \$131,005,556, or 78.26%, of the City’s Net Position reflects its investment in capital assets (e.g., land, buildings, infrastructure, improvements, vehicles, and equipment), less any related debt used to acquire such assets still outstanding. The City uses these capital assets to provide services to its citizens and therefore are not available for future spending.

Approximately \$15,467,394, or 9.31% of the City’s Net Position reflects the portion of Net Position that has external restrictions imposed on how funds may be used. The most significant restrictions on governmental activities include Net Position for: capital projects based on the voter-approved one-cent sales tax legislation, revenues received specifically for development within the Community Redevelopment district, and building services to cover personnel costs for plan review and building inspection services. Business-type activities restricted Net Position is comprised of debt-related restrictions for renewal and replacement and for impact fees collected but not yet spent for growth related capital projects.

The City’s Unrestricted Net Position of \$19,710,352 is available to be used to meet the City’s on-going obligation to citizens and creditors.

Total Governmental Activities unrestricted Net Position for FY 2024/25 decreased by \$426,870. The City may use these assets for general expenses or any legitimate expenditure.

Governmental Activities Unrestricted Net Position		
2025	2024	Change
\$7,580,759	\$8,007,630	\$(426,871)

Statement of Changes in Net Position

The changes in the City’s Net Position for the fiscal year ended September 30, 2025, and September 30, 2024, are presented on the next page:

Management's Discussion and Analysis

City of Eustis, Florida Change in Net Position September 30, 2025

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
REVENUES						
Program Revenues:						
Charges for Services	\$ 6,072,459	\$ 5,622,175	\$ 14,444,371	\$ 14,169,964	\$ 20,516,830	\$ 19,792,140
Operating Grants and Contributions	187,292	180,913	-	-	187,292	180,913
Capital Grants and Contributions	-	-	1,118,357	9,369,338	1,118,357	9,369,338
General Revenues:						
Property Taxes	12,314,221	10,978,047	-	-	12,314,221	10,978,047
Utility Taxes	3,011,028	2,711,684	-	-	3,011,028	2,711,684
State and Other Shared Revenues	8,034,377	7,847,527	-	-	8,034,377	7,847,527
Investment Income	1,316,419	1,373,469	751,277	863,301	2,067,696	2,236,770
Miscellaneous	1,430,026	1,630,229	18,794	11,469	1,448,820	1,641,698
Total Revenues	32,365,820	30,344,045	16,332,800	24,414,072	48,698,620	54,758,117
EXPENSES						
General Government	8,566,231	6,930,771	-	-	8,566,231	6,930,771
Public Safety	13,746,343	12,158,859	-	-	13,746,343	12,158,859
Physical Environment	603,713	466,481	-	-	603,713	466,481
Transportation	3,640,189	2,773,482	-	-	3,640,189	2,773,482
Culture/Recreation	3,476,238	2,466,079	-	-	3,476,238	2,466,079
Debt Service - Interest	-	-	-	-	-	-
Non-Departmental	1,328,836	1,276,247	-	-	1,328,836	1,276,247
Interest and Fees on Long-term Debt	92,459	87,083	-	-	92,459	87,083
Water and Sewer Operations	-	-	12,619,924	11,320,266	12,619,924	11,320,266
Total Expenses	31,454,009	26,159,001	12,619,924	11,320,266	44,073,933	37,479,267
Excess (Deficiency) Before Transfers	911,811	4,185,044	3,712,876	13,093,806	4,624,687	17,278,850
Transfers	2,311,000	2,322,455	(2,311,000)	(2,322,455)	-	-
Change in Net Position	3,222,811	6,507,499	1,401,876	10,771,351	4,624,687	17,278,850
Net Position - Beginning of Year	86,872,488	80,364,989	74,686,126	63,914,775	161,558,614	144,279,764
Net Position - End of Year	\$ 90,095,299	\$ 86,872,488	\$ 76,088,002	\$ 74,686,126	\$ 166,183,301	\$ 161,558,614

Revenues by Source

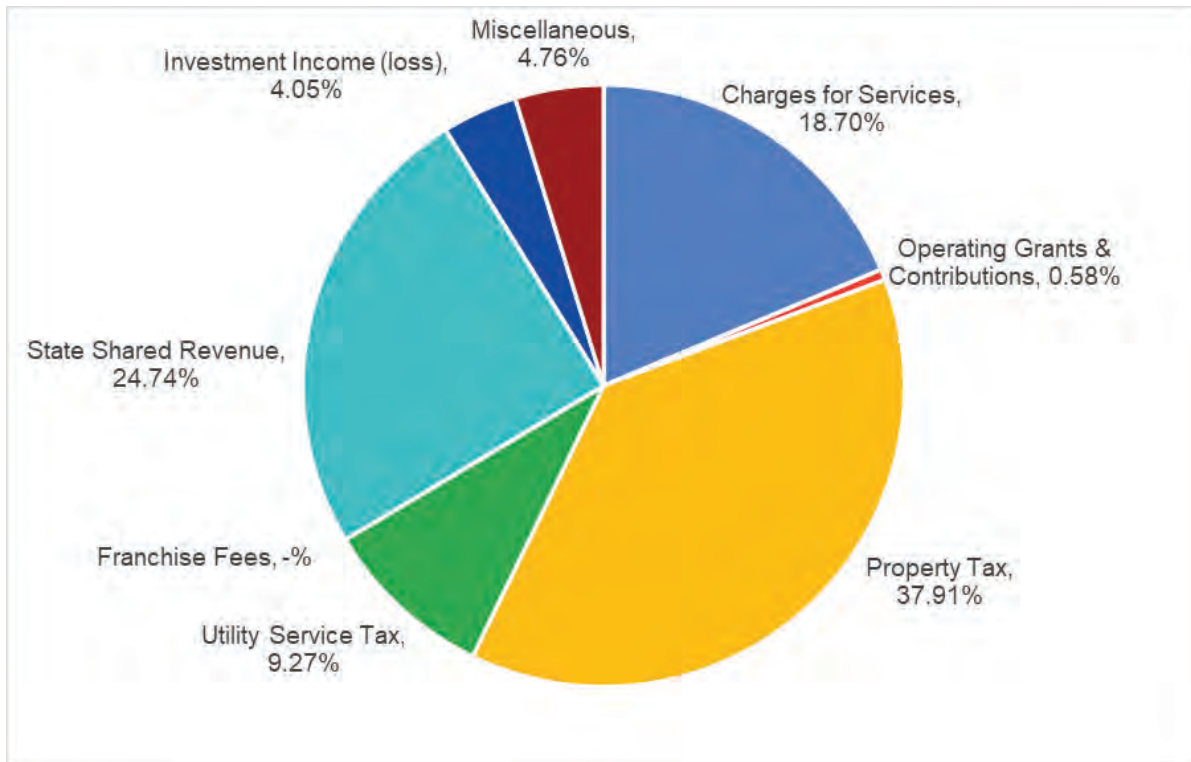
Governmental revenue activities, including transfers, increased the Change in Net Position by \$3,222,811. The most significant reasons for the change in Net Position are as follows:

- Property tax revenue increased by \$1,336,173, or 12.17%. This revenue source represents 37.91% of total governmental revenues. Property tax collections increased in both the General Fund and Community Redevelopment Agency fund. Tax revenues for the year increased primarily due to increased property values of 9.03% on all classes of property, driven by local real estate market values.
- State shared revenues increased by \$186,850, or 2.38%. This revenue source represents 24.74% of total governmental revenue sources and includes sales tax revenue, intergovernmental revenue and grants.
- Utility Service Tax increased by 11.04% or an increase of \$299,000. The increase is driven by user demand for service.

Management’s Discussion and Analysis

- Charges for Services are derived from recreational facilities rents, library user fees, development services charges and stormwater assessment. The increase of 8.01% over prior year is due to an increase in demand for City services.
- Investment income decreased by (\$57,050), or (4.15%). Market changes and the fluctuation of available cash for investment affect the investment income.

Revenues by Source – Excluding transfers



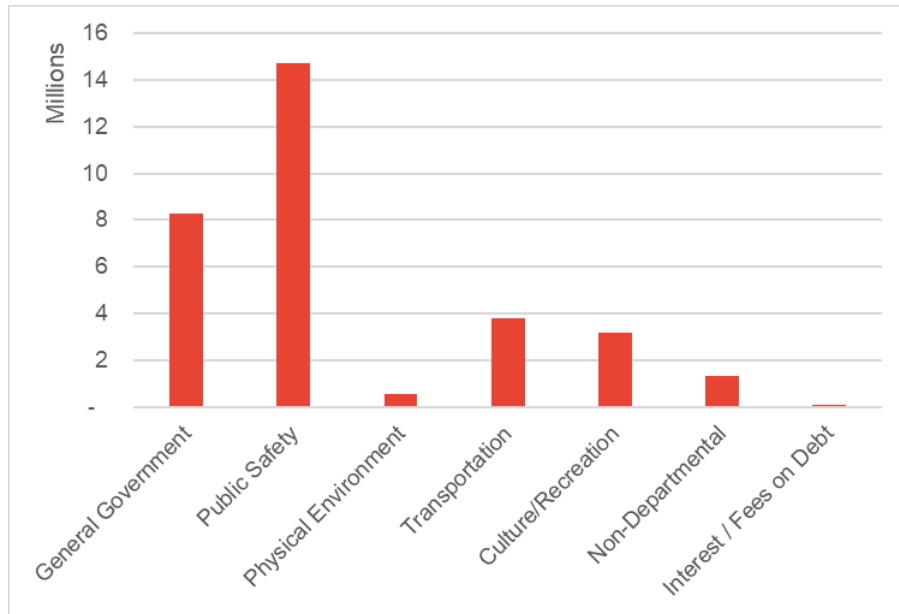
Change in Revenue by Source

Description	2025	% of Total	2024	% Change
Program Revenues				
Charges for Services	\$6,072,459	17.51%	\$5,622,175	8.01%
Operating Grants and Contributions	187,292	0.54%	180,913	3.53%
General Revenues				
Property Tax	12,314,221	35.51%	10,978,047	12.17%
Utility Service Tax	3,011,028	8.68%	2,711,684	11.04%
State Shared Revenue	8,034,377	23.17%	7,847,527	2.38%
Investment Income (loss)	1,316,419	3.80%	1,373,469	(4.15%)
Miscellaneous	1,545,082	4.46%	1,630,229	(5.22%)
Transfers	2,195,944	6.33%	2,322,455	(5.45%)
	\$34,676,820	100.00%	\$32,666,500	6.15%

Management’s Discussion and Analysis

Expenses by Function

Expenses for governmental activities include General Government, Public Safety, Physical Environment, Transportation, Culture and Recreation, and Non-Departmental expenses. Public Safety represents the most significant governmental expense comprising 43.70% of governmental expenses. The following graph shows the governmental activities expenses by function.



Total City governmental expenditures reflect a total increase of \$5.3 million or 20.24% over the prior year. The General Government function increased by \$1.3 million. The increase is due in part to annual salary increases and new positions. Over \$551,000 of the increase was due to capital asset purchases such as equipment and vehicles. Public Safety increase by \$1.6 million or 13.06%. Fire and Law Enforcement salary and pension costs, and equipment purchases account for the increase in expenditures. Refer to the following table for changes by function.

Changes in Expenses by Function

Functions/Programs	Expenses				
	2025	% of Total	2024	Change	% Change
General Government	\$ 8,566,231	27.23%	\$ 6,930,771	\$1,635,460	23.60%
Public Safety	13,746,343	43.70%	12,158,859	1,587,484	13.06%
Physical Environment	603,713	1.92%	466,481	137,232	29.42%
Transportation	3,640,189	11.57%	2,773,482	866,708	31.25%
Culture/Recreation	3,476,238	11.05%	2,466,079	1,010,159	40.96%
Non-Departmental	1,328,836	4.22%	1,276,247	52,590	4.12%
Interest and Fees on Long-Term Debt	92,459	0.31%	87,083	5,375	6.17%
Total	\$ 31,454,009	100.00%	\$ 26,159,001	\$5,295,008	20.24%

Management's Discussion and Analysis

Business-Type Activities

Net Position

Total Business-type activities unrestricted Net Position for FY 2024/25 increased by \$1,146,554, or 10.44%. The City may use these assets for utility operations.

Business-type Activities Unrestricted Net Position		
2025	2024	Change
\$ 12,129,592	\$ 10,983,038	\$ 1,146,554

Revenues by Source

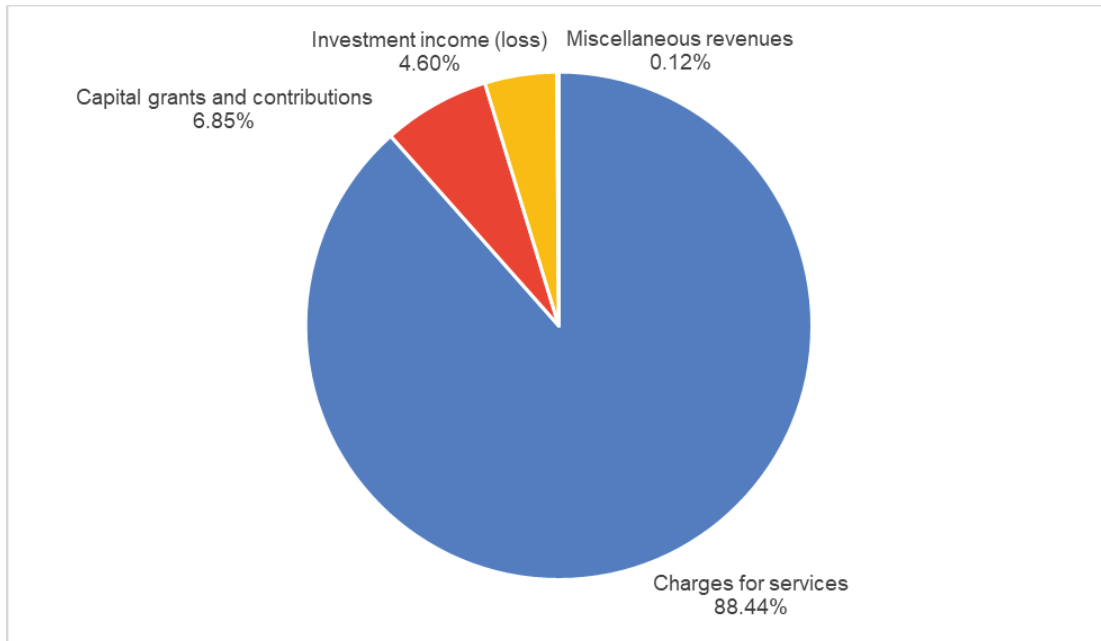
Business-type revenues are inclusive of the City's water and sewer utility. Revenues decreased by \$8.1 million or (33.10%). The most significant revenue source for business-type activities is Charges for Services. It is customary for business-type funds to charge enough for services to cover the cost of operations. The most significant reasons for the change in Net Position in the business-type activities are as follows:

- Charges for services increased by \$274,407, or 1.94%. This is a result of both a modest increase in rates as well as growth in the number of water and sewer utility connections.
- Capital grants and contributions decreased by \$8.3 million, or (88.06%). The decrease is primarily attributable to ARPA grants fully expended at September 30, 2024. Further, the City received revenue in the form of developer contributions in FY2024. The absence of the two funding sources in FY2025 accounts for the reduction in capital grants and contributions.
- Investment income also decreased by (\$112,024), due to fluctuating market conditions and cash available for investment.

The City implemented a rate increase effective June 1, 2025, resulting in an annual 2.5% increase to cover increased costs of operations. The City is currently working with a consultant to provide a comprehensive updated rate study. The following chart represents the business-type revenues by source.

Management’s Discussion and Analysis

Revenues by Source



Change in Revenue by Source

Business-Type Activities	2025	% of Total	2024	Change	% Change
Charges for services	\$14,444,371	88.44%	\$14,169,964	274,407	1.94%
Capital grants and contributions	1,118,357	6.85%	9,369,338	(8,250,981)	(88.06%)
Investment income (loss)	751,277	4.60%	863,301	(112,024)	(12.98%)
Miscellaneous revenues	18,794	0.12%	11,469	7,326	63.88%
Total	\$16,332,800	100.00%	\$24,414,072	\$ (8,081,273)	-33.10%

Expenses - Business-Type Activities

Functions/Programs	Business-Type Activities Expenses			
	2025	2024	Change	% Change
Water /Sewer	\$12,619,924	\$11,320,266	\$1,299,658	11.48%

Management's Discussion and Analysis

Financial Analysis of the City's Funds

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information helps assess the City's financing requirements.

General Fund

The City's most significant governmental fund is the General Fund. The General Fund is the primary operating fund of the City. At the end of FY 2024/25, the total fund balance was \$20,620,060. Of this amount, \$19,878,908, or 96.40% is unassigned and can be used to meet the City's on-going obligations. Unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of a fiscal year.

Total General Fund balance increased by \$498,643. The modest increase is primarily attributable to increased property tax revenue and a modest increase across all other revenue sources. An increase in expenditures is primarily attributed to cost-of-living salary increases, inflation costs and a increase in level of service due to population increase. The General Fund has an assigned fund balance of \$405,873 designated as an Emergency Contingency.

The City has two other major governmental funds.

Sales Tax Capital Projects Fund

The Sales Tax Capital Fund accounts for projects qualified for use of the one-cent sales tax assessed on retail sales. Police and fire vehicles were purchased with sales tax funds, as well as a fire station renovation, police equipment and fire communication equipment. Just under \$1 million was spent on transportation for street and sidewalk projects and new heavy equipment purchases. Playground equipment, vehicles and park projects were funded in FY2025 by the sales tax revenue. Any increase or decrease in fund expenditures depends on annual capital improvements projects in the five-year plan, as well as influences that may be outside the City's control, such as the recent flooding event and the occurrence of hurricanes. In FY 2024/25, capital projects expenses were affected by on-going inflation which resulted in postponing several projects and moving them to the next fiscal year. Fund Balance decreased by \$771,086, or 21.99%.

Community Redevelopment Trust Fund

This fund was established to provide an additional funding mechanism to revitalize Downtown and to provide for East Town improvements. The funding source is the incremental increase in property values in these geographically defined areas. Property tax revenue increased by \$83,936, or 14.14% over the prior year. In 2021, the City borrowed funds to purchase a three (3) acre block located in the downtown area. The loan had a five-year balloon loan with annual principal and interest payments. In FY 2024/25, the debt was paid off in September 2025 and the note was refinanced in October 2025 by an internal fifteen-year loan from the General Fund. The interest rate will remain 2.875%, the same as the 2021 loan. Fund Balance decreased by \$2,268,010, or 62.93% due to the payoff of the balloon payment.

Management’s Discussion and Analysis

Non-Major Governmental Funds accounts include thirteen funds: Street Improvement, Building Services, Stormwater Utility Fund, Law Enforcement Trust and Education Funds, Economic Development Fund, Library Contributions Trust Fund, Impact Fee Funds (four different funds), Greenwood Cemetery Fund and a Grants Fund. In FY 2024/25, the combined fund balance was \$6,845,829 representing an increase of \$592,377, or 9.47%.

The City’s most significant Non-Major Governmental Funds are:

Street Improvement Fund

This fund was established to account for gas tax revenues brought in from the State and County to make repairs and maintain streets and roads owned by the City. The most significant expenditures in this fund are street maintenance (resurfacing, milling and paving) and street lighting. Transportation revenues, including transfers of \$1,105,000, exceeded transportation expenses by \$94,005, increasing fund balance to \$1,557,106.

Building Services Fund

This fund was established in 2019 to account for resources related to building activity within the City. Revenue in this fund, generated by permits and fees for construction that occurred during the year, was \$1,462,003. Expenditures of \$718,542 primarily consist of personnel costs to provide plan review and building inspection services. Fund balance increased by \$628,405 to \$2,916,456, attributable to an increase in the City’s new construction.

Stormwater Utility Fund

This fund accounts for the recurring billing of stormwater utility customers within the City. Total expenditures, including transfers out, were \$1,029,999 and included stormwater drainage maintenance and improvements.

The fund’s most significant expenditures were street sweeping and drainage maintenance, followed by capital expenses. Fund balance decreased by (\$99,814), decreasing fund balance to \$726,881.

General Fund Budgetary Highlights

Budgetary Analysis – General Fund

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance to Original</u>	<u>Variance to Final</u>
\$ 25,407,195	\$ 25,816,694	\$ 24,677,869	\$ 409,500	\$ (1,138,825)

The table below identifies FY 2024/25 expenditure changes from the original budget to the final budget for the General Fund.

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
General Government	\$ 7,970,603	\$ 8,026,533	\$ 55,930
Public Safety	12,092,607	12,094,157	1,549
Culture/Recreation	3,060,135	3,016,142	(43,993)
Non-Departmental	1,549,450	1,602,708	53,258
Grants and Aid	30,000	55,000	
Capital Outlay / Other	704,400	1,022,155	317,755
Total	25,407,195	25,816,694	384,500

Management's Discussion and Analysis

Budget amendments during the year were primarily a result of City Commission directives. Significant budget amendments made during the year include funds for emergency portable air conditioning units due to failure of the main unit at the library. Enhanced security throughout the City became high priority and funds were expended for IT equipment and security cameras.

The table below identifies the FY 2024/25 differences between the final budget and the actual expenditures.

	Actual		
	Expenditures	Final Budget	Variance
General Government	7,209,361	8,026,533	817,172
Public Safety	12,558,034	12,094,157	(463,877)
Culture/Recreation	2,697,612	3,016,142	318,529
Non-Departmental	1,138,002	1,602,708	464,706
Grants and Aid	50,268	55,000	4,732
Capital Outlay / Other	786,048	660,165	(125,883)
Debt Service	238,544	-	-
Total	\$ 24,677,869	\$ 25,454,704	\$ 1,015,379

All General Fund functions, except for Capital Outlay / Other and Public Safety, reflect expenditures less than budgeted. The overall the actual expenditures were under budgeted expenses for the General Fund by \$1,015,379. General Government expenditures were under budget by \$817,172, primarily in the budgets for Information Technology had fewer repairs than budgeted and Planning and Development spent less on professional services than anticipated. Public Safety ended the year over budget by \$463,877 mostly attributable to salary, overtime and payments on behalf of fire and police for premium tax distributions, which are not budgeted. Cultural and Recreation expenditures were \$318,529 under budget attributable to vacancies. Non-Departmental expenditures were \$464,706 under budget primarily attributed to liability insurance costs being lower than budgeted. Capital Outlay/Other expenditures ended the year over budget by \$125,883. This is attributed to unbudgeted SBITA costs and purchases of equipment.

Capital Assets

The City's investment in capital assets for its governmental and business-type activities for the fiscal year ending September 30, 2025, is \$138,895,873 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, construction work in progress, buildings, equipment, park facilities, and roads. The total net increase in the City's investment in capital assets for the current year was \$3,587,220.

In the governmental funds, a large portion of the increase is attributable to vehicle purchases, IT equipment, security cameras and computer equipment purchases.

In the business-type funds, the increase is attributable to equipment purchases, the completion of the major projects completed were the bypass force main connection on CR 44, completion of all water and sewer system relocation for the SR 19 project, pre-maintenance and rehabilitation of the Ardice potable well.

The City's total Capital Assets include the City's lease and Subscription Based Information Technology Arrangements (SBITA) assets. Both leases and SBITA's are discussed in the Notes section of this report.

Management's Discussion and Analysis

Leases

The City is a lessor for the lease of land and buildings. The City (lessor) is the legal owner of the asset or property and gives the lessee the right to use or occupy the asset or property for a specific period. The City retains the right of ownership of the property and is entitled to receive periodic payments from the lessee based on the initial agreement. The City recognizes a lease receivable and a deferred inflow of resources in the Government Funds financial statements.

Subscription-Based Information Technology Arrangements (SBITA)

In FY 2024 the Governmental Accounting Standards Board (GASB) implemented new Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA). GASB 96 defines a SBITA as "a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction." SBITAs predominantly come in the form Platforms as a Service (PaaS), and Infrastructure as a Service (IaaS).

Capital Assets - Net of Depreciation

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 7,011,465	\$ 7,011,465	\$ 1,245,453	\$ 1,245,453	\$ 8,256,918	\$ 8,256,918
Infrastructure - Retention Ponds	1,946,578	1,946,578	-	-	1,946,578	1,946,578
Infrastructure - Right-of-Way	24,204,385	24,204,385	-	-	24,204,385	24,204,385
Construction in Progress	3,586,560	1,597,101	3,778,647	19,011,417	22,597,977	20,608,518
Buildings	3,970,708	4,134,067	1,219,036	74,481	4,045,190	4,208,548
Improvements Other than Buildings	5,525,049	5,443,578	57,861,682	43,496,037	49,021,086	48,939,615
Right-To-Use Assets-SBITA	120,845	151,405	40,425	34,341	155,186	185,746
Leased Assets	277,132	95,758	-	-	277,132	95,758
Equipment	2,102,884	1,756,994	2,891,918	1,977,195	4,080,078	3,734,189
Vehicles	4,813,285	4,125,801	-	-	4,813,285	4,125,801
Intangible Assets	-	-	3,803	5,638	5,638	5,638
	53,558,892	50,467,131	67,040,964	65,844,562	119,403,454	116,311,694
Infrastructure - Roads and Streets	18,296,017	18,996,960	-	-	18,296,017	18,996,960
Capital Assets, Net	\$ 71,854,909	\$ 69,464,091	\$ 67,040,964	\$ 65,844,562	\$ 138,895,873	\$ 135,308,654

Net Change in Capital Assets – Net of Depreciation

	(Net of depreciation)		
	Governmental	Business-Type	Total
Capital Assets, Net FY25	\$ 71,854,909	\$ 67,040,964	\$ 138,895,873
Capital Assets, Net FY24	69,464,091	65,844,562	135,308,654
Change in Capital Assets, Net	2,390,818	1,196,402	3,587,220
	3.44%	1.82%	2.65%

Management’s Discussion and Analysis

Long-Term Debt

The City had total debt in the amount of \$7,630,972 at the end of the fiscal year ending September 30, 2025. Long-term debt decreased by \$3,176,110, which is attributed to the payoff of the CRA balloon payment. The loan was refinanced in FY2026. Governmental long-term debt decreased by \$2,496,285, and business-type activities long-term debt decreased by \$679,825. Additional information on the City’s debt can be found in Note 10 of this report.

	Outstanding Debt					
	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
CRA Loan	\$ -	\$ 2,531,261	\$ -	\$ -	\$ -	\$ 2,531,261
Water & Sewer Revenue Bond	-	-	5,248,646	5,626,975	5,248,646	5,626,975
State Revolving Loans	-	-	2,122,710	2,395,684	2,122,710	2,395,684
SBITA Liability	7,974	142,343	-	28,522	7,974	170,865
Lease Liability	251,642	82,297	-	-	251,642	82,297
Total	\$ 259,616	\$ 2,755,901	\$7,371,356	\$8,051,181	\$ 7,630,972	\$ 10,807,082

Economic Factors, Next Year’s Budget and Beyond

Below are some of the more significant factors that will be considered in the development of the FY 2026/27 budget:

- Property tax is the single largest revenue source for the General Fund and currently accounts for about one-third of the General Fund budget. Property tax collections for FY 2024/25 were 12.17% higher than the previous year. The City anticipates a property value increase as well as an increase attributable to new construction added to the tax roll. Continuous City growth and increased property values have allowed the City to maintain the same millage rate of 7.8610 from 2013 to 2025. The City Commission voted to reduce the millage rate to 7.3898 for FY2025/26, while continuing to provide high-quality services. The City tax base consists of real property, personal property, and centrally assessed property. Compared to Leesburg, Tavares, and Mount Dora, with similar populations, Eustis has fewer dollars to distribute due to a more residential market with fewer commercial owners.
- The City anticipates improvement in the local economic environment. The Lake County unemployment rate was at 3.7% in 2024 and ended the fiscal year 2025 at 4.5%. According to the Bureau of Labor Statistics, the federal unemployment rate was 4.4% and the State of Florida unemployment rate was 4.3%. The City supports economic development and anticipates growth that will continue along with the financial health of the City.
- Building permits are a crucial indicator of construction activity. The number of building permits issued in FY2024 was 1,871 compared to 1,953 in FY2025. An increase of 82 or 4.38%. The increase is due to the number of new subdivisions developed in the City of Eustis. The commercial growth has been less significant and there have been no new multi-family projects. There are still many active permits with construction continuing into FY 2025/26 and beyond.

Management's Discussion and Analysis

- Utility rate increases of 2.50% have occurred annually since 2021. Due to the significant changes in the economic environment, inflation, and extreme growth since 2021, the rates needed to be reviewed. The City contracted with a consultant for a utility rate and impact fee study, which was completed in FY2025/26 and the new rates are in the process of implementation. The City has not reviewed several other significant revenue sources for quite some time. Municipal (police, fire, parks and recreation, and library) impact fees have not been reviewed since 2004 and stormwater rates have not been reviewed since 2007. The study also included a review of all the ancillary utility rates, i.e., meter set fee, late fees, non-sufficient funds fees, etc. The results of the impact fee study were presented to the commission on September 18, 2025. The new rates will go into effect January 1, 2026.
- Through prudent fiscal management in FY 2025, the City Commission was able to continue the trend of balancing budgeted revenues against expenditures in the General Fund while using reserves only for one-time extraordinary purchases.

Various assumptions and considerations will be used in the development of the FY 2026/27 budget.

1. Revenue Projections

- Tax Revenues: Estimates of property tax, sales tax, and other local taxes will take into consideration economic conditions and potential changes in tax laws.
- State and Federal Aid: Grants and aid awarded from the State and Federal government will be accounted for. Grants and aid awarded after budget adoption will be presented to the City Commission for approval along with the appropriate budget amendment necessary.
- Fees and Service Charges: Expected income from City services, permits, and licenses will be based on historical revenue trends.

2. Expenditure Trends

- Inflation and Cost Increases: Impact of inflation on operational costs, utilities, and supplies will be accounted for.
- Labor Costs: Salaries and benefits for City employees will be based on assumed annual increases and proposed changes in staffing levels.
- Capital Projects: Funding requirements for new infrastructure projects or maintenance of existing assets will be based on Department Head input.
- All expenditures will also take into account historical trends.

3. Legislative and Policy Changes

- Legal Mandates: New laws or regulations that may affect City operations, revenue sources, or expenditures will be addressed.
- Strategic Priorities: The City's long-term strategic goals, as set by City leadership, will remain a focus of budget development.

4. Economic Conditions

- Local Economy: The health of the local economy, including unemployment rates, business growth, and housing market conditions will be reviewed before the proposed budget is distributed.

Management's Discussion and Analysis

- **Interest Rates:** The impact of current and projected interest rates on City borrowing costs and investment income will be taken into account.

5. Community Needs and Priorities

- **Public Services:** Service levels public services such as public safety, sanitation, recreation, and cultural programs will be maintained or increased.
- **Infrastructure Needs:** The requirements for roads, bridges, public buildings, and utilities to continue to serve the community effectively will be addressed in both the capital projects and operations budgets.

6. Risk Management and Contingencies

- **Emergency Preparedness:** The budget will include a set-aside Fund Balance for unexpected events such as natural disasters, public health emergencies, or economic downturns.
- **Liabilities and Reserves:** The budget will take into consideration long-term liabilities, including pension and healthcare obligations, and the adequacy of reserve funds.

7. Capital Financing and Debt Management

- **Debt Service Requirements:** Obligations for existing debt, re-financing of debt and consideration for new borrowing to finance capital projects will be included.
- **Capital Financing Strategies:** The budget will include the use of bonds, grants, public-private partnerships, and other financing options for capital projects if deemed necessary and practical.

8. Performance Metrics and Accountability

- **Program Performance:** A review of performance metrics will be conducted to ensure programs and services are cost-effective and continue to meet community needs.
- **Transparency and Engagement:** Mechanisms for public input and feedback on budget priorities and expenditures are included as part of the annual budget process.

9. Technological Investments

- **Digital Transformation:** The City plans to continue investing in technology to improve City services, efficiency, and citizen engagement.
- **Cybersecurity:** The City also intends to invest in necessary infrastructure and systems needed to reduce cyber threats and enhance cybersecurity.


Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City of Eustis
Lori Carr, Finance Director
P.O. Drawer 68 Eustis, FL 32727-0068
Phone: (352) 483-5440
www.eustis.org

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Basic Financial Statements

The Basic Financial Statements include integrated sets of statements as required by the GASB. The sets of statements include:

Government-Wide Financial Statements
Fund Financial Statements:

- Government Funds
- Proprietary (Enterprise) Funds
- Fiduciary Funds

In addition, the Notes to the Financial Statements are included to provide information that is essential to the user's understanding of the Basic Financial Statements.

