TOWN OF REDINGTON SHORES, FLORIDA

Annual Comprehensive
Financial Report

For The Year Ended September 30, 2025

TOWN OF REDINGTON SHORES, FLORIDA

Annual Comprehensive
Financial Report

For The Year Ended September 30, 2025

TOWN OF REDINGTON SHORES,
FLORIDA

Commission Form of Government

TOWN COMMISSION
(As of September 30, 2025)

TOM KAPPER, MAYOR

ERIN SCHOOS VICE-MAYOR	DOUGLAS HARR
C.J. HOYT	LARRY MAYNARD

APPOINTED OFFICIALS
(As of September 30, 2025)

TOWN MANAGER	TOWN ATTORNEY	TOWN CLERK
MARGARET CAREY	ROBERT ESCHENFELDER	MELISSA FULTZ

Introductory Section

TOWN OF REDINGTON SHORES, FLORIDA

SEPTEMBER 30, 2025

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Letter of Transmittal

Town of Redington Shores
Nature's Beach

August 28, 2026

To the Honorable Mayor, Board of Commissioners and Citizens of the Town of Redington Shores,

The Annual Comprehensive Financial Report (ACFR) of the Town of Redington Shores, Florida for the fiscal year ended September 30, 2025, is submitted herewith, fulfilling the requirements of the Town Charter, Florida Statutes and the Rules of the Auditor General of the State of Florida.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Wells, Houser & Schatzel, P.A., Certified Public Accountants, have issued an opinion on the Town of Redington Shores' financial statements for the year ended September 30, 2025. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The Town of Redington Shores is one of twenty-four incorporated municipalities within Pinellas County and is a community that consists mostly of residential homes with some commercial and recreational interests within Town limits. Our mission is to ensure a clean and safe community that's highlighted by friendly residential neighborhoods and a dynamic business community working together to enhance and improve our island's qualities.

The Town of Redington Shores has operated under the Commissioner-Mayor form of government since incorporation in 1955. Policy making and legislative authority are vested in a governing Commission consisting of the mayor and four other members, all elected on a non-partisan basis. The Mayor appoints the heads of various departments. Commission members serve two-year terms, with two members elected every other year. The Mayor is elected for a three-year term. The Mayor is elected at large; the remaining commission members are elected by district. A Town Administrator manages the day-to-day operations of the Town and reports to the Commission.

The Town provides many municipal services such as community planning, maintenance and repairs of parks, streets, and other infrastructure, and has opportunities for recreational and cultural activities. Various functions are provided through outside contracts to ensure that residents are afforded a full range of services.

Police protection is contracted through the Town of Indian Shores' police department; fire protection is provided by the City of Madeira Beach and the City of Seminole fire departments; code enforcement is upheld by the Pinellas County Sheriff's office; and library services are provided by the Gulf Beaches Public Library.

The annual budget serves as the foundation for the Town's financial planning and control. All departments of the Town are required to submit requests for appropriation each year. These requests are used as the starting point for developing a proposed budget. The Commission is required to hold public hearings on the proposed budget and to adopt a final budget no later than September 30, the close of the Town's fiscal year.

Local Economy and Initiatives

During Fiscal Year 2025, the Town's primary focus was on recovery from the historic hurricanes that impacted the community in the fall of 2024. Most of the Town's homes and businesses required repair and rebuilding. Town staff worked diligently to manage the substantial increase in permitting and related administrative demands while simultaneously dedicating significant resources to documenting, compiling, and submitting eligible expenditures to FEMA for reimbursement.

The Town also continued to prioritize the rehabilitation and long-term improvement of critical public infrastructure. A major sewer and stormwater system rehabilitation project was initiated. This multi-year project is expected to continue into Fiscal Years 2026 and 2027 and represents a significant investment in the Town's infrastructure and long-term resiliency. The Town also signed an agreement with Duke Energy to complete the Utility Undergrounding project along the West side of Gulf Boulevard. Duke is currently designing the project, and a start date has yet to be announced.

Looking forward, the Town's capital planning efforts will continue to emphasize infrastructure renewal, stormwater management, wastewater system improvements, hurricane resilience, and responsible stewardship of public resources while seeking available state and federal funding opportunities to supplement local revenues.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated service of the Town staff. Credit must also be given to the Mayor and Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the Town of Redington Shores' finances.

Respectfully Submitted,

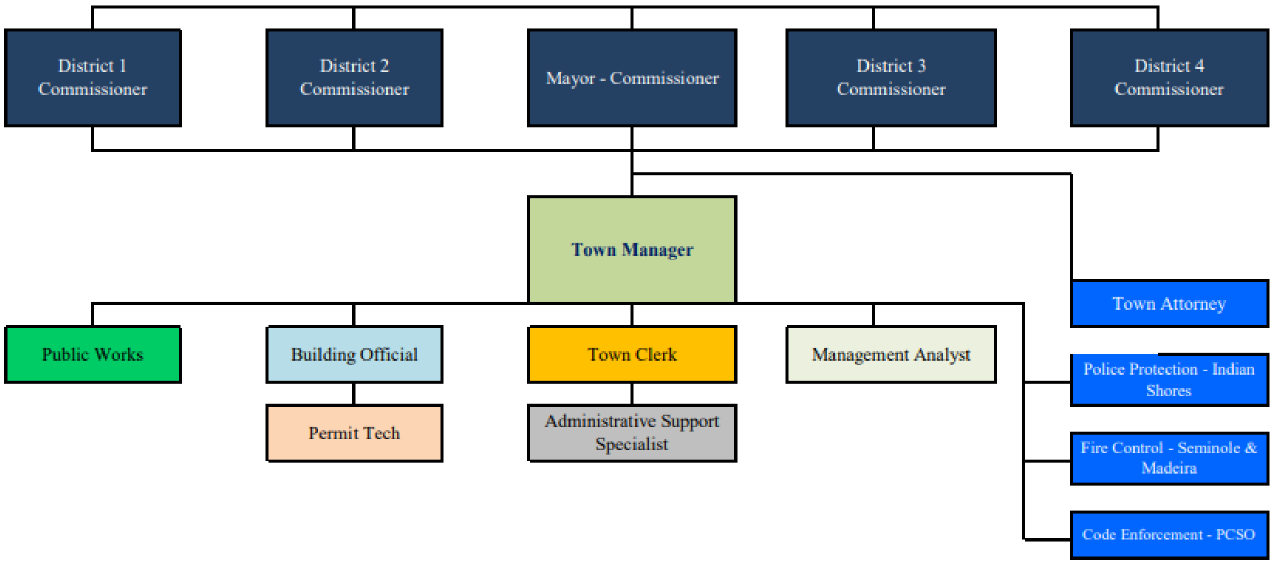
Margaret E. Carey

Margaret Carey
Town Manager

Organizational Chart

Town of Redington Shores
Nature's Beach

Organizational Chart



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Financial Section

This section contains the following subsections:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Independent Auditor's Report

WELLS, HOUSER & SCHATZEL, P.A.
CPA AND CONSULTING FIRM

John B. Houser, CPA
Peter C. Schatzel, CPA
Peter B. Wells, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Town Commission
Town of Redington Shores, Florida

Report on the Audit of the Financial Statements

Opinions
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Redington Shores, Florida, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Town of Redington Shores, Florida'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, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Redington Shores, Florida, as of September 30, 2025, and the respective changes in financial position 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 of Redington Shores, Florida, 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.

Emphasis of Matter – Correction of an Error
As discussed in Note 15 to the financial statements, the summarized comparative financial statements for September 30, 2024 have been restated to correct a material misstatement relating to deprecation expense not having been recorded for certain infrastructure assets placed in service during the fiscal year ended September 30, 2020. Our opinion is not modified with respect to this matter.

Emphasis of Matter - Change in Accounting Principle
As discussed in Note 16 to the financial statements, in the current year the Town of Redington Shores, Florida, adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. Our opinion is not modified with respect to this matter.

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Redington Shores, Florida'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.

WH&S
500 94th Avenue North • St. Petersburg, Florida 33702-2406 • Phone: (727) 578-1040 • Fax: (727) 578-1041 • Online: www.whspa.com
Members: American Institute of Certified Public Accountants - Florida Institute of Certified Public Accountants

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Redington Shores, Florida's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Redington Shores, Florida'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 – Management's Discussion and Analysis
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (pages 5-9) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information and Other Required Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Redington Shores, Florida's basic financial statements. The accompanying required supplementary information consisting of the Budgetary Comparison Schedule – General Fund, and the schedule of proportionate share of net pension liability and the related schedule of pension contributions are not a required part of the basic financial statements. Although not a required part of the basic financial statements, this information is required by the Governmental Accounting Standards Board, as these statements are considered to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational and economic context.

The additional supplementary information consisting of the Budgetary Comparison Schedules – Capital Improvements Fund and Sewer Fund, as well as the Reconciliation Statements from Governmental to Government-wide statements, are presented for purposes of additional analysis and are also not a required part of the basic financial statements.

Such required supplementary information and additional supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Budgetary Comparison Schedule – General Fund and the schedule of proportionate share of net pension liability and the related schedule of pension contributions as well as the Budgetary Comparison Schedules – Capital Improvements Fund and Sewer Fund, and the Reconciliation Statements from Governmental to Government-wide statements, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

Report on Summarized Comparative Information

We have previously audited the Town of Redington Shores, Florida's September 30, 2024 financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated June 27, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 28, 2026, on our consideration of the Town of Redington Shores, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Redington Shores, Florida's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Redington Shores, Florida's internal control over financial reporting and compliance.

Wells, Houser & Schatzel, P.A.

Wells, Houser & Schatzel, P.A.
St. Petersburg, Florida

August 28, 2026

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Management’s Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Town of Redington Shores, Florida's (the "Town") Management's Discussion and Analysis ("MD&A") presents an overview of the Town's financial activities for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with the financial statements that follow this section, taken as a whole.

FINANCIAL HIGHLIGHTS

- The Town's total net position decreased by $843,352 from the prior year as a result of significant expenditures related to disaster relief and recovery efforts due to Hurricanes Helene and Milton. In total, the Town expended $3,235,186 for hurricane-related services including debris removal, sewer system / lift station emergency maintenance, street and sidewalk repairs, and additional contracted staffing for permit processing and inspections.
- The Town's building permits and related fees generated $1,630,809 in revenue in the fiscal year ending September 30, 2025. This $1,271,871 increase from the prior year can be attributed to a substantial increase in construction projects due to the damage caused by the aforementioned hurricanes, as well as the Town also processing building permits for the Town of Redington Beach as the result of an interlocal agreement between the two towns.
- As of September 30, 2025, the total assets and deferred outflows of the Town exceeded total liabilities and deferred inflows by $24,395,900 (total net position). Of this amount, $9,246,249 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The assets and deferred outflows of the Town's governmental activities exceeded its liabilities and deferred inflows by $20,577,834 (net position). Of this amount, $6,994,417 is considered unrestricted. The net position of the governmental activities decreased $1,310,102.
- Net position of the Town's business-type activities increased $466,750 from the prior year to $3,818,066, of which $2,251,832 is unrestricted.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction of the Town of Redington Shores' basic financial statements. The Town of Redington Shores' basic financial statements include 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 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 include general government, public safety, physical environment and culture / recreation. The business-type activities include sewer service provided to the Town's residents and businesses. The fee for sewer services charged by the Town is intended to cover most, if not all, of the cost of operations, including depreciation.

FUND FINANCIAL STATEMENTS

The Town's funds are presented in separate fund financial statements. All of the Town's funds are presented as major funds and can be divided into two categories: governmental funds and proprietary funds. There are no fiduciary funds presented because the Town does not have a fiduciary responsibility that would be recorded in a fiduciary fund. The Town adopts an annual budget for all funds and budgetary comparison schedules are included in this report to demonstrate compliance with these budgets.

The Town maintains two governmental funds, the General Fund and the Capital Improvements Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for each of these governmental 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.

Proprietary Funds

The Town maintains one proprietary fund to account for its sewer service. This enterprise fund is used to report the same functions and the same type of information as the government-wide financial statements but is referred to as a business-type activity and provides more detail.

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.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplementary information. This includes the General Fund, Capital Improvements Fund, and Sewer Fund original budgets and final budgets in comparison to actual expenses.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time, net position may be a useful indicator of a government's financial position. A large portion of the Town's net position is the investment in capital assets such as land, buildings and equipment. These capital assets are used to provide services to citizens and consequently, these assets are not available for future spending because the Town has no intention of selling these assets to generate spendable assets. The following table reflects the condensed Statement of Net Position.

CONDENSED STATEMENT OF NET POSITION

	2025			(Restated) 2024
	Governmental Activities	Business-type Activities	Total	Total
ASSETS				
Total current assets	$ 11,243,280	$ 2,284,165	$ 13,527,445	$ 14,848,442
Total non-current assets	10,621,063	1,940,409	12,561,472	11,881,605
TOTAL ASSETS	21,864,343	4,224,574	26,088,917	26,730,047
DEFERRED OUTFLOWS OF RESOURCES	231,484	-	231,484	313,391
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 22,095,827	$ 4,224,574	$ 26,320,401	$ 27,043,438
LIABILITIES				
Total current liabilities	$ 891,615	$ 406,508	$ 1,298,123	$ 965,358
Total non-current liabilities	478,506	-	478,506	752,388
TOTAL LIABILITIES	1,370,121	406,508	1,776,629	1,717,746
DEFERRED INFLOWS OF RESOURCES	147,872	-	147,872	86,440
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	$ 1,517,993	$ 406,508	$ 1,924,501	$ 1,804,186
NET POSITION				
Net investment in capital assets	$ 10,173,183	$ 1,566,234	$ 11,739,417	$ 11,496,987
Restricted	3,410,234	-	3,410,234	3,203,925
Unrestricted (deficit)	6,994,417	2,251,832	9,246,249	10,538,340
TOTAL NET POSITION	20,577,834	3,818,066	24,395,900	25,239,252
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 22,095,827	$ 4,224,574	$ 26,320,401	$ 27,043,438

For the fiscal year ending September 30, 2024, Non-Current Assets (as presented on the Condensed Statement of Net Position seen above) have been restated to correctly recognize an additional $167,176 in accumulated depreciation within the Governmental Activities. There was a corresponding decrease of $167,176 in the Net Investment in Capital Assets within the Governmental Activities.

On the Condensed Changes in Net Position table shown on the following page, the aforementioned $167,176 change is reported as a $39,336 increase in Physical Environment expense in the fiscal year ending September 30, 2024, and a correction of prior period error in the amount of $127,840.

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During the fiscal year ending September 30, 2025, governmental activities decreased the Town's total net position by $1,310,102, while business–type activities increased the Town's net position by $466,750. The following schedule represents the revenues and expenses for the last two fiscal years.

CONDENSED CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities	
	2025	(Restated) 2024	2025	2024
Revenue				
Program Revenue:				
Charges for Services	$ 2,402,374	$ 1,039,874	$ 991,504	$ 1,143,271
Grants	347,137	579,968	77,726	58,759
Total Program Revenue	2,749,511	1,619,842	1,069,230	1,202,030
General Revenue:				
Ad Valorem	1,897,634	1,752,654	-	-
Franchise Fees	235,956	259,860	-	-
Land Dedication Fees	-	55,500	-	-
Communication Service Tax	70,047	63,116	-	-
Infrastructure Sales Tax	335,988	328,886	-	-
Half Cent Sales Tax	175,468	173,970	-	-
Local Option Gas Tax	27,601	27,877	-	-
Other Taxes & Fees	3,084	3,695	-	-
State Revenue Sharing	73,150	72,710	-	-
Investment Earnings	452,109	561,479	108,734	95,164
Miscellaneous	63,894	36,034	-	-
Total General Revenue	3,334,931	3,335,781	108,734	95,164
Total Revenue	6,084,442	4,955,623	1,177,964	1,297,194
Expenses				
General Government	1,266,402	1,157,292	-	-
Public Safety	4,489,668	1,307,633	-	-
Physical Environment	1,439,634	1,342,669	-	-
Culture and Recreation	187,506	205,150	-	-
Interest on Long-Term Debt	11,334	23,274	-	-
Sewer	-	-	711,214	856,664
Total Expenses	7,394,544	4,036,018	711,214	856,664
Changes in Net Position	(1,310,102)	919,605	466,750	440,530
Net Position, Beginning	21,887,936	21,096,171	3,351,316	2,910,786
Correction of prior period error	-	(127,840)	-	-
Net Position, Beginning - as restated	21,887,936	20,968,331	3,351,316	2,910,786
Net Position, Ending	$ 20,577,834	$ 21,887,936	$ 3,818,066	$ 3,351,316

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As noted earlier, the Town of Redington Shores uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town is in compliance with financial policies.

