

City of Rockledge, Florida

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended September 30, 2025

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City of Rockledge, Florida
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended September 30, 2025

Prepared by: Matthew Trine

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City of Rockledge, Florida
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As of September 30, 2025

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MAYOR

Thomas J. Price

CITY COUNCIL

Dr. Michael A. Cadore Sr.

Dr. R. Shaun Ferguson

Sammie Brown Martin

Frank T. Forester

Duane A. Daski

Tara L. Connor

CITY MANAGER

Dr. Brenda Fettrow

ASSISTANT CITY MANAGER

Matthew D. Trine

CITY ATTORNEY

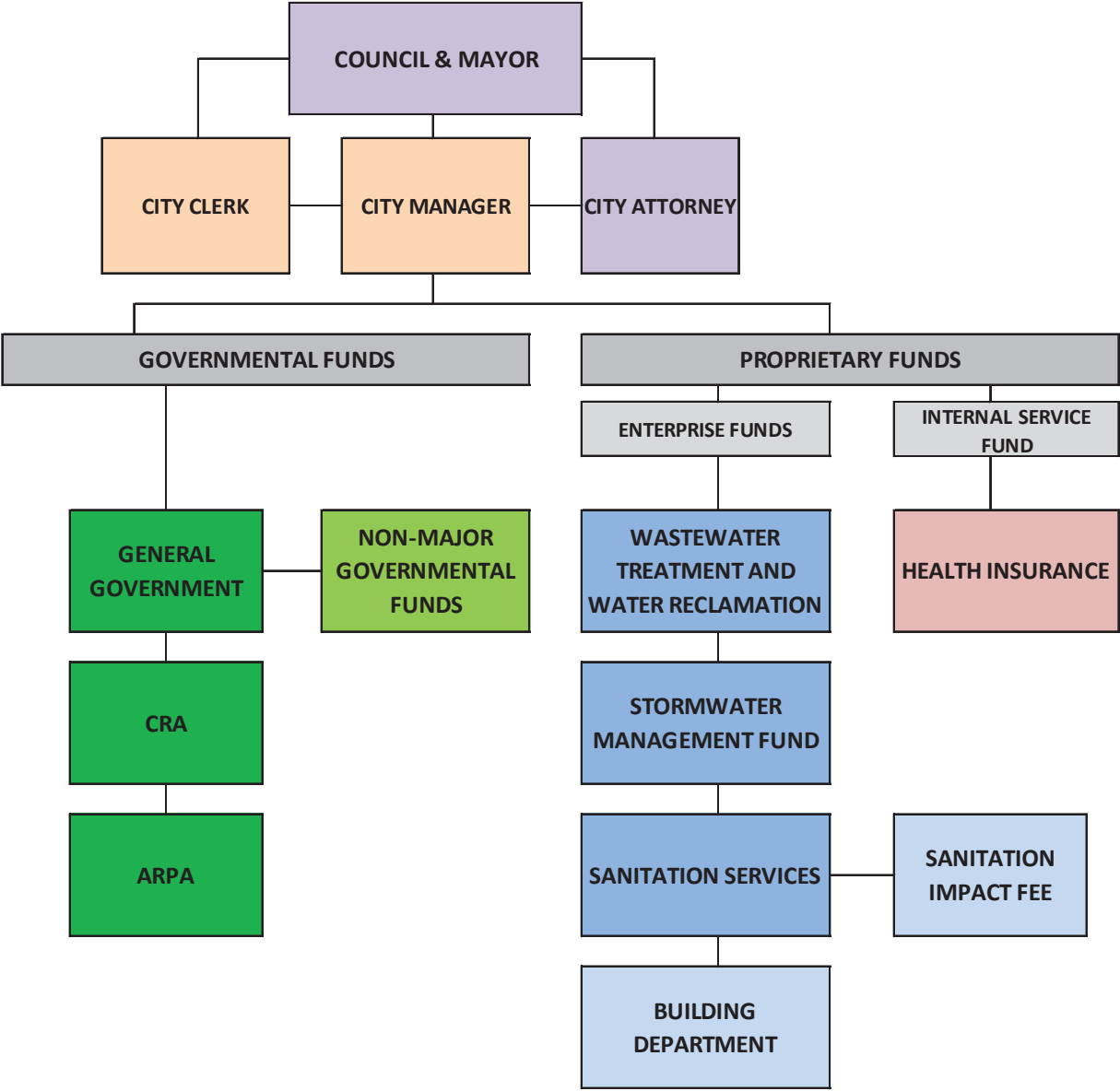
Wade C. Vose

CITY CLERK/PUBLIC RELATIONS

Jennifer M. LeVasseur

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**City of Rockledge, Florida
Organization Chart
As of September 30, 2025**



- - Major Enterprise Funds
 - - Non-Major Enterprise Funds
 - - Internal Service Fund
- - Major Governmental Funds
 - - Non-Major Governmental Funds
- - Chartered Officers
 - - Elected Officials & City Attorney

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CITY HALL
1600 HUNTINGTON LANE
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
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BUILDING DIVISION
1600 HUNTINGTON LANE
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TELEPHONE: 321-221-7540
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PUBLIC SAFETY DEPT.

FIRE DIVISION
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POLICE DIVISION
1776 JACK OATES BLVD.
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PUBLIC WORKS DEPT.
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ROCKLEDGE, FL 32955
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TREATMENT & WATER
RECLAMATION DEPT.**
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FAX: 321-204-6377

REDEVELOPMENT
1600 HUNTINGTON LANE
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6385

www.cityofrockledge.org

March 9, 2026

The Honorable Mayor,
Members of City Council,
and Citizens of the City of Rockledge:

The Annual Comprehensive Financial Report of the City of Rockledge, Florida, for the fiscal year ended September 30, 2025, is hereby submitted. The report includes Management's Discussion and Analysis and is reflective of management's position on the financial status of the City. Management is responsible for the contents of the annual comprehensive financial report. As such, management, with the support of the elected officials, has established a comprehensive framework of internal controls to protect the City from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). This framework of internal controls, despite inherent limitations, is established to provide a reasonable basis for asserting that these financial statements are fairly presented. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The firm of Carr, Riggs & Ingram, L.L.C., has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2025 are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

The report reflects work compliant with Governmental Accounting Standards Board (GASB) Statement No. 34 and was performed independent of the audit provisions. This includes accounting for streets, roads, sidewalks, stormwater facilities and all wastewater related infrastructure. This information will have an impact on the financial structure of the report and there will be additional statements within the document depicting those requirements.

Furthermore, the report reflects GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This statement will continue to have a significant impact on net position for the entity-wide statements and the enterprise fund level statements. For more information on the impact of GASB 68, please refer to Note 10 in the Notes to Financial Statements. Finally, the report reflects GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*.

AWARDS AND ACKNOWLEDGEMENTS

The City of Rockledge participates in the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Program. The City's initial submission for this program was for the Annual Comprehensive Financial Report for the year ended September 30, 2019, for which the City received the Certificate. The City also received the award for each subsequent submission, the most recent for this program was for the year ended September 30, 2024.

PROFILE OF THE CITY

Economic conditions for fiscal year 2025 have continued to improve from the period of the COVID-19 pandemic, as evidenced by increasing property values. However, new construction and development within the City has slowed, as is evidenced by the overall value of construction activity. As a measure of local economic activity, total permit value was down from \$195.3 million in 2024 to \$108.7 million in 2025. Total permits issued were 2,660, nearly equal to 2,662 from the previous year. New construction in residential units decreased (79 new single-family homes, 153 in 2024), but increased in commercial buildings (50 new commercial buildings, 24 in 2024). While this indicates a continued three-year reduction in construction activity, it represents a generally positive sentiment about the local economy. Assessed (gross taxable) property values increased by 9.45 percent in 2025, which is the fourteenth consecutive year of increased values.

Under its Charter, the City operates as a Council-Manager form of government. The Mayor and City Council are elected at large on a non-partisan basis with staggered three-year terms. They are responsible for passing ordinances, adopting budgets, appointing committees, and hiring the City Manager, City Clerk, and City Attorney. The City Manager is responsible for implementing the policies and ordinances of the Council, overseeing daily operations, and hiring Department Directors and all other employees of the City. The City currently has 254 full-time equivalent staff positions and 14 part-time staff positions allocated within the budget, as well as volunteers within the Police Department. Volunteers also operate the Georgia Phillips Reading Room at the Community Resource Center.

The City provides a full range of services, including police and fire protection; public works, including sanitation, stormwater management, street and sidewalk maintenance, etc.; planning, community development, grants acquisition; building inspection services and code enforcement; wastewater treatment and reclaimed water; and general administration and support services. The City has five proprietary enterprise funds – wastewater treatment/reclaimed water, stormwater, sanitation, sanitation impact fee, and the building department. The City also has a Community Redevelopment Agency (CRA) and associated budget as outlined in Florida Statutes, Chapter 163. As for recreation and leisure services, the City is part of a recreational district created by legislative act in 1971 that serves the central mainland of Brevard County.

The annual budget is a foundation for the financial planning and control for the City and is meant to further the Strategic Plan of the City. The budget process begins at the staff level in May of each year, through the City Manager, and is worked through the Council Finance and Budget Committee in June, July, and August. A public workshop is held in August and public hearings in September, for the adoption of the budget to begin on October 1 of each year. The annual tax millage rate is also established at the same time as the adoption of the budget.

The budgets are adopted by the fund and department. The City Manager can make appropriate transfers within departmental budgets without Council approval. Changes to overall budgets require approval by the City Council. The City Council receives monthly reports of the City's financial conditions, including comparisons of budget and actual expenditures.

FACTORS AFFECTING FINANCIAL CONDITIONS

As a part of the Central Florida Regional economy, Rockledge has steadily rebounded financially since the recession years of 2009-2012. During Fiscal Year 2025, unemployment remained relatively flat and ranged between 3.3 and 5.3 percent, settling at 3.7 percent. This rate is below recent historical averages and continues the downward trend from what started as double digits during the initial pandemic response period of 2020-2021. The expansion of business in the City continues to be positive. Economic development on a comprehensive basis has been aided by redevelopment and public works projects. The City's marketing efforts continue to attract new businesses, support existing businesses, and foster revitalization of vacant and underutilized properties.

The City of Rockledge has an adopted Business Plan, Investment Strategy, and comprehensive approach to budgeting and financial matters. Each budget reflects delivering services at the highest level that can be supported by available revenues. This focus includes personnel management, maintenance and operations, capital investment, and capital projects. The City's financial position allows for responsible investments in capital projects and the continued replacement of vehicles and necessary operating equipment. Emphasis for the future includes the care and maintenance of existing facilities and infrastructure, combined with long-term strategic planning for efficiencies in operations and meaningful capital improvements.

As a top priority, the City continues to strategically manage its debt load while securing the long-term delivery of quality and dependable services. Debt reduction targets include all governmental budget funds. In fifteen years, the City has been able to lower the debt principal from \$14.16 million to \$4.78 million, or to \$157 per capita. Of this, governmental debt is only \$1.45 million, or \$48 per capita. The debt service includes:

- General Fund total debt stands at \$615,415 for the Police and Fire Station's new construction and technology upgrades (retiring in 2028).
- The Wastewater Plant debt consists solely of the Series 2021 note to partially fund the construction of the equalization basin and biosolids projects. This note has an outstanding principal of \$2,862,711.
- The Community Redevelopment Agency has a \$500,000 credit line with Community Bank of the South. As of September 30, 2025, this debt instrument was fully satisfied.
- In Fiscal Year 2023, Governmental Accounting Standards Board Statement 96 was implemented by the City, which requires recognition of Subscription Based Technology Arrangements. These obligations are recognized as debts of the City and carry a balance of \$833,704 in governmental activities and \$483,080 in business-type activities.

Efforts made towards major projects in Fiscal Year 2025 included the construction of a metal storage building for the Wastewater and Water Reclamation Plant, replacement of the hurricane-damaged traffic control signalization at the Eyster Boulevard and Murrell Road intersection, and the revetment of the River Groves Dock area damaged by Hurricane Milton. The City replaced the main office of the Sanitation Department. The Frank T. Forester Multi-Use Sports Complex was completed. Construction continues for the Wastewater Flow Equalization Basin and Biosolids combined project for the Wastewater and Water Reclamation Plant, the wind-storm hardening and renovation of Fire Station 37, the construction of the McKnight Family Sports Complex concession stand building, and City Hall renovations. Projects in the design phase include drainage improvements to Huntington Lane and Phase II of the Advanced Wastewater Treatment Project for the Wastewater and Water Reclamation Plant. Additional projects within the year included:

- Continued implementation of the Compensation and Classification System for employees, including the increase of the City-Wide minimum wage. The implementation plan was modified for the new Florida State minimum wage changes through September 2026
- Purchase of 2 new garbage packers for the Sanitation Department
- Completion of 9 manhole linings and additional sewer linings throughout the City
- Stormwater pipe lining throughout the City
- Purchase of an F-550 for the Wastewater Department and F-350 dump truck for Public Works
- Purchase of three F-150s, two for Public Works and one for the Stormwater Department
- Purchase of 5 police interceptors for the Police Division of the Public Safety Department.
- Completion of 8 Façade Improvement Grants through the Community Redevelopment Agency

Cash reserves are examined each budget season and are maintained by the City as a contingency against emergent situations. During times of emergency response and disaster mitigation, these fund reserves have historically allowed the City to respond in a timely and efficient manner. These reserves are invested in certificates of deposit, treasury bonds, cash management sweep accounts, and money market accounts. Yields are decreasing as investments mature, due, in part, to the Federal Open Market Committee's rate decreases, which started in September of 2024, and have continued through December 2025. Risk Management includes insurance for workers' compensation, general liability, property, vehicular, fiduciary, public officials, and special risk through the Florida League of Cities Municipal Trust Program. The City continues to focus on reducing workers' compensation costs through safety programs and training. In Fiscal Year 2025, City-wide trainings continued to increase safety, via a mixture of online and in-person trainings as best suited the employee's job responsibilities. These continued efforts have reduced the risk of unforeseen losses and business interruption. Furthermore, the City actively trains its employees on cybersecurity awareness and risk mitigation. These efforts help to maintain liability, property, and casualty insurance at reasonable cost levels.

City Council has continued to pay close attention to the funded status of the three pension plans provided for City employees. On average, the unfunded pension liability continues to improve over the recessionary levels. The 2025 financial market performance was well above investment objectives, which continues the recovery from the 2022 underperformance. Meanwhile, each pension plan has reduced target returns on investments as both the value of assets in the plans and the number of retirees continue to rise. As a result of investment and funding performance offsetting accumulated benefit pressures, the Fire Employees plan funded status improved by 3.82% in 2025, while the General and Police Employees plans funded status declined by 2.12% and 0.61%, respectively. The calculated funded status of each plan as of September 30, 2025 was as follows:

General	93.37%	Police	99.78%	Fire	89.12%
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The City continues to be in an overall positive position when compared with other pension plans within the state and nationwide. Furthermore, the City has maintained steady contributions to each plan in fiscal year 2025, despite the general reduction in actuarially required contributions for each plan. As evidence, each

plan has remained well above 80 percent funded, which is considered the baseline for healthy pension plans. Averaged together, the combined fiduciary net position of all three plans is 94.16% of the combined total pension liability, a slight increase over the prior year of 94.09%. As the total pension liability of all three plans continues to grow, monitoring plan funded status remains a priority.

ECONOMIC FACTORS, AND NEXT YEAR'S BUDGET AND RATES

When establishing priorities for the Fiscal Year 2025 Budget, the City considered many factors for setting tax rates and user fees for business-type activities. The City emphasizes maintenance, replacement, renewal of existing facilities, and cost-effective capital projects. City facilities, vehicles, and equipment are in good order, especially after the strategic investment that the State and Local Fiscal Recovery Funds made available. However, continued evaluation is necessary, especially in light of population growth, quality service delivery, and regulatory mandates. Maintaining adequate reserves is key to the continued provision of orderly services in the event of a catastrophic situation.

With the inclusion of newly annexed property, the 13.2 square miles of the City is substantially developed, though there continues to be residential, commercial, and industrial development and redevelopment. The newly annexed property on the western side of the City has provided opportunity for such private development, which is currently underway. The CRA has concentrated on attracting new business to the districts, property improvements, and removal of dilapidated structures. Since 2004, the City has funded 140 property improvement projects with matching grants totaling over \$1.12 million (\$25,000 limit on any one grant).

The State of Florida continues to make changes to revenue sources that fund the City budget. Additionally, regulatory demands require additional investment of those revenues, especially in the General and Wastewater System Funds. City Staff evaluates the budget on a monthly basis and the City Manager makes recommendations to City Council when appropriate and actionable to ensure financial responsibility.

Until the COVID-19 pandemic, the budget uncertainties were becoming less problematic. Although growth continues, volatility in regulations and economic activity has increased. These include positive and negative economic effects on the City, such as State and Local Fiscal Recovery Funds providing one-time financial resources, while unfunded Federal and State mandates provide continuing financial obligations or reductions to revenues. Potential changes to ad-valorem tax exemptions in conjunction with the effect of state and federal actions affecting intergovernmental revenues may affect the City's budgeted revenues in unforeseen ways. Diligence to detail, along with matching recurring and non-recurring revenues to the proper initiatives are important in the allocation of available resources moving forward. With the state-mandated minimum wage changes, the City will need to continue to evaluate personnel costs, staffing levels, and benefits, while at the same time keeping salary ranges competitive to avoid becoming a training ground for other entities.

Enterprise funds such as sewer, sanitation, stormwater utility, and the building department continue to meet financial requirements. Fee increases are evaluated each year based on need and expansion requirements. Providing the same quality service with predictable long-term costs are the dual strategic goals that determine rates. To fund capital improvement projects, repairs, and replacements on the aging system, the base service charges for sewer were increased for fiscal years 2023, 2024, 2025, and the City enacted increases effective each October 1 of 2025 through 2029. The gallonage charge was likewise increased in fiscal years 2023, 2024, and 2025, and the City enacted increases effective each October 1 of 2025 through 2029. Stormwater rate increases were last enacted for the fiscal year 2022, with no future increases enacted. Sanitation rates were increased in fiscal year 2023, 2024, and 2025, and the City enacted increases effective each October 1 of 2025 through 2029. Stormwater and Sewer rates still remain among the lowest in Brevard County. The City is the only provider of full-service sanitation within Brevard County, whereby most residential collection vehicles are staffed with a driver and crew, supplemented by a few claw-collection vehicles.

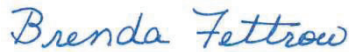
CONCLUSION

The preparation of this report would not have been possible without the excellent work of the Finance Division. An extensive amount of detailed effort occurs during the year, as well as during the annual audit, to ensure accuracy and appropriate evaluation of procedures. Other City departments contribute extensively to the sound financial practices of this local government to ensure accountability and the carrying out of the City's mission. Appreciation is also expressed to the independent audit team led by Christine Noll-Rhan for its tireless efforts on this yearly project. Finally, a sincere thank you to the City Council for your direction and your trust in staff to carry out your policies throughout the year. It is truly a team effort.

The 2025 Fiscal Year was a very successful year with much accomplished in all budgetary areas. The main emphasis has been placed on the maintenance of existing facilities to extend usefulness for longer periods, the proper and final investments of the State and Local Fiscal Recovery funds, the final investments of the Community Redevelopment Agency, the proper administration of grant revenues, and the continuance of excellent service at reasonable costs. City staff will continue to focus on quality service delivery to the citizens within approved budgetary allocations.

The City of Rockledge has and will continue to serve the citizens with continued high-quality service, while keeping the tax and service rates at reasonable levels. We are honored to have this opportunity to serve the citizens and to move Rockledge forward, enjoying continued success and prosperity.

Sincerely,
CITY OF ROCKLEDGE, FLORIDA



Dr. Brenda Fettrow, City Manager



Matthew D. Trine, Assistant City Manager/ Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Rockledge
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO

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CARR, RIGGS & INGRAM, L.L.C.

Carr, Riggs & Ingram, L.L.C.

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Rockledge, Florida

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Rockledge, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Rockledge, 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 City of Rockledge, 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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rockledge, Florida's basic financial statements. The accompanying combining nonmajor fund financial statements, and schedule of expenditures of federal awards and state financial assistance as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, *Rules of the Auditor General*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 9, 2026, on our consideration of the City of Rockledge, 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 City of Rockledge, 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 City of Rockledge, Florida's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 9, 2026

City of Rockledge, Florida Management's Discussion and Analysis

As management of the City of Rockledge (the "City"), we offer readers of the City's financial statements this narrative overview of the financial activities of the City for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages vii to xii of this report.

FINANCIAL HIGHLIGHTS

- Total assets and liabilities of the City as of September 30, 2025, were \$216,816,680 and \$16,480,101, respectively. Deferred outflows related to pensions and post-employment benefits were \$6,044,976. Deferred inflows related to pensions, post-employment benefits, leases, and deferred revenues were \$6,240,201.
- City-wide total revenues (\$48,820,479) consisted of \$14,052,725 of charges for services, \$53,613 in operating grants and contributions, \$6,404,450 in capital grants and contributions, and \$28,309,691 of general revenues. Total expenses were \$37,217,821.
- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$200,141,354 (net position). Of this amount, \$45,050,359 (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens and creditors.
- The City's total net position increased by \$11,602,658 or 6.15 percent due to current year operations. It should be noted that, of this amount, \$6,404,450 represents one-time capital grants and contributions to the City within the fiscal year, of which (\$1,717,558) are revenues related to the State and Local Fiscal Recovery Funds. Other significant grants included a combined \$3,377,622 in funding for the Equalization Basin project of the Wastewater Treatment Fund and \$530,916 in FEMA funding for the Fire Station 37 hardening project. The governmental net position increased by \$5,445,428 or 4.89 percent, and the business-type net position increased by \$6,157,230 or 7.98 percent. Transfers from the governmental funds to the proprietary funds during the year totaled \$1,250,445, representing the reimbursement of qualified American Rescue Plan Act expenses. Transfers from the proprietary funds to the governmental funds during the year totaled \$479,000, representing cash transfers to supplement other fund sources for operating and capital purposes.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$25,545,643 or 91.8 percent of the total expenditures and transfers out.
- Net positions of the General Employees, Police Employees, and Fire Employees' Pension Trust Funds increased by \$2,523,674, \$1,839,167, and \$1,907,731, respectively. These changes were primarily the result of net appreciation in the fair value of each plan's investments and investment earnings in excess of investment expenses, benefits, and administrative costs. The effect of contributions is a waning percentage of change in net position. For all three plans, benefit payments and administration costs exceeded recognized contributions in the current year. This factor continues to signal the maturity of each plan and a growing reliance on investment performance to meet future obligations.

City of Rockledge, Florida Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The statement of net position presents information on all the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference between these four financial statement elements reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, administrative services, mayor and city council, city attorney, police, fire, public works, planning and development. The business-type activities of the City include wastewater system, stormwater utility, sanitation services, and building department services.

The government-wide financial statements can be found on pages 21 through 23 of this report.

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

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements, with the exclusion of the Health Insurance Internal Service Fund. However, unlike the government-wide financial statements, governmental 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

City of Rockledge, Florida Management's Discussion and Analysis

information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains seven individual governmental funds, including the blended component unit Rockledge Heritage Foundation. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Community Redevelopment Agency (CRA), and American Rescue Plan Act Fund (ARPA), which are the City's major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided as combining statements in the other supplementary information of this report.

The City adopts annual appropriated budgets for its General, CRA, and ARPA Funds. Budgetary comparison schedules have been provided for each to demonstrate compliance with the budget and are presented as required supplementary information. The basic governmental funds' financial statements can be found on pages 24 through 27 of this report.

Proprietary funds. The City maintains five enterprise funds to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its wastewater system, sanitation services, stormwater utility, sanitation impact fee, and building department operations. The sanitation impact fee and building department funds are non-major proprietary funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail, and with the inclusion of the internal service fund. The proprietary funds' financial statements provide separate information for each individual enterprise fund. Individual fund data for each of these non-major proprietary funds is provided in the form of combining statements as other supplementary information in this report.

The basic proprietary funds' financial statements can be found on pages 28 through 37 of this report.

The City maintains one internal service fund. The City uses an internal service fund to account for its health insurance functions. The internal service fund is combined with governmental activities on the government-wide statements and with enterprise funds at the fund level.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of individuals or entities outside the City. Specifically, the City's fiduciary funds represent amounts held for the satisfaction of pension plan liabilities and operating expenditures. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary funds' financial statements can be found on pages 38 and 39 of this report.

Notes to the financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

City of Rockledge, Florida Management's Discussion and Analysis

The notes to the financial statements can be found on pages 41 through 88 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons and the City's progress in funding its obligation to provide pension benefits to its employees.

The required supplementary information can be found on pages 91 through 113 of this report.

The combining statements referred to earlier, in connection with non-major governmental funds and fiduciary funds, are presented immediately following the required supplementary information.

The combining statements can be found on pages 117 through 121 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$200,141,354 on September 30, 2025.

Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 45,616,547	\$ 46,054,685	\$ 27,934,466	\$ 24,255,467	\$ 73,551,013	\$ 70,310,152
Capital assets	82,290,934	80,191,325	60,974,733	60,123,736	143,265,667	140,315,061
Total assets	<u>127,907,481</u>	<u>126,246,010</u>	<u>88,909,199</u>	<u>84,379,203</u>	<u>216,816,680</u>	<u>210,625,213</u>
Deferred outflows of resources	<u>4,822,467</u>	<u>2,980,262</u>	<u>1,222,509</u>	<u>643,525</u>	<u>6,044,976</u>	<u>3,623,787</u>
Long-term liabilities	7,059,634	7,470,173	4,793,774	4,732,574	11,853,408	12,202,747
Other liabilities	<u>3,725,529</u>	<u>7,095,489</u>	<u>901,164</u>	<u>2,362,300</u>	<u>4,626,693</u>	<u>9,457,789</u>
Total liabilities	<u>10,785,163</u>	<u>14,565,662</u>	<u>5,694,938</u>	<u>7,094,874</u>	<u>16,480,101</u>	<u>21,660,536</u>
Deferred inflows of resources	<u>5,076,554</u>	<u>3,237,807</u>	<u>1,163,647</u>	<u>811,961</u>	<u>6,240,201</u>	<u>4,049,768</u>
Net investment in capital assets	80,428,913	76,845,201	57,303,802	54,664,656	137,732,715	131,509,857
Restricted	7,729,964	5,731,687	9,628,316	9,392,368	17,358,280	15,124,055
Unrestricted	<u>28,709,354</u>	<u>28,845,915</u>	<u>16,341,005</u>	<u>13,058,869</u>	<u>45,050,359</u>	<u>41,904,784</u>
Total net position	<u>\$ 116,868,231</u>	<u>\$ 111,422,803</u>	<u>\$ 83,273,123</u>	<u>\$ 77,115,893</u>	<u>\$ 200,141,354</u>	<u>\$ 188,538,696</u>

A significant portion of the City's total net position (68.82 percent) reflects its investment in capital assets (e.g., land, buildings and facilities, equipment, vehicles, and transmission lines), less any outstanding balance of expended related debt, accounts and retainages payable, and subscription-based information technology arrangements used to acquire those assets. The City uses these capital assets in operations to provide services to its citizens and local businesses; consequently, these assets are not available to satisfy outstanding liabilities. Although the City's investment in capital assets is reported net of related debt and other reconciling items, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Rockledge, Florida Management's Discussion and Analysis

Net investment in capital assets was 69.75 percent of total net position in the prior year. The increase in net investment in capital assets totaled \$6,222,858 for the City as a whole, which is 53.63% percent of the overall increase in net position (\$11.6 million). However, only a slight decrease in the ratio of this category to total net position occurred. This signifies a continued investment in capital assets above the amount of related debt, but for which future resources will be necessary to operate and maintain said assets.

An additional portion of the City's net position (8.67 percent) represents resources that are subject to external restrictions on how they may be used, less any portion of unspent restricted debt proceeds. This includes unspent funds designated for CRA, ARPA, transportation and other capital projects, unexpended impact fee collections required to be used for the renewal and replacement of the wastewater system and expanding sanitation services, and amounts required to be set aside for debt service and the operation of the building department. The remaining balance (\$45,050,359 or 22.51% percent) represents unrestricted net position that may be used to meet the City's ongoing obligations to its citizens, local businesses, and creditors. Unrestricted net position was \$41,904,784 in the prior year, or 22.23% of total net position. Therefore, while the City's unrestricted fund balance increased by \$3,145,575, its respective proportion of net position increased by 0.28%.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities, with the exception of net investment in capital assets within the nonmajor Building Fund. The same situation held true for the prior fiscal year.

