TOWN OF GREENSBORO, FLORIDA

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2025

TOWN OF GREENSBORO, FLORIDA
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

TABLE OF CONTENTS

TOWN OF GREENSBORO, FLORIDA
PRINCIPAL TOWN OFFICIALS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

MAYOR
Lamar Alday

TOWN COUNCIL
Kim Boyer (President)
Jackie Barber
Justin Alday
Brenda Martinez
Micah Nunamaker

TOWN CLERK
Tere Strickland

TOWN MANAGER
Mike Wade

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S REPORT

To the Honorable Town Council
Town of Greensboro, Florida

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinions

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

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Qualified
Business-type Activities	Qualified
General Fund	Unmodified
Special Revenue Fund	Unmodified
Water Fund	Qualified

Qualified Opinions on the Governmental Activities, Business-type Activities, and Water Fund

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and the water fund of the Town, 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.

Unmodified Opinions on the General Fund and Special Revenue Fund

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund and special revenue fund of the Town as of September 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified 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 Town, 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 qualified and unmodified audit opinions.

Matter Giving Rise to the Qualified Opinions on the Governmental Activities, Business-type Activities, and Water Fund

As discussed in Note 8 to the financial statements, the Town has not implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.* Accounting principles generally accepted in the United States of America require recording of an obligation for postemployment benefits other than pensions, which would increase liabilities, decrease net position, and change the expenses in governmental activities, business-type activities and the water fund. The effects of this departure from accounting principles generally accepted in the United States of America on the governmental activities, business-type activities and the water fund, has not been determined.

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 Town'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.

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

Management has omitted the schedule of changes in the Town's total OPEB liability and related ratios that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2026, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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 Town's internal control over financial reporting and compliance.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
June 30, 2026

As management of the Town of Greensboro, Florida (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2025.

Overview of the Financial Statements

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

Government-wide Financial Statements

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

The *statement of net position* presents information on all the Town's assets and liabilities, with the difference between the two reported as *net position.* Over time, increases or decreases in net position may serve as useful indicators of whether the financial position of the Town is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities).* The governmental activities of the Town include general government, public safety, physical environment, and transportation. The business-type activities of the Town include the water operations.

The government-wide financial statements can be found on pages 12 through 13 of this report.

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near- term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The Town maintains two governmental funds, the general fund and the special revenue fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for each of the funds.

The Town adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 14 through 17 of this report.

Proprietary Funds
Proprietary funds record the business-like transactions of a government. The Town maintains one proprietary fund, the water fund. This fund is also classified as an Enterprise fund because it records outside goods and services provided to the public for a fee. *Proprietary funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the water operations, which is considered to be a major fund.

The basic proprietary fund financial statements can be found on pages 18 through 20 of this report.

Notes to the Basic Financial Statements
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 through 35 of this report.

Other Information
In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Town. Required supplementary information can be found on pages 36 through 40 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets exceeded liabilities by $4,241,550 at the close of the most recent fiscal year.

By far the largest portion of the Town's net position (76 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. An additional portion of the Town's net position, $353,585, represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* of $668,912 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town is able to report positive balances in total net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

Town of Greensboro, Florida's Net Position

Governmental Activities

	2025	2024	Increase (Decrease)
Assets			
Current and Other Assets	$ 1,562,818	$ 1,236,429	$ 326,389
Capital Assets	1,573,113	1,098,510	474,603
Total Assets	3,135,931	2,334,939	800,992
Deferred Outflows of Resources			
Deferred Outflows Related to Pensions	52,624	81,103	(28,479)
Liabilities			
Net Pension Liability	89,465	154,383	(64,918)
Other Liabilities	256,675	22,211	234,464
Total Liabilities	346,140	176,594	169,546
Deferred Inflows of Resources			
Deferred Inflows Related to Pensions	94,280	74,126	20,154
Net Position			
Net Investment in Capital Assets	1,573,113	1,098,510	474,603
Restricted	353,585	5,123	348,462
Unrestricted	821,437	1,061,689	(240,252)
Total Net Position	$ 2,748,135	$ 2,165,322	$ 582,813

Business-Type Activities

	2025	2024	Increase (Decrease)
Assets			
Current and Other Assets	$ 41,489	$ 40,020	$ 1,469
Capital Assets	1,645,940	1,574,985	70,955
Total Assets	1,687,429	1,615,005	72,424
Deferred Outflows of Resources			
Deferred Outflows Related to Pensions	13,154	20,273	(7,119)
Liabilities			
Net Pension Liability	22,367	38,597	(16,230)
Other Liabilities	161,234	170,108	(8,874)
Total Liabilities	183,601	208,705	(25,104)
Deferred Inflows of Resources			
Deferred Inflows Related to Pensions	23,567	18,529	5,038
Net Position			
Net Investment in Capital Assets	1,645,940	1,574,985	70,955
Restricted	-	32,574	(32,574)
Unrestricted	(152,525)	(199,515)	46,990
Total Net Position	$ 1,493,415	$ 1,408,044	$ 85,371

Town of Greensboro, Florida's Changes in Net Position

Governmental Activities

	2025	2024	Increase (Decrease)
Revenues:			
Program Revenues:			
Charges for Services	$ 117,023	$ 105,333	$ 11,690
Operating Grants and Contributions	10,000	319,869	(309,869)
Capital Grants and Contributions	690,439	121,960	568,479
General Revenues:			
Property Taxes	55,425	52,322	3,103
Utility Taxes	55,537	54,547	990
Discretionary Surtax	51,343	48,582	2,761
Local Option Gas Tax	13,581	13,603	(22)
Communications Service Tax	18,928	24,816	(5,888)
Sales Tax and Other State Shared Revenues	62,466	63,966	(1,500)
Unrestricted Investment Earnings	47,786	25,918	21,868
Miscellaneous	2,828	5,255	(2,427)
Total Revenues	1,125,356	836,171	289,185
Expenses:			
General Government	182,431	200,244	(17,813)
Public Safety	37,605	52,452	(14,847)
Physical Environment	190,301	114,584	75,717
Transportation	132,206	82,707	49,499
Total Expenses	542,543	449,987	92,556
Change in Net Position	582,813	386,184	196,629
Net Position, Beginning of Year	2,165,322	1,779,138	386,184
Net Position, End of Year	$ 2,748,135	$ 2,165,322	$ 582,813

Governmental Activities
Governmental activities increased the Town's net position by $582,813 in the most recent fiscal year. The key element of this change was the Town receiving $690,439 of capital grant funding in the current fiscal year.

