TOWN OF GREENVILLE, FLORIDA
FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

TOWN OF GREENVILLE,FLORIDA
TABLE OF CONTENTS
SEPTEMBER 30, 2025

TOWN OF GREENVILLE, FLORIDA
TABLE OF CONTENTS (CONTINUED)
SEPTEMBER 30, 2025

Powell and Jones CPA

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INDEPENDENT AUDITORS' REPORT

To the Honorable Town Council,
Town of Greenville, Florida:

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Greenville, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 audit opinions.

Responsibilities of Management for the Financial Statements

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule), as required by the audit requirements of Section 215.97, Florida Statutes, Florida Single Audit Act; Chapter 10.550, Rules of the State of Florida, Office of the Auditor General is presented for the purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Powell & Jones

Powell and Jones CPA
Lake City, Florida
June 30, 2026

TOWN OF GREENVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025

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

Overview of the Financial Statements

This discussion and analysis is 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 other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net position* presents information on all of 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 a useful indicator 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).

Both of 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, transportation, and culture and recreation. The business-type activities of the Town include water, sewer and sanitation operations.

The location of the government-wide financial statements can be found in the table of contents.

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 of 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 one individual governmental fund.

The location of the basic governmental fund financial statements can be found in the table of contents.

Proprietary funds. The Town maintains proprietary funds. *Proprietary funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses an enterprise fund to account for its water, sewer and sanitation operations.

Proprietary funds 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, sewer, and sanitation operations through one Utility Fund, which is considered to be a major fund.

The location of the basic proprietary fund financial statements can be found in the table of contents.

Notes to the 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 location of the notes to the financial statements can be found in the table of contents.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Town's budgetary information. The location of the required supplementary information can be found on the applicable pages in the table of contents.

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 and deferred outflows exceeded liabilities and deferred inflows by $15,670,069 at the close of the most recent fiscal year.

By far the largest portion of the Town's net position in the most recent fiscal year 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. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Town of Greenville, Florida's
Net Position

	2025		
	Governmental Activities	Business-type Activities	Total
Current and other assets	$ 544,180	$ 731,048	$ 1,275,228
Capital assets	4,908,899	11,632,364	16,541,263
Total assets	5,453,079	12,363,412	17,816,491
Deferred outflows	53,550	21,420	74,970
Long-term liabilities outstanding	27,000	372,262	399,262
Net pension liability	181,293	72,517	253,810
Other liabilities	227,247	668,403	895,650
Total liabilities	435,540	1,113,182	1,548,722
Deferred inflows	626,151	46,519	672,670
Net position:			
Net investment in capital assets	4,876,899	11,239,638	16,116,537
Restricted	117,078	1,819	118,897
Unrestricted	(549,039)	(16,326)	(565,365)
Total net position	$ 4,444,938	$ 11,225,131	$ 15,670,069

	2024		
	Governmental Activities	Business-type Activities	Total
Current and other assets	$ 897,308	$ 388,082	$ 1,285,390
Capital assets	4,473,695	10,936,419	15,410,114
Total assets	5,371,003	11,324,501	16,695,504
Deferred outflows	76,401	76,401	152,802
Long-term liabilities outstanding	32,000	395,958	427,958
Net pension liability	225,668	225,668	451,336
Other liabilities	315,238	438,411	753,649
Total liabilities	572,906	1,060,037	1,632,943
Deferred inflows	591,912	30,502	622,414
Net position:			
Net investment in capital assets	4,436,695	10,522,136	14,958,831
Restricted	73,673	1,820	75,493
Unrestricted	(227,782)	(213,593)	(441,375)
Total net position	$ 4,282,586	$ 10,310,363	$ 14,592,949

The Town’s restricted net position represents resources that are subject to external restrictions on how they may be used in the most recent fiscal year. At the end of the current fiscal year, the Town is able to report positive balances in two of the three categories of net position for the government as a whole, and for its governmental and business-type activities individually. The Town reported negative unrestricted net position in its governmental activities and business-type activities.

Governmental activities. Governmental activities increased the Town’s net position by $162,352 in the most recent fiscal year.

Key elements of this change include:

- Significant capital grant activity resulted in the acquisition and capitalization of capital assets.

Business-type activities. In the most recent fiscal year, business-type activities increased the Town’s net position by $914,768.

Key elements of this change include:

- Increased capital grant revenues resulting in an increase of capital assets in the current year.

	2025		
	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for services	$ -	$ 505,824	$ 505,824
Capital grants and contributions	638,113	954,320	1,592,433
General revenues:			
Property taxes	144,328	-	144,328
Intergovernmental and other	463,260	144	463,404
Transfers	-	-	-
Total revenues	1,245,701	1,460,288	2,705,989
Expenses:			
General government	866,725	-	866,725
Public safety	7,217	-	7,217
Transportation	158,912	-	158,912
Interest on long-term debt	10,337	-	10,337
Culture and recreation	40,158	-	40,158
Utility	-	545,520	545,520
Total expenses	1,083,349	545,520	1,628,869
Change in net position	162,352	914,768	1,077,120
Net position, beginning of year	4,282,586	10,310,363	14,592,949
Net position, end of year	$ 4,444,938	$ 11,225,131	$ 15,670,069

Town of Greenville, Florida's
Changes in Net Position

	2024		
	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for services	$ 1,000	$ 463,824	$ 464,824
Capital grants and contributions	323,452	387,145	710,597
General revenues:			
Property taxes	141,567	-	141,567
Intergovernmental and other	460,004	-	460,004
Transfers	115,056	(115,056)	-
Total revenues	1,041,079	735,913	1,776,992
Expenses:			
General government	759,514	-	759,514
Public safety	5,706	-	5,706
Transportation	105,695	-	105,695
Interest on long-term debt	6,666	-	6,666
Culture and recreation	39,044	-	39,044
Utility	-	733,978	733,978
Total expenses	916,625	733,978	1,650,603
Change in net position	124,454	1,935	126,389
Net position, beginning of year	4,158,132	10,308,428	14,466,560
Net position, end of year	$ 4,282,586	$ 10,310,363	$ 14,592,949

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 combined ending fund balances of $(8,708), a decrease of $263,958, in comparison with the prior year's. Of this total amount, $(125,786) constitutes *assigned fund balance,* which is assigned for use in the subsequent year as a part of the fiscal year 2026 budgeting process. The remaining amount of $117,078 was restricted for transportation and capital spending. None of the fund balance is *nonspendable, committed or unrestricted*.

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, the assigned fund balance of the general fund was $(125,786). As a measure of the general fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Fund balance represents (0.6) percent of total general fund expenditures. The remaining fund balance of $117,078 has been restricted for transportation expenditures and capital improvements.

The fund balance of the Town's general fund decreased by $263,957 during the current fiscal year.

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

Unrestricted net position of the Utility Fund at the end of the year amounted to $(16,327). The total increase in net position for the fund was $914,768. Other factors concerning the finances of this fund have already been addressed in the discussion of the Town's business-type activities.

General Fund Budgetary Highlights

There were no budget amendments during the current fiscal year. The budget was not over-expended per fund and therefore in compliance with state statutes.

Capital assets. The Town's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounts to $16,541,263 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities and roads.

Additional information on the Town's capital assets can be found in Note (6) as listed in the table of contents.

Long-term debt. At the end of the current fiscal year, the Town had total debt outstanding of $597,987. The amount of debt outstanding by type (i.e. Capital improvement bonds, revenue bonds, etc.) was as follows:

Town of Greenville, Florida's Outstanding Debt
Capital Improvement and Revenue Bonds

	Governmental activities	Business-type activities	Total
Capital improvement bonds	$ 32,000	$ -	$ 32,000
Lines of credit	173,261	-	173,261
State Revolving Fund loans	-	201,426	201,426
Revenue bonds	-	191,300	191,300
Total	$ 205,261	$ 392,726	$ 597,987

Additional information on the Town's long-term debt can be found in Note (8). as listed in the table of contents.