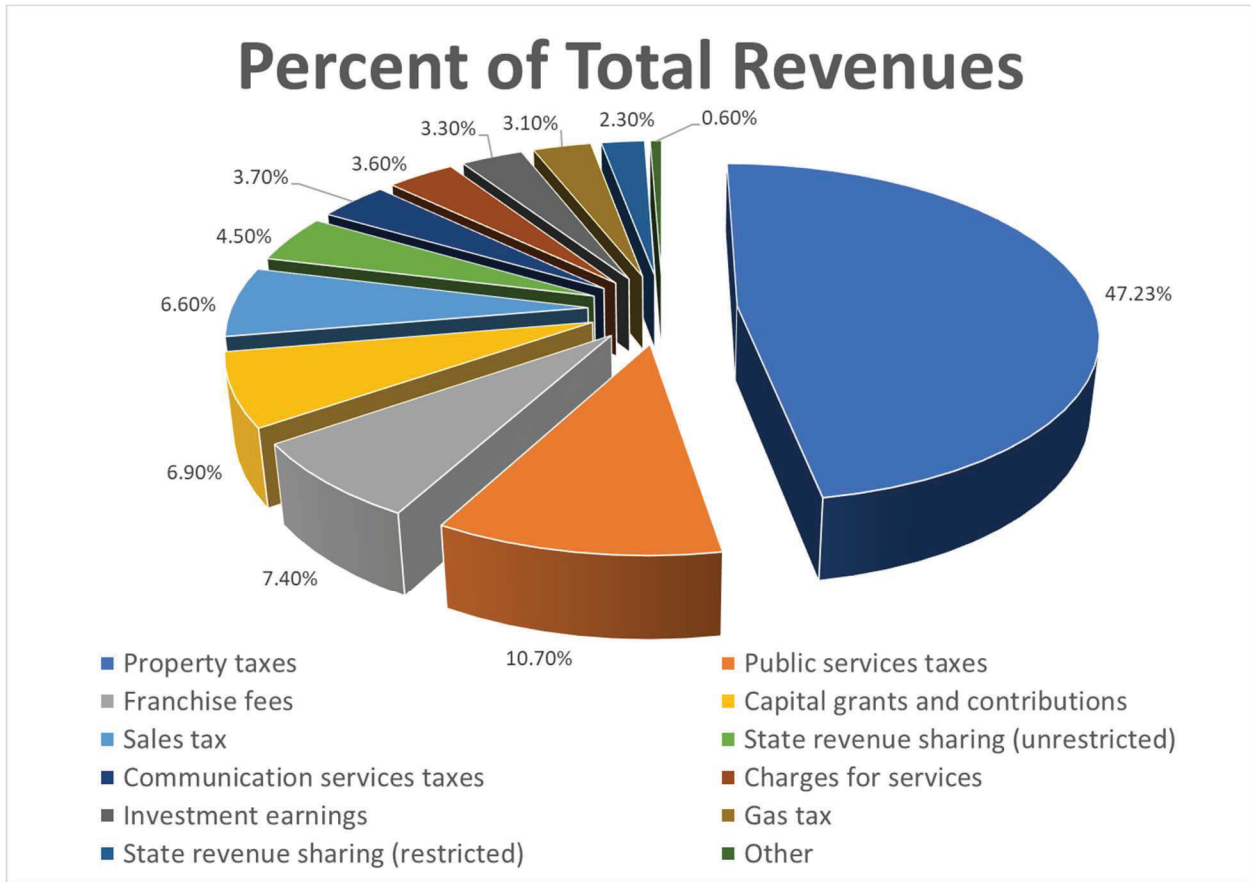
Governmental activities. Governmental activities increased the City's net position by \$5,445,428, compared to an increase of \$7,775,715 in the prior year. In both years, capital grants related to the State and Local Fiscal Recovery Funds (SLFRF) have significantly impacted this increase. In fiscal year 2025 \$1,717,558 of SLFRF grants were recognized in Governmental Activities, with an offsetting transfer out of \$1,250,445 to Business-type Activities. In fiscal year 2024 \$2,603,127 of SLFRF grants were recognized in Governmental Activities, with an offsetting transfer out of \$2,098,471 to Business-type Activities. Revenues and capital grants decreased by 2.74 percent or \$880,921 with the largest decrease related to capital grants and contributions (\$1,741,808), due in large part to the change in SLFRF grants. Offsetting increases include property taxes (\$940,750), public service taxes (\$239,663), and franchise fees (\$129,728). Contributing to the overall decrease was a reduction in other revenues (\$537,198). Property taxes increased due to the combined effect of a (\$229,488,846) or 9.8% increase in final taxable property value from \$2,342,201,964 to \$2,571,690,810. This value increase was offset by a 3.06% reduction in the millage rate from 5.55 to 5.38 over the 2024 fiscal year. Other revenues decreases involve one-time transactions for the sale of real estate in the 2024 fiscal year.

Expenses increased compared to 2024 by \$2,297,392 with the largest increases related to planning and development (\$1,780,700), public works (\$854,104), fire (\$440,398) and police services (\$736,477). Although most categories increased, general government (\$1,759,573) decreased. For most functions, the primary cost driver increase was wages, benefits, and associated costs. For the planning and development, cost increases were driven by increased activity in the CRA Fund, including depreciation of capital assets recently placed into service and redevelopment efforts.

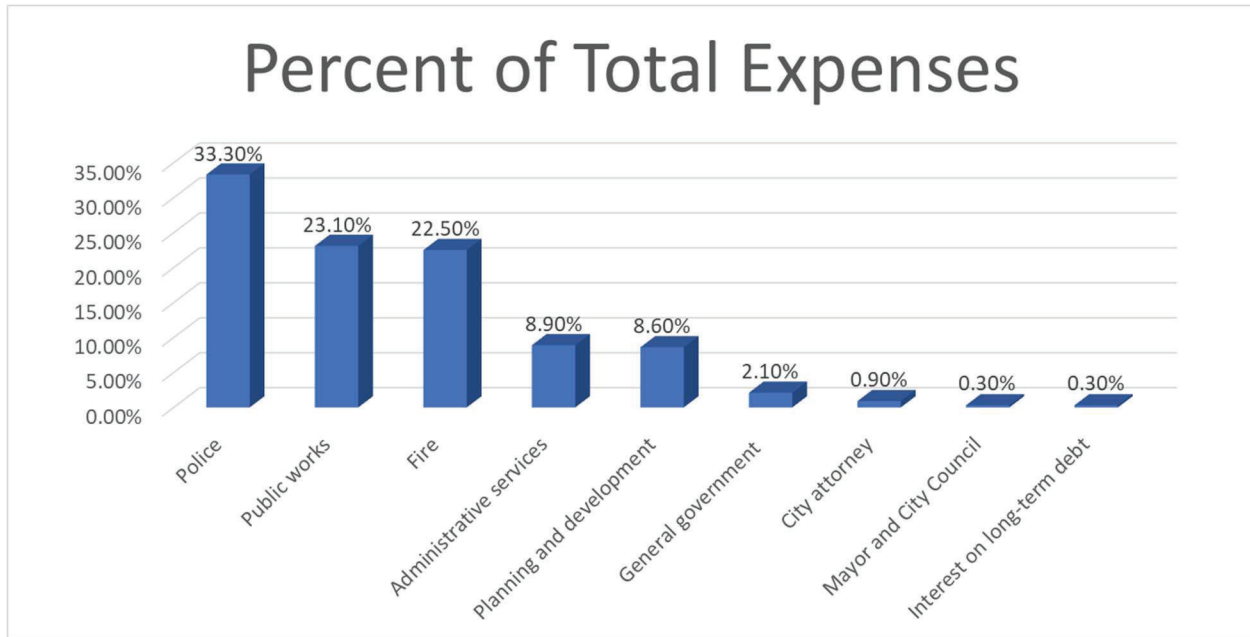
City of Rockledge, Florida Management's Discussion and Analysis

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues						
Charges for services	\$ 1,134,281	\$ 1,194,337	\$ 12,918,444	\$ 12,242,295	\$ 14,052,725	\$ 13,436,632
Operating grants and contributions	22,445	-	31,168	166,413	53,613	166,413
General Revenues						
Property taxes	14,706,803	13,766,053	-	-	14,706,803	13,766,053
Gas tax	983,126	977,284	-	-	983,126	977,284
Sales tax	2,068,822	2,098,175	-	-	2,068,822	2,098,175
Franchise fees	2,324,260	2,194,532	-	-	2,324,260	2,194,532
State revenue sharing (restricted)	726,672	656,855	-	-	726,672	656,855
State revenue sharing (unrestricted)	1,408,587	1,387,788	-	-	1,408,587	1,387,788
Public services taxes	3,329,698	3,090,035	-	-	3,329,698	3,090,035
Communication services taxes	1,166,797	1,119,555	-	-	1,166,797	1,119,555
Investment earnings	1,042,643	1,031,435	374,462	396,159	1,417,105	1,427,594
Other	177,821	715,019	-	(65,860)	177,821	649,159
Total revenues	29,091,955	28,231,068	13,324,074	12,739,007	42,416,029	40,970,075
Expenses:						
General government	514,217	2,273,790	-	-	514,217	2,273,790
Administrative services	2,233,124	2,062,521	-	-	2,233,124	2,062,521
Mayor and City Council	78,918	76,409	-	-	78,918	76,409
City attorney	226,894	174,142	-	-	226,894	174,142
Police	8,319,268	7,582,791	-	-	8,319,268	7,582,791
Fire	5,627,850	5,187,452	-	-	5,627,850	5,187,452
Public works	5,786,438	4,932,334	-	-	5,786,438	4,932,334
Planning and development	2,151,587	370,887	-	-	2,151,587	370,887
Interest on long-term debt	85,133	65,711	195,408	198,761	280,541	264,472
Wastewater system	-	-	5,936,901	5,678,790	5,936,901	5,678,790
Sanitation services	-	-	4,377,177	3,749,416	4,377,177	3,749,416
Stormwater utility	-	-	1,093,793	1,009,545	1,093,793	1,009,545
Building department	-	-	591,113	371,895	591,113	371,895
Total expenses	25,023,429	22,726,037	12,194,392	11,008,407	37,217,821	33,734,444
Excess (deficiency) of revenues over expenses	4,068,526	5,505,031	1,129,682	1,730,600	5,198,208	7,235,631
Capital grants and contributions	2,148,347	3,890,155	4,256,103	4,355,985	6,404,450	8,246,140
Transfers in (out)	(771,445)	(1,619,471)	771,445	1,619,471	-	-
Increase (decrease) in net position	5,445,428	7,775,715	6,157,230	7,706,056	11,602,658	15,481,771
Net position, beginning	111,422,803	103,647,088	77,115,893	69,409,837	188,538,696	173,056,925
Net position, ending	\$ 116,868,231	\$ 111,422,803	\$ 83,273,123	\$ 77,115,893	\$ 200,141,354	\$ 188,538,696

Revenue by Source - Governmental Activities
 as a Percentage of Total Revenues and Grants



Expenses by Program - Governmental Activities
as a Percentage of Total Expenses

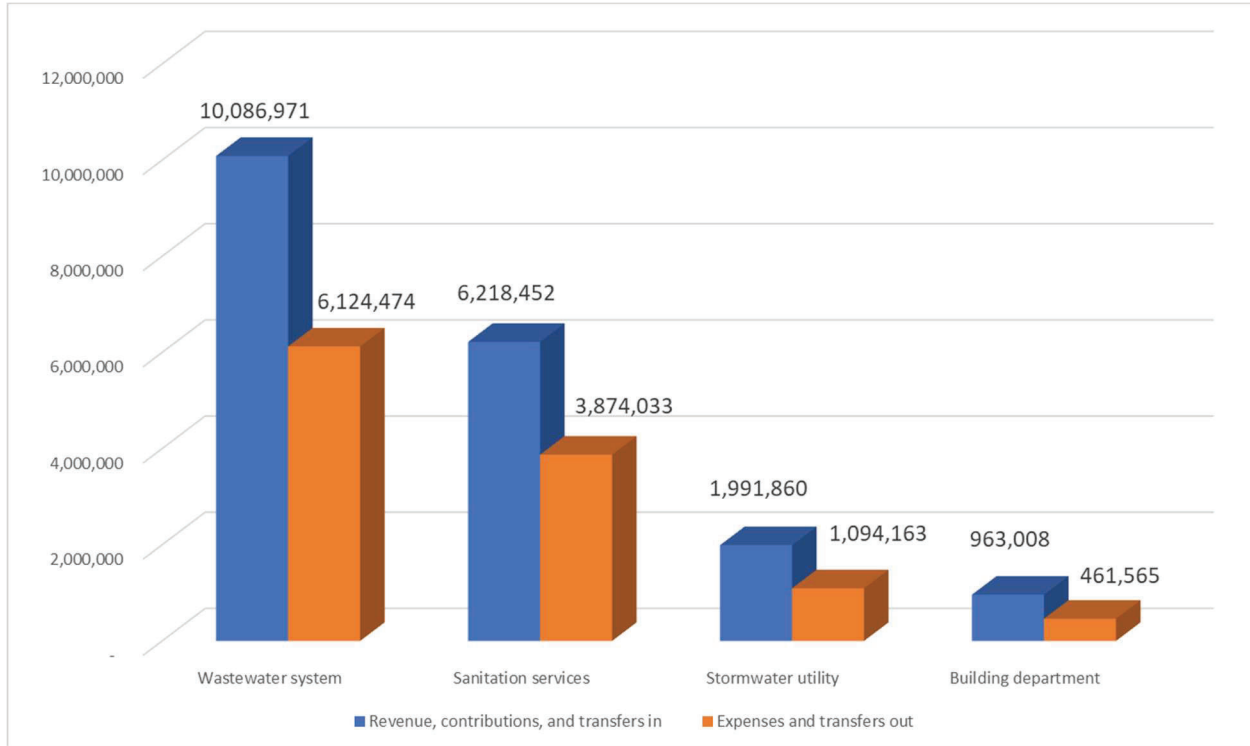


Business-type activities. Business-type activities increased the City’s net position by \$6,157,230, compared to an increase of \$7,706,056 in the prior year. On the statement of net position, current and other assets increased \$3,678,999, while deferred outflows of resources increased \$578,984, with the individual and combined amounts resulting in a reduction of the City’s net position. Capital assets increased \$850,997, while long-term liabilities increased \$61,200, providing a net improvement in the City’s net position, specifically in net investment in capital assets, which increased \$2,639,146. It should be noted, in the prior year accounts and retainages payable related to capital asset acquisition totaled \$1,857,845, whereby the carrying amount for this year totals \$325,140, a reduction of \$1,532,705, improving the balance of net investment in capital assets. Other liabilities, including accounts and retainages payable, decreased \$1,461,136 and deferred inflows of resources increased an offsetting \$351,686, providing a net increase to the City’s net position. In short, the asset side of the balance sheet accounted for 73.6 percent of the increase in the City’s net position, and was mainly the result of the accumulation of current assets, helped by a reduction in the amount of current liabilities.

On the statement of activities, total revenues excluding grants and contributions increased by 4.59 percent over the prior year. Capital grants and contributions remained relatively flat, with a decrease of \$99,882, slightly reducing the available funding for capital investment as compared to the prior year. It should be noted that the majority of current and prior year capital contributions are one-time revenues, which are utilized to construct or purchase capital assets. These assets must be operated and maintained by recurring revenues in the future. Expenses increased a total of \$1,185,985, mainly due to increases in sanitation services, with expense increases of \$627,761, and wastewater of \$258,111. The building department expenses increased by \$219,218 and the stormwater expenses decreased by \$84,248.

City of Rockledge, Florida Management's Discussion and Analysis

Program Revenues, Capital Contributions, and Expenses - Business-type Activities



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the 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.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$38,965,083 an increase of \$3,369,692 when compared to the prior year's ending balance. Of this total amount, \$25,545,643 represents the General Fund unassigned fund balance, which is available for spending at the City's discretion. Restricted fund balances in the General, CRA, and special revenue funds, which are restricted by law or administrative action for specific purposes, total \$7,729,964. A portion of governmental fund balance (\$5,137,206) is assigned to reflect that management has designated a future use for these amounts. The remaining fund balance is nonspendable because it has already been committed to inventories (\$81,924), property held for resale (\$55,189) or prepaid expenses (\$415,157).

City of Rockledge, Florida Management's Discussion and Analysis

The General Fund is the primary operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$25,545,643, while total fund balance reached \$31,864,372. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the fund's total operational expenditures.

Unassigned fund balance represents 91.79 percent of total expenditures and transfers out for recurring operational costs reported in other funds, while total fund balance represents 114.5 percent of that same amount. The General Fund's fund balance increased by \$1,411,732 during the current fiscal year.

The increase in the General Fund's fund balance may best be interpreted by a comparison to the budget, as passed and amended by City Council. The City's original and amended budgets, included within the required supplementary section of this report, purposefully estimate that total revenues and utilization of fund balance will equal total expenditures necessary to provide the quality and level of services required by its Charter and requested by its citizens and local businesses. The City's General Fund actual revenues were \$2,015,172 less than those budgeted. This budgetary shortfall is linked to a capital grant for the hardening of Fire Stations 35 and 37 within the City. While construction continued for Fire Station 37, the project for Fire Station 35 did not occur during the year. Additionally, a fire ladder truck was planned for Fiscal Year 2025, which will take place in a subsequent year. Its purchase qualified for the recognition of State and Local Fiscal Recovery grant funds in the amount of \$1.4 million. Investment and miscellaneous income performed better than expected, increasing revenues by \$882,998 above amounts budgeted. Therefore, the majority of the difference in budgeted versus actual changes in fund balance was through aggregate actual expenditures below the amounts budgeted. From an operational perspective, although all departments operated under budgeted expenditures, the fire and public works departments operated with expenditures more significantly below budgeted levels in the amount of \$6,389,919 and \$963,049, respectively. Savings in the public works activities were mainly attributable to savings achieved on planned operating costs and capital expenditures. Fire activities cost savings were attributable to less capital improvement activity than expected, associated with the grant-funded acquisitions mentioned above. Debt service expenditures were above those originally budgeted, and below the amended budget. GASB 96 has categorized the satisfaction of subscription-based technology arrangements as debt service.

CRA. In its 22nd year of existence, the CRA fund balance increased by \$1,915,680 after increasing \$1,985,182 in the prior year. The revenues for this fund are derived from the additional tax revenue generated by new construction and improvements in taxable assessed values, as the CRA is continuing to implement plans and improvements, funds were expended primarily on construction of the concession stand building and the start of other improvements to the McKnight Family Sports Complex. A transfer of \$2,246,459, consisting of taxes generated by the incremental growth between the current value and the 2001 base year value, was made from the General Fund to the CRA pursuant to an interlocal agreement with Brevard County.

On a budgetary basis, expenditures for capital projects and acquisitions and professional services were \$7,238,490 and \$250,000, respectively, for a total of \$7,488,490 of the \$7,510,680 in aggregate expenditures below budget in the current year.

City of Rockledge, Florida Management's Discussion and Analysis

Increased operating cash inflows due to property value increases were partnered with expenditures below those budgeted for the year. This resulted in a increase in the CRA fund balance to \$6,680,524 as of September 30, 2025. The original target was to reduce fund balance completely. This fund will sunset, by interlocal agreement with Brevard County, on September 30, 2026. The City's goal is to utilize the entire fund balance in accomplishing the mission of the CRA Fund, as delineated within its plan, last amended in 2012.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Below are the net position changes in the major proprietary funds.

	Wastewater System	Sanitation Services	Stormwater Utility
Unrestricted net position, September 30, 2024	\$ 4,879,492	\$ 4,489,112	\$ 3,690,265
Increase (decrease) in net position	4,348,767	1,472,135	178,401
Decrease (increase) in net position net investment in capital assets	(1,902,288)	(837,873)	73,307
Decrease (increase) in net position restricted for renewal and replacement	253,926	-	-
Decrease (increase) in net position restricted for capital improvements	(304,239)	-	-
Increase (decrease) in unrestricted net position	2,396,166	634,262	251,708
Unrestricted net position, September 30, 2025	<u>\$ 7,275,658</u>	<u>\$ 5,123,374</u>	<u>\$ 3,941,973</u>

GENERAL FUND BUDGETARY HIGHLIGHTS

Budgeted expenditures for the General Fund were increased by \$146,000 from the original budget to the final budget. In summary, the General Fund budget was increased within certain departments as follows:

- City Attorney \$ 61,000
- General Government Capital Improvement \$ 147,000
- General Government Debt Service \$ 288,000
- General Government Operating (\$ 350,000)

Expenditures in all general fund departments were within budgeted amounts for the year ended September 30, 2025. The most significant reason for expenditures remaining under budget was watchful management by the City Manager, the Assistant City Manager / Finance Director, and the Department Directors. The increases in the budget for all departments were related to upward revisions in anticipated revenues allowing and accommodating for inflationary pressures on operating and capital costs.

City of Rockledge, Florida
Management's Discussion and Analysis

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City's total investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounts to \$143,265,667 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings, improvements, infrastructure, vehicles, furniture and equipment, software, subscription-based technology arrangements, and transmission lines and facilities.

The total increase in the City's investment in capital assets for the current fiscal year was \$2,950,606 or 2.10 percent. This overall change between fiscal years is mainly the result of investments in construction projects outpacing depreciation on assets in operational use. These costs and other investments in capital assets were partially offset by disposals and depreciation and amortization expenses for the year. Larger investments in capital asset categories relate to the construction of the concession building at the McKnight Family Sports Complex (\$1,382,597) for the Governmental Activities. Fire Station 37 construction continued (\$1,986,656). The Sanitation Department purchased two garbage packers (\$945,060). The Stormwater Department lined pipes throughout the city (\$161,610). These and other increases in capital assets were offset by depreciation and amortization expenses for the current year of approximately \$5.3 million. Capital assets are discussed more fully in Note 3 of the financial statements.

Schedule of Capital Assets (Net)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 25,895,611	\$ 25,895,611	\$ 3,677,911	\$ 3,677,911	\$ 29,573,522	\$ 29,573,522
Buildings	17,417,469	10,487,715	13,936,234	13,576,445	31,353,703	24,064,160
Improvements	6,123,991	5,909,743	-	-	6,123,991	5,909,743
Equipment	4,593,400	4,614,440	10,672,493	10,445,517	15,265,893	15,059,957
Vehicles	5,716,339	5,398,604	9,054,377	8,102,928	14,770,716	13,501,532
Infrastructure (combined)	46,908,325	46,802,240	49,578,565	48,970,047	96,486,890	95,772,287
Software	154,417	154,417	-	-	-	-
Subscription based technology arrangements	1,447,670	1,181,048	723,667	422,728	2,171,337	1,603,776
Construction in progress	5,081,452	8,515,260	17,619,884	16,801,670	22,701,336	25,316,930
Total capital asset cost	113,338,674	108,959,078	105,263,131	101,997,246	218,601,805	210,956,324
Accumulated depreciation and amortization	(31,047,740)	(28,767,753)	(44,288,398)	(41,873,510)	(75,336,138)	(70,641,263)
Total	\$ 82,290,934	\$ 80,191,325	\$ 60,974,733	\$ 60,123,736	\$ 143,265,667	\$ 140,315,061

Long-term debt. The Capital Improvement Note, dated April 1, 2009, was entered into for the purpose of constructing a new police facility within the City. During fiscal year 2018, \$2,061,468 was borrowed, the rate reduced, and the note amortization extended until 2028 in order to purchase a custom fire engine and fund the raze and rebuild of Fire Station 36. The debt is secured with a pledge of utility tax revenues and franchise fees. At the end of the current fiscal year, the City owed \$615,415 on this note.

City of Rockledge, Florida Management's Discussion and Analysis

The City obtained an unsecured line of credit during 2014 to provide working capital for the CRA. No balance was outstanding as of September 30, 2025.

The Capital Improvement Note, dated July 29, 2021, was entered into for the purpose of constructing the equalization basin and the biosolids projects within the Wastewater Treatment and Water Reclamation Plant of the City. During fiscal year 2021, \$4,750,000 was borrowed on a ten-year amortization, maturing in 2031. The debt is secured with a pledge of the net revenues of the Wastewater Treatment Fund. At the end of the current fiscal year, the City owed \$2,862,711 on this note.

The City has entered into a number of right-to-use software arrangements for which the city is obligated to make recurring payments. Certain of these arrangements meet the criteria for recognition as subscription-based technology arrangements, creating both intangible assets and liabilities. At the end of the current year, the City carries \$1,316,784 of subscription-based technology arrangement liabilities.

See Notes 5, 6, and 7 for more information on the City's debt obligations and related pledged revenues.

Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Notes payable	\$ 615,415	\$ 879,355	\$ 2,862,711	\$ 3,326,337	\$ 3,478,126	\$ 4,205,692
Subscription based technology arrangements	833,704	759,538	483,080	275,425	1,316,784	1,034,963
Total indebtedness	<u>\$ 1,449,119</u>	<u>\$ 1,638,893</u>	<u>\$ 3,345,791</u>	<u>\$ 3,601,762</u>	<u>\$ 4,794,910</u>	<u>\$ 5,240,655</u>

REQUESTS FOR INFORMATION

Questions about this report or requests for additional financial information should be addressed to:

City of Rockledge
Finance Department
1600 Huntington Lane
Rockledge, FL 32955
321-221-7540

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CITY OF ROCKLEDGE, FLORIDA
Basic Financial Statements

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City of Rockledge, Florida

Statement of Net Position

September 30, 2025	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 30,242,281	\$ 16,385,269	\$ 46,672,771
Investments	8,384,890	1,041,523	9,381,192
Bonds	769,848	-	769,848
Receivables	1,102,831	1,221,696	2,324,527
Accrued interest and other	43,975	3,957	47,932
Prepaid items	415,157	206,419	621,576
Due from other governments	1,286,016	3,740,914	5,026,930
Internal balances	2,476,997	(2,476,997)	-
Leases Receivable	121,666	-	121,666
Inventories	81,924	358,421	440,345
Inventories held for resale	55,189	-	55,189
Restricted assets:			
Cash and cash equivalents	635,773	6,368,402	7,004,175
Certificates of deposit	-	1,084,862	1,084,862
Capital assets:			
Non-depreciable	30,977,063	21,297,795	52,274,858
Depreciable and amortizable (net)	51,313,871	39,676,938	90,990,809
Total assets	127,907,481	88,909,199	216,816,680
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of OPEB expense	26,210	11,770	37,980
Deferred outflows of pension expense	4,796,257	1,210,739	6,006,996
Total deferred outflow of resources	4,822,467	1,222,509	6,044,976
LIABILITIES			
Accounts payable	722,886	709,538	1,432,424
Accrued liabilities	1,328,126	191,626	1,519,752
Deposits from others	113,477	-	113,477
Contribution payable - pension trust fund	104,460	-	104,460
Unearned grant revenue	1,456,580	-	1,456,580
Non-current liabilities:			
Due within one year:			
Total OPEB liability	28,968	11,579	40,547
Compensated absences	962,272	330,852	1,293,124
Subscription based technology arrangements	214,807	157,575	372,382
Notes payable	270,519	471,927	742,446
Due in more than one year:			
Compensated absences	671,431	167,606	839,037
Total OPEB liability	461,591	184,532	646,123
Net pension liability	3,486,253	753,414	4,239,667
Subscription based technology arrangements	618,897	325,505	944,402
Notes payable	344,896	2,390,784	2,735,680
Total liabilities	10,785,163	5,694,938	16,480,101
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of deferred revenue	116,638	20,640	137,278
Deferred inflows of leases receivable	122,073	-	122,073
Deferred inflows of pension earnings	4,669,506	1,079,581	5,749,087
Deferred inflows of OPEB earnings	168,337	63,426	231,763
Total deferred inflows of resources	5,076,554	1,163,647	6,240,201
NET POSITION			
Net investment in capital assets	80,428,913	57,303,802	137,732,715
Restricted for:			
Capital projects	7,095,473	7,299,405	14,394,878
Heritage Foundation	1,670	-	1,670
Renewal and replacement	-	710,944	710,944
Public safety	469,307	1,617,967	2,087,274
Transportation	113,255	-	113,255
Recreation	50,259	-	50,259
Unrestricted	28,709,354	16,341,005	45,050,359
Total net position	\$ 116,868,231	\$ 83,273,123	\$ 200,141,354

The accompanying notes are an integral part of this financial statement.

City of Rockledge, Florida
Statement of Activities

Year ended September 30, 2025

Program Revenues

Functions/Programs	Expenses	Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
General government	\$ 599,350	\$ 79,161	\$ 16,880	\$ 1,359,487
Administrative services	2,233,124	2,530	-	-
Mayor and City Council	78,918	-	-	-
City attorney	226,894	-	-	-
Police	8,319,268	505,313	-	-
Fire	5,627,850	14,050	5,565	643,447
Public works	5,786,438	282,952	-	145,413
Planning and development	2,151,587	250,275	-	-
Total governmental activities	25,023,429	1,134,281	22,445	2,148,347
Business-type activities:				
Wastewater system	6,108,877	6,212,606	31,168	4,159,519
Sanitation services	4,377,531	4,669,003	-	-
Stormwater utility	1,094,147	1,308,299	-	-
Sanitation Impact Fee	-	-	-	96,584
Building Department	613,837	728,536	-	-
Total business-type activities	12,194,392	12,918,444	31,168	4,256,103
Total primary government	\$ 37,217,821	\$ 14,052,725	\$ 53,613	\$ 6,404,450

General revenues:

Taxes:

Property taxes

Gas tax

Sales tax

Franchise fees

State revenue sharing (restricted)

State revenue sharing (unrestricted)

Public services taxes

Communication services taxes

Investment earnings

Miscellaneous

Transfers, net

Total general revenues

Change in net position

Net position, beginning of year

Net position, end of year

The accompanying notes are an integral part of this financial statement.

Net (Expense) Revenue and Changes in Net Position

Primary Government

Governmental Activities	Business-type Activities	Total
\$ 856,178	\$ -	\$ 856,178
(2,230,594)	-	(2,230,594)
(78,918)	-	(78,918)
(226,894)	-	(226,894)
(7,813,955)	-	(7,813,955)
(4,964,788)	-	(4,964,788)
(5,358,073)	-	(5,358,073)
(1,901,312)	-	(1,901,312)
(21,718,356)	-	(21,718,356)
-	4,294,416	4,294,416
-	291,472	291,472
-	214,152	214,152
-	96,584	96,584
-	114,699	114,699
-	5,011,323	5,011,323
(21,718,356)	5,011,323	(16,707,033)
14,706,803	-	14,706,803
983,126	-	983,126
2,068,822	-	2,068,822
2,324,260	-	2,324,260
726,672	-	726,672
1,408,587	-	1,408,587
3,329,698	-	3,329,698
1,166,797	-	1,166,797
1,042,643	374,462	1,417,105
177,821	-	177,821
(771,445)	771,445	-
27,163,784	1,145,907	28,309,691
5,445,428	6,157,230	11,602,658
111,422,803	77,115,893	188,538,696
\$ 116,868,231	\$ 83,273,123	\$ 200,141,354

The accompanying notes are an integral part of this financial statement.

City of Rockledge, Florida
Balance Sheet – Governmental Funds

<i>September 30, 2025</i>	General	CRA	ARPA	Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 18,417,773	\$ 6,899,141	\$ 1,980,733	\$ 175,339	\$ 27,472,986
Certificates of deposit	8,384,890	-	-	-	8,384,890
Bonds	769,848	-	-	-	769,848
Restricted cash and cash equivalents	635,773	-	-	-	635,773
Accounts receivable	1,101,112	-	-	-	1,101,112
Accrued interest and other	43,975	-	-	-	43,975
Due from other funds	2,756,302	-	-	-	2,756,302
Due from other governments	1,286,016	-	-	-	1,286,016
Leases receivable	121,666	-	-	-	121,666
Inventories	81,924	-	-	-	81,924
Property held for resale	55,189	-	-	-	55,189
Prepaid items	408,637	6,520	-	-	415,157
Total assets	\$ 34,063,105	\$ 6,905,661	\$ 1,980,733	\$ 175,339	\$ 43,124,838
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 497,749	\$ 225,137	\$ -	\$ -	\$ 722,886
Accrued payroll and related liabilities	569,868	-	-	-	569,868
Due to other funds	-	-	279,305	-	279,305
Deposits from others	113,477	-	-	-	113,477
Contributions payable - pension trust fund	104,460	-	-	-	104,460
Unearned grant revenue	-	-	1,456,580	-	1,456,580
Total liabilities	1,285,554	225,137	1,735,885	-	3,246,576
Deferred inflows of resources:					
Deferred inflows of deferred revenue	791,106	-	-	-	791,106
Deferred inflows of leases receivable	122,073	-	-	-	122,073
Total deferred inflows of resources	913,179	-	-	-	913,179
Fund balances:					
Nonspendable:					
Inventories, property held for resale, and prepaids	545,750	6,520	-	-	552,270
Restricted for:					
Public safety	409,239	-	-	60,068	469,307
Heritage Foundation	-	-	-	1,670	1,670
Capital improvements	176,621	6,674,004	244,848	-	7,095,473
Transportation impact	-	-	-	113,255	113,255
Recreation	49,913	-	-	346	50,259
Assigned for subsequent years budget	5,137,206	-	-	-	5,137,206
Unassigned	25,545,643	-	-	-	25,545,643
Total fund balances	31,864,372	6,680,524	244,848	175,339	38,965,083
Total liabilities, deferred inflows of resources, and fund balances	\$ 34,063,105	\$ 6,905,661	\$ 1,980,733	\$ 175,339	\$ 43,124,838

The accompanying notes are an integral part of this financial statement.