Business-Type Activities

	2025	2024	Increase (Decrease)
Revenues:			
Program Revenues:			
Charges for Services	$ 96,214	$ 74,852	$ 21,362
Capital Grants and Contributions	125,640	-	125,640
General Revenues:			
Miscellaneous	6,269	-	6,269
Total Revenues	228,123	74,852	153,271
Expenses:			
Business-Type Activities - Water	142,752	171,164	(28,412)
Total Expenses	142,752	171,164	(28,412)
Change in Net Position	85,371	(96,312)	181,683
Net Position, Beginning of Year	1,408,044	1,504,356	(96,312)
Net Position, End of Year	$ 1,493,415	$ 1,408,044	$ 85,371

Business-Type Activities
In the most recent fiscal year, business-type activities increased the Town's net position by $85,371. A key element of this increase was an increase in capital grant funding of $125,640.

Financial Analysis of the Government's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds
The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's *governmental funds* reported ending fund balances of $1,313,887, an increase of $99,669 in comparison with the prior year. Approximately 72 percent of this total amount, $949,263, constitutes *unassigned fund balance,* which is available for spending at the government's discretion.

The fund balance of the Town's general fund increased by $82,311 during the fiscal year ending September 30, 2025, primarily due to lower than budgeted operating expenditures.

Proprietary Funds
The Town's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the water fund at the end of the year amounted to negative $152,525. The total increase in net position for the fund was $85,371.

General Budgetary Highlights

The Town did not amend its budget during the current year. The Town underspent the annual budget.

Capital Asset and Debt Administration

Capital Assets

The Town's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounts to $3,219,053 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, utility systems, machinery and equipment, and roads.

Additional information on the Town's capital assets can be found in Note 5 of this report.

Debt

As of September 30, 2025, the Town had no outstanding debt. The Town's only long-term liabilities are its accrued compensated absences of $7,744 and a net pension liability of $111,832.

Economic Factors and Next Year's Budgets and Rates

There are no anticipated rate increases for property taxes or water services. The Town approved a 2.53% rate increase for garbage services. These factors were considered in preparing the Town's budget for the 2025-2026 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Manager, Post Office Box 66, Greensboro, Florida 32330.

TOWN OF GREENSBORO, FLORIDA

BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

TOWN OF GREENSBORO, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash	$ 214,626	$ 7,410	$ 222,036
Certificates of Deposit	934,018	-	934,018
Accounts Receivable	6,725	6,389	13,114
Due from Other Governments	257,758	-	257,758
Internal Balances	133,544	(133,544)	-
Prepaid Expenses	11,039	-	11,039
Restricted Assets:			
Cash	5,108	27,690	32,798
Capital Assets:			
Capital Assets, Not Being Depreciated	20,277	130,640	150,917
Capital Assets, Being Depreciated, Net	1,552,836	1,515,300	3,068,136
Total Assets	3,135,931	1,553,885	4,689,816
Deferred Outflows of Resources			
Deferred Outflows Related to Pensions	52,624	13,154	65,778
Liabilities			
Accounts Payable and Accrued Expenses	248,931	-	248,931
Customer Deposits	-	27,690	27,690
Accrued Compensated Absences, Current	1,936	-	1,936
Noncurrent Liabilities:			
Accrued Compensated Absences, Long Term	5,808	-	5,808
Net Pension Liability	89,465	22,367	111,832
Total Liabilities	346,140	50,057	396,197
Deferred Inflows of Resources			
Deferred Inflows Related to Pensions	94,280	23,567	117,847
Net Position			
Net Investment in Capital Assets	1,573,113	1,645,940	3,219,053
Restricted for:			
Firefighters	5,108	-	5,108
Fireworks	10,000		10,000
Grants	338,477		338,477
Unrestricted	821,437	(152,525)	668,912
Total Net Position	$ 2,748,135	$ 1,493,415	$ 4,241,550

See accompanying notes to basic financial statements.

TOWN OF GREENSBORO, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-Type Activities**	**Total**
Primary Government:							
Governmental Activities:							
General Government	$ 182,431	$ -	$ 10,000	$ -	$ (172,431)	$ -	$ (172,431)
Public Safety	37,605	50,000	-	-	12,395	-	12,395
Physical Environment	190,301	63,983	-	114,000	(12,318)	-	(12,318)
Transportation	132,206	3,040	-	576,439	447,273	-	447,273
Total Governmental Activities	542,543	117,023	10,000	690,439	274,919	-	274,919
Business-Type Activities	142,752	96,214	-	125,640	-	79,102	79,102
Total Primary Government	$ 685,295	$ 213,237	$ 10,000	$ 816,079	274,919	79,102	354,021
General Revenues							
Taxes							
Property Taxes					55,425	-	55,425
Utility Taxes					55,537	-	55,537
Discretionary Surtax					51,343	-	51,343
Local Option Gas Tax					13,581	-	13,581
Communications Service Tax					18,928	-	18,928
Sales Tax and Other State Shared Revenues					62,466	-	62,466
Unrestricted Investment Earnings					47,786	-	47,786
Miscellaneous Income					2,828	6,269	9,097
Total General Revenues					307,894	6,269	314,163
Change in Net Position					582,813	85,371	668,184
Net Position, Beginning of Year					2,165,322	1,408,044	3,573,366
Net Position, End of Year					$ 2,748,135	$ 1,493,415	$ 4,241,550

See accompanying notes to basic financial statements.