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CITY OF EUSTIS, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Governmental Activities	Business Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 32,303,168	\$ 18,902,575	\$ 51,205,743
Investments	800,872	545,823	1,346,696
Receivables, Net:			
Accounts	1,352,816	1,296,367	2,649,183
Interest	26,007	12,035	38,042
Lease Receivable	2,579,991	-	2,579,991
Notes Receivable	-	19,405	19,405
Inventory	-	637,401	637,401
Internal Balances	13,400	(13,400)	-
Prepays	368,619	112,147	480,766
Net Pension Asset	953,061	-	953,061
Capital Assets:			
Capital Assets, Not Being Depreciated	36,748,988	5,024,100	41,773,088
Capital Assets, Being Depreciated	80,657,525	119,439,858	200,097,383
(Accumulated Depreciation)	(45,551,603)	(57,422,994)	(102,974,597)
Total Assets	110,252,845	88,553,317	198,806,161
Deferred Outflows of Resources			
Pension Plan Deferrals:			
Police Officers	1,598,418	-	1,598,418
Firefighters	437,346	-	437,346
Florida Retirement System	24,657	51,563	76,220
Other Post Employment Benefits	836,372	214,914	1,051,286
Total Deferred Outflows of Resources	2,896,793	266,477	3,163,270
Liabilities			
Accounts Payable and Accrued Liabilities	3,350,714	3,300,162	6,650,876
Deposits	292,412	-	292,412
Unearned Revenue	16,792	-	16,792
Long-term Liabilities:			
Due Within One Year	1,202,910	955,817	2,158,727
Due in More Than One Year	4,627,397	7,949,795	12,577,192
Net Pension Liability:			
Police Officers	7,327,570	-	7,327,570
Florida Retirement System	119,017	248,888	367,905
Total Liabilities	16,936,812	12,454,663	29,391,474
Deferred Inflows of Resources			
Pension Plan Deferrals:			
Police Officers	1,692,737	-	1,692,737
Firefighters	1,502,945	-	1,502,945
Florida Retirement System	56,590	118,340	174,930
Other Post Employment Benefits	617,952	158,789	776,741
Lease Inflows	2,247,303	-	2,247,303
Total Deferred Inflows of Resources	6,117,527	277,129	6,394,656
Net Position			
Net Investment in Capital Assets	71,335,948	59,669,608	131,005,556
Restricted for:			
Building Permits	2,906,864	-	2,906,864
Library	43,730	-	43,730
Public Safety	838,688	-	838,688
Culture and Recreation	545,813	-	545,813
Capital Projects	2,733,773	3,753,830	6,487,603
Renewal and Replacement	-	534,972	534,972
Community Development	1,335,793	-	1,335,793
Cemetery Expenses	274,684	-	274,684
Roads and Trees	1,546,186	-	1,546,186
Net Pension Assets	953,061	-	953,061
Unrestricted	7,580,759	12,129,592	19,710,352
Total Net Position	\$ 90,095,299	\$ 76,088,002	\$ 166,183,301

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

**CITY OF EUSTIS, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position			
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities		Total
						-	-	
Governmental Activities								
General Government	\$ 8,566,231	\$ 4,086,010	\$ 150,000	\$ -	\$ (4,330,220)	\$ -	\$ -	\$ (4,330,220)
Public Safety	13,746,343	686,064	37,292	-	(13,022,987)	-	-	(13,022,987)
Physical Environment	603,713	901,499	-	-	297,786	-	-	297,786
Transportation	3,640,189	-	-	-	(3,640,189)	-	-	(3,640,189)
Culture and Recreation	3,476,238	398,885	-	-	(3,077,353)	-	-	(3,077,353)
Nondepartmental	1,328,836	-	-	-	(1,328,836)	-	-	(1,328,836)
Interest and Fees on Long-term Debt	92,459	-	-	-	(92,459)	-	-	(92,459)
Total Governmental Activities	31,454,009	6,072,459	187,292	-	(25,194,259)	-	-	(25,194,259)
Business-type Activities								
Water and Sewer	12,619,924	14,444,371	-	1,118,357	-	2,942,805	-	2,942,805

General Revenues								
Taxes:								
Property Taxes	12,314,221							12,314,221
Utility Service Taxes	3,011,028							3,011,028
State Shared Revenues (Unrestricted)	8,034,377							8,034,377
Investment Income	1,316,419				751,277			2,067,696
Miscellaneous	1,430,026				18,794			1,448,820
Transfers	2,311,000				(2,311,000)			-
Total General Revenues, Special Items and Transfers	28,417,070				(1,540,929)			26,876,141
Change in Net Position	3,222,811				1,401,876			4,624,687
Net Position, Beginning of Year	86,872,488				74,686,126			161,558,614
Net Position, End of Year	\$ 90,095,299				\$ 76,088,002			\$ 166,183,301

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

CITY OF EUSTIS, FLORIDA
BALANCE SHEET
ALL GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General Fund	Sales Tax Capital Projects Fund	Community Redevelopment Trust Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	\$ 21,179,604	\$ 2,512,090	\$ 1,420,557	\$ 7,190,917	\$ 32,303,168
Investments	800,872	-	-	-	800,872
Receivables, Net:					
Accounts	841,733	337,939	-	173,144	1,352,816
Lease	2,562,904	-	-	17,087	2,579,991
Interest	16,414	3,090	-	6,503	26,007
Due from Other Funds	113,400	140,000	-	50,000	303,400
Prepays	335,279	1,875	326	31,139	368,619
Total Assets	25,850,206	2,994,994	1,420,884	7,468,790	37,734,874
Liabilities and Fund Balances					
Liabilities					
Accounts Payable and Accrued Liabilities	2,636,158	259,345	84,765	370,443	3,350,712
Deposits	292,412	-	-	-	292,412
Unearned revenue	16,792	-	-	-	16,792
Due to Other Funds	50,000	-	-	240,000	290,000
Total Liabilities	2,995,362	259,345	84,765	610,443	3,949,916
Deferred Inflow of Resources					
Deferred Lease Inflows	2,234,784	-	-	12,519	2,247,303
Total Deferred Inflow of Resources	2,234,784	-	-	12,519	2,247,303
Fund Balances					
Nonspendable:					
Library Trust Donations	-	-	-	19,726	19,726
Prepays	335,279	1,875	326	31,139	368,619
Restricted for:					
Capital Projects per One Cent Sales Tax	-	2,733,773	-	-	2,733,773
Enforcement of Florida Bldg. Code	-	-	-	2,906,864	2,906,864
Public Safety Impact Fees	-	-	-	738,205	738,205
Culture and Recreation Impact Fees	-	-	-	545,813	545,813
Ordinance - Community Development	-	-	-	-	-
Specific Contributions - Library	-	-	-	18,107	18,107
Gas Tax	-	-	-	-	-
Redevelopment District	-	-	1,335,793	-	1,335,793
Police Fines and Forfeitures	-	-	-	100,483	100,483
Cemetery - Chapter 22 of Code	-	-	-	274,684	274,684
Specific Contributions for Roads and Trees	-	-	-	1,546,186	1,546,186
Committed to:					
Library Contribution Fund	-	-	-	5,897	5,897
Ordinance - Stormwater Management	-	-	-	726,254	726,254
Assigned to:					
Emergency Contingency	405,873	-	-	-	405,873
Unassigned:	19,878,908	-	-	(67,529)	19,811,378
Total Fund Balance	20,620,060	2,735,648	1,336,119	6,845,829	31,537,655
Total Liabilities and Fund Balances	\$ 25,850,206	\$ 2,994,994	\$ 1,420,884	\$ 7,468,790	\$ 37,734,874

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

CITY OF EUSTIS, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Total Fund Balances of Governmental Funds \$ 31,537,655

**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.

Governmental capital assets	\$ 117,406,513	
Less accumulated depreciation	(45,551,603)	
Net governmental capital assets		71,854,909

Deferred Outflows/Inflows of resources reported in the statement of net position:

Deferred outflows - OPEB	836,372	
Deferred inflows - OPEB	(617,952)	
Deferred outflows - pensions	2,060,421	
Deferred inflows - pensions	(3,252,272)	

Net Pension Asset 953,061

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

Long-term liabilities at year end consist of:

Net pension liability	(7,446,587)	
OPEB liability	(3,152,193)	
SBITA Liability	(7,974)	
Lease Liability	(251,642)	
Compensated absences	(2,418,499)	

Total Net Position of Governmental Activities **\$ 90,095,299**

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

CITY OF EUSTIS, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	General	Sales Tax Capital Projects	Community Redevelopment Trust Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
Revenues	Fund	Fund	Fund	Funds	Funds
Ad Valorem	\$ 12,314,221	\$ -	\$ -	\$ -	\$ 12,314,221
Franchise Fees	2,347,121	-	-	-	2,347,121
Utility Service Taxes	3,011,028	-	-	-	3,011,028
State Revenue Sharing	3,414,628	-	-	-	3,414,628
Other Intergovernmental Revenues	136,635	2,966,245	677,465	976,038	4,756,384
Grants	-	-	-	177,295	177,295
Permits & Fees	43,447	-	-	1,581,398	1,624,846
Fines and Forfeitures	235,802	-	-	93,618	329,420
Charges for Services	975,587	-	-	898,340	1,873,927
Miscellaneous:					
Interest	870,917	71,753	149,865	223,884	1,316,419
On-Behalf Payment Pensions	474,932	-	-	-	474,932
Leases	153,849	-	-	46,352	200,201
Other Sources	515,752	-	-	9,648	525,400
Total Revenues	24,493,919	3,037,998	827,330	4,006,573	32,365,821
Expenditures					
Current:					
General Government and Administration	7,209,361	-	246,876	304,336	7,760,572
Public Safety	12,083,102	-	-	767,246	12,850,348
On-Behalf Payment Pensions	474,932	-	-	-	474,932
Physical Environment	-	-	-	340,793	340,793
Transportation	-	-	-	2,016,157	2,016,157
Culture and Recreation	2,697,612	-	-	19,795	2,717,407
Nondepartmental	1,138,002	-	190,834	-	1,328,836
Grants and Aid	50,268	-	-	-	50,268
Capital Outlay	786,048	4,056,641	948,951	699,362	6,491,001
Debt Service:					
Principal Payments	237,484	15,816	2,531,260	-	2,784,561
Interest and Fees	1,060	78	72,134	-	73,272
(Total Expenditures)	(24,677,869)	(4,072,535)	(3,990,055)	(4,147,688)	(36,888,147)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(183,950)	(1,034,537)	(3,162,725)	(141,114)	(4,522,326)
Other Financing Sources (Uses)					
Lease Proceeds	-	263,451	-	-	263,451
Transfers in	2,431,365	-	894,715	1,162,056	4,488,136
Transfers Out	(1,748,771)	-	-	(428,365)	(2,177,136)
Total Other Financing Sources (Uses)	682,594	263,451	894,715	733,691	2,574,451
Net Change in Fund Balances	498,643	(771,086)	(2,268,010)	592,577	(1,947,875)
Fund Balances, Beginning of Year	20,121,416	3,506,734	3,604,129	6,253,252	33,485,531
Fund Balances, End of Year	\$ 20,620,060	\$ 2,735,648	\$ 1,336,119	\$ 6,845,829	\$ 31,537,655

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

**CITY OF EUSTIS, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Net Change in Fund Balances - Total Governmental Funds \$ (1,947,875)

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

Governmental funds report capital purchases as expenditure. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period

Expenditures for capital assets	\$ 5,417,323	
Less current year depreciation	(3,026,505)	
Net governmental capital assets		2,390,818

Bond proceeds provide current financial resources to governmental funds, while the repayment of the principal consumes financial resources of governmental funds. Governmental funds report the debt issuance.

Principal payments - Notes Payable		2,531,261
Principal payments and terminations - SBITA and Lease		228,475
Lease transactions		(263,451)

Change in the net pension liability and related deferred amounts.		1,060,368
---	--	-----------

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

Change in OPEB liability and related deferred amounts		(209,329)
Change in compensated absences		(567,456)

Change in Net Position of Governmental Activities **\$ 3,222,811**

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

CITY OF EUSTIS, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Business-Type Activities Water and Sewer Utility System Fund
Assets	
Current Assets	
Cash and Cash Equivalents	\$ 13,994,558
Investments	545,823
Accounts Receivable, Net	1,296,367
Notes Receivable	19,405
Accrued Interest Receivable	12,035
Other Assets Prepaid	112,147
Inventory	637,401
Total Current Assets	16,617,736
Noncurrent Assets	
Restricted Assets:	
Sinking Fund	136,875
Renewal and Replacement Account	534,972
Customer Deposits	482,340
Water Impact Fees	1,640,579
Sewer Impact Fees	2,113,251
Total Restricted Assets	4,908,016
Capital Assets	
Land	1,245,453
Improvements Other Than Buildings	55,560,994
Buildings	2,197,556
Equipment	8,164,977
Construction in Progress	3,778,647
Infrastructure	53,395,187
Other Capital Assets	11,015
Right-To-Use-SBITA	110,129
(Accumulated Depreciation)	(57,422,994)
Net Capital Assets	67,040,964
Total Noncurrent Assets	71,948,980
Total Assets	88,566,717
Deferred Outflows of Resources	
Pension Plan Deferrals:	
Florida Retirement System	51,563
OPEB	214,914
Total Deferred Outflows of Resources	\$ 266,477

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

CITY OF EUSTIS, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	<u>Business-Type Activities Water and Sewer Utility System Fund</u>
Liabilities	
Current Liabilities Payable from Current Assets	
Accounts Payable	\$ 1,557,566
Due to Governmental Funds	13,400
State Revolving Loans Payables - Current	280,152
Revenue Bonds Payable - Current	365,000
Other Post Employment Benefits	129,598
Compensated Absences	181,068
Unearned Revenue	1,258,738
Total Current Liabilities Payable from Current Assets	<u>3,785,521</u>
Current Liabilities Payable from Restricted Assets	
Customer Deposits	482,340
Accrued Interest Payable	1,519
Total Current Liabilities Payable from Restricted Assets	<u>483,858</u>
Total Current Liabilities	<u>4,269,379</u>
Long-term Liabilities	
SBITA Liability	-
State Revolving Loan Payable	1,842,558
Revenue Bonds Payable Net of Amortization	4,883,646
Other Post Employment Benefits	680,388
Compensated Absences	543,203
Net Pension Liability	248,888
Total Long-term Liabilities	<u>8,198,683</u>
Total Liabilities	<u>12,468,063</u>
Deferred Inflows of Resources	
Pension Plan Deferrals:	
Florida Retirement System	118,340
OPEB	158,789
Total Deferred Inflows of Resources	<u>277,129</u>
Net Position	
Net Investment in Capital Assets	59,669,608
Impact Fees	3,753,830
Renewal and Replacement	534,972
Unrestricted Net Position	12,129,592
Total Net Position	<u><u>\$ 76,088,002</u></u>

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

**CITY OF EUSTIS, FLORIDA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Business-Type Activities Water and Sewer Utility System Fund
Operating Revenues	
Charges for Services	\$ 14,271,119
Permits and Fees	173,252
Other Miscellaneous Revenues	18,794
Total Operating Revenues	14,463,165
Operating Expenses	
Personal Services	4,618,221
Operating Expenses	3,821,800
Professional Services	459,962
Depreciation and Amortization	3,000,561
Insurance	482,627
(Total Operating Expenses)	(12,383,170)
Operating Income (Loss)	2,079,996
Non-operating Revenues (Expenses)	
Investment Earnings	751,277
Interest Expense	(236,754)
Total Non-operating Revenues	514,523
Income (Loss) Before Transfers	2,594,519
Transfers, Capital Grants and Capital Contributions	
Impact Fees - water and sewer	1,118,357
Transfers to Other Funds	(2,311,000)
Total Transfers, Capital Grants and Capital Contributions	(1,192,643)
Change in Net Position	1,401,876
Net Position, Beginning of Year	74,686,126
Net Position, End of Year	\$ 76,088,002

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

CITY OF EUSTIS, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

		Business-Type Activities Water and Sewer Utility System Fund
Cash Flows from Operating Activities		
Cash Received from Customers	\$	14,259,223
Cash Payments to Suppliers for Goods and Services		(4,267,373)
Cash Payments for Employee Services		(4,450,323)
Net Cash Provided by (Used in) Operating Activities		5,541,527
Cash Flows from Noncapital Financing Activities		
Interfund Payable		13,400
Transfers to Other Funds		(2,311,000)
Net Cash Provided by (Used in) Noncapital Financing Activities		(2,297,600)
Cash Flows from Capital and Related Financing Activities		
SBITA		(28,521)
Capital Contributions - ARPA		100,000
Acquisition and Construction of Capital Assets		(4,196,962)
Principal Payments State Revolving Loan and Bonds		(651,303)
Capital Contributions Impact Fees		1,118,357
Interest Paid on Revenue Bonds and State Revolving Loan		(237,520)
Net Cash Provided by (Used in) Capital and Related Financing Activities		(3,895,949)
Cash Flows from Investing Activities		
Purchase of Investments		(52,284)
Interest		1,126,445
Net Cash Provided by (Used in) Investing Activities		1,074,161
Net Increase (Decrease) in Cash and Cash Equivalents		422,138
Cash and Cash Equivalents, Beginning of Year		18,480,437
Cash and Cash Equivalents, End of year	\$	18,902,575

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

CITY OF EUSTIS, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025
(Concluded)

	Business-Type Activities Water and Sewer Utility System Fund
<u>Reconciliation of Cash and Cash Equivalents to Balance Sheet</u>	
Total Unrestricted Cash and Investments per the Balance Sheet	
Cash and Cash Equivalents	\$ 13,994,558
Total Restricted Cash and Investments per the Balance Sheet	4,908,016
Total Cash and Cash Equivalents	18,902,575
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</u>	
Operating Income	2,079,996
Adjustments to Reconcile Operating Income (Loss) to Cash Provided by (Used in) Operating Activities:	
Depreciation	3,000,561
Change in the Provision for Uncollectible Accounts	46,645
Decrease (Increase) in Assets:	
Accounts and Interest Receivable	(181,621)
Prepays	(68,966)
Inventories	2,822
Increase (Decrease) in Liabilities:	
Accounts Payable	484,614
Utility Deposits	9,579
Net Pension Liability	(58,289)
OPEB Liability	203,118
Compensated Absences	219,653
Deferred Inflow of Resources	(118,565)
Deferred Outflow of Resources	(78,020)
Net Cash Provided by (Used in) Operating Activities	\$ 5,541,527

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

CITY OF EUSTIS, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND TYPE
SEPTEMBER 30, 2025

	Pension Trust Funds
Assets	
Cash and Cash Equivalents	\$ 500,243
Receivables	
Interest	100,978
Total Receivables	100,978
Investments, at Fair Value	
Money Market Funds	1,344,709
Fixed Income Securities	16,123,954
Equities and Mutual Funds	30,748,186
Real Estate Investment Funds	187,681
Total Investments	48,404,530
Total Assets	49,005,751
Liabilities	
Accounts Payable - Drop Distributions & Misc Other	39,535
Due to Brokers	4,314
Total Liabilities	43,849
Net Position Restricted for Pension Benefits	\$ 48,961,902

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


CITY OF EUSTIS, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Pension Trust Funds
Additions	
Contributions:	
Plan Member	\$ 366,818
Insurance Premium Tax	474,932
City	2,356,610
Total Contributions	3,198,359
Investment Income (Loss):	
Net Appreciation (Depreciation) in Fair Value of Investments	3,164,085
Interest and Dividends	1,212,526
Total Income on Investments	4,376,611
Less: Investment Management Fees	(242,129)
Net Investment Income	4,134,482
Total Additions	7,332,841
Deductions	
Pension Payments	2,540,582
Share Plan Distributions	60,932
Administration	132,396
Lump Sum DROP Distributions	-
Refunds of Member Contributions	77,490
Total Deductions	2,811,400
Change in Net Position	4,521,441
Net Position, Beginning of Year	44,440,461
Net Position, End of Year	\$ 48,961,902

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

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**Notes to
Financial
Statements**

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Notes to the Financial Statements

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Notes to the Financial Statements

Note 1 - Summary of Significant Accounting Policies

The financial statements of the City of Eustis (the “City”) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant City accounting policies are described below.

A. The Reporting Entity

The City was incorporated in 1883 in accordance with the laws of the State of Florida and operated under the council-manager form of government according to its charter adopted in conformance with the “Municipal Home Rule Powers Act” as defined in Florida Statutes, Chapter 166. The original charter was effective on January 1, 1958, and became law without the Governor’s approval. The City Charter was adopted by Florida Chapter 57-1314 and amended by ordinances 91-74 and 94-04 adopted by referendum on March 11, 1992, and April 6, 1994.

The legislative branch of the City is composed of a five-member elected Commission, which includes a Citywide Mayor who is elected annually by the five sitting Commissioners. The City Commission is governed by the City Charter and State and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policies and directives is the responsibility of the Commission-appointed City Manager.

- **Police Officers’ and Firefighters’ Pension Plan**

The City contributes to the Police Officers’ and Firefighters’ Pension Plan (POFPP) on behalf of its police officers and firefighters. The plan is a single employer defined benefit plan established by City ordinance and Florida State Law. It is administered by the Plan’s Board of Trustees composed of two Commission appointees, two members of the POFPP elected by the membership, and one member elected by the other four Members and appointed by the City Commission. The POFPP is included in the accompanying financial statements as a fiduciary component unit reflected as a Pension Trust Fund. City of Eustis Community Redevelopment Trust Fund

The accompanying financial statements present the City and its component unit, which is financially accountable. The City has only one composite component unit, the Community Redevelopment Trust Fund (CRA). The CRA is a blended component unit; it is legally separated in substance but also is a part of the City’s operations. The City created the Downtown and East Town Redevelopment Agency in December 1990 with a base year value of \$36,752,072. In May of 2018, the area was expanded with an additional base year value of \$343,092. The CRA is an incremental tax district established by Florida Statutes Chapter 163 to finance and redevelop the City’s designated redevelopment areas. Even though the CRA is a legally separate entity, it is reported as part of the City because the City Commission also serves as the CRA board. The Commission reviews and approves the CRA’s budget, provides funding and performs all accounting functions for the CRA. The CRA’s services benefit the City by supporting the City’s redevelopment in the designated community redevelopment areas. The CRA has been presented as a blended component unit, classified as a major special revenue fund but is also the subject of a separate audited financial report. The audited CRA financial report is available at: 10 N Grove Street, Eustis, FL 32726.

Notes to the Financial Statements

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Notes to the Financial Statements

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 the non-fiduciary activities of the primary government and its component units.

For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which generally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely significantly on fees and charges for services.

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

The City's fiduciary funds are presented in the fund financial statements. Since, by definition, these assets are being held for the benefit of a third party (pension plan participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the Government-Wide Statements.

Separate financial statements are provided for governmental funds, proprietary funds, and the pension Trust Fund. The pension Trust Fund is excluded from the Government-Wide Financial Statements. Major individual governmental and proprietary funds are reported in separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

1. Government-Wide Financial Statements

The Government-Wide Financial Statements report indicates that fiduciary funds use the economic resources measurement focus and the accrual basis of accounting, as does the proprietary 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. Revenues recognize property taxes in the year levied. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider are met.

2. Fund 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 available when they are collectible within the current period or shortly after the current period's liabilities are paid.

For this purpose, the government considers revenues available if collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property taxes, franchise fees, and interest are susceptible to accrual and are recognized as revenues of the current fiscal period.

Notes to the Financial Statements

Only the portion of special assessments receivable due within the current fiscal period is susceptible to accrual as revenue of the current period. All other revenue considered measurable is cash once the City receives it.

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for the City's financial resources except those that are required to be accounted for in other funds.
- The Community Redevelopment Trust Fund serves as a special revenue fund designated to manage activities within the established special revenue district. Revenue generated from incremental property values has been accruing since the fund's inception in 1990.
- The Sales Tax Capital Projects Fund accounts for financial resources of the one-cent infrastructure sales tax to be used for the acquisition or construction of major capital facilities, vehicles, or equipment.

The City reports the following major proprietary fund. This fund may be used to report any activity for which fees are charged to external users for goods or services.

- The Water and Wastewater Utility System Fund accounts for the financial activities of the City's water and sewer treatment and distribution operations, maintenance and repair and the funding and payment of related debt.

The City reports the following non-major fund types:

- The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Lastly, the City reports the following Fiduciary Funds:

- The Pension Trust Funds account for the activities of the City's Police Officer's and Firefighters' Pension Plans.

Proprietary funds distinguish operating revenues and expenses from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal on-going operations. The main operating revenues of the City Water and Sewer Utility System Fund are charges to customers for sales and services. Operating expenses for enterprise funds include purchase of goods 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.

Fiduciary funds are used to report assets held in a trustee or agency capacity for others. The City has established Trust Funds to account for the activities of the City's Police Officer's and Firefighters' Pension Plans. The funds account for the accumulated pension benefit payments to qualified police and fire employees. The City cannot use these funds for any reason. They are excluded from the Government-Wide Financial Statements, are fiduciary in nature and do not represent resources available for operations.

When both restricted and unrestricted resources are available for use, the City's policy is to use restricted resources first and then unrestricted resources, as they are needed for their intended purposes.

Notes to the Financial Statements

D. Assets, Liabilities, and Fund Balance

- Cash, Cash Equivalents, and Investments**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with an original maturity date within three months of the date acquired by the City.

Governmental fund investments, proprietary fund investments, and pension fund investments are reported at fair market value according to GASB 72, Fair Value Measurement and Application. Accordingly, the change in fair value is recognized as an increase or decrease in investment assets and investment income.

Excluding pension fund investments, the City’s investment policy allows for holdings to include certificates of deposit and U.S. Treasury notes with maturities exceeding one year. Certificates of deposit are recorded at cost plus accrued interest. There was no concentration of credit risk as of September 30, 2025.

- Receivables**

Property Taxes Receivable

Under Florida law, the assessment of all properties and the collection of all County, municipal, and School Board property taxes are consolidated in the offices of the Lake County Property Appraiser and the Lake County Tax Collector.

The State’s laws regulating tax assessments are also designed to assure a consistent property valuation method statewide. State Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The City’s millage for 2025 was 7.5810 mills. All real and tangible personal property taxes are due and payable on the levy date of November 1 of each year or as soon as the assessment roll is certified by the Lake County property Appraiser (levy date). Lake County (County) mails to each property owner on the assessment roll a notice of the taxes due, and the County collects the taxes for the City of Eustis. Taxes may be paid upon receipt of notice from the County, with discounts at the rate of four percent (4%) if paid in November, three percent (3%) if paid in December, two percent (2%) if paid in January, and one percent (1%) if paid in February. Taxes paid during March are without discount. All unpaid taxes on real and tangible property become delinquent on April 1 (the lien date) of the year following the year in which taxes were assessed. Procedures for collecting delinquent taxes, including applicable tax certificate sales, are provided by the Laws of Florida and are handled through the County.

Accounts Receivable

The operating revenues of the Water and Sewer Utility System Fund are generally recognized based on monthly cycle billings. Revenues for services provided during the last month of the fiscal year that have not been read by September 30 are accrued based on meter readings for the applicable consumption taken at the beginning of October and billed in October. The Water and Sewer Utility System uses the allowance method of bad debt recognition. All receivables are shown net of an allowance for accounts of \$1,581,232 on September 30, 2025.

Listed below is the allowance for doubtful accounts:

FY 2025	Water & Sewer			Total
	General Fund	Utility System Fund	Stormwater Fund	
Allowance for Doubtful Accounts	\$ 147,681	\$ 1,286,464	\$ 147,087	\$ 1,581,232

Notes to the Financial Statements

- **Inventories**

Inventories are valued at cost using the first-in, first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

- **Prepaid**

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in the Government-Wide and the Fund Financial Statements. Governmental fund expenditures include operating, capital, and debt service expenditures. Governmental fund operating expenditures that arise from exchange transactions generally should be recognized when the transactions that result in a claim against financial resources take place, regardless of when cash is paid. This includes recognizing expenditures for prepaid items and supplies using the consumption method.

- **Restricted Assets**

Specific provisions of debt resolutions and City policies restrict the uses of certain assets of the Proprietary Fund. These assets are restricted from paying the general obligations of the fund.

Assigned assets are identified as restricted assets on the Statement of Net Position.

- **Capital Assets**

Capital assets include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items). They are reported in the applicable governmental or business-type activities columns in the Government-Wide Financial Statements. Property, plant, and equipment with initial, individual costs equal to or exceeding \$5,000 and estimated useful lives of over one year are recorded as capital assets. Roads, bridges, and sidewalks are capitalized when their initial costs equal or exceed \$25,000 and they possess estimated useful lives of more than five years. Subscription Based Information Technology Agreements (SBITA) or software with an initial cost of equal to or exceeding \$50,000 are capitalized assets. Purchased or constructed, capital assets are recorded at historical or estimated historical costs. Donated capital assets are recorded at the acquisition value at the date of donation. The City implemented GASB 89 and complies with the requirements of the Statement. Significant outlays for capital assets and improvements are capitalized as projects are completed.

Capital asset purchases are recorded as either capitalized or non-capitalized outlay expenditures at the fund level in the year of acquisition. Capitalized assets are depreciated annually while non-capitalized assets are expensed in the year of acquisition or completion.

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Capital Asset Class</u>	<u>Useful Lives</u>
Buildings	10 - 40 Years
Land Improvements	15 - 40 Years
Equipment	3 - 40 Years
Software	3 - 10 Years
Infrastructure	15 - 40 Years

Expenditures for repairs and maintenance are expensed when costs are incurred. Additions, major renewals and replacements that increase the useful lives of the assets are capitalized.

Notes to the Financial Statements

- **Amortization of Bond Discounts and Premiums**

In the Water and Sewer Utility System Fund, bond discounts and premiums are amortized over the life of the bonds using the straight-line method.

In the governmental funds, these costs are recorded as other sources and used when bonds are issued. Issuance costs are expensed at the time of debt issuance.

- **On-Behalf Payments for Fringe Benefits**

The City receives on-behalf payments from the State of Florida for the Police Officers' and Firefighters' Retirement plan Contributions. On-behalf payments to the City total of \$474,932 for the fiscal year ended September 30, 2025. These payments are currently recorded as revenue in the Pension Trust Funds.

- **Other Postemployment Benefits**

The City allows retirees to participate in its employee health and life insurance programs. The City accrues other post-employment benefits liability for the cost of providing those benefits in the government-wide and enterprise fund financial statements based on annual actuarial measurement.

- **Net Pension Liability (Asset)**

In the government-wide and proprietary statements, the net pension liability (asset) represents the present value of projected benefit payments to be provided through the cost-sharing and single-employer defined benefit pension plans to currently active and inactive employees and is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position. To measure the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pension plans, pension expense, information about the net fiduciary position, and additions to / deductions from the net fiduciary position have been determined on the same basis as the plans report them. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable by the benefit terms. Investments are reported at fair value. The City allocated the net pension liability (asset), deferred outflows for pensions, deferred inflows for pensions, and pension expense to funds and functions/activities based on their respective contributions made to the pension plans during the measurement year.

- **Deferred Outflows and Inflows of Resources**

In addition to assets, the Statement of Net Position presents a separate section for deferred outflows of resources. This financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until that time. The deferred outflows of resources reported in the Statement of Net Position represents differences between expected and actual economic experience, changes in actuarial assumptions, the net difference between projected and actual earnings on investments, changes in the proportion and differences between the City's contributions and proportionate share of contributions, and the City's contributions after the measurement date, relating to the City's defined benefit pension plans. The City also has deferred outflows of resources due to the implementation of GASB 75 related to the OPEB plan. These amounts will be recognized as expenses in future years.

Notes to the Financial Statements

In addition to liabilities, the Statement of Net Position presents a section for deferred inflows of resources. This financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s), and will not be recognized as an inflow of resources (revenue) until that time the deferred inflows of resources reported in the City's Statement of Net Position represent the difference between expected and actual economic experience and changes in the proportion and differences between the City's contributions and proportionate share of contributions relating to the City's defined benefit pension plans.

The City also has deferred inflows of resources due to the implementation of GASB 75 related to the OPEB Plan. These amounts will be recognized as reductions in expenses in future years.

● Net Position

For government-wide reporting, as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called Net Position. Net Position is comprised of these three components:

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes and other debt that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of Net Position.
- *Restricted Net Position* consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset used either by external parties or by law through constitutional provision or enabling legislation.
- *Unrestricted Net Position* is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

When both restricted and unrestricted resources are available, it is the City's policy to use the restricted resources first, and then unrestricted resources as they are needed.

● Fund Balances

Implementing best practices, the City adopted an unwritten policy to set aside funds for maintaining sufficient working capital. An effort is currently underway to formalize the policy. The goal is approximately equal to three months of operating expenses. The 25% balance set aside will be calculated as a percentage of ordinary operating expenses exclusive of debt service, capital outlay, and other financing uses.

This amount is required to cover short-term cash flow variations, economic downturns, and emergencies. The City Commission has also approved an amount to be set aside for contingencies such as catastrophic events or unforeseen losses through insurance or litigation as part of the annual budget process.

The City has classified governmental fund balances as follows:

Non-Spendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. Non-spendable items include prepaids and inventory. The City has received donations to the Library Trust Fund and is required to maintain the principal. Only the interest earnings may be used.

Notes to the Financial Statements

Restricted: This classification includes amounts for which constraints have been placed on the use of the resources by either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

The City has classified Fines and Forfeitures as restricted because State Statute limits their use for police investigative expenditures.

Redevelopment funds are restricted to the City's designated geographical area and are exclusive to that area alone. Infrastructure projects are restricted by State Statute and County laws and are legally segregated to fund infrastructure improvements. Other funds are restricted for library operations and other specific developer agreements obligating funds for a particular use.