City of Rockledge, Florida

**Reconciliation of Fund Balance of Governmental Funds to Net Position of
Governmental Activities**

September 30, 2025

Total fund balance of governmental funds		\$ 38,965,083
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
	Governmental capital assets	\$ 113,338,674
	Less accumulated depreciation and amortization	(31,047,740)
		82,290,934
Deferred outflow of resources related to pension expense are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		4,796,257
Deferred outflow of resources related to OPEB expense are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		26,210
Deferred inflow of resources related to pension earnings are not recognized in governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		(4,669,506)
Deferred inflow of resources related to OPEB earnings are not recognized in governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		(168,337)
Internal service funds are used by the City to charge the cost of health insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		2,012,756
Deferred inflow of revenues related to revenues not collected within 60 days from fiscal year end are not recognized as revenue in governmental funds, they are recognized as revenue under full accrual accounting.		674,468
Long-term liabilities, such as net OPEB, net pension, and compensated absences balances are not due and payable in the current period and, therefore, are not reported in the funds.		
	Net pension liability	\$ (3,486,253)
	Subscription based technology arrangements	(833,704)
	Notes payable	(615,415)
	Compensated absences	(1,633,703)
	Other postemployment benefits	(490,559)
		(7,059,634)
Net position of governmental activities		\$ 116,868,231

The accompanying notes are an integral part of this financial statement.

City of Rockledge, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds

<i>Year ended September 30, 2025</i>	General	CRA	ARPA	Nonmajor Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 13,276,251	\$ 1,430,552	\$ -	\$ -	\$ 14,706,803
Utility taxes	3,329,698	-	-	-	3,329,698
Communication Service taxes	1,166,797	-	-	-	1,166,797
Franchise fees	2,324,260	-	-	-	2,324,260
Licenses, permits and fees	230,655	-	-	-	230,655
Intergovernmental	5,798,421	-	1,717,558	-	7,515,979
Charges for services	672,598	-	-	-	672,598
Fines and forfeitures	132,567	-	-	5,087	137,654
Investment Earnings	901,931	98,234	39,983	2,495	1,042,643
Miscellaneous revenue	173,946	35	-	-	173,981
Total revenues	28,007,124	1,528,821	1,757,541	7,582	31,301,068
Expenditures					
Current:					
General government	1,377,350	-	-	61	1,377,411
Administrative services	2,131,627	-	-	-	2,131,627
Mayor and City Council	78,918	-	-	-	78,918
City attorney	215,269	11,625	-	-	226,894
Police	8,503,087	-	-	-	8,503,087
Fire	7,535,178	-	-	-	7,535,178
Public works	5,202,780	-	-	5,224	5,208,004
Planning and development	-	1,849,044	-	-	1,849,044
Debt service	541,430	100	-	-	541,530
Total expenditures	25,585,639	1,860,769	-	5,285	27,451,693
Excess (deficiency) of revenues over (under) expenditures	2,421,485	(331,948)	1,757,541	2,297	3,849,375
Other financing sources (uses)					
Transfers in	946,113	2,246,459	-	-	3,192,572
Subscription based technology arrangements	265,454	1,169	-	-	266,623
Transfers out	(2,246,459)	-	(1,717,558)	-	(3,964,017)
Sale of capital assets	25,139	-	-	-	25,139
Gain on lease termination	-	-	-	-	-
Net other financing sources (uses)	(1,009,753)	2,247,628	(1,717,558)	-	(479,683)
Net change in fund balances	1,411,732	1,915,680	39,983	2,297	3,369,692
Fund balances, beginning of year	30,452,640	4,764,844	204,865	173,042	35,595,391
Fund balances, end of year	\$ 31,864,372	\$ 6,680,524	\$ 244,848	\$ 175,339	\$ 38,965,083

The accompanying notes are an integral part of this financial statement.

City of Rockledge, Florida

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities**

Year Ended September 30, 2025

Net change in fund balances - total governmental funds \$ 3,369,692

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 allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.

Expenditures for capital assets	\$ 4,856,260	
Less current year depreciation and amortization	<u>(2,685,688)</u>	2,170,572

In the statement of activities, only the gain or loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balances by the cost of the capital assets sold or disposed.

Cost of capital assets	\$ (476,664)	
Depreciation and amortization expense	<u>405,701</u>	(70,963)

Issuance of long-term debt, inclusive of subscription based technology arrangements is an other financing source in the governmental funds, but increases long-term liabilities in the statement of net position. (266,623)

Governmental funds report revenues not collected within 60 days of the close of the fiscal year as deferred inflows of revenues, however, they are reported as revenues in the statement of activities. (60,766)

Satisfaction of subscription based technology arrangement liabilities are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 192,457

Repayment of note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 263,940

Compensated absences are reported in the statement of activities when earned. As they do not require the use of current financial resources, they are not reported as expenditures on governmental funds until they have matured. This is the amount of compensated absences reported in the statement of activities in the prior year that has matured in the current year. 52,638

Other postemployment benefit obligations reported in the statement of activities do not require the use of current financial resources; therefore, are not reported as an expenditure in governmental funds. 23,070

Cash pension contributions reported in the funds were less than the calculated pension expense on the statement of activities and therefore increase the net position. 43,990

Internal service funds are used by the City to charge the costs of health insurance to individual funds. The change in net position of internal service funds is reported with governmental activities. (272,579)

Change in net position of governmental activities \$ 5,445,428

The accompanying notes are an integral part of this financial statement.

City of Rockledge, Florida
Statement of Net Position - Proprietary Funds

<i>September 30, 2025</i>	Business-type Activities - Enterprise Funds			
	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 5,817,707	\$ 4,691,552	\$ 3,666,930	\$ 2,209,080
Investments	747,302	294,221	-	-
Accrued interest	-	3,957	-	-
Accounts receivable	642,638	455,720	123,338	-
Assessments receivable	-	-	-	-
Prepaid items	112,943	61,713	21,993	9,770
Due from other governments	3,211,673	411,035	118,206	-
Due from other funds	14,662	166	-	-
Inventory	238,963	10,538	108,920	-
Total current assets	10,785,888	5,928,902	4,039,387	2,218,850
Noncurrent assets:				
Restricted noncurrent assets:				
Cash and cash equivalents	6,368,402	-	-	-
Certificates of deposit	1,084,862	-	-	-
Total restricted assets	7,453,264	-	-	-
Capital assets:				
Land	776,414	5,201	2,896,296	-
Subscription based technology arrangements	303,983	20,700	20,700	378,284
Construction in progress	17,506,212	-	97,842	15,830
Buildings	13,711,866	224,368	-	-
Infrastructure	60,352	-	3,753,675	-
Machinery and equipment	8,944,645	629,699	1,092,149	6,000
Vehicles	2,118,391	5,886,480	1,023,274	26,232
Wastewater and transmission lines and facilities	33,713,802	-	12,050,736	-
Total capital assets	77,135,665	6,766,448	20,934,672	426,346
Less accumulated amortization	(187,397)	(20,700)	(20,700)	(160,494)
Less accumulated depreciation	(32,814,587)	(3,147,338)	(7,933,959)	(3,223)
Total capital assets, net of accumulated amortization and depreciation	44,133,681	3,598,410	12,980,013	262,629
Total noncurrent assets	51,586,945	3,598,410	12,980,013	262,629
Total assets	62,372,833	9,527,312	17,019,400	2,481,479
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow of OPEB expense	4,213	6,964	404	189
Deferred outflow of pension expenses	414,513	574,671	53,502	168,053
Total deferred outflow of resources	418,726	581,635	53,906	168,242

The accompanying notes are an integral part of this financial statement.

Governmental
Activities -
Internal Service
Fund

Total	Fund
\$ 16,385,269	\$ 2,769,295
1,041,523	-
3,957	-
1,221,696	1,719
-	-
206,419	-
3,740,914	-
14,828	-
358,421	-
22,973,027	2,771,014

6,368,402	-
1,084,862	-
7,453,264	-

3,677,911	-
723,667	-
17,619,884	-
13,936,234	-
3,814,027	-
10,672,493	-
9,054,377	-
45,764,538	-
105,263,131	-
(389,291)	-
(43,899,107)	-

60,974,733	-
68,427,997	-
91,401,024	2,771,014

11,770	-
1,210,739	-
1,222,509	-

The accompanying notes are an integral part of this financial statement.

City of Rockledge, Florida
Statement of Net Position - Proprietary Funds (Continued)

<i>September 30, 2025</i>	Business-type Activities - Enterprise Funds			
	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Funds
LIABILITIES				
Current liabilities (payable from current assets):				
Accounts payable	532,795	32,785	117,680	26,278
Accrued payroll and related liabilities	76,316	96,005	11,472	7,833
Compensated absences	153,530	138,408	13,712	25,202
Claims payable	-	-	-	-
Current portion of total OPEB Liability	4,398	6,287	487	407
Current portion due to other funds	269,719	-	-	-
Current portion of note payable	471,927	-	-	-
Current portion of subscription based technology arrangements	42,138	5,660	5,660	104,117
Total current liabilities	1,550,823	279,145	149,011	163,837
Noncurrent liabilities:				
Compensated absences due after one year	65,089	84,623	11,421	6,473
Total OPEB liability due after one year	70,088	100,191	7,764	6,489
Net pension liability	264,730	392,570	38,904	57,210
Advances from other funds	2,222,106	-	-	-
Note payable due after one year	2,390,784	-	-	-
Subscription based technology arrangement due after one year	152,820	195	195	172,295
Total noncurrent liabilities	5,165,617	577,579	58,284	242,467
Total liabilities	6,716,440	856,724	207,295	406,304
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of deferred revenue	20,640	-	-	-
Deferred inflows of pension earnings	437,325	503,473	44,983	93,800
Deferred inflows of OPEB earnings	25,802	32,821	3,057	1,746
Total deferred inflows of resources	483,767	536,294	48,040	95,546
NET POSITION				
Net investment in capital assets	40,862,430	3,592,555	12,875,998	(27,181)
Restricted for:				
Public safety	-	-	-	1,617,967
Renewal and replacement	710,944	-	-	-
Capital projects	6,742,320	-	-	557,085
Unrestricted	7,275,658	5,123,374	3,941,973	-
Total net position	\$ 55,591,352	\$ 8,715,929	\$ 16,817,971	\$ 2,147,871

The accompanying notes are an integral part of this financial statement.

	Governmental Activities - Internal Service	
Total	Fund	
709,538	-	
191,626	-	
330,852	-	
-	758,258	
11,579	-	
269,719	-	
471,927	-	
157,575	-	
<u>2,142,816</u>	<u>758,258</u>	
167,606	-	
184,532	-	
753,414	-	
2,222,106	-	
2,390,784	-	
-	-	
325,505	-	
<u>6,043,947</u>	<u>-</u>	
<u>8,186,763</u>	<u>758,258</u>	
20,640	-	
1,079,581	-	
63,426	-	
<u>1,163,647</u>	<u>-</u>	
57,303,802	-	
-	-	
1,617,967	-	
710,944	-	
7,299,405	-	
<u>16,341,005</u>	<u>2,012,756</u>	
<u>\$ 83,273,123</u>	<u>\$ 2,012,756</u>	

The accompanying notes are an integral part of this financial statement.

City of Rockledge, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position –
Proprietary Funds

<i>Year ended September 30, 2025</i>	Business-type Activities - Enterprise Funds			
	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Funds
Operating revenues:				
Charges for services	\$ 5,414,886	\$ 4,669,003	\$ -	\$ 728,536
Fees	797,720	-	1,308,299	-
Total operating revenues	6,212,606	4,669,003	1,308,299	728,536
Operating expenses:				
Salaries, wages, and employee benefits	2,314,579	2,678,880	283,793	369,729
Contractual, materials, and supplies	1,561,730	1,000,655	191,924	86,957
Insurance claims and expense	-	-	-	-
Depreciation	1,591,871	402,226	486,585	3,223
Amortization	63,523	6,898	6,898	105,166
Repairs and maintenance	411,199	288,518	124,593	26,038
Total operating expenses	5,942,902	4,377,177	1,093,793	591,113
Operating income (loss)	269,704	291,826	214,506	137,423
Nonoperating revenues (expenses):				
Interest income	204,965	66,813	47,249	29,644
Net increase (decrease) in the fair value of investments	24,724	1,067	-	-
Operating grants	31,168	-	-	-
Interest expense	(171,976)	(354)	(354)	(22,724)
Gain(loss) on sale of capital assets	6,001	-	-	-
Total nonoperating revenues (expenses)	94,882	67,526	46,895	6,920
Income (loss) before contributions	364,586	359,352	261,401	144,343
Capital contributions	4,159,519	-	-	96,584
Transfers in	14,662	1,235,783	-	-
Transfers out	(190,000)	(123,000)	(83,000)	(83,000)
Change in net position	4,348,767	1,472,135	178,401	157,927
Net position, beginning of year	51,242,585	7,243,794	16,639,570	1,989,944
Net position, end of year	\$ 55,591,352	\$ 8,715,929	\$ 16,817,971	\$ 2,147,871

The accompanying notes are an integral part of this financial statement.

	Governmental	
	Activities -	
	Internal	
	Total	Fund
	\$ 10,812,425	\$ 3,279,732
	2,106,019	-
	<u>12,918,444</u>	<u>3,279,732</u>
	5,646,981	-
	2,841,266	-
	-	3,579,374
	2,483,905	-
	182,485	-
	850,348	-
	<u>12,004,985</u>	<u>3,579,374</u>
	<u>913,459</u>	<u>(299,642)</u>
	348,671	27,063
	25,791	-
	31,168	-
	(195,408)	-
	6,001	-
	<u>216,223</u>	<u>27,063</u>
	1,129,682	(272,579)
	4,256,103	-
	1,250,445	-
	(479,000)	-
	<u>6,157,230</u>	<u>(272,579)</u>
	<u>77,115,893</u>	<u>2,285,335</u>
	<u>\$ 83,273,123</u>	<u>\$ 2,012,756</u>

The accompanying notes are an integral part of this financial statement.

City of Rockledge, Florida
Statement of Cash Flows - Proprietary Funds

<i>Year Ended September 30, 2025</i>	Business-type Activities - Enterprise Funds			
	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Funds
Cash flows from operating activities:				
Cash received from customers for sales and services	\$ 6,104,967	\$ 4,549,868	\$ 1,292,865	\$ 728,536
Cash payments to employees	(2,336,145)	(2,592,982)	(273,487)	(362,766)
Cash payments to suppliers for goods and services	(3,316,547)	(1,276,441)	(473,718)	(105,407)
Cash payments for insurance and claims expenses	-	-	-	-
Net cash provided by (used in) operating activities	452,275	680,445	545,660	260,363
Cash flows from noncapital financing activities:				
Cash received from other governments	31,168	-	-	-
Cash transfers out to other funds	(190,000)	(123,000)	(83,000)	(83,000)
Net cash provided by (used in) noncapital financing activities	(158,832)	(123,000)	(83,000)	(83,000)
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(1,720,518)	(1,241,679)	(207,028)	(48,063)
Cash repayments to other funds	(259,160)	-	-	-
Cash transfers in from other funds	54,902	1,235,617	-	-
Proceeds for capital grants and contributions	1,898,031	-	-	96,584
Proceeds from sale of capital assets	6,841	-	-	-
Principal paid on long-term liabilities	(500,257)	(5,318)	(5,319)	(46,016)
Interest paid on long-term debt, net of subsidy	(171,976)	(354)	(354)	(22,724)
Net cash provided by (used in) capital and related financing activities	(692,137)	(11,734)	(212,701)	(20,219)
Cash flows from investing activities:				
Investment income	229,689	69,052	47,249	29,644
Proceeds from sale/maturity of investments	222,974	-	-	-
Purchase of investments	(1,084,862)	(45,221)	-	-
Net cash provided by (used in) investing activities	(632,199)	23,831	47,249	29,644
Net increase (decrease) in cash and cash equivalents	(1,030,893)	569,542	297,208	186,788
Cash and cash equivalents, beginning of year	13,217,002	4,122,010	3,369,722	2,022,292
Cash and cash equivalents, end of year	\$ 12,186,109	\$ 4,691,552	\$ 3,666,930	\$ 2,209,080

The accompanying notes are an integral part of this financial statement.

Total	Governmental Activities - Internal Service Fund
\$12,676,236	\$ 3,279,732
(5,565,380)	-
(5,172,113)	-
-	(3,373,454)
1,938,743	(93,722)
31,168	-
(479,000)	-
(447,832)	-
(3,217,288)	-
(259,160)	-
1,290,519	-
1,994,615	-
6,841	-
(556,910)	-
(195,408)	-
(936,791)	-
375,634	27,063
222,974	-
(1,130,083)	-
(531,475)	27,063
22,645	(66,659)
22,731,026	2,835,954
\$22,753,671	\$ 2,769,295

The accompanying notes are an integral part of this financial statement.

City of Rockledge, Florida
Statement of Cash Flows - Proprietary Funds (Continued)

<i>Year Ended September 30, 2025</i>	Business-type Activities - Enterprise Funds			
	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Funds
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 269,704	\$ 291,826	\$ 214,506	\$ 137,423
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization	1,655,394	409,124	493,483	108,389
Change in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	21,089	(13,404)	7,197	-
Assessments receivable	-	-	1,252	-
Due from other governments	(129,088)	(105,731)	(23,883)	-
Inventory	(38,204)	2,545	6,457	-
Prepaid items	(39,170)	2,987	40,433	(2,323)
Deferred outflows of OPEB expense	2,934	4,577	352	587
Deferred outflows of pension expenses	(250,336)	(262,173)	(26,192)	(48,733)
Increase (decrease) in liabilities:				
Accounts payable	(1,266,244)	7,200	(204,091)	9,911
Accrued payroll and related liabilities	(71,433)	35,433	5,142	(2,727)
Accrued claims payable	-	-	-	-
Net OPEB obligation	(6,611)	(10,313)	(793)	(1,322)
Net pension liability	154,217	161,509	16,135	30,022
Deferred inflows of pension earnings	149,419	156,484	15,633	29,087
Deferred inflows of OPEB earnings	244	381	29	49
Deferred inflows of deferred revenue	360	-	-	-
Total adjustments	182,571	388,619	331,154	122,940
Net cash provided by (used in) operating activities	\$ 452,275	\$ 680,445	\$ 545,660	\$ 260,363

Noncash capital and financing activities:

During the year, the Wastewater System and Nonmajor Building Fund incurred subscription-based technology arrangement liabilities and recognized equally valued subscription-based technology arrangement assets in the amounts of \$62,397 and \$238,542, respectively.

The accompanying notes are an integral part of this financial statement.

Governmental Activities - Internal Service	
Total	Fund
\$ 913,459	\$ (299,642)
2,666,390	-
14,882	(100)
1,252	
(258,702)	-
(29,202)	-
1,927	-
8,450	-
(587,434)	-
-	
(1,453,224)	-
(33,585)	-
-	206,020
(19,039)	-
361,883	-
350,623	-
703	-
360	-
<u>1,025,284</u>	<u>205,920</u>
<u>\$ 1,938,743</u>	<u>\$ (93,722)</u>

The accompanying notes are an integral part of this financial statement.

City of Rockledge, Florida
Statement of Fiduciary Net Position - Fiduciary Funds

<i>September 30, 2025</i>	Employee Pension Trust Funds
ASSETS	
Cash and cash equivalents	\$ 748,332
Contributions receivable	104,460
Due from general employees plan	1,266
Due from police employees plan	6,974
Interest receivable	23,685
Investments, at fair value:	
U.S. government obligations	2,655,507
Domestic corporate bonds	231,335
Mortgage backed securities	2,703,466
Fixed income mutual funds	2,689,608
Equity mutual funds	46,453,450
Infrastructure	8,060,833
Real estate	6,488,030
Total investments	69,282,229
Total assets	70,166,946
LIABILITIES	
Prepaid contributions	1,831,066
Due to fire employees plan	6,974
Due to police employees plan	1,266
Total liabilities	1,839,306
NET POSITION	
Restricted for pension benefits	\$ 68,327,640

The accompanying notes are an integral part of this financial statement.

City of Rockledge, Florida
Statement of Changes in Fiduciary Net Position – Fiduciary Funds

<i>Year ended September 30, 2025</i>	Employee Pension Trust Funds
ADDITIONS	
Contributions:	
State	\$ 717,922
Employer	973,380
Employees	828,605
Total contributions	2,519,907
Investment income:	
Net appreciation in the fair value of investments	6,689,569
Interest and dividends	1,641,109
	8,330,678
Less: investment related expense	(271,570)
Net investment income	8,059,108
Total additions (reductions)	10,579,015
DEDUCTIONS	
Benefits paid	4,066,794
Administrative expenses	241,649
Total deductions	4,308,443
Change in net position	6,270,572
Net position restricted for pension benefits, beginning of year	62,057,068
Net position restricted for pension benefits, end of year	\$ 68,327,640

The accompanying notes are an integral part of this financial statement.

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Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Rockledge, Florida (the City), was incorporated in 1887 under the provisions of Florida Statutes, Chapter 166. The current City Code, as adopted in 2002, authorizes the following services: public safety, public utilities, public works, planning and zoning, sanitation, and general administrative services. Education, health, and welfare are administered by other governmental entities.

The accounting policies of the City conform to generally accepted accounting principles (GAAP) as applied to government units. The more significant accounting policies used by the City are described below.

A. REPORTING ENTITY

The City provides a full range of municipal services including police and fire protection, public works activities, parks and recreational facilities, planning and development, financial services, and general administrative services. In addition, the City operates five enterprise funds: Wastewater System, Sanitation Services, Sanitation Impact fee, Stormwater Utility, and Building Department. The City operates an Internal Service Fund for employee health insurance transactions.

The City is a Florida municipal corporation governed by an elected mayor and a six-member council (the "Council"). As required by GAAP, financial statements are to present the City and its component units, which are entities for which the City is considered to be financially accountable or with which the City has an economic relationship. In evaluating the City, the primary government, as a reporting entity, all potential component units that may or may not fall within the financial accountability or economic relationship tests have been addressed. Financial accountability is present if the Council appoints a voting majority of a component unit's governing body and has the ability to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City. An economic relationship exists when the economic resources received by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents, and the primary government (or its component units) has the ability to otherwise access the resources. The concept of the ability to otherwise access resources is broad and is not based on the narrow concept of control. Government Accounting Standards Board (GASB) Statement No. 61 states that this broad concept includes situations where the primary government (or its component units) has received, directly or indirectly, a majority of economic resources provided by the organization, the organization has previously honored requests to provide resources to the primary government, or the other organization is financially interrelated with the primary government.

Blended component units, although legally separate entities, are, in substance, part of the City's operations; therefore, data from these units is combined with data from the primary government. Discretely presented component units, on the other hand, are to be reported in separate columns in the combined financial statements to emphasize they are legally separate from the City.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. REPORTING ENTITY (continued)

The accompanying financial statements present all the fund types of the City. The Community Redevelopment Agency (the “CRA”) is an incremental tax district created pursuant to Florida Statutes 163.356 and created by City of Rockledge Resolution (City Resolution) 2002-481. Although legally separate, for financial reporting purposes, the CRA is reported as if it were part of the City’s operations. The City Council approves the annual budget and appoints the Board of Commissioners, who serve as the governing board. City staff perform all accounting and administrative functions for the CRA. The CRA’s services are provided exclusively to the City. The CRA has been presented as a blended component unit classified as a special revenue fund.

Additionally, the Rockledge Heritage Foundation, Inc. (the “Foundation”) is a Florida not-for-profit corporation dedicated to the preservation of significant historical assets within the City. Historically, the Foundation’s primary focus was the restoration of the Rockledge Municipal Building, which is owned by the City. In Fiscal Year 2019, the bylaws of the Foundation were amended through City Resolution 2000-466, naming the office holders of Rockledge City Manager, Assistant City Manager, and Community Development Director as the primary board members. Therefore, management of the City of Rockledge has operational responsibility for the Foundation, as addressed in GASB Statements No. 61, 80, and 85. As such, the Rockledge Heritage Foundation meets the criteria of a blended component unit.

There are no discretely presented component units.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. 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 direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

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

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary funds financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Property taxes, franchise fees, utility taxes, state revenue sharing, fines, forfeitures, and investment earnings associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when received by the City.

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

The City does not currently employ an indirect cost allocation system. However, the City does charge the Wastewater System, Stormwater Utility, Building Department, and Sanitation Services (enterprise funds) a fee for services provided. These fees serve to approximate the value of services provided to these enterprise funds by the General Fund and are not eliminated at year's end like a reimbursement. Reimbursements to the General Fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures in the General Fund.

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures or expenses, as appropriate. The various funds are reported by general classification within the financial statements.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City may electively add funds as major funds when it believes such an addition would enhance its financial reporting. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION
(continued)**

Major Governmental Funds

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

The CRA accounts for the redevelopment activities within the Redevelopment District. The CRA is funded through Tax Increment Financing, whereby the aggregate increase in taxable value of parcels within the CRA boundaries is compared to the aggregate value in the base year. Ninety-five percent of the City and Brevard County property taxes assessed on this aggregate incremental value are transferred by each entity to meet the needs of the CRA's redevelopment plan.

The American Rescue Plan Act (ARPA) Fund accounts for all financial resources relating to the American Rescue Plan Act of 2021.

Nonmajor Governmental Fund Types

The Special Revenue Funds account for specific revenue sources that are restricted by law or administrative action to expenditures for specific purposes. Nonmajor special revenue funds include the Law Enforcement Education Fund, Transportation Impact Fee Fund, Taylor Park Trust Fund, and Rockledge Heritage Foundation.

Major Proprietary Funds

The Wastewater System Fund accounts for the provision of sewer services to customers within the service area.

The Sanitation Services Fund accounts for the provision of garbage services to customers within the service area.

The Stormwater Utility Fund accounts for the operation and maintenance of the stormwater management activities of the City.

The Insurance Fund is an internal service fund that accounts for the health insurance coverage provided to other City departments on a cost-reimbursement basis.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION
(continued)**

Nonmajor Proprietary Funds

The Sanitation Impact Fee Fund accounts for the collection and utilization of impact fees related to the cost of garbage services expansion caused by new residential and commercial construction within the service area.

The Building Department (Building) Fund accounts for the provision of building permitting services related to the enforcement of the Florida Building Code within the City.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary Fund Types

The City's fiduciary funds consist solely of the Pension Trust Funds. These funds account for the activities of the General, Police, and Fire Pension Trust Funds, which accumulate resources for pension benefit payments to City employees. Since these assets are being held for the benefit of pension participants and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

D. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The City has elected to report the budgetary comparison schedules as Required Supplementary Information (RSI). The City does not prepare a budget for the non-major governmental funds, including the Rockledge Heritage Foundation. Please refer to the accompanying notes to the RSI for the City's budgetary information.

The City has no material violation of finance related legal and contractual provisions.

E. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. DEPOSITS AND INVESTMENTS

Cash and Cash Equivalents

Except as noted below, the City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City maintains a pooled cash account with a local bank, which is available for use by all funds, except the Pension Trust Fund and the American Rescue Plan Act (ARPA) Fund. The resulting investment income is allocated based on the respective cash balance of each fund. In the government-wide statement of net position, these amounts are displayed separately for governmental and business-type activities. Individual funds with aggregate negative balances at the end of the year are reclassified as "due to other funds" for reporting purposes, with an offsetting due from other funds in the General Fund.

The deposits and investments of the Pension Trust Fund are held separately from other City funds by a trustee.

Deposits

The City's and Rockledge Heritage Foundation's pooled cash deposits, with a carrying amount of \$46,840,564, and \$1,670, respectively, its deposits in the CRA and ARPA escrow accounts of \$3,521,796 and \$1,980,733, its extensive investment in insured bank deposits of \$1,331,370, certificates of deposits of \$10,466,054, and treasury bonds of \$769,848, are covered by federal depository insurance (FDIC), by deposits held in banks that are members of the State of Florida's collateral pool, and / or backed by the full faith and credit of the United States of America. In addition, the City holds \$813 of petty cash. The Florida collateral pool is a multiple institution pool with the authority to assess member institutions in the event of any collateral shortfall. For this reason, the City considers these deposits insured. The cash and cash equivalents listed above are exempt from fair market value hierarchy requirements of GASB 72, as discussed below in this note.

Investments

The City's investments consist of certificates of deposit, United States Treasury money market mutual funds, and United States Treasury Bonds, which are held to maturity. The certificates of deposits are valued at fair value per GASB 72.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. DEPOSITS AND INVESTMENTS (continued)

Local Investment Policy

The City has a local investment policy that mirrors the state statutes. State statutes and related City ordinances authorize the City to invest in direct obligations of the U.S. Treasury, federal agencies and instrumentalities, savings accounts, and certificates of deposit which are insured or held in state qualified depositories, repurchase agreements, money market funds registered with the Securities and Exchange Commission and possessing the highest credit rating from a nationally recognized rating agency, and the State Board of Administration's Local Government Surplus Funds Trust Fund. Investments are reported at fair value.