TOWN OF GREENSBORO, FLORIDA
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General Fund	Special Revenue Fund	Total
Assets			
Cash	$ 156,337	$ 58,289	$ 214,626
Certificates of Deposit	604,352	329,666	934,018
Accounts Receivable	6,725	-	6,725
Due from Other Governments	34,118	223,640	257,758
Due from Other Funds	183,022	-	183,022
Prepaid Expenses	11,039	-	11,039
Restricted Assets:			
Cash	5,108	-	5,108
Total Assets	1,000,701	611,595	1,612,296
Liabilities and Fund Balances			
Liabilities			
Accounts Payable and Accrued Expenses	25,291	223,640	248,931
Due to Other Funds	-	49,478	49,478
Total Liabilities	25,291	273,118	298,409
Fund Balances			
Nonspendable - Prepaid Expenses	11,039	-	11,039
Restricted - Firefighters	5,108	-	5,108
Restricted - Fireworks	10,000		10,000
Restricted - Grants	-	338,477	338,477
Unassigned	949,263	-	949,263
Total Fund Balances	975,410	338,477	1,313,887
Total Liabilities and Fund Balances	$ 1,000,701	$ 611,595	$ 1,612,296

See accompanying notes to basic financial statements.

TOWN OF GREENSBORO, FLORIDA
RECONCILIATION OF THE BALANCE SHEET TO THE
STATEMENT OF NET POSITION – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

Total Fund Balances of Governmental Funds		$ 1,313,887
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 governmental funds.		1,573,113
Long term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Accrued Compensated Absences		(7,744)
Net pension liability and related deferred inflows/outflows are not due and payable in the current period and, therefore, are not reported in the funds.		
Deferred Outflows	52,624	
Net Pension Liability	(89,465)	
Deferred Inflows	(94,280)	(131,121)
Total Net Position of Governmental Activities		$ 2,748,135

See accompanying notes to basic financial statements.

TOWN OF GREENSBORO, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General Fund	Special Revenue Fund	Total
Revenues			
Taxes	$ 194,814	$ -	$ 194,814
Intergovernmental	72,466	690,439	762,905
Licenses and Permits	503	-	503
Fines and Forfeitures	324	-	324
Charges for Services	117,023	-	117,023
Interest Income	30,895	16,891	47,786
Miscellaneous Income	2,001	-	2,001
Total Revenues	418,026	707,330	1,125,356
Expenditures			
Current:			
General Government	186,734	-	186,734
Public Safety	33,121	-	33,121
Physical Environment	54,805	114,438	169,243
Transportation	56,927	30,000	86,927
Capital Outlay	4,128	545,534	549,662
Total Expenditures	335,715	689,972	1,025,687
Excess (Deficiency) of Revenues Over (Under) Expenditures	82,311	17,358	99,669
Net Change in Fund Balances	82,311	17,358	99,669
Fund Balances, Beginning of Year	893,099	321,119	1,214,218
Fund Balances, End of Year	$ 975,410	$ 338,477	$ 1,313,887

See accompanying notes to basic financial statements.

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

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

Net Change in Fund Balances - Total Governmental Funds		$ 99,669
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the net amount of the expenditures for capital assets and depreciation expense in the current period:		
Capital Outlay	549,662	
Depreciation Expense	(75,059)	474,603
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
This includes changes in:		
Accrued Compensated Absences	(7,744)	
Net Pension Liability	64,918	
Deferred Outflows Related to Net Pension Liability	(28,479)	
Deferred Inflows Related to Net Pension Liability	(20,154)	8,541
Change in Net Position of Governmental Activities		$ 582,813

See accompanying notes to basic financial statements.

TOWN OF GREENSBORO, FLORIDA
STATEMENT OF NET POSITION – PROPRIETARY FUND
SEPTEMBER 30, 2025

	Water Fund
Assets	
Current Assets	
Cash	$ 7,410
Accounts Receivable	6,389
Total Current Assets	13,799
Noncurrent Assets	
Restricted Assets:	
Cash	27,690
Capital Assets, Not Being Depreciated	130,640
Capital Assets, Being Depreciated, Net	1,515,300
Total Noncurrent Assets	1,673,630
Total Assets	1,687,429
Deferred Outflows	
Deferred Outflows Related to Pensions	13,154
Liabilities	
Current Liabilities	
Customer Deposits	27,690
Due to Other Funds	133,544
Total Current Liabilities	161,234
Noncurrent Liabilities	
Net Pension Liability	22,367
Total Noncurrent Liabilities	22,367
Total Liabilities	183,601
Deferred Inflows	
Deferred Inflows Related to Pensions	23,567
Net Position	
Net Investment in Capital Assets	1,645,940
Unrestricted	(152,525)
Total Net Position	$ 1,493,415

See accompanying notes to basic financial statements.

TOWN OF GREENSBORO, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Water Fund
Operating Revenues	
Charges for Services	$ 96,214
Total Operating Revenue	96,214
Operating Expenses	
Depreciation	54,685
Personnel Services	19,262
Professional Services	32,050
Telephone and Utilities	11,809
Small Tools and Supplies	6,906
Repairs and Maintenance	1,926
Insurance	13,732
Office Expenses	2,382
Total Operating Expenses	142,752
Operating Income (Loss)	(46,538)
Nonoperating Revenues (Expenses)	
Capital Grants	125,640
Miscellaneous Income	6,269
Total Nonoperating Revenues (Expenses)	131,909
Change in Net Position	85,371
Net Position, Beginning of Year	1,408,044
Net Position, End of Year	$ 1,493,415

See accompanying notes to basic financial statements.