Economic Factors and Next Year's Budgets and Rates

Management does not anticipate significant changes in economic conditions that would materially affect the Town's financial position or operations during the upcoming year.

This factor was 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 Town Clerk, Post Office Box 235, Greenville, Florida 32331.

TOWN OF GREENVILLE
BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

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

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 5,950	$ 112,257	$ 118,207
Receivables, net	23,604	77,704	101,308
Internal balances	(76,557)	76,557	-
Due from other governments	45,856	462,711	508,567
Noncurrent assets:			
Lease receivable, non-current	545,327	-	545,327
Restricted assets:			
Cash and cash equivalents	-	1,819	1,819
Capital assets:			
Nondepreciable capital assets	1,925,365	5,892,314	7,817,679
Depreciable capital assets, net	2,983,534	5,740,050	8,723,584
Total assets	$ 5,453,079	$ 12,363,412	$ 17,816,491
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	53,550	21,420	74,970
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	$ 43,032	$ 592,335	$ 635,367
Customer deposits	-	43,256	43,256
Accrued interest payable	-	982	982
Line of credit	173,261	-	173,261
Bonds and notes payable	5,000	20,464	25,464
Compensated absences	5,954	11,366	17,320
Noncurrent liabilities:			
Bonds and noted payable	27,000	372,262	399,262
Net pension liability	181,293	72,517	253,810
Total liabilities	435,540	1,113,182	1,548,722
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	116,295	46,519	162,814
Deferred inflows related to lease	509,856	-	509,856
Total deferred inflows of resources	626,151	46,519	672,670
NET POSITION			
Net investment in capital assets	4,876,899	11,239,638	16,116,537
Restricted for:			
Debt service	-	1,819	1,819
Transportation	38,672	-	38,672
Capital projects	78,406	-	78,406
Unrestricted	(549,039)	(16,326)	(565,365)
Total net position	$ 4,444,938	$ 11,225,131	$ 15,670,069

See accompanying notes to the financial statements.

TOWN OF GREENVILLE, 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
Governmental activities:							
General government	$ 866,725	$ -	$ -	$ 638,113	$ (228,612)	$ -	$ (228,612)
Public safety	7,217	-	-	-	(7,217)	-	(7,217)
Transportation	158,912	-	-	-	(158,912)	-	(158,912)
Culture and recreation	40,158	-	-	-	(40,158)	-	(40,158)
Interest on long-term debt	10,337	-	-	-	(10,337)	-	(10,337)
Total governmental activities	1,083,349	-	-	638,113	(445,236)	-	(445,236)
Business-type activities:							
Utility Fund	545,520	505,824	-	954,320	-	914,624	914,624
Total business-type activities	545,520	505,824	-	954,320	-	914,624	914,624
Total primary government	$ 1,628,869	$ 505,824	$ -	$ 1,592,433	(445,236)	914,624	469,388
General revenues:							
Property taxes					144,328	-	144,328
Sales and use taxes					185,030	-	185,030
Communication service taxes					32,991	-	32,991
Permits and fees					23,731	-	23,731
Utility service taxes					52,449	-	52,449
State shared revenues					65,185	-	65,185
Investment earnings					42	-	42
Miscellaneous revenues					103,832	144	103,976
Total general revenues					607,588	144	607,732
Change in net position					162,352	914,768	1,077,120
Net position - beginning of year					4,282,586	10,310,363	14,592,949
Net position - end of year					$ 4,444,938	$ 11,225,131	$ 15,670,069

See accompanying notes to the financial statements.

TOWN OF GREENVILLE, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General Fund
ASSETS	
Cash and cash equivalents	$ 5,950
Receivables, net	23,604
Due from other governments	45,856
Lease receivable	545,327
Total assets	$ 620,737
LIABILITIES	
Accounts payable and accrued liabilities	$ 43,032
Due to other funds	76,557
Total liabilities	119,589
DEFERRED INFLOWS OF RESOURCES	
Related to leases	509,856
FUND BALANCES	
Restricted for:	
Transportation	38,672
Capital improvements	78,406
Assigned for:	
Subsequent year's budget	(125,786)
Total fund balances	(8,708)
Total liabilities, fund balances, and deferred inflows of resources	$ 620,737

See accompanying notes to the financial statements.

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

Fund balances - total governmental funds		$ (8,708)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds		4,908,899
On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the statement of net position, the Town's net pension liability of the defined benefit pension plans is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported.		
Net pension liability	(181,293)	
Deferred outflows related to pensions	53,550	
Deferred inflows related to pensions	(116,295)	(244,038)
Long-term liabilities, including bonds payable and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities, deferred outflows, and other debt-related deferred charges consist of the following:		
Bonds and notes payable	(205,261)	
Compensated absences	(5,954)	(211,215)
Net position of governmental activities		$ 4,444,938

See accompanying notes to the financial statements.

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

	General Fund
Revenues	
Property taxes	$ 144,328
Utility service taxes	52,449
Permits and fees	23,731
Intergovernmental	921,319
Fines and forfeitures	665
Investment income	42
Miscellaneous	103,167
Total revenues	1,245,701
Expenditures	
Current:	
General government	718,833
Public safety	2,288
Transportation	125,229
Culture and recreation	1,522
Capital outlay	592,491
Debt service:	
Principal	58,958
Interest	10,337
Total expenditures	1,509,658
Net change in fund balances	(263,957)
Fund balances, beginning (previously stated)	255,249
Restatement for error correction	
Fund balances, ending	$ (8,708)

See accompanying notes to the financial statements.

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

Net change in fund balances - total governmental funds	$ (263,957)
Differences in amounts reported for governmental activities in the statement of activities are:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.	
Capital outlay expenditures	592,491
Depreciation expense	(157,287)
Bond and loan proceeds are reported as financing sources in the governmental funds. However, the issuance of debt is reported as long-term debt payable in the statement of net position. Repayment of bonds and notes principal is an expenditure in the governmental funds, but the repayment of debt principal reduces long-term liabilities in the statement of net position. These amounts are as follows:	
Principal repayment of general long-term debt	58,958
Governmental funds report contributions to defined benefit pension plans as expenditures. However, in the statement of activities, the amount contributed to defined benefit pension plans reduces future net pension liability. Also included in the pension expense in the statement of activities are amounts required to be amortized in accordance with GASB Statement No. 68.	
Change in net pension liability and deferred inflows/outflows related to pensions	(64,269)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.	
Change in compensated absences liability	(3,584)
Change in net position of governmental activities	$ 162,352

See accompanying notes to the financial statements.

TOWN OF GREENVILLE, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Utility Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 112,257
Accounts receivable, net	77,704
Due from other governments	462,711
Due from other funds	76,557
Total current assets	729,229
Noncurrent assets:	
Restricted assets:	
Cash and cash equivalents	1,819
Capital assets:	
Land	98,889
Building and improvements	5,521,404
Infrastructure	3,450,450
Machinery and equipment	754,708
Construction in progress	5,793,425
Accumulated depreciation	(3,986,512)
Total noncurrent assets	11,634,183
Total assets	$ 12,363,412
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	21,420
Total deferred outflows of resources	$ 21,420

(continued)

TOWN OF GREENVILLE, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (Concluded)
SEPTEMBER 30, 2025

		Utility Fund
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	$	592,335
Customer deposits		43,256
Compensated absences		11,366
Payable from restricted assets:		
Bonds and notes payable		20,464
Accrued interest payable		982
Total current liabilities		668,403
Noncurrent liabilities:		
Bonds and notes payable		372,262
Net pension liability		72,517
Total noncurrent liabilities		444,779
Total liabilities		1,113,182
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions		46,519
Total deferred inflows of resources		
NET POSITION		
Net investment in capital assets		11,239,638
Restricted for debt service		1,819
Unrestricted		(16,326)
Total net position	$	11,225,131

See accompanying notes to the financial statements.