- (1)*Interest Rate Risk* - To mitigate interest rate risk, the City's investment policy requires that the investment portfolio be structured with securities that maintain the greatest degree of liquidity and flexibility. The portfolio will maintain a structure with maturities staged to meet the City's obligations as they come due. None of the City's funds will be invested beyond five years in any security.
- (2)*Credit Risk* - To mitigate credit risk, the City primarily invests in U.S. Government securities and FDIC insured certificates of deposit.
- (3)*Custodial Risk* - To mitigate custodial risk, all cash and securities are held in accounts bearing the name of the City.
- (4)*Concentration of Credit Risk* - The City's investment policy requires that investments be diversified by security type and institution. No more than 50% of the City's funds will be invested with the same issuer, except direct obligations of the U. S. Treasury. No more than 50% of the City's funds will be invested through the same investment institution or dealer.

Pension Investment Policy

The pension funds have much broader investment policies. They may invest in stocks, bonds, investment trusts, common trust funds, mutual funds, mortgages, and others without restriction except that the plans prohibit investment in any one corporation in an amount that exceeds 5% of that plan's assets; nor shall the aggregate of its investments in stock exceed 75% of total assets. A specific city ordinance created each pension fund. Investment policies for each of the three pension trust funds are determined by the Board of Trustees for each respective fund. For each fund, no more than 5% of fund assets may be invested in the securities (of whatever type) of any one issuing company, excluding the U. S. Government and its agencies. No investment may exceed 5% of the outstanding capital stock of any one company. The aggregate investments in common and capital stock and convertible securities (at cost) may not exceed 75% of the assets of the funds. Each fund maintains a list of prohibited investment security types.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. DEPOSITS AND INVESTMENTS (continued)

Fair Value Measurement

Investments are stated at fair value. Changes in the fair value during the year are included in investment income or loss. GASB 72, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The hierarchy is based on the valuation inputs used to measure the fair value of the asset, as determined by the City's investment advisors.

The three levels of the fair value hierarchy under GASB 72 are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
- Level 2: Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2025.

Equities: Includes common stock which is valued at publicly traded market prices.

US Real Estate Investment: The Real Estate Investments, included in the City's General Employees, Police Officers, and Firefighters Defined Benefit Plans, consists of two funds that are blended in nature. Each are valued at the net asset value of the units held at the end of the period based upon the fair value of the underlying investments in the pooled investment fund.

Infrastructure Investment: The Infrastructure Investments, included in the City's General Employees, Police Officers, and Firefighters Defined Benefit Plans are valued at the net asset value of the units held at the end of the period, based upon the fair value of the underlying investments.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. DEPOSITS AND INVESTMENTS (continued)

Fair Value Measurement

Fixed income funds, U.S. government securities, federal agency bonds, corporate bonds, U.S. Treasury money market mutual funds, and certificates of deposit: Valued using pricing models maximizing the use of observable inputs of similar securities. This includes basing value on yield currently available on comparable securities of issuers with similar credit ratings.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the City believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. DEPOSITS AND INVESTMENTS (continued)

The following table sets forth by level, within the fair value hierarchy, the City's assets at fair value as of September 30, 2025:

	Maturity Date		Fair Value	Rating	Level
	1-5 Years	Over Five Years			
Primary government:					
Certificates of Deposit	\$ 10,466,054	\$ -	\$ 10,466,054	Not rated	L2
Bonds - U.S. Government	769,848	-	769,848	Not rated	L2
U.S. Treasury money market mutual funds	45,221	-	45,221	AAA	L2
Total Investments	\$ 11,281,123	\$ -	\$ 11,281,123		
	Maturity Date		Fair Value	Rating	Level
	1-5 Years	Over Five Years			
General employees:					
U.S. government securities	\$ 273,573	\$ 999,439	\$ 1,273,012	Not rated	L2
Federal agencies	-	1,239,484	1,239,484	AAA	L2
Corporate bonds	-	121,128	121,128	Baa - AAA	L2
Total	\$ 273,573	\$ 2,360,051	2,633,624		
Investments not subject to categorization:					
Real estate			2,357,563	Not rated	L3
Infrastructure			3,170,047	Not rated	L3
Fixed income mutual funds			1,012,628	Not rated	L1
Common stocks			18,896,789	Not rated	L1
Total investments			\$ 28,070,651		
Police officers:					
U.S. Government securities	\$ 155,025	\$ 704,316	\$ 859,341	Not rated	L2
Federal agencies	-	879,126	879,126	AAA	L2
Corporate bonds	33,861	30,675	64,536	Baa - AAA	L2
Total	\$ 188,886	\$ 1,614,117	1,803,003		
Investments not subject to categorization:					
Real estate			2,184,075	Not rated	L3
Infrastructure			2,768,031	Not rated	L3
Fixed income mutual funds			894,492		
Common stocks			15,227,052	Not rated	L1
Total investments			\$ 22,876,653		
Firefighter employees:					
U.S. Government securities	\$ 31,917	\$ 491,237	\$ 523,154	Not rated	L2
Federal agencies	-	584,856	584,856	AAA	L2
Corporate bonds	-	45,671	45,671	Baa - AAA	L2
Total	\$ 31,917.00	\$ 1,121,764	1,153,681		
Investments not subject to categorization:					
Real Estate			1,946,392	Not rated	L3
Infrastructure			2,122,755	Not rated	L3
Fixed income mutual funds			782,488		
Common stocks			12,329,609	Not rated	L1
Total investments			\$ 18,334,925		

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. DEPOSITS AND INVESTMENTS (continued)

Fair value of Investments in Entities that use Net Asset Value (NAV)

The following table summarizes investments measured at fair value based on NAV per share as of September 30, 2025.

	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Real Estate	\$6,488,030	N/A	Quarterly	30 – 45 days
Infrastructure	\$8,060,833	N/A	3-year lockout	120 days

- (1) *Interest Rate Risk* - To mitigate interest rate risk, the funds’ investment policy requires that the portfolio be structured with sufficient liquidity to meet the funds’ obligations as they come due.
- (2) *Credit Risk* - The three (3) pension trust funds each hold cash in their respective fund accounts. To mitigate credit risk, the time, savings, and money market deposits of each fund in an institution may not exceed the Federal Deposit Insurance Corporation (FDIC) insurance coverage held by that institution for those amounts.
- (3) *Custodial Risk* - To mitigate custodial risk, all cash and securities are held in accounts bearing the name of the respective fund. Securities in such accounts, even though held in the “street name” are considered held in the name of the fund. Fund managers are required to carry errors and omissions insurance coverage.
- (4) *Concentration of Credit Risk* - Each of the investment policies requires that investments be diversified by security type. Each fund has a manager tasked to invest the fund assets in a diversified portfolio of equities, fixed income, and cash equivalent securities. Each fund has an independent investment consultant to evaluate the performance of the investment manager.

G. RECEIVABLES

For the Wastewater System, Sanitation Services, and Stormwater Utility Funds, operating revenues are generally recognized on the basis of cycle billings rendered monthly. The amount of services delivered for the period from the last billing date to September 30, 2025 (unbilled receivable), is estimated and accrued at year end. The City deems all amounts collectable, therefore an allowance for doubtful accounts is not necessary. If payments are not received from customers, services are shut off and deposits are applied against negative balances.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. LEASE RECEIVABLES

The City's lease receivables are measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue or other factors. The variable payments are recorded as an inflow of resources in the period the payment is received. The City has not issued any debt for which the principal and interest payments are secured by lease payments from lessees. If enumerated within the contract, the present value of lease payments is calculated based on the explicit contract rate; if not, then the present value is calculated utilizing the City's incremental borrowing rate at the contract's effective date.

I. PROPERTY TAXES

Under Florida law, the assessment of all properties and the collection of all City property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State of Florida regulating tax assessment are also designed to assure a consistent property valuation method statewide. State statutes permit cities to levy property taxes at a rate of up to ten mills. The operating millage rate in effect for the fiscal year ended September 30, 2025, was 5.38 mills.

All property is assessed according to its fair market value on January 1 of each year and, at that time, a lien is placed on the property for the taxes. The tax levy of the City is established by the Council before October 1 of each year and the Brevard County Property Appraiser incorporates the City's millage into the total tax levy, which also includes Brevard County, the Brevard County School Board, Florida Inland Navigation District, and the St. Johns Water Management District's tax requirements.

The following procedures were completed on or about the dates listed during the property tax levy process.

July - The Brevard County Property Tax Appraiser (the County Property Appraiser) forwarded to the City a certification of value of all real property within the City's boundaries which included the current year's taxable values, new construction, annexations, deletions, prior year taxable value, prior year millage rates, prior year ad valorem tax proceeds, and roll-back rates.

July - The Council sets the current year millage rate at not more than 110% of the rolled-back millage rate.

August - Notices of the proposed ad valorem tax assessments were mailed to each property owner by the County Property Appraiser.

September - As required by the State of Florida, a public meeting is held within 80 days of receipt of the certification of value to consider the budget and ad valorem tax millage rate. Within 15 days of the meeting at which the Council adopted a tentative budget, the City advertised its intent to adopt a final budget and millage rate. A final budget and millage rate hearing was held during which the Council set the current year's millage rate.

November - Tax notices were mailed to each property owner by the County Property Appraiser's office.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. PROPERTY TAXES (continued)

All taxes are billed on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the County 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 a discount.

On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

J. INVENTORIES

Inventories held by the General, Stormwater Utility, Wastewater System, and Sanitation Services Funds consist principally of chemicals, maintenance supplies, gas, and diesel fuel. The costs of inventories are reported as expenditures when consumed rather than purchased, and adjustments are made at year-end to reflect actual physical inventory. All inventories of the General Fund are reflected as nonspendable within the fund balance. Inventories are valued at lower cost or market, using a first-in, first-out flow assumption.

K. CAPITAL ASSETS

Property, plant, and equipment purchased or acquired are carried at the historical cost or the estimated historical cost. Donated capital assets, donated works of art, and capital assets, including those received in a service concession arrangement, are recorded at the acquisition value as of the date received. Subscription based technology arrangements are measured at the present value of implementation costs, the fixed payments and variable subscription payments that depend on a defined rate or index, along with incentives or costs for cancellation. These costs are discounted at the contractual rate or the incremental borrowing rate of the City at measurement or remeasurement. During fiscal year 2021, the City revised its policies controlling capital assets, raising the value that defines capital assets as assets with an initial, individual cost greater than or equal to \$5,000, and an estimated useful life in excess of one year. The prior definition included assets with an initial cost of more than \$1,000. The costs of normal maintenance and repairs, that do not add to the value of the asset or materially extend asset lives, are not capitalized. Capital assets are depreciated or amortized using the straight-line method over the following useful lives:

<u>Years</u>	<u>Asset Category</u>
7 – 40	Buildings
10 – 40	Improvements other than buildings
4 – 40	Machinery and equipment
5 – 20	Vehicles (including heavy equipment)
15 – 50	Infrastructure
10 – 40	Waste and transmission lines and facilities
5 - 10	Software and digital media
Shorter of Useful life or contract	Subscription based technology arrangements

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. PREPAID ITEMS

Prepaid items represent payments to vendors for services that will benefit the City beyond September 30, 2025. These payments are recorded as expenditures or expenses when utilized rather than when cash is paid to the respective vendor.

M. DEFERRED OUTFLOWS OF RESOURCES

This separate financial statement element, deferred outflows of resources, represents consumption of net assets that applies to future periods. The City currently has deferred outflows of pension expenses and OPEB expenses that meet this criterion. Deferred outflows of pension expenses and OPEB expenses represent differences between actual pension experiences and actuarial assumptions. These will be charged to pension and OPEB expense over the actuarial assumption's timeline.

N. LONG-TERM DEBT

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 statements of net position. Funds held for debt issued to fund capital assets that have not expended are reported as restricted cash and are a component of restricted net position. As of September 30, 2025, the City held no amount of debt proceeds received but not expended.

O. ACCRUED LIABILITIES

The City records accrued liabilities at year's end based upon the amounts of incurred but not paid payroll due to the City's employees, caused by the timing of payroll periods.

P. UNEARNED REVENUE

Unearned revenue includes amounts collected before the revenue recognition criteria are met. The unearned items consist primarily of grant funds received that have not yet been expended for the required purpose.

Q. ACCUMULATED UNUSED COMPENSATED ABSENCES

The City records the vested portion of accumulated compensated absences at year's end based on each employee's accumulated unused hours and rate of pay. All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. SUBSCRIPTION BASED TECHNOLOGY ARRANGEMENTS

The City records subscription based technology arrangement liabilities at the commencement of a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the related contract for a period of time in an exchange or exchange-like transaction. The City discounts the costs related to the fixed payments, variable payments that are fixed in substance or tied to a rate or index, incentives, cancellation costs, and other reasonably certain costs. These costs are discounted at the rate within the related contract, or at the City's incremental borrowing rate if no such rate is enumerated.

S. OTHER POSTEMPLOYMENT BENEFITS

The City allows retirees to participate in its employee health insurance program. The City accrues an other postemployment benefit liability for the cost of providing those benefits in the government-wide and enterprise fund financial statements based on actuarial measurement annually.

T. PENSION PLANS

The City sponsors and administers three pension plans covering substantially all the full-time employees. The City's policy is to fund the annual pension costs in the annual budget.

General employees, police officers, and firefighters are enrolled in separate, defined benefit pension plans. Each plan was restated December 4, 2019, with subsequent amendments. Annual costs of the pension plans are actuarially computed using the entry age normal actuarial cost method as described in Note 10.

The City accounts for its pension plans in accordance with GASB Statement No. 67, *Financial Reporting for Pension Plans*, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements require the recording of defined benefit plan investments at smoothed fair value.

U. DEFERRED INFLOWS OF RESOURCES

This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City currently has deferred inflows of pension and OPEB earnings, leases receivable, business tax receipts, and grants and accounts receivable that meet this criteria. Deferred inflows of pension and OPEB revenues represent differences between actual pension experiences and actuarial assumptions. These will be recognized as a reduction of pension and OPEB expense over the actuarial assumption's timeline. The deferred inflows related to leases are associated with amounts owed to the City, as lessor, by entities leasing the City's capital assets.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

V. NET POSITION

Net position of proprietary funds, governmental activities, and business-type activities are made up of three components. Net investment in capital assets represents net capital assets less related long-term liabilities, where unspent debt proceeds increase this amount. Restricted net position represents assets that are legally restricted for specific purposes. They include bond sinking and reserve funds, special revenues restricted by statute and ordinance, bond proceeds, and other sources restricted for capital projects or improvements. The remaining balance of net position is considered unrestricted net position.

W. FUND EQUITY

In the fund financial statements, fund balance for governmental funds is reported in classifications that are based on the relative strength of the constraints that control how amounts in the funds can be spent.

Fund balance is reported in the following five components:

Nonspendable - includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requirements. This would include inventories, advances, and prepaid items.

Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by third-party (creditors, grantors, contributors) agreements, 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 of the government's highest level of decision-making authority, which includes ordinances and resolutions. Commitments may be changed by the government only by taking the same action 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.

Assigned - includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. The authority for assigning fund balance is expressed by the City Council, City Manager, or their designee.

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 other governmental funds besides the General Fund, if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

When both restricted and unrestricted (committed, assigned, and unassigned) fund resources are available for use, it is the City's policy to generally use restricted resources first, and then unrestricted resources. When unrestricted resources are available for use, it is the City's policy to use committed resources first, then assigned, and then unassigned as they are needed.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

X. NET POSITION RESTRICTED BY ENABLING LEGISLATION

In the government-wide financial statements, governmental activities report restricted net position of \$7,729,964. Management has determined that, of this amount, \$469,307 is restricted for public safety purposes by enabling legislation.

Y. IMPLEMENTATION OF GASB PRONOUNCEMENTS

During the fiscal year ended September 30, 2025, the City adopted the following new GASB pronouncements:

GASB Statement 102, *Certain Risk Disclosures*. This statement was issued December 2023 to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

This statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause a substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The City has examined the facts and circumstances that may yield concentrations and constraints that relate to debt. Additional examination to detect, identify, and evaluate events associated with concentrations or constraints that could cause a substantial impact. In the cases where these events have occurred, have begun to occur, or are more likely than not to begin to occur in the next twelve months of financial statement issuance, the appropriate disclosures have been made in Note 15.

Z. FUTURE ADOPTION OF NEW GASB PRONOUNCEMENTS

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement 103, *Financial Reporting Model Improvements*. This Statement was issued April 2024 to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Z. FUTURE ADOPTION OF NEW GASB PRONOUNCEMENTS (continued)

This establishes new accounting and financial reporting requirements—or modifies existing requirements—related to Management’s discussion and analysis (MD&A); unusual or infrequent items; presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. This Statement will supersede and amend portions of GASB Statements 34 and 37. This Statement further amends portions of GASB Statements 14, 41, 42, 44, 49, 56, 58, 61, 62 and 69. Related guidance will also be superseded or amended upon implementation. Statement 103 will be effective for the fiscal year ending September 30, 2026.

GASB Statement 104, *Disclosure of Certain Capital Assets*. This Statement was issued September 2024 to provide users of government financial statements with essential information about certain types of capital assets.

This requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. Statement 104 will be effective for the fiscal year ending September 30, 2026.

GASB Statement 105, *Subsequent Events*. This Statement was issued December 2025 to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users.

This Statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This Statement describes the date the financial statements are available to be issued as the date at which (1) the financial statements are complete in a form and format that complies with generally accepted accounting principles and (2) approvals necessary for issuance have been obtained. That definition modifies the subsequent events time frame throughout the GASB literature. This Statement also requires the date through which subsequent events have been evaluated to be disclosed.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Z. FUTURE ADOPTION OF NEW GASB PRONOUNCEMENTS (continued)

This Statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. Statement 105 will be effective for the fiscal year ending September 30, 2027.

The City of Rockledge will implement new GASB pronouncements no later than the required effective date. The City is currently evaluating whether or not the above-listed new GASB pronouncements will have a significant impact on the City's financial statements and component units.

Note 2 – ACCOUNTS RECEIVABLE

The accounts receivable and allowance for uncollectible accounts at September 30, 2025, were as follows:

	Accounts Receivable	Unbilled Receivable	Allowance for Uncollectible	Net
General Fund	\$ 1,101,112	\$ -	\$ -	\$ 1,101,112
Enterprise Funds:				
Wastewater System Fund	519,627	123,011	-	642,638
Sanitation Services Fund	349,563	106,157	-	455,720
Stormwater Utility Fund	94,062	29,276	-	123,338
Internal Service Fund	1,719	-	-	1,719
Totals	\$ 1,968,868	\$ 258,444	\$ -	\$ 2,227,312

Property taxes are considered fully collected during and prior to the end of the fiscal year. Therefore, no material amounts of property taxes are receivable as of September 30, 2025. There are no other reserves for receivables recorded by the City as of September 30, 2025.

Note 3 - CAPITAL ASSETS

Depreciation expense was allocated to the governmental functions in the statement of activities as follows:

Governmental activities:	
General government	\$ 488,893
Administrative services	102,810
Police	374,204
Fire	161,419
Public works	927,918
Planning and development	303,712
<hr/>	
Total depreciation expense - governmental activities	\$ 2,358,956
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Business-type activities:	
Wastewater system	\$ 1,591,871
Sanitation services	402,226
Stormwater utility	486,585
Building	3,223
<hr/>	
Total depreciation expense - business-type activities	\$ 2,483,905
<hr/>	

Amortization expense was allocated to the governmental functions in the statement of activities as follows:

Governmental activities:	
General government	\$ 138,819
Administrative services	19,267
Police	129,905
Fire	29,363
Public works	9,378
<hr/>	
Total amortization expense - governmental activities	\$ 326,732
<hr/>	
Business-type activities:	
Wastewater system	\$ 63,523
Sanitation services	6,898
Stormwater utility	6,898
Building	105,166
<hr/>	
Total amortization expense - business-type activities	\$ 182,485
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City of Rockledge, Florida
Notes to Financial Statements

Note 3 - CAPITAL ASSETS (Continued)

The following is a summary of changes in capital assets during the year ended September 30, 2025:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 25,895,611	\$ -	\$ -	\$ -	\$ 25,895,611
Construction-in-progress	8,515,260	3,848,825	-	(7,282,633)	5,081,452
Total capital assets, not being depreciated	34,410,871	3,848,825	-	(7,282,633)	30,977,063
Capital assets, being depreciated or amortized:					
Buildings	10,487,715	12,081	(4,400)	6,922,073	17,417,469
Improvements other than buildings	5,909,743	77,113	(46,673)	183,808	6,123,991
Furniture and equipment	4,614,440	222,613	(314,320)	70,667	4,593,400
Vehicles	5,398,604	429,006	(111,271)	-	5,716,339
Infrastructure	46,802,240	-	-	106,085	46,908,325
Software	154,417	-	-	-	154,417
Subscription based technology arrangements	1,181,048	266,622	-	-	1,447,670
Total capital assets, being depreciated and amortized	74,548,207	1,007,435	(476,664)	7,282,633	82,361,611
Less accumulated depreciation and amortization for:					
Buildings	(4,240,041)	(433,006)	3,837	-	(4,669,210)
Improvements other than buildings	(1,234,049)	(218,749)	4,830	-	(1,447,968)
Furniture and equipment	(2,619,541)	(302,281)	303,922	-	(2,617,900)
Vehicles	(3,682,580)	(264,916)	93,112	-	(3,854,384)
Infrastructure	(16,393,474)	(1,140,004)	-	-	(17,533,478)
Software	(16,442)	(16,441)	-	-	(32,883)
Subscription based technology arrangements	(581,626)	(310,291)	-	-	(891,917)
Total accumulated depreciation and amortization	(28,767,753)	(2,685,688)	405,701	-	(31,047,740)
Total capital assets, being depreciated and amortized, net	45,780,454	(1,678,253)	(70,963)	7,282,633	51,313,871
Governmental activities capital assets, net	\$ 80,191,325	\$ 2,170,572	\$ (70,963)	\$ -	\$ 82,290,934
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 3,677,911	\$ -	\$ -	\$ -	\$ 3,677,911
Construction-in-progress	16,801,670	1,399,730	-	(581,516)	17,619,884
Total capital assets, not being depreciated	20,479,581	1,399,730	-	(581,516)	21,297,795
Capital assets, being depreciated:					
Buildings	13,576,445	-	-	359,789	13,936,234
Infrastructure	3,624,195	-	-	189,832	3,814,027
Machinery and equipment	10,445,517	279,044	(52,068)	-	10,672,493
Vehicles	8,102,928	1,151,723	(200,274)	-	9,054,377
Waste and transmission lines and facilities	45,345,852	386,791	-	31,895	45,764,538
Subscription based technology arrangements	422,728	300,939	-	-	723,667
Total capital assets, being depreciated and amortized	81,517,665	2,118,497	(252,342)	581,516	83,965,336
Less accumulated depreciation for:					
Buildings	(8,172,028)	(271,208)	-	-	(8,443,236)
Infrastructure	(303,168)	(96,334)	-	-	(399,502)
Machinery and equipment	(6,056,506)	(455,828)	51,228	-	(6,461,106)
Vehicles	(3,520,387)	(520,163)	200,274	-	(3,840,276)
Waste and transmission lines and facilities	(23,614,615)	(1,140,372)	-	-	(24,754,987)
Subscription based technology arrangements	(206,806)	(182,485)	-	-	(389,291)
Total accumulated depreciation and amortization	(41,873,510)	(2,666,390)	251,502	-	(44,288,398)
Total capital assets, being depreciated and amortized, net	39,644,155	(547,893)	(840)	581,516	39,676,938
Business-type activities capital assets, net	\$ 60,123,736	\$ 851,837	\$ (840)	\$ -	\$ 60,974,733

Note 4 – SUBSCRIPTION BASED TECHNOLOGY ARRANGEMENTS

Subscription based information technology arrangements (SBITA) generally are recognized based upon contracts or agreements which provide the City with the use of a third party software, occasionally coupled with supporting or interfacing hardware, that allow the City to operate more efficiently, effectively, or reliably. Variable payments that do not add to the configuration or implementation of the technology and for which the future cost is not determinable or indexed to a rate are excluded from the measurement of the SBITA.

There were no amounts of outflows of resources recognized in the reporting period for variable payments not previously included in the measurement of the subscription liability. There were no amounts of outflows of resources recognized in the reporting period for other payments, such as termination penalties, not previously included in the measurement of the subscription liability. There were no commitments under SBITAs before the commencement of the subscription terms. There were no impairments or losses under impairments during the reporting period.

The tables summarize the principal and interest requirements to maturity:

For the year ending September 30,	Governmental Activities		
	Principal	Interest	Total
2026	\$ 214,807	\$ 52,151	\$ 266,958
2027	220,319	36,657	256,976
2028	192,256	20,090	212,346
2029	198,810	4,986	203,796
2030	7,512	251	7,763
Total	\$ 833,704	\$ 114,135	\$ 947,839

For the year ending September 30,	Business-type Activities		
	Principal	Interest	Total
2026	\$ 157,575	\$ 25,801	\$ 183,376
2027	99,761	18,641	118,402
2028	102,437	10,796	113,233
2029	89,399	2,802	92,201
2030	33,908	53	33,961
Total	\$ 483,080	\$ 58,093	\$ 541,173

Note 5 - NOTES PAYABLE

On April 1, 2009, the City borrowed \$2,000,000 through a local bank for the purpose of constructing a police facility. As of September 30, 2010, the City owed \$1,763,069 on this note. Principal of \$14,932 was paid in October 2010 bringing the outstanding balance on the note to \$1,748,137. On November 1, 2010, the City borrowed an additional \$500,000 at the same interest rate of 3.95% bringing the monthly payments to \$25,983. The City obtained a second loan modification on this note, effective August 12, 2011, at an effective interest rate of 2.87% and payments of \$24,924 per month. This interest rate and payment amount remained in effect for five years, at which time the interest rate increased to 3.37% with monthly payments of \$25,076 through May 1, 2019. However, on December 7, 2017, the City refinanced the note, borrowing an additional amount of \$2,061,468, which carried a new interest rate of 2.50%. Interest of \$18,869 was paid on this note during the year ended September 30, 2025. The note is secured with a pledge of utility tax revenues and franchise fees collected by the City. As of September 30, 2025, the principal outstanding on the note was \$615,415.

On October 7, 2013, the City, through its Community Redevelopment Agency (CRA), opened a \$750,000 line of credit through a local bank in order to facilitate short-term financing needs. In 2013 and 2015, the City drew \$500,000 and \$350,000 from the line of credit, which was used with other funds to purchase parcels of land and buildings. On September 30, 2016, the City increased the line of credit to \$1,000,000 and drew \$200,000 to purchase land. On October 4, 2017, the City increased the line of credit to \$2,000,000 and drew \$396,996 to purchase land and a commercial building. On December 7, 2017, the City decreased the line of credit to \$1,000,000. In July of 2025, the City decreased the line of credit to \$500,000. As of September 30, 2025, no amount of principal remains outstanding. The line of credit has a maturity date of September 30, 2026, and bears interest at the Wall Street Journal Prime Rate, which was 7.25% on September 30, 2025.

On July 29, 2021, the City, through its Wastewater System Fund, borrowed \$4,750,000 through a local bank for the construction of additions and improvements to the City's wastewater treatment and water reclamation facilities. Pursuant to the loan agreement (Series 2021 Note), the excess of income, fees and earnings over the costs of operation and maintenance of the wastewater treatment system are irrevocably pledged to the payment of principal and interest on the Series 2021 Note. The Series 2021 Note does not constitute a general obligation or indebtedness of the City and the lender shall never have the right to require or compel the levy of taxes for the payment of principal or interest nor does it constitute a lien on any property of the City other than the pledged funds noted above. The Series 2021 Note has a maturity date of July 29, 2031, and bears interest at a fixed rate of 1.65%. Monthly payments of principal and interest total \$42,965.87. Interest of \$51,964 was paid on this note during the year ended September 30, 2025. As of September 30, 2025, the remaining principal outstanding on the note was \$2,862,711.

City of Rockledge, Florida
Notes to Financial Statements

Note 5 – NOTES PAYABLE (Continued)

The following is a summary of governmental activities direct borrowings for the year ended September 30, 2025:

Year Ending September 30,	Governmental Activities			
	Capital Improvement Note Series 2009		Total	
	Principal	Interest	Principal	Interest
2026	\$ 270,519	\$ 12,291	\$ 270,519	\$ 12,291
2027	277,360	5,450	277,360	5,450
2028	67,536	275	67,536	275
Total	615,415	18,016	615,415	18,016
Current portion	(270,519)	(12,291)	(270,519)	(12,291)
Payable after one year	\$ 344,896	\$ 5,725	\$ 344,896	\$ 5,725

The following is a summary of business-type activities direct borrowings for the year ended September 30, 2025:

Year Ending September 30,	Business-type Activities			
	Wastewater System - Series 2021		Total	
	Principal	Interest	Principal	Interest
2026	\$ 471,927	\$ 43,664	\$ 471,927	\$ 43,664
2027	479,773	35,818	479,773	35,818
2028	487,669	27,921	487,669	27,921
2029	495,857	19,734	495,857	19,734
2030	504,100	11,490	504,100	11,490
2031	423,385	3,240	423,385	3,240
Total	2,862,711	141,867	2,862,711	141,867
Current portion	(471,927)	(43,664)	(471,927)	(43,664)
Payable after one year	\$ 2,390,784	\$ 98,203	\$ 2,390,784	\$ 98,203

City of Rockledge, Florida
Notes to Financial Statements

Note 6 - CHANGES IN LONG-TERM LIABILITIES OTHER THAN POST-EMPLOYMENT BENEFITS

Long-term liability, other than post-employment benefits, activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Notes payable:					
Capital Improvement Note	\$ 879,355	\$ -	\$ (263,940)	\$ 615,415	\$ 270,519
Total notes payable	879,355	-	(263,940)	615,415	270,519
Subscription based technology arrangements	759,538	266,622	(192,456)	833,704	214,807
Compensated absences	1,686,341	-	(52,638) *	1,633,703	962,272
Governmental activity long-term liabilities	\$ 3,325,234	\$ 266,622	\$ (509,034)	\$ 3,082,822	\$ 1,447,598
Business-type activities:					
Notes payable:					
Series 2021 Note	\$ 3,326,337	\$ -	\$ (463,626)	\$ 2,862,711	\$ 471,927
Total notes payable	3,326,337	-	(463,626)	2,862,711	471,927
Subscription based technology arrangements	275,425	300,939	(93,284)	483,080	157,575
Compensated absences	524,131	-	(25,673) *	498,458	330,852
Business-type activity long-term liabilities	\$ 4,125,893	\$ 304,291	\$ (585,935)	\$ 3,844,249	\$ 960,354

* the change in compensated absences liability is presented as a net change.