TOWN OF GREENSBORO, FLORIDA
STATEMENT OF CASH FLOWS – PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Water Fund
Cash Flows from Operating Activities	
Cash Receipts from Customers	$ 90,914
Cash Payments to Suppliers	(72,592)
Cash Payments to Employees	(23,335)
Net Cash Provided by (Used in) Operating Activities	(5,013)
Cash Flows from Noncapital Financing Activities	
Miscellaneous	6,269
Net Cash Provided by (Used in) Noncapital Financing Activities	6,269
Cash Flows from Capital and Related Financing Activities	
Proceeds from Capital Grants	125,640
Acquisition and Construction of Capital Assets	(125,640)
Net Cash Provided by (Used in) Capital and Related Financing Activities	-
Net Increase (Decrease) in Cash	1,256
Cash, Beginning of Year	33,844
Cash, End of Year	$ 35,100
Cash Classified As:	
Unrestricted	$ 7,410
Restricted	27,690
Total Cash	$ 35,100

Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities

Cash Flows from Operating Activities	
Operating Income (Loss)	$ (46,538)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:	
Depreciation	54,685
(Increase) Decrease in Accounts Receivable	(416)
(Increase) Decrease in Prepaid Expenses	203
(Increase) Decrease in Deferred Outflow of Resources	7,119
Increase (Decrease) in Accounts Payable	(4,408)
Increase (Decrease) in Due to Other Funds	418
Increase (Decrease) in Customer Deposits	(4,884)
Increase (Decrease) in Net Pension Liability	(16,230)
Increase (Decrease) in Deferred Inflow of Resources	5,038
Total Adjustments	41,525
Net Cash Provided by (Used in) Operating Activities	$ (5,013)

TOWN OF GREENSBORO, FLORIDA

NOTES TO BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

Note 1 – Summary of Significant Accounting Policies

Reporting Entity
The Town of Greensboro, Florida (the "Town") is a Florida municipality created pursuant to Chapter 6351, Laws of Florida, 1911 and is governed by an elected five-member Town Council. The Town provides services to its citizens, including fire department, water, streets, sanitation, and other general governmental activities. The accompanying financial statements present the government only since there are no component units for which the government is considered to be financially accountable.

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 nonfiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

Basis of Presentation – Government-wide Financial Statements
While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the Town's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the Town's water functions and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Basis of Presentation – Fund Financial Statements
The fund financial statements provide information about the Town's funds. Separate statements for each fund category (governmental and proprietary) are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:
- General Fund – The Town's primary operating fund. It accounts for all financial resources of the general government.
- Special Revenue Fund – This fund accounts for grants awarded to the Town and the related expenditures of those grant funds.

The Town reports the following major proprietary fund:
- Water Fund – This fund accounts for the activities of the Town's water distribution operations.

During the course of operations, the Town has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds.

Note 1 – Summary of Significant Accounting Policies (Continued)

While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting
The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources.* The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting.* Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grants, other intergovernmental revenues, charges for services, licenses and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, certain expenditures relating to future periods, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Budgetary Information – Budgetary Basis of Accounting
Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. The appropriated budget is prepared by fund, function, and department. The Town's management may make transfers of appropriations within departments. Transfers of appropriations

Note 1 – Summary of Significant Accounting Policies (Continued)

between departments require the approval of the Town Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Deposits and Investments
Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Town to invest in direct obligations of the U.S. Treasury, Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, SEC registered money market funds with the highest credit quality rating, and savings and CD accounts in state-certified public depositories.

Investments are stated at fair value.

Prepaid Items
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items are recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets
Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. For financial reporting purposes, capital assets are defined by the Town as assets with an initial, individual cost of more than $5,000 (amount not rounded) and an estimated useful life in excess of one year. For financial reporting purposes, infrastructure assets are defined by the Town as assets within an initial, individual cost of more than $15,000 (amount not rounded) acquired after September 30, 2003 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Note 1 – Summary of Significant Accounting Policies (Continued)

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

Assets	Years
Buildings and Improvements	39
Public Domain Infrastructure	30 - 50
System Infrastructure	5 - 50
Equipment, Vehicles, Furnitures and Fixtures	5 - 10

Compensated Absences
It is the Town's policy to permit full-time employees to accumulate earned but unused vacation and sick pay benefits. Vacation and sick pay are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation or retirement.

Net Position Flow Assumption
Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Town's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Fund Balance Flow Assumptions
Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Use of Estimates
Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

Deferred Outflows/Inflows of Resources
In addition to assets and liabilities, the statement of financial position will, if required, report a separate section for deferred outflows of resources and deferred inflows of resources, respectfully. These separate financial statement elements, deferred outflows/inflows of resources, represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow/inflow of resources (expense/expenditure or revenue) until then. Currently, the only item in this category consists of deferred amounts related to pension, as discussed further in Note 9.

Note 1 – Summary of Significant Accounting Policies (Continued)

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

Fund Balance
Fund balances of the governmental funds are classified as follows:

> **Nonspendable**—Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.
>
> **Restricted**—Amounts that can be spent only for specific purposes which are externally imposed by providers, such as grantors, or amounts constrained due to constitutional provisions or enabling legislation.
>
> **Committed**—Amounts that can be used only for specific purposes determined by a formal action by Town Council ordinance or resolution.
>
> **Assigned**—Amounts that are designated by the Town Council that are intended to be used for specific purposes that are neither restricted nor committed.
>
> **Unassigned**—All amounts not included in other spendable classifications.

Fund Balance Policies
Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Town itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Town's highest level of decision-making authority. The Town Council (the "Council") is the highest level of decision-making authority for the Town that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as committed. The Council has by resolution authorized the Town Manager to assign fund balance. The Council may also assign general fund balance as it does when appropriating general fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Note 1 – Summary of Significant Accounting Policies (Continued)

Program Revenues

Amounts reported as program revenues include:

1) Charges to customers or applicants for goods, services, or privileges provided
2) Operating grants and contributions
3) Capital grants and contributions, including special assessments

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

Property Taxes

Property taxes are billed and collected for the Town by the Gadsden County Tax Collector according to Florida Statute under the following calendar:

Lien Date:	January 1
Levy Date:	October 1
Due Date:	November 1
Delinquency Date:	April 1, of the following year

Proprietary Funds Operating and Non-Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's proprietary fund are charges to customers for sales and services. The Town also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the proprietary fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses

Reclassification

Certain prior year amounts have been reclassified to conform to the current year presentation and note disclosures.