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

	Utility Fund
Operating revenues	
Charges for services	$ 505,824
Other revenues	144
Total operating revenues	505,968
Operating expenses	
Personnel	40,409
Utilities	70,844
Maintenance and repairs	89,285
Other supplies and expenses	129,136
Depreciation	207,375
Total operating expenses	537,049
Operating loss	(31,081)
Nonoperating revenues (expenses)	
Intergovernmental grants	954,320
Interest expense	(8,471)
Total nonoperating revenues (expenses)	945,849
Change in net position	914,768
Net position, beginning of year	10,310,363
Net position, end of year	$ 11,225,131

See accompanying notes to the financial statements.

TOWN OF GREENVILLE, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Utility Fund
Cash flows from operating activities	
Cash received from customers	$ 478,985
Cash paid to employees	(115,917)
Cash paid to suppliers	(69,871)
Net cash provided by operating activities	293,197
Cash flows from noncapital financing activities	
Transfers to other funds	(104,992)
Net cash used in noncapital financing activities	(104,992)
Cash flows from capital and related financing activities	
Acquisition and construction of capital assets	(903,320)
Capital grants	804,989
Principal payments of long-term debt	(21,557)
Interest paid	(8,471)
Net cash used in capital and related financing activities	(128,359)
Net change in cash and cash equivalents	59,846
Cash and cash equivalents, beginning of year	54,230
Cash and cash equivalents, end of year	$ 114,076
Cash and cash equivalents classified as:	
Unrestricted	$ 112,257
Restricted	1,819
Total cash and cash equivalents	$ 114,076
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	$ (31,081)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	207,375
Changes in assets and liabilities:	
Accounts receivable	(28,797)
Accounts payable and accrued liabilities	219,795
Deposits	1,814
Compensated absences	6,244
Net pension liability	(153,151)
Deferred inflows	16,017
Deferred outflows	54,981
Net cash provided by operating activities	$ 293,197

See accompanying notes to the financial statements.

Summary of Significant Accounting Policies:

The financial statements of the Town of Greenville, Florida (the Town), have been prepared in accordance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for promulgating governmental accounting and financial reporting principles and the Town has adopted the GASB Codification. The following is a summary of the Town's significant accounting policies:

(a) **Reporting entity** — Town of Greenville, Florida is a municipal corporation formed under Chapter 5497, Laws of Florida, Act of 1905, and is governed by an appointed mayor and a four-member council. The accompanying financial statements present the government only since there are no component units for which the government is considered to be financially accountable.

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

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

Governmental fund financial statements are reported using *the current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period.

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

Taxes, intergovernmental revenue, licenses and permits, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

(d) **Financial statement presentation**—The financial transactions of the Town are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The Town reports the following major governmental fund:

The ***General Fund*** accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the Town other than proprietary fund activities are financed through revenues received by the General Fund.

The Town reports the following major proprietary fund:

The ***Utility Fund*** accounts for the financial activities of the Town's potable water utility system, including the pumping, treatment, and distribution systems.

(e) **Budgets and budgetary 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 department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

(f) **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.

(g) **Deposits and investments**—The Town's 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.

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

All trade and property tax receivables are reported net of an allowance for uncollectible accounts, which is based upon management's analysis of historical trends. Utility operating sales are generally recognized on the basis of cycle billings rendered quarterly. Unbilled accounts receivable are accrued by the Town at year-end to recognize the sales revenues earned through the end of the fiscal year. All unpaid property taxes receivable at year end are at least 180 days past due, at which time the applicable property is subject to lien, and penalties and interest are assessed.

(i) **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 government as assets with an initial, individual cost of more than $5,000 (amount not rounded) and an estimated useful life in excess of two years. For inventory purposes, capital assets are assets with individual cost of $750 or more. 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 capitalized

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

Assets	Years
Buildings	39
Public domain infrastructure	30 – 50
System infrastructure	7 – 50
Vehicles and other equipment	3 – 10
Office and computer equipment	5

(j) **Compensated absences**— The Town provides eligible employees with vacation and sick leave benefits in accordance with its personnel policies. A liability for compensated absences is recognized as leave is earned to the extent that the leave is attributable to services already rendered and is more likely than not to be used for time off or otherwise paid or settled. The Town has determined that accumulated vacation leave meets this recognition threshold and has recorded a liability for earned but unused vacation leave.

The Town does not pay employees for unused sick leave upon termination or separation from employment. Management evaluated accumulated sick leave in accordance with GASB Statement No. 101, *Compensated Absences*, and concluded that accumulated sick leave is not more likely than not to be used from existing balances or otherwise paid or settled. Accordingly, no liability has been recognized for accumulated sick leave.

In the government-wide and proprietary fund financial statements, compensated absences are recognized as liabilities as earned in accordance with the Town's policies and GASB Statement No. 101. In the governmental fund financial statements, compensated absences are reported only to the extent that they have matured and are payable with current financial resources, such as amounts due as a result of employee resignations or retirements.

(k) **Property taxes**—Property taxes are billed and collected for the Town by the Town 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

(l) **Long-term obligations**—In the government-wide financial statements, and for proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

(m) **Deferred outflows/inflows of resources** — In addition to assets, the statement of financial position will, if required, report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the only items in this category consisted of deferred amounts related to pension, as discussed further in Note (10).

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the two items in this category are deferred inflows related to leases, which will be recognized as inflows of resources in the period that the amounts become available, and deferred inflows of resources related to pensions, as discussed further in Note (10).

(n) **Program revenues**—Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

(o) **Impact fees**— The Town has not adopted any ordinances or resolutions to levy impact fees in accordance with Section 163.31801, Florida Statutes.

(p) **Proprietary funds operating and nonoperating 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 Utility Fund are charges to customers for sales and services. The Utility Fund 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 enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as *nonoperating* revenues and expenses.

(q) **Fund equity**— In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Those classifications are as follows:

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash such as inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, as well as the fund balance of the permanent fund which was restricted in perpetuity by referendum.

Restricted – Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation (i.e. when the government assesses, levies, charges, or otherwise mandates payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

Committed – Fund balance amounts that can only be used for specific purposes pursuant to constraints imposed by ordinance of the Town Council are reported as committed fund balance. Those committed amounts cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned – Fund balance amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as assigned fund balance, except for stabilization arrangements. Assignments can be made by the Town Council the Town Council or (b) a body or official to which the Town Council has delegated the authority to assign amounts to be used for specific purposes.

Unassigned – Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

For spendable resources, the Town's policy to use its resources in the following order as needed to fund expenses: restricted, committed, assigned, unrestricted.

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.

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

(a) Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position – Following the governmental fund balance sheet is a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. A detailed explanation of these differences is provided in this reconciliation.

(b) Explanation of certain differences between the governmental fund statement of net revenues, expenditures, and changes in fund balances and the government-wide statement of activities – Following the governmental fund statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. A detailed explanation of these differences is provided in this reconciliation.

(3) **Deposits:**

All of the Town's bank deposits and certificates of deposits are 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 Deposits Act Chapter 280, Florida Statutes, therefore, none of the Town's deposits are subject to custodial credit risk. 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.