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City of Rockledge, Florida
Notes to Financial Statements

Note 7 - PLEDGED REVENUES

The City has revenue notes outstanding as of September 30, 2025, for which revenues of the City have been pledged for repayment. Revenues pledged to repay these obligations are as follows:

	Amount Issued	Principal Outstanding	Total Pledged Revenue (1)	Total Pledged Revenue Over Debt Service Required (2)	Current Year Debt Service Paid	Current Year Total Revenue
Governmental Activities:						
Revenue Notes:						
Capital Improvement Note, Series 2009						
Maturity: 2028, Interest rate: 2.50%	\$ 2,500,000	\$ 615,415	\$ 633,431	4,498.22%	\$ 282,810	\$ 5,653,958
Purpose: Construction of new public safety facilities						
Pledged revenue: Utility taxes and franchise fees						
Business Activities:						
Revenue Notes:						
Capital Improvement Note, Series 2021 (3)						
Maturity: 2031, Interest rate: 1.65%	\$ 4,750,000	\$ 2,862,711	\$ 3,004,578	4,916.27%	\$ 515,590	\$ 4,348,767
Purpose: Construction of wastewater facility improvements						
Pledged revenue: Net revenues of the Wastewater Treatment Fund						

(1) Total pledged revenue is the total outstanding principal and interest.

(2) Total pledged revenue over debt service required is calculated using the current year total revenues for the remaining years of debt service.

(3) The Net Revenues, after deduction of the cost of operation and maintenance received from the City's Wastewater Enterprise Fund and the moneys and investment income there from are irrevocably pledged to the payment of principal and interest on the Series 2021 note.

However, the note does not constitute a general obligation or indebtedness of the City nor does it constitute a lien on any property of the City.

Note 8 - TRANSFERS TO/FROM OTHER FUNDS

Operating Transfers	Transfers		Net
	In	Out	
Major Funds:			
General Fund	\$ 946,113	\$ (2,246,459)	\$ (1,300,346)
CRA	2,246,459	-	2,246,459
ARPA	-	(1,717,558)	(1,717,558)
Wastewater System	14,662	(190,000)	(175,338)
Sanitation Services	1,235,783	(123,000)	1,112,783
Stormwater Utility	-	(83,000)	(83,000)
Non-Major Funds:			
Building	-	(83,000)	(83,000)
Total	\$ 4,443,017	\$ (4,443,017)	\$ -

Note 8 - TRANSFERS TO/FROM OTHER FUNDS (Continued)

Amounts are transferred from one fund to another fund in accordance with legally established budgets. The transfer from the General Fund to the CRA Fund in the amount of \$2,246,459 represents the tax incremental financing (TIF) payment required. The transfers from the ARPA fund to the remaining funds represent the funding of qualified initiatives under the enabling legislation of the American Rescue Plan Act. All remaining interfund transfers within the primary government represent cash transfers to supplement other fund sources.

The following table details the interfund balances as of September 30, 2025:

	Interfund balances	
	Receivables	Payables
Major Funds:		
General Fund	\$ 2,756,302	\$ -
ARPA	-	279,305
Wastewater System	14,662	2,491,825
Sanitation Services	166	-
Total	\$ 2,771,130	\$ 2,771,130

The ARPA fund payable represents qualified State and Local Fiscal Recovery Funds expenditures in other funds that occurred during the reporting year, which will be transferred to each respective fund in the next reporting year. The Wastewater System payable represents a long-term advance from the General Fund with an amortization of 10 years and equal monthly payments of principal and interest totaling \$30,373.54. The advance bears an interest rate of 4%, and matures on September 30, 2033. These funds were utilized to construct a flow equalization basin and related upgrades in fiscal year 2024. Interfund receivables and payables between governmental funds and between enterprise funds are eliminated in the government-wide statement of net position.

Note 9 – NET INVESTMENT IN CAPITAL ASSETS

The elements of this calculation are as follows:

	Governmental Activities	Business-type Activities	Total
Capital assets (net)	\$ 82,290,934	\$ 60,974,733	\$ 143,265,667
Outstanding debt related to capital assets	(615,415)	(2,862,711)	(3,478,126)
Subscription based technology liabilities	(833,704)	(483,080)	(1,316,784)
Unexpended debt proceeds related to capital assets	-	-	-
Accounts and retainages payable related to capital assets	(412,902)	(325,140)	(738,042)
	\$ 80,428,913	\$ 57,303,802	\$ 137,732,715

Note 10 - RETIREMENT PLANS

A. DESCRIPTION OF PLANS

The City maintains three contributory single-employer defined benefit pension plans (Plans) that provide for retirement, disability and death benefits as described below. These Plans are:

City of Rockledge General Employees' Retirement Plan (General Employees)
City of Rockledge Police Employees' Retirement Plan (Police Employees)
City of Rockledge Fire Employees' Retirement Plan (Fire Employees)

Each plan is administered by a separate board of trustees comprised of five members, two of whom are appointed by the City Council, two of whom are full-time participants of the respective employee group (General, Police, or Fire) and one is chosen by a majority of the previous four members. Each board of trustees is empowered to hire its own attorneys and consultants at the pension fund's expense, and to bring and defend lawsuits.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (ALL PLANS)

Basis of Accounting

The Plans' financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits, refunds, and administrative costs are recognized when due and payable in accordance with the terms of each plan. On-behalf payments, made by the state totaling \$312,663 and \$405,259 for the Fire Employees' and Police Employees' plans, respectively, were recognized as revenues and expenditures in the General Fund during the year ended September 30, 2025.

Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Presentation of Financial Statements

The Plans do not issue stand-alone financial reports and are not included in the reports of any other entity.

Note 10 - RETIREMENT PLANS (Continued)

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (ALL PLANS) (continued)

Funding Requirements

The City uses the entry age normal actuarial cost method (EAN) to determine required contributions. This method provides a stable pattern of minimum required contributions at a level dollar amount (for each plan) and allows a more transparent analysis of the changes experienced from one year to the next.

The General Employees plan requires employee contributions at 6% of basic compensation. City contributions are actuarially determined sufficient to pay current costs and amortize unfunded past service costs, if any, as provided in Chapter 112, Florida Statutes. For 2025, employee contributions to the plan totaled \$429,284, while recognized City contributions were \$574,935 or 8.0% of covered payroll.

Florida Statutes, Chapters 175 and 185, require members to contribute not less than 5% of earnings, this may be reduced by local ordinance to no less than 0.5%. The Police Employees and Fire Employees plans, as approved by the City Council, require members to contribute 7% of their basic compensation. The City is required to contribute at an actuarially determined rate, which includes the state's premium tax proceeds. Employer contributions for police officers and firefighters include on-behalf payments from the state of Florida related to state excise taxes collected on homeowners' insurance policies. The current combined required rate is 17.53% of annual covered payroll for police officers and 32.24% of covered payroll for firefighters. The City made recognized contributions of \$45,929 and \$352,516 for Police Employees and Fire Employees plans, respectively, for the year ended September 30, 2025.

Municipalities that have established pension plans complying with the provisions of Chapters 175 and 185, Florida Statutes, and that have enacted appropriate taxing legislation are eligible to receive revenues generated from excise taxes on gross receipts of certain insurance premiums from policyholders covering property within the City limits. These state premium tax proceeds are the Firefighters' Pension Fund Excise Tax, which is imposed on the gross receipts of property insurance policy premiums, and the Police Officers' Pension Fund Excise Tax, which is imposed on the gross receipts of casualty insurance policy premiums. These revenues, taken as a whole, amounted to \$717,922 for the year ended September 30, 2025.

Note 10 - RETIREMENT PLANS (Continued)

C. PLAN MEMBERSHIP AND BENEFITS

The makeup of plan participants as of the October 1, 2025 valuation was as follows:

Plan Membership	General Employees	Police Employees	Fire Employees
Inactive plan members or beneficiaries currently receiving benefits	76	29	27
Inactive plan members entitled to, but not yet receiving benefits	9	4	7
Active plan members	137	46	35
Total	222	79	69

All three plans provide retirement, termination, disability, and death benefits. A summary of those benefits, by plan, is outlined below.

	<u>General Employees</u>	<u>Police Employees</u>	<u>Fire Employees</u>
Normal Retirement:	Age 65 and 10 years of service. Benefit equals 2.75% x Avg Monthly Comp x credited service up to 30 years.	Age 52 and 10 years of service. Benefit equals 3% x Avg Monthly Comp x credited service up to 25 years (if hired prior to 1/02/13, retirees receive additional 1.5% for service between 25 and 35 years).	Age 52 and 25 years or age 55 and 10 years of service. Benefit equals 3% x Avg Monthly Comp x credited service up to 25 years, plus additional 1.5% for service over between 25 and 30 years (after 10/01/12 rates are 3% times the average monthly comp up to 30 years).
Early Retirement:	Age 55 and 10 years of service, reduced at 5/9% per month first 60 months and 5/18% thereafter with a minimum benefit of 60% for employees with 25 years credited service.	Age 44 and 25 years or age 50 and 10 years of service, reduced at 1/4% per month with a minimum benefit of 50% for those with 25 years credited service.	Age 45 and 25 years or age 50 and 10 years of service, reduced at 1/4% per month with a minimum benefit of 50% for those with 25 years credited service.

Note 10 - RETIREMENT PLANS (Continued)

C. PLAN MEMBERSHIP AND BENEFITS (continued)

	<u>General Employees</u>	<u>Police Employees</u>	<u>Fire Employees</u>
Termination of Employment:	Vested employees receive full benefits upon retirement age. Nonvested are entitled to return of employee contributions with 1.5% interest.	Vested employees receive full benefits upon retirement age. Nonvested are entitled to return of employee contributions with 1.5% interest.	Vested employees receive full benefits upon retirement age. Nonvested are entitled to return of employee contributions with 1.5% interest.
Disability Benefits:	Line-of-duty benefit reduced to 50%.	Line-of-duty benefit reduced to 50%.	Line-of-duty benefit reduced to 50%.
	Non-line-of-duty benefit based on 10 years certain and continuous annuity payable determined at time of disability adjusted for years of service.	Non-line-of-duty benefit based on 10 years certain and continuous annuity payable determined at time of disability adjusted for years of service.	Non-line-of-duty benefit based on 10 years certain and continuous annuity payable determined at time of disability adjusted for years of service.
Pre-retirement Death Benefits:	Survivor benefit is 10-year certain amount adjusted for vesting status at time of death of plan member.	Survivor benefit is 10-year certain amount adjusted for vesting status at time of death of plan member.	Survivor benefit is 10-year certain amount adjusted for vesting status at time of death of plan member.
Deferred Retirement Option (DROP):	Employees eligible at early retirement date. Accrued benefit frozen but earns interest until DROP exit (no more than 5 years later).	Employees eligible at normal retirement date. Accrued benefit frozen but earns interest until DROP exit (no more than 5 years later).	Employees eligible at normal retirement date. Accrued benefit frozen but earns interest until DROP exit (no more than 5 years later).

Note 10 - RETIREMENT PLANS (Continued)

D. PENSION PLAN INVESTMENTS

Each plan’s investment policy was adopted by the respective Pension Board of Trustees, which has the authority for establishing and amending investment policy decisions for each of the plans that they administer. The policy outlines suitable, authorized investments along with asset allocations.

Each plan’s investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Independent investment managers and an independent custodian handle all pension investments and disbursements.

In order to provide for a diversified portfolio, several investment management firms are selected to be responsible for the assets and allocation of the Trustees’ mandate only, and are provided specific performance objectives and investment criteria. In order to maintain a balanced portfolio, the allocation of assets are targeted at no more than 5% in common stock, capital stock, or convertible stock of any one issuing company. Fixed income investments issued to any single corporation shall not exceed 5% of the total fund and all investments, and shall have a minimum rating of investment grade (Baa – AAA) or higher by at least one major credit rating agency. The plans did not hold investments in any one organization that represent 5% or more of the plans’ fiduciary net position.

For the year ended September 30, 2025, the annual money-weighted rate of return on the plans’ investments, net of pension investment expense, was 12.61% for General, 12.39% for Police, and 12.62% for Fire. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

	General Employees	Police Employees	Fire Employees
Annual money-weighted rate of return net of investment expenses	12.61%	12.39%	12.62%

Note 10 - RETIREMENT PLANS (Continued)

E. NET PENSION LIABILITY, SIGNIFICANT ASSUMPTIONS, AND DISCOUNT RATE

The components of the net pension liability (asset) of the City as of September 30, 2025, were as follows:

General Employees:	
Total pension liability	\$ 29,656,975
Plan fiduciary net position	(27,691,494)
<hr/>	
City's net pension liability (asset)	\$ 1,965,481
<hr/>	
Plan fiduciary net position as a percentage of the total pension liability	93.37%
Police Employees:	
Total pension liability	\$ 22,464,754
Plan fiduciary net position	(22,415,224)
<hr/>	
City's net pension liability (asset)	\$ 49,530
<hr/>	
Plan fiduciary net position as a percentage of the total pension liability	99.78%
Fire Employees:	
Total pension liability	\$ 20,445,578
Plan fiduciary net position	(18,220,922)
<hr/>	
City's net pension liability (asset)	\$ 2,224,656
<hr/>	
Plan fiduciary net position as a percentage of the total pension liability	89.12%

The total pension liability (asset) was determined by an actuarial valuation as of October 1, 2025 using the following actuarial assumptions applied to all measurement periods for each plan.

	General Employees'	Police Employees'	Fire Employees'
Inflation	2.00%	2.00%	2.00%
Salary increases (including inflation)			
0 - 10 years of service (0-12 for general employees)	5.50%	5.50%	6.00%
10+ years of service (12+ for general employees)	4.50%	4.50%	4.50%
Investment rate of return (net of investment expense, including inflation)	7.25%	7.25%	7.25%
Discount rate	7.25%	7.25%	7.25%

Note 10 - RETIREMENT PLANS (Continued)

E. NET PENSION LIABILITY, SIGNIFICANT ASSUMPTIONS, AND DISCOUNT RATE (continued)

Mortality assumptions are those utilized in one of the last two valuations for the Florida Retirement System (FRS), which is required by Florida Statute 112.63(1)(f), employing the special risk employees actuarial valuation table for the Police and Fire Employees plans and the not special risk actuarial valuation table for the General Employees plan. Disabled tables were used for disabled lives.

For all three plans, actuarial assumptions used in the October 1, 2025 valuation were based on the results of an actuarial experience study for the 10-year period preceding October 1, 2020.

The long-term expected net rate of return on investments was determined using a building-block method. Best-estimate ranges of expected future real rates of return (expected returns net of investment expense and inflation) are developed for each major asset class. The long-term expected net rate of return on investments is the best-estimate ranges weighted by the asset allocation plus expected inflation. Best estimates of arithmetic real rates of return for each major asset class as provided by the investment monitor are shown in the following table:

Asset Class	General Employees		Police Employees		Fire Employees	
	Long-term Expected		Long-term Expected		Long-term Expected	
	Target Allocation	Rate of Return	Target Allocation	Rate of Return	Target Allocation	Rate of Return
Domestic equity	47.50%	7.50%	47.50%	7.50%	47.50%	7.50%
International equity	15.00%	8.50%	15.00%	8.50%	15.00%	8.50%
Domestic bonds	7.50%	2.50%	7.50%	2.50%	7.50%	2.50%
International bonds	5.00%	3.50%	5.00%	3.50%	5.00%	3.50%
Real estate & Infrastructure	25.00%	4.50%	25.00%	4.50%	25.00%	4.50%

Based on the above target allocation and expected long-term real returns for each asset class, the weighted average expected long-term real return net of inflation is 6.3250%. Using the investment monitor's inflation estimate of 2.5% as well as information in the above table from the investment monitor, the expected long-term rate of return net of expenses, including inflation could be 8.825%. The discount rate used to measure the total pension liability was 7.25%. This is the single rate that reflects the long-term expected rate of return on pension plan investments expected to be used to finance the payment of benefits. A projection of cash flows used to determine the discount rate assumed that plan member contributions are made at the current contribution rate and that City contributions will be made equal to the difference between the actuarially determined contribution and the member contributions. Based on those assumptions, the pension plan's fiduciary net position is projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments is applied to all periods of projected benefit payments to determine the total pension liability. For purposes of this determination, pension plan assets are expected to be invested using a strategy to achieve the discount rate.

Note 10 - RETIREMENT PLANS (Continued)

F. PENSION PLAN FINANCIAL STATEMENTS

The following tables present the statement of net position - fair value, and statement of changes in net position - fair value, of all the trusts' investments as of and for the year ended September 30, 2025.

	Employee Benefit Funds			
	General Employees	Police Employees	Fire Employees	Totals
ASSETS				
Cash and cash equivalents	\$ 375,154	\$ 140,680	\$ 232,498	\$ 748,332
Contributions receivable	-	-	104,460	104,460
Due from other plan	-	1,266	6,974	8,240
Interest receivable	10,650	7,710	5,325	23,685
Total current assets	385,804	149,656	349,257	884,717
Investments, at fair value	28,070,650	22,876,653	18,334,926	69,282,229
Total assets	28,456,454	23,026,309	18,684,183	70,166,946
LIABILITIES				
Prepaid contribution	763,693	604,111	463,262	1,831,066
Due to other plan	1,266	6,974	-	8,240
Total liabilities	764,959	611,085	463,262	1,839,306
Net position restricted for pension benefits	\$ 27,691,494	\$ 22,415,224	\$ 18,220,922	\$ 68,327,640

City of Rockledge, Florida
Notes to Financial Statements

Note 10 - RETIREMENT PLANS (Continued)

F. PENSION PLAN FINANCIAL STATEMENTS (continued)

	Employee Benefit Funds			Totals
	<u>General Employees</u>	<u>Police Employees</u>	<u>Fire Employees</u>	
Additions:				
Contributions:				
Employer	\$ 574,935	\$ 45,929	\$ 352,516	\$ 973,380
State	-	405,259	312,663	717,922
Employees	429,284	219,479	179,842	828,605
Total contributions	<u>1,004,219</u>	<u>670,667</u>	<u>845,021</u>	<u>2,519,907</u>
Investment income:				
Net appreciation in fair value of investments	2,709,714	2,195,930	1,783,925	6,689,569
Interest and dividends	654,037	539,445	447,627	1,641,109
	<u>3,363,752</u>	<u>2,735,375</u>	<u>2,231,551</u>	<u>8,330,678</u>
Less: investment related expense	<u>(103,203)</u>	<u>(90,036)</u>	<u>(78,331)</u>	<u>(271,570)</u>
Net investment income	<u>3,260,549</u>	<u>2,645,339</u>	<u>2,153,220</u>	<u>8,059,108</u>
Total additions	<u>4,264,768</u>	<u>3,316,006</u>	<u>2,998,241</u>	<u>10,579,015</u>
Deductions:				
Benefits	1,672,275	1,375,884	1,018,635	4,066,794
Administrative expense	68,818	100,955	71,876	241,649
Total deductions	<u>1,741,093</u>	<u>1,476,839</u>	<u>1,090,511</u>	<u>4,308,443</u>
Change in net position	2,523,674	1,839,167	1,907,731	6,270,572
Net position restricted for pension benefits:				
Balance at beginning of year	<u>25,167,820</u>	<u>20,576,057</u>	<u>16,313,191</u>	<u>62,057,068</u>
Balance at end of year	<u>\$ 27,691,494</u>	<u>\$ 22,415,224</u>	<u>\$ 18,220,922</u>	<u>\$ 68,327,640</u>

Note 10 - RETIREMENT PLANS (Continued)

G. PENSION EXPENSE AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO PENSIONS

For the year ended September 30, 2025, the City recognized a pension expense of (\$843,040) for the General Employees plan; (\$383,993) for the Police Employees plan; and (\$545,351) for the Fire Employees plan. The total aggregate pension expense for all plans is (\$1,772,384). On September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	General		Police		Fire	
	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 1,842,193	\$ 75,604	\$ 877,294	\$ 16,161	\$ 549,157	\$ 170,104
Changes of assumptions	844,048	9,947	998,987	67,656	895,317	2,533
Net difference between projected and actual earnings	-	2,199,680	-	1,804,195	-	1,403,207
Total	\$ 2,686,241	\$ 2,285,231	\$ 1,876,281	\$ 1,888,012	\$ 1,444,474	\$ 1,575,844

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending September 30:</u>	<u>General Employees</u>	<u>Police Employees</u>	<u>Fire Employees</u>
2026	\$ 905,638	\$ 412,573	\$ 385,521
2027	(259,383)	(421,938)	(322,349)
2028	(260,662)	(309,456)	(286,726)
2029	15,417	119,088	2,607
2030	-	188,002	89,577
	<u>\$ 401,010</u>	<u>\$ (11,731)</u>	<u>\$ (131,370)</u>

Note 10 - RETIREMENT PLANS (Continued)

H. CHANGES IN NET PENSION LIABILITY AND SENSITIVITY TO CHANGES IN DISCOUNT RATE

General Employees

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2024	\$ 26,357,562	\$ 25,167,820	\$ 1,189,742
Changes for a year:			
Service cost	750,258	-	750,258
Interest	1,917,722	-	1,917,722
Differences between expected and actual experience	1,595,795	-	1,595,795
Changes of assumptions	707,913	-	707,913
Contributions - employer	-	574,935	(574,935)
Contributions - employee	-	429,284	(429,284)
Net investment income	-	3,260,548	(3,260,548)
Benefit payments, including refunds of member contributions	(1,672,275)	(1,672,275)	-
Administrative expense	-	(68,818)	68,818
Net changes	3,299,413	2,523,674	775,739
Balances at September 30, 2025	\$ 29,656,975	\$ 27,691,494	\$ 1,965,481

The sensitivity of the net pension liability (asset) to changes in the discount rate is shown below.

General Employees	1% Decrease	Current Discount Rate	1% Increase
	City's net position liability (asset)	6.25% \$5,605,505	7.25% \$ 1,965,481

City of Rockledge, Florida
Notes to Financial Statements

Note 10 - RETIREMENT PLANS (Continued)

H. CHANGES IN NET PENSION LIABILITY AND SENSITIVITY TO CHANGES IN DISCOUNT RATE (continued)

Police Employees

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2024	\$ 20,496,865	\$ 20,576,057	\$ (79,192)
Changes for a year:			
Service cost	492,939	-	492,939
Interest	1,487,832	-	1,487,832
Differences between expected and actual experience	591,104	-	591,104
Changes of assumptions	771,898	-	771,898
Contributions - employer	-	45,929	(45,929)
Contributions - state	-	405,259	(405,259)
Contributions - employee	-	219,479	(219,479)
Net investment income	-	2,645,339	(2,645,339)
Benefit payments, including refunds of employee contributions	(1,375,884)	(1,375,884)	-
Administrative expense	-	(100,955)	100,955
Net changes	1,967,889	1,839,167	128,722
Balances at September 30, 2025	\$ 22,464,754	\$ 22,415,224	\$ 49,530

The sensitivity of the net pension liability (asset) to changes in the discount rate is shown below.

Police Employees	1% Decrease	Current Discount Rate	1% Increase
	City's net position liability (asset)	6.25%	7.25%
	\$ 2,814,355	\$ 49,530	\$(2,255,631)

City of Rockledge, Florida
Notes to Financial Statements

Note 10 - RETIREMENT PLANS (Continued)

H. CHANGES IN NET PENSION LIABILITY AND SENSITIVITY TO CHANGES IN DISCOUNT RATE (continued)

Fire Employees

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2024	\$ 19,124,934	\$ 16,313,191	\$ 2,811,743
Changes for a year:			
Service cost	407,561	-	407,561
Interest	1,394,236	-	1,394,236
Differences between expected and actual experience	(203,275)		(203,275)
Changes of assumptions	740,757	-	740,757
Contributions - employer	-	352,516	(352,516)
Contributions - state	-	312,663	(312,663)
Contributions - employee	-	179,843	(179,843)
Net investment income	-	2,153,221	(2,153,221)
Benefit payments, including refunds of employee contributions	(1,018,635)	(1,018,635)	-
Administrative expense	-	(71,877)	71,877
Net changes	1,320,644	1,907,731	(587,087)
Balances at September 30, 2025	\$ 20,445,578	\$ 18,220,922	\$ 2,224,656

The sensitivity of the net pension liability (asset) to changes in the discount rate is shown below.

Fire Employees	1% Decrease	Current Discount Rate	1% Increase
	City's net position liability (asset)	6.25% \$4,676,827	7.25% \$ 2,224,656

Note 11 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. PLAN DESCRIPTION

The City of Rockledge administers a single-employer defined benefit healthcare plan (the “Plan”) that provides medical insurance to its employees and their eligible dependents. Pursuant to Section 112.0801 Florida Statutes, the City is required to provide eligible retirees (as defined in the City’s pension plans) the opportunity to participate in this Plan at the same cost that is applicable to active employees.

The City does not issue stand-alone financial statements for this Plan. All financial information related to the Plan is accounted for in the City’s basic financial statements.

B. FUNDING POLICY

There are no assets accumulated in a trust that meets the criteria of GASB codification P50.101. The City of Rockledge does not pay for health insurance premiums for retirees. Blended premium rates for active and retired employees combined create an implicit subsidy for retirees because, on an actuarial basis, retirees' current and future claims are expected to result in higher costs to the Plan than those of active employees. The current year contributions are determined as annualized claims incurred based on the retiree's age at the beginning of the fiscal year and the claims table used for liability determination, offset by the annual premium paid by the retiree for such coverage. City contributions are actuarially determined as equal to the actuarially determined benefits paid.

C. PLAN MEMBERSHIP

At October 1, 2025, OPEB membership consisted of the following:

	General Employees	Police	Firefighters
Inactive members	1	3	3
Active members	139	47	37
Total	140	50	40

Note 11 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

D. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

In the September 30, 2025 measurement data, the actuarial assumptions and other inputs, applied include the following:

	<u>General Employees'</u>	<u>Police Employees'</u>	<u>Fire Employees'</u>
Inflation	2.00%	2.00%	2.00%
Salary increases (including inflation)			
0 - 10 years of service (0-12 for general employees)	5.50%	5.50%	6.00%
10+ years of service (13+ for general employees)	4.50%	4.50%	4.50%
Discount rate	4.90%	4.90%	4.90%
Ultimate healthcare cost trend rate	5.00%	5.00%	5.00%
Retirees' share of benefit-related costs	100.00%	100.00%	100.00%

The discount rate was selected based on the Bond Buyer “20-Bond GO Index.” In the previous year, the discount rate of 4.06% was based on the S&P Municipal Bond 20 Year High Grade Rate Index.

The mortality tables used for the OPEB Plan are assumed for the Florida Retirement System (FRS) valuation as of July 1, 2024. This is a revision from the prior year, which was based upon the FRS valuation as of July 1, 2019. For the members of the City of Rockledge General Employees’ Pension Plan the table used is that for not special risk and not school instructional personnel. The mortality table for members of the City of Rockledge Fire Employees’ and Police Employees’ Pension Plans is that used for special risk employees. Sex distinct disability rates are used for both special risk employees and regular employees.

The actuarial assumptions used in the October 1, 2025 valuation were not based on the results of an actuarial experience study.

Note 11 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

D. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (continued)

At September 30, 2025 the City of Rockledge reported an OPEB liability of \$686,670. The GASB 75 information has been provided as of the September 30, 2025 measurement date.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Total OPEB Liability (a) - (b)
Change in total OPEB Liability			
Balance at September 30, 2024	\$ 750,135	\$ -	\$ 750,135
Changes for the year:			
Service cost	60,440	-	60,440
Interest	32,086	-	32,086
Difference between expected and actual experience	(69,661)	-	(69,661)
Changes of assumptions	(45,783)	-	(45,783)
Contributions - employer	-	40,547	(40,547)
Benefit payments	(40,547)	(40,547)	-
Net changes	(63,465)	-	(63,465)
Balance at September 30, 2025	\$ 686,670	\$ -	\$ 686,670

Assumptions and other inputs from the October 1, 2024 valuation remained unchanged, except the discount rate increased to 4.90% from 4.06%, and the mortality tables utilized were updated to those utilized by FRS as of July 1, 2024. The methods, assumptions, and participant data used are detailed in the actuarial valuation report dated October 1, 2025.

Note 11 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

D. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (continued)

Sensitivity of the OPEB Liability - The following table represents the City’s total OPEB liability calculated using the discount rate of 4.90%, as well as what the City’s OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.90%) or one percentage point higher (5.90%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	3.90% \$752,547	4.90% \$ 686,670	5.90% \$ 627,371

The following table represents the City’s total OPEB liability calculated using the health care cost trend rate of 5.00%, as well as what the City’s OPEB liability would be if it were calculated using a health care cost trend rate that is one percentage point lower (4.00%) or one percentage point higher (6.00%) than the current rate:

	1% Decrease	Ultimate Trend Rate	1% Increase
Total OPEB liability	4.00% \$610,916	5.00% \$ 686,670	6.00% \$ 776,538

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

For the fiscal year ended September 30, 2025, the City of Rockledge recognized an aggregate OPEB expense of \$7,591. In addition, the City reported deferred inflows and outflows of resources related to the OPEB plan from the following sources:

	Deferred Outflow of	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 143,128
Changes of assumptions	37,980	88,635
Total	\$ 37,980	\$ 231,763

Note 11 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

D. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in the expense as follows:

Year Ending September 30:	
2026	\$ (92,437)
2027	(49,257)
2028	(26,394)
2029	(17,141)
2030	(8,554)
	<u>\$ (193,783)</u>

Note 12 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City purchases separate commercial insurance coverage for workers' compensation, liability, and property damage. Coverage for workers' compensation and automobile claims are limited to the maximum liability exposure the City faces under Florida Statutes. Coverage for general liability claims is a maximum of \$1,000,000 combined single limit.

The commercial insurance carried is a claims incurred policy for which the City is covered for claims originating against the City during the policy period. The amount of coverage is dependent on the date of the liability-imposing event. The City has maintained continuous coverage and does not believe it has any exposure to events which occurred prior to the year ended September 30, 2025.

As of September 30, 2025, the City has an estimated \$716,573 in outstanding claims incurred but not reported. The employee medical insurance is a shared cost policy for which the City pays a recurring administrative fee and claims as asserted. The City's health insurance expenditure is based upon a carryforward experience level, whereby each month the City pays the benefit payments net of the specific stop loss, plus the in-month change in experience deficit, plus adjustments. Consequently, the City does not believe it has any future exposure for medical claims by its employees beyond this estimate, and \$41,685 of accounts payable.