Committed: This classification includes amounts that can be used only for specific purposes under constraints imposed by formal action of the City Commission. These amounts cannot be used for any other purpose unless the City Commission removes or changes the specified use by taking the same type of action (i.e., ordinance) used when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been committed explicitly for use in satisfying those contractual requirements.

Assigned: This classification includes amounts constrained by the City's intent to be used for a specific purpose but is neither restricted nor committed. The City Commission can express their intent or delegate this responsibility to the City Manager through the budgetary process. This classification also includes monies allocated to future fiscal years to weather an unforeseen economic crisis.

Unassigned: This classification includes the fund balance remaining after the other fund balance classifications have been satisfied. For the General Fund, the minimum Fund Balance is established by Resolution 11-59, amended as necessary.

E. Revenues, Expenditures, Expenses, Leases and SBITAs

- **Interest Income**

Interest income resulting from cash pooling in a centralized bank account is allocated to each respective fund based on its proportionate share of invested funds.

- **Capital Contributions**

Subsidies to proprietary funds, are recorded as non-operating revenue when earned. The City's policy requires the restriction of all money collected from impact fees. These fees represent a capacity charge for the proportionate share of the cost of expanding, separating, or constructing new additions to the water and sewer system. The use of these funds is limited to projects that expand the capacity of the water and sewer system.

Deposits received that reserve capacity in the City's future water and sewer facilities are recorded as a liability upon receipt. After completion of all legal requirements as stipulated by the City's Water and Sewer Treatment Policy, the money is recorded as non-operating revenue in the year the requirements are met. The City has pledged impact fees to meet expansion bond debt service requirements. Bond covenants require any additional revenue be set aside as a restriction of net position to be used for either further system expansion projects or debt principal repayment.

Notes to the Financial Statements

- **Interfund Transfers**

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are adequately applicable to another fund are recorded as expenditures/expenses in the fund reimbursed. All interfund transactions are reported as transfers.

- **Leases**

The City of Eustis is a lessor for several leases of buildings and cell towers. The City of Eustis recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City of Eustis initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received.

The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements include how the City of Eustis determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

The City of Eustis uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City of Eustis monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if changes occur that are expected to significantly affect the amount of the lease receivable.

- **Subscription Based Information Technology Agreements (SBITAs)**

A SBITA is defined by GASB as a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction.

As more information technology systems become Cloud based, the City has begun to use this type of software agreement in various departments. The City uses software solutions to streamline operations, enhance service delivery, enhance citizen engagement, and improve overall efficiency in managing City resources and services. All financial statements dated September 30, 2023, and later are required to follow the new GASB standard.

According to GASB, governments should recognize a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability on their balance sheet when they enter a SBITA. The right-to-use subscription asset represents the City's right to access the software services, while the subscription liability represents the City's obligation to make future payments for those services. More information regarding SBITAs is presented in Note 14.

Notes to the Financial Statements

• **Compensated Absences**

The City's policy permits employees to accumulate earned but unused vacation and sick pay benefits. The City accrues compensated absences in the period earned in both government-wide and enterprise fund financial statements.

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 (for example paid in cash to the employee) during or upon separation from employment. Vacation time is accrued monthly and upon separation, unused vacation benefits are eligible for payment at the employee's current pay upon separation from employment at a maximum of 200 hours after one year of service. The sick leave policy permits employees to accumulate earned but unused sick leave. Employees who retire or resign in good standing after three years of continuous full-time service may be paid unused sick leave up to a maximum of 480 hours.

Change in Accounting Principle

• **Adjustments**

GASB Statement 101 Compensated Absences has been implemented in FY2025. In addition to the value of unused vacation time owed to employees upon separation of employment, the City now recognizes an estimated amount of sick and vacation leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in the accounting principle have a negligible impact on the government's financial position. The change in methodology has been presented as a net change in the increases and decreases in the compensated balances reported in the Note 10 chart.

GASB Statement No. 102, Certain Risk Disclosures, is effective for the City beginning fiscal year 2025. The City of Eustis does not have risks for disclosure per GASB 102.

• **Future GASB Pronouncements**

The City is in the process of reviewing impacts of upcoming GASB pronouncements which will become effective in future years and the following Statements will be applicable to the City.

GASB 103 *Financial Reporting Model Improvements* effective after June 15, 2025. The City will be implementing the changes in the FY2026 Annual Comprehensive Financial Report.

GASB 105 *Subsequent Events* effective for fiscal years beginning after June 15, 2026. The City will be monitoring for future implementation.

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Requirements

The following procedures are used annually to establish the budgetary information reflected in the annual financial statements:

1. The City Manager submits a proposed operating budget for the fiscal year commencing the following October 1 to the City Commission by August of each year.
2. Two public hearings are held to obtain taxpayer comments.
3. A resolution legally enacting the budget is approved prior to October 1.

Notes to the Financial Statements

4. The City's budget is legally adopted and used as a management control device throughout the year for the General Fund, all Special Revenue funds, and the Pension Trust Funds. The budget adopted for the proprietary fund is prepared and adopted in compliance with debt covenants.
5. Budgets for the governmental funds are adopted consistent with Generally Accepted Accounting Principles (GAAP). The budget for the proprietary fund is adopted on a non-GAAP basis to reflect the budget versus actual information related to "operations and maintenance" as defined in the bond covenants.
6. The City Commission must approve any changes to the budget that alter the total appropriations of any fund. The classification detail at which expenditures may not legally exceed appropriations is at the total fund level. During the fiscal year ended, various appropriations were approved by this policy. Adopted and amended budget amounts are shown in the financial statements.
7. Florida Statute 932.7055 regulates the Law Enforcement Fund forfeited property and states that agencies shall not anticipate future forfeitures or proceeds in the adoption of the budget. For FY2024/25 the fund experienced actual expenditures more than budgeted expenditures in the amount of \$5,350. This may occur due to the limitations imposed by the State for budgeting of revenues and expenditures.

In addition to the legal requirements discussed above, the Commission has adopted management control and approval guidelines for expenditures and budget amendments. Critical components of these management guidelines are as follows:

1. The City Commission must approve transfers of budgeted amounts between funds.
2. A department director may transfer funds up to \$5,000 within the department's operating and capital accounts.
3. No expenditure or encumbrance may occur without sufficient budgeted funds.

The City uses encumbrance accounting. Encumbrances represent commitments related to contracts for goods or services that have not yet been started and/or completed. Most operating encumbrances outstanding at year-end are canceled while outstanding capital encumbrances are typically brought forward into the next year.

Note 3 - Cash, Cash Equivalents, and Investments

Cash and Cash Equivalents

The Florida Security for Depositors Act identifies those financial institutions that have deposited the required collateral in the name of the Treasury of the State of Florida as Qualified Public Depositories (QPD's). The City places deposits with only QPD's. Either FDIC or Florida's Multiple Financial Institution Collateral pool insure all cash. Therefore, all deposits of the City are fully insured and collateralized. The amount of deposits (cash and cash equivalents) on September 30, 2025, is \$51,205,743.

Investments - Governmental

The City's investment policy states that it may invest surplus public funds in any authorized instruments provided in Florida Statutes 218.415(16). Authorized investments include the following:

- The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized under the Florida Interlocal Cooperation Act, as provided in Section 163.01;
- Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;

Notes to the Financial Statements

- Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02;
- Direct obligations of the U.S. Treasury; and
- Federal agencies and instrumentalities.

Investments – Police Officers’ Pension Fund

The Police Officers’ Pension Fund’s investment policy complies with the Employee Retirement Income Security Act of 1974 (ERISA) at 29 U.S.C. s. 1104(a) (1)(A)-(C) and includes the following authorized investments:

- Time, savings, and money market deposit accounts insured by the Federal Deposit Insurance Corporation;
- Obligations issued by the United States Government or obligations guaranteed as to principal and interest by the United States Government;
- Stocks, commingled funds administered by national or state banks, mutual funds or bonds issued or guaranteed by a corporation organized under the laws of the United States.
 - Domestic securities limited to those actively traded on a major exchange or NASDAQ equal to no more than 5.0% of the total Plan’s assets at the time of purchase;
 - At least 95% of fixed income securities must be Investment Grade rated by the National Rating Services; no more than 5.0% of fixed income securities can be one grade below Investment Grade;
 - Cash Equivalent securities must be rated either A1 by Standard and Poor’s or P1 by Moody’s.

Investments – Firefighters’ Pension Fund

The Firefighters’ Pension Fund’s investment policy complies with the Employee Retirement Income Security Act of 1974 (ERISA) at 29 U.S.C. s. 1104(a) (1)(A)-(C) and includes the following authorized investments:

- Equities traded on a national exchange or electronic network equal to no more than 5.0% of the total Plan’s assets at the time of purchase;
- Fixed income investments with a minimum rating of investment grade or higher as reported by a major credit rating service equal to no more than 5.0% of the Plan’s total assets at the time of purchase;
- Money market funds limited to Government paper backed by full or implied faith and credit of the United States government; and
- Pooled funds include mutual funds, commingled funds, and exchange-traded funds.

Notes to the Financial Statements

Fair Value of Investments

The following chart presents the City's investments as of September 30, 2025 at Fair Market Value:

Investments	Weighted Average Maturities	S & P Credit Rating	Fair Market Value
Governmental			
Cash and Cash Equivalents	N/A	N/A	\$ 32,303,168
Investments - Bank Certificates of Deposit	Less than 1 Year	N/A	<u>800,872</u>
Police Officers' Pension Trust:			
Money Market & Cash Equivalents	N/A	Aam	1,375,786
Domestic Fixed Income, Municipal Bonds	2 to 10 Years	AA	9,832,363
International Equities	N/A	N/A	3,186,565
Domestic Equities	N/A	AA	16,335,374
Real Estate Investment Funds	N/A		187,681
Firefighters' Pension Trust:			
Cash and Cash Equivalents	N/A	N/A	469,166
Equities	N/A	AA	11,226,249
Fixed Income	6 to 9 Years	AAA - BBB	6,291,590
Business-type			
Cash and Cash Equivalents	N/A	N/A	18,902,575
Investments - Bank Certificates of Deposit	Less than 1 Year	N/A	<u>545,823</u>
Total Cash and Investment			<u><u>\$ 101,457,212</u></u>

Shown in the accompanying Statements of Net Position as follows:

Entity-wide - Cash and Cash Equivalents	\$ 51,205,743
Entity-wide - Investments	1,346,696
Fiduciary - Cash and Cash Equivalents	1,844,952
Fiduciary - Investments	<u>47,059,822</u>
Total	<u><u>\$ 101,457,212</u></u>

The City measures and records its investments using fair value measurement guidelines established by Generally Accepted Accounting Principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan can access.

Any asset with an actively traded daily closing price will be classified as a Level 1 input.

Level 2: Inputs are inputs (other than quoted prices included within Level 1) observable for the asset or liability, either directly or indirectly. Inputs to the valuation of the entire term of the asset or liability.

Notes to the Financial Statements

As a rule, if an asset or liability does not fall into the requirements of a Level 1 or Level 3 input, it would default to Level 2. With Level 2 inputs, data can be easily obtained to support the valuation, even though it is not as easily obtained as a Level 1 input.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As a rule, Level 3 inputs are difficult to obtain on a regular basis and it requires verification from an outside party, such as an accountant or an appraisal, to validate the valuation.

Level 1 debt and equity securities are valued based on prices quoted in active markets for those securities. Level 2 debt securities classified are valued using a matrix yield curve that values securities based on their relationship to benchmark quoted prices and credit spreads.

Level 3 equities categorized as a are valued using a multifactor model, including price, sector indices, and currency fluctuations.

The City does not have any debt obligations classified in Level 3.

The City Rated Investments Measured at Fair Market Value as of September 30, 2025, are:

Police Officer's Pension Trust Rated Investments

Investments Measured at Fair Value	Measurement using Fair Value			
	9/30/2025	Level 1	Level 2	Level 3
Short Term Investments				
Domestic Fixed Income, Municipal Bonds	\$ 9,832,363	\$ -	\$ 9,832,363	\$ -
Total Debt Securities	9,832,363	-	9,832,363	-
Equity Securities				
International Equities	3,186,565	3,186,565	-	-
Domestic Equities	16,335,374	16,335,374	-	-
Real Estate Investment Funds	187,681	187,681	-	-
Total Equity Securities	\$ 19,709,620	\$ 19,709,620	\$ -	\$ -
Total Investments Measured at Fair Value	\$ 29,541,983			

Firefighter's Pension Trust Rated Investments

Investments Measured at Fair Value	Measurement using Fair Value			
	9/30/2025	Level 1	Level 2	Level 3
Short Term Investments				
Fixed Income Securities	\$ 6,291,590	\$ -	\$ 6,291,590	\$ -
Total Debt Securities	6,291,590	-	6,291,590	-
Equity Securities				
Domestic Equities	11,226,249	11,226,249	-	-
Total Equity Securities	\$ 11,226,249	\$ 11,226,249	\$ -	\$ -
Total Investments Measured at Fair Value	\$ 17,517,839			

Notes to the Financial Statements

Credit Risk

Credit risk is the risk of loss due to the failure of the security issuer.

The City's investment policy limits the investments to obligations with the highest credit quality ratings. Ratings for debt securities are displayed in the schedule. Florida Statutes 185.06 and 175.06 have a provision regarding investments which states for bonds and stocks that the corporation is listed on any one or more of the recognized national stock exchanges or the National Market System of the NASDAQ Stock Market. In the case of bonds only, the investment must hold a rating in one of the three highest classifications by a primary rating service. Investment ratings are from Moody's Investors Service, Inc. and Standard and Poor's Ratings Group.

Both Pension Plans comply with the Employee Retirement Income Security Act of 1974 (ERISA) at 29 U.S.C. s. 1104(a) (1)(A)-(C). Both Boards endeavor to diversify investments to the extent practicable to control the risk of loss resulting from over-concentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial investments are bought and sold.

Custodial Credit Risk

Custodial credit risk of an investment is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that own an outside party.

Interest Rate Risk

Interest rate risk exists when there is a possibility that changes in interest rates could adversely affect an investment's fair value. The weighted average maturity of the City's investments is displayed in the schedule. The City evaluates securities for other-than-temporary impairment every quarter and more frequently when economic or market concerns warrant. Consideration is given to the length of time and the extent to which the fair value has been less than the cost, the financial condition and near-term prospects of the issuer, and the intent and ability of the City to retain its investment in the issuer for a period long enough to allow for any anticipated recovery in the fair value. In analyzing an issuer's financial condition, the City considers whether the Federal Government or its agencies issue the securities, whether there have been downgrades issued by one of the rating agencies and rating the results of reviews of the issuer's financial condition. Neither the City or the Pension Plans have a formal policy regarding interest rate risk.

The Concentration of Credit Risk

The City's non-pension holdings at TD Bank represent approximately 97.8% of the City's total cash, cash and equivalents and investments. The City's holdings at United Southern Bank represent approximately 2.2% of the City's total cash, cash and equivalents and investments. The breakdown of the City's non-pension investments is comprised of cash at 40.23% and Certificates of Deposit (CD's) at 59.77%. As CD's mature, money is either reinvested or is deposited into the City's operating account. This account is highly liquid and has an interest rate of 2.85%. Interest income offsets banking fees. Per Florida Statute requirements, all funds are held by banks that are Qualified Public Depositories of the State of Florida.

Foreign Currency Risk

The City is not exposed to Foreign Currency Risk.

Notes to the Financial Statements

Note 4 - Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 7,011,465	\$ -	\$ -	\$ 7,011,465
Infrastructure - Retention Ponds	1,946,578	-	-	1,946,578
Infrastructure - Right-of-Way	24,204,385	-	-	24,204,385
Construction in Progress	1,597,101	2,919,894	(930,435)	3,586,560
Total Capital Assets Not Being Depreciated	<u>34,759,529</u>	<u>2,919,894</u>	<u>(930,435)</u>	<u>36,748,988</u>
Capital Assets Being Depreciated:				
Buildings	14,938,453	179,892	-	15,118,345
Improvements Other Than Buildings	8,591,249	393,335	-	8,984,583
Equipment	5,853,285	770,217	(19,430)	6,604,072
Vehicles	9,003,633	1,493,947	(9,118)	10,488,461
Infrastructure (Roads and Streets)	38,585,154	198,254	-	38,783,408
SBITA	399,614	128,768	(240,856)	287,526
Right-To-Use Leased Assets	127,678	263,451	-	391,129
Total Capital Assets Being Depreciated	<u>77,499,066</u>	<u>3,427,863</u>	<u>(269,404)</u>	<u>80,657,525</u>
Less Accumulated Depreciation:				
Buildings	(10,804,387)	(343,250)	-	(11,147,637)
Improvements Other Than Buildings	(3,147,670)	(311,315)	(549)	(3,459,534)
Equipment	(4,096,291)	(414,545)	9,648	(4,501,188)
Vehicles	(4,877,832)	(816,246)	18,902	(5,675,176)
Infrastructure (Roads and Streets)	(19,588,194)	(899,745)	549	(20,487,391)
SBITA	(248,210)	(159,327)	240,856	(166,681)
Right-To-Use Leased Assets	(31,920)	(82,077)	-	(113,997)
Total Accumulated Depreciation	<u>(42,794,503)</u>	<u>(3,026,505)</u>	<u>269,405</u>	<u>(45,551,603)</u>
Total Capital Assets Being Depreciated, Net	<u>34,704,563</u>	<u>401,358</u>	<u>1</u>	<u>35,105,922</u>
Governmental Activities Capital Assets, Net	<u>\$ 69,464,091</u>	<u>\$ 3,321,252</u>	<u>\$ (930,434)</u>	<u>\$ 71,854,909</u>
Business-type Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 1,245,453	\$ -	\$ -	\$ 1,245,453
Construction in Progress	19,011,417	3,017,467	(18,250,237)	3,778,647
Total Capital Assets Not Being Depreciated	<u>20,256,870</u>	<u>3,017,467</u>	<u>(18,250,237)</u>	<u>5,024,100</u>
Capital Assets Being Depreciated:				
Buildings	1,040,681	1,156,876	-	2,197,557
Improvements Other Than Buildings	92,060,165	16,896,015	-	108,956,180
Equipment	6,892,203	1,334,869	(62,095)	8,164,977
Intangible Assets	11,015	-	-	11,015
SBITA	83,436	41,973	(15,280)	110,129
Total Capital Assets Being Depreciated	<u>100,087,501</u>	<u>19,429,732</u>	<u>(77,375)</u>	<u>119,439,858</u>
Less Accumulated Depreciation:				
Buildings	(966,200)	(12,321)	-	(978,521)
Improvements Other Than Buildings	(48,564,129)	(2,530,369)	-	(51,094,498)
Equipment	(4,915,008)	(420,146)	62,095	(5,273,059)
Other Assets	(5,377)	(1,836)	-	(7,212)
SBITA	(49,095)	(35,889)	15,280	(69,704)
Total Accumulated Depreciation	<u>(54,499,808)</u>	<u>(3,000,561)</u>	<u>77,375</u>	<u>(57,422,994)</u>
Total Capital Assets Being Depreciated, Net	<u>45,587,692</u>	<u>16,429,172</u>	<u>(0)</u>	<u>62,016,864</u>
Business-type Activities Capital Assets, Net	<u>\$ 65,844,562</u>	<u>\$ 19,446,639</u> #	<u>\$ (18,250,237)</u>	<u>\$ 67,040,964</u>

Notes to the Financial Statements

Depreciation Expense - Governmental Activities	
General Government and Administration	\$ 466,984
Public Safety	757,129
Physical Environment	160,859
Transportation	1,218,409
Culture and Recreation	423,124
Total Depreciation Expense Governmental Activities	<u>\$ 3,026,505</u>
Depreciation Expense - Business Type Activities	
Water and Sewer System	<u>\$ 3,000,561</u>

Note 5 – Pension Plans

General Employees

The City has multiple pension plans for its employees. General employees currently participate in one of two plans. Employees hired on or before December 31, 1995, participate in the Florida Retirement System (FRS), a multiple-employer, cost-sharing public employee retirement plan. Employees hired after December 31, 1995, participate in a defined contribution plan. The costs of administering the plans are paid for with investment earnings.

City of Eustis Section 401(a) Defined Contribution Plan

In 1995, the State of Florida allowed a one-time opt-out of the Florida Retirement System for all new employees. The City Commission elected to opt-out of FRS and adopted an ordinance that established a 401A Defined Contribution plan. Empower Retirement is the plan administrator, and payments are made bi-weekly. The effective date of the plan was January 1, 1996.

- **Eligibility** - Full-time employees are enrolled immediately, and part-time employees become participants of the plan after six months of service; there is no minimum age requirement.
- **Participants** - 160 participants were in the plan for the fiscal year ended September 30, 2025.
- **Benefit Compensation** - Total pensionable compensation paid during the fiscal year ending September 30, 2025, was \$9,388,666.
- **Forfeitures** – Any forfeitures shall be applied to future employer contributions.
- **Employer Contributions** - 6% of covered payroll is mandatory for general employees. Total contributions for the fiscal year ending September 30, 2025, were \$563,320.
- **Employee Contributions** - General employees have a mandatory contribution of 4%. The contributions are pre-tax. Contributions for the fiscal year ended September 30, 2025, were \$375,547.
- **Normal Retirement** - This is the date the participant attains age 62.
- **Early Retirement** – None.
- **Vesting Schedule** - 0 through 4 years 0%, 5 years 100% or 100% at age 62.
- **Distributions** - Participants may request immediate distribution upon termination. If not vested, participants receive only what they have contributed to the plan and forfeit any employer contributions.
- **Miscellaneous** - Loans are allowed under the 401A plan. However, the amount is limited to the amount of the participants' contributions with a minimum of \$1,000. Repayment is limited to five years and is repaid bi-weekly via payroll deductions. Transfers in from other qualified plans are permitted.

Notes to the Financial Statements

Florida Retirement System (FRS)

FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

- The State of Florida issues a publicly available financial report annually that includes financial statements and required supplementary information for FRS.

The most recent report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site: www.dms.myflorida.com/workforceoperations/retirement/publications.

- **Plan Description** - The pension plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option program (DROP) for eligible employees.
- **Benefits Provided** - Benefits under the FRS pension plan are computed based on age, average final compensation, and years of service credit. Regular class pension plan members enrolled before July 1, 2011, who retire at or after age 62 with at least five years of credited service or 30 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the six highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits.

As provided in Section 121.101, Florida Statutes, if the member initially enrolled in the pension plan before July 1, 2011, and has service credit after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a portion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent.

In addition to the above benefits, DROP allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with an FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

- **Contributions**

The FRS has nine classes of membership. Only two of those classes apply to the City’s remaining eligible employees. These two classes, with descriptions and contribution rates in effect during the period ended September 30, 2025, are as follows:

	<u>Regular</u>	<u>DROP</u>
7/1/24 - 6/30/25	13.63%	21.13%
7/1/25 - 6/30/26	14.03%	22.02%

The City’s contributions to FRS for the years ended September 30, 2025, 2024, and 2023 were \$52,810, \$49,700 and \$49,660, respectively, and equal the required contributions for each year.

Notes to the Financial Statements

• Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

On September 30, 2025, the City reported an FRS pension liability of \$274,500 for its proportionate share of the pension plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share of the net pension liability was based on the City's 2024-25 fiscal year contributions relative to all participating members' 2023-24 fiscal year contributions. The City's proportionate share was 0.000884% and 0.000791% on June 30, 2025, and June 30, 2024, respectively.

	FRS
Proportional Share of Net Pension	\$ 274,500
City's Proportion at June 30, 2025	0.000884%
City's Proportion at June 30, 2024	0.000791%
Change in Proportion during Current Year	0.000093%

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

Description	FRS Deferred Outflows of Resources	FRS Deferred Inflows of Resources
Differences between expected and actual experience	\$ 29,319	\$ -
Change of Assumptions	31,877	-
Net difference between projected and actual earnings on Pension Plan	-	(45,831)
Changes in proportion and differences between City Pension Plan	-	(54,930)
City Pension Plan contributions subsequent to the measurement date	12,400	-
Total	\$ 73,596	\$ (100,761)

The deferred outflows of resources related to the FRS plan, totaling \$12,400 resulting from City contributions to the FRS plan after the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension plan will be recognized in pension expenses as follows:

Fiscal Year Ending June 30,	Deferred Outflow / Inflow Amount
2026	\$ 6,011
2027	(25,219)
2028	(13,361)
2029	(6,997)
2030	-
Thereafter	-
Total	\$ (39,565)

Notes to the Financial Statements

- Actuarial Assumptions** - The total pension liability on June 30, 2025, actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.50% including inflation
Investment rate of return	6.70% net of investment expense

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2021 tables and Projection Scale MP-2021 tables for valuation date July 1, 2024 and measurement date June 30, 2025.

The most recent actuarial assumptions experience study for the FRS pension plan is dated July 1, 2024. Valuation was based on the results of an actuarial experience study from July 1, 2018, through June 30, 2023.

The long-term expected rate of return on pension plan investments was not based on historical returns but based on a forward-looking capital market economic model. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and actual geometric rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation *	Annual Arithmetic Return
Cash	1.00%	3.20%
Fixed Income	29.00%	5.50%
Global Equity	45.00%	8.50%
Real Estate (Property)	12.00%	8.40%
Private Equity	11.00%	12.40%
Strategic Investments	2.00%	6.50%
Total	100.00%	44.50%

* As outlined in the Pension Plan's Investment Policy

- Discount Rate** - The discount rate used to measure the total pension liability was 6.70%. The pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of currently active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.
- Sensitivity to the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following represents the City’s proportionate share of the Net Pension Liability calculated using the discount rate of 6.70%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower, 5.70%, or one percentage point higher, 7.70% than the current rate:

Notes to the Financial Statements

FRS Net Pension Liability (Asset)		
Current Discount		
1% Decrease	Rate	1% Increase
5.70%	6.70%	7.70%
\$ 538,702	\$ 274,500	\$ 52,997

- **Pension Plan Fiduciary Net Position** - Detailed information regarding the pension plan’s fiduciary net position is available in the separately issued FRS pension plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Health Insurance Subsidy (HIS) Plan

- **Plan Description** - The HIS plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.
- **Benefits Provided** - For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, including Medicare.
- **Contributions** - The HIS plan is funded by required contributions from FRS participating employers set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members.

For the fiscal year ended September 30, 2025, the HIS contribution for October 1, 2024, through June 30, 2025, and from July 1, 2023, through September 30, 2024, was 0.000729% and 0.000733% respectively. HIS plan contributions are deposited in a separate trust fund from which payments are authorized. HIS plan benefits are not guaranteed and are subject to annual legislative appropriation. If legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The City contributed 100% of its statutorily required contributions for the current and preceding three years. The City’s contributions to the HIS plan totaled \$6,513 for the fiscal year ended September 30, 2025.

- **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

On September 30, 2025, the City reported a liability of \$93,405 for its proportionate share of the HIS plan’s net pension liability. The net pension liability was measured as of June 30, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation, updated to July 1, 2025. The City’s proportionate share of the net pension liability was based on the City’s 2024-25 fiscal year contributions relative to all participating members’ 2023-24 fiscal year contributions. The City’s proportionate share was 0.000729% and 0.000733% on June 30, 2025, and June 30, 2024, respectively.

Notes to the Financial Statements

	HIS
Proportional Share of Net Pension	\$ 93,405
City's Proportion at June 30, 2025	0.000729%
City's Proportion at June 30, 2024	0.000733%
Change in Proportion during Current Year	-0.000004%

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

<u>Description</u>	HIS Deferred Outflows of Resources	HIS Deferred Inflows of Resources
Differences between expected and actual experience	\$ 558	\$ (148)
Change of Assumptions	827	(22,592)
Net difference between projected and actual earnings on Pension Plan	-	(78)
Changes in proportion and differences between City Pension Plan	-	(51,351)
City Pension Plan contributions subsequent to the measurement date	1,239	-
Total	\$ 2,623	\$ (74,169)

The deferred outflows of resources related to the HIS plan, totaling \$1,239 resulting from City contributions to the HIS plan after the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026.

The City contributed 100% of its statutorily required contributions for the current and preceding three years. Other amounts reported as deferred outflows of resources and deferred inflows of resources (\$72,785), related to the HIS plan will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Deferred Outflow / Inflow Amount</u>
2026	\$ (24,667)
2027	(21,707)
2028	(14,222)
2029	(8,478)
2030	(3,711)
Thereafter	-
Totals	\$ (72,785)

- Actuarial Assumptions** – The total pension liability on July 1, 2024, updated to July 1, 2025, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.50% including inflation
Municipal Bond Index	5.20%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2021 tables and Projection Scale MP-2021 tables for valuation date July 1, 2024 and measurement date June 30, 2025.

The most recent actuarial assumptions experience study for the FRS pension plan is dated July 1, 2024. Valuation was based on the results of an actuarial experience study from July 1, 2018, through June 30, 2023.

Notes to the Financial Statements

- Discount Rate** - The discount rate used to measure the total pension liability was 5.20%. The discount rate for calculating the total pension liability equals the single rate equivalent to discounting at the long-term expected rate of return for benefit payments before the projected depletion date. Because the HIS benefit is funded on a pay-as-you-go basis, the depletion date is considered immediate. The single equivalent discount rate equals the municipal bond rate selected by the HIS plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Index was adopted as the applicable municipal bond index.
- Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following represents the City’s proportionate share of the net pension liability calculated using the discount rate of 5.20%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower at 4.20% or one percentage point higher at 6.20% than the current rate:

HIS Net Pension Liability (Asset)		
Current Discount		
1% Decrease	Rate	1% Increase
4.20%	5.20%	6.20%
\$ 105,329	\$ 93,405	\$ 83,404

- Pension Plan Fiduciary Net Position** - Detailed information regarding the HIS plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Police and Fire Defined Benefit Pension Plans

Plan Administration

The City of Eustis municipal police Officers’ pension and Retirement System is a single employer defined pension plan administered by a Board of Trustees. The Board consists of five Trustees, two of them are appointed by the City Commissions, two members are full-time police Officers, elected by the members of the Plan, and the fifth member is elected by the other four members and appointed by Commission. Specific provisions of Chapter 185, Florida Statutes, Chapter 112, Florida Statutes, and the Internal Revenue Code govern the Plan.

The City of Eustis Municipal Firefighters’ Pension and Retirement System is a single employer defined pension plan administered by a Board of Trustees.

The Board consists of five Trustees, two of them are appointed by the City Commission, two members are full-time Firefighters, elected by the members of the plan, and the fifth member is elected by the other four members and appointed by Commission. Specific provisions of Chapter 175, Florida Statutes, Chapter 112, Florida Statutes, and the Internal Revenue Code govern the Plan.

These plans are maintained as Pension Trust Funds and included in the City’s reporting entity. City ordinance and State law require contributions to be determined by actuarial studies. The City Commission has the authority to establish and amend the benefit provisions of the plans. Administrative costs are paid by contributions and investment earnings. Stand-alone financial reports are not issued.

Notes to the Financial Statements

Plan Membership	9/30/2025 Police Officers	9/30/2025 Firefighters
Inactive plan members or beneficiaries currently receiving benefits	39	22
Inactive plan members entitled to, but not yet receiving, benefits	9	22
Active Plan Members	45	28
Total	93	72

- **Benefits Provided** – Both the Police Officers and Firefighters’ pension plans provide retirement, disability, termination, and death benefits.
- **Normal Retirement** - For both plans, normal retirement can occur at age 55 and the completion of 10 years of credited service or at age 52 and 25 years of credited service. The benefit payable at retirement is 3% of the average final compensation time credited to the police Officers’ plan and 4% for the Firefighters’ plan.
- **Early Retirement** - Both plans allow early retirement at age 50 and 10 years of credited service. The benefit payable is the same as normal retirement, reduced by 3% per year.
- **Termination of Employment (Both Plans)** - A refund of contributions paid occurs for termination with less than ten years of service. Any interest earned is retained by the Plan.
- **Disability benefits** - The plans provide for disability benefits accrued as of the date of disability. The disability benefit is 65% of the average final compensation (AFC) for service-related disability and 25% of AFC for non-service-related disability.
- **Pre-Retirement Death Benefits** - Pre-retirement death benefits are available to beneficiaries of Police Officers and Firefighters on the date that normal retirement would have been reached for vested plan members. For non-vested Police Officers and Firefighters, the beneficiary is entitled to a refund of member contributions.
- **Contributions** - Contributions for the Police Officers’ and Firefighters’ pension plans include a required contribution from employees of 4% of compensation (as defined). Employer contributions are actuarially determined as the remaining amount necessary to pay current costs and amortize unfunded past service costs, as provided in Chapter 112, Florida Statutes.
- **Employer Contribution:** Police Pension - \$1,647,725 and Fire Pension - \$708,886; **Employee Contribution:** Police Pension - \$254,799 and Fire Pension - \$112,019
- **Benefit Compensation** - The benefits compensation from Police and Fire Pension Funds for the fiscal year ended September 30, 2025, was: \$1,897,068 for the Police Pension Fund and \$779,660 for the Fire Pension Fund.
- **Deferred Retirement Option Program (DROP)** – Eligibility requires satisfaction with standard retirement requirements.
- **Net Pension Liability of the City** - The measurement date for the Net Pension Liability for the City is September 30, 2025. The measurement period for pension expense and the reporting period is October 1, 2024, to September 30, 2025.