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 an ending fund balance of $10,477,109, a decrease of $1,605,213 from the prior year.

The Town's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail. The unrestricted net position of the Sewer Fund as of September 30, 2025 was $2,251,832. The total increase in net position from the prior year was $466,750.

General Fund Budgetary Highlights

As previously mentioned, the widespread damage caused by Hurricanes Helene and Milton resulted in significant expenditures related to disaster relief and recovery efforts, as well as significantly increased building permit revenues. The Town's budget was amended to reflect these results.

Due to inadvertent clerical errors made during the amendment process, General Fund revenues had a negative variance of $262,377. Electrical permits (within building permits and fees on the Budgetary Comparison Schedule) were intended to be amended to $65,000, but were adjusted to $650,000, while state-provided disaster relief funds (within operating grants on the Budgetary Comparison Schedule) were intended to be amended to $7,500, but were adjusted to $75,000. Had the intended amounts been reflected in the final amended budget, General Fund revenues would have had a positive variance of $390,123.

General Fund expenditures had a positive variance of $14,382. Hurricane-related expenses, originally budgeted in the amount of $10,000, were increased to $3,195,000 due to the aforementioned substantial disaster relief and recovery expenditures. The largest positive variances within the General Fund expenditures were capital outlay in the Physical Environment department (positive variance of $20,548), and capital outlay in the Public Safety Department (positive variance of $16,483), as certain capital projects had to be postponed to address the significant hurricane damage.

Capital Assets

The Town's net investment in capital assets for its governmental and business-type activities as of September 30, 2025 totaled $11,739,417 (net of accumulated depreciation and any accounts payable, retainage payable or long-term debt associated with capital projects). This investment in capital assets includes land, buildings, stormwater and sewer systems, improvements, equipment, park facilities and roads.

Long-Term Debt

As of September 30, 2025, the Town had an outstanding bank loan in the amount of $128,208, which was borrowed for the utility undergrounding project. It is backed by the full faith and credit of the Town.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The 2025-2026 budget does not reflect any material increases in rates for taxes, fees, or services paid by citizens. Further, as a cautious approach to budgeting, the Town has only projected modest revenue increases and will closely monitor the ever-rising costs and make necessary budget amendments to reflect any operational impacts experienced.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Redington Shores' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Town Clerk, 17425 Gulf Boulevard, Redington Shores, FL 33708, telephone (727) 397-5538.

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Basic Financial Statements

The basic financial statements include the government-wide financial statements, fund financial statements, and notes to the financial statements. The government-wide financial statements present financial information about the reporting government as a whole. The fund financial statements present financial information about major funds individually for the governmental and enterprise funds. The notes to the financial statements present information essential for a fair presentation of the financial statements that is not displayed on the face of the financial statements.

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TOWN OF REDINGTON SHORES, FLORIDA

STATEMENT OF NET POSITION

September 30, 2025
With Comparative Total Amounts for September 30, 2024

	2025			(Restated) 2024
	Governmental Activities	Business-type Activities	Total	Total
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 2,662,520	$ 1,702,295	$ 4,364,815	$ 3,566,788
Investments	7,434,717	1,289,038	8,723,755	10,821,211
Receivables - other	81,964	170,428	252,392	264,200
Due from other governments	122,044	-	122,044	116,748
Inventory of supplies	2,744	-	2,744	3,116
Prepaid expense	61,695	-	61,695	76,379
Interfund balances	877,596	(877,596)	-	-
Total current assets	11,243,280	2,284,165	13,527,445	14,848,442
NON-CURRENT ASSETS				
Land and land rights	2,406,898	8,091	2,414,989	2,414,989
Buildings and improvements	891,390	-	891,390	891,390
Infrastructure	13,093,033	-	13,093,033	12,683,735
Equipment	883,494	115,524	999,018	880,432
Improvements other than buildings	1,084,461	3,408,997	4,493,458	3,727,270
Work in process	3,070	-	3,070	-
Accumulated depreciation	(7,741,283)	(1,592,203)	(9,333,486)	(8,716,211)
Total non-current assets	10,621,063	1,940,409	12,561,472	11,881,605
TOTAL ASSETS	21,864,343	4,224,574	26,088,917	26,730,047
DEFERRED OUTFLOWS OF RESOURCES				
Defined benefit pension plans				
Florida Retirement System	231,484	-	231,484	313,391
DEFERRED OUTFLOWS OF RESOURCES	231,484	-	231,484	313,391
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 22,095,827	$ 4,224,574	$ 26,320,401	$ 27,043,438

	2025			(Restated) 2024
	Governmental Activities	Business-type Activities	Total	Total
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	$ 662,062	$ 406,508	$ 1,068,570	$ 264,491
Accrued liabilities	97,853	-	97,853	68,092
Accrued interest	1,982	-	1,982	5,947
Unearned revenue	-	-	-	367,710
Current portion of:				
Note payable	128,208	-	128,208	256,410
Accrued compensated absences	1,510	-	1,510	2,708
Total current liabilities	891,615	406,508	1,298,123	965,358
NON-CURRENT LIABILITIES				
Note payable	-	-	-	128,208
Accrued compensated absences	13,590	-	13,590	24,370
Net pension liability:				
Florida Retirement System	464,916	-	464,916	599,810
Total non-current liabilities	478,506	-	478,506	752,388
TOTAL LIABILITIES	1,370,121	406,508	1,776,629	1,717,746
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	6,256	-	6,256	2,513
Defined benefit pension plans:				
Florida Retirement System	141,616	-	141,616	83,927
TOTAL DEFERRED INFLOWS OF RESOURCES	147,872	-	147,872	86,440
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,517,993	406,508	1,924,501	1,804,186
NET POSITION				
Net investment in capital assets	10,173,183	1,566,234	11,739,417	11,496,987
Restricted:				
Infrastructure	2,598,171	-	2,598,171	2,426,414
Land dedication units - community enhancements	656,915	-	656,915	628,965
Impact fees	155,148	-	155,148	148,546
Unrestricted	6,994,417	2,251,832	9,246,249	10,538,340
TOTAL NET POSITION	20,577,834	3,818,066	24,395,900	25,239,252
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 22,095,827	$ 4,224,574	$ 26,320,401	$ 27,043,438

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

TOWN OF REDINGTON SHORES, FLORIDA

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2025
With Comparative Total Amounts for the Year Ended September 30, 2024

	2025			
		Program Revenues		
FUNCTIONS / PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General government	$ 1,266,402	$ 556,415	$ 297,209	$ -
Public safety	4,489,668	1,802,829	-	-
Physical environment	1,439,634	43,130	49,928	-
Culture and recreation	187,506	-	-	-
Debt service interest	11,334	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	7,394,544	2,402,374	347,137	-
BUSINESS-TYPE ACTIVITIES				
Sewer	711,214	991,504	77,726	-
TOTAL BUSINESS-TYPE ACTIVITIES	711,214	991,504	77,726	-
TOTAL	$ 8,105,758	$ 3,393,878	$ 424,863	$ -

General Revenues
Taxes:
Ad valorem
Franchise fees
Land dedication fees
Communications service tax
Sales tax - infrastructure
Half-cent sales tax
Local option gas tax
Other taxes
State revenue sharing - unrestricted
Interest
Miscellaneous
Total general revenues
Change in net position
Net position - beginning of year - before restatement
Correction of prior period error - Note 15
Net position - beginning of year - as restated
Net position - end of year

2025			(Restated) 2024
Net (Expense) Revenue and Changes in Net Position			
Governmental Activities	Business-type Activities	Total	Total
$ (412,778)	$ -	$ (412,778)	$ 1,412
(2,686,839)	-	(2,686,839)	(947,154)
(1,346,576)	-	(1,346,576)	(1,242,010)
(187,506)	-	(187,506)	(205,150)
(11,334)	-	(11,334)	(23,274)
(4,645,033)	-	(4,645,033)	(2,416,176)
-	358,016	358,016	345,366
-	358,016	358,016	345,366
(4,645,033)	358,016	(4,287,017)	(2,070,810)
1,897,634	-	1,897,634	1,752,654
235,956	-	235,956	259,860
-	-	-	55,500
70,047	-	70,047	63,116
335,988	-	335,988	328,886
175,468	-	175,468	173,970
27,601	-	27,601	27,877
3,084	-	3,084	3,695
73,150	-	73,150	72,710
452,109	108,734	560,843	656,643
63,894	-	63,894	36,034
3,334,931	108,734	3,443,665	3,430,945
(1,310,102)	466,750	(843,352)	1,360,135
21,887,936	3,351,316	25,239,252	24,006,957
-	-	-	(127,840)
21,887,936	3,351,316	25,239,252	23,879,117
$ 20,577,834	$ 3,818,066	$ 24,395,900	$ 25,239,252

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

TOWN OF REDINGTON SHORES, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS

September 30, 2025
With Comparative Total Amounts for the Year Ended September 30, 2024

	2025			2024
	General	Capital Improvements	Total Governmental Funds	Total
ASSETS				
Cash and cash equivalents	$ 1,479,393	$ 1,183,127	$ 2,662,520	$ 1,910,286
Investments	4,857,478	2,577,239	7,434,717	9,589,770
Receivables - other	73,997	7,967	81,964	72,237
Due from other governments	44,571	77,473	122,044	116,748
Inventory of supplies	2,744	-	2,744	3,116
Prepaid expenditures	61,695	-	61,695	76,379
Due from other funds	776,213	110,740	886,953	884,886
TOTAL ASSETS	$ 7,296,091	$ 3,956,546	$ 11,252,637	$ 12,653,422
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 327,928	$ 334,134	$ 662,062	$ 203,221
Accrued liabilities	97,853	-	97,853	68,092
Due to other funds	9,357	-	9,357	7,290
Unearned revenue	-	-	-	289,984
TOTAL LIABILITIES	435,138	334,134	769,272	568,587
DEFERRED INFLOWS OF RESOURCES				
Deferred revenue	6,256	-	6,256	2,513
TOTAL DEFERRED INFLOWS	6,256	-	6,256	2,513
TOTAL LIABILITIES AND DEFERRED INFLOWS	441,394	334,134	775,528	571,100
FUND BALANCES				
Fund balances				
Non-spendable:				
Inventories and prepaids	64,439	-	64,439	79,495
Restricted for:				
Infrastructure	-	2,598,171	2,598,171	2,426,414
Land dedication units - community enhancements	-	656,915	656,915	628,965
Impact fees	-	155,148	155,148	148,546
Assigned to:				
Stormwater	-	212,178	212,178	569,200
Unassigned	6,790,258	-	6,790,258	8,229,702
TOTAL FUND BALANCES	6,854,697	3,622,412	10,477,109	12,082,322
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	$ 7,296,091	$ 3,956,546	$ 11,252,637	$ 12,653,422

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

TOWN OF REDINGTON SHORES, FLORIDA

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES

September 30, 2025

Fund Balances - total governmental funds		$ 10,477,109
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	$ 18,362,346	
Less: Accumulated depreciation	(7,741,283)	
		10,621,063
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Governmental note payable	(128,208)	
Accrued interest	(1,982)	
Compensated absences	(15,100)	
Net pension liability - Florida Retirement System	(464,916)	
		(610,206)
Deferred outflows and inflows of resources related to pensions are not reported in the governmental funds but will be recognized in pension expense on a long-term basis and are therefore reported in the statement of net position.		
Deferred outflows of resources related to pensions - Florida Retirement System	231,484	
Deferred inflows of resources related to pensions - Florida Retirement System	(141,616)	
		89,868
Net position of governmental activities.		$ 20,577,834

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

TOWN OF REDINGTON SHORES, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended September 30, 2025
With Comparative Total Amounts for the Year Ended September 30, 2024

	2025			2024
	General	Capital Improvements	Total Governmental Funds	Total
REVENUES				
Taxes	$ 2,203,637	$ -	$ 2,203,637	$ 2,075,630
Licenses and permits	1,640,491	-	1,640,491	372,957
Intergovernmental revenue	576,512	385,916	962,428	1,187,106
Fines and forfeits	5,698	-	5,698	2,463
Interest	297,981	154,128	452,109	561,479
Charges for services	713,055	43,130	756,185	664,454
Land dedication fees	-	-	-	55,500
Miscellaneous revenues	63,894	-	63,894	36,034
TOTAL REVENUES	5,501,268	583,174	6,084,442	4,955,623
EXPENDITURES				
Current:				
General government	1,230,493	-	1,230,493	1,092,125
Public safety	4,478,383	-	4,478,383	1,283,943
Physical environment	940,061	49,810	989,871	908,341
Culture and recreation	139,329	-	139,329	163,039
Capital outlay	167,502	412,368	579,870	312,181
Debt service:				
Principal	-	256,410	256,410	256,410
Interest	-	15,299	15,299	27,239
TOTAL EXPENDITURES	6,955,768	733,887	7,689,655	4,043,278
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,454,500)	(150,713)	(1,605,213)	912,345
OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	(1,454,500)	(150,713)	(1,605,213)	912,345
FUND BALANCES - BEGINNING OF YEAR	8,309,197	3,773,125	12,082,322	11,169,977
FUND BALANCES - END OF YEAR	$ 6,854,697	$ 3,622,412	$ 10,477,109	$ 12,082,322

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

TOWN OF REDINGTON SHORES, FLORIDA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES

For the Year Ended September 30, 2025

Net change in fund balances - total governmental funds		$ (1,605,213)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.		
Expenditures for capital assets	$ 579,870	
Less: Current year depreciation	(545,204)	
		34,666
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Principal payments on long-term debt	256,410	
Change in accrued interest	3,965	
		260,375
In the statement of activities, a gain or loss is reported on the disposal of capital assets based on the sale price less the remaining un-depreciated cost, whereas in the governmental funds the proceeds from the sale of capital assets increase financial resources. The remaining un-depreciated cost of assets disposed of results in a decrease in net position.		
Un-depreciated cost of capital assets sold as surplus or disposed of		(7,206)
Some expenses, or reductions to expenses, reported in the statement of activities do not require the use, or receipt, of current financial resources and therefore are not reported as expenditures, or reductions to expenditures, in governmental funds.		
Change in compensated absences	11,978	
Pension expense - Florida Retirement System	(4,702)	
		7,276
Change in net position of governmental activities.		$ (1,310,102)

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

TOWN OF REDINGTON SHORES, FLORIDA

STATEMENT OF NET POSITION
PROPRIETARY FUND

September 30, 2025
With Comparative Total Amounts for the Year Ended September 30, 2024

	Business-type Activity - Enterprise Fund	
	Sewer Fund	
	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 1,702,295	$ 1,656,502
Investments	1,289,038	1,231,441
Receivables - other	170,428	191,963
Total current assets	3,161,761	3,079,906
NON-CURRENT ASSETS		
Capital Assets:		
Land and land rights	8,091	8,091
Improvements other than buildings	3,408,997	2,696,297
Equipment	115,524	102,529
Less: Accumulated depreciation	(1,592,203)	(1,518,915)
Total non-current assets	1,940,409	1,288,002
TOTAL ASSETS	$ 5,102,170	$ 4,367,908
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	$ 406,508	$ 61,270
Due to other funds	877,596	877,596
Unearned revenue	-	77,726
Total current liabilities	1,284,104	1,016,592
TOTAL LIABILITIES	1,284,104	1,016,592
NET POSITION		
Investment in capital assets	1,566,234	1,288,002
Unrestricted	2,251,832	2,063,314
TOTAL NET POSITION	3,818,066	3,351,316
TOTAL LIABILITIES AND NET POSITION	$ 5,102,170	$ 4,367,908

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

TOWN OF REDINGTON SHORES, FLORIDA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND

For the Year Ended September 30, 2025
With Comparative Total Amounts for the Year Ended September 30, 2024

	Business-type Activity - Enterprise Fund	
	Sewer Fund	
	2025	2024
OPERATING REVENUES		
Charges for services	$ 991,504	$ 1,143,271
Intergovernmental revenue - Federal grant	77,726	58,759
TOTAL OPERATING REVENUES	1,069,230	1,202,030
OPERATING EXPENSES		
Contractual services	508,890	695,572
Repairs and maintenance	115,173	58,759
Office and utilities	13,862	29,802
Depreciation	73,289	72,531
TOTAL OPERATING EXPENSES	711,214	856,664
OPERATING INCOME	358,016	345,366
NON-OPERATING REVENUE		
Interest earned	108,734	95,164
CHANGES IN NET POSITION	466,750	440,530
NET POSITION - BEGINNING OF YEAR	3,351,316	2,910,786
NET POSITION - END OF YEAR	$ 3,818,066	$ 3,351,316

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

TOWN OF REDINGTON SHORES, FLORIDA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Year Ended September 30, 2025
With Comparative Total Amounts for the Year Ended September 30, 2024

	Business-type Activity - Enterprise Fund	
	Sewer Fund	
	2025	2024
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 1,013,039	$ 1,135,327
Cash payments to suppliers for goods and services	(666,862)	(909,204)
NET CASH PROVIDED BY OPERATING ACTIVITIES	346,177	226,123
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Cash payments (to) from other funds	-	1,068,435
NET CASH USED BY NON-CAPITAL FINANCING ACTIVITIES	-	1,068,435
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets net of related accounts payable	(351,521)	-
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(351,521)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(57,597)	(66,206)
Interest and dividends on cash and cash equivalents	108,734	95,164
NET CASH PROVIDED BY INVESTING ACTIVITIES	51,137	28,958
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	45,793	1,323,516
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	1,656,502	332,986
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 1,702,295	$ 1,656,502
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income (loss)	$ 358,016	$ 345,366
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Income recognized from prior year deferred revenue	(77,726)	(58,759)
Depreciation	73,289	72,531
Changes in assets and liabilities:		
(Increase) Decrease in Receivables	21,535	(7,944)
Increase (Decrease) in Accounts Payable net of capital asset acquisitions	(28,937)	(125,071)
TOTAL ADJUSTMENTS	(11,839)	(119,243)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 346,177	$ 226,123

There were no non-cash investing or financing activities for the years ended September 30, 2025 or 2024

Non-cash Capital and Related Financing Activities:		
Acquisition and construction of capital assets through accounts payable.	$ 374,175	$ -

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Redington Shores (Town) maintains its accounting records in accordance with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

A. The Reporting Entity

The Town is a political subdivision of the State of Florida, located in Pinellas County in the west central portion of the State. The Town was incorporated on August 30, 1955 under the provisions of the Laws of Florida, 1955, Section 35, Chapter 31209, and since that time has operated under the same charter. The Town is approximately 0.36 square miles in area. The Town is a full-service municipality providing its citizens with a full complement of municipal services to include solid waste removal.

In evaluating how to define the Town of Redington Shores, Florida (the primary government), for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14, "The Financial Reporting Entity."

This governmental accounting standard requires that these financial statements present the Town of Redington Shores (the primary government) and component units, if any. Component units generally are legally separate entities for which a primary government is financially accountable. Financial accountability ordinarily involves meeting both of the following criteria: the primary government is accountable for the potential component unit (i.e., the primary government appoints the voting majority of its board) and the primary government is able to impose its will upon the potential component unit, or there is a possibility that the potential component unit may provide specific financial benefits or impose specific financial burdens on the primary government.

The Town has no component units as of September 30, 2025.

B. Government-Wide and Fund Financial Statements

The Town has adopted the provisions of GASB Statement No. 34, "Basic Financial Statements and Management Discussion and Analysis for State and Local Governments." The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the 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 are 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 and proprietary funds. Major individual governmental funds and the individual enterprise fund are reported as separate columns in the fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements, governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to reconcile the fund-based financial statements to the governmental activities' column of the government-wide presentation.

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 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 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, are recorded only when payment is due.

Franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

The Town reports the following major funds:

> The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
>
> The Capital Improvements Fund is a governmental fund that accumulates resources for the construction of capital projects funded primarily by the infrastructure sales surtax.
>
> The Sewer Fund accounts for the assets, operations and maintenance of the Town-owned sewage collection system.

Private-sector standards of accounting and financial reporting are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

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

Amounts reported as *program* revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Proprietary funds distinguish *operating* revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. 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 non-operating revenues and expenses.

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

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Fund Balances

Cash and Cash Equivalents

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of twelve months or less from the date of acquisition.

Deposits and Investments

The Town's investment policy is to maintain funds in investments which yield the highest possible efficiency and return within the limitations established by Chapter 166.261, Florida Statutes. Provisions of those statutes authorize the Town to invest in:

a) Florida State Board of Administration Local Government Pooled Investment Fund.

b) Bonds, notes or other obligations of the United States or for which the credit of the United States is pledged for the payment thereof.

c) Interest-bearing time deposits, savings accounts or collective investment funds in banks or savings and loan associations organized under the laws of the United States.

d) Obligations of the federal farm credit banks and the Federal Home Loan Mortgage Corporation.

e) Obligations of the Federal National Mortgage Association and the Government National Mortgage Association.

The Town's investments consist of amounts on deposit with an investment pool that qualifies as an external investment pool under the guidance in GASB Statement No. 79, "Certain External Investment Pools and Pool Participants," which allows qualifying external investment pools to elect to measure all investment at amortized cost if the pool meets certain criteria and subsequently allows pool participants to record an investment in the pool at amortized cost.

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 "interfund balances."

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

All tax, accounts, and intergovernmental receivables are shown net of an allowance for uncollectibles. For the year ended September 30, 2025, all receivables are deemed collectible. Therefore, there are no allowances for uncollectible receivables.

Property Taxes - Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector.

The tax levy of the Town is established by the Town Commission prior to October 1 of each year, and the Pinellas County Property Appraiser incorporates the Town's millage rate into the total tax levy, which includes the Pinellas County School Board tax requirements. The Town is permitted by State law to levy taxes up to ten mills of assessed valuation, exclusive of taxes levied for the payment of bonds. For the years ended September 30, 2025 and September 30, 2024, the millage rate assessed by the Town was 1.6896.

All property is reassessed according to its fair market value January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State statutes.

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without discount.

Delinquent taxes on real property bear interest at 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on property. After sale, tax certificates bear interest at 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years.

Delinquent taxes on personal property bear interest at 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations.

Because of the Pinellas County Tax Collector's efficient system for selling tax certificates and remitting the proceeds to the Town, any delinquent or uncollected property taxes at year-end are immaterial. The Town's tax calendar is as follows:

Valuation Date:	January 1
Levy Date:	November 1
Due Date:	March 31, succeeding year
Lien Date:	April 1, succeeding year

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the date of acquisition.

Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

	Years
Buildings and improvements	20-40
Improvements other than buildings	10-40
Infrastructure	20-40
Equipment	5-10

Deferred Outflows and Inflows of Resources

The Town has implemented the provisions of GASB Statement Nos. 63 and 65. Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position," provides financial reporting guidance for deferred outflows and inflows of resources, originally introduced and defined in GASB Concepts Statement No. 4, "Elements of Financial Statements," as an acquisition or consumption, respectively, of net position applicable to a future reporting period. Further, Concepts Statement No. 4 also identifies net position as the residual of all other elements presented in a statement of financial position. Statement No. 65, "Items Previously Reported as Assets and Liabilities," reclassifies and recognizes certain items that were formerly reported as assets and liabilities as one of the four financial statement elements, (1) deferred outflows of resources, (2) outflows of resources, (3) deferred inflows of resources, and (4) inflows of resources. Concepts Statement No. 4 requires that deferred outflows and deferred inflows be recognized only in those instances specifically identified in GASB pronouncements. Statement No. 65 provides that guidance.

The Town reports increases and decreases in net position that relate to future periods as deferred inflows of resources and deferred outflows of resources, respectively, in a separate section of the statement of net position.

Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused annual leave and sick pay benefits. Regular, full-time permanent employees earn vacation and sick leave starting with the first day of employment. Vacation leave is earned based on years of continuous and creditable service up to a maximum of four weeks. Employees are allowed to carry forward ten days of vacation at the end of their anniversary date. An employee who has served one year or more and who voluntarily terminates employment with the Town is paid for any unused vacation leave accumulated to the time of termination.

Sick leave is earned at the rate of five sick days a year for the first year of service and ten days a year for the second year and thereafter. Upon termination, providing the employee has two continuous years of service and that termination is not a dismissal, the employee is entitled to a lump-sum payment for all accrued unused sick leave in accordance with the following schedule:

Years of Service	Payment Upon Separation
2 through 6 years	20% up to and not to exceed 200 hours
7 through 19 years	30% up to and not to exceed 240 hours
20 years and up	40% up to and not to exceed 400 hours

Vested or accumulated annual leave and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Amounts of vested or accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported in non-current liabilities. No expenditure is reported for these amounts.

In accordance with GASB Statement No. 101, "Compensated Absences," the City recognizes a liability for leave that has been earned but not used and for which (1) the leave is attributable to services already rendered, (2) the leave accumulates, and (3) the leave is more likely than not to be used for time off or otherwise paid or settled. Accordingly, the liability includes amounts for employees who are not yet vested in termination payout provisions if the leave is expected to be used.

All sick and vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Deferred Inflows of Resources - Deferred Revenue

In the governmental funds and government-wide statements, the amount recorded as a deferred inflow of resources – deferred revenue is comprised of business registration fees collected in advance of the October 1 due date, which will be recognized as revenue in the subsequent fiscal year.

Non-Current Liabilities

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

Classification of Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

- *Net Investment in Capital Assets* - is intended to reflect the portion of net position which is associated with non-liquid, capital assets, net of related debt, accounts payable and retainage payable.

- *Restricted Net Position* - are liquid assets, generated from revenues and net bond proceeds, which are not accessible for general use because of third-party (statutory, bond covenant or granting agency) limitations.

- *Unrestricted Net Position* - represents unrestricted liquid assets.

Classification of Fund Balance

GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions," establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance shall be composed of non-spendable, restricted, committed, assigned, and unassigned amounts.

Fund balance information is used to identify the available resources to repay long-term debt, satisfy future commitments, acquire capital assets, add new governmental programs, or enhance the financial position of the Town in accordance with the policies established by the Town Commission.

The spending order of fund balances is as follows:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- Non-spendable - established to report items that are not expected to be converted to cash such as inventory and prepaid items; items not currently in cash form such as the long-term amount of loans and notes receivable as well as property acquired for resale; and items legally or contractually required to be maintained intact such as the corpus (or principal) of a permanent fund.

- Restricted - represents the amount that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), service / contractual agreement, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

- Committed - includes fund balance amounts that can be used only for the specific purposes that are internally imposed by a formal action (a Resolution) of the government's highest level of decision-making authority, the Town Commission. Commitments may be changed or lifted only by the Town taking the same formal action (a Resolution) that imposed the constraint initially. Contractual obligations are included to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual obligations. Commitment may be made for such purposes as, (a) major maintenance and repair projects; (b) meeting future obligations resulting from a natural disaster; (c) accumulating resources pursuant to stabilization arrangements; (d) establishing reserves for disasters; and / or (e) for setting aside amounts for specific projects.

- Assigned - includes amounts intended to be used by the government for specific purposes. The Town Commission, by formal vote (or management designee via Commission action), has the authority authorized to assign fund balance to a specific purpose. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that the resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. Assigned fund balance may or may not be appropriated for expenditures during the budget process and in the subsequent year depending on the timing of the project / reserve for which it was assigned.

- Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

F. Comparative Data / Reclassifications

The financial statements include summarized prior year comparative information that does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended September 30, 2024, from which such summarized information was derived.

Certain amounts presented from the year ended September 30, 2024 have been reclassified to maintain comparability and conform to the presentation of amounts from the year ended September 30, 2025.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the enterprise fund and are controlled on a fund and department level. The Town adopts project-length budgets for its Capital Improvements Fund. All annual appropriations lapse at fiscal year-end.

On or before July 31 of each year, all departments of the Town submit requests for appropriation to the Town Administrator so that a budget may be prepared. The budget is prepared by fund, function, and activity, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is presented to the Town Commission for review before August 31. The Town Commission holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the Town Administrator, or the revenue estimates must be changed by an affirmative vote of a majority of the town commission.

Expenditures may not legally exceed budgeted appropriations at the department level. For the year ended September 30, 2025, expenditures exceeded budgeted appropriations within the General Government department in the amount of $5,760. Expenditures also exceeded budgeted appropriations within the Public Safety department in the amount of $12,295.

All budget amounts presented in the accompanying financial statements have been adjusted, where applicable, for revisions approved by the Town Commission. General Fund appropriations were increased by $2,865,975, primarily as a result of significant expenditures incurred for disaster relief and recovery efforts due to Hurricanes Helene and Milton, which made landfall on Florida's western coast in September and October 2024, respectively.

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits:
The Town's deposits are covered by federal depository insurance and, for any amount in excess of such federal depository insurance, by the State of Florida's Security for Public Deposits Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. The carrying amount of the Town's deposits as of September 30, 2025 was $4,364,515, excluding $300 of petty cash funds. As of September 30, 2024, the carrying amount of the Town's deposits $3,556,688.

Investments:
Florida Statutes (218.415) authorize municipalities to invest excess funds in time deposits or savings accounts of financial institutions approved by the State Treasurer, obligations of the U. S. Government, U. S. Government Instrumentalities, State of Florida Local Government Surplus Trust Fund (State Board of Administration), and mutual funds investing in U. S. Government Securities.

The Local Government Surplus Trust Fund (Florida PRIME) is an investment pool administered by the Florida State Board of Administration that is governed by Chapters 215 and 218, Florida Statutes, and Chapter 19-7 of the Florida Administrative Code. A three-member Board of Trustees governs the State Board of Administration and is made up of the State's Governor as chairman, Chief Financial Officer, and Attorney General. This Board is empowered by Florida law to invest funds at the request of local governments. They delegate authority to the Executive Director and Chief Investment Officer to carry out the strategic direction of the organization. Florida PRIME provides eligible participants a cost-effective investment vehicle for their surplus funds. Its investment strategy emphasizes, in order of importance, safety, liquidity and competitive yield. Florida PRIME is managed by an industry leader in professional money management, maintains conservative investment policies, a Standard & Poor's AAA(m) rating, has enhanced transparency, and extensive governance oversight. The Florida PRIME is treated as a "2a-7 like" pool in accordance with GASB Statement No. 79 and is valued using the pooled share price (amortized cost), which approximates fair value. The Florida PRIME funds may be withdrawn upon demand. Investment income is recognized as earned and is allocated to participants based on their equity participation. As of September 30, 2025, the dollar weighted average days to maturity (WAM) of Florida PRIME investments was 47 days. The Town's investment in Florida PRIME as of September 30, 2025 and September 30, 2024 was $8,723,755 and $10,821,211, respectively.

Interest Rate Risk:
The Town manages its exposure to fair value losses arising from increasing interest rates through its adopted investment policies. The Town limits the effective duration of its investment portfolio through the adoption of nationally recognized risk measure benchmarks such as the Lehman Brothers Aggregate Bond Index.

Credit Risk:
Consistent with Chapter 218 of the Florida Statutes, the Town's investment guidelines limit fixed income investments to a quality rating of 'A' or equivalent as rated by one or more recognized bond rating service at the time of purchase. Fixed income investments which are downgraded to 'BAA' or equivalent must be liquidated within a reasonable period of time not to exceed twelve months. Fixed income investments which are downgraded below 'BAA' shall be liquidated immediately. The Town has adopted a written investment policy in accordance with Section 218.415, Florida Statutes, which is intended to minimize interest rate and credit risk by directing the Town to invest only in authorized investments summarized as follows:

a) The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in s. 163.01.
b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
c) Interest-bearing time deposits or savings accounts in qualified public depositories as defined in s. 280.02.
d) Direct obligations of the United States Treasury.
e) Federal agencies and instrumentalities.