Note 13 - COMMITMENTS AND CONTINGENCIES

During the ordinary course of its operation, the City is party to various claims, legal actions, and complaints. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of the City Attorney, the liabilities which may arise from such actions would not result in losses which would exceed the liability insurance limits in effect at the time the claim arose or otherwise materially affect the financial condition of the City or results of activities.

Note 14 - COMMUNITY REDEVELOPMENT AGENCY

The purpose of the Rockledge CRA is to stimulate economic growth, promote private development opportunities, and maintain a safe, prosperous community while focusing on improving the quality of life of the citizens of Rockledge.

Pursuant to Chapter 163.387 (8) of the Florida Statutes, the following information is provided regarding the receipts and expenditures of the CRA.

	Actual Budgetary Basis
<hr/>	
Resources (inflows):	
Property taxes	1,430,552
Investments and miscellaneous	99,438
Transfer in	2,246,459
<hr/>	
Amounts available for appropriation	3,776,449
<hr/>	
Capital Projects	2,404,844
Façade improvement grants	25,000
Legal services	10,625
Travel and training	75
Insurances	6,520
Accounting and audit	5,357
Memberships and dues	255
Promotional materials / recruitment	280
Office supplies	530
Debt Service	100
<hr/>	
Total charges to appropriations	2,453,586
<hr/>	
Excess of resources over charges to appropriations	1,322,863
<hr/>	
Funds from reserves	(1,322,863)
<hr/>	
Excess (deficiency) of resources and fund balance allocation over charges to appropriations	-
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Note 14 - COMMUNITY REDEVELOPMENT AGENCY (Continued)

The accompanying schedule of revenues, expenditures, and change in the CRA fund balance- budget and actual, presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, timing, perspective, and entry differences in the net changes in fund balance for the year ended September 30, 2025, is presented below:

Net change in fund balance - budgetary basis	1,322,863
2024 differences in budget vs GAAP	811,434
2025 differences in budget vs GAAP	(218,617)
<hr/>	
Excess (deficiency) of resources and fund balance	
allocation over charges to appropriations	1,915,680
<hr/> <hr/>	

Property taxes consisted of the incremental tax receipts provided by increased assessed values over 2001 levels.

Note 15 – CERTAIN RISK DISCLOSURES

Rockledge Regional Medical Center (the Hospital) was a large employer and the only Hospital in the City. The Hospital was a 298-bed facility recently acquired and operated by Orlando Health, a not-for-profit, and therefore, property tax-exempt organization. The Hospital employed nearly 1,000 personnel. There is estimated to be no tax revenue effect in the current or future year related to the change in operations of the Hospital. The land for the hospital was originally donated by the City in 1941, and the City is in negotiations to receive the land back via donation. The effect on City resources for public safety is not readily estimable; however, it is likely that the hospital closure will result in increased City costs and decreased health outcomes for affected residents.

The City’s wastewater treatment operations are subject to environmental regulations established by the State of Florida Department of Environmental Protection. Recent regulation changes enacted by Senate Bill 712 “Clean Water Act,” require that all wastewater treatment facilities that are permitted to discharge into the Indian River Lagoon meet more stringent pollution guidelines generally referred to as advanced wastewater treatment. The City is responsible for complying with the regulations by modifying the wastewater treatment plant at a substantial cost to its ratepayers. On September 17, 2025, the Council approved an increase in the base and gallonage rates charged to private and commercial customers to partially address the funding need.

Note 16 – CONTINGENT LIABILITIES

The City is a defendant in litigation related to property rights. In the opinion of legal counsel and management, it is reasonably possible that a loss may result; however, the amount of potential loss cannot be reasonably estimated at this time. Accordingly, no liability has been accrued as of September 30, 2025.

Note 17 - SUBSEQUENT EVENTS

The City entered into several software, capital improvement, and acquisition projects, including a \$505,460 acquisition over five years of computer-aided dispatching, records management, and mobile platform software for the Police Department. The City entered into an agreement to replace the reclaimed transfer pumps, motors, and deep injection well pump at estimated costs of \$175,386 and \$89,886, respectively. A street parking lot expansion project was approved at a cost of \$1,093,227. The City entered into an agreement to construct a monument sign for \$86,254. The City engaged to replace the City Hall landscaping and add façade improvements at an estimated cost of \$88,162. The City entered into an agreement to replace several pieces of furniture and cabinetry at City Hall in an amount estimated not to exceed \$140,000. The City agreed to rehabilitate ten sanitary sewer manholes and three lift station wet wells for a respective cost of \$126,000 and \$92,000. The City continues phased contract negotiations with an engineering and construction team for a design-build process to ultimately construct Phase 2 of the City's Advanced Wastewater Treatment Process. As the negotiations are ongoing, the financial impact on the City cannot be determined with accuracy at this time. The latest phase of this process is for design, permitting, final scope, and cost development, which has been negotiated and approved at a cost estimate of \$2,760,815. The City entered into multiple agreements for paving of various streets within the City at an estimated aggregate cost of \$782,024. The City has entered into an agreement to replace the fence around the Public Works Compound for an estimated cost of \$85,184. The City has considered subsequent events through March 9, 2026.

**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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City of Rockledge, Florida Budgetary Comparison Schedule – General Fund

<i>Year ended September 30, 2025</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 13,096,407	\$ 13,242,407	\$ 13,276,251	\$ 33,844
Utility tax	2,931,610	2,931,610	3,329,698	398,088
Communication services tax	1,200,000	1,200,000	1,166,797	(33,203)
Franchise fees	2,388,225	2,388,225	2,324,260	(63,965)
Licenses, permits and fees	236,500	236,500	230,655	(5,845)
Intergovernmental	9,133,250	9,133,250	5,798,421	(3,334,829)
Charges for services	612,025	612,025	672,598	60,573
Fines and forfeitures	85,400	85,400	132,567	47,167
Investment and Miscellaneous revenue	483,472	483,472	1,366,470	882,998
Total revenues	30,166,889	30,312,889	28,297,717	(2,015,172)
Expenditures				
Category:				
Administrative:				
Personnel services	1,979,010	2,022,010	1,920,918	101,092
Operating expenditures	198,484	155,484	119,354	36,130
Capital improvement	146,000	146,000	91,355	54,645
Police:				
Personnel services	7,481,345	7,506,345	7,113,867	392,478
Operating expenditures	824,188	799,188	764,907	34,281
Capital improvement	749,800	749,800	624,313	125,487
Fire:				
Personnel services	5,355,635	5,355,635	4,993,783	361,852
Operating expenditures	437,550	473,550	439,216	34,334
Capital improvement	8,131,912	8,095,912	2,102,179	5,993,733
Public works:				
Personnel services	2,994,041	3,089,041	2,918,434	170,607
Operating expenditures	2,594,788	2,499,788	2,020,040	479,748
Capital improvement	577,000	577,000	264,306	312,694
Mayor and City Council:				
Personnel services	61,147	61,147	60,246	901
Operating expenditures	20,876	20,876	18,672	2,204
City attorney:				
Personnel services	179,000	239,000	215,269	23,731
Operating expenditures	3,500	4,500	-	4,500
General government:				
Personnel services	5,000	5,000	915	4,085
Operating expenditures	1,585,496	1,235,496	1,268,473	(32,977)
Capital Improvement	-	147,000	107,962	39,038
Debt service	282,810	570,810	541,430	29,380
Total expenditures	33,607,582	33,753,582	25,585,639	8,167,943

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Rockledge, Florida
Budgetary Comparison Schedule – General Fund

<i>Year Ended September 30, 2025</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Excess (deficit) of revenues over expenditures	\$ (3,440,693)	\$ (3,440,693)	\$ 2,712,078	\$ 6,152,771
Transfers in	2,447,000	2,447,000	946,113	(1,500,887)
Transfers out	(2,246,459)	(2,246,459)	(2,246,459)	-
Net change in fund balance	(3,240,152)	(3,240,152)	1,411,732	4,651,884
Fund balances, beginning of the year,	30,452,640	30,452,640	30,452,640	-
Fund balance, end of year	\$ 27,212,488	\$ 27,212,488	\$ 31,864,372	\$ 4,651,884

Note that this schedule is prepared on a budgetary basis, but is not different from Generally Accepted Accounting Principles (GAAP) in the presentation.

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The accompanying notes to required supplementary information are an integral part of this schedule.

City of Rockledge, Florida
Budgetary Comparison Schedule – CRA Fund

<i>Year ended September 30, 2025</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 1,405,012	\$ 1,405,012	\$ 1,430,552	\$ 25,540
Investment and Miscellaneous revenue	57,000	57,000	99,438	42,438
Total revenues	1,462,012	1,462,012	1,529,990	67,978
Expenditures				
Planning and development:				
Capital projects and acquisitions	9,672,334	9,668,334	2,429,844	7,238,490
Professional services	250,000	250,000	-	250,000
Legal services	18,000	18,000	10,625	7,375
Promotional materials / recruitment	500	500	280	220
Insurances	6,965	7,965	6,520	1,445
Travel and training	2,000	2,000	75	1,925
Accounting and audit	5,467	6,467	5,357	1,110
Office supplies	500	1,500	530	970
Memberships and dues	8,500	8,500	255	8,245
Debt Service	-	1,000	100	900
Total expenditures	9,964,266	9,964,266	2,453,586	7,510,680
Excess (deficiency) of revenues over (under) expenditures	(8,502,254)	(8,502,254)	(923,596)	7,578,658
Other financing sources				
Transfers in	2,246,459	2,246,459	2,246,459	-
Other financing sources	2,246,459	2,246,459	2,246,459	-
Net change in fund balance	(6,255,795)	(6,255,795)	1,322,863	7,578,658
Fund balances, beginning of year	5,464,648	5,464,648	5,464,648	-
Fund balances, end of year	\$ (791,147)	\$ (791,147)	\$ 6,787,511	\$ 7,578,658

The accompanying schedule of revenues, expenditures and change in the CRA fund balance- budget and actual, presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, timing, perspective, and entry differences in the net changes in fund balance for the year ended September 30, 2025, is presented below:

Net change in fund balance- budgetary basis	\$ 1,322,863
2024 differences in budget vs GAAP	811,434
2025 differences in budget vs GAAP	<u>(218,617)</u>
Net change in fund balance- GAAP basis	<u>\$ 1,915,680</u>

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Rockledge, Florida
Budgetary Comparison Schedule – ARPA Fund

<i>Year ended September 30, 2025</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 3,358,000	\$ 3,358,000	\$ 1,717,558	\$ (1,640,442)
Miscellaneous revenue	-	-	39,983	39,983
Total revenues	3,358,000	3,358,000	1,757,541	(1,600,459)
Excess (deficit) of revenues over expenditures	3,358,000	3,358,000	1,757,541	(1,600,459)
Transfers out	(3,358,000)	(3,358,000)	(1,717,558)	1,640,442
Net change in fund balance	-	-	39,983	39,983
Fund balances, beginning of the year,	204,865	204,865	204,865	-
Fund balance, end of year	\$ 204,865	\$ 204,865	\$ 244,848	\$ 39,983

Note that this schedule is prepared on a budgetary basis, but is not different from Generally Accepted Accounting Principles (GAAP) in the presentation.

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The accompanying notes to required supplementary information are an integral part of this schedule.

City of Rockledge, Florida
Budgetary Notes to Required Supplementary Information

Note A – BUDGETARY INFORMATION

The City adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- a) Prior to the first day of August of each year, the City Manager prepares a proposed budget for the next succeeding fiscal year and submits it to the City Council. The recommended budget includes proposed expenditures and the sources of receipts to finance them.
- b) Complete copies of the proposed budget are made available for public inspection. Public hearings are conducted to obtain taxpayers' comments.
- c) The budget is enacted through passage of an ordinance and becomes the basis for the millage levied by the City Council.
- d) The City Manager is authorized to transfer budgeted amounts between line items within a department; however, any revisions that alter the total expenditures of any department must be approved by the City Council. Administrative and General Government are considered one department. Expenditures may not exceed legal appropriations at the department level. All appropriations conclude at year end.
- e) Formal budgetary integration is employed as a management control device during the year for the General Fund and all major, special revenue funds (if any). Formal budgetary integration is not employed for the Law Enforcement Education and Taylor Park Trust Funds, because effective budgetary control is alternatively achieved through expenditure eligibility provisions. Formal budget integration is also not employed for the Transportation Impact Fee Fund and Rockledge Heritage Foundation because projects are approved individually.
- f) Budgets are legally adopted on a basis consistent with GAAP for the General and ARPA funds. The budgetary basis for the CRA fund is cash basis.
- g) The budgetary comparison schedule shown in the accompanying required supplementary information presents comparisons of the legally adopted budget, as amended, with actual results. The originally adopted budget is presented for purposes of comparison to the final, amended budget.

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City of Rockledge, Florida Schedules of Defined Benefit Pension Plans

The schedules presented in the following required supplementary information are intended to provide information that is essential to understanding trends and puts the current period information into historical perspective. The Government Accounting Standards Board (GASB) concludes that a period of ten years will provide information to identify cyclical factors and other trends in connection with defined benefit pension plans. GASB Statement No. 67 sets the requirements for the ten-year schedules to be implemented prospectively. Until a full ten years of data is compiled, the schedules will present data that is available. GASB Statement No. 68 (GASB 68) requires that governments providing defined benefit pensions recognize long-term obligations for pension benefits as a liability and to more comprehensively and comparably measure the annual costs of pension benefits.

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City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

SCHEDULE OF CHANGES IN NET POSITION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years
General Employees

	2025	2024	2023	2022
Total pension liability				
Service cost	\$ 750,258	\$ 580,632	\$ 609,490	\$ 609,575
Interest	1,917,722	1,781,305	1,723,770	1,606,471
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	1,595,795	861,525	(201,610)	617,162
Changes of assumptions	707,913	283,465	252,327	244,741
Benefit payments, including refunds of member contributions	(1,672,275)	(1,267,466)	(1,259,009)	(1,198,693)
Net change in total pension liability	3,299,413	2,239,461	1,124,968	1,879,256
Total pension liability - beginning	26,357,562	24,118,101	22,993,133	21,113,877
Total pension liability - ending (a)	\$ 29,656,975	\$ 26,357,562	\$ 24,118,101	\$ 22,993,133
Plan fiduciary net position				
Contribution - employer	\$ 574,935	\$ 539,736	\$ 445,456	\$ 574,800
Contribution - employee	429,284	382,856	345,702	323,243
Net investment income	3,260,548	4,471,764	2,269,256	(3,282,778)
Benefit payments, including refunds of member contributions	(1,672,275)	(1,267,466)	(1,259,009)	(1,198,693)
Administrative expense	(68,818)	(73,113)	(62,236)	(74,272)
Net change in plan fiduciary net position	2,523,674	4,053,777	1,739,169	(3,657,700)
Plan fiduciary net position - beginning	25,167,820	21,114,043	19,374,874	23,032,574
Plan fiduciary net position - ending (b)	\$ 27,691,494	\$ 25,167,820	\$ 21,114,043	\$ 19,374,874
Net pension liability (asset) - ending (a) - (b)	\$ 1,965,481	\$ 1,189,742	\$ 3,004,058	\$ 3,618,259
Plan fiduciary net position as a percentage of the total pension liability	93.37%	95.49%	87.54%	84.26%
Covered payroll	\$ 7,154,574	\$ 6,311,725	\$ 5,761,701	\$ 5,387,387
Net pension liability as a percentage of covered payroll	27.47%	18.85%	52.14%	67.16%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

	2021	2020	2019	2018	2017	2016
\$	621,801	\$ 652,595	\$ 605,932	\$ 605,875	\$ 580,741	\$ 502,300
	1,540,540	1,548,052	1,488,277	1,448,433	1,405,981	1,321,703
	-	-	(45,645)	-	-	-
	277,065	(893,305)	(329,476)	(488,124)	(163,308)	(211,999)
	(134,302)	(218,604)	-	206,529	32,034	840,843
	(1,137,829)	(908,956)	(1,085,673)	(961,938)	(1,727,630)	(753,910)
	1,167,275	179,782	633,415	810,775	127,818	1,698,937
	19,946,602	19,766,820	19,133,405	18,322,630	18,194,812	16,495,875
	<u>\$ 21,113,877</u>	<u>\$ 19,946,602</u>	<u>\$ 19,766,820</u>	<u>\$ 19,133,405</u>	<u>\$ 18,322,630</u>	<u>\$ 18,194,812</u>
\$	724,655	\$ 720,642	\$ 756,292	\$ 751,853	\$ 680,623	\$ 561,465
	306,359	303,417	297,434	285,978	275,299	255,031
	3,931,392	1,886,395	606,585	1,507,361	1,710,431	1,227,300
	(1,137,829)	(908,956)	(1,085,673)	(961,938)	(1,727,630)	(753,910)
	(63,270)	(67,175)	(65,394)	(60,095)	(46,286)	(55,175)
	3,761,307	1,934,323	509,244	1,523,159	892,437	1,234,711
	19,271,267	17,336,944	16,827,700	15,304,541	14,412,104	13,177,393
	<u>\$ 23,032,574</u>	<u>\$ 19,271,267</u>	<u>\$ 17,336,944</u>	<u>\$ 16,827,700</u>	<u>\$ 15,304,541</u>	<u>\$ 14,412,104</u>
	<u>\$ (1,918,697)</u>	<u>\$ 675,335</u>	<u>\$ 2,429,876</u>	<u>\$ 2,305,705</u>	<u>\$ 3,018,089</u>	<u>\$ 3,782,708</u>
	109.09%	96.61%	87.71%	87.95%	83.53%	79.21%
\$	5,105,988	\$ 5,056,951	\$ 4,957,236	\$ 4,766,306	\$ 4,573,157	\$ 4,387,506
	-37.58%	13.35%	49.02%	48.38%	66.00%	86.22%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years
General Employees

	2025	2024	2023	2022
Actuarially determined contribution	\$ 574,935	\$ 539,736	\$ 445,456	\$ 574,800
Contributions in relation to the actuarially determined contributions	574,935	539,736	445,456	574,800
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$7,154,574	\$6,311,725	\$5,761,701	\$5,387,387
Contributions as a percentage of covered payroll	8.0%	8.6%	7.7%	10.7%

Notes to Schedule

Valuation Date: 10/1/25

Note 1: Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

2021	2020	2019	2018	2017	2016
\$ 724,655	\$ 720,642	\$ 756,292	\$ 751,853	\$ 672,777	\$ 561,465
724,655	720,642	756,292	751,853	680,623	561,465
\$ -	\$ -	\$ -	\$ -	\$ (7,846)	\$ -
\$5,105,988	\$5,056,951	\$4,957,236	\$4,766,306	\$4,573,157	\$4,387,506
14.2%	14.3%	15.3%	15.8%	14.7%	12.8%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

SCHEDULE OF CHANGES IN NET POSITION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years
Police Employees

	2025	2024	2023	2022
Total pension liability				
Service cost	\$ 492,939	\$ 432,587	\$ 413,606	\$ 368,486
Interest	1,487,832	1,416,890	1,366,536	1,328,370
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	591,104	422,590	69,897	17,203
Changes of assumptions	771,898	216,234	201,541	190,262
Benefit payments, including refunds of member contributions	(1,375,884)	(1,287,571)	(998,520)	(1,409,667)
Net change in total pension liability	1,967,889	1,200,730	1,053,060	494,654
Total pension liability - beginning	20,496,865	19,296,135	18,243,075	17,748,421
Total pension liability - ending (a)	\$ 22,464,754	\$ 20,496,865	\$ 19,296,135	\$ 18,243,075
Plan fiduciary net position				
Contribution - employer	\$ 45,929	\$ 100,904	\$ 14,284	\$ 94,500
Contribution - state	405,259	359,325	313,510	269,833
Contribution - employee	219,479	184,796	184,886	170,855
Net investment income	2,645,339	3,657,336	1,911,458	(2,780,118)
Benefit payments, including refunds of member contributions	(1,375,884)	(1,287,571)	(998,520)	(1,409,667)
Administrative expense	(100,955)	(52,239)	(69,672)	(75,347)
Net change in plan fiduciary net position	1,839,167	2,962,551	1,355,946	(3,729,944)
Plan fiduciary net position - beginning	20,576,057	17,613,506	16,257,560	19,987,504
Plan fiduciary net position - ending (b)	\$ 22,415,224	\$ 20,576,057	\$ 17,613,506	\$ 16,257,560
Net pension liability (asset) - ending (a) - (b)	\$ 49,530	\$ (79,192)	\$ 1,682,629	\$ 1,985,515
Plan fiduciary net position as a percentage of the total pension liability	99.78%	100.39%	91.28%	89.12%
Covered payroll	\$ 3,135,415	\$ 2,639,945	\$ 2,641,234	\$ 2,440,793
Net pension liability as a percentage of covered payroll	1.58%	-3.00%	63.71%	81.35%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

	2021	2020	2019	2018	2017	2016
	\$ 382,153	\$ 414,205	\$ 401,170	\$ 385,421	\$ 427,707	\$ 411,090
	1,295,989	1,271,367	1,191,725	1,123,149	1,047,395	961,067
	-	-	(12,487)	-	-	-
	205,503	(76,767)	37,959	(132,738)	(65,611)	(156,120)
	132,191	(321,354.00)	-	321,084	(3,883)	226,678
	(1,085,578)	(798,029)	(457,662)	(453,905)	(382,951)	(395,306)
	930,258	489,422	1,160,705	1,243,011	1,022,657	1,047,409
	16,818,163	16,328,741	15,168,036	13,925,025	12,902,368	11,854,959
	<u>\$ 17,748,421</u>	<u>\$ 16,818,163</u>	<u>\$ 16,328,741</u>	<u>\$ 15,168,036</u>	<u>\$ 13,925,025</u>	<u>\$ 12,902,368</u>
	\$ 214,932	\$ 223,878	\$ 238,901	\$ 259,625	\$ 218,130	\$ 214,124
	247,231	244,109	229,301	216,318	195,099	191,152
	152,146	154,795	187,557	151,048	155,403	162,989
	3,509,893	1,665,927	491,806	1,346,363	1,525,941	1,041,785
	(1,085,578)	(798,029)	(457,662)	(453,905)	(382,951)	(395,306)
	(67,589)	(66,077)	(63,865)	(62,778)	(63,054)	(52,859)
	2,971,035	1,424,603	626,038	1,456,671	1,648,568	1,161,885
	17,016,469	15,591,866	14,965,828	13,509,157	11,860,589	10,698,704
	<u>\$ 19,987,504</u>	<u>\$ 17,016,469</u>	<u>\$ 15,591,866</u>	<u>\$ 14,965,828</u>	<u>\$ 13,509,157</u>	<u>\$ 11,860,589</u>
	<u>\$ (2,239,083)</u>	<u>\$ (198,306)</u>	<u>\$ 736,875</u>	<u>\$ 202,208</u>	<u>\$ 415,868</u>	<u>\$ 1,041,779</u>
	112.62%	101.18%	95.49%	98.67%	97.01%	91.93%
	\$ 2,173,510	\$ 2,211,353	\$ 2,234,127	\$ 2,157,825	\$ 2,220,009	\$ 2,412,232
	-103.02%	-8.97%	32.98%	9.37%	18.73%	43.19%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years
Police Employees

	2025	2024	2023	2022
Actuarially determined contribution	\$ 45,929	\$ 11,412	\$ 14,284	\$ 94,500
Contributions in relation to the actuarially determined contributions	45,929	11,412	14,284	94,500
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$3,135,415	\$2,639,945	\$2,641,234	\$ 2,440,793
Contributions as a percentage of covered payroll	1.50%	0.40%	0.5%	3.9%

Notes to Schedule

Valuation Date: 10/1/25

Note 1: Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

2021	2020	2019	2018	2017	2016
\$ 197,002	\$ 196,087	\$ 204,699	\$ 234,459	\$ 210,378	\$ 214,124
214,932	223,878	238,901	259,625	218,130	214,124
\$ (17,930)	\$ (27,791)	\$ (34,202)	\$ (25,166)	\$ (7,752)	\$ -
\$ 2,173,510	\$ 2,211,353	\$ 2,234,127	\$ 2,157,825	\$ 2,220,009	\$ 2,412,232
9.1%	8.9%	9.2%	10.9%	9.5%	8.9%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

SCHEDULE OF CHANGES IN NET POSITION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years
Fire Employees

	2025	2024	2023	2022
Total pension liability				
Service cost	\$ 407,561	\$ 358,234	\$ 361,692	\$ 324,358
Interest	1,394,236	1,302,847	1,255,947	1,200,149
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	(203,275)	564,894	121,745	417,259
Changes of assumptions	740,757	206,796	187,944	175,537
Benefit payments, including refunds of member contributions	(1,018,635)	(973,705)	(1,161,496)	(1,232,133)
Net change in total pension liability	1,320,644	1,459,066	765,832	885,170
Total pension liability - beginning	19,124,934	17,665,868	16,900,036	16,014,866
Total pension liability - ending (a)	\$ 20,445,578	\$ 19,124,934	\$ 17,665,868	\$ 16,900,036
Plan fiduciary net position				
Contribution - employer	\$ 352,516	\$ 406,064	\$ 226,330	\$ 389,496
Contribution - state	312,663	292,501	285,645	195,911
Contribution - employee	179,843	171,689	160,491	144,468
Net investment income	2,153,221	2,825,364	1,458,748	(2,177,517)
Benefit payments, including refunds of member contributions	(1,018,665)	(973,705)	(1,161,496)	(1,232,133)
Administrative expense	(71,877)	(72,976)	(68,609)	(74,609)
Net change in plan fiduciary net position	1,907,731	2,648,937	901,109	(2,754,384)
Plan fiduciary net position - beginning	16,313,191	13,664,254	12,763,145	15,517,529
Plan fiduciary net position - ending (b)	\$ 18,220,922	\$ 16,313,191	\$ 13,664,254	\$ 12,763,145
Net pension liability - ending (a) - (b)	\$ 2,224,656	\$ 2,811,743	\$ 4,001,614	\$ 4,136,891
Plan fiduciary net position as a percentage of the total pension liability	89.12%	85.30%	77.35%	75.52%
Covered payroll	\$ 2,569,179	\$ 2,452,695	\$ 2,292,727	\$ 2,063,835
Net pension liability as a percentage of covered payroll	86.59%	114.64%	174.54%	200.45%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

	2021	2020	2019	2018	2017	2016
\$	335,790	\$ 330,848	\$ 281,063	\$ 282,331	\$ 274,692	\$ 246,725
	1,185,898	1,170,575	1,148,416	1,157,646	1,133,189	1,079,211
	69,519	-	(12,971)	-	-	-
	(12,533)	(8,335)	(194,742)	(306,100)	(103,605)	(66,127)
	(44,778)	(249,721)	-	154,133	(59)	307,379
	(1,037,051)	(866,650)	(1,107,999)	(1,315,062)	(675,538)	(815,013)
	496,845	376,717	113,767	(27,052)	628,679	752,175
	15,518,021	15,141,304	15,027,537	15,054,589	14,425,910	13,673,735
\$	16,014,866	\$ 15,518,021	\$ 15,141,304	\$ 15,027,537	\$ 15,054,589	\$ 14,425,910
\$	459,417	\$ 459,690	\$ 498,650	\$ 479,284	\$ 434,969	\$ 390,264
	185,590	140,547	155,266	144,344	138,409	154,239
	138,392	130,053	130,716	116,807	105,910	104,923
	2,642,128	1,281,413	414,941	1,086,797	1,267,423	884,745
	(1,037,051)	(866,650)	(1,107,999)	(1,315,062)	(675,538)	(815,013)
	(71,622)	(67,126)	(68,082)	(65,512)	(68,567)	(59,280)
	2,316,854	1,077,927	23,492	446,658	1,202,606	659,878
	13,200,675	12,122,748	12,099,256	11,652,598	10,449,992	9,790,114
\$	15,517,529	\$ 13,200,675	\$ 12,122,748	\$ 12,099,256	\$ 11,652,598	\$ 10,449,992
\$	497,337	\$ 2,317,346	\$ 3,018,556	\$ 2,928,281	\$ 3,401,991	\$ 3,975,918
	96.89%	85.07%	80.06%	80.51%	77.40%	72.44%
\$	1,977,033	\$ 1,857,899	\$ 1,867,373	\$ 1,668,674	\$ 1,513,002	\$ 1,554,319
	25.16%	124.73%	161.65%	175.49%	224.85%	255.80%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

SCHEDULE OF CONTRIBUTIONS
Last Ten Fiscal Years
Fire Employees

	2025	2024	2023	2022
Actuarially determined contribution	\$ 352,516	\$ 309,474	\$ 226,330	\$ 389,796
Contributions in relation to the actuarially determined contributions	352,516	309,474	226,330	389,796
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,569,179	\$ 2,452,695	\$ 2,292,727	\$ 2,063,835
Contributions as a percentage of covered payroll	13.7%	12.6%	9.9%	18.9%

Notes to Schedule

Valuation Date: 10/1/25

Note 1: Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Plan Changes in Benefit Terms

There have been no changes in benefits since the prior valuation of all three pension plans.

Changes of Assumptions

For all plans, the interest rate assumption is now 7.25%, and change from the prior year's rate of 7.35%.

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

2021	2020	2019	2018	2017	2016
\$ 429,093	\$ 459,690	\$ 481,793	\$ 479,284	\$ 434,969	\$ 390,264
459,417	459,690	498,650	479,284	434,969	390,264
\$ (30,324)	\$ -	\$ (16,857)	\$ -	\$ -	\$ -
\$ 1,977,033	\$ 1,857,899	\$ 1,867,373	\$ 1,668,674	\$ 1,513,002	\$ 1,554,319
21.7%	24.7%	25.8%	28.7%	28.7%	25.1%

City of Rockledge, Florida Schedules of Defined Benefit Pension Plans

Methods and Assumptions Used to Determine Contribution Rates

	General Employees	Police Employees	Fire Employees
Actuarial cost method:	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method:	Level dollar	Level dollar	Level dollar
Remaining amortization period:	25 Years (as of 10/1/2015)	25 Years (as of 10/1/2015)	25 Years (as of 10/1/2015)
Asset valuation method :	5-year amortized market	5-year amortized market	5-year amortized market
Inflation:	2.0%	2.0%	2.0%
Payroll increases :	Based on individual salary increase assumptions and other decrements assumed in the valuation of Plan Liabilities.	Based on individual salary increase assumptions and other decrements assumed in the valuation of Plan Liabilities.	Based on individual salary increase assumptions and other decrements assumed in the valuation of Plan Liabilities.
Salary increases :			
0 - 10 years of service (0-12 for general employees)	5.50%	5.50%	6.00%
10+ years of service (12+ for general employees)	4.50%	4.50%	4.50%
*Interest rate:	7.25%	7.25%	7.25%
Retirement age:	Age 65 and 10 years of service.	Age 52 and 10 years of service	Age 52 and 25 years or age 55 and 10 years of service.
Early retirement:	Age 55 and 10 years reduced at 5/9% per month first 60 months and 5/18% thereafter with a minimum benefit of 60% for employees with 25 years credited service.	Age 44 and 25 years or age 50 and 10 years reduced at 1/4% per month with a minimum of 50% for those with 25 years credited service.	Age 45 and 25 years or age 50 and 10 years reduced at 1/4% per month with a minimum of 50% for those with 25 years credited service.
Mortality:	One of the last two FRS not special risk	One of the last two FRS special risk	One of the last two FRS special risk

*Interest rate is compounded annually, net of investment-related expenses, including inflation.