Notes to the Financial Statements

The components of the Net Pension Liability of the City on September 30, 2025, were as follows:

Police Officers' Pension Plan

Total Pension Liability	\$ 38,309,799
Plan Fiduciary Net Position	<u>(30,982,229)</u>
City's Net Pension Liability	<u>\$ 7,327,570</u>
Plan Fiduciary Net Position as a Percent of Total Pension Liability	80.87%

Firefighters' Pension Plan

Total Pension Liability	\$ 17,025,672
Plan Fiduciary Net Position	<u>(17,979,674)</u>
City's Net Pension (Asset)	<u>\$ (954,002)</u>
Plan Fiduciary Net Position as a Percent of Total Pension Liability	105.60%

The costs of administering the Police Officers' and Firefighters' pension plans are paid by contributions and investment earnings.

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a)- (b)</u>
Police Officers			
Beginning Balance 9/30/2024	\$ 36,211,765	\$ 28,482,720	\$ 7,729,045
Changes for a Year:			
Service Cost	834,549	-	834,549
Interest	2,418,551	-	2,418,551
Differences between Expected and Actual Experience	170,770	-	170,770
Changes of assumptions	496,014	-	496,014
Contributions - Employer	-	1,647,725	(1,647,725)
Contributions - State	-	259,276	(259,276)
Contributions - Employee	-	254,799	(254,799)
Net Investment Income	-	2,313,403	(2,313,403)
Benefit payments, including Refunds			
of Employee Contributions	(1,897,068)	(1,897,068)	-
Other (Change in Share Plan Reserve)	75,218	-	75,218
Administrative Expense	-	(78,626)	78,626
Net Changes	<u>2,098,034</u>	<u>2,499,509</u>	<u>(401,475)</u>
Ending Balance 9/30/2025	\$ 38,309,799	\$ 30,982,229	\$ 7,327,570

Notes to the Financial Statements

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) (a)-(b)
Firefighters			
Beginning Balance 9/30/2024	\$ 15,560,056	\$ 15,957,741	\$ (397,685)
Changes for a Year:			
Service Cost	415,435	-	415,435
Interest	1,176,717	-	1,176,717
Share Plan Allocation	69,996	-	69,996
Change in Benefit Terms	-	-	-
Experience Gains / Loses	366,111	-	366,111
Changes of Assumptions	217,017		217,017
Contributions - Employer	-	708,886	(708,886)
Contributions - State	-	215,656	(215,656)
Contributions - Employee	-	112,019	(112,019)
Net Investment Income	-	1,821,078	(1,821,078)
Pension Plan Investments	-	-	-
Benefit Payments, Including Refunds			
of Employee Contributions	(779,660)	(781,937)	2,277
Administrative Expense	-	(53,769)	53,769
Net Changes	1,465,616	2,021,933	(556,317)
Ending Balance 9/30/2025	\$ 17,025,672	\$ 17,979,674	\$ (954,002)

For the year ended September 30, 2025, the City will recognize pension expense of \$1,606,135 and \$192,624 for Police and Firefighters, respectively. On September 30, 2025, the City reported Deferred Outflow of Resources and Deferred Inflow for Police and Fire Department Resources related to pensions from the following sources:

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to the Police Pension will be recognized in Pension Expense as follows:

Notes to the Financial Statements**Year Ended September 30, 2025:**

2026	\$	759,780
2027		(534,750)
2028		(402,560)
2029		70,137
2030		13,074
Thereafter		-
Total	\$	(94,319)

	Fire Deferred Inflows of Resources	Fire Deferred Outflows of Resources
Differences between Expected and Actual Experience	\$ 257,382	\$ 274,584
Changes of Assumptions	-	162,762
Net Difference Between Projected and Actual Pension Plan Investments	1,245,563	-
Total	\$ 1,502,945	\$ 437,346

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to the Firefighters Pension will be recognized in Pension Expense as follows:

Year Ended September 30, 2025:

2026	\$	34,923
2027		(564,122)
2028		(414,608)
2029		(121,792)
2030		-
Thereafter		-
Total	\$	(1,065,599)

	Police Deferred Inflows of Resources	Police Deferred Outflows of Resources
Differences between Expected and Actual Experience	\$ -	\$ 723,043
Changes of Assumptions	-	875,375
Net Difference Between Projected and Actual Pension Plan Investments	1,692,737	-
Total	\$ 1,692,737	\$ 1,598,418

Notes to the Financial Statements

Significant Actuarial Assumptions

The following is a summary of actuarial methods and significant actuarial assumptions used in the latest actuarial valuations:

	Police	Fire
Funding Method	Entry age normal	Entry age normal
Amortization method	Level dollar, closed	New UAAL amortization bases are amortized
Remaining amortization period	18 years (single equivalent period)	Over 15 years (as of 9/30/24)
Actuarial asset method	4-year smoothed market	4-year smoothed marked
Inflation	2.50% per year	2.50% per year
Salary increases	6.00% per year	Service based
Investment rate of return	6.70% per year	7.45%
Mortality	The same versions of Pub-2010 Headcount-Weighted Mortality Tables as used by the FRS for Special Risk Class members in their July 1, 2022 actuarial valuation (with mortality improvements projected for healthy to all future years after 2010, using Scale MP-2018) FL Statutes Chapter 112.63(1)(f) mandates this use of mortality tables from one of the two most recently published FRS	Pub-S.H - 2010 Mortality Table for Annuitants, Projected with Mortality Improvement Scale MP-2021.

Investments Held

Investments are reported at Fair Market Value. Securities traded on a national or international exchange are valued at current exchange rates at the last reported sales price. Investments that do not have an established market are reported at estimated fair value.

Authorized investments are governed by Florida Statutes and each plan's investment policy. All plan investments are held by an outside third-party custodian who recommends what instruments to purchase based on each plan's investment policy. Investments are held, and the return earned is reviewed quarterly by the Pension Board of the respective plan. Both the Police Officers' and Firefighters' pension plans did not hold investments in any organization representing 5% or more of the plan's fiduciary net position.

For the year ended September 30, 2025, the money-weighted investment rate of return was 11.50% and 11.40% for the Police Officers' and Firefighters' plans respectively, express investment performance, net of investment expense, adjusted for the changing amount invested.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method. The best estimate ranges of expected future real rates of return (expected returns, net pension plan investment expenses, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rates of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real arithmetic rates of return for each major asset class are included in both the Police Officers' and Firefighters' pension plan's target asset allocation as of September 30, 2025.

Notes to the Financial Statements

Asset Class	Police		Fire	
	Target Allocation	Long Term Expected Rate of Return	Target Allocation	Long Term Expected Rate of Return
Domestic Equity	50.00%	6.70%	45.00%	7.50%
International Equity	15.00%	6.70%	15.00%	8.50%
Domestic Fixed Income	30.00%	3.81%	25.00%	2.50%
Private Real Estate	5.00%	6.70%	10.00%	4.50%
GTAA	0.00%	0.00%	5.00%	3.50%
Total	100.00%		100.00%	

Discount Rate

The discount rate used to measure total pension liability was 6.60% and 7.45% for the Police Officers' and Firefighters' plans, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions would be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Based on those assumptions, the pension plans' fiduciary net position was projected to be able to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the sensitivity of the Net Pension Liability of the City to a change in the discount rate:

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
Police Officers' Plan	5.60%	6.60%	7.60%
Sponsor's Net pension Liability	\$ 12,907,668	\$ 7,327,570	\$ 2,797,164
Firefighters' Plan	6.45%	7.45%	8.45%
Sponsor's Net pension (Asset)	\$ 1,255,379	\$ (953,061)	\$ (2,774,969)

Notes to the Financial Statements

	Schedule of Pension Plan Net Position September 30, 2025		
	Firefighters	Police Officers	Total
Assets			
Cash and Cash Equivalents	\$ 469,166	\$ 1,375,786	\$ 1,844,952
Interest Receivable (Investment Income)	4,341	96,637	100,978
Fixed Income Securities at Fair Value	6,291,590	9,832,363	16,123,953
Equities and Mutual Funds at Fair Value	11,226,249	19,709,620	30,935,870
Total Assets	17,991,346	31,014,406	49,005,752
Liabilities			
Accounts payable	7,358	32,177	39,535
Due to Brokers	4,314	-	4,314
Total Liabilities	11,672	32,177	43,849
Net Position Restricted for Employees' Pension Benefits and Other Purposes	\$ 17,979,674	\$ 30,982,229	\$ 48,961,903

Notes to the Financial Statements

Schedule of Change in Pension Plan Net Position September 30, 2025

	<u>Fire</u>	<u>Police</u>	<u>Total</u>
Additions:			
Contributions			
Plan Member Contributions	\$ 112,019	\$ 254,799	\$ 366,818
Insurance Premium Tax	215,656	259,276	474,932
City Contributions	708,886	1,647,724	2,356,610
Total Contributions	1,036,561	2,161,799	3,198,360
Income on Investments			
Net Appreciation (Depreciation) in Fair Value of Investments	1,396,231	1,767,854	3,164,085
Interest Income and Dividends	472,313	740,213	1,212,526
Total Income on Investments	1,868,544	2,508,067	4,376,611
Additions (Reductions)			
Less: Investment Management Fees	(47,466)	(194,663)	(242,129)
Interest Income and Dividends	2,905,105	4,669,866	7,574,971
Total Additions (Reductions)	2,857,638	4,475,203	7,332,841
Deductions			
Pension Payments	(781,937)	(1,897,068)	(2,679,005)
Administration	(53,769)	(78,626)	(132,395)
Total Deductions	(835,705)	(1,975,694)	(2,811,399)
Change in Net Position	2,021,933	2,499,509	4,521,442
Net Position, Beginning of Year	15,957,741	28,482,720	44,440,461
Net Position, End of Year	\$ 17,979,674	\$ 30,982,229	\$ 48,961,904

Note 6 - Other Post-Employment Benefits

The Other post-Employment Benefit Plan (OPEB) is a single employer benefit plan administered by the City. Under Section 112.0801, Florida Statutes, former employees who retire from the City are eligible to participate in the City's health plan for medical and prescription drug coverage. Although retirees pay for healthcare at group rates, they are receiving a valuable benefit because they can buy insurance at lower costs than the costs associated with the experience rating for their age.

The City subsidizes the premium rates paid by retirees by participating in the blended group (implicitly funded) premium rates for active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees.

Notes to the Financial Statements

The City does not issue a standalone financial report on the OPEB Plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Employees Covered by Benefit Terms

To be eligible for participation in the OPEB plan, the employee must:

- Retire under the Florida Retirement System, the City of Eustis Retirement Plan, the Eustis Police Officers’ Pension Plan or the Eustis Firefighters’ Pension Plan, and
- Attain the minimum service requirements under the OPEB Plan, and
- Elect to continue medical coverage by paying the applicable monthly premium.

The benefit terms covered the following employees as of October 1, 2024 - September 2025, the latest actuarial valuation date:

Retirees and beneficiaries currently receiving benefits	25
Active employees	222
Total	247

Funding Policy Contributions to the OPEB plan are established and may be amended through action from the City Commission. The OPEB plan must reimburse the City for the City’s average blended cost (the City provides the implicit subsidy). The monthly average total premium combined costs of the various options as of October 1, 2025, were:

Pre-65 years old - \$1,001 for individual coverage, \$2,324 for retiree and spouse coverage, and

Post-65 years old - \$746 for individual coverage, \$1,422 for retiree and spouse coverage.

The City’s OPEB liability measurement date is September 30, 2024. The measurement period for OPEB cost was October 1, 2024, to September 30, 2025. The components of the City’s total OPEB liability on September 30, 2025, are as follows:

Total OPEB Liability	\$ 3,962,179
OPEB plan Fiduciary Net position	-
City’s Total OPEB Liability	\$ 3,962,179
OPEB plan Fiduciary Net position as a percentage of Total OPEB Liability	0.00%

Actuarial Assumptions The total OPEB liability as of September 30, 2025, was based on a roll-forward of the actuarial valuation dated October 1, 2023, using the following actuarial assumptions:

Inflation	2.50% per annum
Discount Rate	3.91%
Healthcare Cost Trend Rate	8.00% per annum (including inflation of 2.50%)

Mortality rates for Police Officers and Firefighters were based on the same versions of Pub-2010 Public General Retirement Plans Health Mortality Table as used by the FRS for Special Risk. Class members in the July 1, 2024, actuarial valuation (with mortality improvements projected for healthy to all future years after 2010, using Scale MP-2021). Florida Statutes Chapter 112.63(1)(f) mandates this use of mortality tables from one of the two most recently published FRS actuarial valuation reports.

Notes to the Financial Statements

Discount Rate The discount rate used to measure the total OPEB liability on September 30, 2025, was 3.91%. Because the City's OPEB costs are essentially funded on a pay-as-you-go funding structure, a municipal bond rate was used to determine the total pension liability for the program. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted.

Changes in the Total OPEB Liability	Fiscal Year
	2025
Total OPEB Liability	
Service Cost	\$ 136,695
Interest	145,550
Difference between Expected and Actual Experience	337,390
Change of assumptions and other inputs	403,830
Benefit payments	<u>(136,450)</u>
Change in Total OPEB Liability	887,015
Total OPEB Liability beginning of the Year	<u>3,075,164</u>
Total OPEB Liability End of the Year	<u>\$ 3,962,179</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following table presents the total OPEB liability, calculated using the discount rate of 3.91%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.91%) or one-percentage-point higher (4.91%) than the current discount rate:

	Current Discount		
	1% Decrease	Rate	1% Increase
	2.91%	3.91%	4.91%
Total OPEB Liability	\$ 4,445,307	\$ 3,962,179	\$ 3,553,320
Impact of Discount Rate			

Sensitivity of the total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following table 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 a healthcare cost trend rate that is one percentage point lower (1.00%) or one percentage-point higher (1.00%) than the current discount rate:

	Current Trend		
	1% Decrease	Rate	1% Increase
	in Trend Rates	Current Trend Rates	in Trend Rates
Total OPEB Liability	\$ 3,550,228	\$ 3,962,179	\$ 4,446,149
Impact of Healthcare Trend			

Notes to the Financial Statements

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

For the year ended September 30, 2025, the City recognized OPEB expense of \$377,687. On September 30, 2025, the City 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 Expenses	\$ 347,963	\$ (394,401)
Changes in Assumptions	566,873	(382,340)
Contributions Subsequent to the Measurement Date	136,450	-
	<u>\$ 1,051,286</u>	<u>\$ (776,741)</u>

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

<u>Fiscal Year Ending</u>	
September 30, 2026	\$ 192,680
September 30, 2027	34,824
September 30, 2028	42,986
September 30, 2029	(8,467)
September 30, 2030	(58,733)
Thereafter	(65,195)
	<u>\$ 138,095</u>

Note 7 - Deferred Compensation Plan

The City offers its employees a deferred compensation plan created by Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary to future years. The deferred compensation is not open to employees until termination, retirement, death, or unforeseeable emergency.

Plan amendments have been made to comply with IRC Section 457, as amended by the 1996 changes to the tax code. The assets are held in various custodial accounts. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the various participants of the plan.

Note 8 - Risk Management

Property, Casualty, Liability and Workers' Compensation

The City is exposed to various claims and losses, including property damage, liability, and workers' compensation, for which it participates in an insurance pool with other Florida governmental agencies. Premiums are determined based on each city's loss ratio for the previous year. The pool, although largely self-insured, purchases excess coverage from commercial carriers.

Notes to the Financial Statements

The City's property and auto coverage is deductible at \$25,000 deductible. An additional 5% deductible is applied to any named windstorm. Property located within a flood zone must maintain separate coverage. The policy provides for automatic coverage for increases in property values for the remainder of the policy term, up to \$5,000,000 in total insurable values at no additional premium. General liability is set at \$2,000,000 per member with an aggregate of \$10,000,000. Workers' compensation limits are set at \$2,000,000. In addition to all coverage, the City has elected to carry excess liability insurance for \$8,000,000 per occurrence. Terrorism is excluded for buildings valued at more than \$50,000,000, not affecting our City.

Health Insurance

The City provides health, dental, and life insurance benefits at no cost to full-time employees. Employees pay a portion of dependent health coverage. Vision and dependent dental coverage are available to employees at full premium cost. Premiums are deducted pre-tax from the employees' bi-weekly paycheck.

Employees may select from two PPO health plans at no cost for employee coverage or they may select one of two buy-up plans, a PPO or HMO. Employees pay a small percentage of the premium for the buy-up plans. All plans offer dependent coverage with employees paying a percentage of the dependent premium.

Since October 2003, the City's health coverage has been self-insured through a pool with other Florida governmental agencies. Retirees may elect to stay on the City's health plan at the City's monthly cost. Terminated employees are offered COBRA coverage at the City's monthly cost.

The City provides \$20,000 in life insurance for most employees. Department Directors and upper management employees receive \$50,000 in coverage. Employees also receive equal amounts in Accidental Death & Dismemberment (AD&D) insurance. These group policies are at no cost to the employee. Additional Term Life and AD&D policies are available to employees at a bi-weekly cost.

Retirees may opt to purchase \$10,000 in life insurance at a low monthly cost.

Note 9 – Commitments

The City has outstanding commitments on various contracts for construction and other projects.

Notes to the Financial Statements

Construction projects committed but not completed as of September 30, 2025:

	Total Estimated Cost	Cost Incurred to Date	%	Type of Project
			Complete	
Governmental Activities:				
General Fund Capital Projects				
Security Camera Project	\$ 210,000	\$ 178,765	85%	Capital
Generator	57,560	28,780	50%	Capital
Audio System Upgrade	33,000	15,447	47%	Capital
Door Replacement	23,700	12,161	51%	Non-Capital
Park Improvements (Equipment)	89,000	79,765	90%	Capital
Subtotal	\$ 413,260	\$ 314,918		
Sales Tax Capital Projects Fund				
City Hall Improvements	100,000	94,740	95%	Capital
400 Morin Street Building Addition	145,000	46,747	32%	Capital
Fire Station Improvements	20,000	4,500	23%	Capital
Security Camera Project	22,100	4,542	21%	Capital
Pierce Impel Side Pumper	2,000,000	891,170	45%	Capital
Fire Station 22 Renovations	73,600	47,669	65%	Capital
Rosenwald Gardens Roads	3,602,300	440,053	12%	Capital
Library A/C Project	185,000	20,044	11%	Capital
Library Meeting Room	60,000	25,000	42%	Capital
Carver Park Equipment	195,000	40,228	21%	Capital
Carver Park Improvements	265,000	83,921	32%	Capital
Aquatic Center Improvements	152,600	117,789	77%	Capital
Sunset Island Improvements	160,000	159,823	100%	Capital
Garden Room Improvements	81,500	81,344	99%	Capital
Subtotal	\$ 7,062,100	\$ 2,057,570		
CRA Fund				
CRA Street Rehabilitation	99,100	79,259	80%	Non-Capital
Lake Eustis Seawall Rehabilitation	975,000	858,193	88%	Capital
Sidewalk / Tree Planting	410,589	134,969	33%	Non-Capital
Subtotal	\$ 1,484,689	\$ 1,072,421		
Stormwater Fund				
Stormwater Culvert Replacement	60,700	19,300	32%	Capital
Eustis St. & Gottsche Avenue	25,000	12,633	51%	Capital
Subtotal	\$ -	\$ 31,933		
Greenwood Cemetery Trust Fund				
Improvement Other Than Bldg.	80,000	52,256	65%	Capital
Subtotal	\$ -	\$ 52,256		
Parks Impact Fees				
Corey Rolle Field Improvements	178,125	57,462	32%	Capital
Subtotal	\$ -	\$ 57,462		
Total Governmental Activities	\$ 8,960,049	\$ 3,586,560		
Business Type Activities:				
Security Camera Project	\$ 30,000	\$ 28,227	94%	Capital
Eastern Well One	204,000	14,590	7%	Capital
Jefferis Ct. Galvanized Main	207,000	30,323	15%	Capital
Lakeshore Avenue Galvanized Main	355,000	40,000	11%	Capital
Eastern Area Expansion	740,100	463,400	63%	Capital
Crom Tank	441,200	89,826	20%	Capital
CR 44 Force Main	525,000	389,166	74%	Capital
Coolidge Water Main Expansion	2,068,095	2,007,495	97%	Capital
Lift Station Control Panels	110,000	83,586	76%	Capital
Lift Station Generator	727,000	352,166	48%	Capital
Eastern Plant Turbine	206,700	36,700	18%	Capital
Eastern High Service Pump	456,000	243,168	53%	Capital
Total Governmental Activities	\$ 6,070,095	\$ 3,778,647		

Notes to the Financial Statements

Note 10 - Long-Term Debt

In governmental fund financial statements, compensated absences associated with employee terminations before year-end are recorded as an expenditure and represent amounts that would typically be paid with available, spendable resources. All governmental fund compensated absences are recorded and split between current and noncurrent portions in the Government-Wide Financial Statements. Compensated absences payable and other postemployment benefits from the governmental funds are liquidated from the General, Street Improvement, and Stormwater Funds.

In proprietary funds, compensated absences associated with employee vacations and sick leave are recorded as expenses, representing the amounts accrued during the year. The liability for compensated absences from these funds is reflected in the respective financial statements split between the current and noncurrent portions.

Notes to the Financial Statements

The following is a schedule of the City's long-term debt outstanding on September 30, 2025:

Note 10 - Long-Term Debt

	Governmental Activities				Amounts Due Within One Year
	Beginning Balance	Increases	Decreases	Ending Balance	
Governmental Activities:					
Revenue Bonds and Notes Payable:					
CRA Loan - (Direct Placement)	2,531,261	-	(2,531,261)	-	-
Subtotal	\$ 2,531,261	\$ -	\$ (2,531,261)	\$ -	\$ -
Other Liabilities:					
Total OPEB Liability	2,468,296	683,897	-	3,152,193	504,351
Net Pension Liability	7,837,984	-	(391,397)	7,446,587	-
Compensated Absences	1,851,043	567,456	-	2,418,499 ⁽¹⁾	604,625
SBITA Liability	142,343	-	(134,369)	7,974	2,769
Lease Liability	82,297	263,451	(94,106)	251,642	91,166
Total Other Liabilities	12,381,964	1,514,804	(619,872)	13,276,895	1,202,910
Total Governmental Activities	\$ 14,913,225	\$ 1,514,804	\$ (3,151,133)	\$ 13,276,895	\$ 1,202,910
Business Type Activities					
	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Business Type Activities:					
Revenue Bonds:					
Water & Sewer Revenue Bonds, Series 2016	\$ 5,626,975	\$ -	\$ (378,329)	\$ 5,248,646	\$ 365,000
Subtotal	5,626,975	-	(378,329)	5,248,646	365,000
Notes Payable - Direct Borrowings:					
State Revolving Note Agreement	2,263,457	-	(257,836)	2,005,621	264,636
State Revolving Note Agreement	132,227	-	(15,138)	117,089	15,516
Subtotal	2,395,684	-	(272,974)	2,122,710	280,152
Total Revenue Bonds and Notes	8,022,659	-	(651,303)	7,371,356	645,152
Other Liabilities					
Total OPEB Liability	606,868	-	203,118	809,986	129,598
Net Pension Liability	307,177	-	(58,289)	248,888	-
Compensated Absences	504,617	219,654	-	724,271 ⁽¹⁾	181,068
SBITA Liability	28,522	41,973	(70,495)	-	-
Total Other Liabilities	1,447,184	261,626	74,334	1,783,145	310,665
Total Business Type Activities	\$ 9,469,843	\$ 261,626	\$ (576,969)	\$ 9,154,501	\$ 955,817

(1) The change in the compensated absences liability is presented as a net change.

Notes to the Financial Statements

The following is a schedule of bonds and notes outstanding on September 30, 2025:

<u>Description of Bonds</u>	<u>Purpose of Issue</u>	<u>Issued</u>	<u>Outstanding</u>	<u>Rates</u>
Governmental Activities:				
CRA Loan - 2020	Community Developme	\$ 3,000,000	\$ -	2.875%
Total Governmental Activities		\$ 3,000,000	\$ -	
Business Type Activities:				
Revenue Bonds, Series 2016	Utility Improvement	\$ 7,680,000	\$ 4,925,000	Variable
Unamortized Bond Premium - 2016	Utility Improvement	504,691	323,646	Variable
State Revolving Note Agreement	Utility Improvement	292,989	117,089	Variable
State Revolving Note Agreement	Nitrification	5,264,258	2,005,621	Variable
Total Business Type Activities		\$ 13,741,938	\$ 7,371,356	

Debt Service to maturity on the City's bonded indebtedness and loan agreements are as follows:

Business-Type Activities		
State Revolving Loans (Direct Borrowing)		
Fiscal Year	Principal	Interest
2026	280,152	53,633
2027	287,518	46,267
2028	295,077	38,708
2029	302,836	30,949
2030	310,799	22,986
2031-2032	646,328	21,242
Total	\$ 2,122,710	\$ 213,786
Revenue Bonds - 2016		
2026	365,000	186,006
2027	380,000	171,406
2028	395,000	156,206
2029	410,000	140,406
2030	430,000	124,006
2031-2036	2,945,000	370,438
Total	\$ 4,925,000	\$ 1,148,468

The Revenue Bonds – 2016 are presented in the above chart net of unamortized bond premium of \$323,646.

Governmental Activity Liabilities

Below is a summary of all long-term liabilities of the governmental funds at September 30, 2025:

CRA Loan

In September of FY 2020, the City contracted with USB bank to provide financing for \$3,000,000 for the City's Community Redevelopment (CRA) Trust Fund to purchase three land blocks located in the City's Eustis Downtown. The five-year loan is at a fixed interest rate of 2.875%, with a balloon payment due in September 2025, the end of the loan term. Principal and interest payments of \$16,512 were paid monthly, commencing October 2020. \$3,000,000 in cash is collateralized on this loan. Principal and interest for the current year was \$198,148.

Notes to the Financial Statements

The loan paid off in September 2025. Due to significant increase in loan interest rates, in October 2025 the City Commission approved the General Fund to internally finance the remaining CRA balance of \$2.4 million. The term of the loan is 15 years, and the interest will remain the same as the previous loan at 2.875%.

Business-Type Activity Liabilities

Below is a summary of all long-term liabilities of the proprietary funds on September 30, 2025:

Florida Department of Environmental Protection State Revolving (SRF) Loan Agreement

In FY 2012 the City obtained SRF loan CRF 350302 in the amount of \$3,105,003, with an average interest rate of 1.45%. The first payment was on March 15, 2013. The final payment is due on September 15, 2032. The semi-annual principal and interest payments are \$157,730. The available net revenue is \$5,063,807 and the remaining principal and interest is \$2,208,226 for a period of seven years. The pledged revenue ratio is 0.0623. Also in FY 2012, another loan, SRF 350300, was obtained for \$292,989 with an average interest rate of 1.49%. The first payment was on March 15, 2013. The final payment is due on September 15, 2032. Principal and interest payments are \$9,162 semi-annually. The pledged revenue ratio is 0.0036.

Provisions of the loan mandate that rates of the water and sewer system be high enough to provide coverage of 1.15 times the sum of the semi-annual payments, that utilities will not provide any free service, and that all connections are mandatory and consistent with applicable laws. The City shall not allow any competing services within the City limits, and the City must make its best efforts to collect all rates, fees, and other charges.

Water and Sewer Revenue Bonds, Series 2016

On November 3, 2016, the City issued a \$7,680,000 Water and Sewer Revenue Bond with an annual interest rate of 3.21% to finance the costs of certain improvements to the City's combined water and sewer systems. This bond is backed by the revenues generated from the City water and sewer services provided to the community - user fees, connection charges, rate charges, penalties and fines. The total revenue pledged for water and sewer revenue bonds refers to the total amount of income from the water and sewer services that is dedicated to paying off the bond obligations. The available net revenue is \$5,063,807 and the remaining principal and interest is \$ 6,073,469 for a period of eleven years. Principal and interest payments for 2025 were \$551,656 and the remaining outstanding principal is \$4,925,000 and the remaining interest is \$1,148,469. Payments are due annually. The pledged revenue coverage ratio is 0.1090.

Notes to the Financial Statements

Note 11 - Interfund Transfers

Interfund transfers usually are recurring and approved by the City Commission during the budget process or by separate resolutions. Transfers from the Water and Sewer System Fund to the General Fund support general government operations. Other transfers may be for debt service requirements, City grant matches, certain City-wide studies or professional services, etc. In FY 2025, water and sewer impact fees were waived for the new residential construction to stimulate City growth and development. An equal amount of impact fees was transferred from the Water and Sewer Fund to Water and Sewer Impact Fee Funds.

Interfund transfers on September 30, 2025, consist of the following:

Transfers Out	Transfer In						Total Transfers
	Major Funds		Nonmajor Funds				
	General Fund	Community Redevelopment	Sales Tax	Street Improvement	Greenwood Cemetery	Grant Fund	
Governmental Funds							
Major Funds							
General Fund	\$ -	\$ 894,715	\$ -	\$ 845,000	\$ 9,056	\$ -	\$ 1,748,771
Nonmajor Funds							
Stormwater Utility	-	-	-	260,000	-	-	260,000
Greenwood Cemetery	544	-	-	-	-	-	544
Impact Fees	4,765	-	-	-	-	-	4,765
Economic Development	-	-	-	-	-	48,000	48,000
Building Services	115,056	-	-	-	-	-	115,056
Total Governmental Funds	\$ 120,365	\$ 894,715	\$ -	\$ 1,105,000	\$ 9,056	\$ 48,000	\$ 2,177,136
Enterprise Funds							
Water and Sewer							
Water and Sewer	\$ 2,311,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,311,000
Total Enterprise Funds	2,311,000	-	-	-	-	-	2,311,000
Total Transfers	\$ 2,431,365	\$ 894,715	\$ -	\$ 1,105,000	\$ 9,056	\$ 48,000	\$ 4,488,136

Note 12 - Contingent Liabilities

Under the terms of Federal and State grants and loans, periodic audits are required. Occasionally certain costs are questionable as not allowable as expenditures under the terms of the grants which could ultimately result in reimbursement to the grantor agency. City management believes not disallowed expenditures, if any, will not be material.

In the normal course of business, the City is involved in legal actions. Management does not believe any legal action pending will have a material effect on the City's financial statements.

Notes to the Financial Statements

Note 13 – Leases

Governmental Activities

Lease Payable - Lessee

For the year ending September 30, 2025, the financial statements include GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of September 30, 2025, City of Eustis, FL had two active leases, Sound Equipment and Tough Book computers used in the police department. The lease has payments that range from \$42,190 to \$51,917 and interest rates that range from 2.4260% to 2.321%. As of September 30, 2025, the total combined value of the lease liability is \$251,642 the total combined value of the short-term lease liability is \$91,166. The combined value of the right to use assets, as of September 30, 2025, of \$391,129 with accumulated amortization of \$113,997 is included within the Lease Class activities table found below. The leases have \$0 Variable Payments and \$0 Other Payments, not included in the Lease Liability, within the Fiscal Year.

001 - GENERAL FUND ACTIVITIES:

	Balance as of			Short-Term	
	10/01/24	Additions	Reductions	Balance as of 09/30/25	Balance as of 09/30/25
Lease Liability					
Equipment					
Sound Equipment	\$ 82,297	\$ -	\$ (42,190)	\$ 40,107	\$ 40,107
ToughBooks	-	263,451	(51,917)	211,534	51,059
Total Equipment Lease Liability	82,297	263,451	(94,106)	251,642	91,166
Total Lease Liability	82,297	263,451	(94,106)	251,642	91,166
Lease Assets					
Equipment					
Sound Equipment	127,678	-	-	127,678	
ToughBooks	-	263,451	-	263,451	
Total Equipment Lease Assets	127,678	263,451	-	391,129	
Total Lease Assets	127,678	263,451	-	391,129	
Lease Accumulated Amortization					
Equipment					
ToughBooks	(31,920)	(42,559)	-	(74,479)	
ToughBooks	-	(39,518)	-	(39,518)	
Total Equipment Lease Accumulated Amor	(31,920)	(42,559)	-	(113,997)	
Total Lease Accumulated Amortization	(31,920)	(42,559)	-	(113,997)	
Total Governmental Lease Assets, Net	\$ 95,758	\$ 220,892	\$ -	\$ 277,132	

Notes to the Financial Statements

Leases Receivable - Lessor

For the year ending September 30, 2025, the financial statements include GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of September 30, 2025, City of Eustis, FL had four active leases. The leases have receipts that range from \$1,500 to \$4,653 per month and interest rates that range from 2.3900% to 2.5800%. As of September 30, 2025, the total combined value of the lease receivable is \$2,579,991, the total combined value of the short-term lease receivable is \$72,327, and the combined value of the deferred inflow of resources is \$2,247,303. The leases have \$0 Variable Receipts and \$0 Other Receipts, not included in the Lease Receivable, within the Fiscal Year.