(4) **Receivables:**

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

	General		Utility		Total	
Accounts	$	23,604	$	113,734	$	137,338
Lease		545,327		-		545,327
Intergovernmental		45,856		462,711		508,567
Gross receivables		614,787		576,445		1,191,232
Less: allowance for uncollectible amounts		-		(36,030)		(36,030)
Net total receivables	$	614,787	$	540,415	$	1,155,202

(5) **Lease Receivable:**

The Town has an ongoing ground and tower lease agreement with a third-party related to a parcel owned by the Town with a cell tower. Originally entered into in 2001, the current term of the lease runs through June 30, 2026, with no renewal options to extend. The lease payment through the end of the lease term is $26,235.

Additionally, the Town purchased mattress factory equipment for $1,014,956 in the fiscal year ending September 30, 2023, as was outlined in its grant agreement with the State of Florida Department of Commerce. The Town then entered into a lease agreement whereby it gave the right to use the equipment to the third-party lessee from August 2023 through July 2033 and will receive monthly payments of $3,792 throughout the initial term of the lease.

The Town entered into a lease agreement with Pop's Sanitation for property located at 154 SW Old Mission Ave. The lease commenced in March 2024 and continues through February 2029 with a total term of 60 months. The Town will receive monthly lease payments of $1,000 throughout the initial term of the lease.

The Town recognized $34,367 in lease revenue and $45,997 in interest revenue during the fiscal year on its governmental fund financial statements related to the three arrangements. The Town's receivable for lease payments was $545,327. Also, the Town has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term, which totaled $509,856 at September 30, 2025.

Future minimum rents under non-cancelable operating leases to be received as of September 30, 2025 are as follows:

Year Ending September 30,	Principal		Interest		Total	
2026	$	39,030	$	44,707	$	83,737
2027		15,044		42,458		57,502
2028		16,374		41,128		57,502
2029		10,670		39,832		50,502
2030		6,419		39,082		45,501
There after		457,790		571,314		1,029,104
Total future minimum lease payments	$	545,327	$	778,521	$	1,323,848

(6) Capital Assets:

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets:				
Non-depreciable capital assets:				
Land	$ 152,754	$ -	$ -	$ 152,754
Construction in Progress	1,772,611	-	-	1,772,611
Total non-depreciable capital assets	1,925,365	-	-	1,925,365
Depreciable capital assets:				
Building and improvements	1,255,558		-	1,255,558
Infrastructure	1,004,485	592,491	-	1,596,976
Equipment, furniture, fixtures and vehicles	1,419,369		-	1,419,369
Total depreciable capital assets	3,679,412	592,491	-	4,271,903
Less accumulated depreciation				
Building and improvements	(451,908)	(370,754)	-	(822,662)
Equipment	(679,174)	213,467	-	(465,707)
Total accumulated depreciation	(1,131,082)	(157,287)	-	(1,288,369)
Total depreciable capital assets, net	2,548,330	435,204	-	2,983,534
Governmental activities capital assets, net	$ 4,473,695	$ 435,204	$ -	$ 4,908,899
Business-type activities:				
Capital assets:				
Non-depreciable capital assets:				
Land	$ 98,889	$ -	$ -	$ 98,889
Construction in progress	4,890,105	903,320	-	5,793,425
Total non-depreciable capital assets	4,988,994	903,320	-	5,892,314
Depreciable capital assets:				
Equipment, buildings, systems and improvements	9,726,562	-	-	9,726,562
Total depreciable capital assets	9,726,562	-	-	9,726,562
Less accumulated Depreciation	(3,779,137)	(207,375)	-	(3,986,512)
Total accumulated depreciation	(3,779,137)	(207,375)	-	(3,986,512)
Total depreciable capital assets, net	5,947,425	(207,375)	-	5,740,050
Business-type activities capital assets, net	$ 10,936,419	$ 695,945	$ -	$ 11,632,364

Depreciation and amortization expense were charged to functions/programs as follows:

Governmental activities:	
General government	$ 80,039
Public safety	4,929
Transportation	33,683
Culture and Recreation	38,636
Total depreciation expense - governmental activities	$ 157,287
Total depreciation and amortization expense - business-type activities	$ 207,375

(7) **Interfund Loans and Transfers:**

The outstanding balances between funds result mainly from the time lag between the dates reimbursable expenditures occur, when transactions are recorded in the accounting system, and when payments between funds are made. At September 30, 2025 the general fund owed the enterprise fund $76,557 and there were no net transfers between the General Fund and the Utility Fund.

(8) **Contingent Liabilities:**

Grant Programs—Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the 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.

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

Capital Improvement Bonds

The Town issued capital improvement bonds to provide funds for the acquisition of a fire truck and construction of a fire station. These bonds have been issued for governmental activities. The original amount of capital improvement bonds issued in prior years was $184,370. During the year, there were no new capital improvement bonds issued.

These bonds are collateralized by the Town's interest and share in the one-half cent Local Government Sales Tax and to the extent any deficiency exists, non-ad valorem revenues budgeted and appropriated by the Town each fiscal year. Capital improvement bonds currently outstanding are as follows:

Purpose	Interest Rate	Amount
Governmental activities	4.75%	$ 32,000

Annual debt service requirements to maturity for capital improvement bonds are as follows:

Year Ending September 30,	Principal	Interest
2026	$ 5,000	$ 1,520
2027	5,000	1,283
2028	5,500	1,045
2029	5,500	784
2030	5,500	760
Thereafter	5,500	261
	$ 32,000	$ 5,653

Revenue Bonds

The government also issues bonds where the Town pledges income derived from the acquired or constructed assets to pay debt service.

Water revenue bonds outstanding at September 30, 2025 are comprised of the following:

Water System Revenue Bonds, Series 2003, not to exceed $299,300, payable in annual installments of $7,000 – $15,300, beginning September 1, 2005 through September 1, 2042, plus interest at 4.25%, collateralized by net revenues of the water system	$ 191,300

Revenue bonds debt service requirements to maturity are as follows:

Year Ending September 30,	Principal	Interest
2026	$ 8,000	$ 8,131
2027	8,000	7,791
2028	9,000	7,451
2029	9,000	7,068
2030	9,000	6,686
2031 – 2035	53,000	27,138
2035 – 2039	65,000	14,984
2040 – 2042	30,300	1,939
	$ 191,300	$ 81,188

State Revolving Fund – WW400220

The Department of Environmental Protection loaned the Town funds to help complete their new sewer treatment plant. 90% of the funds converted to a grant upon completion of the plant. The remaining 10% became due in semi-annual installments beginning June 2018 and continuing through 2048. The following balance represents 10% of the funds expended as of September 30, 2025:

State Revolving Funds, financed at 0% interest with semiannual payments of $3,232 starting June 2018 collateralized by sewer treatment plant.	$ 148,672

State revolving fund debt service requirements to maturity are as follows:

Year Ending September 30,	Principal
2026	6,464
2027	6,464
2028	6,464
2029	6,464
2030	6,464
2031 – 2035	32,320
2036 – 2040	32,320
2041 – 2045	32,320
2046 – 2048	19,392
	$ 148,672

State Revolving Fund – WW400230

The Department of Environmental Protection loaned the Town funds to help complete their new sewer treatment plant. 90% of the funds converted to a grant upon completion of the plant. The remaining 10% became due in semi-annual installments beginning April 2020 and continuing through 2033. The following balance represents 10% of the funds expended as of September 30, 2025 :

State Revolving Funds, financed at 0% interest with semiannual payments of $3,000 starting April 2020 collateralized by sewer treatment plant.	$ 52,754

State revolving fund debt service requirements to maturity are as follows:

Year Ending September 30,		Principal
2026		6,000
2027		6,000
2028		6,000
2029		6,000
2030		6,000
2031-2033		22,754
	$	52,754

Lines of Credit – Governmental Activities

The Town had six unsecured revolving lines of credit totaling $1,631,000 with a regional bank. The lines mature at various intervals unless a demand is made in which case they are due on demand. Accrued interest is due with any outstanding principal owed when the lines mature. The interest rate on the lines of credit range from 3.25% to 9.00%. The lines of credit are collateralized by the Town's grant proceeds from the respective grants that they fund along with any legally available non-ad valorem revenues. There was a $173,261 balance outstanding on the lines of credit at September 30, 2025.