NOTE 3 – CASH, CASH EQUIVALENTS AND INVESTMENTS (continued)

f) Securities of, or other interests in, any open-end or closed-end management- type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss. 80a-1 et seq., as amended from time to time, provided that the portfolio of such investment company or investment trust is limited to obligations of the United States Government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such United States Government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian.

Fair Value of Investments:
The City categorizes its fair value of investments within the fair value hierarchy established by generally accepted accounting principles pursuant to GASB Statement No. 72, "Fair Value Measurement and Application." The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted market prices in active markets for identical assets; Level 2 inputs are other than quoted prices that are derived from or corroborated by observable market data through correlation or by other means, and Level 3 are significant unobservable inputs.

The Florida PRIME funds are not subject to being categorized under GASB Statement No. 72, "Fair Value Measurement and Application", as a result of being valued using the pooled share price (amortized cost) method.

NOTE 4 - RECEIVABLES AND DUE FROM OTHER GOVERNMENTS

Receivables at September 30, 2025, were as follows:

	Governmental Activities		Business-type Activities	
	General Fund	Capital Improvement Fund	Sewer Fund	Total Primary Government
Accounts	$ 73,997	$ 7,967	$ 170,428	$ 252,392
Due from other governments	44,571	77,473	-	122,044
	$ 118,568	$ 85,440	$ 170,428	$ 374,436

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NOTE 5 - CAPITAL ASSETS

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

	(Restated) Beginning Balance 10/1/2024	Additions	Deletions	Ending Balance 9/30/2025
Governmental Activities				
Capital assets not being depreciated				
Land and land rights	$ 2,406,898	$ -	$ -	$ 2,406,898
Construction and projects in process	-	3,070		3,070
Total capital assets not being depreciated	2,406,898	3,070	-	2,409,968
Capital assets being depreciated				
Buildings and improvements	891,390	-	-	891,390
Improvements other than buildings	1,030,973	61,913	(8,425)	1,084,461
Infrastructure	12,683,735	409,298	-	13,093,033
Equipment	777,903	105,591	-	883,494
Total capital assets being depreciated	15,384,001	576,802	(8,425)	15,952,378
Less accumulated depreciation				
Buildings and improvements	(538,178)	(23,672)	-	(561,850)
Improvements other than buildings	(616,061)	(48,481)	1,217	(663,325)
Infrastructure	(5,670,891)	(394,057)	-	(6,064,948)
Equipment	(372,165)	(78,995)	-	(451,160)
Total accumulated depreciation	(7,197,296)	(545,205)	1,217	(7,741,283)
Total capital assets being depreciated, net	8,186,705	31,597	(7,208)	8,211,095
Governmental Activities, net	$ 10,593,603	$ 34,667	$ (7,208)	$ 10,621,063

	Beginning Balance 10/1/2024	Additions	Deletions	Ending Balance 9/30/2025
Business-type Activities				
Capital assets not being depreciated				
Land and land rights	$ 8,091	$ -	$ -	$ 8,091
Total capital assets not being depreciated	8,091	-	-	8,091
Capital assets being depreciated				
Improvements other than buildings	2,696,297	712,700	-	3,408,997
Equipment	102,529	12,995	-	115,524
Total capital assets being depreciated	2,798,826	725,695	-	3,524,521
Less accumulated depreciation				
Improvements other than buildings	(1,430,198)	(70,418)	-	(1,500,616)
Equipment	(88,717)	(2,870)	-	(91,587)
Total accumulated depreciation	(1,518,915)	(73,288)	-	(1,592,203)
Total capital assets being depreciated, net	1,279,911	652,407	-	1,932,318
Business-type Activities, net	$ 1,288,002	$ 652,407	$ -	$ 1,940,409

NOTE 5 - CAPITAL ASSETS (continued)

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

Governmental Activities		
General government	$	39,797
Public safety		19,116
Physical environment		445,320
Culture and recreation		40,971
Total depreciation expense - governmental activities	$	545,204
Business-type activites:		
Sewer	$	73,289
Total depreciation expense- business- type activities	$	73,289

NOTE 6 – DEFERRED AND UNEARNED REVENUE

Deferred revenue as of September 30, 2025 consists of local business tax receipts in the amount of $6,256 received in advance that pertain to fiscal year ended September 30, 2026. The deferred revenue is reported as a deferred inflow of resources.

On August 19, 2021, the Town executed the American Rescue Plan Act (ARPA) Coronavirus Local Fiscal Recovery Fund agreement with the State of Florida Division of Emergency Management. As a result, the Town received funding in the amount of $1,148,457. As of September 30, 2025, the entirety of these funds has been expended. Therefore, as of September 30, 2025, there is no unearned revenue reported in the governmental funds, proprietary fund, or government-wide statements under the category of current liabilities.

NOTE 7 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and distribution of assets; errors and omissions; injuries to employees; and natural disasters. In an effort to reduce the rising costs of commercial insurance, the Town purchases its insurance coverage for liability and workers' compensation through the Florida Municipal Insurance Trust which is administered by the Florida League of Cities, Inc.

The plan is a public entity risk pool currently operating as a common risk management and insurance program for local municipalities. The Town pays an annual premium to the plan for property coverage, liability and workers' compensation. The plan, through its various trusts, establishes premium rates based on members' experience and provides the insurance coverage for over 300 Florida municipalities. Each trust carries its own reinsurance coverage.

The Town continues to carry commercial insurance for risks of loss including health, life, building and contents, employee bonds, mobile property, flood, windstorm and employee accident insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The Town has not had any significant coverage reductions under these policies from the prior years.

NOTE 8 - POST- EMPLOYMENT HEALTH CARE BENEFITS

GASB Statement No. 75, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions" (OPEB), established accounting standards for postretirement benefits. The new standard does not require funding of OPEB expenses, but any difference between the annual required contribution and the amount funded during the year is required to be recorded in the employer's financial statements as an increase or (decrease) in the net OPEB obligation.

As of September 30, 2025, the Town's actuary has determined that the Town has no OPEB obligation.

Plan Description and Funding Policy
Employees who retire from the Town, and eligible dependents and survivors, are eligible to continue to participate in the Town's health insurance programs at the employee group rate which is determined annually by the Town and approved the Town Commission. Retirees have 31 days to elect to enroll in the Town's health insurance plan in which they were participating at the time of retirement unless otherwise stated in a plan document or collective bargaining agreement. As of September 30, 2025, there were no eligible retirees and dependents participating in the Town's health program.

The Town provides no funding for any portion of the premiums after retirement. However, the Town recognizes that there may be an "implicit subsidy" arising as a result of the blended rate premium when retiree health care costs, on average, are higher than active employee healthcare costs. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to fund the plan. The plan does not issue a separate financial report.

As of September 30, 2025, the current health care premiums for the Town's health plan are already age adjusted. Therefore, the contributions of the retirees and the age adjusted premiums would be equal. According to the actuary, this would create a liability of $0. If the Town switches to a group plan with blended premiums or decides to pay for retirees' healthcare benefits in the future, then this liability will no longer be $0, and a full actuarial valuation will need to be performed.

NOTE 9 – NON-CURRENT LIABILITIES

Non-current liabilities include a bank loan, accrued compensated absences, and pension liabilities.

Bank Loan
In December 2005, the Town obtained a $5 million loan to fund the undergrounding of utilities. The loan is collateralized by the non-ad valorem revenue of the Town. The loan bears an interest rate of 4.72% and matures in December 2025.

Changes in Non-Current Liabilities
The following is a summary of changes in long-term debt and other non-current liabilities of the Town:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bank loan	$ 384,618	$ -	$ (256,410)	$ 128,208	$ 128,208
Compensated absences	27,078	3,334	(15,312)	15,100	1,510
HIS liability	189,492	-	(17,634)	171,858	-
FRS liability	410,318	-	(117,260)	293,058	-
Total governmental activities, long-term debt and other liabilities	$ 1,011,506	$ 3,334	$ (406,616)	$ 608,224	$ 129,718

NOTE 9 – NON-CURRENT LIABILITIES (continued)

Annual Requirements to Amortize Debt Outstanding
The annual requirements to amortize the bank loan outstanding as of September 30, 2025, are as follows:

Years Ending September 30,	Principal	Interest
2026	$ 128,208	$ 3,023

NOTE 10 – INTERFUND ACTIVITY

The following amounts were due to / from each of the Town's funds as of September 30, 2025:

	Due (to) / from:
General Fund	
Due to Capital Improvements Fund	$ (9,357)
Due from Sewer Fund	776,213
	766,856
Capital Improvements Fund	
Due from General Fund	9,357
Due from Sewer Fund	101,383
	110,740
Sewer Fund	
Due to General Fund	(776,213)
Due to Capital Improvements Fund	(101,383)
	(877,596)
Total due to:	(886,953)
Total due from:	886,953
Net Interfund Activity:	**$ -**

The majority of activity within the Town's Due to / Due from accounts pertains to payments received from Pinellas County Utilities (PCU). The revenue the Town earns from PCU for refuse, stormwater and sewer services is received in one payment rather than three separate payments. This payment is deposited into the General Fund operating account. The amounts due to the Capital Improvements Fund (for stormwater services) and the Sewer Fund are subsequently transferred to the respective funds' operating accounts. The Due to / Due from accounts enable the Town to track this activity.

Additionally, the Due to / Due from accounts are utilized to track the amounts owed to each fund for ARPA expenditures. When the ARPA funds were initially received, they were deposited into the General Fund operating account. It was later determined the entirety of the funds would be transferred to the Sewer Fund operating account, as all ARPA expenditures were intended to be made from within the Sewer Fund. This transfer was recorded in the year ended September 30, 2023, but the actual transfer between bank accounts did not occur until November 2023.

NOTE 10 – INTERFUND ACTIVITY (continued)

As there was little activity in the Sewer Fund in fiscal year 2024, the Town decided to apply some of its ARPA funds to expenditures made within the General Fund (for police protection, fire and EMS services, and library access for the Town's citizens) and Capital Improvements Fund (for stormwater system improvements).

Management intends to transfer the amounts from the Sewer Fund operating account to the General Fund and Capital Improvements Fund operating accounts that correspond to the total ARPA expenditures made within those funds. As these transfers still had not been made as of September 30, 2025, amounts are shown as being due from the Sewer Fund to the General Fund and Capital Improvements Fund. As of September 30, 2025, the entirety of the $1,148,457 of ARPA funds had been expended. In total, $701,309 of expenditures were made from the General Fund, $179,356 of expenditures were made from the Capital Improvements Fund, and $267,792 of expenditures were made from the Sewer Fund. Amounts shown as due from the Sewer Fund to the General Fund and Capital Improvements Fund in the table on the previous page differ from the amounts of ARPA expenditures within those funds as a result of other (non-ARPA-related) expenditures that were determined to pertain to activity within a different fund than the fund from which the expenditures were paid.

NOTE 11 - DETAILS OF CONSTRAINTS ON FUND BALANCES AND NET POSITION

	General Fund	Capital Improvements Fund	Total
Fund balances:			
Nonspendable			
Prepaid items and inventory	$ 64,439	$ -	$ 64,439
Restricted for:			
Infrastructure	-	2,598,171	2,598,171
Land dedication units	-	656,915	656,915
Impact fees	-	155,148	155,148
Assigned to:			
Stormwater	-	212,178	212,178
Unassigned	6,790,258	-	6,790,258
Total fund balances	$ 6,854,697	$ 3,622,412	$ 10,477,109

Reserved Net Position - Sewer Fund

In 1981, a Sewer Fund Reserve was created by ordinance which required five percent of all sewer service fees collected to be reserved. If approved by the Town Commission, the funds can be used for emergency repair and maintenance work in excess of $20,000 per item. The reserve does not constitute a restriction of the Sewer Fund net position as the Town Commission is able to make revisions to the reserve funding or its status. A summary of changes in the reserve is as follows:

Balance of beginning of the year	$ 715,873
Five percent of fess collected	49,575
Interest earned	36,970
Total available	802,418
Less amount approved for transfer	-
Balance at the end of year	$ 802,418

NOTE 12 – RETIREMENT PLAN

Florida Retirement System
Plan Description: The Town contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer public employee retirement system (PERS) defined benefit pension plan controlled by the State Legislature and administered by the Florida Department of Management Services, Division of Retirement. The System provides retirement and disability benefits, annual cost-of-living adjustments, a health insurance subsidy, and survivor benefits to plan members and beneficiaries. Chapter 121 of the Florida Statutes assigns the authority to establish and amend benefit provisions to the State of Florida Department of Management Services. The Division of Retirement issues a publicly available report that includes financial statements and required supplementary information for the FRS. The report may be obtained by writing to the Department of Management Services, Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32315-9000, by calling (850) 907-6500, or online at the Florida Retirement System Website: www.myfrs.com/content/resources/publications/index.

Funding Policy: Effective July 1, 2011, FRS requires contributions from covered members at a rate of 3%. The Town is required by State Statute to contribute, on a monthly basis, an actuarially determined rate. The current rates for the indicated time periods, based on employees' gross earnings are:

	07/01/2025 – 09/30/2025	07/01/2024 – 06/30/2025
Regular Employees	14.03%	13.63%
Senior Management	33.24%	34.52%
Elected Officials	54.57%	58.68%

The Town's contributions to the FRS for the fiscal years ending September 30, 2025, 2024, and 2023 were $104,696, $118,762, and $56,908, respectively, and were equal to the required contributions for each year.

Deferred Retirement Option Program: The FRS Deferred Retirement Option Program (DROP) is a defined contribution plan and is available to a member when the member first reaches eligibility for normal retirement. The Plan is controlled by the State Legislature and administered by the Florida Department of Management Services, Division of Retirement. Chapter 121 of the Florida Statutes assigns the authority to establish and amend benefit provisions to the State of Florida Department of Management Services. DROP allows a member to retire while continuing employment up to 96 months. During DROP participation, the member's retirement benefits (increased by a cost-of-living adjustment each July) accumulate in the FRS Trust Fund and earn monthly interest. The member must cease employment after a maximum of 96 months, must satisfy the termination requirements for retirement, and is subject to reemployment restrictions thereafter. The member's DROP accumulation may be paid out as a lump sum payment, a rollover, or a combination partial lump sum payment and rollover. During the DROP eligibility period, the Town is required to make contributions to FRS. The current rate, effective July 1, 2025 and continuing through September 30, 2025 based upon employees' gross earnings is 22.02%. The rate for the period July 1, 2024 through June 30, 2025 was 21.13%.