Principal and Interest Expected to Maturity

<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2026	72,327	60,679	133,006
2027	51,643	59,345	110,988
2028	57,993	58,042	116,036
2029	64,733	56,583	121,316
2030	71,695	54,962	126,657
Thereafter	2,261,601	549,296	2,810,897

GOVERNMENTAL ACTIVITIES:

	<u>Balance as of 10/01/24</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance as of 09/30/25</u>
Lease Receivable				
Buildings				
El Marie Pizzeria	32,256	-	15,169	17,087
W.I.N. 1 Ministries - 301 West Ward Avenue	53,612	-	47,172	6,440
Total Building Lease Receivable	85,868	-	62,341	23,527
Land				
Crown Castle AT&T	1,120,275	-	31,006	1,089,269
Verizon Tower - E Bates Ave.	1,478,473	-	11,277	1,467,197
Total Land Lease Receivable	2,598,748	-	42,283	2,556,466
Total Lease Receivable	\$ 2,684,616	\$ -	\$ 104,624	\$ 2,579,991

Notes to the Financial Statements

Note 14 - Subscription-Based Information Technology Arrangements (SBITA)

GASB 96 defines a SBITA as a contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction.

As more information technology systems become Cloud based, the City has begun to use this type of software agreement in various departments. The City uses software solutions to streamline operations, enhance service delivery, enhance citizen engagement, and improve overall efficiency in managing City resources and services. These software programs allow for more effective decision-making and operational improvements across different departments throughout the City.

All financial statements dated September 30, 2023, and forward are required to follow the new GASB standard. Contracts that existed at the adoption date and remain in force would use the conditions and circumstances on October 1, 2022, to record the initial transaction. Those agreements entered after that date will be recorded as of the commencement date of the subscription term.

Under GASB 96, governments should recognize a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability on their balance sheet when they enter a SBITA. The right-to-use subscription asset represents the City's right to access the software services, while the subscription liability represents the City's obligation to make future payments for those services. The City should amortize the right-to-use subscription asset over the shorter of the SBITA term or the useful life of the underlying software asset. The amortization expense should be recognized as an outflow of resources (expense) in the Statement of Activities. Interest expense should be recognized on the subscription liability, following the effective interest method.

Significant SBITA Provisions:

1. Subscription Term - The SBITA subscription term is defined as the period during which the City has a non-cancelable right to use the underlying IT asset, plus the following periods, if applicable:

- Periods covered by the City's option to extend the SBITA when reasonably certain the City will exercise this option.
- Periods covered by the City's option to terminate the SBITA when reasonably certain the City will not exercise this option.
- Periods covered by the SBITA vendor's option to extend the SBITA when reasonably certain the SBITA vendor will exercise this option.
- Periods covered by the SBITA vendor's option to terminate the SBITA when reasonably certain the SBITA vendor will not exercise this option.

Periods where both the City and the SBITA vendor have an option to terminate the SBITA without permission from the other party (or if both parties must agree to extend) are cancelable periods and are excluded from subscription terms.

Subscription terms should be reassessed only if one or more of the following occur:

- The City or SBITA vendor elects to exercise an option even though previously determined that it was reasonably certain they would not exercise that option.
- The City or SBITA vendor elects not to exercise an option even though it was previously determined that it was reasonably certain they would exercise that option.
- An event specified in the SBITA contract that requires an extension or termination takes place.

Notes to the Financial Statements

2. **SBITA Modifications** - A SBITA amendment resulting in a modification should be accounted for as separate SBITA if it adds one or more underlying IT assets that were not included in the original SBITA contract and the increase in subscription payments for the additional subscription asset does not appear to be unreasonable.
3. **SBITA Terminations** - A SBITA amendment resulting in a decrease of the City's right to use the underlying IT assets is considered a full or partial termination. The City should reduce the carrying values of the subscription liability and related assets and recognize a gain or loss for the difference.
4. **Contracts with Multiple Components** - If a SBITA contract contains multiple components, such as a subscription component (right to use the underlying IT asset) and a non-subscription component (maintenance services for the IT asset), the City should account for the subscription and non-subscription components as separate contracts and allocate the contract price to the different components. If it is not practicable to determine the best estimate for price allocation between some or all components in the contract, the components should be accounted for as a single SBITA unit.
5. **Contract Combinations** - Contracts finalized at or near the same time with the same SBITA vendor should be considered part of the same contract if either of the following criteria is met:
 - The contracts are negotiated as a package with a single objective.
 - The amount of consideration to be paid for one contract depends on the price or performance of the other contract.

GASB 96 provides guidance on accounting and financial reporting for SBITAs. The City considers the nature of its SBITA arrangements and, if a qualified SBITA, properly classifies and reports them in the financial statements.

The following table presents the cost, depreciation, liability and debt service on all SBITA agreements as of September 30, 2025:

GOVERNMENTAL ACTIVITIES:	Balance as of			Balance as of
	10/01/24	Additions	Reductions	09/30/25
Subscription Assets				
Software				
Total Subscription Assets	\$ 399,614	\$ 128,768	\$ (240,856)	\$ 287,526
Subscription Accumulated Amortization				
Software				
Total Subscription Accumulated Amortization	(248,210)	(159,327)	240,856	(166,681)
Total Governmental Subscription Assets, Net	151,404	(30,559)	(0)	120,845

GOVERNMENTAL ACTIVITIES:	Balance as of			Balance as of	Short-Term
	10/01/24	Additions	Reductions	09/30/25	Balance as of
					09/30/25
Subscription Liability					
Software					
Total Subscription Liability	\$ (142,343)	\$ -	\$ 134,369	\$ (7,974)	\$ (2,769)

Notes to the Financial Statements

BUSINESS-TYPE ACTIVITIES:

	Balance as of			Balance as of
	10/01/24	Additions	Reductions	09/30/25
Subscription Assets				
Software				
Total Subscription Assets	\$ 83,436	\$ 41,973	\$ (15,280)	\$ 110,129
Subscription Accumulated Amortization				
Software				
Total Subscription Accumulated Amortization	(49,090)	(35,889)	15,280	(69,699)
Total Business-Type Subscription Assets, Net	34,346	6,084	-	40,430

	Balance as of			Balance as of	Short-Term
	10/01/24	Additions	Reductions	09/30/25	Balance as of 09/30/25
Subscription Liability					
Software					
Total Subscription Liability	\$ (28,522)	\$ (41,973)	\$ 70,495	\$ (0)	\$ -

Note 15 – Economic Development Fund

The Economic Development Fund was established in 2011 to provide economic incentives to business owners in the form of vouchers for impact and building permit fees. The voucher program ended several years ago and the fund now has a deficit balance. This fund will be combined with the General Fund moving forward.


Note 16 - Subsequent Event

Severe Flooding Event

In November 2025, severe weather damaged several roads across the City of Eustis and Lake County. Nineteen inches of rain destroyed a bridge that provides access to the Spring Ridge Estates neighborhood. The City Commission approved emergency funds to cover some of the repairs. The Spring Ridge Estates Homeowners' Association is working with their insurance company to determine coverage of the remainder of the repairs.

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**Required
Supplementary
Information,
Other Than
MD&A**

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REQUIRED SUPPLEMENTARY INFORMATION, OTHER THAN MD&A, INCLUDING BUDGETARY SCHEDULES

Major Governmental Funds

Under GASB 34 the focus of the fund financial statements is on major funds. These funds are defined based on a numerical formula and generally represent the City's most important funds. Major funds for the City of Eustis are as follows:

General Fund

The General Fund will always be the major fund for the City of Eustis. The fund accounts for the general operations and essential functions of the City.

Community Redevelopment Trust Fund

This fund accounts for the incremental tax increase within the Downtown and East Town Redevelopment District. The funds are used for the exclusive benefit of revitalization of these geographical areas.

Schedule of Changes in Net Pension Liability

This schedule presents ten-year information regarding the City's Fire and Police Pensions Funds. It was prepared as part of the most recent actuarial valuation.

Schedule of Contributions from Employer and Others

This schedule presents ten-year information regarding contributions for the Fire and Police Pension Funds and was prepared as part of the most recent actuarial valuation.

Schedule of Proportionate Share of FRS Net Pension Liability

This schedule presents ten-year information regarding the City's liability for the Florida Retirement System (FRS) and Health Insurance Subsidy (HIS) last ten-year information.

Schedule of FRS Contributions

This schedule presents the ten-year information regarding contributions to the Florida Retirement System (FRS) and Health Insurance Subsidy.

Schedule of Changes in Total OPEB Liability

This schedule presents ten-year information regarding the City's progress in funding its OPEB liability based on the most recent actuarial valuation.

The basis of accounting of budgetary comparison schedules is represented under GAAP basis of accounting.

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 12,311,465	\$ 12,311,465	\$ 12,314,221	\$ 2,756
Franchise Fees	2,207,730	2,207,730	2,347,121	139,391
Utility Service Taxes	2,782,499	2,782,499	3,011,028	228,529
State Revenue Sharing	3,667,000	3,667,000	3,414,628	(252,372)
Other Intergovernmental Revenues	175,500	175,500	136,635	(38,865)
Permits and Fees	64,900	64,900	43,447	(21,453)
Fines and Forfeitures	493,169	493,169	235,802	(257,367)
Charges for Services	1,020,606	1,020,606	975,587	(45,019)
Miscellaneous:				
On-Behalf Payments	-	-	474,932	474,932
Interest	804,000	804,000	870,917	66,917
Lease	270,833	270,833	153,849	(116,984)
Other Sources	437,056	437,056	515,752	78,696
Total Revenues	24,234,758	24,234,758	24,493,919	259,161
Expenditures				
Current:				
General Government and Administration:				
Legislative	132,622	132,861	115,668	(17,193)
Executive	2,682,300	2,489,722	2,240,221	(249,501)
Finance and Administration	1,999,899	2,137,299	1,833,082	(304,217)
Legal	272,000	337,000	335,134	(1,866)
Development Services	682,705	688,077	512,208	(175,869)
General Services	2,201,076	2,241,574	2,173,049	(68,526)
Total General Government and Administration	7,970,603	8,026,533	7,209,361	(817,172)
Public Safety:				
Law Enforcement	7,637,375	7,673,371	7,752,900	79,529
Fire Control	4,455,232	4,420,786	4,330,202	(90,584)
On-Behalf Payments	-	-	474,932	474,932
Total Public Safety	12,092,607	12,094,157	12,558,034	463,877
Culture and Recreation:				
Library	1,130,749	1,115,749	1,065,712	(50,037)
Recreation	1,929,386	1,900,393	1,631,900	(268,492)
Total Culture and Recreation	3,060,135	3,016,142	2,697,612	(318,529)
Nondepartmental	1,549,450	1,602,708	1,138,002	(464,706)
Grants and Aid	30,000	55,000	50,268	(4,732)
Capital Outlay	704,400	1,022,155	786,048	(236,107)
Debt Service:				
Principal Payments	-	-	237,484	237,484
Interest and Fees	-	-	1,060	1,060
(Total Expenditures)	(25,407,195)	(25,816,694)	(24,677,869)	(1,138,825)
(Deficiency) Excess of Revenues Over Expenditures	(1,172,437)	(1,581,936)	(183,950)	1,397,986
Other Financing Sources (Uses)				
Operating Transfers from Other Funds	2,318,765	2,318,765	2,431,365	112,600
Operating Transfers to Other Funds	(1,741,578)	(1,741,578)	(1,748,771)	(7,193)
Total Other Financing Sources (Uses)	577,187	577,187	682,594	105,407
Net Change in Fund Balances	(595,250)	(1,004,749)	498,643	1,503,392
Fund Balance, Beginning of Year	20,121,416	20,121,416	20,121,416	-
Fund Balance, End of Year	\$ 19,526,167	\$ 19,116,667	\$ 20,620,060	\$ 1,503,392

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

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental:				
Incremental Tax Transfers	\$ 624,673	\$ 624,673	\$ 677,465	\$ 52,792
Miscellaneous:				
Interest	80,000	80,000	149,865	69,865
Total Revenues	704,673	704,673	827,330	122,657
Expenditures				
Current:				
General Government				
Operating	118,620	178,645	246,876	68,231
Non-Departmental Incentive	245,000	728,884	190,834	(538,050)
Capital Outlay	714,100	2,110,000	948,951	(1,161,049)
Debt Service				
Principal	2,527,558	2,531,358	2,531,260	98
Interest	71,001	72,176	72,134	42
(Total Expenditures)	(3,676,279)	(5,621,063)	(3,990,055)	(1,630,728)
(Deficiency) Excess of Revenues Over Expenditures	(2,971,606)	(4,916,390)	(3,162,725)	(1,753,385)
Other Financing Sources (Uses)				
Operating Transfers from Other Funds	896,578	896,578	894,715	(1,863)
Debt Proceeds /Bank Loan	2,527,558	2,527,558		
Total Other Financing Sources (Uses)	3,424,136	3,424,136	894,715	(1,863)
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	452,530	(1,492,254)	(2,268,010)	(1,755,248)
Fund Balance, Beginning of Year	3,604,129	3,604,129	3,604,129	-
Fund Balance, End of Year	\$ 4,056,659	\$ 2,111,875	\$ 1,336,119	\$ (1,755,248)

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

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years
For the Year Ended September 30,

Police Officers

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total pension liability					
Service Cost	\$ 834,549	\$ 766,235	\$ 618,164	\$ 595,772	\$ 597,131
Interest	2,418,551	2,277,394	2,175,449	2,092,954	2,135,302
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	170,770	801,879	267,392	48,015	(837,012)
Changes of Assumptions	496,014	466,758	428,036	396,188	(112,758)
Benefit Payments, including Refunds of Employee Contributions	(1,897,068)	(1,778,008)	(1,666,863)	(1,457,582)	(1,266,360)
Other (Change in Share Plan Reserve)	75,218	63,655	48,163	35,801	27,574
Net Change in Total Pension Liability	<u>2,098,034</u>	<u>2,597,913</u>	<u>1,870,341</u>	<u>1,711,148</u>	<u>543,877</u>
Total Pension Liability – Beginning	<u>36,211,765</u>	<u>33,613,852</u>	<u>31,743,511</u>	<u>30,032,363</u>	<u>29,488,486</u>
Total Pension Liability – Ending (a)	<u><u>38,309,799</u></u>	<u><u>36,211,765</u></u>	<u><u>33,613,852</u></u>	<u><u>31,743,511</u></u>	<u><u>30,032,363</u></u>
Plan Fiduciary Net Position					
Contributions – Employer	1,647,725	1,356,354	1,085,519	1,012,936	1,010,105
Contributions – State	259,276	236,151	205,166	180,443	163,989
Contributions – Employee	254,799	212,449	173,580	161,726	161,484
Net investment income	2,313,403	5,053,990	2,546,238	(4,168,554)	3,551,607
Benefit Payments, Including Refunds of Employee Contributions	(1,897,068)	(1,778,008)	(1,666,863)	(1,457,582)	(1,266,360)
Administrative Expense	(78,626)	(68,361)	(59,883)	(56,247)	(65,092)
Net Change in Fiduciary Net Position	<u>2,499,509</u>	<u>5,012,575</u>	<u>2,283,757</u>	<u>(4,327,278)</u>	<u>3,555,733</u>
Plan Fiduciary Net Position – Beginning	<u>28,482,720</u>	<u>23,470,145</u>	<u>21,186,388</u>	<u>25,513,666</u>	<u>21,957,933</u>
Plan Fiduciary Net Position – Ending (b)	<u><u>30,982,229</u></u>	<u><u>28,482,720</u></u>	<u><u>23,470,145</u></u>	<u><u>21,186,388</u></u>	<u><u>25,513,666</u></u>
Net Pension Liability - Ending (a) - (b)	<u><u>\$ 7,327,570</u></u>	<u><u>\$ 7,729,045</u></u>	<u><u>\$ 10,143,707</u></u>	<u><u>\$ 10,557,123</u></u>	<u><u>\$ 4,518,697</u></u>
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	80.87%	78.66%	69.82%	66.74%	84.95%
Covered Payroll*	\$ 3,397,320	\$ 2,822,069	\$ 2,538,348	\$ 2,413,310	\$ 2,385,698
Net Pension Liability as a percentage of Covered Payroll	215.69%	273.88%	399.62%	437.45%	189.41%

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years
For the Year Ended September 30,

2020	2019	2018	2017	2016
\$ 628,111	\$ 584,843	\$ 658,839	\$ 638,591	\$ 600,310
2,041,898	1,993,320	1,911,199	1,771,204	1,673,595
18,821	-	-	9,127	-
(233,718)	(629,787)	(493,609)	209,780	196,762
375,278	197,285	-	20,577	(150,513)
(1,046,817)	(982,262)	(873,929)	(755,303)	(778,158)
28,684	28,945	20,606	15,057	-
1,812,257	1,192,344	1,223,106	1,909,033	1,541,996
27,676,229	26,483,885	25,260,779	23,351,746	21,809,750
29,488,486	27,676,229	26,483,885	25,260,779	23,351,746
1,048,482	1,008,189	996,150	997,323	977,758
166,208	166,730	150,052	138,955	127,094
105,471	86,428	84,401	85,846	85,492
63,246	726,613	1,216,791	1,757,433	1,286,053
(1,046,817)	(982,262)	(873,929)	(755,303)	(778,158)
(58,912)	(59,318)	(66,034)	(81,037)	(54,726)
277,678	946,380	1,507,431	2,143,217	1,643,513
21,680,255	20,733,875	19,226,444	17,083,227	15,439,714
21,957,933	21,680,255	20,733,875	19,226,444	17,083,227
\$ 7,530,553	\$ 5,995,974	\$ 5,750,010	\$ 6,034,335	\$ 6,268,519
74.46%	78.34%	78.29%	76.11%	73.16%
\$ 2,268,844	\$ 2,160,700	\$ 2,110,025	\$ 2,146,150	\$ 2,137,300
331.91%	277.50%	272.51%	281.17%	293.29%

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
Last Ten Fiscal Years

For the Year Ended September 30, 2025

Firefighters

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Total pension liability				
Service Cost	\$ 415,435	\$ 366,670	\$ 362,367	\$ 307,177
Interest	1,176,717	1,139,696	1,141,138	1,077,455
Change in Excess State Money	-	-	-	-
Share Plan Allocation	69,996	61,547	52,810	28,949
Changes of Benefit Terms	-	-	1,442	-
Experience Gains / Losses	366,111	(164,289)	(700,952)	-
Differences Between Expected and Actual Experience	-	-	-	(18,560)
Changes of Assumptions	217,017	-	-	-
Contributions Buy Back	-	-	-	1,984
Benefit Payments, Including Refunds of Employee Contributions	(779,660)	(1,144,397)	(616,027)	(601,398)
Net Change in Total Pension Liability	1,465,616	259,227	240,778	795,607
Total Pension Liability – Beginning	15,560,056	15,300,829	15,060,051	14,264,444
Total Pension Liability – Ending (a)	<u>17,025,672</u>	<u>15,560,056</u>	<u>15,300,829</u>	<u>15,060,051</u>
Plan Fiduciary Net Position				
Contributions – Employer	708,886	694,683	767,877	619,192
Contributions – State	215,656	198,758	181,284	133,562
Contributions – Employee	112,019	102,966	90,293	64,053
Contributions - Buy Back	-	-	-	1,984
Net investment income	1,821,187	3,165,994	1,402,736	(2,818,451)
Benefit Payments, including Refunds of Employee Contributions	(779,660)	(1,144,397)	(616,027)	(601,398)
Administrative Expense	(53,769)	(50,137)	(51,249)	(50,302)
Net Change in Fiduciary Net Position	2,024,319	2,967,867	1,774,914	(2,651,360)
Plan Fiduciary Net Position – Beginning	15,954,414	12,986,547	11,211,633	13,862,993
Plan Fiduciary Net Position – Ending (b)	<u>17,978,733</u>	<u>15,954,414</u>	<u>12,986,547</u>	<u>11,211,633</u>
Net Pension Liability (Assets) - Ending (a) - (b)	\$ (953,061)	\$ (394,358)	\$ 2,314,282	\$ 3,848,418
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	105.60%	102.53%	84.87%	74.45%
Covered Payroll*	\$ 2,195,087	\$ 1,995,342	\$ 1,926,202	\$ 1,601,339
Net Pension Liability as a percentage of Covered Payroll	-43.42%	-19.76%	120.15%	240.33%

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
Last Ten Fiscal Years
For the Year Ended September 30, 2025

2021	2020	2019	2018	2017	2016
\$ 279,430	\$ 276,487	\$ 257,123	\$ 260,034	\$ 253,518	\$ 232,480
1,032,749	985,657	947,278	903,263	846,338	749,472
-	-	-	-	-	(11,144)
26,382	18,845	10,717	7,697	7,266	16,556
-	-	(6,344)	-	-	-
-	-	-	-	-	-
(140,141)	109,268	72,910	125,862	99,332	507,014
425,061	(153,334)	(25,334)	-	160,056	196,022
-	-	-	-	-	-
(639,949)	(632,316)	(941,866)	(519,047)	(518,037)	(505,459)
983,532	604,607	314,484	777,809	848,473	1,184,941
13,280,912	12,676,305	12,211,012	11,433,203	10,584,730	9,399,789
14,264,444	13,280,912	12,676,305	12,211,012	11,433,203	10,584,730
618,316	589,041	563,329	691,470	662,590	573,724
128,428	113,354	115,463	109,424	108,561	115,997
59,657	57,081	57,100	56,255	53,436	52,516
-	-	-	-	-	-
2,061,912	1,309,135	534,775	672,963	827,904	558,655
(639,949)	(632,316)	(941,866)	(519,047)	(518,037)	(505,459)
(32,555)	(40,132)	(37,764)	(39,082)	(28,513)	(27,441)
2,195,809	1,396,163	291,037	971,983	1,105,941	767,992
11,667,184	10,271,021	9,979,983	9,008,000	7,902,059	7,134,067
13,862,993	11,667,184	10,271,021	9,979,983	9,008,000	7,902,059
\$ 401,451	\$ 1,613,728	\$ 2,405,283	\$ 2,231,029	\$ 2,425,203	\$ 2,682,671
97.19%	87.85%	81.03%	81.73%	78.79%	74.66%
\$ 1,491,433	\$ 1,427,035	\$ 1,427,511	\$ 1,406,377	\$ 1,335,896	\$ 1,312,898
26.92%	113.08%	168.49%	158.64%	181.54%	204.33%

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Last 10 Fiscal Years
*** For the Year Ended September 30,**

FLORIDA RETIREMENT SYSTEM (FRS)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
City's proportion of the net pension liability (asset)	0.000884482%	0.000791419%	0.000905180%	0.000970075%
City's proportionate share of the net pension liability (asset)	\$ 274,500	\$ 306,158	\$ 360,686	\$ 360,946
City's covered payroll	317,225	310,214	329,616	366,774
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	86.53%	98.69%	109.43%	98.41%
** Plan fiduciary net position as a percentage of the total pension liability	87.26%	83.70%	82.89%	82.89%

HEALTH INSURANCE SUBSIDY (HIS)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
City's proportion of the net pension liability (asset)	0.000728730%	0.000733003%	0.000878742%	0.001006430%
City's proportionate share of the net pension liability (asset)	\$ 93,405	\$ 109,958	\$ 139,556	\$ 106,597
City's covered payroll	317,225	310,214	329,616	366,774
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	29.44%	35.45%	42.34%	29.06%
** Plan fiduciary net position as a percentage of the total pension liability	6.36%	4.80%	4.12%	4.81%

* The amounts presented for each fiscal year were determined as of 6/30.

** The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 4 of the Plan's Annual Comprehensive Financial Report.

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
Last 10 Fiscal Years
*** For the Year Ended September 30,**

FLORIDA RETIREMENT SYSTEM (FRS)

2021	2020	2019	2018	2017	2016
0.001505087%	0.001708536%	0.001782500%	0.001976400%	0.002116882%	0.002067661%
\$ 113,024	\$ 739,837	\$ 613,895	\$ 595,298	\$ 626,159	\$ 522,086
514,922	584,105	599,605	652,859	692,994	730,772
21.95%	126.66%	102.38%	91.18%	90.36%	71.44%
96.40%	78.85%	82.61%	84.26%	83.89%	84.88%

HEALTH INSURANCE SUBSIDY (HIS)

2021	2020	2019	2018	2017	2016
0.001454495%	0.001682954%	0.001757008%	0.001977600%	0.002174116%	0.002282323%
\$ 178,416	\$ 205,486	\$ 196,592	\$ 209,311	\$ 232,466	\$ 265,995
514,922	584,105	599,605	652,859	692,994	730,772
34.65%	35.18%	32.79%	32.06%	33.55%	36.40%
3.56%	3.00%	2.63%	2.15%	1.64%	0.97%

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years
For The Year Ended September 30,

POLICE OFFICERS' PENSION PLAN

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Actuarially Determined Contribution	\$ 1,825,040	\$ 1,530,972	\$ 1,236,683	\$ 1,157,182
Contributions in relation to the				
Actuarially Determined Contributions	<u>1,831,783</u>	<u>1,528,850</u>	<u>1,242,522</u>	<u>1,157,578</u>
Contribution Deficiency (Excess)	<u>\$ (6,743)</u>	<u>\$ 2,122</u>	<u>\$ (5,839)</u>	<u>\$ (396)</u>
Covered Payroll	\$ 3,397,320	\$ 2,822,069	\$ 2,538,348	\$ 2,243,310
Contributions as a percentage of				
Covered Payroll	53.92%	54.17%	48.95%	47.97%

FIREFIGHTERS' PENSION PLAN

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Actuarially Determined Contribution	\$ 860,405	\$ 816,886	\$ 861,012	\$ 723,805
Contributions in relation to the				
Actuarially Determined Contributions	<u>854,546</u>	<u>831,894</u>	<u>896,351</u>	<u>723,805</u>
Contribution Deficiency (Excess)	<u>\$ 5,859</u>	<u>\$ (15,008)</u>	<u>\$ (35,339)</u>	<u>\$ -</u>
Covered Payroll	\$ 2,195,087	\$ 1,995,342	\$ 1,926,202	\$ 1,601,339
Contributions as a percentage of				
Covered Payroll	38.93%	41.69%	46.53%	45.20%

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years
For The Year Ended September 30,

POLICE OFFICERS' PENSION PLAN

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 1,145,374	\$ 1,205,664	\$ 1,120,323	\$ 1,111,772	\$ 1,109,345	\$ 1,078,482
1,146,520	1,186,006	1,145,974	1,125,596	1,121,221	1,104,852
<u>\$ (1,146)</u>	<u>\$ 19,658</u>	<u>\$ (25,651)</u>	<u>\$ (13,824)</u>	<u>\$ (11,876)</u>	<u>\$ (26,370)</u>
\$ 2,385,698	\$ 2,268,844	\$ 2,160,700	\$ 2,110,025	\$ 2,146,150	\$ 2,137,300
48.06%	52.27%	53.04%	53.35%	52.24%	51.69%

FIREFIGHTERS' PENSION PLAN

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 720,362	\$ 683,550	\$ 668,075	\$ 793,197	\$ 730,735	\$ 636,756
720,362	683,550	668,075	793,197	763,885	678,737
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (33,150)</u>	<u>\$ (41,981)</u>
\$ 1,491,433	\$ 1,427,035	\$ 1,427,511	\$ 1,406,377	\$ 1,335,896	\$ 1,312,898
48.30%	47.90%	46.80%	56.40%	57.18%	51.70%

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years
For The Year Ended September 30,

FLORIDA RETIREMENT SYSTEM (FRS)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Actuarially Determined Contribution	\$ 54,331	\$ 45,015	\$ 43,762	\$ 39,351
Contributions in relation to the Actuarially Determined Contributions	(54,331)	(45,015)	(43,762)	(39,351)
Contribution Deficiency (Excess)	-	-	-	-
Covered Payroll	317,225	305,713	333,099	347,967
Contributions as a percentage of Covered Payroll	17.13%	14.72%	13.14%	11.31%

HEALTH INSURANCE SUBSIDY (HIS)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Actuarially Determined Contribution	6,346	6,116	5,786	5,777
Contributions in relation to the Actuarially Determined Contributions	(6,346)	(6,116)	(5,786)	(5,777)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	317,225	305,713	333,099	347,967
Contributions as a percentage of Covered Payroll	2.00%	2.00%	1.74%	1.66%

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years
For The Year Ended September 30,

FLORIDA RETIREMENT SYSTEM (FRS)

2021	2020	2019	2018	2017	2016
\$ 52,186	\$ 58,628	\$ 57,019	\$ 54,291	\$ 57,570	\$ 50,484
(52,186)	(58,628)	(57,019)	(54,291)	(57,570)	(50,484)
-	-	-	-	-	-
470,535	576,643	600,001	626,783	696,943	729,732
11.09%	10.17%	9.50%	8.66%	8.26%	6.92%

HEALTH INSURANCE SUBSIDY (HIS)

2021	2020	2019	2018	2017	2016
7,813	9,574	9,911	10,144	11,572	11,748
(7,813)	(9,574)	(9,911)	(10,144)	(11,572)	(11,748)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
470,535	576,643	600,001	626,783	696,943	729,732
1.66%	1.66%	1.65%	1.62%	1.66%	1.61%

CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF INVESTMENT RETURNS
Last Ten Fiscal Years
For the Year Ended September 30,

FLORIDA RETIREMENT SYSTEM (FRS)

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Annual Money-Weighted Rate of Return	10.64%	10.33%	7.58%	-7.20%
Net of Investment Expenses				

POLICE OFFICERS' PENSION PLAN

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Annual Money-Weighted Rate of Return	11.50%	20.08%	6.80%	-6.90%
Net of Investment Expenses				

FIREFIGHTERS' PENSION PLAN

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Annual Money-Weighted Rate of Return	11.40%	24.63%	12.43%	-20.32%
Net of Investment Expenses				

**CITY OF EUSTIS, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF INVESTMENT RETURNS**

**Last Ten Fiscal Years
For the Year Ended September 30,**

FLORIDA RETIREMENT SYSTEM (FRS)

2021	2020	2019	2018	2017	2016
30.41%	3.35%	5.98%	9.28%	13.59%	0.57%

POLICE OFFICERS' PENSION PLAN

2021	2020	2019	2018	2017	2016
7.00%	7.25%	7.35%	6.28%	10.17%	8.20%

FIREFIGHTERS' PENSION PLAN

2021	2020	2019	2018	2017	2016
17.69%	2.74%	5.37%	7.47%	10.48%	7.83%

CITY OF EUSTIS
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
Last 10 Measurement Years*


	2025*	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	\$ 136,695	\$ 133,270	\$ 86,833	\$ 84,098	\$ 121,231	\$ 83,533	\$ 133,150	\$ 199,474
Interest	145,550	134,171	53,960	51,976	75,073	94,301	128,821	124,166
Difference between expected and actual experience	337,390	-	379,681	-	(664,324)	-	(1,314,663)	-
Change of assumptions and other inputs	403,830	(32,653)	234,579	21,446	178,131	502,669	(23,855)	(828,724)
Benefit payments	(136,450)	(151,347)	(128,305)	(120,552)	(166,315)	(137,507)	(195,792)	(78,140)
Net change in total OPEB liability	887,015	83,441	626,748	36,968	(456,204)	542,996	(1,272,339)	(583,224)
Total OPEB liability - beginning	3,075,164	2,991,723	2,364,975	2,328,007	2,784,211	2,241,215	3,513,554	4,096,778
Total OPEB liability - ending	\$ 3,962,179	\$ 3,075,164	\$ 2,991,723	\$ 2,364,975	\$ 2,328,007	\$ 2,784,211	\$ 2,241,215	\$ 3,513,554
Covered-employee payroll	\$ 13,473,489	\$ 10,795,725	\$ 11,238,155	\$ 11,238,155	\$ 10,278,551	\$ 10,278,511	\$ 10,452,935	\$ 10,296,568
Total OPEB liability as a percentage of covered-employee payroll	29.41%	28.49%	26.62%	21.04%	22.65%	27.09%	21.44%	34.12%

* Fiscal year 2025 presents information on the Plan's measurement year ended September 30, 2024.

Notes to the Schedule:

Note 1: GASB 75 requires information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for only those years for which information is available.

Note 2: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.