Changes in long-term liabilities

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

	Beginning Balance	Increase	Decrease	Ending Balance	Due within one year
Governmental activities:					
Capital improvement bonds	$ 37,000	$ -	$ (5,000)	$ 32,000	$ 5,000
Line of credit	227,219	-	(53,958)	173,261	173,261
Compensated absences	2,370	3,584		5,954	5,954
Net pension liability	225,668	-	(44,375)	181,293	-
Governmental activity long-term liabilities	$ 492,257	$ 3,584	$ (103,333)	$ 392,508	$ 184,215

	Beginning Balance	Increase	Decrease	Ending Balance	Due within one year
Business -type activities					
Revenue bonds	199,300	$ -	$ (8,000)	$ 191,300	$ 8,000
SRF Loans	214,983	-	(13,557)	201,426	12,464
Compensated absences	5,122	6,244	-	11,366	11,366
Net pension liability	225,668		(153,151)	72,517	-
Business-type activity long-term liabilities	$ 645,073	$ 6,244	$ (174,708)	$ 476,609	$ 31,830

(10) <u>Florida Retirement System:</u>

General Information about the Pension Plan

The Town participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the entity's full-time employees. The System is a noncontributory retirement plan, administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 112, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-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. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by $5. The minimum payment is $30 and the maximum payment is $150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided and Employees Covered

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of both Plans may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments. Benefits under the Plan 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.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Employees may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded by employer and employee contributions that are based on salary and membership class (Regular, DROP, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Employees in the Investment Plan vest at one year of service.

Financial Statements

Financial statements and other supplementary information of the FRS are included in the State's Annual Comprehensive Financial Report, which is available from the Florida Department of Financial Services, Bureau of Financial Reporting Statewide Financial Reporting Section by mail at 200 E. Gaines Street, Tallahassee, Florida 32399-0364; by telephone at (850) 413-5511; or at the Department's Web site (www.myfloridacfo.com). An annual report on the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from:

Florida Department of Management Services
Division of Retirement, Research and Education Services
P.O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-1737

Contributions

The Town participates in certain classes of FRS membership. Each class has descriptions and contribution rates in effect at September 30, 2025, as follows (contribution rates are in agreement with the actuarially determined rates):

FRS Membership Plan & Class	Through June 30, 2025	After June 30, 2025
Regular Class	13.63%	14.03%
Senior Management	34.52%	33.24%
Special Risk	32.79%	35.19%
DROP – Applicable to members above	21.13%	22.02%

Current-year employer HIS contributions were made at a rate of 2.00% of covered payroll through June 30, 2025 and 2.00% thereafter, which are included in the rates above.

Actual contributions made for Town employees participating in FRS and HIS for the each of last three fiscal years ended September 30 were as follows:

	2025	2024	2023
Contributions – FRS	$ 37,946	$ 47,003	$ 47,728
Contributions – HIS	7,531	6,875	5,682
Employee Contributions – FRS	9,046	10,140	9,725

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At September 30, 2025, the entity reported a net pension liability related to FRS and HIS as follows:

Plan	Net Pension Liability
FRS	$ 164,009
HIS	89,801
Total	$ 253,810

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, as actuarially determined. At June 30, 2025 and June 30, 2024, the Town's proportionate share of the FRS and HIS net pension liabilities were as follows:

Plan	2025	2024
FRS	0.000528462%	0.000857077%
HIS	0.000700613%	0.000798469%

For the plan year ended June 30, 2025, pension expense was recognized related to the FRS and HIS plans as follows:

Plan	Expenses Recognized
FRS	$ 23,556
HIS	4,038
Total	$ 27,594

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

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 17,518	$ -	$ 536	$ 142
Changes of assumptions	19,046	-	795	21,720
Net difference between projected and actual investment earnings	-	27,383	-	75
Change in proportionate share	21,029	94,194	9,324	19,301
Contributions subsequent to measurement date	5,484	-	1,238	-
	$ 63,077	$ 121,577	$ 11,893	$ 41,238

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

The above amounts for deferred outflows of resources for contributions related to pensions resulting from Town contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions being amortized for a period of greater than one year will be recognized in pension expense in succeeding years as follows:

Year	Amount
2026	$ (191,985)
2027	24,835
2028	42,453
2029	33,638
2030	(3,508)
Thereafter	-
Total	$ (94,567)

Actuarial assumptions:

The actuarial assumptions for both defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS was completed in 2025 for the period July 1, 2018, through June 30, 2023. Because HIS is funded on a pay-as-you-go basis, no experience study has been completed.

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation, using the entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.50%. Both the discount rate and the long-term expected rate of return used for FRS investments is 6.70%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 5.20% was used to determine the total pension for the program. This rate increased from the prior year rate, which was 3.93%. Mortality assumptions for FRS and HIS were based on the PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018 details.

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

Long-term expected rate of return:

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

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.20%	3.20%	1.10%
Fixed income	29.0%	5.50%	5.40%	4.00%
Global equities	45.0%	8.50%	6.90%	18.30%
Real estate	12.0%	8.40%	7.10%	16.80%
Private equity	11.0%	12.40%	8.80%	28.40%
Strategic investments	2.0%	6.50%	6.10%	8.70%
Total	100.0%			

The following presents the proportionate shares of the FRS and HIS net pension liability of the entity calculated using the current discount rates, as well as what the entity'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:

Plan	Current Discount Rate	NPL with 1% Decrease	NPL at Current Discount Rate	NPL with 1% Increase
FRS	6.70%	$ 321,865	$ 164,009	$ 31,665
HIS	5.20%	101,265	89,801	80,186
		$ 423,130	$ 253,810	$ 111,851

(11) 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; and natural disasters for which the Town carries commercial insurance.

(12) **Other Post-Employment Benefits (OPEB):**

Florida law provides for the opportunity to continue healthcare coverage for retirees of the Town through the Florida Health Insurance Coverage Continuation Act (Florida Continuation). Due to the fact that there were no retirees participating in Florida Continuation during the year, and it is anticipated that this situation will continue in the future because most employees work until they are eligible for Medicare benefit, management has determined that the Town's OPEB obligation at year-end is a de minimis amount. Management will monitor this situation in the future and take appropriate steps to properly comply with other post-employment benefit-related GASB reporting and disclosure requirements.

(13) **Subsequent Events and Contingencies:**

The Town has evaluated events and transactions for potential recognition or disclosure in the financial statements through the date which the financial statements were available to be issued.

(14) **Future Accounting Pronouncements:**

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

GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, in September 2024. GASB Statement No. 104 requires governments to disclose separate information about specific types of capital assets and establishes criteria for identifying and reporting capital assets held for sale. The objective of GASB 104 is to enhance transparency and improve the usefulness of financial statements for stakeholders by providing more detailed information on these assets. The provisions are effective for fiscal years beginning after June 15, 2025.

(15) **Recent Accounting Pronouncements:**

GASB issued Statement No. 101, *Compensated Absences*, in June 2022. GASB Statement No. 101 amends the existing guidance related to the calculation and disclosures surrounding the liability for compensated absences. The provisions for GASB 101 are effective for fiscal years beginning after December 15, 2023. The implementation of GASB 101 did not have a material impact on the beginning fund balance or net position of the major funds, so no related prior period adjustment was necessary.

GASB issued Statement No. 102, *Certain Risk Disclosures,* in December 2023. This Statement requires that governments disclose essential information about risks related to certain vulnerabilities due to certain concentrations or constraints. The provisions for GASB 102 are effective for fiscal years beginning after June 15, 2024. The implementation of GASB 102 has not had a material impact on the government's financial position or the results of operations.