Pension liabilities, Pension expense and Deferred Outflows (Inflows) of Resources related to pensions- At September 30, 2025, as required by GASB 68 *Accounting and Financial Reporting for Pensions*, the Town reported a net pension liability of $293,058 for the FRS Plan component and $171,858 for the HIS Plan component for its proportionate share of the FRS Pension Plan's net pension liability. The net pension liability, totaling $464,916, was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share as of the indicated dates are as follows:

	June 30, 2025	June 30, 2024	June 30, 2023
FRS Plan Component	.000944279%	.001060672%	.000742838%
HIS Plan Component	.001340831%	.001263204%	.000904934%

For the fiscal year ended September 30, 2025 the Town recognized a reduction in pension expense of $5,804 for the FRS Plan component, and recognized a pension expense of $10,506 for the HIS Plan component. Deferred Outflows and Inflows of resources related to pensions are from the following sources:

NOTE 12 RETIREMENT PLAN (continued)

FRS Plan Component

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 31,302	$ -
Changes in assumptions	34,032	-
Net difference between projected and actual earnings on investments	-	48,929
Changes in proportion and differences between Town contributions and proportionate share of contributions	80,979	49,892
Contributions subsequent to the measurement date	10,411	-
	$ 156,724	$ 98,821

HIS Plan Component

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 1,026	$ 273
Changes in assumptions	1,521	41,569
Net difference between projected and actual earnings on investments	-	143
Changes in proportion and differences between City contributions and proportionate share of contributions	69,522	810
Contributions subsequent to the measurement date	2,691	-
	$ 74,760	$ 42,795

The deferred outflows of resources related to contributions subsequent to the measurement date of $10,411 for the FRS component and $2,691 for the HIS component will be recognized as a reduction in the net pension liability in the fiscal year ended September 30, 2026. Other amounts related to deferred outflows and inflows of resources in the amount of $47,492 for the FRS component and $29,274 for the HIS component will be recognized as pension expense as follows:

Fiscal year ending September 30,	FRS component	HIS component
2026	137,495	6,458
2027	(24,429)	7,732
2028	(36,559)	6,510
2029	(29,015)	5,217
2030	-	3,357
Thereafter	-	-

Net Pension Liability –

	FRS component	HIS component
Town's proportionate share of Total Pension Liability	$ 2,300,457	$ 183,528
Town's proportionate share of Plan Fiduciary Net Position	(2,007,399)	(11,670)
Town's proportionate share of Net Pension Liability	$ 293,058	$ 171,858
Plan Fiduciary Net Position as a Percentage of the Total Net Pension Liability	87.26%	6.36%

NOTE 12 - RETIREMENT PLAN (continued)

Change in Net Pension Liability –

	FRS component	HIS component
Beginning balance – Town's proportionate share	$ 410,318	$ 189,492
Service Cost	31,775	3,549
Interest on total pension liability	148,067	8,230
Plan changes	-	-
Effect of economic/demographic gain or loss	3,244	90
Effect of assumptions	(6,171)	(29,752)
Employer contributions	(93,680)	746
Member contributions	(7,733)	(1)
Projected investment earnings	(123,567)	(419)
Net investment (income) loss	(69,476)	(81)
Administrative expense	281	4
Ending balance – Town's proportionate share	$ 293,058	$ 171,858

Actuarial Assumptions – The total pension liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions:

	FRS component	HIS component
Valuation date	July 1, 2025	July 1, 2025
Measurement date	June 30, 2025	June 30, 2025
Inflation	2.40%	2.40%
Salary increases	3.50%, average, includes inflation	3.50%, average, includes inflation
Investment rate of return	6.70%, net of investment expense	N/A
Mortality tables	PUB-2010 base table varies by member category and sex	Generational PUB-2010 with Projection Scale MP-2021
Discount rate	6.70%	5.20%

The actuarial assumptions used in the July 1, 2025 valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023. For the HIS component, a change in the actuarial assumption was made increasing the discount rate and the municipal bond rate used to determine total pension liability from 3.93% to 5.20%.

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 as follows:

NOTE 12 - RETIREMENT PLAN (continued)

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash Equivalents	1.00%	3.20%	3.20%	1.10%
Fixed Income	29.00%	5.50%	5.40%	4.00%
Global Equity	45.00%	8.50%	6.90%	18.30%
Real Estate	12.00%	8.40%	7.10%	16.80%
Private Equity	11.00%	12.40%	8.80%	28.40%
Strategic Investments	2.00%	6.50%	6.10%	8.70%
Total	100.00%			
Assumed Inflation – Mean			2.4%	1.5%

(1) As outlined in the Pension Plan's Investment Policy

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following table represents the Town's proportionate share of the net pension liability calculated at the respective discount rates and the proportionate share using a rate 1% less than and 1% more than the current rate.

FRS component	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
Town's Proportionate share of the net pension liability	$ 575,215	$ 293,058	$ 56,673

HIS component	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
Town's Proportionate share of the net pension liability	$ 193,800	$ 171,858	$ 153,460

Aggregate total amounts for the Town's retirement plans:

	FRS	HIS	Total
Net Pension Liability	$ 293,058	$ 171,858	$ 464,916
Deferred Outflows	156,724	74,760	231,484
Deferred Inflows	98,821	42,795	141,616
Pension Expense	(5,804)	10,506	4,702

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Law Enforcement: The Town of Indian Shores has full and complete responsibility for providing the Town of Redington Shores with appropriate and necessary law enforcement services. The cost of the contracted services for the current fiscal year was $618,114. The Town of Redington Shores renewed its contract with the Town of Indian Shores to provide law enforcement services, effective October 1, 2021, continuing until September 30, 2026. This contract was subsequently extended through September 30, 2031. The Town has budgeted an amount of $649,020 for the contract with the Town of Indian Shores for the 2025-2026 fiscal year.

NOTE 13 - COMMITMENTS AND CONTINGENCIES (continued)

Emergency Services: The Town entered into an Interlocal Agreement, effective March 13th 2020, with the City of Seminole and the City of Madeira Beach to provide emergency fire suppression and other emergency and non-emergency services. The cost of the contracted services for the current fiscal year was $286,569. The Town has budgeted an amount of $293,300 for the agreement with the Cities of Seminole and Madeira Beach for the 2025-2026 fiscal year, with $146,650 budgeted to be due to the City of Seminole and $146,650 budgeted to be due to the City of Madeira Beach.

Library Funding: The Town entered into an Interlocal Agreement with Gulf Beaches Public Library, Inc., effective October 1, 2021, for the continued funding of the Gulf Beaches Public Library, which the Town's citizens have access to. The agreement is effective through September 30, 2026. The cost of the service agreement for the current fiscal year was $55,541. The Town has budgeted an amount of $55,150 for the agreement with Gulf Beaches Public Library, Inc. for the 2025-2026 fiscal year.

NOTE 14 – SUBSEQUENT EVENTS

The Town has evaluated whether any events have occurred subsequent to September 30, 2025, and before the issuance of the financial statements, that would have an impact on the Town's financial condition as of September 30, 2025, or would influence the conclusions reached by the reader of the financial statements regarding the Town's overall financial condition.

In October 2025, the Town issued a payment to Duke Energy in the amount of $3,795,679 for the undergrounding of utilities along Gulf Boulevard. This payment was issued from the Capital Improvements Fund, and was covered through a $2.5 million withdrawal from the Town's investment in Florida PRIME, as well as $750,000 in transfers from the General Fund. Through an interlocal agreement with Pinellas County, the Town received a partial reimbursement from the County in the amount of $2,394,223 in December 2025. As of August 28, 2026, the date on which the financial statements were available to be issued, work on the undergrounding project had still not commenced due to various issues with permitting and contractor availability. The Town anticipates this project being completed in fiscal year 2027.

The Town has determined that no other events have occurred subsequent to September 30, 2025, that would require disclosure in these financial statements. This evaluation is based on events through August 28, 2026, the date on which the financial statements were available to be issued.

NOTE 15 – RESTATEMENT – CORRECTION OF PRIOR PERIOD ERROR

Statement of Net Position – restatement of Non-Current Assets - correction of an error
For the year ended September 30, 2024, Non-Current Assets (as seen on the Statement of Net Position, page 12) have been restated to correctly recognize an additional $167,176 in accumulated depreciation. Certain infrastructure assets within the Governmental Activities previously reported as construction in process in the amount of $1,573,418 should have been placed in service during the fiscal year ended September 30, 2020. As a result of the restatement, government-wide accumulated depreciation increased by $161,176 going from $8,549,035 to $8,716,211, which decreased total government-wide non-current assets from $12,048,781 to $11,881,605.

Statement of Net Position – restatement of components of Net Position – correction of an error
For the year ended September 30, 2024, the components of Net Position (as seen on the Statement of Net Position, page 13) have been restated to correctly report the decrease in the Town's net investment in capital assets due to the aforementioned $167,176 of additional depreciation within the Governmental Activities. As a result of the restatement, government-wide net investment in capital assets decreased from $11,664,163 to $11,496,987, which decreased total government-wide net position from $25,406,428 to $25,239,252.

NOTE 15 – RESTATEMENT OF PRIOR PERIOD (continued)

Statement of Activities – correction of an error

For the year ended September 30, 2024, the net result of Physical Environment activities (as seen on the Statement of Activities, pages 14 and 15) has been restated to correctly recognize an additional $39,336 in annual depreciation expense. As a result of the restatement, the change in negative net position from Physical Environment activities increased from $1,202,674 to $1,242,010. Accordingly, the total government-wide change in net position for the year ended September 30, 2024, decreased from $1,399,471 to $1,360,135.

The government-wide Net Position – beginning of year as of September 30, 2024, has also been restated on the Statement of Activities to correctly recognize an additional $127,840 in previously unreported depreciation for periods prior to the fiscal year ended September 30, 2024. As a result of the restatement, the government-wide Net Position – beginning of year decreased from $24,006,957 to $23,879,117.

The combined effect of the two restatements found on the Statement of Activities decreased the government-wide Net Position – end of year as of September 30, 2024, from $25,406,428 to $25,239,252, a decrease of $167,176 .

A summary of the changes in Total Assets and Deferred Outflows of Resources, Net Investment in Capital Assets, Total Net Position, and Total Liabilities, Deferred Inflows of Resources and Net Position as a result of the aforementioned restatements is presented below:

Government-Wide

	9/30/2024 As Previously Reported	Error Correction	9/30/2024 Restated
Total Assets and Deferred Outflows of Resources			
Governmental Activities	$ 23,720,302	$ (167,176)	$ 23,553,126
Business-Type Activities	3,490,312	-	3,490,312
Total Primary Government	**$ 27,210,614**	**$ (167,176)**	**$ 27,043,438**
Net Investment in Capital Assets			
Governmental Activities	$ 10,376,161	$ (167,176)	$ 10,208,985
Business-Type Activities	1,288,002	-	1,288,002
Total Primary Government	**$ 11,664,163**	**$ (167,176)**	**$ 11,496,987**
Total Net Position			
Governmental Activities	$ 22,055,112	$ (167,176)	$ 21,887,936
Business-Type Activities	3,351,316	-	3,351,316
Total Primary Government	**$ 25,406,428**	**$ (167,176)**	**$ 25,239,252**
Total Liabilities, Deferred Inflows of Resources and Net Position			
Governmental Activities	$ 23,720,302	$ (167,176)	$ 23,553,126
Business-Type Activities	3,490,312	-	3,490,312
Total Primary Government	**$ 27,210,614**	**$ (167,176)**	**$ 27,043,438**

NOTE 16 – IMPLEMENTATION OF GASB STATEMENT 101 – COMPENSATED ABSENCES

As previously mentioned in Note 1 – Summary of Significant Accounting Policies, in accordance with GASB Statement No. 101, "Compensated Absences," the City recognizes a liability for leave that has been earned but not used and for which (1) the leave is attributable to services already rendered, (2) the leave accumulates, and (3) the leave is more likely than not to be used for time off or otherwise paid or settled.

GASB Statement No. 101 requires retroactive application – if a government presents comparative financial statements, it must restate all prior periods presented. Accordingly, the Town applied Statement No. 101 to the fiscal years ending September 30, 2023, and September 30, 2024. Historically, the Town has accounted for all accrued vacation leave in its year-end compensated absences liability. Additionally, accrued sick leave has been accounted for in the year-end liability for all employees who have vested in termination payout provisions. To implement Statement No. 101, the Town considered the likelihood that accrued sick leave would be used by employees who had not yet vested in termination payouts, as all other accrued leave is already accounted for in the compensated absences liability.

Using historical data, the Town compared the amount of sick leave earned on a yearly basis to the amount of sick leave used. It was determined that considerably more sick leave was earned on a year-to-year basis than what was used. The conclusion was drawn that earned sick leave would continue to accrue until such a time as an employee either vested in termination payouts, or forfeited that leave upon resignation, retirement or termination. The Town then considered the likelihood that employees who had not yet vested in termination payouts would ultimately become vested. Based upon the Town's limited number of full-time employees (less than 10 during the fiscal years ending September 30, 2025, 2024, and 2023), and the high rate of turnover for employees with less than two years of service during that time period, it was determined that accounting for the accrued sick leave of non-vested employees would have a very negligible effect on the Town's compensated absences liability for fiscal years ending September 30, 2023 and September 30, 2024.

As the application of GASB Statement No. 101 had a very negligible impact on the financial statements for any prior periods presented, the Town determined it was not necessary to restate its compensated absences liability for fiscal years ending September 30, 2023, or September 30, 2024.

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Required Supplementary Information

The required supplementary information consists of a budgetary comparison schedule for the General Fund and schedules presenting funding progress and contributions for the defined benefit pension plan.

TOWN OF REDINGTON SHORES, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

For the Year Ended September 30, 2025
With Comparative Total Amounts for the Year Ended September 30, 2024

	2025				2024
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive	
	Original	Final	(Budgetary Basis)	(Negative)	Actual
RESOURCES (INFLOWS)					
Taxes					
Ad valorem taxes	$ 1,907,570	$ 1,907,570	$ 1,897,634	$ (9,936)	$ 1,752,654
Communications service tax	75,000	75,000	70,047	(4,953)	63,116
Franchise taxes	248,000	248,000	235,956	(12,044)	259,860
Total taxes	2,230,570	2,230,570	2,203,637	(26,933)	2,075,630
Licenses and permits					
Local business tax	12,000	12,000	9,682	(2,318)	14,019
Building permits and fees	472,750	2,165,200	1,630,809	(534,391)	358,938
Total licenses and permits	484,750	2,177,200	1,640,491	(536,709)	372,957
Intergovernmental revenue					
State revenue sharing	70,000	70,000	73,150	3,150	72,710
Local 1/2 cent sales tax	182,000	150,000	175,468	25,468	173,970
State pro-rata share of alcoholic beverage licenses	2,400	2,400	3,084	684	3,695
Local option gas tax	28,000	28,000	27,601	(399)	27,877
Operating grants	85,500	122,000	297,209	175,209	527,694
Total intergovernmental revenue	367,900	372,400	576,512	204,112	805,946
Charges for services					
Garbage services	465,000	330,000	361,004	31,004	376,253
Parking services	225,000	170,000	176,819	6,819	231,938
Rental services	4,000	250	250	-	4,075
Other services	12,425	167,225	174,982	7,757	3,803
Total charges for services	706,425	667,475	713,055	45,580	616,069
Fines					
Court fines	600	4,000	4,548	548	1,373
Parking fines	1,000	1,000	1,150	150	1,090
	1,600	5,000	5,698	698	2,463
Interest	300,000	250,000	297,981	47,981	400,876
Miscellaneous	2,500	61,000	63,894	2,894	36,034
Total fines, interest and miscellaneous	304,100	316,000	367,573	51,573	439,373
AMOUNTS AVAILABLE FOR APPROPRIATION	4,093,745	5,763,645	5,501,268	(262,377)	4,309,975

(continued)

TOWN OF REDINGTON SHORES, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

For the Year Ended September 30, 2025 (continued)
With Comparative Total Amounts for the Year Ended September 30, 2024

	2025				2024
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive	
	Original	Final	(Budgetary Basis)	(Negative)	Actual
CHARGES TO APPROPRIATIONS (OUTFLOWS)					
Current					
General government					
Personal services	576,730	569,880	583,569	(13,689)	521,396
Operating expenses	737,350	652,715	646,924	5,791	570,729
Capital outlay	110,000	25,500	23,362	2,138	21,991
Total general government	1,424,080	1,248,095	1,253,855	(5,760)	1,114,116
Public safety					
Personal services	250,860	78,930	75,138	3,792	195,002
Operating expenses	983,490	1,175,675	1,168,059	7,616	1,041,219
Hurricane-related expenses	10,000	3,195,000	3,235,186	(40,186)	47,722
Capital outlay	-	20,000	3,517	16,483	76,210
Total public safety	1,244,350	4,469,605	4,481,900	(12,295)	1,360,153
Physical Environment					
Personal services	269,545	294,400	291,788	2,612	235,199
Operating expenses	670,900	656,000	648,273	7,727	608,806
Capital outlay	238,250	105,000	84,452	20,548	132,685
Total physical environment	1,178,695	1,055,400	1,024,513	30,887	976,690
Culture and recreation					
Operating expenses	142,050	137,050	139,329	(2,279)	163,039
Capital outlay	115,000	60,000	56,171	3,829	42,678
Total culture and recreation	257,050	197,050	195,500	1,550	205,717
TOTAL CHARGES TO APPROPRIATIONS	4,104,175	6,970,150	6,955,768	14,382	3,656,676
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	(10,430)	(1,206,505)	(1,454,500)	(247,995)	653,299
FUND BALANCE - BEGINNING OF YEAR	8,309,197	8,309,197	8,309,197	-	7,655,898
FUND BALANCE - END OF YEAR	$ 8,298,767	$ 7,102,692	$ 6,854,697	$ (247,995)	$ 8,309,197

TOWN OF REDINGTON SHORES, FLORIDA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

For the Year Ended September 30, 2025 (continued)

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENSES

SOURCES / INFLOWS OF RESOURCES	
Actual amounts (budgetary basis) "available for appropriations" from the budgetary comparison schedule.	$ 5,501,268
Differences - budget to GAAP:	
None	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$ 5,501,268
USES/OUTFLOWS OF RESOURCES	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	$ 6,955,768
Differences - budget to GAAP:	
None	-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$ 6,955,768

TOWN OF REDINGTON SHORES, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FLORIDA RETIREMENT SYSTEM - TOWN'S PROPORTIONATE SHARE
OF NET PENSION LIABILITY
10 YEAR COMPARATIVE

	9-30-25	9-30-24	9-30-23
FRS Pension Plan			
Employer's Proportion for the FRS Pension	0.000944279%	0.001060672%	0.000742838%
Town's Proportionate Share			
Total Pension Liability	$ 2,300,457	$ 2,517,720	$ 1,680,333
Plan Fiduciary Net Position	(2,007,401)	(2,107,402)	(1,384,335)
Net Pension Liability	$ 293,056	$ 410,318	$ 295,998
Plan Net Position as a Percentage of Total Net Pension Liability	87.26%	83.70%	82.38%
Covered payroll	$ 552,322	$ 617,109	$ 349,235
Net pension liability as a percentage of covered payroll	53.06%	66.49%	84.76%
Retiree Health Insurance Subsidy (HIS Plan)			
Employer's Proportion for the HIS Plan	0.001340831%	0.001263204%	0.000904934%
Town's Proportionate Share			
Total Pension Liability	$ 183,529	$ 199,053	$ 149,886
Plan Fiduciary Net Position	(11,669)	(9,561)	(6,170)
Net Pension Liability	$ 171,858	$ 189,492	$ 143,716
Plan Net Position as a Percentage of Total Net Pension Liability	6.36%	4.80%	4.12%
Covered payroll	$ 552,322	$ 617,109	$ 349,235
Net pension liability as a percentage of covered payroll	31.12%	30.71%	41.15%
Combined FRS and HIS Pension Plan			
Total Pension Liability	$ 2,483,986	$ 2,716,773	$ 1,830,219
Plan Fiduciary Net Position	(2,019,070)	(2,116,963)	(1,390,505)
Net Pension Liability	$ 464,916	$ 599,810	$ 439,714

NOTES: GASB 68 requires 10 years of information.