**Other
Supplementary
Information:
Non-Major
Governmental
Funds**

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CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SALES TAX CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental Revenues:				
Discretionary Additional Sales Tax	\$ 3,325,000	\$ 3,325,000	\$ 2,966,245	\$ (358,755)
Grants	2,840,225	2,840,225	-	(2,840,225)
Total Intergovernmental Revenues	<u>6,165,225</u>	<u>6,165,225</u>	<u>2,966,245</u>	<u>(3,198,980)</u>
Miscellaneous Revenues:				
Interest	75,000	75,000	71,753	(3,247)
Total Miscellaneous Revenues	<u>75,000</u>	<u>75,000</u>	<u>71,753</u>	<u>(3,247)</u>
Total Revenues	<u>6,240,225</u>	<u>6,240,225</u>	<u>3,037,998</u>	<u>(3,202,227)</u>
Expenditures				
Current:				
General Government:				
Capital Outlay	1,359,500	2,299,060	755,088	(1,543,972)
Total General Government	<u>1,359,500</u>	<u>2,299,060</u>	<u>755,088</u>	<u>(1,543,972)</u>
Physical Environment:				
Capital Outlay	-	915,392	459,992	(455,400)
Total Physical Environment	<u>-</u>	<u>915,392</u>	<u>459,992</u>	<u>(455,400)</u>
Public Safety:				
Capital Outlay	544,800	1,302,526	1,203,223	(99,302)
Total Public Safety	<u>544,800</u>	<u>1,302,526</u>	<u>1,203,223</u>	<u>(99,302)</u>
Transportation:				
Capital Outlay	2,995,000	4,801,767	916,159	(3,885,608)
Total Transportation	<u>2,995,000</u>	<u>4,801,767</u>	<u>916,159</u>	<u>(3,885,608)</u>
Culture and Recreation:				
Capital Outlay	843,000	1,299,248	722,179	(577,070)
Total Culture and Recreation	<u>843,000</u>	<u>1,299,248</u>	<u>722,179</u>	<u>(577,070)</u>
Debt Service				
Principal Payments	750,000	155,886	-	(155,886)
Principal Payments / SBITA	-	-	15,816	15,816
Interest Payments / SBITA	-	-	78	78
(Total Expenditures)	<u>6,492,300</u>	<u>10,773,879</u>	<u>4,072,535</u>	<u>(6,701,344)</u>
(Deficiency) Excess of Revenues				
Over Expenditures	<u>(252,075)</u>	<u>(4,533,654)</u>	<u>(1,034,537)</u>	<u>3,499,118</u>
Other Financing Sources (Uses)				
Issuance of Debt - Leases	-	-	263,451	263,451
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>263,451</u>	<u>263,451</u>
Net Change in Fund Balances	<u>(252,075)</u>	<u>(4,533,654)</u>	<u>(771,086)</u>	<u>3,762,569</u>
Fund Balances, Beginning of Year	<u>3,506,734</u>	<u>3,506,734</u>	<u>3,506,734</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 3,254,659</u>	<u>\$ (1,026,921)</u>	<u>\$ 2,735,648</u>	<u>\$ 3,762,569</u>

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

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**Combining &
Individual Fund
Financial
Statements &
Schedules**

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OTHER SUPPLEMENTARY INFORMATION: NON-MAJOR GOVERNMENTAL FUNDS

Sales Tax Capital Projects Fund

This fund accounts for the City's share of the voted one-cent infrastructure sales tax and is restricted to capital projects.

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Library Contribution Funds

This fund is used to account for funds that are either raised or donated to the Eustis Memorial Public Library.

Law Enforcement Education Fund

This Fund is used to account for law enforcement fines which are restricted to police education training programs.

Law Enforcement Trust Fund

This fund is used to account for funds received as a result of forfeitures seized during crimes. They are restricted to community crime reduction programs, drug enforcement training, and equipment for the Police Department.

Street Improvement Fund

This fund is used to account for funds received from motor fuel gas tax sources. These funds are legally restricted to street maintenance programs and the money is expended solely on maintenance of the streets and rights-of-way within the City.

Building Services Fund

This fund is used to account for revenues and expenditures associated with enforcing the Florida Building Code, per F.S. §553.80(7)(a)(b).

Stormwater Utility Fund

This fund is used to account for revenues received through a stormwater fee. These revenues can only be used to fund projects and programs necessary to address problems associated with the Stormwater runoff.

Impact Fee Funds

These funds are used to account for revenues derived from newly constructed facilities. The fees can only be used to help defray the cost of capital expansion expenditures necessitated by growth. Specific impact fees are collected for Law Enforcement, Fire Prevention, Parks & Recreation, and the Public Library.

Cemetery Trust Fund

This fund is used to account for revenues for Greenwood Cemetery maintenance. Twenty percent of the funds from the sale of cemetery lots go to this fund. Interest earned is used for operations and the principal may be used for capital purchases.

OTHER SUPPLEMENTARY INFORMATION: NON-MAJOR GOVERNMENTAL FUNDS

Economic Development Fund

This fund is used to account for the on-going activities related to rehabilitation projects finance by Community Development Block Grants received in the past.

The basis of accounting of budgetary comparison schedules is represented under GAAP basis of accounting.

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CITY OF EUSTIS, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2025

	Library Contribution Fund	Law Enforcement Education Fund	Law Enforcement Trust Fund	Street Improvement Fund
Assets				
Cash and Cash Equivalents	\$ 35,818	\$ 51,846	\$ 68,459	\$ 1,689,830
Receivables, Net:				
Accounts Receivable	-	-	-	44,368
Lease Receivable	-	-	-	-
Accrued Interest	94	178	-	2,109
Due from Other Funds	-	-	-	-
Prepays	-	-	-	10,920
Total Assets	35,912	52,024	68,459	1,747,227
Liabilities and Fund Balances				
Liabilities				
Accounts Payable and Accrued Liabilities	-	-	20,000	190,121
Due to Sales Tax Fund	-	-	-	-
Due to Other Funds	-	-	-	-
Vacation and Sick Leave Payable	-	-	-	-
Total Liabilities	-	-	20,000	190,121
Deferred Inflows of Resources				
Deferred Lease Inflows	-	-	-	-
Total Deferred Inflow of Resources	-	-	-	-
Fund Balances				
Non -spendable:				
Library Trust Donations	19,726	-	-	-
Prepays	-	-	-	10,920
Restricted for:				
Public Safety Impact Fees	-	-	-	-
Culture and Recreation Impact Fees	-	-	-	-
Enforcement of Florida Building Code Ordinance - Community Development	-	-	-	-
Ordinance - Stormwater Management	-	-	-	-
Specific Contributions	10,289	-	-	-
Police Fines and Forfeitures	-	52,024	48,459	-
Cemetery - Chapter 22 of Code	-	-	-	-
Specific Contributions - Roads and Trees	-	-	-	1,546,186
Committed to:				
Library	5,897	-	-	-
Unassigned:				
-	-	-	-	-
Total Fund Balance	35,912	52,024	48,459	1,557,106
Total Liabilities and Fund Balances	\$ 35,912	\$ 52,024	\$ 68,459	\$ 1,747,227

**CITY OF EUSTIS, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2025**

Building Services Fund	Stormwater Utility Fund	Impact Fee Fund	Greenwood Cemetery Fund	Economic Development Fund	Grant Fund	Total
\$ 2,963,863	\$ 767,122	\$ 1,283,575	\$ 274,684	\$ 27,902	\$ 27,818	\$ 7,190,917
-	128,698	-	-	78	-	173,144
-	-	-	-	17,087	-	17,087
3,042	70	1,010	-	-	-	6,503
-	-	-	-	50,000	-	50,000
9,592	627	-	-	-	10,000	31,139
2,976,497	896,517	1,284,586	274,684	95,067	37,818	7,468,790
60,041	29,636	568	-	50,078	20,000	370,443
-	140,000	-	-	-	-	140,000
-	-	-	-	100,000	-	100,000
-	-	-	-	-	-	-
60,041	169,636	568	-	150,078	20,000	610,443
-	-	-	-	12,519	-	12,519
-	-	-	-	12,519	-	12,519
-	-	-	-	-	-	19,726
9,592	627	-	-	-	10,000	31,139
-	-	-	-	-	-	-
-	-	738,205	-	-	-	738,205
-	-	545,813	-	-	-	545,813
2,906,864	-	-	-	-	-	2,906,864
-	-	-	-	-	-	-
-	726,254	-	-	-	-	726,254
-	-	-	-	-	7,818	18,107
-	-	-	-	-	-	100,483
-	-	-	274,684	-	-	274,684
-	-	-	-	-	-	1,546,186
-	-	-	-	-	-	-
-	-	-	-	-	-	5,897
-	-	-	-	(67,529)	-	(67,529)
2,916,456	726,881	1,284,018	274,684	(67,529)	17,818	6,845,829
\$ 2,976,497	\$ 896,517	\$ 1,284,586	\$ 274,684	\$ 95,067	\$ 37,818	\$ 7,468,790

CITY OF EUSTIS, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Library Contribution Fund	Law Enforcement Education Fund	Law Enforcement Trust Fund	Street Improvement Fund
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Gas Tax	-	-	-	976,038
Fines and Forfeitures	-	11,314	82,304	-
Charges for Services	-	-	-	-
Leases	-	-	-	-
Permits and Fees	-	-	-	-
Grants	-	-	-	-
Miscellaneous:	-	-	-	-
Interest	931	2,470	450	41,451
Other	1,036	-	2,513	2,305
Total Revenues	1,967	13,784	85,267	1,019,794
Expenditures				
Current:				
General Government and Administration	-	-	-	-
Public Safety	-	12,004	38,000	-
Transportation	-	-	-	2,016,157
Physical Environment	-	-	-	-
Culture and Recreation	-	-	-	-
Capital Outlay	-	29,667	6,250	14,632
(Total Expenditures)	-	(41,671)	(44,250)	(2,030,789)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,967	(27,887)	41,017	(1,010,995)
Other Financing Sources (Uses)				
Operating Transfers from Other Funds	-	-	-	1,105,000
Operating Transfers to Other Funds	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	1,105,000
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	1,967	(27,887)	41,017	94,005
Fund Balances, Beginning of Year	33,945	79,911	7,442	1,463,101
Fund Balances, End of Year	\$ 35,912	\$ 52,024	\$ 48,459	\$ 1,557,106

CITY OF EUSTIS, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Building Services Fund	Stormwater Utility Fund	Impact Fee Fund	Greenwood Cemetery Fund	Economic Development Fund	Grant Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -
-	-	-	-	-	-	976,038
-	-	-	-	-	-	93,618
-	898,340	-	-	-	-	898,340
-	-	-	-	46,352	-	46,352
1,369,784	-	211,614	-	-	-	1,581,398
-	-	-	-	150,000	27,295	177,295
-	-	-	-	-	-	-
92,219	31,846	44,299	11,100	(700)	(182)	223,884
-	-	-	2,859	934	-	9,648
1,462,003	930,186	255,913	13,960	196,587	27,113	4,006,573
-	-	-	860	273,476	30,000	304,336
689,142	-	805	-	-	27,295	767,246
-	-	-	-	-	-	2,016,157
-	340,793	-	-	-	-	340,793
-	-	19,795	-	-	-	19,795
29,400	429,206	147,450	42,756	-	-	699,362
(718,542)	(769,999)	(168,050)	(43,616)	(273,476)	(57,295)	(4,147,688)
743,461	160,186	87,863	(29,656)	(76,889)	(30,182)	(141,114)
-	-	-	9,056	-	48,000	1,162,056
(115,056)	(260,000)	(4,765)	(544)	(48,000)	-	(428,365)
(115,056)	(260,000)	(4,765)	8,512	(48,000)	48,000	733,691
628,405	(99,814)	83,098	(21,144)	(124,889)	17,818	592,577
2,288,052	826,695	1,200,919	295,828	57,359	-	6,253,252
\$ 2,916,456	\$ 726,881	\$ 1,284,018	\$ 274,684	\$ (67,529)	\$ 17,818	\$ 6,845,829

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
LIBRARY CONTRIBUTION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Miscellaneous:			
Interest	\$ 931	\$ 1,110	\$ (179)
Donations	1,036	1,100	(64)
Total Miscellaneous Revenues	<u>1,967</u>	<u>2,210</u>	<u>(243)</u>
Total Revenues	<u>1,967</u>	<u>2,210</u>	<u>(243)</u>
Expenditures			
Current:			
Culture and Recreation:			
Administration	-	-	-
Capital Outlay	-	-	-
(Total Expenditures)	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>1,967</u>	<u>2,210</u>	<u>(243)</u>
Net Change in Fund Balance	<u>1,967</u>	<u>2,210</u>	<u>(243)</u>
Fund Balance, Beginning of Year	<u>33,945</u>	<u>33,945</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 35,912</u></u>	<u><u>\$ 36,155</u></u>	<u><u>\$ (243)</u></u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
LAW ENFORCEMENT EDUCATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Judgement & Fines Police Education	\$ 11,314	60,000	(48,686)
Total Fines and Forfeitures	<u>11,314</u>	<u>60,000</u>	<u>(48,686)</u>
Miscellaneous:			
Interest	2,470	1,600	870
Total Miscellaneous	<u>2,470</u>	<u>1,600</u>	<u>870</u>
Total Revenues	<u>13,785</u>	<u>61,600</u>	<u>(47,815)</u>
Expenditures			
Current:			
Public Safety:			
Administration	325	325	-
Police Training	11,679	11,679	-
Capital Outlay	29,667	47,321	(17,654)
(Total Expenditures)	<u>(41,671)</u>	<u>(59,325)</u>	<u>(17,654)</u>
(Deficiency) Excess of Revenues			
(Under) Expenditures	<u>(27,886)</u>	<u>2,275</u>	<u>(30,161)</u>
Net Change in Fund Balance	<u>(27,886)</u>	<u>2,275</u>	<u>(30,161)</u>
Fund Balance, Beginning of Year	<u>79,911</u>	<u>79,911</u>	<u>-</u>
Fund Balance, End of year	<u>\$ 52,025</u>	<u>\$ 82,186</u>	<u>\$ (30,161)</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
LAW ENFORCEMENT TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Fines and Forfeitures	\$ 82,304	\$ 30,000	\$ 52,304
Miscellaneous:			
Interest	450	950	(500)
Donations	2,513	-	2,513
Total Revenues	<u>85,267</u>	<u>30,950</u>	<u>54,317</u>
Expenditures			
Current:			
Public Safety:			
Operating Expense/Rents and Leases	-	3,200	(3,200)
Operating Expense/Community Donations	38,000	29,091	8,909
Capital Outlay	6,250	6,609	(359)
(Total Expenditures)	<u>(44,250)</u>	<u>(38,900)</u>	<u>5,350</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>41,017</u>	<u>(7,950)</u>	<u>48,967</u>
Net Change in Fund Balance	<u>41,017</u>	<u>(7,950)</u>	<u>48,967</u>
Fund Balances, Beginning of Year	<u>7,442</u>	<u>42,184</u>	<u>(34,742)</u>
Fund Balances, End of Year	<u>\$ 48,459</u>	<u>\$ 34,234</u>	<u>\$ 14,225</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
STREET IMPROVEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Actual Amounts</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Intergovernmental Revenues:			
Local Option Gas Tax	\$ 518,726	\$ 515,000	\$ 3,726
Eight-cent Gas Tax	224,078	235,000	(10,923)
Municipal Fuel Tax Refund	24,819	20,000	4,819
Additional One-cent	208,416	150,000	58,416
Total Intergovernmental Revenues	<u>976,038</u>	<u>920,000</u>	<u>56,038</u>
Miscellaneous Revenues:			
Interest	41,451	22,000	19,451
Other	2,305	120,000	(117,695)
Total Miscellaneous Revenues	<u>43,756</u>	<u>142,000</u>	<u>(98,244)</u>
Total Revenues	<u>1,019,794</u>	<u>1,062,000</u>	<u>(42,206)</u>
Expenditures			
Current:			
Transportation:			
Personnel	1,275,763	1,416,036	(140,273)
Operating	740,394	1,378,952	(638,558)
Capital Outlay	14,632	243,700	(229,068)
(Total Expenditures)	<u>(2,030,789)</u>	<u>(3,038,688)</u>	<u>(1,007,898)</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>(1,010,995)</u>	<u>(1,976,688)</u>	<u>965,692</u>
Other Financing Sources (Uses)			
Operating Transfers from Other Funds	1,105,000	1,105,000	-
Total Other Financing Sources (Uses)	<u>1,105,000</u>	<u>1,105,000</u>	<u>-</u>
Net Change in Fund Balances	<u>94,005</u>	<u>(871,688)</u>	<u>965,692</u>
Fund Balance, Beginning of Year	<u>1,463,101</u>	<u>1,463,101</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,557,106</u>	<u>\$ 591,414</u>	<u>\$ 965,692</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
BUILDING SERVICES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Permits & Fees	\$ 1,369,784	\$ 1,179,200	\$ 190,584
Interest	92,219	36,000	56,219
Total Revenues	<u>1,462,003</u>	<u>1,215,200</u>	<u>246,803</u>
Expenditures			
Current:			
Public Safety			
Personnel Cost	556,213	658,787	(102,575)
Operating	132,929	280,750	(147,821)
Capital Outlay	29,400	1,477,300	(1,447,900)
(Total Expenditures)	<u>(718,542)</u>	<u>(2,416,837)</u>	<u>(1,698,295)</u>
Other Financing Sources (Uses)			
Operating Transfers to Other Funds	115,056	174,753	(59,697)
Total Other Financing Sources (Uses)	<u>(115,056)</u>	<u>(174,753)</u>	<u>(59,697)</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>628,405</u>	<u>(1,376,390)</u>	<u>2,004,795</u>
Net Change in Fund Balance	<u>628,405</u>	<u>(1,376,390)</u>	<u>2,004,795</u>
Fund Balance, Beginning of Year	<u>2,288,052</u>	<u>2,288,052</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,916,456</u>	<u>\$ 911,661</u>	<u>\$ 2,004,795</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
STORMWATER UTILITY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Charges for Services:			
Stormwater Utility Fees	\$ 898,340	\$ 895,000	\$ 3,340
Total	<u>898,340</u>	<u>895,000</u>	<u>3,340</u>
Miscellaneous:			
Interest	31,846	31,000	846
Total Miscellaneous	<u>31,846</u>	<u>31,000</u>	<u>846</u>
Total Revenues	<u>930,186</u>	<u>926,000</u>	<u>4,186</u>
Expenditures			
Current:			
Physical Environment:			
Personnel	262,581	358,634	(96,053)
Operating	78,212	261,347	(183,135)
Capital Outlay	429,206	472,250	(43,044)
(Total Expenditures)	<u>(769,999)</u>	<u>(1,092,231)</u>	<u>(322,232)</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>160,186</u>	<u>(166,231)</u>	<u>(318,046)</u>
Other Financing Sources (Uses)			
Operating Transfers to Other Funds	260,000	260,000	-
Total Other Financing Sources (Uses)	<u>(260,000)</u>	<u>(260,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>(99,814)</u>	<u>(426,231)</u>	<u>(318,046)</u>
Fund Balance, Beginning of Year	<u>826,695</u>	<u>826,695</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 726,881</u></u>	<u><u>\$ 400,464</u></u>	<u><u>\$ 562,206</u></u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
IMPACT FEE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Miscellaneous:			
Permits and Fees	\$ 211,614	\$ 210,000	\$ 1,614
Interest	44,299	21,550	\$ 22,749
Total Revenues	<u>255,913</u>	<u>231,550</u>	<u>24,363</u>
Expenditures			
Current:			
Culture and Recreation	19,795	20,700	(905)
Public Safety	805	1,200	(395)
Capital Outlay	147,450	281,858	(134,408)
(Total Expenditures)	<u>(168,050)</u>	<u>(303,758)</u>	<u>(135,708)</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>87,863</u>	<u>(72,208)</u>	<u>(111,345)</u>
Other Financing Sources (Uses)			
Operating Transfers to Other Funds	(4,765)	(4,965)	200
Total Other Financing Sources (Uses)	<u>(4,765)</u>	<u>(4,965)</u>	<u>200</u>
Net Change in Fund Balance	<u>83,098</u>	<u>(77,173)</u>	<u>(111,545)</u>
Fund Balance, Beginning of Year	<u>1,200,919</u>	<u>1,200,919</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,284,018</u>	<u>\$ 1,123,746</u>	<u>\$ (111,545)</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
GREENWOOD CEMETERY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Miscellaneous:			
Interest	\$ 11,100	\$ 4,800	\$ 6,300
Lot Sales	-	5,500	(5,500)
Donations	2,859	2,975	(116)
Total Revenues	<u>13,960</u>	<u>13,275</u>	<u>685</u>
Expenditures			
Current:			
General Government:			
Administration	860	860	-
Capital Outlay	42,756	70,500	(27,744)
(Total Expenditures)	<u>(43,616)</u>	<u>(71,360)</u>	<u>(27,744)</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>(29,656)</u>	<u>(58,085)</u>	<u>(27,060)</u>
Other Financing Sources (Uses)			
Operating Transfers from Other Funds	9,056	5,000	4,056
Operating Transfers to Other Funds	(544)	(3,000)	2,456
Total Other Financing (Uses)	<u>8,512</u>	<u>2,000</u>	<u>6,512</u>
Net Change in Fund Balance	<u>(21,144)</u>	<u>(56,085)</u>	<u>(20,547)</u>
Fund Balance, Beginning of Year	<u>295,828</u>	<u>295,828</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 274,684</u>	<u>\$ 239,743</u>	<u>\$ (20,547)</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Miscellaneous:			
Program Income	\$ 934	\$ 1,000	\$ (66)
Interest	(700)	3,900	(4,600)
Lease	46,352	50,980	(4,628)
Grants & Aids	150,000	150,000	-
Total Revenues	<u>196,587</u>	<u>205,880</u>	<u>(9,293)</u>
Expenditures			
Current:			
Economic Development			
Administration	60,851	223,280	(162,430)
Grants and Aid	212,625	237,500	(24,875)
(Total Expenditures)	<u>(273,476)</u>	<u>(460,780)</u>	<u>(187,305)</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>(76,889)</u>	<u>(254,900)</u>	<u>178,011</u>
Other Financing Sources (Uses)			
Operating Transfers From Other Funds		55,000	(55,000)
Operating Transfers to Other Funds	(48,000)	(48,000)	-
Total Other Financing Sources (Uses)	<u>(48,000)</u>	<u>7,000</u>	<u>(55,000)</u>
Net Change in Fund Balance	<u>(124,889)</u>	<u>(247,900)</u>	<u>123,011</u>
Fund Balance, Beginning of Year	<u>57,359</u>	<u>57,359</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (67,529)</u>	<u>\$ (190,541)</u>	<u>\$ 123,011</u>

CITY OF EUSTIS, FLORIDA
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
GRANT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance With Final Budget</u>
Revenues			
Miscellaneous:			
Interest	(182)	-	(182)
Grants & Aids	27,295	94,149	(66,854)
Total Revenues	<u>27,113</u>	<u>94,149</u>	<u>(67,036)</u>
Expenditures			
Current:			
General Government:			
Administration	30,000	120,000	(90,000)
Public Safety	27,295	12,149	15,146
(Total Expenditures)	<u>(57,295)</u>	<u>(132,149)</u>	<u>(74,854)</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>(30,182)</u>	<u>(38,000)</u>	<u>7,818</u>
Other Financing Sources (Uses)			
Operating Transfers From Other Funds	48,000	48,000	-
Total Other Financing Sources (Uses)	<u>48,000</u>	<u>48,000</u>	<u>-</u>
Net Change in Fund Balance	<u>17,818</u>	<u>10,000</u>	<u>7,818</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 17,818</u>	<u>\$ 10,000</u>	<u>\$ 7,818</u>

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STATISTICAL SECTION

Annual Comprehensive Financial Report
City of Eustis, Florida



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Schedule 1

	City of Eustis									
	Net Position By Component									
	Last Ten Years									
	Fiscal Year Ending September 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net Investment in Capital Assets	\$ 60,696,128	\$ 60,131,048	\$ 59,881,913	\$ 59,969,021	\$ 62,646,999	\$ 62,378,055	\$ 64,880,447	\$ 64,728,567	\$ 66,336,509	\$ 71,335,948
Restricted	4,234,071	4,789,207	5,320,003	5,588,178	4,763,432	5,559,366	8,188,396	11,495,950	12,528,350	11,178,592
Unrestricted	(1,680,939)	(2,286,421)	(4,222,712)	(1,900,432)	(3,157,583)	753,809	2,847,232	4,140,472	8,007,630	7,580,759
Total Governmental Activities Net Position	\$ 63,249,260	\$ 62,633,834	\$ 60,979,204	\$ 63,656,767	\$ 64,252,848	\$ 68,691,230	\$ 75,916,075	\$ 80,364,989	\$ 86,872,488	\$ 90,095,239
Business-type activities										
Net Investment in Capital Assets	\$ 31,323,252	\$ 28,570,346	\$ 33,980,209	\$ 32,913,630	\$ 32,521,186	\$ 37,303,559	\$ 35,369,298	\$ 42,595,573	\$ 57,793,381	\$ 59,669,608
Restricted	9,179,083	8,174,683	5,402,247	6,975,120	6,496,301	5,850,564	15,796,894	17,342,250	5,909,707	4,288,802
Unrestricted	5,175,131	11,078,405	10,050,181	10,293,906	11,813,061	9,911,910	3,828,992	3,976,952	10,983,038	12,129,592
Total Business-type Activities Net Position	\$ 45,677,466	\$ 47,823,434	\$ 49,432,637	\$ 50,182,656	\$ 50,830,548	\$ 53,066,033	\$ 54,995,184	\$ 63,914,775	\$ 74,686,126	\$ 76,088,002
Primary government										
Net Investment in Capital Assets	\$ 92,019,380	\$ 88,701,394	\$ 93,862,122	\$ 92,882,651	\$ 95,168,185	\$ 99,681,614	\$ 100,249,745	\$ 107,324,140	\$ 124,129,890	\$ 131,005,556
Restricted	13,413,154	12,963,890	10,722,250	12,563,298	11,259,733	11,409,930	23,985,290	28,838,200	18,438,057	15,467,394
Unrestricted	3,494,192	8,791,984	5,827,469	8,393,474	8,655,478	10,665,719	6,676,224	8,117,424	18,990,668	19,710,352
Total Primary Government	\$108,926,726	\$110,457,268	\$110,411,841	\$113,839,423	\$115,083,396	\$121,757,263	\$ 130,911,259	\$ 144,279,764	\$ 161,558,614	\$ 166,183,301

Schedule 2

City of Eustis
Changes in Net Position
Last Ten Years
Fiscal Year Ending

Page 1 of 2

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities:										
General Government	\$ 4,752,283	\$ 4,524,135	\$ 4,536,101	\$ 4,983,675	\$ 5,258,186	\$ 4,373,261	\$ 4,398,141	\$ 5,946,918	\$ 6,930,771	\$ 8,566,231
Public Safety	8,828,550	9,824,650	9,175,828	9,794,225	10,264,565	8,213,309	10,039,911	12,905,721	12,158,859	13,746,343
Physical Environment	297,444	315,758	351,219	412,759	415,184	433,940	559,712	421,771	466,481	603,713
Transportation	2,762,752	2,998,938	3,283,299	3,097,073	2,764,209	2,406,809	2,214,450	3,098,582	2,773,482	3,640,189
Culture & Recreation	2,000,203	2,224,674	2,569,564	2,244,335	2,746,092	2,271,431	2,303,909	2,412,712	2,466,079	3,476,238
Non-Departmental	-	-	-	-	1,002,310	1,680,388	1,290,132	1,366,677	1,276,247	1,328,836
Debt Service	35,211	35,169	15,599	33,648	23,645	96,454	85,332	94,435	87,083	92,459
Total Governmental Activities	\$ 18,876,443	\$ 19,923,324	\$ 19,931,610	\$ 20,565,715	\$ 22,474,191	\$ 19,475,592	\$ 20,891,587	\$ 26,246,815	\$ 26,159,001	\$ 31,454,009
Business-type Activities:										
Water and Sewer Activities	8,102,971	8,414,798	8,710,241	9,044,822	9,629,036	8,960,855	9,660,645	10,321,221	11,320,266	12,619,924
Total Primary Government Expenses	\$ 26,979,414	\$ 28,338,122	\$ 28,641,851	\$ 29,610,537	\$ 32,103,227	\$ 28,436,447	\$ 30,552,232	\$ 36,568,036	\$ 37,479,267	\$ 44,073,933
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$ 1,006,021	\$ 719,984	\$ 643,580	\$ 159,504	\$ 505,346	\$ 557,077	\$ 780,014	\$ 2,548,847	\$ 3,637,018	\$ 4,086,010
Public Safety	308,083	267,280	261,099	770,560	883,964	1,228,435	1,757,253	2,731,375	638,895	686,064
Physical Environment	792,655	827,607	841,781	841,390	822,066	850,806	860,596	874,322	889,986	901,499
Transportation	-	10,000	16,024	-	-	-	-	-	-	-
Culture & Recreation	432,309	289,032	243,125	235,660	219,884	200,216	373,033	551,322	456,277	398,885
Operating Grants and Contributions	19,845	17,749	1,614	612,925	1,471	374,943	73,240	122,660	180,913	187,292
Capital Grants and Contributions	-	-	5,720	791,567	-	-	-	-	-	-
Total Governmental Activities Program Revenues	\$ 2,558,913	\$ 2,131,652	\$ 2,012,943	\$ 3,411,606	\$ 2,432,731	\$ 3,211,477	\$ 3,844,136	\$ 6,828,526	\$ 5,803,088	\$ 6,259,751
Business-type activities:										
Charges for Services:										
Water	5,666,288	5,911,626	5,561,023	6,197,648	5,966,260	6,353,928	6,600,062	7,415,939	7,946,398	7,794,468
Wastewater	4,091,465	4,530,963	4,853,316	4,808,265	5,395,152	5,080,046	5,306,548	5,684,162	6,223,566	6,649,903
Gain on Disposal of Assets	-	-	-	-	674,502	674,502	-	(12,769)	-	-
Capital Grants and Contributions	1,224,995	1,435,914	1,814,665	355,781	495,307	671,411	3,053,344	7,441,378	9,369,338	1,118,357
Total business-type Activities Program Revenues	\$ 10,982,748	\$ 11,878,503	\$ 12,229,004	\$ 11,361,694	\$ 11,856,719	\$ 12,779,887	\$ 14,959,954	\$ 20,528,710	\$ 23,539,303	\$ 15,562,729
Total Primary Government Program Revenues	\$ 13,541,661	\$ 14,010,155	\$ 14,241,947	\$ 14,773,300	\$ 14,289,450	\$ 15,991,364	\$ 18,804,090	\$ 27,357,236	\$ 29,342,391	\$ 21,822,479

Schedule 2

**City of Eustis
Changes in Net Position
Last Ten Years
Fiscal Year Ending**

	Page 2 of 2									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expenditures)/Revenues										
Governmental Activities	\$ (16,317,530)	\$ (17,791,672)	\$ (17,918,667)	\$ (17,154,109)	\$ (20,041,460)	\$ (16,264,114)	\$ (17,047,451)	\$ (19,418,289)	\$ (20,355,913)	\$ (25,194,258)
Business-type Activities	2,879,777	3,463,705	3,518,763	2,316,872	2,227,683	3,819,032	5,299,309	10,207,489	12,219,037	2,942,805
Total Primary Government Net (Expenses)/Revenue	\$ (13,437,753)	\$ (14,327,967)	\$ (14,399,904)	\$ (14,837,237)	\$ (17,813,777)	\$ (12,445,082)	\$ (11,748,142)	\$ (9,210,800)	\$ (8,136,876)	\$ (22,251,453)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Taxes	\$ 5,778,651	\$ 6,034,790	\$ 6,599,902	\$ 7,270,242	\$ 7,909,015	\$ 8,392,708	\$ 8,951,790	\$ 9,818,398	\$ 10,978,047	\$ 12,314,221
Utility Taxes	1,453,668	1,484,768	1,621,592	1,717,694	2,291,700	2,314,592	2,452,932	2,695,128	2,711,684	3,011,028
Franchise Fees	2,530,415	2,570,953	2,544,608	2,719,237	1,729,050	1,762,758	1,893,319	2,081,388	2,076,004	2,347,121
State Shared Revenues	4,402,912	4,561,956	4,956,751	4,999,895	6,270,038	5,819,828	6,600,476	5,922,573	5,771,523	5,687,255
Investment Earnings	54,018	30,931	87,017	236,734	100,665	26,966	128,458	799,967	1,373,469	1,316,419
Miscellaneous Income	927,654	992,848	998,288	1,077,196	522,213	578,943	569,079	232,567	1,630,229	1,545,082
Transfers in/ (out)	1,500,000	1,500,000	1,512,587	1,810,673	1,814,859	1,806,701	3,676,243	2,317,182	2,322,455	2,195,944
Total Governmental Activities	16,647,318	17,176,246	18,320,745	19,831,671	20,637,540	20,702,496	24,272,297	23,867,203	26,863,411	28,417,070
Business-type Activities:										
Investment Earnings	\$ 44,853	\$ 100,933	\$ 165,900	\$ 233,292	\$ 98,759	\$ 32,194	\$ 97,841	\$ 802,521	\$ 863,301	\$ 751,277
Miscellaneous Income	31,493	81,330	15,008	10,526	136,309	190,960	208,244	226,763	11,469	18,794
Transfers in/ (out)	(1,500,000)	(1,500,000)	(1,512,587)	(1,810,673)	(1,814,859)	(1,806,701)	(3,676,243)	(2,317,182)	(2,322,455)	(2,311,000)
Total Business-type Activities	(1,423,654)	(1,317,737)	(1,331,679)	(1,566,855)	(1,579,791)	(1,583,547)	(3,370,158)	(1,287,898)	(1,447,686)	(1,540,929)
Total Primary Government	\$ 15,223,664	\$ 15,858,509	\$ 16,989,066	\$ 18,264,816	\$ 19,057,749	\$ 19,118,949	\$ 20,902,139	\$ 22,579,305	\$ 25,415,725	\$ 26,876,141
Change in Net Position										
Governmental Activities	\$ 329,788	\$ (615,426)	\$ 402,078	\$ 2,677,562	\$ 595,081	\$ 4,438,382	\$ 7,224,846	\$ 4,448,914	\$ 6,507,499	\$ 3,222,811
Business-type Activities	1,456,123	2,145,968	2,187,084	750,017	647,892	2,235,485	1,929,151	8,919,591	10,771,351	1,401,876
Total Primary Government	\$ 1,785,911	\$ 1,530,542	\$ 2,589,162	\$ 3,427,579	\$ 1,243,973	\$ 6,673,867	\$ 9,153,997	\$ 13,368,505	\$ 17,278,850	\$ 4,624,687