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

Money-weighted Rate of Return

This schedule is intended to provide information about the actual performance of the pension plan's investment portfolio because it takes into account the effects of transactions that increase the amount of pension plan investments (such as contributions from employers, non-employer contributing entities, and plan members) and those that decrease the amount of pension plan investments (such as benefit payments).

Annual money-weighted rate of return
net of investment expense

General Employees									
2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
12.61%	20.58%	11.32%	-14.52%	20.17%	10.59%	3.27%	9.52%	12.40%	9.28%
Police Employees									
2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
12.38%	20.50%	11.39%	-14.56%	20.74%	10.47%	2.90%	9.59%	12.39%	9.23%
Fire Employees									
2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
12.62%	19.88%	11.10%	-14.74%	19.85%	10.19%	3.03%	9.17%	12.01%	9.04%

City of Rockledge, Florida
Schedules of Other Postemployment Benefits

Year Ending September 30,	2025	2024	2023
Total OPEB liability			
Service Cost	\$ 60,440	\$ 46,867	\$ 56,158
Interest	32,086	33,749	32,657
Differences between expected and actual experience	(69,661)	(14,872)	(109,774)
Changes of assumptions	(45,783)	54,389	(53,198)
Benefit payments	(40,547)	(32,272)	(39,538)
Net change in total OPEB liability	(63,465)	87,861	(113,695)
Total OPEB liability - beginning	750,135	662,274	775,969
Total OPEB liability - ending	\$ 686,670	\$ 750,135	\$ 662,274
Plan fiduciary net position			
Contributions - employer	\$ 40,547	\$ 32,272	\$ 39,538
Contributions - employee	-	-	-
Net investment income	-	-	-
Benefit payments	(40,547)	(32,272)	(39,538)
Administrative expense	-	-	-
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning	-	-	-
Plan fiduciary net position - ending	\$ -	\$ -	\$ -
Total OPEB liability	\$ 686,670	\$ 750,135	\$ 662,274
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%
Covered employee payroll	\$ 13,015,171	\$ 11,987,764	\$ 10,663,712
Total OPEB liability as a percentage of covered employee payroll	5.28%	6.26%	6.21%

Note 1: Rate assumption used for each period:

Period	9/30/2025	9/30/2024	9/30/2023
Discount	4.90%	4.06%	4.87%
Inflation	2.00%	2.00%	2.00%

Note 2: There are no assets accumulated in a trust that meets the criteria of GASB codification P50.101 to pay related OPEB benefits.

Note 3: GASB 75 requires an employer to disclose a 10-year history. However, until a full 10-year trend is compiled, information will be presented only for those years for which information is available.

City of Rockledge, Florida
Schedules of Other Postemployment Benefits

2022		2021		2020		2019		2018	
\$	78,867	\$	75,862	\$	63,212	\$	45,450	\$	44,639
	22,986		21,531		21,677		28,740		30,469
	(114,144)		(60,075)		13,711		(22,953)		(66,390)
	(128,361)		53,255		99,743		72,699		-
	(43,250)		(58,109)		(45,297)		(45,223)		(60,258)
	(183,902)		32,464		153,046		78,713		(51,540)
	959,871		927,407		774,361		695,648		747,188
\$	775,969	\$	959,871	\$	927,407	\$	774,361	\$	695,648

\$	43,250	\$	58,109	\$	45,297	\$	45,223	\$	60,258
	-		-		-		-		-
	-		-		-		-		-
	(43,250)		(58,109)		(45,297)		(45,223)		(60,258)
	-		-		-		-		-
	-		-		-		-		-
	-		-		-		-		-
\$	-	\$	-	\$	-	\$	-	\$	-

\$	775,969	\$	959,871	\$	927,407	\$	774,361	\$	695,648
	0.00%		0.00%		0.00%		0.00%		0.00%

\$	11,196,740	\$	10,799,549	\$	9,556,748	\$	9,750,596	\$	9,183,488
	6.93%		8.89%		9.70%		7.94%		7.57%

9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
4.02%	2.26%	2.21%	2.66%	4.00%
2.00%	2.00%	2.00%	2.00%	2.50%

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OTHER SUPPLEMENTARY INFORMATION

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City of Rockledge, Florida
Combining Balance Sheet - Nonmajor Governmental Funds

Special Revenue Funds

<i>September 30, 2025</i>	Law Enforcement Education	Transportation Impact Fee	Taylor Park Trust	Rockledge Heritage Foundation	Total Nonmajor Governmental funds
ASSETS					
Cash and cash equivalents	\$ 60,068	\$ 113,255	\$ 346	\$ 1,670	\$ 175,339
Total assets	\$ 60,068	\$ 113,255	\$ 346	\$ 1,670	\$ 175,339
FUND BALANCES					
Restricted	\$ 60,068	\$ 113,255	\$ 346	\$ 1,670	\$ 175,339
Total fund balances	60,068	113,255	346	1,670	175,339
Total liabilities and fund balances	\$ 60,068	\$ 113,255	\$ 346	\$ 1,670	\$ 175,339

City of Rockledge, Florida
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
– Nonmajor Governmental Funds

<i>Year Ended September 30, 2025</i>	<u>Special Revenue Funds</u>				Rockledge Heritage Foundation	Total Nonmajor Governmental Funds
	Law Enforcement Education	Transportation Impact Fee	Taylor Park Trust			
Revenues						
Fines and forfeitures	\$ 5,087	\$ -	\$ -	\$ -	\$ -	\$ 5,087
Interest	814	1,675	6	-	-	2,495
Total revenues	5,901	1,675	6	-	-	7,582
Expenditures						
Public works	-	5,224	-	-	-	5,224
General government	-	-	-	61	61	61
Total expenditures	-	5,224	-	61	61	5,285
Excess (deficiency) of revenues over (under) expenditures	5,901	(3,549)	6	(61)	(61)	2,297
Fund balances, beginning of year	54,167	116,804	340	1,731	1,731	173,042
Fund balances, end of year	\$ 60,068	\$ 113,255	\$ 346	\$ 1,670	\$ 1,670	\$ 175,339

City of Rockledge, Florida
Combining Statement of Net Position - Nonmajor Proprietary Funds

<i>September 30, 2025</i>	Nonmajor Sanitation Impact Fee	Nonmajor Building	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 557,085	\$ 1,651,995	\$ 2,209,080
Prepaid items	-	9,770	9,770
Total current assets	557,085	1,661,765	2,218,850
Capital assets:			
Subscription Based Technology Arrangements	-	378,284	378,284
Construction in progress	-	15,830	15,830
Machinery and equipment	-	6,000	6,000
Vehicles	-	26,232	26,232
	-	426,346	426,346
Less accumulated amortization	-	(160,494)	(160,494)
Less accumulated depreciation	-	(3,223)	(3,223)
Total capital assets, net of accumulated amortization and depreciation	-	262,629	262,629
Total noncurrent assets	-	262,629	262,629
Total assets	557,085	1,924,394	2,481,479
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow of OPEB expense	-	189	189
Deferred outflow of pension expenses	-	168,053	168,053
Total deferred outflow of resources	-	168,242	168,242
LIABILITIES			
Current liabilities (payable from current assets):			
Accounts payable	-	26,278	26,278
Accrued payroll and related liabilities	-	7,833	7,833
Current Portion OPEB liability	-	407	407
Compensated absences	-	25,202	25,202
Current portion of subscription based technology arrangements	-	104,117	104,117
Total current liabilities	-	163,837	163,837
Noncurrent liabilities:			
OPEB liability due after one year	-	6,489	6,489
Net pension liability	-	57,210	57,210
Compensated absences due after one year	-	6,473	6,473
Subscription based technology arrangement due after one year	-	172,295	172,295
Total noncurrent liabilities	-	242,467	242,467
Total liabilities	-	406,304	406,304
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of pension earnings	-	93,800	93,800
Deferred inflows of OPEB earnings	-	1,746	1,746
Total deferred inflows of resources	-	95,546	95,546
NET POSITION			
Net investment in capital assets	-	(27,181)	(27,181)
Restricted for:			
Public Safety	-	1,617,967	1,617,967
Capital projects	557,085	-	557,085
Total net position	\$ 557,085	\$ 1,590,786	\$ 2,147,871

City of Rockledge, Florida

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position –
Nonmajor Proprietary Funds**

<i>Year ended September 30, 2025</i>	Nonmajor Sanitation Impact Fee		Nonmajor Building		Total
Operating revenues:					
Charges for services	\$	-	\$	728,536	\$ 728,536
Miscellaneous revenue		-		-	-
Total operating revenues		-		728,536	728,536
Operating expenses:					
Salaries, wages and employee benefits		-		369,729	369,729
Contractual, materials, and supplies		-		86,957	86,957
Repairs and maintenance		-		26,038	26,038
Depreciation		-		3,223	3,223
Amortization		-		105,166	105,166
Total operating expenses		-		591,113	591,113
Operating income (loss)		-		137,423	137,423
Nonoperating revenues (expenses):					
Interest income		7,155		22,489	29,644
Interest expense		-		(22,724)	(22,724)
Total nonoperating revenues (expenses)		7,155		(235)	6,920
Income (loss) before contributions		7,155		137,188	144,343
Capital contributions		96,584		-	96,584
Transfers out		-		(83,000)	(83,000)
Change in net position		103,739		54,188	157,927
Net position, beginning of year		453,346		1,536,598	1,989,944
Net position, end of year	\$	557,085	\$	1,590,786	\$ 2,147,871

City of Rockledge, Florida
Combining Statement of Cash Flows - Nonmajor Proprietary Funds

<i>Year Ended September 30, 2025</i>	<u>Business-type Activities - Enterprise Funds</u>		
	Nonmajor Impact Fee	Nonmajor Building	Total
Cash flows from operating activities:			
Cash received from customers for sales and services	\$ -	\$ 728,536	\$ 728,536
Cash payments to employees	-	(362,766)	(362,766)
Cash payments to suppliers for goods and services	-	(105,407)	(105,407)
Net cash provided by operating activities	-	260,363	260,363
Cash flows from noncapital financing activities:			
Cash transfers out to other funds	-	(83,000)	(83,000)
Net cash used in noncapital financing activities	-	(83,000)	(83,000)
Cash flows from capital and related financing activities:			
Acquisition of capital assets	-	(48,063)	(48,063)
Proceeds for capital grants and contributions	96,584	-	96,584
Principal paid on long-term liabilities	-	(46,016)	(46,016)
Interest paid on long-term debt, net of subsidy	-	(22,724)	(22,724)
Net cash provided by (used in) capital and related financing activities	96,584	(116,803)	(20,219)
Cash flows from investing activities:			
Investment income	7,155	22,489	29,644
Net cash provided by investing activities	7,155	22,489	29,644
Net increase in cash and cash equivalents	103,739	83,049	186,788
Cash and cash equivalents, beginning of year	453,346	1,568,946	2,022,292
Cash and cash equivalents, end of year	\$ 557,085	\$ 1,651,995	\$ 2,209,080
	<u>Business-type Activities - Enterprise Funds</u>		
	Nonmajor Sanitation Impact Fee	Nonmajor Building	Total
<i>Year Ended September 30, 2025</i>			
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ -	\$ 137,423	\$ 137,423
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	-	108,389	108,389
Change in assets and liabilities:			
Prepaid items	-	(2,323)	(2,323)
Deferred outflows of OPEB expense	-	587	587
Deferred outflows of pension expenses	-	(48,733)	(48,733)
Increase (decrease) in liabilities:			
Accounts payable	-	9,911	9,911
Accrued payroll and related liabilities	-	(2,727)	(2,727)
Net OPEB obligation	-	(1,322)	(1,322)
Net pension liability	-	30,022	30,022
Deferred inflows of pension earnings	-	29,087	29,087
Deferred inflows of OPEB earnings	-	49	49
Total adjustments	-	122,940	122,940
Net cash provided by operating activities	\$ -	\$ 260,363	\$ 260,363

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STATISTICAL SECTION

This part of the City of Rockledge, Florida's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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A. Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Schedule A1 Net Position by Component

Schedule A2.1 Changes in Net Position

Schedule A2.2 General Revenues and Other Changes in Net Position

Schedule A3 Fund Balances – Governmental Funds

Schedule A4 Changes in Fund Balances – Governmental Funds

B. Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local own-source revenues - ad valorem property taxes, occupational license taxes, and building permits revenues.

Schedule B1 Value of Taxable Property

Schedule B2 Direct and Overlapping Property Tax Rates

Schedule B3 Principal Property Taxpayers

Schedule B4 Property Tax Levies and Collections

C. Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of debt outstanding and the City's ability to issue additional debt in the future, as necessary.

Schedule C1 Ratios of Outstanding Debt by Type

Schedule C2 Direct and Overlapping Governmental Activities Debt

Schedule C3 Pledged Revenue Coverage

D. Demographic and Economic Information Financial Trends

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Schedule D1 Demographic and Economic Statistics

Schedule D2 Principal Employers

E. Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Schedule E1 Employees by Function/Program

Schedule E2 Operating Indicators by Function/Program

Schedule E3 Capital Asset Statistics by Function/Program

Additional Notes

Unless otherwise noted, the information in these schedules is derived from the City's Annual Comprehensive Financial Report for the relevant year.

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City of Rockledge, Florida
Net Position by Component
Last Ten Fiscal Years

Schedule A-1

City of Rockledge, Florida
Net Position by Component
Last Ten Fiscal Years
Schedule A-1

	2016	2017	2018	2019
Governmental activities				
Net investment in capital assets	\$ 40,091,387	\$ 40,126,774	\$ 39,291,479	\$ 42,561,982
Restricted	1,258,914	2,628,476	3,227,111	1,876,846
Unrestricted	<u>3,368,006</u>	<u>3,769,243</u>	<u>6,549,155</u>	<u>8,117,838</u>
Total governmental activities net position	<u>\$ 44,718,307</u>	<u>\$ 46,524,493</u>	<u>\$ 49,067,745</u>	<u>\$ 52,556,666</u>
Business-type activities				
Net investment in capital assets	\$ 35,445,283	\$ 37,817,923	\$ 37,765,234	\$ 36,704,380
Restricted	2,564,919	2,701,663	2,399,508	2,794,158
Unrestricted	<u>3,003,660</u>	<u>2,846,325</u>	<u>6,551,561</u>	<u>7,629,598</u>
Total business-type activities net position	<u>\$ 41,013,862</u>	<u>\$ 43,365,911</u>	<u>\$ 46,716,303</u>	<u>\$ 47,128,136</u>
Primary government				
Net investment in capital assets	\$ 75,536,670	\$ 77,944,697	\$ 77,056,713	\$ 79,266,362
Restricted	3,823,833	5,330,139	5,626,619	4,671,004
Unrestricted	<u>6,371,666</u>	<u>6,615,568</u>	<u>13,100,716</u>	<u>15,747,436</u>
Total primary government activities net position	<u>\$ 85,732,169</u>	<u>\$ 89,890,404</u>	<u>\$ 95,784,048</u>	<u>\$ 99,684,802</u>

Notes: 1. Accrual Basis of Accounting

2. Accounting standards require that net position be reported in three (3) components in the financial statements: net investment in capital assets, restricted and unrestricted.

3. Net position is considered restricted only when an external party, such as the state or federal government, places a restriction on how the resources may be used or through enabling legislation enacted by the City.

City of Rockledge, Florida
Net Position by Component
Last Ten Fiscal Years

Schedule A-1

2020	2021	2022	2023	2024	2025
\$ 41,969,062	\$ 71,072,994	\$ 70,686,599	\$ 72,485,905	\$ 76,845,201	\$ 80,428,913
3,613,628	4,793,546	5,999,350	7,278,570	5,731,687	7,729,964
11,228,923	16,707,474	20,313,900	23,882,613	28,845,915	28,709,354
<u>\$ 56,811,613</u>	<u>\$ 92,574,014</u>	<u>\$ 96,999,849</u>	<u>\$ 103,647,088</u>	<u>\$ 111,422,803</u>	<u>\$ 116,868,231</u>
\$ 36,828,163	\$ 34,738,386	\$ 38,824,913	\$ 46,259,177	\$ 51,913,144	\$ 57,303,802
7,129,738	12,071,164	7,458,426	8,145,889	9,392,895	9,628,316
5,772,267	8,383,614	12,377,888	15,004,771	15,809,854	16,341,005
<u>\$ 49,730,168</u>	<u>\$ 55,193,164</u>	<u>\$ 58,661,227</u>	<u>\$ 69,409,837</u>	<u>\$ 77,115,893</u>	<u>\$ 83,273,123</u>
\$ 78,797,225	\$ 105,811,380	\$ 109,511,512	\$ 118,745,082	\$ 128,758,345	\$ 137,732,715
10,743,366	16,864,710	13,457,776	15,424,459	15,124,582	17,358,280
17,001,190	25,091,088	32,691,788	38,887,384	44,655,769	45,050,359
<u>\$ 106,541,781</u>	<u>\$ 147,767,178</u>	<u>\$ 155,661,076</u>	<u>\$ 173,056,925</u>	<u>\$ 188,538,696</u>	<u>\$ 200,141,354</u>

City of Rockledge, Florida
Changes in Net Position
Last Ten Fiscal Years

Schedule A-2.1

Changes in Net Position
Last Ten Fiscal Years
Schedule A-2.1

	2016	2017	2018	2019
Program expenses				
Governmental activities:				
General government	\$ 1,772,664	\$ 2,021,945	\$ 2,368,258	\$ 2,773,667
Administrative services	1,722,151	1,698,634	1,651,826	1,743,873
Mayor and City Council	46,318	52,352	54,390	56,341
City attorney	99,409	91,552	98,685	100,544
Police	5,868,157	5,800,342	5,683,051	6,120,622
Fire	3,938,926	3,800,922	4,136,215	3,992,360
Public Works	2,483,383	2,615,109	2,570,645	2,786,969
Planning and Development	1,061,529	632,251	559,740	526,010
Parks and Recreation	2,715	-	779	-
Total governmental activities	<u>\$ 16,995,252</u>	<u>\$ 16,713,107</u>	<u>\$ 17,123,589</u>	<u>\$ 18,100,386</u>
Business-type activities:				
Wastewater systems	\$ 4,252,809	\$ 3,855,516	\$ 3,866,288	\$ 5,048,962
Sanitation services	2,524,783	3,160,303	2,925,296	2,807,127
Stormwater utility	795,707	680,307	667,642	1,252,924
Building Department	-	-	-	-
Total business-type activities	<u>\$ 7,573,299</u>	<u>\$ 7,696,126</u>	<u>\$ 7,459,226</u>	<u>\$ 9,109,013</u>
Total primary government activities	<u>\$ 24,568,551</u>	<u>\$ 24,409,233</u>	<u>\$ 24,582,815</u>	<u>\$ 27,209,399</u>
Program revenues				
Governmental activities:				
General government	\$ 213,798	\$ 144,198	\$ 161,795	\$ 161,062
Administrative services	2,321	23,792	29,765	26,055
Police	250,380	269,334	301,647	300,701
Fire	157,712	144,480	150,086	165,202
Public Works	3,756	36,315	4,905	9,009
Planning and Development	306,058	433,762	652,222	814,838
Parks and Recreation	98,284	61,276	52,778	107,822
Community Relations	99,800	91,750	180,140	273,000
Operating grants and contributions	-	-	-	-
Capital grants and contributions	153,330	245,209	105,821	107,756
Total governmental activities	<u>\$ 1,285,439</u>	<u>\$ 1,450,116</u>	<u>\$ 1,639,159</u>	<u>\$ 1,965,445</u>
Business-type activities:				
Wastewater systems	\$ 4,454,505	\$ 4,475,489	\$ 4,613,243	\$ 4,716,016
Sanitation services	2,511,449	2,673,077	2,771,980	2,875,388
Stormwater utility	894,919	932,025	1,072,130	1,112,707
Sanitation Impact Fee	-	-	-	-
Building Department	-	-	-	-
Operating grants and contributions	-	-	-	66,015
Capital grants and contributions	739,193	2,332,128	2,739,968	1,025,255
Total business-type activities	<u>\$ 8,600,066</u>	<u>\$ 10,412,719</u>	<u>\$ 11,197,321</u>	<u>\$ 9,795,381</u>
Total primary government activities	<u>\$ 9,885,505</u>	<u>\$ 11,862,835</u>	<u>\$ 12,836,480</u>	<u>\$ 11,760,826</u>

City of Rockledge, Florida
Changes in Net Position
Last Ten Fiscal Years

Schedule A-2.1

	2020	2021	2022	2023	2024	2025
\$	1,662,696	\$ 1,520,046	\$ 1,379,962	\$ 2,129,468	\$ 2,339,501	\$ 599,350
	1,631,846	1,397,781	1,698,464	2,007,505	2,062,521	2,233,124
	52,452	54,663	67,140	66,600	76,409	78,918
	109,935	174,780	183,817	226,586	174,142	226,894
	6,179,375	6,071,467	7,348,836	7,710,081	7,582,791	8,319,268
	3,779,001	4,333,160	4,546,332	5,181,749	5,187,452	5,627,850
	3,376,741	2,927,536	4,193,975	4,176,841	4,932,334	5,786,438
	512,019	615,649	426,397	393,417	370,887	2,151,587
	-	-	-	-	-	-
\$	<u>17,304,065</u>	<u>17,095,082</u>	<u>19,844,923</u>	<u>21,892,247</u>	<u>22,726,037</u>	<u>25,023,429</u>
\$	4,486,995	\$ 4,419,510	\$ 4,954,911	\$ 5,501,898	\$ 5,867,646	\$ 6,108,877
	2,884,179	2,819,006	3,304,774	3,848,922	3,751,033	4,377,531
	739,102	914,229	931,708	968,818	1,011,163	1,094,147
	-	266,627	484,704	457,708	378,565	613,837
\$	<u>8,110,276</u>	<u>8,419,372</u>	<u>9,676,097</u>	<u>10,777,346</u>	<u>11,008,407</u>	<u>12,194,392</u>
\$	<u>25,414,341</u>	<u>25,514,454</u>	<u>29,521,020</u>	<u>32,669,593</u>	<u>33,734,444</u>	<u>37,217,821</u>
\$	171,252	\$ 211,454	\$ 92,213	\$ 91,116	\$ 92,357	\$ 79,161
	23,798	325	-	-	1,604	2,530
	290,838	387,378	276,599	426,624	367,649	505,313
	150,203	3,700	2,900	2,750	6,325	14,050
	7,719	176,987	144,242	25,068	136,868	282,952
	913,433	115,746	225,036	226,290	589,534	250,275
	76,470	94,292	-	-	-	-
	266,250	99,699	-	-	-	-
	-	309,146	10,122	16,716	-	22,445
	173,257	30,180,656	2,297,816	5,948,769	3,890,155	2,148,347
\$	<u>2,073,220</u>	<u>31,579,383</u>	<u>3,048,928</u>	<u>6,737,333</u>	<u>5,084,492</u>	<u>3,305,073</u>
\$	4,883,363	\$ 5,103,545	\$ 5,344,838	\$ 5,597,154	\$ 5,808,455	\$ 6,212,606
	3,414,958	3,621,703	3,903,423	4,169,410	4,246,071	4,669,003
	1,163,377	1,177,431	1,247,926	1,284,310	1,247,685	1,308,299
	47,128	37,590	43,305	178,353	-	-
	-	489,411	738,498	1,249,555	940,084	728,536
	51,060	-	2,721	15,470	166,413	31,168
	1,503,789	3,866,277	883,714	5,542,498	4,355,985	4,256,103
\$	<u>11,063,675</u>	<u>14,295,957</u>	<u>12,164,425</u>	<u>18,036,750</u>	<u>16,764,693</u>	<u>17,205,715</u>
\$	<u>13,136,895</u>	<u>45,875,340</u>	<u>15,213,353</u>	<u>24,774,083</u>	<u>21,849,185</u>	<u>20,510,788</u>

City of Rockledge, Florida
General Revenues and Other Changes in Net Position
Last Ten Fiscal Years

Schedule A-2.2

General Revenues and Other Changes in Net Position
Last Ten Fiscal Years
Schedule A-2.2

	2016	2017	2018	2019
Net (expense) revenue				
Governmental activities	\$ (15,709,813)	\$ (15,262,991)	\$ (15,484,430)	\$ (16,134,941)
Business-type activities	1,026,767	2,716,593	3,738,095	686,368
Total primary government net expense	<u>\$ (14,683,046)</u>	<u>\$ (12,546,398)</u>	<u>\$ (11,746,335)</u>	<u>\$ (15,448,573)</u>
General revenues and other changes in net position				
Governmental activities:				
General revenues:				
Taxes:				
Property taxes, levied for general purposes	\$ 7,715,035	\$ 8,227,077	\$ 8,859,777	\$ 9,592,716
Gas Tax	852,134	890,542	843,109	928,929
Sales Tax	1,420,502	1,537,609	1,625,531	1,626,160
Franchise fees	1,614,889	1,629,519	1,607,366	1,673,118
Other taxes	3,334,088	3,262,780	3,507,282	3,537,037
State revenue sharing	828,610	895,795	935,071	982,855
Transportation Impact Fees	-	-	-	-
Investment earnings	123,346	83,813	27,232	310,740
Miscellaneous	478,158	146,042	256,675	200,421
Transfers, net	-	396,000	396,000	396,000
Total government activities	<u>\$ 16,366,762</u>	<u>\$ 17,069,177</u>	<u>\$ 18,058,043</u>	<u>\$ 19,247,976</u>
Business-type activities:				
Investment earnings	\$ 51,556	\$ 31,456	\$ 19,248	\$ 118,625
Transfers, net	-	(396,000)	(396,000)	(396,000)
Miscellaneous	-	-	-	2,840
Total business-type activities	<u>\$ 51,556</u>	<u>\$ (364,544)</u>	<u>\$ (376,752)</u>	<u>\$ (274,535)</u>
Total primary government activities	<u>\$ 16,418,318</u>	<u>\$ 16,704,633</u>	<u>\$ 17,681,291</u>	<u>\$ 18,973,441</u>
Changes in net position				
Governmental activities	\$ 656,949	\$ 1,806,186	\$ 2,573,613	\$ 3,113,035
Business-type activities	1,078,323	2,352,049	3,361,343	411,833
Total primary government net (expense) revenue	<u>\$ 1,735,272</u>	<u>\$ 4,158,235</u>	<u>\$ 5,934,956</u>	<u>\$ 3,524,868</u>

City of Rockledge, Florida
General Revenues and Other Changes in Net Position
Last Ten Fiscal Years

Schedule A-2.2

2020	2021	2022	2023	2024	2025
\$ (15,230,845)	\$ 14,484,301	\$ (16,795,995)	\$ (15,154,914)	\$ (17,641,545)	\$ (21,718,356)
2,906,271	5,876,585	2,488,328	7,259,404	5,756,286	5,011,323
\$ (12,324,574)	\$ 20,360,886	\$ (14,307,667)	\$ (7,895,510)	\$ (11,885,259)	\$ (16,707,033)
<hr/>					
\$ 10,212,787	\$ 11,051,399	\$ 11,424,899	\$ 12,894,707	\$ 13,766,053	\$ 14,706,803
875,842	885,741	958,034	970,171	977,284	983,126
1,557,760	1,769,809	2,005,609	2,057,675	2,098,175	2,068,822
1,637,012	1,733,682	2,040,696	2,263,240	2,194,532	2,324,260
3,472,293	3,994,554	3,634,845	4,046,699	4,209,590	4,496,495
895,558	1,067,049	1,850,642	2,098,739	2,044,643	2,135,259
-	-	-	-	400,000	-
261,618	33,748	(25,004)	584,656	1,031,435	1,042,643
176,922	459,419	337,867	135,732	315,019	177,821
396,000	394,839	(1,005,758)	(3,249,466)	(1,619,471)	(771,445)
\$ 19,485,792	\$ 21,390,240	\$ 21,221,830	\$ 21,802,153	\$ 25,417,260	\$ 27,163,784
\$ 91,070	\$ 12,340	\$ (36,532)	\$ 204,453	\$ 396,159	\$ 374,462
(396,000)	(394,839)	1,005,758	3,249,466	1,619,471	771,445
691	-	10,509	35,287	(65,860)	-
\$ (304,239)	\$ (382,499)	\$ 979,735	\$ 3,489,206	\$ 1,949,770	\$ 1,145,907
\$ 19,181,553	\$ 21,007,741	\$ 22,201,565	\$ 25,291,359	\$ 27,367,030	\$ 28,309,691
<hr/>					
\$ 4,254,947	\$ 35,874,541	\$ 4,425,835	\$ 6,647,239	\$ 7,775,715	\$ 5,445,428
2,602,032	5,494,086	3,468,063	10,748,610	7,706,056	6,157,230
\$ 6,856,979	\$ 41,368,627	\$ 7,893,898	\$ 17,395,849	\$ 15,481,771	\$ 11,602,658

City of Rockledge, Florida
Fund Balances – Governmental Funds
Last Ten Fiscal Years

Schedule A-3

Fund Balances, Governmental Funds
Last Ten Fiscal Years
Schedule A-3

	2016	2017	2018	2019
General Fund				
Nonspendable	\$ 217,064	\$ 241,429	\$ 269,353	\$ 116,759
Restricted	312,964	329,903	332,270	426,217
Committed	-	-	-	-
Assigned	464,150	497,239	2,145,518	500,000
Unassigned	9,765,203	10,980,108	11,667,675	13,790,315
Total General Fund	<u>\$ 10,759,381</u>	<u>\$ 12,048,679</u>	<u>\$ 14,414,816</u>	<u>\$ 14,833,291</u>
All Other Governmental Funds				
Nonspendable	\$ 6,022	\$ 6,246	\$ 6,091	-
Restricted	945,950	1,372,893	1,969,161	1,450,629
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u>\$ 951,972</u>	<u>\$ 1,379,139</u>	<u>\$ 1,975,252</u>	<u>\$ 1,450,629</u>

City of Rockledge, Florida
Fund Balances – Governmental Funds
Last Ten Fiscal Years

Schedule A-3

2020	2021	2022	2023	2024	2025
\$ 269,427	\$ 305,010	\$ 356,131	\$ 430,454	\$ 493,828	\$ 545,750
779,458	490,344	344,935	332,084	595,118	635,773
-	-	-	-	-	-
1,050,621	1,115,015	1,277,145	1,420,127	3,240,152	5,137,206
14,826,421	18,305,868	21,015,161	25,167,388	26,123,542	25,545,643
<u>\$ 16,925,927</u>	<u>\$ 20,216,237</u>	<u>\$ 22,993,372</u>	<u>\$ 27,350,053</u>	<u>\$ 30,452,640</u>	<u>\$ 31,864,372</u>
\$ 5,583	\$ 5,279	\$ 6,052	\$ 6,050	\$ 6,182	\$ 6,520
3,092,215	4,303,202	5,654,415	6,946,486	5,136,569	7,094,191
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,097,798</u>	<u>\$ 4,308,481</u>	<u>\$ 5,660,467</u>	<u>\$ 6,952,536</u>	<u>\$ 5,142,751</u>	<u>\$ 7,100,711</u>

City of Rockledge, Florida
Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years

Schedule A-4

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
Schedule A-4

	2016	2017	2018	2019
Revenues				
Property Taxes	\$ 7,727,291	\$ 8,239,607	\$ 8,890,607	\$ 9,592,716
Other Local Taxes	3,317,832	3,245,825	3,472,502	3,537,037
Licenses, permits and fees	1,889,132	2,022,603	2,236,311	2,487,956
Intergovernmental revenues	3,610,175	3,944,106	4,028,147	4,333,589
Charges for services	654,636	281,740	328,744	329,910
Fines and forfeitures	16,330	19,848	27,832	25,052
Investment earnings	121,068	80,843	23,570	310,740
Miscellaneous revenues	315,737	308,721	293,488	200,421
Total Revenues	<u>\$ 17,652,201</u>	<u>\$ 18,143,293</u>	<u>\$ 19,301,201</u>	<u>\$ 20,817,421</u>
Expenditures				
General government	\$ 1,883,114	\$ 1,857,301	\$ 1,875,292	\$ 2,193,749
Administrative offices	1,716,038	1,669,364	1,982,491	1,758,350
Mayor and Council	46,318	52,352	54,390	56,341
City Attorney	99,409	91,552	112,185	115,244
Police	5,718,226	5,638,668	6,126,901	6,036,279
Fire	3,710,317	3,600,565	4,560,822	5,609,609
Public Works	2,708,520	2,639,781	2,752,508	2,826,670
Planning and development	1,025,952	814,595	335,428	1,805,058
Parks and recreation	-	-	-	1,941
Community relations	-	-	-	-
Debt service				
Principal	732,418	808,686	910,370	844,247
Interest	50,334	46,960	86,032	74,184
Total Expenditures	<u>\$ 17,690,646</u>	<u>\$ 17,219,824</u>	<u>\$ 18,796,419</u>	<u>\$ 21,321,672</u>
Excess of revenues over (under) expenditures	<u>\$ (38,445)</u>	<u>\$ 923,469</u>	<u>\$ 504,782</u>	<u>\$ (504,251)</u>
Other financing sources (uses)				
Transfers in	\$ 616,138	\$ 1,140,375	\$ 1,389,415	\$ 1,458,308
Subscription based technology arrangements	-	-	-	-
Transfers out	(616,138)	(744,375)	(993,415)	(1,062,308)
Sale of capital assets	-	-	-	-
Gain on leased termination	-	-	-	-
Issuance of debt	200,000	396,996	2,061,468	-
Total other financing sources	<u>\$ 200,000</u>	<u>\$ 792,996</u>	<u>\$ 2,457,468</u>	<u>\$ 396,000</u>
Net change in fund balances	<u>\$ 161,555</u>	<u>\$ 1,716,465</u>	<u>\$ 2,962,250</u>	<u>\$ (108,251)</u>
Expenditure for capital assets	\$ 1,416,473	\$ 1,074,417	\$ 1,852,671	\$ 3,727,710
Debt service as a percentage of non-capital expenditures	4.810%	5.300%	5.881%	5.220%

Notes:

1. Modified accrual basis of accounting.
2. Rise of debt service percentage in Fiscal Year 2017 is attributed to increased borrowing on the CRA Line of Credit for Barton Boulevard property and the maturation of the loan on a 6.3 acre parcel.