* The Town's portion of the Total Pension Liability and Plan Fiduciary Net Position was not being tracked during fiscal years 2016 to 2021

** Town's covered-employee payroll information not available.

9-30-22	9-30-21	9-30-20	9-30-19	9-30-18	9-30-17	9-30-16
0.000893035%	0.000653058%	0.000705571%	0.000723926%	0.000742232%	0.000678812%	0.000663014%
$ 1,941,767	*	*	*	*	*	*
(1,609,485)	*	*	*	*	*	*
$ 332,282	$ 49,331	$ 305,805	$ 249,303	$ 223,564	$ 200,857	$ 167,412
82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%
$ 537,832	$ 316,824	$ 335,824	**	**	**	**
61.78%	15.57%	91.06%	**	**	**	**
0.000810940%	0.000514199%	0.000547528%	0.000810940%	0.000514199%	0.000547528%	0.000810940%
$ 90,233	*	*	*	*	*	*
(4,342)	*	*	*	*	*	*
$ 85,891	$ 63,074	$ 66,852	$ 61,018	$ 57,361	$ 55,990	$ 60,057
4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%
$ 537,832	$ 316,824	$ 335,824	**	**	**	**
15.97%	19.91%	19.91%	**	**	**	**
$ 2,032,000	*	*	*	*	*	*
(1,613,827)	*	*	*	*	*	*
$ 418,173	$ 112,405	$ 372,657	$ 310,321	$ 280,925	$ 256,847	$ 227,469

TOWN OF REDINGTON SHORES, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FLORIDA RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
10 YEAR COMPARATIVE

	9/30/2025	9/30/2024	9/30/2023
FRS Pension Plan			
Contractually required contribution	$ 108,985	$ 94,042	$ 54,390
Contributions in relation to the contractually required contribution	(108,985)	(94,042)	(54,390)
Contribution deficiency (excess)	$ -	$ -	$ -
Covered payroll	$ 599,054	$ 537,604	$ 362,509
Contributions as a percentage of covered payroll	18.19%	17.49%	15.00%
Retiree Health Insurance Subsidy (HIS Plan)			
Contractually required contribution	$ 9,944	$ 8,924	$ 6,018
Contributions in relation to the contractually required contribution	(9,944)	(8,924)	(6,018)
Contribution deficiency (excess)	$ -	$ -	$ -
Covered payroll	$ 599,054	$ 537,604	$ 362,509
Contributions as a percentage of covered payroll	1.66%	1.66%	1.66%

NOTE:

* The covered payroll amount used for September 30, 2025 is based on the fiscal year ended June 30, 2025, which is the fiscal year end of the Florida Retirement System. The contractually required contribution amount is based on this time period.

** Town's covered-employee payroll information not available.

9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
$ 34,086	$ 22,642	$ 21,023	$ 22,447	$ 21,153	$ 17,671	$ 16,169
(34,086)	(22,642)	(21,023)	(22,447)	(21,153)	(17,671)	(16,169)
$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 537,832	$ 316,824	$ 335,824	**	**	**	**
6.34%	7.15%	6.26%	N/A	N/A	N/A	N/A
$ 8,928	$ 5,259	$ 5,575	$ 3,028	$ 2,939	$ 2,771	$ 2,641
(8,928)	(5,259)	(5,575)	(3,028)	(2,939)	(2,771)	(2,641)
$ -	$ -	$ -	$ -	$ -	$ -	$ -
$ 537,832	$ 316,824	$ 335,824	**	**	**	**
1.66%	1.66%	1.66%	N/A	N/A	N/A	N/A

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Other Supplementary Information

Other supplementary information includes a budgetary comparison schedule for the Capital Improvements Fund and Sewer Fund.

Also included are schedules that are presented to provide greater detailed information than reported in the preceding financial statements. These schedules are not necessary for fair presentation in conformity with Generally Accepted Accounting Principles.

TOWN OF REDINGTON SHORES, FLORIDA

BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENTS FUND

For the Year Ended September 30, 2025
With Comparative Total Amounts for the Year Ended September 30, 2024

	2025				2024
	Budgeted Amounts			Variance with Final Budget Positive	
	Original	Final	Actual Amounts (Budgetary Basis)	(Negative)	Actual
RESOURCES (INFLOWS)					
Intergovernmental revenue					
One cent sales tax	$ 358,000	$ 300,000	$ 335,988	$ 35,988	$ 328,886
County grant	1,763,000	-	-	-	-
State grant	335,000	-	-	-	-
Federal grant	-	-	49,928	49,928	52,274
	2,456,000	300,000	385,916	85,916	381,160
Land dedication fees	-	-	-	-	55,500
Charges for services					
Multimodal impact fees	-	-	-	-	4,628
Stormwater user fees	43,500	40,000	43,130	3,130	43,757
Total charges for services	43,500	40,000	43,130	3,130	48,385
Interest	100,000	125,000	154,128	29,128	160,603
AMOUNTS AVAILABLE FOR APPROPRIATION	2,599,500	465,000	583,174	118,174	645,648
CHARGES TO APPROPRIATIONS (OUTFLOWS)					
Total current charges - Physical environment	72,000	51,000	49,810	1,190	64,336
Capital outlay	3,000,000	505,000	412,368	92,632	38,617
Debt service - principal	256,410	256,410	256,410	-	256,410
Debt service - interest	15,115	15,300	15,299	1	27,239
TOTAL CHARGES TO APPROPRIATIONS	3,343,525	827,710	733,887	93,823	386,602
EXCESS (DEFICIENCY) OF RESOURCES OVER CHARGES TO APPROPRIATIONS	(744,025)	(362,710)	(150,713)	211,997	259,046
FUND BALANCE - BEGINNING OF YEAR	3,773,125	3,773,125	3,773,125	-	3,514,079
FUND BALANCE - END OF YEAR	$ 3,029,100	$ 3,410,415	$ 3,622,412	$ 211,997	$ 3,773,125

NOTE

The budgetary basis for the Capital Improvements Fund is the same as that used for generally accepted accounting principles.

TOWN OF REDINGTON SHORES, FLORIDA

BUDGETARY COMPARISON SCHEDULE
SEWER FUND

For the Year Ended September 30, 2025
With Comparative Total Amounts for the Year Ended September 30, 2024

	2025				2024
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive	
	Original	Final	(Budgetary Basis)	(Negative)	Actual
RESOURCES (INFLOWS)					
Charges for services	$ 1,016,355	$ 970,000	$ 991,504	$ 21,504	$ 1,143,271
Intergovernmental revenue - Federal grant	-	-	77,726	77,726	58,759
Interest earned	100,000	90,000	108,734	18,734	95,164
AMOUNTS AVAILABLE FOR APPROPRIATION	1,116,355	1,060,000	1,177,964	117,964	1,297,194
CHARGES TO APPROPRIATIONS (OUTFLOWS)					
Contractual services	770,000	650,000	508,890	141,110	695,572
Repairs and maintenance	125,000	300,000	115,173	184,827	58,759
Office and utilities	95,700	17,450	13,862	3,588	29,802
Capital outlay	650,000	635,000	725,696	(90,696)	-
TOTAL CHARGES TO APPROPRIATIONS	1,640,700	1,602,450	1,363,621	238,829	784,133
EXCESS OF RESOURCES OVER CHARGES TO APPROPRIATIONS	$ (524,345)	$ (542,450)	$ (185,657)	$ 356,793	$ 513,061

EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS
AND GAAP REVENUES AND EXPENSES

SOURCES / INFLOWS OF RESOURCES	
Actual amounts (budgetary basis) "available for appropriations" from the budgetary comparison schedule.	$ 1,177,964
Differences - budget to GAAP:	
None	-
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$ 1,177,964
USES / OUTFLOWS OF RESOURCES	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule.	$ 1,363,621
Differences - budget to GAAP:	
Capitalization of capital outlay expenditures	(725,696)
Depreciation	73,289
Total expenses as reported on the statement of revenues, expenses, and changes in net position - proprietary fund.	$ 711,214

TOWN OF REDINGTON SHORES, FLORIDA

RECONCILIATION OF TOTAL FUND BALANCE FOR THE GOVERNMENTAL FUNDS
TO TOTAL NET POSITION FOR GOVERNMENTAL ACTIVITIES

September 30, 2025

	Total Governmental Funds	Long Term Assets, Liabilities	Adjustments and Eliminations	Statement of Net Position Totals
ASSETS				
Cash and cash equivalents	$ 2,662,520	$ -	$ -	$ 2,662,520
Investments	7,434,717			7,434,717
Receivables - other	81,964	-	-	81,964
Due from other governments	122,044	-	-	122,044
Inventory of supplies	2,744	-	-	2,744
Prepaid expenditures	61,695	-	-	61,695
Due from other funds	886,953	-	(9,357)	877,596
Land and land rights	-	2,406,898	-	2,406,898
Buildings and improvements	-	891,390	-	891,390
Infrastructure	-	13,093,033	-	13,093,033
Equipment	-	883,494	-	883,494
Improvements other than buildings		1,084,461		1,084,461
Work in process		3,070		3,070
Accumulated depreciation	-	(7,741,283)	-	(7,741,283)
Deferred outflows of resources:				
Defined benefit pension plans:				
Florida Retirement System	-	231,484	-	231,484
TOTAL ASSETS & DEFERRED OUTFLOWS	$ 11,252,637	$ 10,852,547	$ (9,357)	$ 22,095,827
LIABILITIES AND FUND BALANCES				
LIABILITIES & DEFERRED INFLOWS				
Accounts payable	$ 662,062	$ -	$ -	$ 662,062
Accrued liabilities	97,853	-	-	97,853
Accrued interest	-		1,982	1,982
Due to other funds	9,357	-	(9,357)	-
Current portion of:				
Accrued compensated absences	-	1,510	-	1,510
Note payable	-	128,208		128,208
Non-current portion of:				
Accrued compensated absences	-	13,590	-	13,590
Net pension liability:				
Florida Retirement System	-	464,916	-	464,916
Deferred inflows of resources:				
Deferred revenue - local business tax receipts	6,256	-	-	6,256
Defined benefit pension plans				
Florida Retirement System	-	141,616	-	141,616
TOTAL LIABILITIES & DEFERRED INFLOWS	775,528	749,840	(7,375)	1,517,993
TOTAL FUND BALANCES / NET POSITION	10,477,109	10,102,707	(1,982)	20,577,834
TOTAL LIABILITIES, DEFERRED INFLOWS & FUND BALANCES / NET POSITION	$ 11,252,637	$ 10,852,547	$ (9,357)	$ 22,095,827

TOWN OF REDINGTON SHORES, FLORIDA

RECONCILIATION OF NET CHANGE IN FUND BALANCES FOR THE GOVERNMENTAL FUNDS
TO CHANGE IN NET POSITION FOR GOVERNMENTAL ACTIVITIES

For the Year Ended September 30, 2025

	Total Governmental Funds	Depreciation, Asset Retirements and Capital Outlay	Long-term Debt Transactions	Pensions, Other Items, Adjustments and Reclass-ifications	Statement of Activities Totals
REVENUES					
Taxes	$ 2,203,637	$ -	$ -	$ (2,203,637)	$ -
Licenses and permits	1,640,491	-	-	(1,640,491)	-
Intergovernmental revenue	962,428	-	-	(962,428)	-
Fines and forfeits	5,698	-	-	(5,698)	-
Interest	452,109	-	-	(452,109)	-
Miscellaneous revenues	63,894	-	-	(63,894)	-
Charges for services	756,185	-	-	1,646,189	2,402,374
Operating grants and contributions	-	-	-	347,137	347,137
General revenues	-	-	-	3,334,931	3,334,931
TOTAL REVENUES	6,084,442	-	-	-	6,084,442
EXPENDITURES					
Current					
General government	1,230,493	39,797	(7,228)	3,340	1,266,402
Public safety	4,478,383	19,116	(8,084)	253	4,489,668
Physical environment	989,871	445,320	3,334	1,109	1,439,634
Culture and recreation	139,329	48,177	-	-	187,506
Capital outlay	579,870	(579,870)	-	-	-
Debt service					
Principal retirement	256,410	-	(256,410)	-	-
Interest and fiscal charges	15,299	-	(3,965)	-	11,334
TOTAL EXPENDITURES	7,689,655	(27,460)	(272,353)	4,702	7,394,544
NET CHANGE IN FUND BALANCE / NET POSITION	$ (1,605,213)	$ 27,460	$ 272,353	$ (4,702)	$ (1,310,102)

Statistical Section - Supplemental Information

Statistical schedules differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These schedules reflect social and economic data, and financial trends of the government.

Schedules of Financial Trends Information

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TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 1
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2025	(Restated)(2) 2024	(Restated)(1)(2) 2023	(Restated)(2) 2022	(Restated)(2) 2021
Governmental activities:					
Net investment in capital assets	$ 10,173,183	$ 10,208,985	$ 10,161,798	$ 10,092,877	$ 10,233,418
Restricted	3,410,234	3,203,925	2,962,186	2,775,189	3,326,606
Unrestricted	6,994,417	8,475,026	7,844,347	7,717,706	6,659,615
Total governmental activities net position	$ 20,577,834	$ 21,887,936	$ 20,968,331	$ 20,585,772	$ 20,219,639
Business-type activities:					
Net investment in capital assets	$ 1,566,234	$ 1,288,002	$ 1,360,533	$ 1,352,599	$ 1,090,906
Unrestricted	2,251,832	2,063,314	1,550,253	1,273,818	1,531,282
Total business-type activities net position	$ 3,818,066	$ 3,351,316	$ 2,910,786	$ 2,626,417	$ 2,622,188
Primary government:					
Net investment in capital assets	$ 11,739,417	$ 11,496,987	$ 11,522,331	$ 11,445,476	$ 11,324,324
Restricted	3,410,234	3,203,925	2,962,186	2,775,189	3,326,606
Unrestricted	9,246,249	10,538,340	9,394,600	8,991,524	8,190,897
	$ 24,395,900	$ 25,239,252	$ 23,879,117	$ 23,212,189	$ 22,841,827

(1) - 2023 (Restated) - The components of net position for all activities have been restated for a prior period correction to recognize additional ARPA revenue and to take into consideration debt associated with capital assets. This restatement also impacted the change in net position for all activities, the governmental funds balance sheet and governmental funds revenue, as well as the proprietary fund operating revenues.