Schedule 3

**City of Eustis
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)
Fiscal Year Ending September 30,**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
					General Fund					
General Fund:										
Non-Spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,737	\$ 43,502	\$ 111,145	\$ 335,279
Restricted:										
Building Permits	529,150	669,403	807,349	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Emergency Contingency	405,872	405,873	405,873	405,873	405,873	405,873	405,873	405,873	405,873	405,873
Debt Service	710,000	360,000	-	-	-	-	-	-	-	-
Self Insurance	-	-	-	-	-	-	-	-	-	-
Unassigned	5,668,231	5,986,731	6,925,213	8,657,012	9,073,248	11,323,261	14,139,350	17,558,546	19,604,398	19,878,908
Total General Fund	\$ 7,313,253	\$ 7,422,007	\$ 8,138,435	\$ 9,062,885	\$ 9,479,121	\$ 11,729,134	\$ 14,589,960	\$ 18,007,921	\$ 20,121,416	\$ 20,620,060
					Major Funds					
Sales Tax Capital Projects Fund:										
Restricted	\$ 980,158	\$ 1,230,939	\$ 1,680,674	\$ 1,977,867	\$ 872,195	\$ 1,427,062	\$ 2,519,617	\$ 3,184,010	\$ 3,506,734	\$ 2,735,648
Total Sales Tax Fund	\$ 980,158	\$ 1,230,939	\$ 1,680,674	\$ 1,977,867	\$ 872,195	\$ 1,427,062	\$ 2,519,617	\$ 3,184,010	\$ 3,506,734	\$ 2,735,648
Community Redevelopment:										
Non-Spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 326	\$ 326	\$ 326
Restricted	868,821	1,129,206	1,399,557	1,390,058	1,719,320	2,072,047	2,354,994	2,924,665	3,603,803	1,335,793
Total Com. Redevelopment	\$ 868,821	\$ 1,129,206	\$ 1,399,557	\$ 1,390,058	\$ 1,719,320	\$ 2,072,047	\$ 2,354,994	\$ 2,924,991	\$ 3,604,129	\$ 1,336,119
					Non-Major Funds					
Street Improvement Fund:										
Non-Spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,812	\$ 8,743	\$ 10,920
Restricted	636,164	461,510	244,827	195,568	-	-	851,891	1,276,619	1,454,358	1,546,186
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	(171,251)	(292,672)	328,509	-	-	-	-
Total Street Improvement Fund	\$ 636,164	\$ 461,510	\$ 244,827	\$ 24,317	\$ (292,672)	\$ 328,509	\$ 851,891	\$ 1,280,431	\$ 1,463,101	\$ 1,557,106
Stormwater Utility Fund:										
Non-Spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 393	\$ -	\$ 627
Restricted	-	-	-	-	-	-	-	799,643	826,695	726,254
Committed	1,018,942	1,121,598	1,177,389	827,580	662,649	740,513	720,321	-	-	-
Total Stormwater Utility	\$ 1,018,942	\$ 1,121,598	\$ 1,177,389	\$ 827,580	\$ 662,649	\$ 740,513	\$ 720,321	\$ 800,036	\$ 826,695	\$ 726,881
Building Service Fund:										
Non-Spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 295	\$ -	\$ 9,592
Restricted	-	-	-	929,789	924,413	841,705	1,101,104	1,726,235	2,288,052	2,906,864
Total Building Services Fund	\$ -	\$ -	\$ -	\$ 929,789	\$ 924,413	\$ 841,705	\$ 1,101,104	\$ 1,726,530	\$ 2,288,052	\$ 2,916,456
All Other Governmental Funds										
Non-Spendable	\$ 30,156	\$ 30,156	\$ 40,523	\$ 29,726	\$ 29,726	\$ 29,726	\$ 19,726	\$ 4,500	\$ 19,726	\$ 29,726
Restricted	1,189,622	1,226,111	1,119,239	1,025,366	1,173,204	1,182,151	1,336,443	1,575,241	1,650,828	1,609,763
Committed	11,697	41,882	27,834	39,806	44,573	6,674	4,621	5,037	4,851	5,897
Total All Other Funds	\$ 1,231,475	\$ 1,298,149	\$ 1,187,596	\$ 1,094,898	\$ 1,247,504	\$ 1,218,551	\$ 1,360,789	\$ 1,584,778	\$ 1,675,405	\$ 1,645,386

Schedule 4

City of Eustis
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified Accrual basis of accounting)
Fiscal Year Ending September 30,

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Ad Valorem	\$ 5,778,651	\$ 6,034,790	\$ 6,599,902	\$ 7,270,242	\$ 7,909,015	\$ 8,392,708	\$ 8,951,790	\$ 9,818,398	\$ 10,978,047	\$ 12,314,221
Franchise Fees	1,453,668	1,484,768	1,621,592	1,717,694	1,729,050	1,934,493	1,893,319	2,081,388	2,076,004	2,347,121
Utility Service Taxes	2,530,415	2,570,953	2,544,608	2,719,237	2,291,700	2,142,857	2,452,932	2,695,128	2,711,684	3,011,028
State Revenue Sharing	1,641,550	1,727,762	1,897,871	1,973,738	539,557	679,019	892,585	1,029,724	3,390,583	3,414,628
Other Intergovernmental Revenues	2,805,841	2,923,650	3,080,623	4,123,178	6,016,285	5,943,338	6,292,409	6,922,747	4,720,315	4,756,384
Grants	-	-	-	-	-	-	-	75,000	182,607	177,295
Permits and Fees	882,403	563,371	581,881	581,216	508,952	820,173	1,301,138	1,475,451	1,390,445	1,624,846
Fines and Forfeitures	72,159	81,285	172,696	156,484	86,419	111,762	121,710	540,086	472,060	329,420
Charges for Services	1,223,849	1,297,910	1,255,037	1,252,584	1,203,263	1,261,737	1,479,562	1,726,537	1,856,270	1,873,927
Interest	54,018	30,931	87,017	236,734	100,666	28,809	128,458	799,967	1,373,469	1,316,419
On-behalf Payments	243,091	247,516	259,476	282,193	279,562	292,417	314,004	386,450	434,909	474,932
Lease Income	-	-	-	-	-	-	135,080	156,374	207,267	200,201
Other Sources	1,020,584	844,963	720,398	833,503	726,312	576,950	489,052	699,771	583,507	640,456
Total Revenues	\$ 17,706,229	\$ 17,807,899	\$ 18,821,101	\$ 21,146,803	\$ 21,390,780	\$ 22,184,263	\$ 24,452,039	\$ 28,407,021	\$ 30,377,167	\$ 32,480,877
Expenditures:										
General Government	\$ 3,853,575	\$ 3,992,612	\$ 4,138,062	\$ 4,702,782	\$ 4,688,788	\$ 4,125,274	\$ 4,843,788	\$ 5,293,366	\$ 6,848,167	\$ 7,760,572
Public Safety	7,655,858	8,171,240	8,215,860	8,593,705	9,552,804	8,282,761	9,390,433	10,571,056	11,477,598	12,850,348
On-Behalf Payments	243,091	247,516	259,476	282,193	279,562	292,417	314,004	386,450	434,909	474,932
Physical Environment	253,457	263,360	264,223	350,861	357,882	358,552	427,306	312,976	361,430	340,793
Transportation	1,545,467	1,775,494	1,767,615	1,664,598	1,546,426	1,423,843	1,950,842	1,646,866	1,724,998	2,016,157
Culture and Recreation	1,682,617	1,733,137	1,793,822	1,844,145	1,923,315	1,739,940	1,883,403	1,943,046	2,063,457	2,717,407
Non-departmental	48,552	51,521	29,605	30,000	1,002,310	1,680,388	1,290,132	1,366,677	1,276,247	1,328,836
Grants & Aids	-	-	-	-	-	-	135,080	156,374	207,267	200,201
Capital Outlay	2,810,086	1,794,154	2,845,253	3,739,804	7,281,661	1,880,699	2,520,716	2,620,384	4,215,761	6,491,001
Debt Service	-	-	-	-	-	-	-	-	-	-
Interest	35,211	35,169	8,951	22,999	20,278	361,422	87,523	96,615	87,083	73,272
Principal	515,000	629,100	645,752	247,475	247,475	100,676	278,980	426,617	329,044	2,784,561
Total Expenditures	\$ 18,642,914	\$ 18,693,303	\$ 19,968,619	\$ 21,478,562	\$ 26,900,502	\$ 20,245,972	\$ 22,987,127	\$ 24,714,181	\$ 28,847,268	\$ 36,888,147
Excess (Deficiency) of Revenues Over (Under) Expenditures	(936,685)	(885,404)	(1,147,518)	(331,759)	(5,509,722)	1,938,291	1,464,913	3,692,840	1,529,899	(4,407,270)
Other Financing Sources (Uses):										
Leases (as Lessee)	-	-	-	-	-	-	-	-	124,478	263,451
Transfers In	2,459,686	2,482,672	2,526,774	3,313,510	3,113,464	3,183,514	5,231,910	4,025,556	4,419,080	4,373,080
Transfers Out	(959,686)	(982,672)	(1,014,187)	(1,502,837)	(1,298,605)	(1,376,813)	(1,555,667)	(1,708,375)	(2,096,625)	(2,177,136)
Proceeds from Borrowing	-	-	800,000	-	3,000,000	-	-	-	-	-
Total Other Financing Sources (Uses)	1,500,000	1,500,000	2,312,587	1,810,673	4,814,859	1,806,701	3,676,243	2,317,181	2,446,933	2,459,395
Net Change in Fund Balances	\$ 563,315	\$ 614,596	\$ 1,165,069	\$ 1,478,914	\$ (694,862)	\$ 3,744,992	\$ 5,141,156	\$ 6,010,021	\$ 3,976,832	\$ (1,947,875)
Debt Service as a Percentage of Non-capital Expenditures	3.48%	3.93%	3.82%	1.52%	1.36%	2.52%	1.79%	2.37%	1.69%	9.40%

Schedule 5

**City of Eustis
Taxable and Estimated Actual Value
Last Ten Years**

Taxable Assessed Valuation							Assessed Value as a Percentage of Actual
Fiscal Year	Real Property	Personal Property	Central Property	Total Taxable Valuation	Total Direct Rate	Total Estimated Actual Value	
2015/16	724,388,866	64,707,631	346,273	789,442,770	7.5810	877,158,633	90.00%
2016/17	760,782,191	66,066,152	330,790	827,179,133	7.5810	919,087,926	90.00%
2017/18	827,493,389	73,404,454	386,451	901,284,294	7.5810	1,001,426,993	90.00%
2018/19	964,447,578	114,711,755	441,822	1,079,601,155	7.5810	1,199,556,839	90.00%
2019/20	1,047,304,600	98,749,080	463,714	1,146,517,394	7.5810	1,273,908,216	90.00%
2020/21	1,108,315,695	112,793,573	2,309,391	1,223,333,943	7.5810	1,359,259,937	90.00%
2021/22	1,237,437,362	107,780,842	1,489,933	1,347,228,504	7.5810	1,496,920,560	90.00%
2022/23	1,392,572,036	112,035,315	747,155	1,505,354,506	7.5810	1,672,616,118	90.00%
2023/24	1,562,863,368	116,938,941	527,498	1,680,329,807	7.5810	1,867,033,119	90.00%
2024/25	1,706,016,494	125,435,702	529,727	1,831,981,923	7.3898	2,035,535,470	90.00%

Source Lake County Property Appraiser's Final Tax Roll All Docs and Certifications Start of FY

<https://www.lakecopropappr.com/millage-rates.aspx>

Schedule 6

**City of Eustis
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Per One Thousand Dollars of Taxable Value)**

Fiscal Year	City Direct Rates					Overlapping Rates								Total
	Basic Rate	Redev. District	Street Improv.	Total City of Eustis	Lake County General Fund	Lake County Debt Service	Lake County School Board	County Water Authority	North Lake Hospital District	North Lake Ambulance District	St. Johns Water Mgmt District			
2015/16	7.0721	0.3062	0.2027	7.5810	5.3051	0.1600	7.1970	0.2554	1.0000	0.4629	0.3023	22.2637		
2016/17	7.1406	0.3074	0.1330	7.5810	5.1180	0.1524	6.8750	0.2554	1.0000	0.4629	0.2885	21.7332		
2017/18	7.1555	0.3035	0.1220	7.5810	5.1180	0.1524	6.6030	0.2554	1.0000	0.4629	0.2724	21.4451		
2018/19	7.1436	0.3265	0.1109	7.5810	5.1180	0.1324	6.3550	0.4900	0.9800	0.4629	0.2562	21.3755		
2019/20	7.1153	0.3640	0.1018	7.5810	5.0734	0.1100	6.8830	0.3557	0.9500	0.4629	0.2414	21.6574		
2020/21	6.3821	0.3995	0.7994	7.5810	5.0327	0.0918	6.9990	0.3368	0.8950	0.4629	0.2287	21.6279		
2021/22	6.2756	0.4119	0.8934	7.5810	5.0364	0.0918	6.9990	0.3083	0.5000	0.4629	0.2189	21.1983		
2022/23	6.2947	0.4717	0.8146	7.5810	5.0364	0.0918	6.2060	0.2940	0.1500	0.4629	0.1793	20.0014		
2023/24	6.2769	0.5415	0.7627	7.5810	5.0364	0.0918	6.1220	0.2940	0.4100	0.4629	0.1793	20.1774		
2024/25	6.3499	0.5508	0.6803	7.5810	5.0254	0.0400	6.0850	0.2940	0.3859	0.4629	0.1793	20.0535		

The direct City rate is set by the commission each year. The City as well as other governments are required to contribute the incremental taxable value in excess of the base year of 1990. The City also supplements the Street Improvement Fund.

The overlapping rate represents agencies which have taxing authority within the area. These rates plus the City rate determine the total millage rate attributed to property within the City.

Source: Lake County Property Appraiser Final Millage Rate Sheet

Schedule 7

**City of Eustis
Principal Taxpayers
Current and Ten Years Ago
September 30,**

Taxpayer	2025			2016		
	Just Valuation	Rank	Percentage of Total Just Valuation	Just Valuation	Rank	Percentage of Total Just Valuation
Duke Energy (Prev. Progress Energy)	\$ 29,296,889	2	17.90%	\$ 17,129,671	1	10.47%
Bre Tarpon - Eustis Village LLC	-	-	0.00%	11,721,939	3	7.16%
MHC Southern Palms LLC	11,829,211	6	7.23%	8,290,820	4	5.07%
Florida Food Products	30,730,272	1	18.78%	12,160,114	2	7.43%
Jensen Center LTD	-	-	0.00%	5,280,476	5	3.23%
Sprint/Embarq	-	-	0.00%	4,738,977	6	2.90%
Prestige Ford	-	-	0.00%	3,913,480	8	2.39%
SUSO 4 North Branch LP	19,422,919	3	11.87%	-	-	0.00%
HTG Valencia LLC	9,794,837	8	5.99%	-	-	0.00%
Club at Eustis Partnership	-	-	0.00%	3,399,470	10	2.08%
MHC Haselton Village LLC	9,893,047	9	6.05%	4,542,189	7	2.78%
Boukalis Dev of St Pete LLC	8,981,895	10	5.49%	-	-	0.00%
Eustis Plaza, Inc.	-	-	0.00%	3,769,125	9	2.30%
Q Eleven Oaks Holdings LLC	17,708,657	4	10.82%	-	-	0.00%
AMH Development LLC	15,184,052	5	9.28%	-	-	0.00%
TLC Pine Meadows LLC	10,788,312	7	6.59%	-	-	0.00%
Total	\$ 163,630,091		100.00%	\$ 74,946,261		100.00%

Source: <https://www.lakecopropappr.com/millage-rates.aspx>

Schedule 8

**City of Eustis
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Total Tax Levy	Current Levy Collections	Percent of Levy Collections	Delinquent Tax Collections	Total Tax Collections	Percent Total Collections to Levy
2014/15	5,753,079	5,368,442	93.31%	215,081	5,583,523	97.05%
2015/16	5,984,766	5,566,832	93.02%	211,818	5,778,650	96.56%
2016/17	6,270,845	5,821,983	92.84%	212,805	6,034,788	96.24%
2017/18	6,832,636	6,326,214	92.59%	273,686	6,599,900	96.59%
2018/19	7,512,959	7,072,491	94.14%	197,751	7,270,242	96.77%
2019/20	8,195,713	7,575,826	92.44%	333,188	7,909,014	96.50%
2020/21	8,694,162	8,135,334	93.57%	257,374	8,392,708	96.53%
2021/22	9,274,095	8,723,216	94.06%	228,574	8,951,790	96.52%
2022/23	10,209,394	9,579,368	93.83%	239,030	9,818,398	96.17%
2023/24	11,367,297	10,680,930	93.96%	302,708	10,983,638	96.62%
2024/25	12,669,864	11,938,921	94.23%	375,300	12,314,221	97.19%

NOTE: Florida Statute 197.012 allows a discount for early payment of taxes of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes become delinquent on April 1 of each year.

County Tax Collector is responsible for collecting and remitting all property taxes. They do not keep track of amounts that are past due on a regular basis. Once a year they consolidate all past due amounts and have a Tax Certificate sale. The money received from this sale is then distributed to the proper taxing authorities.

Schedule 9

**City of Eustis
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	General Activities						Business-Type Activities						Total Primary Government				
	Sales SurTax 1997A	Sales SurTax - Water 2004	Sales SurTax - Sewer 2004	Sales SurTax - Purch. 2016 & 2018	Fire Equip. Lease /		Leases	Total	Utility Revenue Bonds	Series 2017 Bank Loan	State Revolving Loan	SBITA	Total	Primary Government	Est. Actual Value of Taxable Property	Percentage of Taxable Property	Per Capita
2015/16	710,000	187,750	207,250	-	-	-	1,105,000	-	-	5,964,488	-	-	5,964,488	7,069,488	877,158,633	0.81%	354
2016/17	360,000	100,000	100,000	353,450	-	-	913,450	7,430,000	1,805,500	5,400,084	-	-	14,635,584	15,549,034	919,087,926	1.69%	749
2017/18	-	-	-	1,067,736	-	-	1,067,736	7,150,000	1,444,400	4,819,867	-	-	13,414,267	14,482,003	1,001,426,993	1.45%	695
2018/19	-	-	-	820,260	-	-	820,260	6,865,000	1,083,300	4,223,389	-	-	12,171,689	12,991,949	1,199,556,839	1.08%	616
2019/20	-	-	-	587,699	3,000,000	-	3,587,699	6,570,000	722,200	3,610,197	-	-	10,902,397	14,490,096	1,273,908,216	1.14%	687
2020/21	-	-	-	323,514	2,887,812	-	3,211,326	6,265,000	361,100	3,173,359	-	-	9,799,459	13,010,785	1,359,259,937	0.96%	617
2021/22	-	-	-	160,000	2,772,346	-	2,932,346	6,341,004	-	2,920,832	-	-	9,261,836	12,194,182	1,496,920,560	0.81%	506
2022/23	-	-	-	-	2,653,462	419,071	3,072,533	5,989,318	-	2,661,665	56,262	-	8,707,245	11,779,778	1,672,616,118	0.70%	488
2023/24	-	-	-	-	2,531,262	142,832	2,756,391	5,626,975	-	2,395,684	28,522	-	8,051,181	10,807,572	1,867,033,119	0.58%	448
2024/25	-	-	-	-	-	7,974	259,616	5,248,646	-	2,122,710	-	-	7,371,356	7,630,972	2,035,535,470	0.37%	316

Schedule 10

**City of Eustis
Direct Governmental Activities Debt
September 30, 2025**

<u>Governmental Revenue Bonds</u>	<u>Beginning Debt</u>	<u>Increase in Debt</u>	<u>Amount Repaid</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable</u>
2020 CRA Loan - Land Purchase	2,531,261	-	2,531,261	-	100.00%
Subscription Based Information Technology Agreements	142,343		134,369	7,974	100.00%
Lease Liability	82,297	263,451	94,106	251,642	100.00%
Total Debt	\$ 2,755,901	\$ 263,451	\$ 2,759,736	\$ 259,616	100.00%

The city has only revenue bonds at this time.

The 2020 CRA Loan is repaid with incremental tax income.

The City of Eustis does not have any overlapping debt. All debt is secured through a specific revenue source exclusive to the City of Eustis General Fund.

**City of Eustis
Pledged-Revenue Coverage
Last Ten Fiscal Years**

Fiscal Year	(1) Utility Revenues	(2) Less Operating Expenses	Plus Depreciation Expense	Net Available Revenue	Revenue Bond Series 2016			Interest	Principal	Total Debt Payments	Coverage
					Interest	Principal	State Revolving Loan				
2015/16	10,937,285	7,901,311	2,249,641	5,285,615	-	-	113,006	549,020	662,026	7.98	
2016/17	10,879,933	7,828,916	2,174,760	5,225,777	-	114,724	100,466	564,406	779,596	6.70	
2017/18	10,848,912	8,272,870	2,208,575	4,784,617	250,000	276,556	90,360	580,218	1,197,135	4.00	
2018/19	11,016,439	8,653,590	2,511,208	4,874,057	280,000	269,856	74,300	596,476	1,220,632	3.99	
2019/20	11,497,721	9,254,616	2,502,042	4,745,147	295,000	257,106	107,672	613,193	1,272,971	3.75	
2020/21	11,624,934	8,632,107	2,543,124	5,535,951	305,000	248,256	87,727	436,838	1,077,821	5.10	
2021/22	12,114,854	9,357,822	2,596,407	5,353,439	315,000	236,056	81,258	252,527	884,841	6.05	
2022/23	13,326,864	10,040,755	2,710,439	5,996,548	351,686	223,456	74,618	259,167	908,927	6.60	
2023/24	14,181,433	11,085,388	2,759,860	5,855,905	362,343	210,256	67,804	265,981	906,384	6.48	
2024/25	14,463,166	12,399,920	3,000,561	5,063,807	378,329	196,656	60,811	272,974	908,770	5.57	

Schedule 11

**City of Eustis
Pledged-Revenue Coverage
Last Ten Fiscal Years**

(1) General Government

Fiscal Year	Sales Sur-Tax 1977A Series				Sales Sur-Tax 2004A Series				Coverage
	Progress Energy Franchise Fees	Principal	Interest	Total	Discretionary Sales Tax & Prog. Energy Fran. Fees	Principal	Interest	Total	
2014/15	740,306	310,000	25,623	335,623	2,236,435	180,000	16,580	196,580	11.38
2015/16	757,316	330,000	21,377	351,377	2,273,145	185,000	13,832	198,832	11.43
2016/17	757,164	350,000	14,165	364,165	2,353,779	195,000	9,165	204,165	11.53
2017/18	822,564	360,000	1,029	361,029	2,497,696	200,000	667	200,667	12.45

1.) The City's Sales Surtax 1977A and 2004A Series debt was retired in FY 2017-18.

Fiscal Year	Progress Energy Franchise Fees	1977A Issue		2004A Issue		Total 2004A Issue
		61% Allocated to 1977A Series	39% Allocated to 2004A Series	Sales Tax Revenue	Sales Tax Receipts	
2014-15	1,213,617	740,306	473,311	1,763,124	1,763,124	2,236,435
2015-16	1,241,501	757,316	484,185	1,788,960	1,788,960	2,273,145
2016-17	1,241,252	757,164	484,088	1,869,691	1,869,691	2,353,779
2017-18	1,348,465	822,564	525,901	1,971,795	1,971,795	2,497,696

City of Eustis
Demographic and Economic Statistics
Last Ten Years

Year	Population (5)			% Increase CPI(3)	Median Age	School Enrollment	Eustis School Information Enrollment (4) and Grading (6)			
	Eustis	County	% of Cty.				Eustis Heights Elementary #	Eustis Elementary	Eustis Middle	Eustis High
2015/16	19,986	325,875	6.13%	0.10	41.8	4,663	C	C	C	C
2016/17	20,768	335,396	6.19%	1.30	40.8	4,645	C	B	C	C
2017/18	20,827	346,017	6.02%	2.10	40.4	4,413	D	B	C	B
2018/19	21,368	357,247	5.98%	2.40	43.2	4,851	C	C	C	C
2019/20	21,594	366,742	5.89%	1.80	46.9	3,199	C	C	C	C
2020/21	21,882	398,312	5.49%	5.40	47.0	3,761	C	C	C	C
2021/22	24,115	398,312	6.05%	8.20	40.8	3,850	C	C	C	C
2022/23	24,332	424,036	5.74%	3.20	40.9	3,889	B	B	C	C
2023/24	24,180	433,331	5.58%	2.40	40.7	3,469	C	C	C	C
2024/25	24,477	445,881	5.49%	2.40	43.7	3,376	D	C	C	C

(5) Source: Population and Demographic Data - Florida Products
 Florida Demographics
 Lake County Schools, FL - Historical End of Year 2022-2025

Schedule 12

City of Eustis
Demographic and Economic Statistics
Last Ten Years

Year	Per Capita Income (1)					Median Household Income (1)								
	Florida	Lake	Orange	Seminole	Sumter	Marion	Volusia	Florida	Lake	Orange	Seminole	Sumter	Marion	Volusia
2015/16	30,492	27,603	29,060	33,748	32,703	23,891	27,781	53,336	54,285	54,690	65,319	58,128	41,957	48,331
2016/17	31,119	28,322	30,300	35,127	33,879	26,341	28,388	54,184	53,509	56,430	66,799	56,378	45,795	48,915
2017-18	31,927	28,374	30,371	35,848	34,047	26,099	29,622	54,852	53,589	59,650	68,693	54,872	45,384	51,274
2018-19	32,887	30,277	31,433	37,370	39,187	27,033	29,623	56,467	53,040	63,461	70,190	60,287	49,576	53,766
2019-20	32,848	29,426	31,409	41,428	35,879	26,990	29,859	57,703	55,792	61,416	70,297	59,618	46,587	52,407
2020-21	33,850	33,638	32,205	40,800	36,780	27,025	29,620	57,890	56,184	61,750	70,350	60,120	47,240	52,890
2021-22	35,216	33,968	33,498	38,429	39,922	28,969	32,231	57,435	58,350	65,784	73,002	63,323	50,808	56,786
2022-23	38,850	35,150	37,330	42,281	44,431	31,086	35,364	67,917	60,013	66,239	79,490	70,105	55,265	63,075
2023-24	40,278	36,280	41,019	44,616	46,897	30,717	36,803	69,303	67,559	72,324	80,550	73,391	54,190	64,857
2024-25	73,006	58,161	62,855	65,730	76,421	49,299	59,259	74,568	73,161	79,719	85,761	76,508	61,010	70,044

(1) Source: EDR Office of Economic & Demographic Research
*Please note - comparisons are 1 year behind

City of Eustis
Demographic and Economic Statistics
Last Ten Years

Year	Cost of Living Index					Unemployment						
	Lake	Orange	Seminole	Sumter	Marion	Volusia	Lake	Orange	Seminole	Sumter	Marion	Volusia
2015/16	96.99	100.46	99.03	94.83	94.41	95.33	4.8	4.3	4.3	6.9	6.0	5.1
2016/17	97.23	100.71	99.28	95.07	93.29	95.57	3.4	3.1	3.0	4.8	4.1	3.7
2017-18	97.38	100.87	99.44	96.03	93.88	95.72	3.4	2.6	2.6	4.3	3.6	3.2
2018-19	97.52	100.85	99.30	96.49	93.59	95.73	2.9	2.7	2.7	4.1	3.5	3.2
2019-20	97.80	101.13	99.58	95.74	93.37	96.00	7.4	9.8	6.0	5.7	5.3	5.9
2020-21	100.30	104.10	102.56	98.62	96.17	98.88	4.3	5.0	3.8	5.5	4.1	4.3
2021-22	100.30	105.30	106.50	101.90	87.10	94.10	3.9	5.5	5.5	4.8	2.8	4.6
2022-23	100.70	106.00	105.70	97.90	87.00	100.70	3.4	3.0	3.0	4.4	3.8	3.4
2023-24	100.70	108.00	105.70	97.90	87.00	94.90	3.7	3.4	3.3	4.7	4.4	3.9
2024-25	96.60	101.04	99.63	96.38	93.04	93.02	4.5	4.0	3.8	7.8	5.3	4.9

(2) Source: Florida Department of Education - Funding and Financial Reporting

(1) Source: U.S. Bureau of Labor Statistics

*Please note comparisons are 1 year behind

Schedule 13

**City of Eustis
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years
(Source Budget for City of Eustis and Human Resources)**

Function/Program	Fiscal Year Ending September 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City Manager	11	11	7	7	6	6	6	6	6	5
City Clerk	1	1	1	1	1	1	1	1	1	1
Finance, including Info Tech	10	10	10	10	11	10	9	9	9	9
Development Services	5	4	4	4	6	6	6	6	6	5
Purchasing	3	3	2	2	2	2	2	2	2	2
Human Resources	4	4	3	3	3	3	3	3	3	3
Maintenance Garage	3	2	2	2	2	2	2	2	2	2
Building Maintenance	7	7	5	5	5	5	5	5	5	5
Park Maintenance	4	4	4	3	3	3	3	3	3	3
Cemetery	2	2	2	2	2	2	2	2	2	2
Total General Government	50	48	40	39	41	40	39	39	39	37
Police Sworn Officers	41	46	49	42	42	42	41	41	41	41
Code Enforcement	3	4								
Civilians	7	9	13	13	13	13	13	13	13	13
Total Police	51	59	62	55	55	55	54	54	54	54
Fire Fighters Sworn	29	31	29	29	23	23	22	22	22	22
Civilians	3	3	3	3	3	3	4	4	4	3
Total Fire	32	34	32	32	26	26	26	26	26	25
Building Inspections	5	4	2	2	4	4	4	4	4	4
Total Public Safety	88	97	96	89	85	85	84	84	84	83
Library	11	12	11	11	11	11	11	11	11	11
Parks and Recreation	10	11	11	14	11	11	11	11	11	11
Total Culture & Recreation	21	23	22	25	22	22	22	22	22	22
Public Services	22	21	20	16	16	16	16	16	16	16
Water Distribution	20	26	23	24	23	23	22	22	22	22
Wastewater	19	17	17	17	18	18	18	18	18	18
Total Water and Sewer	61	64	60	57	57	57	56	56	56	56
Public Works St. Improvrm.	19	19	18	18	18	18	18	18	18	16
Stormwater	3	4	4	4	4	4	4	4	4	4
Total Streets and Stormwater	22	23	22	22	22	22	22	22	22	20
Total Government Employees	242	255	240	232	227	226	223	223	223	218

Schedule 14

**City of Eustis
Various Indicators By Function/Program
Last Ten Years**

Function/Program	Last Ten Years									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General										
Last Charter Amendment										
Number of Commissioners										
Form of Government										
Municipal Boundaries	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40	11.40
Number of Vehicles	10	10	10	10	10	10	10	10	10	10
Number of Buildings	2	2	2	2	2	2	2	2	2	2
Per Capita Taxable Value	74,845	69,493	55,892	50,733	53,082	53,834	51,207	43,275	39,830	39,500
Per Capita Taxes Levied	553	527	362	362	402	384	356	328	302	299
Police										
Number of Stations	1	1	1	1	1	1	1	1	1	1
Protection Per 1,000	24.48	1.90	1.73	1.82	1.87	1.90	1.92	1.97	1.97	2.05
Protection Per Capita	556.30	525.65	579.33	548.07	533.71	526.68	521.17	507.98	506.54	487.46
Number of Sworn Officers	41	46	42	44	41	41	41	41	41	41
Number of 911 calls *	0	0	40,986	41,000	41,545	40,981	40,120	39,980	-	-
Number of Arrests	505	627	649	552	552	548	633	765	758	758
* Beginning January 2024, emergency calls are dispatched through Lake County Communications Center. Data is no longer available for the City of Eustis.										
Fire										
Number of Stations	2	2	2	2	2	2	2	1	1	1
Number of Volunteers	-	-	-	-	-	-	-	-	-	-
Protection Per 1,000	1.12	1.12	1.11	0.87	0.96	0.97	0.98	1.06	1.06	1.10
Protection Per Capita	844	896	901	1,148	1,042	1,028	1,018	946.68	944	908
Number of Firefighters	29	27	27	21	21	21	21	22	22	22
Number of Calls	5499	4942	4436	4408	3725	3,633	4,284	4,321	4,260	4,059
Building										
Building Permits Issued	1953	1871	2013	1970	2101	1908	1694	2262	1,733	1,766
New Commercial Construction	11	7	7	7	5	1	11	4	1	11
New Residential Construction	175	144	134	160	250	34	23	28	74	144
Valuation of Improvements	117,077,698	87,665,950	84,232,162	150,491,231	91,738,066	58,739,000	32,689,083	35,502,497	35,730,909	81,133,576
Number of Vehicles	2	2	3	3	3	3	3	3	3	3
Recreation										
Number of Parks	12	13	13	13	13	13	12	12	12	12
Acres Maintained	64	64	64	64	64	64	64	64	64	64
Number of Vehicles	13	12	9	8	8	8	8	7	7	7
Number of Buildings	13	13	13	13	13	13	13	13	13	13
Number of Citizens Served	41,235	24,180	23,100	23,100	19,576	13,484	25,440	21,850	22,560	21,330