Implementation of New Accounting Standards

During the year ended September 30, 2025, the Town adopted GASB Statement No. 101, *Compensated Absences*. The standard aligns the recognition and measurement guidance for compensated absences under a unified model and amends certain previously required disclosures. Adoption did not have a material effect on the Town's financial statements.

During the year ended September 30, 2025, the Town adopted GASB Statement No. 102, *Certain Risk Disclosures*. The standard addresses disclosures regarding risks related to a government's vulnerabilities due to certain concentrations or constraints. Adoption did not have a material effect on the Town's financial statements.

Note 2 – Cash Deposits and Investments in Certificates of Deposit

At year end, the carrying amount of the Town's cash and certificates of deposit was $1,188,852, and the total of the bank balances was $1,197,670. The entire bank balance was covered by Federal depository insurance or by collateral held by the Town's custodial bank which is pledged to a state trust fund that provides security for amounts held in excess of FDIC coverage in accordance with the Florida Security for Public Deposits Act Chapter 280, Florida Statutes.

The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

Note 3 – Accounts Receivable

Accounts receivable as of September 30, 2025, are as follows:

	General Fund	Water Fund	Total
Accounts Receivable	$ 6,725	$ 6,389	$ 13,114
Due from Other Governments	257,758	-	257,758
Total Receivables	$ 264,483	$ 6,389	$ 270,872

All receivable balances are expected to be collected within one year (short-term). The Town considers all short-term receivables to be fully collectible at September 30, 2025; therefore, no allowance for doubtful accounts has been recorded.

Note 4 – Interfund Transfers, Loans, and Advances

Interfund receivables and payables at September 30, 2025 are comprised of the following:

	Interfund Receivable (Interfund Payable)
General Fund	
Due from Water Fund	$ 133,544
Due from Special Revenue Fund	49,478
Special Revenue Fund	
Due to General Fund	(49,478)
Water Fund	
Due to General Fund	(133,544)
	$ -

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. The balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made.

Note 5 – Capital Assets

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

	Balance 9/30/2024	Additions	Reductions	Transfers	Balance 9/30/2025
Governmental Activities					
Capital Assets, Not Being Depreciated:					
Land	$ 20,277	$ -	$ -	$ -	$ 20,277
Construction in Progress	55,960	-	-	(55,960)	-
Total Capital Assets, Not Being Depreciated	76,237	-	-	(55,960)	20,277
Capital Assets, Being Depreciated:					
Buildings and Improvements	276,078	-	-	-	276,078
Improvements Other Than Buildings	1,571,778	549,662	-	55,960	2,177,400
Equipment, Vehicles, Furniture and Fixtures	116,447	-	-	-	116,447
Total Capital Assets, Being Depreciated	1,964,303	549,662	-	55,960	2,569,925
Less Accumulated Depreciation for:					
Buildings and Improvements	(253,785)	(2,500)	-	-	(256,285)
Improvements Other Than Buildings	(611,888)	(64,931)	-	-	(676,819)
Equipment, Vehicles, Furniture and Fixtures	(76,357)	(7,628)	-	-	(83,985)
Total Accumulated Depreciation	(942,030)	(75,059)	-	-	(1,017,089)
Total Capital Assets, Being Depreciated, Net	1,022,273	474,603	-	55,960	1,552,836
Total Governmental Capital Assets, Net	$ 1,098,510	$ 474,603	$ -	$ -	$ 1,573,113
Business-Type Activities					
Capital Assets, Not Being Depreciated:					
Land	$ 5,000	$ -	$ -	$ -	$ 5,000
Construction in Progress		125,640	-	-	125,640
Total Capital Assets, Not Being Depreciated	5,000	125,640	-	-	130,640
Capital Assets, Being Depreciated:					
Equipment, Buildings, Utility Systems and Improvements	2,420,332	-	-	-	2,420,332
Less Accumulated Depreciation	(850,347)	(54,685)	-	-	(905,032)
Total Capital Assets, Being Depreciated, Net	1,569,985	(54,685)	-	-	1,515,300
Total Business-Type Capital Assets, Net	$ 1,574,985	$ 70,955	$ -	$ -	$ 1,645,940

Note 5 – Capital Assets (Continued)

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
General Government	$ 4,238
Public Safety	4,484
Physical Environment	21,058
Transportation	45,279
Total Depreciation Expense	$ 75,059
Business-Type Activities:	
Water	$ 54,685
Total Depreciation Expense	$ 54,685

Note 6 – Long-Term Liabilities

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

	Balance 9/30/2024	Additions	Reductions	Balance 9/30/2025	Due Within One Year
Governmental Activities:					
Accrued Compensated Absences	$ -	$ 7,744	$ -	$ 7,744	$ 1,936
Net Pension Liability	154,383	-	(64,918)	89,465	-
Total Long-Term Liabilities	$ 154,383	$ 7,744	$ (64,918)	$ 97,209	$ 1,936
Business-Type Activities:					
Net Pension Liability	$ 38,597	$ -	$ (16,230)	$ 22,367	$ -
Total Long-Term Liabilities	$ 38,597	$ -	$ (16,230)	$ 22,367	$ -

The increase in accrued compensated absences is presented as the net increase in the liability.

Note 7 – Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally Federal and State governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects amounts, if any, to be immaterial.

Note 8 – Other Postemployment Benefits

The Town has not implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions,* which establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities, note disclosures, and required supplementary information.

Note 9 – Florida Retirement System

Plan Description – Defined Benefit Plans

The Town participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability and death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida, 32315-9000 or by calling (844) 377-1888.