(2) - 2020, 2021, 2022, 2023, and 2024 (Restated) - The net investment in capital assets for governmental activities has been restated for a prior period correction of an error to capture depreciation that should have been recorded on certain infrastructure assets placed in service during fiscal year ended September 30, 2020. This restatement also impacted the change in net position for the governmental activities.

(Restated)(2) 2020	2019	2018	2017	2016
$ 10,304,329	$ 10,245,007	$ 8,871,950	$ 8,770,991	$ 8,765,874
3,308,588	3,220,875	3,212,224	3,100,218	3,061,027
6,630,174	6,269,150	5,693,537	5,314,380	5,069,130
$ 20,243,091	$ 19,735,032	$ 17,777,711	$ 17,185,589	$ 16,896,031
$ 1,093,008	$ 998,529	$ 655,327	$ 515,349	$ 518,615
1,775,177	1,895,899	2,150,599	2,262,204	2,271,423
$ 2,868,185	$ 2,894,428	$ 2,805,926	$ 2,777,553	$ 2,790,038
$ 11,397,337	$ 11,243,536	$ 9,527,277	$ 9,286,340	$ 9,284,489
3,308,588	3,220,875	3,212,224	3,100,218	3,061,027
8,405,351	8,165,049	7,844,136	7,576,584	7,340,553
$ 23,111,276	$ 22,629,460	$ 20,583,637	$ 19,963,142	$ 19,686,069

TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 2
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2025	(Restated)(2) 2024	(Restated)(1)(2) 2023	(Restated)(2) 2022	(Restated)(2) 2021
EXPENSES					
Governmental Activities:					
General government	$ 1,266,402	$ 1,157,292	$ 1,079,955	$ 1,081,439	$ 799,449
Public safety	4,489,668	1,307,633	1,165,712	1,176,407	1,003,795
Physical environment	1,439,634	1,342,669	1,210,567	780,205	1,250,401
Culture and recreation	187,506	205,150	178,246	120,190	137,825
Interest on long-term debt	11,334	23,274	35,264	47,189	59,609
Total governmental activities expenses	7,394,544	4,036,018	3,669,744	3,205,430	3,251,079
Business-type activities:					
Sewer	711,214	856,664	1,011,929	977,259	1,070,378
Total business-type activities expenses	711,214	856,664	1,011,929	977,259	1,070,378
Total primary government expenses	$ 8,105,758	$ 4,892,682	$ 4,681,673	$ 4,182,689	$ 4,321,457
PROGRAM REVENUES					
Governmental activities:					
Charges for services	$ 2,402,374	$ 1,039,874	$ 878,413	$ 987,963	$ 888,660
Operating grants and contributions	347,137	579,968	97,848	13,801	19,490
Total governmental activities program revenues	2,749,511	1,619,842	976,261	1,001,764	908,150
Business-type activities:					
Charges for services:					
Sewer	991,504	1,143,271	1,110,275	1,021,865	925,012
Operating grants	77,726	58,759	131,307	-	-
Total business-type activities revenues	1,069,230	1,202,030	1,241,582	1,021,865	925,012
Total primary government program revenues	$ 3,818,741	$ 2,821,872	$ 2,217,843	$ 2,023,629	$ 1,833,162
NET (EXPENSE) REVENUE					
Governmental activities	$ (4,645,033)	$ (2,416,176)	$ (2,693,483)	$ (2,203,666)	$ (2,342,929)
Business-type activities	358,016	345,366	229,653	44,606	(145,366)
Total primary government net (expense) revenue	$ (4,287,017)	$ (2,070,810)	$ (2,463,830)	$ (2,159,060)	$ (2,488,295)

(1) (2) (Restated) - See Schedule 1 for explanation.

(Restated)(2) 2020	2019	2018	2017	2016
$ 609,386	$ 551,182	$ 502,674	$ 534,913	$ 457,759
840,487	943,224	901,872	878,187	878,474
977,765	1,012,494	949,495	875,225	801,179
169,923	160,853	158,624	96,435	164,305
71,594	83,899	91,474	88,953	98,656
2,669,155	2,751,652	2,604,139	2,473,713	2,400,373
936,672	904,211	855,418	877,857	855,651
936,672	904,211	855,418	877,857	855,651
$ 3,605,827	$ 3,655,863	$ 3,459,557	$ 3,351,570	$ 3,256,024
$ 795,258	$ 841,011	$ 789,416	$ 732,142	$ 743,128
165,726	1,561,153	26,502	96,245	10,950
960,984	2,402,164	815,918	828,387	754,078
892,417	853,761	851,866	853,169	817,945
-	-	-	-	-
892,417	853,761	851,866	853,169	817,945
$ 1,853,401	$ 3,255,925	$ 1,667,784	$ 1,681,556	$ 1,572,023
$ (1,708,171)	$ (349,488)	$ (1,788,221)	$ (1,645,326)	$ (1,646,295)
(44,255)	(50,450)	(3,552)	(24,688)	(37,706)
$ (1,752,426)	$ (399,938)	$ (1,791,773)	$ (1,670,014)	$ (1,684,001)

TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 2 (continued)
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2025	(Restated)(2) 2024	(Restated)(1)(2) 2023	(Restated)(2) 2022	(Restated)(2) 2021
GENERAL REVENUES					
Governmental Activities:					
Taxes:					
Property taxes	$ 1,897,634	$ 1,752,654	$ 1,553,874	$ 1,381,438	$ 1,268,088
Franchise fees	235,956	259,860	248,804	251,512	233,510
Intergovernmental Revenues:					
One cent sales tax	335,988	328,886	329,046	323,391	278,753
Half-cent sales tax	175,468	173,970	184,702	177,128	161,438
Local option gas tax	27,601	27,877	28,692	28,263	27,908
Communication services tax	70,047	63,116	87,908	82,236	80,023
State revenue sharing	73,150	72,710	76,248	73,992	60,413
Other taxes	3,084	3,695	3,426	2,814	-
Land dedication fees	-	55,500	69,500	115,500	80,500
Investment earnings	452,109	561,479	430,088	74,473	14,917
Miscellaneous	63,894	36,034	63,754	9,052	11,154
Total governmental activities	3,334,931	3,335,781	3,076,042	2,519,799	2,216,704
Business-type activities:					
Investment earnings	108,734	95,164	54,716	9,623	2,142
Miscellaneous	-	-	-	-	-
Total business-type activities	108,734	95,164	54,716	9,623	2,142
Total primary government	3,443,665	3,430,945	3,130,758	2,529,422	2,218,846
TRANSFERS					
Governmental Activities:	-	-	-	50,000	102,773
Business-type activities:	-	-	-	(50,000)	(102,773)
CHANGE IN NET POSITION					
Governmental activities	(1,310,102)	919,605	382,559	366,133	(23,452)
Business-type activities	466,750	440,530	284,369	4,229	(245,997)
Total primary government	$ (843,352)	$ 1,360,135	$ 666,928	$ 370,362	$ (269,449)

(1) (2) (Restated) - See Schedule 1 for explanation.

(Restated)(2) 2020	2019	2018	2017	2016
$ 1,263,783	$ 1,234,655	$ 1,172,584	$ 1,082,164	$ 1,227,607
223,911	229,985	219,856	204,080	213,078
241,468	260,519	246,927	233,635	227,293
138,000	145,928	142,917	135,934	134,865
26,732	29,527	29,554	33,257	32,975
89,303	95,991	102,754	102,966	104,112
54,599	53,008	56,173	54,558	52,818
990	535	11,460	2,149	7,479
66,500	59,765	55,286	33,915	34,940
97,870	181,207	144,452	49,585	24,748
13,074	15,689	198,380	2,641	44,265
2,216,230	2,306,809	2,380,343	1,934,884	2,104,180
18,012	41,820	26,376	11,803	10,362
-	97,132	5,549	400	540
18,012	138,952	31,925	12,203	10,902
2,234,242	2,445,761	2,412,268	1,947,087	2,115,082
-	-	-	-	-
-	-	-	-	-
508,059	1,957,321	592,122	289,558	457,885
(26,243)	88,502	28,373	(44,263)	(26,804)
$ 481,816	$ 2,045,823	$ 620,495	$ 245,295	$ 431,081

TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 3
PROGRAM REVENUES BY FUNCTIONS / PROGRAMS
LAST TEN FISCAL YEARS
(accrual basis of accounting)

FUNCTIONS / PROGRAMS	2025	2024	(Restated) (1) 2023	2022
Governmental Activities:				
Charges for Services				
General government	$ 556,415	$ 631,010	$ 562,264	$ 606,308
Public safety	1,802,829	360,479	274,598	328,866
Physical environment	43,130	48,385	41,551	52,789
Culture and recreation	-	-	-	-
Subtotal governmental activities charges for services	2,402,374	1,039,874	878,413	987,963
Business-type Activities:				
Charges for Services				
Sewer	991,504	1,143,271	1,110,275	1,021,865
Subtotal business-type activities charges for services	991,504	1,143,271	1,110,275	1,021,865
Total primary government charges for services	$ 3,393,878	$ 2,183,145	$ 1,988,688	$ 2,009,828
Governmental Activities:				
Operating Grants / Contributions				
General government	$ 297,209	$ 527,694	$ 20,694	$ 13,801
Physical environment	49,928	52,274	-	-
Subtotal governmental activities operating grants / contributions	347,137	579,968	20,694	13,801
Business-type Activities:				
Operating Grants / Contributions				
Sewer	77,726	58,759	131,307	-
Subtotal business-type activities operating grants / contributions	77,726	58,759	131,307	-
Total primary government operating grants / contributions	$ 424,863	$ 638,727	$ 152,001	$ 13,801
Governmental Activities:				
Capital Grants / Contributions				
General government	$ -	$ -	$ -	$ -
Physical environment	-	-	-	-
Subtotal governmental activities capital grants / contributions	-	-	-	-
Business-type Activities:				
Capital Grants / Contributions				
Sewer	-	-	-	-
Subtotal business-type activities capital grants / contributions	-	-	-	-
Total primary government capital grants / contributions	$ -	$ -	$ -	$ -

(1) (Restated) - See Schedule 1 for explanation.

2021	2020	2019	2018	2017	2016
$ 888,660	$ 186,122	$ 118,940	$ 112,504	$ 86,465	$ 98,615
-	262,696	60,217	8,912	8,219	6,057
-	294,798	657,754	663,695	634,373	634,076
-	51,642	4,100	4,305	3,085	4,380
888,660	795,258	841,011	789,416	732,142	743,128
925,012	892,417	853,761	851,866	853,169	817,945
925,012	892,417	853,761	851,866	853,169	817,945
$ 1,813,672	$ 1,687,675	$ 1,694,772	$ 1,641,282	$ 1,585,311	$ 1,561,073
$ 19,490	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
19,490	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 19,490	$ -	$ -	$ -	$ -	$ -
$ -	$ 16,484	$ 82,329	$ -	$ -	$ -
-	149,242	1,478,824	26,502	96,245	10,950
-	165,726	1,561,153	26,502	96,245	10,950
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ 165,726	$ 1,561,153	$ 26,502	$ 96,245	$ 10,950

TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 4
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2025	2024	(Restated)(1) 2023	2022
General Fund:				
Nonspendable	$ 64,439	$ 79,495	$ 64,629	$ 5,904
Unassigned	6,790,258	8,229,702	7,591,269	7,287,843
Total general fund	$ 6,854,697	$ 8,309,197	$ 7,655,898	$ 7,293,747
All Other Governmental Funds (Capital Improvements Fund):				
Restricted	$ 3,410,234	$ 3,203,925	$ 2,962,186	$ 2,775,189
Assigned	212,178	569,200	551,893	704,970
Total all other governmental funds	$ 3,622,412	$ 3,773,125	$ 3,514,079	$ 3,480,159

(1) (Restated) - See Schedule 1 for explanation.

2021	2020	2019	2018	2017	2016
$ 19,526	$ 17,271	$ 14,148	$ 11,789	$ 10,844	$ 64,843
6,928,103	6,656,673	6,304,506	5,738,393	5,359,545	5,055,711
$ 6,947,629	$ 6,673,944	$ 6,318,654	$ 5,750,182	$ 5,370,389	$ 5,120,554
$ 2,662,042	$ 3,308,588	$ 3,220,875	$ 3,212,224	$ 3,100,218	$ 3,061,027
664,564	-	-	-	-	-
$ 3,326,606	$ 3,308,588	$ 3,220,875	$ 3,212,224	$ 3,100,218	$ 3,061,027

TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 5
CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2025	2024	(Restated)(1) 2023	2022	2021
REVENUES					
Ad valorem taxes	$ 1,897,634	$ 1,752,654	$ 1,553,874	$ 1,381,438	$ 1,546,841
Other taxes	306,003	322,976	336,712	333,748	341,441
Licenses, fees and permits	1,640,491	372,957	274,605	328,113	273,390
Intergovernmental	615,291	607,138	622,114	605,589	302,351
Charges for services	756,185	719,954	671,646	772,091	591,609
Fines and forfeits	5,698	2,463	1,662	3,257	8,292
Grants	347,137	579,968	97,848	13,801	19,490
Interest earnings	452,109	561,479	430,088	74,473	14,917
Miscellaneous	63,894	36,034	63,754	9,050	26,522
Total revenues	6,084,442	4,955,623	4,052,303	3,521,560	3,124,853
EXPENDITURES					
General government	1,230,493	1,092,125	988,911	934,915	723,632
Public safety	4,478,383	1,283,943	1,151,946	1,015,369	915,358
Physical environment	989,871	908,341	773,567	636,564	722,696
Culture and recreation	139,329	163,039	139,390	103,270	114,753
Capital outlay	579,870	312,181	306,778	74,207	139,392
Debt service					
Principal	256,410	256,410	256,410	256,410	256,410
Interest	15,299	27,239	39,230	51,154	63,682
Total expenditures	7,689,655	4,043,278	3,656,232	3,071,889	2,935,923
Excess of revenues over (under) expenditures	(1,605,213)	912,345	396,071	449,671	188,930
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	50,000	243,773
Transfers out	-	-	-	-	(141,000)
Total other financing sources (uses)	-	-	-	50,000	102,773
Net change in fund balances	$ (1,605,213)	$ 912,345	$ 396,071	$ 499,671	$ 291,703
Debt service as a percentage of noncapital expenditures	3.8%	7.6%	8.8%	10.3%	11.4%

(1) (Restated) - See Schedule 1 for explanation.

2020	2019	2018	2017	2016
$ 1,263,783	$ 1,234,655	$ 1,172,584	$ 1,082,164	$ 1,227,607
223,911	229,985	219,856	204,080	213,078
209,116	247,517	254,568	169,870	162,103
617,490	645,273	671,572	596,414	594,482
579,541	533,377	526,214	554,389	574,968
6,703	60,117	8,635	7,883	6,057
165,726	1,561,153		96,245	24,748
97,870	181,207	144,452	49,585	10,950
13,074	15,689	198,380	2,641	44,266
3,177,214	4,708,973	3,196,261	2,763,271	2,858,259
596,434	527,125	580,257	513,083	497,536
839,609	942,346	900,995	875,855	867,700
817,462	2,116,141	575,735	578,636	490,355
148,691	201,879	301,687	158,028	138,715
-	-	-	-	-
256,410	256,410	256,410	256,410	256,410
75,605	87,949	89,378	92,233	101,933
2,734,211	4,131,850	2,704,462	2,474,245	2,352,649
443,003	577,123	491,799	289,026	505,610
141,000	141,000	141,000	141,000	141,000
(141,000)	(141,000)	(141,000)	(141,000)	(141,000)
-	-	-	-	-
$ 443,003	$ 577,123	$ 491,799	$ 289,026	$ 505,610
12.1%	8.3%	12.8%	14.1%	15.2%

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Schedules of Revenue Capacity Information

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TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 6
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

	Assessed Valuations			
	Real Property		Personal	Total
Fiscal Year	Residential	Commercial	Property	Assessed Value
2016	$ 561,064,320	$ -	$ 9,158,979	$ 570,223,299
2017	613,095,626	-	9,334,095	622,429,721
2018	664,658,680	-	10,225,657	674,884,337
2019	700,205,466	-	10,184,949	710,389,915
2020	766,781,706	-	10,806,872	777,588,578
2021	832,224,776	-	11,363,346	843,588,122
2022	902,866,996	-	11,847,661	914,714,657
2023	1,011,357,216	-	12,087,573	1,023,444,789
2024	1,136,203,379	-	12,630,414	1,148,833,793
2025	1,237,276,640	-	13,233,930	1,250,510,570

Source: Pinellas County Property Appraiser.