Schedule 14

**City of Eustis
Various Indicators By Function/Program
Last Ten Years**

Function/Program	Last Ten Years										Page 2 of 2
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	
Library											
Number of Libraries	1	1	1	1	1	1	1	1	1	1	
Volume in Collection	96,095	101,357	100,109	102,000	101,603	102,232	127,289	126,105	132,289	129,217	
Number of Items Circulated	88,427	84,663	76,842	92,500	89,913	75,962	75,415	76,455	71,487	71,700	
Collection Per Citizen	3.93	4.19	4.11	4.23	4.41	4.90	6.06	6.05	6.37	6.47	
Number of Patrons	7,778	8,542	7,631	7,100	6,218	8,075	11,343	10,397	7,645	13,820	
Collection Per Patrons	12.35	11.87	13.12	14.37	16.34	12.70	11.22	12.13	17.30	9.35	
Public Works											
Miles of Streets	101.65	101.65	101.65	101.65	101.65	101.65	101.65	101.65	120.00	120.00	
Number of Street Lights	1285	1265	1265	1265	1265	1265	1265	1265	1,265	928	
Number of Traffic Signals	18	17	17	17	17	17	17	17	17	17	
Number of School Signals	21	12	12	12	12	12	12	12	12	12	
Number of Vehicles	172	169	169	169	169	169	169	153	153	153	
Number of Buildings	5	4	4	4	4	4	4	4	4	4	
Water											
Number of Units Served	12,820	12,527	12,398	12,172	12,146	11,946	11,721	10,741	10,946	10,888	
Average Daily Flow	3.20 Mil Gal	3.5 Mil Gal	3.61 Mil Gal	3.43 Mil Gal	3.66 Mil Gal	3.44 Mil Gal	3.19 Mil Gal	2.91 Mil Gal	3.47 Mil Gal	3.37 Mil Gal	
New Meters Installed	281	341	300	197	149	120	117	-	-	-	
Miles of Water Main	188	183	183	183	183	183	183	182	182	182	
Number of Plants	6	6	6	6	6	6	6	6	6	6	
Number of Vehicles	25	24	21	21	21	21	21	21	21	21	
Number of Buildings	9	9	9	9	9	9	9	9	9	9	
Wastewater											
Miles of Sanitary Sewers	121	121	121	121	121	121	121	120	120	120	
Number of Vehicles	17	15	16	15	14	14	14	13	13	13	
Number of Buildings	11	11	11	11	11	11	11	12	11	11	
Number of Plants	2	2	2	2	2	2	2	2	2	2	

Schedule 15

City of Eustis
Sewer Sold by Type of Customer
And Associated Rates Last Ten Years
(In Millions of Gallons)

Page 1 of 2

Type of Customer	Fiscal Year Ending September 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Residential										
Inside	392.46	509.36	497.91	392.35	382.78	373.44	363.60	351.17	370.73	361.40
Outside	107.68	192.17	181.08	85.25	83.17	81.14	77.35	69.34	72.79	74.28
Industrial										
Inside	0.09	20.02	19.97	19.48	19.00	18.54	-	-	11.28	-
Commercial										
Inside	70.55	82.67	80.93	68.63	66.96	65.32	83.06	80.22	71.10	80.50
Outside	5.01	7.43	7.58	5.05	4.93	4.81	7.44	6.30	3.06	4.62
Other										
Inside	30.75	16.04	15.56	34.33	33.49	32.67	12.94	12.34	25.42	18.66
Outside	1.88	0.77	0.97	0.72	0.70	0.68	0.00	0.00	1.83	2.21
Total	608.45	828.46	804.01	605.80	591.02	576.61	544.39	519.35	556.21	541.68

Sewer Rates (Per 1,000 Consumed)

Effective Date	6/1/25	6/1/24	6/1/23	6/1/22	6/1/21	6/1/20	6/1/19	6/1/18	6/1/17	6/1/16
Residential Inside										
Availability Charge	30.54	29.80	29.07	28.36	27.66	26.99	26.54	26.10	25.66	25.23
Min. Inc. 1st 3,000										
Rate per 1,000	3.82	3.73	3.64	3.55	3.46	3.38	3.32	3.26	3.21	3.16
Capped at 10,000 Gal										
Residential Outside										
Availability Charge	38.20	37.25	36.34	35.46	34.59	33.75	33.18	32.63	32.08	31.55
Min. Inc. 1st 3,000										
Rate per 1,000	4.77	4.65	4.54	4.43	4.33	4.22	4.15	4.08	4.01	3.94
Capped at 10,000 Gal										
Commercial Inside										
Availability Charge	42.76	41.72	40.70	39.70	38.73	37.79	37.79	36.54	35.93	35.33
Min. Inc. 1st 6,000										
Rate per 1,000	4.59	4.48	4.37	4.27	4.16	4.06	3.99	3.92	3.86	3.79
No Cap on Usage										

Schedule 15

City of Eustis Sewer Sold by Type of Customer And Associated Rates Last Ten Years (In Millions of Gallons)										
Effective Date	Sewer Rates (Per 1,000 Consumed)									
	6/1/24	6/1/24	6/1/23	6/1/22	6/1/21	6/1/20	6/1/19	6/1/18	6/1/17	6/1/16
Commercial Outside										
Availability Charge	53.45	52.14	50.87	49.63	48.42	47.24	46.45	45.67	44.91	44.16
Min. Inc. 1st 6,000										
Rate per 1,000										
No Cap on Usage	5.74	5.60	5.46	5.33	5.20	5.07	4.98	4.90	4.82	4.74
Industrial Inside										
Availability Charge	73.29	71.51	69.76	68.06	66.40	64.78	63.70	62.64	61.59	60.56
Min. Inc. 1st 20,000										
Rate per 1,000										
No Cap on Usage	4.59	4.48	4.37	4.27	4.16	4.06	3.99	3.92	3.86	3.79
Over 500,000										
Sewer Rates (Per 1,000 Consumed)										
Industrial Outside										
Availability Charge	91.62	89.39	87.21	85.08	83.00	80.98	79.63	78.30	76.99	75.7
Min. Inc. 1st 20,000										
Rate per 1,000										
No Cap on Usage	5.74	5.60	5.46	5.33	5.20	5.07	4.98	4.90	4.82	4.74
Over 500,000										
RV Parks Inside										
Availability Charge	10.18	9.93	9.69	9.46	9.23	9.00	8.85	8.70	8.55	8.41
Min. Inc. 1st 1,000										
Rate per 1,000										
Over Min.	3.82	3.73	3.64	3.55	3.46	3.38	3.32	3.26	3.21	3.16
RV Parks Outside										
Availability Charge	12.72	12.41	12.11	11.81	11.52	11.24	11.06	10.87	10.69	10.51
Min. Inc. 1st 1,000										
Rate per 1,000										
Over Min.	4.75	4.64	4.54	4.43	4.33	4.22	4.15	4.08	4.01	3.94
Percentage Increase	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	1.70%	1.70%	1.70%	7.70%

Schedule 16

**City of Eustis
Water Sold by Type of Customer
And Associated Rates Last Ten Years
(In Millions of Gallons)**

Type of Customer	Fiscal Year Ending September 30,										Page 1 of 3
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	
Residential											
Inside	671.21	512.3	497.91	576.90	562.83	549.11	534.48	503.91	654.78	635.57	
Outside	306.23	193.1	181.08	196.50	191.70	187.03	173.92	157.62	215.50	220.22	
Industrial											
Inside	0.14	0.14	0.18	0.18	0.18	0.17	0.14	2.19	1.58	1.85	
Commercial											
Inside	148.65	83.50	80.93	92.17	89.92	87.73	102.42	96.89	141.50	127.40	
Outside	14.81	7.40	7.58	7.45	7.26	7.09	9.99	9.47	9.34	9.32	
Other											
Inside	64.75	26.59	15.56	42.74	41.69	40.68	12.94	12.34	52.85	47.47	
Outside	2.92	0.40	0.97	1.76	1.72	1.68	0.00	0.00	3.23	2.87	
Total	1,208.69	823.44	784.22	917.70	895.31	873.48	833.89	782.42	1,078.78	1,044.70	
	Water Rates (Per 1,000 Consumed)										
Effective Date	6/1/25	6/1/24	6/1/23	6/1/22	6/1/21	6/1/20	6/1/19	6/1/18	6/1/17	6/1/16	
Residential Inside											
Availability Charge	12.98	12.66	12.35	12.05	11.76	11.47	11.28	11.09	10.91	10.73	
Min. Inc. 1st 3,000											
4,000 to 20,000											
0 to 8,000	2.71	2.64	2.58	2.52	2.46	2.40	2.36	2.32	2.28	2.24	
8,001 to 20,000	3.38	3.30	3.22	3.14	3.06	2.99	2.93	2.89	2.84	2.79	
20,001 to 30,000	4.76	4.64	4.53	4.42	4.32	4.21	4.13	4.07	4.00	3.93	
20,001, to 50,000											
Over 30,000	10.82	10.56	10.31	10.05	9.81	9.57	9.40	9.25	9.09	8.94	
Over 50,000											
Irrigation											
0 to 12,000	3.37	3.29	3.21	3.13	3.05	2.98	2.93	2.89	2.84	2.79	
0 to 30,000											
12,001 to 20,000	4.76	4.64	4.53	4.42	4.32	4.21	4.13	4.07	4.00	3.93	
Over 20,000	10.82	10.56	10.30	10.04	9.80	9.56	9.40	9.25	9.09	8.94	
30,001 to 100,000											
Over 100,000											

Schedule 16

**City of Eustis
Water Sold by Type of Customer
And Associated Rates Last Ten Years
(In Millions of Gallons)**

Page 2 of 3

Effective Date	Water Rates (Per 1,000 Consumed)									
	6/1/25	6/1/24	6/1/23	6/1/22	6/1/21	6/1/20	6/1/19	6/1/18	6/1/17	6/1/16
Residential Outside										
Availability Charge	16.23	15.83	15.45	15.08	14.71	14.35	14.10	13.87	13.64	13.41
Min. Inc. 1st 3,000 4,000 to 20,000										
0 to 8,000	3.39	3.31	3.23	3.15	3.08	3.00	2.95	2.90	2.85	2.80
8,001 to 20,000	4.22	4.12	4.02	3.92	3.82	3.73	3.67	3.61	3.55	3.49
20,001 to 30,000	5.94	5.80	5.66	5.52	5.38	5.25	5.17	5.08	4.99	4.91
20,001, to 50,000										
Over 30,000	13.53	13.20	12.88	12.57	12.26	11.96	11.76	11.56	11.37	11.18
Over 50,000										
Irrigation										
0 to 12,000	4.22	4.12	4.02	3.92	3.82	3.73	3.67	3.61	3.55	3.49
0 to 30,000										
12,001 to 20,000	5.94	5.80	5.65	5.52	5.38	5.25	5.17	5.08	4.99	4.91
Over 20,000	13.53	13.20	12.88	12.57	12.26	11.96	11.76	11.56	11.37	11.18
30,001 to 100,000										
Over 100,000										
Commercial Inside										
Availability Charge	25.98	25.35	24.72	24.12	23.53	22.96	22.58	22.20	21.83	21.46
Min. Inc. 1st 6,000 7,000 to 30,000										
0 to 30,000	2.71	2.65	2.58	2.52	2.46	2.4	2.36	2.32	2.28	2.24
Over 30,000	3.37	3.29	3.21	3.13	3.05	2.98	2.93	2.89	2.84	2.79
31,000 to 100,000										
Over 100,000										
Irrigation										
0 to 50,000	-	-	-	-	-	-	-	-	-	-
50,001 to 100,000										
0 to 100,000	3.38	3.30	3.22	3.14	3.06	2.99	2.93	2.89	2.84	2.79
Over 100,000	6.10	5.95	5.80	5.66	5.52	5.39	5.30	5.21	5.13	5.04
Commercial Outside										
Availability Charge	32.48	31.69	30.91	30.15	29.42	28.70	28.22	27.75	27.28	26.83
Min. Inc. 1st 6,000 7,000 to 30,000										
Over 30,000	3.39	3.31	3.23	3.15	3.08	3.00	2.95	2.90	2.85	2.80
Over 30,000	4.22	4.12	4.02	3.92	3.82	3.73	3.67	3.61	3.55	3.49
31,000 to 100,000										
Over 100,000										

Schedule 16

**City of Eustis
Water Sold by Type of Customer
And Associated Rates Last Ten Years
(In Millions of Gallons)**

Page 3 of 3

Effective Date	Water Rates (Per 1,000 Consumed)									
	6/1/25	6/1/24	6/1/23	6/1/22	6/1/21	6/1/20	6/1/19	6/1/18	6/1/17	6/1/16
Irrigation										
0 to 50,000	-	-	-	-	-	-	-	-	-	-
50,001 to 100,000	-	-	-	-	-	-	-	-	-	-
0 to 100,000	4.22	4.12	4.02	3.92	3.82	3.73	3.67	3.61	3.55	3.49
Over 100,000	7.62	7.44	7.26	7.08	6.91	6.74	6.63	6.52	6.41	6.30
Industrial Inside										
Availability Charge	57.14	55.75	54.39	53.07	51.77	50.51	49.66	48.83	48.02	47.22
Min. Inc. 1st 20,000										
21,000 to 350,000										
0 to 350,000	2.71	2.65	2.58	2.52	2.46	2.4	2.36	2.32	2.28	2.24
Over 350,000	3.37	3.29	3.21	3.13	3.05	2.98	2.93	2.89	2.84	2.79
351,000 to 500,000										
Over 500,000										
Industrial Outside										
Availability Charge	71.43	69.69	67.99	66.34	64.72	63.14	62.08	61.04	60.02	59.02
Min. Inc. 1st 20,000										
21,000 to 350,000										
0 to 350,000	3.40	3.32	3.24	3.15	3.08	3.00	2.95	2.90	2.85	2.80
Over 350,000	4.22	4.12	4.02	3.92	3.82	3.73	3.67	3.61	3.55	3.49
RV Parks Inside										
Availability Charge	4.33	4.22	4.12	4.02	3.93	3.83	3.76	3.70	3.64	3.58
Min. Inc. 1st 1,000										
Per 1,000 Gallons	2.71	2.65	2.58	2.52	2.46	2.4	2.36	2.32	2.28	2.24
RV Parks Outside										
Availability	5.41	5.27	5.15	5.02	4.90	4.78	4.70	4.62	4.55	4.47
Per 1,000 Gallons	3.39	3.31	3.23	3.15	3.08	3.00	2.95	2.90	2.85	2.80
Percentage Increase	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	1.70%	1.70%	1.70%	7.70%

Schedule 17

Golden Triangle Ad Valorem Tax Profile Last Ten Years Ending September 30,

Year	Population Estimate	Municipal Assessed and Taxable Values				Municipal Government Levies				Estimates of Unrealized Tax Revenues			
		Assessed Value	Per Capita Assess. Value	Taxable Value	Per Capita Taxable Value	Operating Millage	Total Taxes Levied	Per Capita Total Tax Levied	Total Taxes Levied @ 10 Mills	Total Unr. Tax Revenues	Per Capita Unr. Tax Rev.		
Eustis													
2025	24,477	2,281,685,081	93,218	1,831,981,923	74,845	7.3898	13,537,981	553	18,319,819	4,781,838	195		
2024	24,180	2,115,657,260	87,496	1,680,329,807	69,493	7.5810	12,738,582	527	16,803,298	4,064,716	168		
2023	24,332	1,928,385,900	79,253	1,505,354,506	61,867	7.5810	10,216,612	420	15,053,545	4,836,933	199		
2022	24,115	1,753,505,022	72,714	1,347,838,047	55,892	7.5810	8,723,216	362	13,478,380	4,755,164	197		
2021	24,115	1,613,511,427	66,909	1,223,418,658	50,733	7.5810	8,723,216	362	12,234,187	3,510,971	146		
2020	21,599	1,531,640,501	70,913	1,146,517,394	53,082	7.5810	8,691,748	402	11,465,174	2,773,426	128		
2019	21,303	1,443,833,759	67,776	1,079,601,155	50,678	7.5810	8,184,456	384	10,796,012	2,611,556	123		
2018	21,083	1,345,184,940	63,804	1,079,601,155	51,207	7.5810	7,516,042	356	10,796,012	3,279,970	156		
2017	20,827	1,233,559,079	59,229	901,284,294	43,275	7.5810	6,832,636	328	9,012,843	2,180,207	105		
2016	20,768	1,143,712,632	55,071	827,179,133	39,830	7.5810	6,270,845	302	8,271,791	2,000,946	96		
Tavares													
2025	21,869	2,662,292,711	121,738	1,895,496,112	86,675	6.6850	12,671,393	579	18,954,961	6,283,568	287		
2024	21,530	2,473,872,162	114,903	1,729,095,305	80,311	6.7756	11,715,659	544	17,290,953	5,575,294	259		
2023	21,049	2,235,970,611	106,227	1,497,849,034	71,160	6.6950	8,761,192	416	14,978,490	6,217,298	295		
2022	19,604	2,004,742,230	102,262	1,307,640,660	66,703	6.9970	7,682,309	392	13,076,407	5,394,098	275		
2021	19,604	1,814,025,786	92,533	1,136,789,454	57,988	6.9970	7,682,309	392	11,367,895	3,685,586	188		
2020	17,397	1,718,183,354	98,763	1,049,496,704	60,326	6.9970	7,241,527	416	10,494,967	3,253,440	187		
2019	17,749	1,559,002,823	87,836	977,427,706	55,069	6.9500	6,793,123	383	9,774,277	2,981,154	168		
2018	17,472	1,443,879,862	82,640	888,176,068	50,834	7.1119	6,316,619	362	8,881,761	2,565,141	147		
2017	16,865	1,334,152,546	79,108	805,835,637	47,782	7.0000	5,640,849	334	8,058,356	2,417,507	143		
2016	15,922	1,248,326,072	78,403	732,019,797	45,975	7.1000	5,197,341	326	7,320,198	2,122,857	133		
Mount Dora													
2025	18,896	2,612,458,549	138,255	2,165,490,257	114,600	6.3000	13,642,590	722	21,654,903	8,012,313	424		
2024	18,277	2,402,648,109	131,457	1,977,027,110	108,170	6.3000	12,455,273	681	19,770,271	7,314,998	400		
2023	17,537	2,169,599,258	123,716	1,800,605,127	102,675	6.1000	9,235,658	527	18,006,051	8,770,393	500		
2022	16,688	1,892,475,767	113,403	1,549,607,068	92,858	5.9603	8,271,016	496	15,496,071	7,225,055	433		
2021	16,688	1,814,025,786	108,702	1,387,806,063	83,162	5.9603	8,271,016	496	13,878,061	5,607,045	336		
2020	15,200	1,626,917,530	107,034	1,302,530,025	85,693	5.9603	8,271,016	544	13,025,300	4,754,284	313		
2019	14,516	1,499,964,303	103,332	1,199,875,039	82,659	6.2000	7,439,225	512	11,998,750	4,559,525	314		
2018	14,216	1,373,645,036	96,627	1,087,446,847	76,495	6.3000	6,850,915	482	10,874,468	4,023,553	283		
2017	13,916	1,271,644,334	91,380	1,007,521,506	72,400	6.3000	6,347,385	456	10,075,215	3,727,830	268		
2016	13,818	1,196,064,987	86,558	940,285,927	68,048	5.9970	5,638,895	408	9,402,859	3,763,965	272		

Source: Lake County Property Appraiser, FL Department of Revenue, and www.census.gov

Schedule 18

**City of Eustis
Comparison of Taxes Levied
Lake County Cities
Last Ten Years Ending September 30,**

City	Ten Year Ranking	Ten Year Average	Current Year Ranking	Millage Rate Data											
				2025	2024	2023	2022	2021	2020	2019	2018	2017	2016		
Astatula	3	7.3900	4	6.9000	7.0000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000
Clermont	10	4.3119	10	4.5900	4.8800	4.2061	4.2061	4.2061	4.2061	4.2061	4.2061	4.2061	4.2061	4.2061	4.2061
Eustis	2	7.5619	1	7.3898	7.5810	7.5810	7.5810	7.5810	7.5810	7.5810	7.5810	7.5810	7.5810	7.5810	7.5810
Fruitland Park	12	3.9280	11	3.9134	3.9134	3.9134	3.9134	3.9134	3.9134	3.9134	3.9134	3.9134	3.9134	3.9863	3.9863
Groveland	9	5.3200	7	5.7000	5.5000	5.2000	5.2000	5.2000	5.2000	5.2000	5.2000	5.2000	5.2000	5.2000	5.6000
Howey-in-the-Hills	1	8.1233	3	6.9900	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	8.9180	9.2750	9.2750	9.2750	9.2750
Lady Lake	13	3.4472	12	3.6510	3.6510	3.3962	3.3962	3.3962	3.3962	3.3962	3.3962	3.3962	3.3962	3.3962	3.3962
Leesburg	11	4.0188	13	3.4752	3.4752	4.0192	4.0192	4.0192	4.0192	4.1086	4.2678	4.2678	4.2678	4.2678	4.2678
Mascotte	6	6.3833	9	4.6381	4.7549	5.7500	5.7500	5.7500	5.7500	5.7500	7.6291	7.5500	7.9316	8.3289	8.3289
Minneola	8	5.9698	8	5.5000	5.6000	5.9000	5.9000	5.9000	5.9000	6.1000	6.1800	6.1900	6.2795	6.1483	6.1483
Montverde	14	2.8300	14	2.8300	2.8300	2.8300	2.8300	2.8300	2.8300	2.8300	2.8300	2.8300	2.8300	2.8300	2.8300
Mount Dora	7	6.1478	6	6.3000	6.3000	5.9603	5.9603	6.2000	6.2000	5.9603	6.2000	6.3000	6.3000	5.9970	5.9970
Tavares	5	7.0439	5	6.6850	6.7756	6.7579	6.7579	6.9970	6.9970	7.1623	6.9500	7.4171	7.4680	7.4680	7.4680
Umatilla	4	7.1218	2	7.2377	7.1089	7.1089	7.1089	7.1089	7.1089	7.1089	7.1089	7.1089	7.1089	7.1089	7.1089

Schedule 18

City of Eustis
 Comparison of Taxes Levied
 Lake County Cities
 Last Ten Years Ending September 30,

City	Ten Year Rank	Ten Year Average	Current Year Rank	Taxable Value Data									
				2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Astatula	14	84,728,666	14	176,205,459	141,264,216	99,524,977	80,543,198	71,333,453	65,619,048	58,096,765	54,408,037	51,415,067	48,876,443
Clermont	1	3,913,580,062	1	6,316,663,590	5,693,181,798	4,892,871,936	4,218,819,610	3,718,492,642	3,434,017,402	3,122,263,059	2,855,806,761	2,565,632,099	2,318,051,719
Eustis	6	1,252,845,514	8	1,831,981,923	1,680,329,807	1,505,354,506	1,347,838,047	1,223,418,659	1,146,517,394	1,079,601,155	991,431,421	900,090,260	821,891,967
Fruitland Park	9	813,325,943	9	1,171,171,427	1,104,462,047	1,022,856,114	945,608,358	857,729,335	811,890,811	747,762,402	680,151,475	491,629,188	299,998,272
Groveland	4	1,411,178,038	3	2,638,341,528	2,347,858,764	1,964,219,947	1,680,270,335	1,275,569,461	1,121,364,423	960,984,501	821,309,273	704,257,059	597,605,092
Howey-in-the-Hills	12	141,878,907	13	255,958,231	224,657,675	190,283,845	152,410,522	128,386,399	116,523,084	103,154,190	91,926,835	79,042,587	76,445,701
Lady Lake	5	1,385,734,040	6	1,963,654,551	1,816,379,607	1,633,810,942	1,485,983,396	1,351,315,024	1,300,033,325	1,196,136,595	1,108,198,926	1,038,164,339	963,663,690
Leesburg	2	2,042,466,214	2	3,873,121,678	3,504,654,852	2,528,042,626	2,032,087,341	1,707,674,882	1,591,541,670	1,438,659,846	1,330,205,203	1,246,362,118	1,174,311,921
Mascotte	10	282,141,335	10	608,933,544	494,084,539	392,213,004	324,735,278	244,524,132	212,602,670	169,760,982	140,286,371	122,304,300	111,968,529
Minneola	8	1,002,511,912	5	2,065,993,359	1,765,510,444	1,343,317,331	1,116,983,250	855,836,923	740,265,378	644,484,077	589,116,225	485,781,705	417,830,424
Montverde	13	139,635,555	12	266,065,505	211,966,718	164,704,546	145,194,773	119,344,527	111,732,498	104,603,669	98,368,273	90,333,971	84,041,068
Mount Dora	3	1,441,762,734	4	2,165,490,257	1,977,027,110	1,800,605,127	1,549,607,068	1,387,806,063	1,302,530,025	1,199,875,039	1,087,446,847	1,006,953,873	940,285,927
Tavares	7	1,202,205,009	7	1,895,496,112	1,729,095,305	1,497,849,034	1,307,640,660	1,136,789,454	1,049,496,704	977,427,706	888,176,068	808,059,254	732,019,797
Umatilla	11	188,651,237	11	319,627,934	239,900,886	207,372,572	180,454,097	160,328,570	148,337,466	138,749,722	128,475,312	123,364,926	

Total Taxes Levied Data

City	Ten Year Rank	Ten Year Average	Current Year Rank	Total Taxes Levied Data									
				2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Astatula	13	586,608	13	1,215,818	988,850	604,074	533,501	482,143	435,726	435,726	408,060	385,613	366,573
Clermont	1	16,702,579	1	28,993,487	27,782,727	21,347,227	15,640,352	14,443,821	13,132,551	13,132,551	12,011,809	10,791,305	9,749,957
Eustis	2	9,139,832	4	13,537,981	12,738,582	10,216,612	9,274,095	8,691,748	8,184,456	8,184,456	7,516,042	6,823,584	6,230,763
Fruitland Park	9	3,080,664	9	4,583,263	4,322,202	3,697,329	3,356,638	3,177,253	2,926,293	2,926,293	2,661,705	1,959,781	1,195,883
Groveland	6	7,042,458	2	15,038,547	12,913,241	8,737,406	6,632,961	5,831,095	4,994,677	4,997,119	4,270,808	3,662,137	3,346,589
Howey-in-the-Hills	12	1,058,822	12	1,789,148	1,684,935	1,143,079	962,898	873,523	919,929	919,929	852,621	733,120	709,034
Lady Lake	8	4,654,467	8	7,169,305	6,631,603	5,052,344	4,589,336	4,415,173	4,062,319	4,062,319	3,763,665	3,525,814	3,272,795
Leesburg	5	7,547,952	5	13,459,871	12,179,376	8,168,991	6,863,225	6,539,008	6,129,666	6,131,377	5,677,050	5,319,224	5,011,728
Mascotte	10	1,525,594	10	2,824,294	2,349,323	1,623,676	1,406,014	1,516,346	1,281,695	1,281,695	1,070,259	970,069	932,575
Minneola	7	5,452,525	7	11,362,961	9,886,859	6,478,503	5,049,438	4,515,619	3,982,912	3,982,912	3,646,629	3,050,466	2,568,947
Montverde	14	378,160	14	752,965	599,866	410,901	337,745	316,203	296,028	296,028	278,382	255,645	237,836
Mount Dora	3	8,508,008	3	13,642,590	12,455,273	9,235,658	8,271,016	7,763,470	7,439,225	7,439,225	6,850,915	6,343,809	5,638,895
Tavares	4	7,974,547	6	12,671,393	11,715,659	8,761,192	7,682,309	7,241,527	6,791,267	6,793,123	6,587,691	6,034,587	5,466,724
Umatilla	11	1,309,709	11	2,313,371	2,001,018	1,474,419	1,282,830	1,139,760	1,054,516	1,054,516	986,358	913,318	876,989

Source: www.dor.state.fl.us and Lake County Property Appraiser

Schedule 19

**City of Eustis
Principal Employers
Current Year and Ten Years Ago**

Employer	2025			2016		
	No. Employees	Rank	Percentage of Total County Employment	No. Employees	Rank	Percentage of Total County Employment
Publix	485	1	0.26%	280	1	0.21%
McCrorys Sunny Hill Nursery	364	2	0.19%			
Green Sentry Holdings	317	3	0.17%			
City of Eustis	275	4	0.15%	225	2	0.17%
Florida Food Products	158	5	0.08%	86		
Eustis High School	136	6	0.07%	126	6	0.09%
Ruleme Center	127	7	0.07%	193	3	0.14%
Bayview Center	126	8	0.07%	165	4	0.12%
Eustis Heights Elementary	104	9	0.06%	96	10	0.07%
Lake Eustis Waterfront Grille	98	10	0.05%			
Eustis Middle School	92	11	0.05%	100	9	0.07%
Eustis Elementary	66		0.00%			
Total	2,348		1.24%	1,271		0.95%
Total County Employed Population 2025 / 2016	188,757			133,475		

Source for County Employment:

<https://floridajobs.org/workforce-statistics/workforce-statistics-data-releases/monthly-data-releases>

OTHER REPORTS

Annual Comprehensive Financial Report
City of Eustis, Florida



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PURVIS GRAY

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

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Eustis, 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 31, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Purvis Gray

March 31, 2026
Ocala, Florida

PURVIS GRAY

MANAGEMENT LETTER

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Eustis, Florida (the City) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 31, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 31, 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. Corrective actions have been taken to address 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. This information is disclosed in Note 1 to the financial statements.

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Honorable Mayor and City Commissioners
 City of Eustis
 Eustis, Florida

MANAGEMENT LETTER

Financial Condition and Management

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

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

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, the City confirms that a PACE program, authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did operate within the City’s geographical boundaries during the fiscal year under audit.

As required by Section 10.554(1)(i)6.b., *Rules of the Auditor General*, 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 listed below.

As required by Section 10.554(1)(i)6.c3, *Rules of the Auditor General*, 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, as listed below.

Program Administrator	Address	Phone Number	Third-Party Administrators
Florida Green Finance Authority	2501A Burns Rd. Palm Beach Gardens, Florida 33410	561-630-4922 x240	Petros Pace 300 Colorado St., Suite 2000 Austin, Texas 78701 512-599-9037 Renew Financial 555 12th St., Suite 1650 Oakland, California 94607 844-736-3934
Green Corridor Pace District	5385 North Nob Hill Rd. Sunrise, Florida 33351	954-721-8681	Ygrene Energy Fund 6303 Blue Lagoon Drive, Suite 400 Miami, Florida 33126 866-634-1358

Honorable Mayor and City Commissioners
 City of Eustis
 Eustis, Florida

MANAGEMENT LETTER

Program Administrator	Address	Phone Number	Third-Party Administrators
Florida Pace Funding Agency	6650 Professional Pkwy, Suite 102 Sarasota, Florida 34240	850-400-PACE	FortiFi 12770 High Bluff Dr., Suite 26, San Diego, California 92130 1-858-345-2000 Home Run Financing 750 University Ave., Suite 140 Los Gatos, California 95032 844-873-7223 Bayview PACE 4425 Ponce de Leon Coral Gables, Florida 33146 844-518-2343
Florida Resiliency and Energy District	156 Tuskawilla Rd., Suite 2340 Winter Springs, Florida 32708	407-712-6352	Florida Development Finance Corp. 156 Tuskawilla Rd., Suite 2340 Winter Springs, Florida 32708 407-712-6352

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.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, *Rules of the Auditor General*, the Eustis Downtown and East Town Redevelopment Agency reported this information in the CRA’s separately issued financial statements.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate non-compliance with provisions of contracts or grant agreements, or 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, State granting agencies, the Honorable Mayor, City Commissioners, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

MANAGEMENT LETTER

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

Purvis Gray

March 31, 2026
Ocala, Florida

PURVIS GRAY

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

Honorable Mayor and City Commissioners
City of Eustis
Eustis, Florida

We have examined the City of Eustis, Florida's (the City) compliance with requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2025, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specific requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

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

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Honorable Mayor, City Commissioners, and applicable management, and is not intended to be, and should not be, used by anyone other than those specified parties.

Purvis Gray

March 31, 2026
Ocala, Florida

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City of Eustis

BEFORE ME, the undersigned authority, personally appeared Lori Carr, Finance Director for the City of Eustis, who being duly sworn, deposes and says on oath that

1. I am the Chief Financial Officer of the City of Eustis, which is a local governmental entity of the State of Florida;
2. The City of Eustis adopted Ordinances 91-67, 91-68, 91-69, and 91-70, implementing an Impact Fee for Law Enforcement, Fire Protection, Library, and Parks and Recreation, respectively. They were last amended with ordinances 04-43, 04-44, 04-45, and 04-46.
3. The City of Eustis adopted Ordinances 95-16, Implementing Water and Sewer Impact Fees. They were last amended with Ordinance 18-14.
4. The City of Eustis has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT

STATE OF FLORIDA

COUNTY OF LAKE

SWORN TO AND SUBSCRIBED before me this ____ day of March 2026.

Lori Carr, Finance Director

NOTARY PUBLIC

Print Name Natasha Vega

Personally known or produced identification _____

Type of identification produced _____

My Commission Expires 10/2/26

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**City of Eustis
10 N. Grove Street
P.O. Drawer 68
Eustis, FL 32726-0068
www.eustis.org**