TOWN OF GREENVILLE
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2025

TOWN OF GREENVILLE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES–BUDGET AND ACTUAL GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property taxes	$ 140,000	$ 140,000	$ 144,328	$ 4,328
Utility service taxes	245,000	245,000	52,449	(192,551)
Permits and fees	3,000	3,000	23,731	20,731
Intergovernmental	5,152,000	5,152,000	921,319	(4,230,681)
Charges for services	1,000	1,000	-	(1,000)
Fines and forfeitures	1,000	1,000	665	(335)
Investment income	-	-	42	42
Miscellaneous	31,000	31,000	103,167	72,167
Total revenues	5,573,000	5,573,000	1,245,701	(4,327,299)
EXPENDITURES				
General government	419,000	419,000	718,833	(299,833)
Public safety	2,000	2,000	2,288	(288)
Transportation	184,000	184,000	125,229	58,771
Culture and recreation	-	-	1,522	(1,522)
Capital outlay	4,968,000	4,968,000	592,491	4,375,509
Debt service:		-		
Principal	-	-	58,958	(58,958)
Interest	-	-	10,337	(10,337)
Total expenditures	5,573,000	5,573,000	1,509,658	4,063,342
Net change in fund balances	-	-	(263,957)	(263,957)
Fund balance, beginning	255,249	255,249	255,249	-
Fund balance, ending	$ 255,249	$ 255,249	$ (8,708)	$ (263,957)

See accompanying notes.

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

A. Budgetary Information:

The annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. 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 General Fund. The legal level of budgetary control is the fund level.

6. The budgets for the General Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

TOWN OF GREENVILLE, FLORIDA

SCHEDULE OF CONTRIBUTIONS-

LAST 10 FISCAL YEARS

Florida Retirement System (FRS)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 45,494	$ 67,140	$ 47,728	$ 36,304	$ 25,750	$ 22,467	$ 22,071	$ 9,970	$ 14,340	$ 14,311
Contributions in relation to the contractually required contribution	(45,494)	(67,140)	(47,728)	(36,304)	(25,750)	(22,467)	(22,071)	(9,970)	(14,340)	(14,311)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions as a percentage of covered-employee payroll	$300,974	$343,681	$324,163	$306,909	$220,129	$251,226	$275,071	$194,155	$194,384	$196,152
Covered-employee payroll	15.12%	19.54%	14.72%	11.83%	11.70%	8.94%	8.02%	5.14%	7.38%	7.30%
Health Insurance Subsidy Program (HIS										
Contractually required contribution	9,029	9,352	5,682	$ 5,095	$ 3,654	$ 4,170	$ 4,566	$ 3,226	$ 3,227	$ 3,256
Contributions in relation to the contractually required contribution	(9,029)	(9,352)	(5,682)	(5,095)	(3,654)	(4,170)	(4,566)	(3,223)	(3,227)	(3,526)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$300,974	$343,681	$324,163	$306,909	$220,129	$251,226	$275,071	$194,155	$194,384	$196,152
Contributions as a percentage of covered-employee payroll	3.00%	2.72%	1.75%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE TOWN OF GREENVILLE'S PROPORTIONATE SHARE OF NET PENSION LIABILITY

FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM

LAST 10 FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Town's proportion of the FRS net pension liability (asset)	0.000528462%	0.000857077%	0.000913982%	0.000847652%	0.000675921%	0.000676182%	0.000541091%	0.000349808%	0.000479698%	0.000413848%
(asset)	$ 164,009	$ 331,558	$ 364,193	$ 315,395	$ 51,058	$ 293,067	$ 186,344	$ 105,364	$ 141,891	$ 104,497
Town's proportion of the HIS net pension liability (asset)	0.000700613%	0.000798469%	0.000802801%	0.000824583%	0.000621663%	0.000723701%	0.000822305%	0.000594427%	0.000604746%	0.000635396%
(asset)	89,801	119,778	127,495	92,747	76,256	88,363	92,008	62,915	64,662	74,053
Town's proportionate share of the total net pension liability (asset)	$ 253,810	$ 451,336	$ 491,688	$ 408,142	$ 127,314	$ 381,430	$ 278,352	$ 168,279	$ 206,553	$ 178,550
Town's covered-employee payroll	317,273	337,921	324,079	321,396	220,129	251,226	$ 275,074	$ 194,155	$ 194,384	$ 196,152
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	80.00%	133.56%	151.72%	126.99%	57.84%	151.83%	101.19%	86.67%	106.26%	91.03%
Plan fiduciary net position as a percentage of the total pension liability	82.96%	78.79%	82.38%	96.40%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%

Note 1) The amounts presented for each year were determined as of the June 30 year end of the Florida Retirement System

TOWN OF GREENVILLE
SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2025

37TOWN OF GREENVILLE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2025

Grantor/Program Title	ALN/CSFA Number	Contract / Grant Number	Award Amount	Expenditures
FEDERAL AWARDS				
U.S. Department of Homeland Security -				
Passed through the Executive Office of the Govenor :				
FEMA Hurricane Idalia Public Assistance Grant	97.036	Z4135	$ -	$ 45,723
U.S. Department of Treasury				
Passed through the State Excecutive office of the govenor:				
Stormwater mitigation	21.227	22FRP89	$ 660,000	$ 7,200
Total Federal Awards			$ 660,000	$ 52,923
STATE FINANCIAL ASSISTANCE				
State of Florida Department of Environmental Protection				
Direct Programs:				
Resilient Florida Programs - Town of Greenville				
Flooding Mitigation	37.098	24SRP25	$ 4,968,000	$ 720,500
Florida Springs Grant Program	37.052	LP40024	1,250,000	175,620
Total Florida Department of Environmental Protection			6,218,000	896,120
State of Florida Department of Transportation				
Obadiah Street Resurfacing	55.009	G1V89	165,109	122,506
Church Street Resurfacing	55.009	G1V90	305,620	247,733
Ray Charles Ave. Resurfacing	55.009	G1V91	328,850	222,151
			$ 799,579	$ 592,390
Total State Financial Assistance			$ 7,017,579	$ 1,488,510

See Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

TOWN OF GREENVILLE
NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2025

Note 1. Summary of Significant Accounting Policies

The accounting policies and presentation of the Schedule of Expenditures of Federal Awards and State Financial Assistance of the Town of Greenville, Florida (the Town) have been designed to conform to generally accepted accounting principles as applicable to governmental units, including the reporting and compliance requirements of the Uniform Guidance (2 CFR Part 200).

A. Reporting Entity

This reporting entity consists of the Town. The Town includes a Schedule of Expenditures of Federal Awards and State Financial Assistance in the Supplementary Section for the purpose of additional analysis.

B. Basis of Accounting

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

Expenditures reported on this schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowed or are limited as to reimbursement.

C. Grant Awards

As required by the OMB Uniform Guidance, federal and state grant awards drawn and expended during the year are included in the Schedule of Expenditures of Federal Awards and State Financial Assistance.

Note 2. Indirect Cost Rate

The Town did not elect to use the 10 percent de minimis indirect cost rate.

Note 3. Subrecipients

The Town had no subrecipients of state financial assistance.

TOWN OF GREENVILLE
OFFICIALS
SEPTEMBER 30, 2025

TOWN COUNCIL

Ryan Kornegay, Mayor
Carl Livingston, Vice Mayor
Barbara Dansey
Chiquila Please
Kathleen Hamiton

TOWN MANAGER

Kim Reams

TOWN ATTORNEY

John Reid

Powell and Jones CPA

204 N. Marion Ave.
Lake City, FL 32055
Phone 386.755.4200

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

To the Honorable Town Council,
Town of Greenville, Florida:

We have audited, 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, the financial statements of the governmental activities, the business-type activities and each major fund of Town of Greenville, 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. We identified a certain deficiency in internal controls, described in the accompanying management letter and schedule of findings as items 2025-001, 2025-002, 2025-003, and 2025-004 that we consider to be significant deficiencies.