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multi-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retirees' Health Insurance Subsidy (HIS) Program is a cost-sharing, multi-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided

Benefits under FRS are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by $7.50. The minimum payment is $45 and the maximum payment is $225 per month, pursuant to Section 112.363, Florida Statutes.

Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan (FRS Investment Plan), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class.

Note 9 – Florida Retirement System (Continued)

Contributions

The contribution requirements of plan members and the Town are established and may be amended by the Florida Legislature. Employees are required to contribute 3% of their salary to FRS. The Town's contribution rates for the year ended September 30, 2025 were as follows:

	Year Ended June 30, 2025		Year Ended June 30, 2026	
	FRS (2)	HIS	FRS (2)	HIS
Regular Class	13.63%	1.66%	11.57%	1.66%
Elected City Officers	58.68%	1.66%	56.62%	1.66%
Senior Management	34.52%	1.66%	32.46%	1.66%
DROP Plan Participants	21.13%	1.66%	19.13%	1.66%
Reemployment Retiree	(1)	(0)	(1)	(0)

(1) Contribution rates are dependent upon retirement class in which reemployed.
(2) The rates include the normal cost and unfunded actuarial liability contributions, but to not inclu the fee of 0.06% for administration of the FRS Investment Plan and provision of education

The Town's contributions for the year ended September 30, 2025, were $15,125 to FRS and $2,316 to HIS.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2025, the Town reported a liability for its proportionate shares of the net pension liabilities. The net pension liabilities were measured as of June 30, 2025, and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuation date July 1, 2025. The Town's proportions of the net pension liabilities were based on the Town's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net Pension Liability	$ 78,618	$ 33,214
Proportion at:		
Current Measurement Date	0.000253319%	0.000259128%
Prior Measurement Date	0.000346227%	0.000393594%
Pension Expense (Benefit)	$ (1,241)	$ (2,293)

Note 9 – Florida Retirement System (Continued)

Deferred Outflows/Inflows of Resources Related to Pensions
At September 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 8,397	$ -
Changes of assumptions	9,130	-
Net difference between projected and actual earnings on Pension Plan Investments	-	(13,126)
Changes in proportion and differences between employer contributions and proportionate share of contributions	29,566	(63,173)
Employer contributions subsequent to the measurement date	3,586	-
Total	$ 50,679	$ (76,299)

	HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 198	$ (53)
Changes of assumptions	294	(8,034)
Net difference between projected and actual earnings on Pension Plan Investments	-	(28)
Changes in proportion and differences between employer contributions and proportionate share of contributions	14,142	(33,433)
Employer contributions subsequent to the measurement date	465	-
Total	$ 15,099	$ (41,548)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2026. Other pension related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Measurement period ending June 30,	FRS	HIS
2026	$ 6,216	$ (4,330)
2027	(7,353)	(4,489)
2028	(17,667)	(5,424)
2029	(10,404)	(7,756)
2030	-	(4,915)
Thereafter	-	-
Total	$ (29,208)	$ (26,914)

Note 9 – Florida Retirement System (Continued)

Actuarial Assumptions

The total pension liability for each of the defined benefit plans, measured as of June 30, 2025, was determined by an actuarial valuation dated July 1, 2025, using the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary Increase	3.50% Average, Including Inflation	3.50%
Discount Rate	6.70%	5.20%
Long-term Expected Rate of Return, Net of Investment Income	6.70%	N/A
Municipal Bond	N/A	5.20%

Mortality assumptions for both plans were based on the Generational RP-2000 with Projection Scale BB.

For both plans, the actuarial assumptions used in the valuation date July 1, 2025 were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

The following changes in actuarial assumptions occurred in 2025:

- FRS: The long-term expected rate of return remained at 6.70%.
- HIS: The municipal rate used to determine total pension liability was increased from 3.93% to 5.20%.
- The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. For FRS, the table below summarizes the target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class.

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.2%	3.2%	1.1%
Fixed Income	29.0%	5.5%	5.4%	4.0%
Global Equity	45.0%	8.5%	6.9%	18.3%
Real Estate (Property)	12.0%	8.4%	7.1%	16.8%
Private Equity	11.0%	12.4%	8.8%	28.4%
Strategic Investments	2.0%	6.5%	6.1%	8.7%
Total	100.00%			
Assumed Inflation - Mean			2.4%	1.5%

(1) As outlined in the Pension Plan's investment policy

Note 9 – Florida Retirement System (Continued)

Discount Rate
The discount rate used to measure the total pension liability for FRS was 6.70%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because HIS is essentially funded on a pay-as-you-go basis, a municipal bond rate of 5.20% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis
The following presents the proportionate shares of the FRS and HIS net pension liability of the Town calculated using the current discount rates, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 % lower or 1 % higher than the current rate:

	FRS		
	1% Decrease	Current Discount Rate	1% Increase
Employer's proportionate share of the net pension liability	$ 154,287	$ 78,618	$ 15,179

	HIS		
	1% Decrease	Current Discount Rate	1% Increase
Employer's proportionate share of the net pension liability	$ 37,454	$ 33,214	$ 29,657

Pension Plans' Fiduciary Net Position
Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

Note 10 – Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; workers compensation; and natural disasters for which the Town carries commercial insurance.

The Town is a member of the Florida Municipal Self-Insurance Fund, (the "Fund"). The Fund was created to allow members to pool their liabilities pursuant to provisions in Florida Worker's Compensation Law. The Town pays an annual premium to the Fund for its workers' compensation coverage. The Fund's underwriting and rate setting policies were established after consulting with an independent actuary. The Fund is non-assessable and therefore, the Town has no liability for future deficits of the Fund, if any.

The Town is also a member of the Florida Municipal Insurance Trust (the "Trust"). The Trust is a self-insurance program established to provide certain liability, casualty and property coverage to participating units of local governments in Florida, pursuant to various provisions of Florida Statutes. The Trust's underwriting and rate setting policies were established after consulting with an independent actuary. The

Note 10 – Risk Management (Continued)

Town pays an annual premium to the Trust for its insurance coverage. The Trust is non-assessable and therefore, the Town has no liability for future deficits of the Trust, if any.