		Percentage			
		Assessed Values to Estimated	Yearly Increases (Decreases)		Total Direct Tax
Total Exempt	Total Taxable Value	Market	Taxable	Total	Rate
$ 51,652,265	$ 518,571,034	100%	8.83%	8.02%	2.0000
55,114,637	567,315,084	100%	9.40%	9.16%	1.8000
57,159,465	617,724,872	100%	8.89%	8.43%	1.8000
60,452,529	649,937,386	100%	5.21%	5.26%	1.8000
66,009,555	711,579,023	100%	9.48%	9.46%	1.8000
66,009,555	777,578,567	100%	9.28%	8.49%	1.6896
67,721,635	846,993,022	100%	8.93%	8.43%	1.6896
69,899,814	953,544,975	100%	12.58%	11.89%	1.6896
73,507,232	1,075,326,561	100%	12.77%	12.25%	1.6896
76,804,582	1,173,705,988	100%	9.15%	8.85%	1.6896

TOWN OF REDINGTON SHORES, FLORIDA

SCHEDULE 7

ASSESSED VALUATIONS, MILLAGE AND TAXES LEVIED AND COLLECTED

LAST TEN FISCAL YEARS

	2025	2024	2023	2022
Total valuations	$ 1,250,510,570	$ 1,148,833,793	$ 1,023,444,789	$ 914,714,657
Real estate exemptions:				
Government exemption	26,977,697	25,621,916	25,553,731	23,461,074
Institutional exemption	-	-	-	-
Assessment differential (F.S. 193.155)[3]	-	-	-	-
Individual or homestead exemptions	49,826,885	47,885,316	44,346,083	44,260,561
Total exemptions and adjustments	76,804,582	73,507,232	69,899,814	67,721,635
Total taxable valuation	$ 1,173,705,988	$ 1,075,326,561	$ 953,544,975	$ 846,993,022
Millage levied	1.6896	1.6896	1.6896	1.6896
Total taxes levied	$ 1,983,094	$ 1,816,872	$ 1,611,110	$ 1,431,079
Less: Adjustments and discounts	85,460	64,218	57,236	49,641
Net taxes levied	$ 1,897,634	$ 1,752,654	$ 1,553,874	$ 1,381,438
Net collected[1][2]	$ 1,897,634	$ 1,752,654	$ 1,553,874	$ 1,381,438

Source: Pinellas County Property Appraiser

[1] Florida Statutes provide for a discount of up to four percent for early payment at auction on June 1 of each year as tax certificates. The Town, after all tax certificates are sold, has fully collected all ad valorem revenues.

[2] Net collected includes penalties or late payments.

[3] Florida Statutes provide for a three percent maximum increase in annual taxable property values.

2021	2020	2019	2018	2017	2016
$ 985,018,439	$ 985,540,171	$ 889,229,917	$ 847,569,312	$ 768,680,692	$ 704,721,758
65,453,081	19,500,642	16,435,236	14,624,883	13,498,844	12,424,181
-	-	-	-	36,000	36,000
141,430,317	141,942,038	118,387,473	127,008,679	100,470,338	92,503,816
66,009,555	46,508,913	44,017,293	31,051,413	32,245,789	29,534,462
272,892,953	207,951,593	178,840,002	172,684,975	146,250,971	134,498,459
$ 712,125,486	$ 777,588,578	$ 710,389,915	$ 674,884,337	$ 622,429,721	$ 570,223,299
1.6896	1.8000	1.8000	1.8000	1.8000	2.0000
$ 1,313,796	$ 1,313,813	$ 1,278,702	$ 1,214,792	$ 1,120,374	$ 1,255,959
45,708	50,030	44,047	42,208	38,210	28,352
$ 1,268,088	$ 1,263,783	$ 1,234,655	$ 1,172,584	$ 1,082,164	$ 1,227,607
$ 1,268,088	$ 1,263,783	$ 1,234,655	$ 1,172,584	$ 1,082,164	$ 1,227,607

TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 8
PROPERTY TAX RATES - DIRECT AND ALL OVERLAPPING GOVERNMENTS (PER $1,000)
LAST TEN FISCAL YEARS

	2025	2024	2023	2022
Town of Redington Shores:				
Operating	1.6896	1.6896	1.6896	1.6896
Debt service	-	-	-	-
Total Town millage	1.6896	1.6896	1.6896	1.6896
Pinellas County School Board:				
Operating	6.2930	5.9380	5.9630	6.3250
Pinellas County:				
Operating	4.5423	4.7398	4.7398	5.1302
Debt Service	-	-	-	-
Total County millage	4.5423	4.7398	4.7398	5.1302
County-wide millage set by other taxing authorities:				
Pinellas Suncoast Transit Authority	0.7300	0.7500	0.7500	0.7500
Pinellas County Planning Council	0.0175	0.0210	0.0210	0.0150
Juvenile Welfare Board	0.8250	0.8250	0.8508	0.8981
South West Florida Water Management District	0.1831	0.2043	0.2260	0.2535
EMS	0.8050	0.8418	0.8775	0.9158
Health Department	0.0713	0.0713	0.0790	0.0790
Total County-wide millage	2.6319	2.7134	2.8043	2.9114
TOTAL	15.1568	15.0808	15.1967	16.0562

Source: Pinellas County Tax Collector

2021	2020	2019	2018	2017	2016
1.6896	1.8000	1.8000	1.8000	1.8000	2.0000
-	-	-	-	-	-
1.6896	1.8000	1.8000	1.8000	1.8000	2.0000
6.4270	6.4270	6.7270	7.0090	7.3180	7.7710
5.2755	5.2755	5.2755	5.2755	5.2755	5.2755
-	-	-	-	-	-
5.2755	5.2755	5.2755	5.2755	5.2755	5.2755
0.7500	0.7500	0.7500	0.7500	0.7500	0.7305
0.0150	0.0150	0.0150	0.0150	0.0150	0.0160
0.8981	0.8981	0.8981	0.8981	0.8981	0.8981
0.2669	0.2669	0.2955	0.3131	0.3317	0.3488
0.9158	0.9158	0.9158	0.9158	0.9158	0.9158
0.0835	0.0835	0.0835	0.0835	0.0622	0.0622
2.9293	2.9293	2.9579	2.9755	2.9728	2.9714
16.3214	16.4318	16.7604	17.0600	17.3663	18.0179

TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 9
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Total Taxable Valuation	Taxable Assessed Valuation	Levy	Collections within the Fiscal Year of Levy		Collections in Subsequent Years	Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2016	$ 621,875,564	$ 570,223,299	$ 1,255,959	$ 1,225,985	97%	$ 1,622	$ 1,227,607	98%
2017	677,544,358	622,429,721	1,120,374	1,081,249	97%	915	1,082,164	97%
2018	732,043,802	674,884,337	1,214,792	1,171,452	97%	1,132	1,172,584	97%
2019	770,842,444	710,389,915	1,278,702	1,234,279	97%	376	1,234,655	97%
2020	843,598,133	777,588,578	1,313,813	1,262,390	97%	1,393	1,263,783	97%
2021	777,578,567	843,588,122	1,313,796	1,268,088	97%	-	1,268,088	97%
2022	846,993,022	914,714,657	1,431,079	1,381,438	97%	-	1,381,438	97%
2023	953,544,975	1,023,444,789	1,611,110	1,553,874	96%	-	1,553,874	96%
2024	1,075,326,561	1,148,833,793	1,816,872	1,752,654	96%	-	1,752,654	96%
2025	1,173,705,988	1,250,510,570	1,983,094	1,897,634	96%	-	1,897,634	96%

All unpaid taxes become delinquent on April 1, and are sold at auction on June 1 of each year as tax certificates.
The Town, after all tax certificates are sold, has fully collected all ad valorem tax revenues.

Source: Pinellas County Property Appraiser.

Schedules of Debt Capacity Information

TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 10
PERCENTAGE OF ANNUAL GENERAL DEBT SERVICE TO GENERAL GOVERNMENTAL EXPENDITURES - BANK LOAN
LAST TEN FISCAL YEARS

Fiscal Year	Debt Service Bank Loan	Debt Service Total Debt	Total General Governmental Expenditures[1]	Percentage of Debt Service to General Governmental Expenditures
2016	$ 358,343	$ 358,343	$ 2,352,649	15.23%
2017	348,643	348,643	2,474,245	14.09%
2018	345,788	345,788	2,704,462	12.79%
2019	344,359	344,359	3,787,491	9.09%
2020	332,015	332,015	2,915,016	11.39%
2021	320,092	320,092	2,935,923	10.90%
2022	307,564	307,564	3,071,889	10.01%
2023	295,640	295,640	3,656,232	8.09%
2024	283,649	283,649	4,043,278	7.02%
2025	271,709	271,709	7,689,655	3.53%

(1) Includes general and capital improvement funds

TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 11
PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Non Ad Valorem Revenues	Ad Valorem Revenues[2]	Essential Service Expenditures	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage[1]
2016	$ 1,630,652	$ 1,227,607	$ 1,994,306	$ 863,953	$ 256,410	$ 101,933	2.41
2017	1,681,107	1,082,164	2,125,602	637,669	256,410	92,233	1.83
2018	1,418,076	1,172,584	2,069,867	520,793	256,410	89,378	1.51
2019	1,571,359	1,234,655	2,096,542	709,472	256,410	87,949	2.06
2020	1,382,569	1,263,783	2,150,062	496,290	256,410	75,605	1.49
2021	1,856,765	1,268,088	2,615,831	509,022	256,410	63,682	1.59
2022	2,140,122	1,381,438	2,764,325	757,235	256,410	51,154	2.46
2023	2,421,275	1,553,874	3,360,592	614,557	256,410	39,230	2.08
2024	3,202,969	1,752,654	3,759,629	1,195,994	256,410	27,239	4.22
2025	4,186,808	1,897,634	7,417,946	(1,333,504)	256,410	15,299	(4.91)

(1) Required 1.25.

(2) Ad Valorem Revenues are not pledged but are needed to pay for essential service expenditures excluding debt service.

Note: Due to the significant amount of hurricane related expenditures that were incurred during fiscal year ended September 30, 2025, the Town did not meet the debt service coverage requirement. The loan was paid in full in December 2025.

TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 12
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
GENERAL OBLIGATION BONDS AND DIRECT REVENUE DEBT
SEPTEMBER 30, 2025

	General Revenue Taxable Value	Debt Outstanding	Percentage Estimated Percentage Applicable	Amount Applicable to Town of Redington Shores
City Taxable Value	$ 1,173,705,988			
County Taxable Value	$ 135,231,638,681			
Overlapping debt:				
Pinellas County Capital Leases		$ 27,162,465		
Pinellas County SBITAs		11,385,648		
Pinellas County Notes Outstanding		-		
Total overlapping debt		$ 38,548,113	0.87%	$ 334,568
City Direct Debt		$ 128,208	100%	$ 128,208
Total Direct and Overlapping Debt				$ 462,776

Sources: Assessed value data used to estimate applicable percentages provided by the Pinellas County Property Appraiser. Debt outstanding data provided by each governmental unit.

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Schedules of Operating Information

TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 13
FULL-TIME EQUIVALENT
TOWN EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Full-Time Equivalent Employees as of September 30, 2025									
FUNCTION	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government	3	3	3.5	2	2	2	2	2	2	2
Public Safety:										
Building Department	2	2	1	2	2	2	2	2	2	2
Physical Environment	3	3	2.5	1	1	1	1	2	2	2
Total	8	8	7	5	5	5	5	6	6	6

TOWN OF REDINGTON SHORES, FLORIDA
SCHEDULE 14
MISCELLANEOUS STATISTICAL DATA
SEPTEMBER 30, 2025

Date of Incorporation	August 30, 1955	Term of Office:
Date First Charter Adopted	1955	Mayor - 3 Years, voted at large
Date Present Charter Adopted	1955	Commissioners - 2 Years, voted by district
		Area - 0.36 square miles

Form of Government: Mayor - Commission
Commission Composed of: Mayor and Four Commissioners

MUNICIPAL UTILITIES, SERVICES AND EVENTS

Parks and Recreation

1 playground in residential area - Spitzer Park
1 playground at Constitution Park on Gulf Boulevard, with pavilion, grills, half basketball court, shuffle board court, volleyball, and pavilion (rental) with bathrooms and kitchen
1 nature park with walking trail, exercise stations, fishing dock, kayak launch, pavilions
1 Tennis Court
3.5 acre beach access

Parkland acreage - 29.23 acres recreation / open space

Major Annual Community Events

Annual Holiday Tree Lighting
Annual Town Picnic
Annual Holiday Lighted Boat Parade
Annual Santa Parade and House Decorating Contest
Semi-Annual Garage Sales

Cultural Facilities Available in Redington Shores and the Tampa Bay Area

Gulf Beaches Public Library
Suncoast Seabird Sanctuary
Clearwater Marine Aquarium
Salvador Dali Museum
Heritage Village
Florida Botanical Gardens
Weedon Island Preserve

Other Reports

This section contains Auditor's Reports required by *Government Auditing Standards* (issued by the Comptroller General of the United States) and the Auditor General of the State of Florida.

WELLS, HOUSER & SCHATZEL, P.A.
CPA AND CONSULTING FIRM

John B. Houser, CPA
Peter C. Schatzel, CPA
Peter B. Wells, CPA

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

Honorable Mayor and Town Commission
Town of Redington Shores, 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, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Redington Shores, 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 August 28, 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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

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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 Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wells, Houser & Schatzel, P.A.

Wells, Houser & Schatzel, P.A.
St. Petersburg, Florida

August 28, 2026

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Mayor and Town Commission
Town of Redington Shores, Florida

Report on the Financial Statements
We have audited the financial statements of the Town of Redington Shores, Florida, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated August 28, 2026.

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

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated August 28, 2026, should be considered in conjunction with this management letter.

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

Official Title and Legal Authority
Section 10.554 (1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Town of Redington Shores, Florida, is a municipal corporation and operates under applicable provisions of Florida Statutes Chapter 166. The Town of Redington Shores, Florida has no component units.

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

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

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

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Special District Component Units
Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that there were no special district component units.

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 warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Section 10.554(1)(i)6., Rules of the Auditor General, requires a statement as to whether or not 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 ended September 30, 2025. A PACE program did not operate within the geographical boundaries of the Town of Redington Shores, Florida during the fiscal year ended September 30, 2025. Furthermore, Pinellas County, Florida, within which the Town of Redington Shores is located, has never recognized any authorized property assessed clean energy program.

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

Wells, Houser & Schatzel, P.A.

Wells, Houser & Schatzel, P.A.
St. Petersburg, Florida

August 28, 2026

WELLS, HOUSER & SCHATZEL, P.A.
CPA AND CONSULTING FIRM

John B. Houser, CPA
Peter C. Schatzel, CPA
Peter B. Wells, CPA

INDEPENDENT AUDITOR'S REPORT
REGARDING COMPLIANCE REQUIREMENTS IN RULES
OF THE AUDITOR GENERAL 10.556(10)

Honorable Mayor and Town Commission
Town of Redington Shores, Florida

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Town's compliance with specified requirements.

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

Wells, Houser & Schatzel, P.A.

Wells, Houser & Schatzel, P.A.
St. Petersburg, Florida

August 28, 2026

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