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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and there were no new compliance-related findings in the current year.

Town of Greenville, Florida's Response to Findings

The Town's response to the findings identified in our audit are described in the accompanying corrective action plan. The Town's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Powell & Jones

Powell & Jones CPA
Lake City, Florida
June 30, 2026

Powell and Jones CPA

204 N. Marion Ave.
Lake City, FL 32055
Phone 386.755.4200

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL,* OFFICE OF THE AUDITOR GENERAL

To the Honorable Town Council,
Town of Greenville, Florida:

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited the Town of Greenville, Florida's (the Town) compliance with the types of compliance requirements in the State of Florida, Department of Financial Services State Projects Compliance and Supplement that could have a direct and material effect on each of the Town's major state projects for the year ended September 30, 2025. The Town's major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major State Project

We conducted our audit of compliance in accordance with the 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 State of Florida, Office of the Auditor General. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state project. Our audit does not provide a legal determination of the Town's compliance with the compliance requirements referred to above.
Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state projects.

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with the 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 State of Florida, Office of the Auditor General, we:

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

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

Report on Internal Control over Compliance

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

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

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

Pursuant to Chapter 119, *Florida Statutes*, this report is a public record, and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this report is intended solely for the information and use of the Town's management, State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Powell & Jones

Powell & Jones CPA
Lake City, Florida
June 30, 2026

Powell and Jones CPA

204 N. Marion Ave.
Lake City, FL 32055
Phone 386.755.4200

INDEPENDENT AUDITORS' 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 Greenville, Florida:

Report on the Financial Statements

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

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' 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 except as noted below under the heading Uncorrected Audit Findings.

Tabulation of Uncorrected Audit Findings		
Current Year Finding #	2023-2024 FY Finding #	2023-2024 FY Finding #
2025-001	2024-001	2023-002
2025-002	2024-002	2023-004
2025-003	2024-003	NA

Official Title and Legal Authority

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

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Town has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the Town 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. It is management's responsibility to monitor the Town'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. We identified deteriorating financial conditions described below in accordance with those rules.

2025-002: Financial Condition Assessment Indicating Deteriorating Financial Condition

Condition and Criteria: Florida Statutes 218.39(5) require the auditor to notify the governing council of the local government if conditions are present which could lead to the various financial emergency situations described in Florida Statutes 218.503(1). While performing the annual financial condition assessment required by the State of Florida Auditor General, we noted that the General Fund assigned and unassigned fund balance as a percentage of total General Fund expenditures (also known as a reserve level) for the year was approximately (0.6)% in comparison to the Government Finance Officers Association recommendation of 16.7% for municipalities. We also noted that the governmental and business-type activities' unrestricted net positions balance showed deficit balances at year end.

Effect: The result of our financial condition assessment is that the Town remains in deteriorating financial conditions.

Recommendation: We recommend the Town review its financial condition and adjust the operating budget for the General and Utility funds to improve the long-term financial condition of the Town.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we have the following comments:

2025-003: Failure to Properly Track and Restrict Fuel Tax Revenues

Criteria and Condition: Certain revenues received by Florida municipalities, such as proceeds from Local Option Fuel Taxes are legally restricted for transportation-related expenditures, as defined in Chapters 206 and 336, Florida Statutes. These funds must be separately tracked and disclosed in accordance with applicable accounting and reporting standards.

The municipality receives such intergovernmental revenues from multiple fuel-related sources, including local option fuel taxes and shared state fuel taxes. However, expenditures from these sources were not tracked in a manner that ensures compliance with statutory restrictions. In addition, the related fund balances were not initially reported as restricted in the financial statements but were adjusted to reflect spending in the preceding financial statements.

Effect: Failure to track and restrict the use of these revenues could result in noncompliance with Florida Statutes and may increase the risk of ineligible expenditures. Additionally, the financial statements may not accurately reflect the restricted nature of certain revenue streams.

Recommendation: We recommend that the Town establish procedures to track additions to the statutorily restricted amounts and to account for expenditures from these funds in order to ensure that the Town remains in compliance with the applicable Florida statutes.

Property Assessed Clean Energy Programs (PACE)

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the Town did not have a property assessed clean energy (PACE) program that finances qualifying improvements authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within the Town's geographical boundaries during the fiscal year under audit.

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 abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

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

Powell & Jones

Powell and Jones CPA
Lake City, Florida
June 30, 2026

Powell and Jones CPA

204 N. Marion Ave.
Lake City, FL 32055
Phone 386.755.4200

INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To Town Council,
Town of Greenville, Florida:

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

Our examination was conducted in accordance with attestation standards for a direct examination engagement established by the American Institute of Certified Public Accountants (AICPA). Those standards require that we obtain reasonable assurance for evaluating the Town's compliance with the Statute, and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the Town's compliance with the Statute. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks that the Town was not in compliance with the Statute in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

Powell & Jones

Powell and Jones CPA
Lake City, Florida
June 30, 2026

TOWN OF GREENVILLE, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2025

Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
• Material weakness identified?	No
• Reportable condition identified not considered to be material weakness?	Yes
Noncompliance material to financial statements	None reported

State Financial Assistance

Internal control over major projects:

• Material weaknesses identified	No
• Reportable condition identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major projects	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Rule 10.656, *Rules of the Auditor General*?	No

CFSA Number	
37.098	Florida Department of Environmental Protection Resiliant Florida Programs - Flooding Mtigation
55.009	Florida Department of Transportation Street Resurfacing

Dollar threshold used to distinguish between Type A and Type B programs:	$ 446,553

Financial Statement Findings

See below

State Financial Assistance Findings and Questioned Costs

No

Powell and Jones CPA

204 N. Marion Ave.
Lake City, Florida 32055
Phone 386.755.4200

TOWN OF GREENVILLE, FLORIDA
SCHEDULE OF FINANCIAL STATEMENT FINDINGS
For the Fiscal Year Ended September 30, 2025

Current Year Financial Statement Findings:

Significant Deficiencies

2025-001: Significant Adjustments

Condition and Criteria: The internal controls of Town of Greenville, Florida (the Town) have focused primarily on the objective of effectiveness and efficiency of operations (i.e., performance and mission goals and safeguarding of resources). However, the system of internal control over the objectives of reliability of financial reporting contains certain deficiencies. A key element of financial reporting is the ability of management to select and apply the appropriate accounting principles to prepare the financial statements in accordance with generally accepted accounting principles.

For the year ended September 30, 2025, certain adjustments were required to be made to the accounting records subsequent to the start of the audit process. Specifically, there were material adjustments required for certain grant revenues and receivables as well as for allocation of interfund balances.

Effect: Financial statements would be misstated if significant adjustments were not made.

Recommendation: We recommend management select and apply the appropriate accounting principles in accordance with generally accepted accounting principles.

2025-004: Recording and Allocation of Expenditures Between Funds

Condition and Criteria: PJC noted that the Town recorded all payroll activity in the Utility Fund on a net basis rather than recording gross payroll expenditures and not allocating payroll costs to the General Fund and Utility Fund based on employee basis. In addition, certain utility operating expenditures were recorded entirely in the General Fund rather than being allocated between the General Fund and Utility Fund based on the costs incurred or the benefit received. Accounting records should accurately reflect the nature of expenditures and allocate shared costs to the appropriate funds to ensure the financial statements are fairly presented in accordance with generally accepted accounting principles.