Note 11 – Litigation

During the ordinary course of its operations, the Town is party to various claims, legal actions and complaints. Some of these matters are covered by the Town's insurance program. While the ultimate effect of litigation cannot be ascertained at this time, management believes, based on the advice of legal counsel, that there will be no material effect on the Town's financial position and/or that the Town has sufficient insurance coverage to cover any claims.

Note 12 – Subsequent Events

Subsequent events were reviewed through June 30, 2026, which is the date the financial statements were available to be issued. As of this date there were no subsequent events that required disclosure.

TOWN OF GREENSBORO, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2025

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

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 117,180	$ 117,180	$ 194,814	$ 77,634
Intergovernmental	140,476	140,476	72,466	(68,010)
Licenses and Permits	475	475	503	28
Fines and Forfeitures	800	800	324	(476)
Charges for Services	118,040	118,040	117,023	(1,017)
Interest Income	25,500	25,500	30,895	5,395
Miscellaneous Income	-	-	2,001	2,001
Total Revenues	402,471	402,471	418,026	15,555
Expenditures				
Current:				
General Government	262,087	262,087	186,734	75,353
Public Safety	78,790	78,790	33,121	45,669
Physical Environment	57,000	57,000	54,805	2,195
Transportation	195,990	195,990	56,927	139,063
Capital Outlay	-	-	4,128	(4,128)
Total Expenditures	593,867	593,867	335,715	258,152
Excess (Deficiency) of Revenues Over (Under) Expenditures	(191,396)	(191,396)	82,311	273,707
Net Change in Fund Balance	(191,396)	(191,396)	82,311	273,707
Fund Balance, Beginning of Year	191,396	191,396	893,099	701,703
Fund Balance, End of Year	$ -	$ -	$ 975,410	$ 975,410

TOWN OF GREENSBORO, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
SPECIAL REVENUE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental	$ 2,093,357	$ 2,093,357	$ 690,439	$ (1,402,918)
Interest Income	-	-	16,891	16,891
Total Revenues	2,093,357	2,093,357	707,330	(1,386,027)
Expenditures				
Current:				
Physical Environment	-	-	114,438	(114,438)
Transportation	-	-	30,000	(30,000)
Capital Outlay	2,093,357	2,093,357	545,534	1,547,823
Total Expenditures	2,093,357	2,093,357	689,972	1,403,385
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	17,358	17,358
Net Change in Fund Balance	-	-	17,358	17,358
Fund Balance, Beginning of Year	-	-	321,119	321,119
Fund Balance, End of Year	$ -	$ -	$ 338,477	$ 338,477

TOWN OF GREENSBORO, FLORIDA
NOTE TO THE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Note 1 – Budgetary Information

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the funds. All annual appropriations lapse at fiscal year-end.

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to October 1, the Town Council prepares a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted to obtain taxpayer comments.

3. Prior to October 1**,** the budget is legally enacted through passage of an ordinance.

4. Revisions that alter the total expenditures of any fund must be approved by the Town Council.

5. Formal budgetary integration is employed as a management control device during the year for the funds. The legal level of budgetary control is the fund level.

6. The budget for the funds is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

TOWN OF GREENSBORO, FLORIDA
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS AS OF SEPTEMBER 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Florida Retirement System (FRS)										
Proportion of the net pension liability (asset)	0.000253319%	0.0003462274%	0.000528292%	0.000341986%	0.000253764%	0.000348503%	0.000353611%	0.000442894%	0.000515241%	0.000518677%
Proportionate share of the net pension liability (asset)	$ 78,618	$ 133,937	$ 210,508	$ 127,246	$ 19,169	$ 151,046	$ 121,779	$ 133,402	$ 152,405	$ 130,966
Covered-employee payroll	$ 126,335	$ 161,021	$ 199,625	$ 93,339	$ 70,361	$ 63,584	$ 59,040	$ 70,867	$ 88,551	$ 86,549
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	62.23%	83.18%	105.45%	136.33%	27.24%	237.55%	206.27%	188.24%	172.11%	151.32%
Plan fiduciary net position as a percentage of the total pension liability	87.26%	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%
Health Insurance Subsidy Program (HIS)										
Proportion of the net pension liability (asset)	0.000259128%	0.000393594%	0.000519684%	0.000383695%	0.000249362%	0.000283253%	0.000264731%	0.000278551%	0.000327384%	0.000322101%
Proportionate share of the net pension liability (asset)	$ 33,214	$ 59,043	$ 82,533	$ 40,639	$ 30,583	$ 34,585	$ 29,621	$ 29,482	$ 35,005	$ 37,540
Covered-employee payroll	$ 126,335	$ 161,021	$ 199,625	$ 93,339	$ 70,361	$ 63,584	$ 59,040	$ 70,867	$ 88,551	$ 86,549
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	26.29%	36.67%	41.34%	43.54%	43.47%	54.39%	50.17%	41.60%	39.53%	43.37%
Plan fiduciary net position as a percentage of the total pension liability	6.36%	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%

Note 1: GASB 68 requires information for 10 years.