Cause: The Town did not have procedures in place to record payroll on a gross basis or to allocate payroll-related and shared operating expenditures among the appropriate funds.

Effect: As a result, payroll expenditures, employer payroll taxes, and utility operating expenditures were misstated among the affected funds. Audit adjustments were required to record payroll on a gross basis, properly allocate payroll and employer payroll tax expenditures between the General Fund and Utility Fund, and allocate utility operating expenditures between the appropriate funds for financial statement reporting purposes.

Recommendation: We recommend that the Town record payroll at gross amounts and allocate payroll, employer payroll tax expenditures, and shared operating expenditures to the appropriate funds based on employee functions and the benefit received by each fund. Management should establish and consistently apply a documented allocation methodology throughout the year to ensure expenditures are accurately reported in the financial statements.

Prior Year Financial Statement Findings:

2024-001: Significant Adjustments

Condition and Criteria: The internal controls of Town of Greenville, Florida (the Town) have focused primarily on the objective of effectiveness and efficiency of operations (i.e., performance and mission goals and safeguarding of resources). However, the system of internal control over the objectives of reliability of financial reporting contains certain deficiencies. A key element of financial reporting is the ability of management to select and apply the appropriate accounting principles to prepare the financial statements in accordance with generally accepted accounting principles.

For the year ended September 30, 2024 certain adjustments were required to be made to the accounting records subsequent to the start of the audit process. Specifically, there were material adjustments required for certain grant revenues and receivables. Since these adjustments resulted in a material misstatement of the financial statements, this deficiency is deemed to be a material weakness.

Effect: Financial statements would be materially misstated if significant adjustments were not made.

Recommendation: We recommend management select and apply the appropriate accounting principles in accordance with generally accepted accounting principles.

The circumstances surrounding this finding are substantially the same, and this finding has been continued as finding 2025-001.

2024-002: Financial Condition Assessment Indicating Deteriorating Financial Condition

Condition and Criteria: Florida Statutes 218.39(5) require the auditor to notify the governing council of the local government if conditions are present which could lead to the various financial emergency situations described in Florida Statutes 218.503(1). While performing the annual financial condition assessment required by the State of Florida Auditor General, we noted that the General Fund assigned and unassigned fund balance as a percentage of total General Fund expenditures (also known as a reserve level) for the year was approximately 15.6% in comparison to the Government Finance Officers Association recommendation of 16.7% for municipalities. We also noted that the governmental and business-type activities' unrestricted net positions balance showed deficit balances at year end.

Effect: The result of our financial condition assessment is that the Town remains in deteriorating financial conditions.

Recommendation: We recommend the Town review its financial condition and adjust the operating budget for the General and Utility funds to improve the long-term financial condition of the Town.

The circumstances surrounding this finding are substantially the same, and this finding has been continued as finding 2025-002.

2024-003: Sales Tax Paid on Exempt Purchases

Condition and Criteria: During our audit, we identified instances in which the Town paid Florida state sales tax on purchases, despite being exempt as a governmental entity. This issue was initially brought to our attention by the Town who provided several vendor names where sales tax had been charged. Our review of those specific transactions verified that sales tax had been paid. To assess whether this issue was more widespread, we tested an additional selection of 35 disbursements from other vendors and found no other instances of sales tax being paid. Accordingly, while the issue exists, it does not appear to be pervasive or material to the financial statements. Section 212.08(6), Florida Statutes, provides a sales tax exemption for purchases made by State municipalities when such purchases are made in the municipality's name and paid from public funds.

Effect: Paying these sales taxes results is an unnecessary expenditures of public funds. Although immaterial in this case, repeated occurrences could lead to cumulative financial loss and may indicate a lack of internal controls over disbursements.

Recommendation: We recommend the Town include in its review of expense transactions a procedure whereby staff verifies that sales tax has not been charged on vendor invoices prior to approving them for payment. If sales tax is found, the Town should either request a corrected invoice or ensure that the tax amount is excluded from the payment.

The circumstances surrounding this finding are substantially corrected.

Prior Year Recommendations

2024-004: <u>Failure to Properly Track and Restrict Fuel Tax Revenues</u>

Criteria and Condition: Certain revenues received by Florida municipalities, such as proceeds from Local Option Fuel Taxes are legally restricted for transportation-related expenditures, as defined in Chapters 206 and 336, Florida Statutes. These funds must be separately tracked and disclosed in accordance with applicable accounting and reporting standards. The municipality receives such intergovernmental revenues from multiple fuel-related sources, including local option fuel taxes and shared state fuel taxes. However, expenditures from these sources were not tracked in a manner that ensures compliance with statutory restrictions. In addition, the related fund balances were not initially reported as restricted in the financial statements but were adjusted to reflect spending in the preceding financial statements.

Effect: Failure to track and restrict the use of these revenues could result in noncompliance with Florida Statutes and may increase the risk of ineligible expenditures. Additionally, the financial statements may not accurately reflect the restricted nature of certain revenue streams.

Recommendation: We recommend that the Town establish procedures to track additions to the statutorily restricted amounts and to account for expenditures from these funds in order to ensure that the Town remains in compliance with the applicable Florida statutes.

The circumstances surrounding this finding are substantially the same, and this finding has been continued as finding 2025-003.

TOWN OF GREENVILLE

154 SW Old Mission Avenue • Post Office Box 235 • Greenville, Florida 32331-0235
Phone 850-948-2251 • Fax 850-948-3363
Incorporated 1907

July 01, 2026

Powell and Jones CPA
1359 SW Main Blvd.
Lake City, FL 32025

Dear Sir or Madame:

This letter outlines the Town of Greenville Corrective Action Plan prepared in response to your FY 2025 Audit Schedule of Findings as follows:

Schedule of Findings

Finding 2025-001 – Significant Adjustments

Management acknowledges the adjustments identified during the audit process and agrees that improvements are needed to ensure financial records are complete and accurate prior to the commencement of the annual audit. To address this finding, the Town will implement a formal year-end closing process that includes monthly reconciliation of grant receivables, review of grant reimbursement requests, reconciliation of interfund balances, and a comprehensive year-end financial statement checklist.

Finding 2025-002 – Financial Condition Assessment Indicating Deteriorating Financial Condition

Management acknowledges the Town's current financial condition and agrees that improving unrestricted reserves and overall financial stability remains a priority. While significant grant-funded capital projects have impacted the Town's financial position, management recognizes the need to strengthen operating reserves and improve long-term financial sustainability. Management will also work with the Town Council to develop strategies aimed at rebuilding fund balance and improving unrestricted net position over time.

Finding 2025-003 – Failure to Properly Track and Restrict Fuel Tax Revenues

Management acknowledges that procedures for tracking statutorily restricted fuel tax revenues should be strengthened. Although restricted expenditures were ultimately identified during the financial statement preparation process, the Town agrees that these revenues and related expenditures should be monitored throughout the year to ensure compliance with Florida Statutes. Beginning in fiscal year 2026, Management will reconcile the reconcile fuel tax revenue and expenditures periodically and review them during the year-end closing process to ensure restricted fund balances are properly reported.

Finding 2025-004 – Recording and Allocation of Expenditures Between Funds

Management acknowledges that payroll costs and certain shared operating expenditures were not consistently allocated between the General Fund and Utility Fund during fiscal year 2025. The Town agrees that expenditures should be recorded in the appropriate funds based on employee responsibilities and the benefit received by each activity. Beginning in fiscal year 2026, management will implement procedures to properly record payroll, employer payroll taxes, and shared operating expenses within the proper fund.

We trust the Corrective Action Plan outlined in this letter adequately responds to your Findings and Recommendations. Please be assured that the Town of Greenville intends to comply with all applicable statutory requirements and good financial practices.

Respectfully,

Kimberly Reams

Kimberly Reams
Town Clerk