TOWN OF GREENSBORO, FLORIDA
SCHEDULE OF THE TOWN'S CONTRIBUTIONS
LAST 10 FISCAL YEARS AS OF SEPTEMBER 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Florida Retirement System (FRS)										
Contractually required contribution	$ 15,125	$ 19,606	$ 48,405	$ 16,812	$ 9,358	$ 11,504	$ 12,339	$ 10,076	$ 13,413	$ 12,649
Contributions in relation to the contractually required contribution	(15,125)	(19,606)	(48,405)	(16,812)	(9,358)	(11,504)	(12,339)	(10,076)	(13,413)	(12,649)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 126,335	$ 161,021	$ 199,625	$ 93,339	$ 70,361	$ 63,584	$ 59,040	$ 70,867	$ 88,551	$ 86,549
Contributions as a percentage of covered-employee payroll	11.97%	12.18%	24.25%	18.01%	13.30%	18.09%	20.90%	14.22%	15.15%	14.61%
Health Insurance Subsidy Program (HIS)										
Contractually required contribution	$ 2,316	$ 3,332	$ 5,189	$ 2,709	$ 1,408	$ 1,694	$ 1,588	$ 1,324	$ 1,733	$ 1,651
Contributions in relation to the contractually required contribution	(2,316)	(3,332)	(5,189)	(2,709)	(1,408)	(1,694)	(1,588)	(1,324)	(1,733)	(1,651)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 126,335	$ 161,021	$ 199,625	$ 93,339	$ 70,361	$ 63,584	$ 59,040	$ 70,867	$ 88,551	$ 86,549
Contributions as a percentage of covered-employee payroll	1.83%	2.07%	2.60%	2.90%	2.00%	2.66%	2.69%	1.87%	1.96%	1.91%

Note 1: GASB 68 requires information for 10 years.

TOWN OF GREENSBORO, FLORIDA

COMPLIANCE SECTION

SEPTEMBER 30, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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*

To the Honorable Town Council,
Town of Greensboro, 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, and each major fund of the Town of Greensboro, Florida (the "Town"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated June 30, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town'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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Town of Greensboro, Florida's Response to Findings

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

Purpose of This Report

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

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
June 30, 2026

TOWN OF GREENSBORO, FLORIDA
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

2025-001: Segregation of Duties (Repeated Finding from the Prior Year)

Criteria: It is important for an entity to segregate the authorization of transactions, recording of transactions, and custody of the related assets. Independent performance of each of these functions reduces the opportunity for any one person to be in a position both to perpetrate and to conceal errors or irregularities in the normal course of his or her duties.

Condition: Separation of certain accounting and administrative duties among employees, which is recommended as an effective internal control procedure, was not adequate. The limited number of employees precludes ideal segregation of duties.

Cause: Budget constraints.

Effect: The failure to maintain separation of these functions subjects the Town to the risk that material misstatements due to error or fraud may occur and not be detected by employees in a timely manner during the performance of their assigned tasks.

Recommendation: We recommend that in the absence of the ability to hire additional employees, alternative procedures, including additional oversight with regard to certain functions, be performed regularly to mitigate the risk caused by this deficiency in internal controls.

Classification: Significant Deficiency

View of Responsible Officials: See Management's Corrective Action Plan at pg. 47.

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES – INVESTMENT OF PUBLIC FUNDS

To the Honorable Town Council
Town of Greensboro, Florida

We have examined the Town of Greensboro, Florida's (the "Town") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2025. Management is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on the Town's compliance with the specified requirements based on our examination.

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

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 Town's compliance with the specified requirements.

In our opinion, the Town complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2025.

This report is intended solely for the information and use of the Town Council, management, and the State of Florida Auditor General and is not intended to be, and should not be, used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
June 30, 2026

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

To the Honorable Town Council,
Town of Greensboro, Florida

Report on the Financial Statements

We have audited the financial statements of the Town of Greensboro**,** Florida (the "Town"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 30, 2026.

Because the Town's management has not acquired an actuarial valuation to determine the amount of its OPEB (Other Postemployment Benefits) liability and has not presented such liability as of September 30, 2025 in its financial statements as required by accounting principles generally accepted in the United States of America, we have issued a qualified opinion on the Governmental Activities, Business-type Activities, and Water Fund. The impact of such departure from generally accepted accounting principles would affect the deferred inflows, liabilities, deferred outflows, net position, and expenses in the Governmental Activities, Business-type Activities, and Water Fund.

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 *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 30, 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 annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. However, additional actions are still needed in order to clear the 2025-001 finding.

Tabulation of Uncorrected Audit Findings		
Current Year Finding No.	**2023-24 FY Finding No.**	**2022-23 FY Finding No.**
2025-001	2024-001	2023-001
N/A	2024-002	2023-002
N/A	2024-003	2023-003
N/A	2024-004	2023-004

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 of the notes to financial statements. There were no component units.

Financial Condition and Management

Section 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 Town of Greensboro, Florida 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 Town of Greensboro, Florida 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 Town of Greensboro, Florida. It is management's responsibility to monitor the Town of Greensboro, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.

Section 10.554(1)(i)2., Rules of the Auditor General, require that we communicate any recommendations to improve financial management. Our recommendations are included in our report on internal control dated June 30, 2026.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the Town of Greensboro, Florida is required to provide a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the Town of Greensboro, Florida's geographical boundaries during the fiscal year under audit. During the fiscal year ended September 30, 2025, a PACE program did not operate within the Town's geographical boundaries.

Additional Matters

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

Purpose of this Letter

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

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
June 30, 2026

TOWN OF GREENSBORO
P. O. BOX 66
GREENSBORO, FL 32330-0066
PHONE: (850) 442-6215
FAX: (850) 442-6680
www.greensboro-fl.com

June 30, 2026
Chris Moran, CPA
Moran & Smith LLP
2260 Wednesday St., Ste 400
Tallahassee, FL 32308

RE: 2024-2025 Audit Report Findings

Dear Mr. Moran,

In regard to the fiscal year 2024-2025 audit findings and recommendations for the Town of Greensboro, Florida, our response is as follows:

2025-001: Segregation of Duties

The Town does not have optimal segregation of duties due to a lack of resources. There is typically only one employee involved with day-to-day accounting. The Town has implemented controls with more involvement from the Town Manager and Town Council President to reduce the risks associated with this issue. The Town continues to have a separation of duties with the Town Manager reviewing and approving transactions. The Town Clerk performs the day-to-day accounting. The Town Clerk nor the Town Manager sign checks. Checks are signed by both the Mayor and Council President with both signatures required. The Town Council reviews the bills monthly.

If you have any further questions, please do not hesitate to contact me.

Sincerely,

Mike Wade

Mike Wade, Town Manager
Town of Greensboro, Florida