City of Rockledge, Florida
Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years

Schedule A-4

	2020	2021	2022	2023	2024	2025
\$	10,212,787	\$ 11,051,399	\$ 11,424,899	\$ 12,894,707	\$ 13,766,053	\$ 14,706,803
	3,472,293	5,147,735	5,675,541	6,309,939	6,404,122	6,820,755
	2,415,302	329,500	224,961	229,040	593,209	230,655
	4,184,316	4,612,246	7,031,171	11,077,429	8,152,573	7,515,979
	410,037	592,062	491,641	542,809	601,128	672,598
	38,838	168,019	42,358	60,236	123,640	137,654
	261,618	32,101	(26,641)	584,656	1,031,435	1,042,643
	141,579	459,419	221,020	126,152	191,009	173,981
\$	<u>21,136,770</u>	<u>22,392,481</u>	<u>25,084,950</u>	<u>31,824,968</u>	<u>30,863,169</u>	<u>31,301,068</u>
\$	1,483,154	\$ 1,407,330	\$ 1,590,178	\$ 1,668,364	\$ 1,322,818	\$ 1,377,411
	1,643,164	1,408,269	1,649,361	2,024,592	2,232,624	2,131,627
	52,452	54,663	67,140	66,600	76,409	78,918
	125,835	174,543	183,746	226,600	174,142	226,894
	6,229,320	6,127,442	6,897,038	7,360,961	7,593,298	8,503,087
	3,940,178	4,067,163	4,361,710	5,268,026	6,538,644	7,535,178
	3,531,402	3,423,148	3,846,706	4,272,203	4,582,286	5,208,004
	168,410	1,082,881	895,564	2,062,030	5,468,455	1,849,044
	36,707	-	-	-	-	-
	-	-	-	-	-	-
	520,710	489,090	494,922	451,520	483,004	456,396
	61,633	51,798	41,944	31,795	65,711	85,134
\$	<u>17,792,965</u>	<u>18,286,327</u>	<u>20,028,309</u>	<u>23,432,691</u>	<u>28,537,391</u>	<u>27,451,693</u>
\$	3,343,805	\$ 4,106,154	\$ 5,056,641	\$ 8,392,277	\$ 2,325,778	\$ 3,849,375
\$	1,614,215	\$ 2,129,554	\$ 2,658,068	\$ 4,575,868	\$ 3,046,499	\$ 3,192,572
	-	-	-	487,294	217,166	266,623
	(1,218,215)	(1,734,715)	(3,663,826)	(7,825,334)	(4,665,970)	(3,964,017)
	-	-	78,238	18,645	368,958	25,139
	-	-	-	-	371	-
	-	-	-	-	-	-
\$	<u>396,000</u>	<u>394,839</u>	<u>(927,520)</u>	<u>(2,743,527)</u>	<u>(1,032,976)</u>	<u>(479,683)</u>
\$	<u>3,739,805</u>	<u>4,500,993</u>	<u>4,129,121</u>	<u>5,648,750</u>	<u>1,292,802</u>	<u>3,369,692</u>
\$	587,722	\$ 1,448,160	\$ 1,502,221	\$ 4,673,778	\$ 8,015,389	\$ 4,975,010
	3.385%	3.212%	2.898%	2.576%	2.674%	2.409%

Schedule B-1

City of Rockledge, Florida
 Value of Taxable Property
 Last Ten Fiscal Years

Value of Taxable Property
 Last Ten Fiscal Years
 Schedule B-1

Fiscal Year	Taxable Value Real Property for Operating Purposes	Personal Property for Operating Purposes	Gross Taxable Value
2016	1,092,295,133	86,668,652	1,178,963,785
2017	1,181,388,833	84,202,819	1,265,591,652
2018	1,273,798,195	80,889,186	1,354,687,381
2019	1,384,585,365	85,268,246	1,469,853,611
2020	1,491,446,597	85,903,588	1,577,350,185
2021	1,610,301,451	97,305,597	1,707,607,048
2022	1,680,982,486	104,868,398	1,785,850,884
2023	1,959,548,229	108,210,381	2,067,758,610
2024	2,182,061,413	131,466,375	2,313,527,788
2025	2,405,819,657	153,935,250	2,559,754,907

Source: Brevard County Property Appraiser (Form DR-420)

Notes: * Final taxable value determined after Valuation Board rulings.

** The rate used in the calculation for property taxes. One mil equals \$1 per \$1,000 of taxable value. A millage of 5.38, which is the current (Fiscal Year 2025) rate in effect for the City of Rockledge is equal to \$5.38 for each \$1,000 of taxable value on real property.

Property is assessed at actual value and therefore a separate table for assessed and actual data is not presented.

City of Rockledge, Florida
Value of Taxable Property
Last Ten Fiscal Years

Schedule B-1

<u>New Construction Taxable Value</u>	<u>Adjusted Taxable Value</u>	<u>Final Taxable Value*</u>	<u>Millage Rate**</u>
16,846,130	1,162,117,655	1,177,107,782	6.3400
12,376,670	1,253,214,982	1,262,671,589	6.2500
12,836,643	1,341,850,738	1,357,786,274	6.2000
17,433,678	1,452,419,933	1,471,291,549	6.1500
25,257,644	1,552,092,541	1,580,096,556	6.1000
32,224,704	1,675,382,344	1,713,846,865	6.0500
15,873,774	1,769,977,110	1,789,281,182	5.9900
92,817,670	1,974,940,940	2,071,936,810	5.8200
24,603,534	2,288,924,254	2,342,201,964	5.5500
54,447,586	2,505,307,321	2,571,690,810	5.3800

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City of Rockledge, Florida
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Schedule B-2

City Direct Rates		Overlapping Rates						
Fiscal Year	Basic Rate *	Brevard County	Brevard County Schools				Other **	Total Millage
			Operating	Capital Outlay	Voted Teacher Pay			
2016	6.3400	6.0973	5.7750	1.5000	0.0000	0.3343	20.0466	
2017	6.2500	5.9748	5.4160	1.5000	0.0000	0.3205	19.4613	
2018	6.2000	5.7139	5.0680	1.5000	0.0000	0.3044	18.7863	
2019	6.1500	5.4432	4.7990	1.5000	0.0000	0.2882	18.1804	
2020	6.1000	5.2553	4.5860	1.5000	0.0000	0.2734	17.7147	
2021	6.0500	5.0381	4.4420	1.5000	0.0000	0.2607	17.2908	
2022	5.9900	4.8700	4.3500	1.5000	0.0000	0.2509	16.9609	
2023	5.8200	4.4631	3.9950	1.5000	0.0000	0.2294	16.0075	
2024	5.5500	4.1308	3.8830	1.5000	1.0000	0.2081	16.2719	
2025	5.3800	3.9461	3.8110	1.5000	1.0000	0.2081	15.8452	

Source: Brevard County Property Appraiser website.

Notes: * The rate used in the calculation for property taxes. One mil equals \$1 per \$1,000 of taxable value. The tax rate on real property is based on \$1 per \$1,000 of assessed property value.

** "Other" includes Florida Inland Navigation District and St. John's River Water Management District.

Overlapping rates are those of local and county governments that apply to property owners within the City of Rockledge.

The total millage column applies to all property owners within the City limits.

Schedule B-3

City of Rockledge, Florida
Principal Property Taxpayers
Current Year and Nine Years Prior

City of Rockledge, Florida
Principle Property Taxpayers
Current Year and Nine Years Ago
Schedule B-3

Taxpayer	2025		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
CA Rockledge Flats Owner LLC	\$50,401,090	1	1.96%
LVP Space Coast Associates	43,485,080	2	1.69%
Rockledge HMA LLC (Wuesthoff Health System-Rockledge)	-	-	-
Shell Harbor Retirement Community LLC	23,503,870	3	0.91%
Rockledge Apartments LLC (Southgate Apartments)	16,646,810	4	0.65%
Fountain Development LLC (Fountain Villas)	15,589,720	5	0.61%
Ventura at Turtle Creek LLC (Lexmark Ln-LPI Rockledge LLC)	15,209,060	6	0.59%
Ventura at Turtle Creek LLC (Alafaya Ln-LPI Rockledge LLC)	14,569,250	7	0.57%
Premium Edge LLC	12,730,570	8	0.50%
Cameron Rockledge LLC	12,604,940	9	0.49%
Woodhaven Properties LLC (Woodhaven Apartments)	11,801,490	10	0.46%
Lowe's Home Centers Inc	9,136,440	11	0.36%
Liberty WS Rockledge LLC	8,034,490	12	0.31%
Aquarius Equity LLC	7,655,860	13	0.30%
23-25 First Realty Corp	7,525,470	14	0.29%
Hydro Aluminum Automotive Inc	7,387,220	15	0.29%
MHC Indian Oaks LLC	6,614,000	16	0.26%
Hammock Harbor LLLP	-	-	-
Publix Super Markets Inc	-	-	-
Rockledge Station LLC	-	-	-
Highyon Shopping Center	-	-	-
Rockledge Villas Investments LLC	-	-	-
Gateway Monroe Inc	-	-	-
Salem Rockledge LLC	-	-	-
MHC Space Coast	-	-	-
TOTALS	<u>\$262,895,360</u>		<u>10.24%</u>
 Total City final taxable value	 <u>\$2,571,690,810</u>		

Source: Brevard County Property Appraiser
Multiple properties may be included in some taxable assessed value totals

**City of Rockledge, Florida
Principal Property Taxpayers
Current Year and Nine Years Prior**

Schedule B-3

2016		
Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
-	-	-
-	-	-
37,646,310	1	3.20%
-	-	-
7,837,500	2	0.67%
6,765,000	3	0.57%
-	-	-
-	-	-
-	-	-
5,005,000	6	0.43%
6,000,000	4	0.51%
-	-	-
-	-	-
-	-	-
3,575,000	10	0.30%
3,410,000	11	0.29%
6,000,000	5	0.51%
4,150,000	7	0.35%
4,150,000	8	0.35%
3,927,000	9	0.33%
3,130,000	12	0.27%
3,125,000	13	0.27%
3,070,790	14	0.26%
2,750,000	15	0.23%
<u>\$100,541,600</u>		<u>8.54%</u>
 <u>\$1,177,107,782</u>		

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City of Rockledge, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

Schedule B-4

Property Tax Levies and Collections
Last Ten Fiscal Years
Schedule B-4

Fiscal Year	Gross Tax Levy (1)	Collected Within the Fiscal Year of the Levy		Current Year Collections for Prior Years	Total Collections	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	7,462,863	7,058,154	94.58%	146,217	7,204,371	96.54%
2017	7,891,697	7,443,985	94.33%	170,698	7,614,683	96.49%
2018	8,418,275	7,999,369	95.02%	143,463	8,142,832	96.73%
2019	9,048,443	8,598,026	95.02%	194,106	8,792,132	97.17%
2020	9,638,589	9,091,146	94.32%	225,794	9,316,940	96.66%
2021	10,368,774	9,830,738	94.81%	194,296	10,025,034	96.68%
2022	10,717,794	10,208,443	95.25%	185,425	10,393,868	96.98%
2023	12,058,672	11,430,892	94.79%	206,238	11,637,130	96.50%
2024	12,999,221	12,229,560	94.08%	207,242	12,436,802	95.67%
2025	13,835,697	13,248,185	95.75%	28,066	13,276,251	95.96%

Source: (1) Form DR-420 Final Taxable Value Line 7, multiplied by millage rate, less allowance for adjustments and discounts.

Notes: Reference the Financial Statement, **Note 1.I.**
 Current Year Collections includes prior year taxes and penalties collected.

City of Rockledge, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Schedule C-1

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Schedule C-1

Governmental Activities

Fiscal Year	Public Safety Capital Improvement Loan	Subscription Based Technology Arrangements	CRA Barton Boulevard Loan	6.3 Acre Property	CRA Malloy LOC
2016	767,452	-	1,500,000	150,000	579,919
2017	486,266	-	1,250,000	112,500	736,915
2018	2,331,636	-	1,000,000	75,000	330,143
2019	2,105,032	-	750,000	37,500	-
2020	1,871,823	-	500,000	-	-
2021	1,632,733	-	250,000	-	-
2022	1,387,811	-	-	-	-
2023	1,136,796	767,935	-	-	-
2024	879,355	759,538	-	-	-
2025	615,415	833,704	-	-	-

Notes: Percentage of personal income and per capita amounts calculated from Table D-1*.

See Note 5 for a detailed discussion of each outstanding note.

*Data for percentage of personal income and per capita columns are calculated from the Economic Development Commission of Florida's Space Coast report data.

*GASB 96 was implemented in Fiscal Year 2023, creating the Subscription Based Information Technology Liability balances

City of Rockledge, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Schedule C-1

Business-Type Activities

Wastewater Series 2021 Note	Subscription Based Technology Arrangements	State of Florida Revolving Fund	Sewer Refunding Revenue Bonds Series 2001	Storm Water Huntington Lakes Loan	Total Debt of Primary Government	Debt as Percentage of Personal Income	Debt Per Capita
-	-	922,373	1,080,000	103,042	5,102,786	0.66%	195
-	-	779,293	547,000	-	3,911,974	0.47%	148
-	-	599,475	-	-	4,336,254	0.50%	161
-	-	435,545	-	-	3,328,077	0.38%	122
-	-	266,414	-	-	2,638,237	0.28%	94
4,672,509	-	91,922	-	-	6,647,164	0.71%	235
4,231,686	-	-	-	-	5,619,497	0.55%	197
3,783,708	263,561	-	-	-	5,952,000	0.44%	207
3,326,337	275,425	-	-	-	5,240,655	0.34%	180
2,862,711	483,080	-	-	-	4,794,910	0.37%	157

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Schedule C-2

City of Rockledge, Florida
Direct and Overlapping Governmental Activities Debt
As of September 30, 2025

Direct and Overlapping Governmental Activities Debt
As of September 30, 2025
Schedule C-2

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
City Direct Debt (governmental activities) (a)	\$1,349,119	100.00%	\$1,349,119
 Overlapping Debt			
Brevard County:			
Governmental activities debt (b)	115,173,716	3.83%	4,411,153
Total Direct and Overlapping Debt	\$116,522,835		\$5,760,272

Sources: (a) City of Rockledge ACFR Fiscal Year **2025** Statistical Table C-1.
(b) Brevard County Finance Department - ACFR Fiscal Year **2024**, Table 7 and 11.

Notes: Percentage based on the **2024** final taxable assessed City and County valuation.

City of Rockledge, Florida
Pledged Revenue Coverage
Last Ten Fiscal Years

Schedule C-3

Pledged Revenue Coverage
Last Ten Fiscal Years
Schedule C-3

Capital Improvement Note, Series 2009

Fiscal Year	Utility Taxes and Franchise Fees	Debt Service		Coverage
		Principal	Interest	
2016	\$ 4,087,002	\$ 272,062	\$ 27,025	13.66
2017	3,822,767	281,186	17,901	12.78
2018	3,963,903	216,098	46,689	15.08
2019	4,049,682	226,604	56,207	14.32
2020	4,013,755	233,210	49,600	14.19
2021	4,181,985	239,090	43,720	14.79
2022	4,666,394	244,922	37,888	16.50
2023	5,245,368	251,015	31,795	18.55
2024	5,284,567	257,441	25,369	18.69
2025	5,653,958	263,940	18,870	19.99

Notes: (1) On December 7, 2017, a loan modification was made to lower the interest rate on the note to 2.50%, and to borrow an additional \$2,061,468 to fund the reconstruction of Fire Station 36, after the damaging effects of Hurricane Irma.

Community Redevelopment Agency Revenue Note, Series 2005

Fiscal Year	CRA Revenues (3)	Operating Expenses	Net Revenues	Debt Service		Coverage
				Principal	Interest	
2016	\$ 1,135,550	\$ 1,019,259	\$ 116,291	\$ 250,000	\$ 7,519	0.45
2017	1,360,796	814,595	546,201	250,000	6,438	2.13
2018	1,627,962	348,928	1,279,034	250,000	19,997	4.74
2019	1,880,849	1,819,758	61,091	250,000	16,033	0.23
2020	2,126,527	184,310	1,942,217	250,000	12,033	7.41
2021	2,493,914	1,357,759	1,136,155	250,000	8,078	4.40
2022	2,568,158	1,166,420	1,401,738	250,000	4,056	5.52
2023	-	-	-	-	-	-
2024	-	-	-	-	-	-
2025	-	-	-	-	-	-

Notes: (1) The note's interest rate is the 5-year U.S. Treasury rate minus 30 basis points, initially 3.49%, adjustable on January 31, 2012 and every five years thereafter.
(2) Effective interest rates for the note were 3.49% (issuance to 2012), 0.43% (2012 to 2017), and 1.6% (2017 to 2022, the maturity date).
(3) CRA revenues includes transfers in.

City of Rockledge, Florida
Pledged Revenue Coverage (Continued)
Last Ten Fiscal Years

Schedule C-3

Capital Improvement Note, Series 2021

Fiscal Year	Sewer System Net Revenues	Debt Service		Coverage
		Principal	Interest	
2021	\$ 1,471,161	\$ 77,491	\$ 8,441	17.12
2022	2,329,903	440,823	74,768	4.52
2023	8,531,753	447,978	67,613	16.55
2024	3,962,497	457,371	58,219	7.69
2025	4,348,767	463,626	51,964	8.43

Notes: (1) The Net Revenues, after deduction of the cost of operation and maintenance received from the City's Wastewater Enterprise Fund and the moneys and investment income therefrom are irrevocably pledged to the payment of principal and interest on the Series 2021 note. However, the note does not constitute a general obligation or indebtedness of the City nor does it constitute a lien on any property of the City.

Sewer Revenue Bonds, Series 2001 and Series 2011

Fiscal Year	Sewer System Revenues	Operating Expenses	Net Revenues	Debt Service		Coverage
				Principal	Interest	
2016	\$ 4,454,505	\$ 3,045,867	\$ 1,408,638	\$ 519,000	\$ 31,899	2.56
2017	4,482,292	2,611,081	1,871,211	533,000	20,561	3.38
2018	4,613,243	2,675,336	1,937,907	547,000	8,687	3.49
2019	-	-	-	-	-	-
2020	-	-	-	-	-	-
2021	-	-	-	-	-	-
2022	-	-	-	-	-	-
2023	-	-	-	-	-	-
2024	-	-	-	-	-	-

Notes: (1) Operating expenses exclude depreciation and amortization.
(2) Interest reported is actual interest expenses paid, exclusive of any amortization of defeased refunded bond cost(s) and issuance discount(s).
(3) The final payment on the Sewer Revenue Bonds, Series 2011 was made on September 12, 2018.

City of Rockledge, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years

Schedule D-1

City of Rockledge, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years
Schedule D-1

Year	Population	Personal Income	Per Capita Personal Income	Median Age	Unemployment Rate	School Enrollment
	(1)	(2)	(3)	(4)	(5)	(6)
2016	26,144	772,267,616	29,539	46.1	5.7%	3,868
2017	26,497	831,926,309	31,397	46.6	4.4%	3,930
2018	26,860	862,152,280	32,098	46.0	3.0%	3,882
2019	27,292	889,500,864	32,592	46.6	2.4%	3,298
2020	28,142	940,646,350	33,425	46.8	4.7%	3,646
2021	28,316	940,657,520	33,220	46.8	4.5%	3,890
2022	28,490	1,016,751,120	35,688	46.2	2.3%	3,628
2023	28,774	1,122,790,254	39,021	45.9	2.5%	3,603
2024	29,134	1,239,768,236	42,554	48.0	3.1%	3,216
2025	30,554	1,300,194,916	42,554	48.0	3.7%	3,054

Sources:

- (1) Economic Development Commission of Florida's Space Coast (Source: US Census Bureau (2020 Census) and University of Florida, Bureau of Economic and Business Research (2025 Estimates))
- (2) Estimate (1) x (3)
- (3) Economic Development Commission of Florida's Space Coast (U.S. Census Bureau (2019-2023). Household Income in the Past 12 Months (In 2023 Inflation-adjusted Dollars) American Community Survey 5-year estimates. Retrieved from <<https://censusreporter.org>>)
- (4) Economic Development Commission of Florida's Space Coast (U.S. Census Bureau (2019-2023). Sex by Age American Community Survey 5-year estimates. Retrieved from <<https://censusreporter.org>>)
- (5) Economic Development Commission of Florida's Space Coast (Florida Department of Commerce - Local Area Unemployment Statistics)
- (6) Brevard County Public Schools Include: Rockledge High School
Kennedy Middle School / McNair Middle School
Golfview Elementary School / Andersen Elementary School

Data for columns 1 through 4 are from the Economic Development Commission of Florida's Space Coast 2020 reports; 2021 data not available.

Schedule D-2

**City of Rockledge, Florida
Principal Employers
For the Current Year and Nine Years Prior**

**City of Rockledge, Florida
Principal Employers
Current Year and Nine Years Ago
Schedule D-2**

Employer	2025			2016		
	Number of Employees (Range)	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Brevard Public Schools	10,000 to 10,999	1	4.28%	9,000 to 9,999	1	4.47%
Health First Medical Group LLC	9,000 to 9,999	2	3.83%	7,000 to 7,999	2	4.29%
L3Harris Technologies Inc	7,000 - 7,999	3	2.87%	5,000 to 5,999	3	3.05%
Northrop Grumman Systems Corporation	5,000 to 5,999	4	2.13%	1,000 to 1,999	6	1.05%
Wal-Mart Associates Inc	4,000 to 4,999	5	1.75%	-	-	-
Publix Super Markets Inc	4,000 to 4,999	6	1.72%	-	-	-
Blue Origin Personnel LLC	3,000 to 3,999	7	1.43%	-	-	-
United States Space Force (Space Launch Delta 45)	2,000 to 2,999	8	1.06%	2,000 to 2,999	5	1.11%
Brevard County Government	2,000 to 2,999	9	0.97%	2,000 to 2,999	4	1.17%
Florida Institute of Technology Inc	2,000 to 2,999	10	0.89%	2,000 to 2,999	11	0.67%
National Aeronautics and Space Administration	2,000 to 2,999	11	0.88%	1,000 to 1,999	7	1.02%
Space Exploration Technologies Corp	1,000 to 1,999	12	0.71%	-	-	-
New Rockwell Collins Inc.	1,000 to 1,999	13	0.65%	1,000 TO 1,999	9	0.74%
Lockheed Martin Corporation	1,000 to 1,999	14	0.63%	1,000 to 1,999	13	0.57%
OHRH LLC	1,000 to 1,999	15	0.57%	-	-	-
Amentum Technology Inc	1,000 to 1,999	16	0.53%	-	-	-
TOTALS	N/A		24.90%	N/A		18.14%

Sources: Department of Economic Opportunity, Data 2025Q1 (most recent available) Bureau of Labor Statistics.

Notes: Employers include retail operations.
Employment figures are for Brevard County.

City of Rockledge, Florida
Employees by Function/Program
Last Ten Fiscal Years

Schedule E-1

Schedule E-1

Full-Time Equivalent Employees
as of September 30

Function/Program	2016	2017	2018	2019
General Government	16.00	16.00	18.00	21.00
Police	73.50	80.50	77.50	77.50
Fire	39.00	39.00	39.00	41.00
Public Works	38.00	39.00	39.00	41.00
Sanitation	41.00	41.00	41.00	41.00
Stormwater	3.00	3.00	3.00	3.00
Planning and Development	2.00	2.00	1.00	1.00
Building	-	-	-	-
Wastewater	27.00	27.00	28.00	29.00
TOTALS	239.50	247.50	246.50	254.50

Source: City Finance and Personnel Departments.

Notes:

Refers to the number of personnel authorized for an accounting period, including part-time personnel converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time Crossing Guard working 20 hours per week for 52 weeks a year equals one-half of a full-time position. Elected officials are carried as General Government employees for payroll purposes, but are excluded from the figures above.

Staffing Notes:

Increases from 2015 to 2021 were due to restaffing adjustments in light of economic recovery.

Planning and Development includes the CRA staffing, with a right sizing of force in 2018.

Building was created due to new enterprise fund requirements in 2021.

City of Rockledge, Florida
Employees by Function/Program
Last Ten Fiscal Years

Schedule E-1

2020	2021	2022	2023	2024	2025
20.00	18.00	17.50	21.00	19.00	18.00
79.00	81.50	68.00	76.00	76.50	79.50
40.00	41.00	42.50	41.50	41.50	41.50
41.00	41.00	37.00	41.00	44.00	41.00
41.00	42.00	33.00	40.00	43.00	43.00
3.00	3.00	3.00	3.00	3.00	3.00
1.00	1.00	-	-	-	-
-	4.00	2.00	4.00	5.00	5.00
29.00	29.00	26.00	28.00	28.00	30.00
254.00	260.50	229.00	254.50	260.00	261.00

City of Rockledge, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years

Schedule E-2

City of Rockledge, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years
Schedule E-2

Function/Program	2016	2017	2018	2019
Police				
Physical arrests	658	838	858	579
Parking violations	-	1	48	24
Traffic violations - reports written	1,144	2,330	2,287	1,597
Fire				
Emergency responses (incidents)	2,801	2,800	2,912	3,596
Fires extinguished	99	99	61	40
Inspections				52
Public Works				
Street resurfacing (miles)	3	3	8	3
Pothole repair / patching (square yards)	56	84	84	84
Sanitation				
Total tonnage collection (refuse/garbage)	14,859	15,297	15,408	15,819
Total tonnage collection (recyclables)	2,308	2,384	2,378	2,215
Total tonnage collection (yard waste)	7,342	4,866	4,927	4,919
Wastewater				
Average daily sewage treatment (thousands of gallons)	2,190	2,270	2,180	2,360
Reclaimed water				
Average daily water delivered (thousands of gallons)	1,640	1,620	1,740	2,050

Source: Data provided by City of Rockledge

City of Rockledge, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years

Schedule E-2

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
350	404	474	693	690	555
12	8	2	-	-	7
1,271	1,247	1,017	1,980	2,674	2,860
3,382	4,316	4,540	4,921	4,817	4,767
64	58	61	76	57	64
277	324	276	320	158	266
3	-	2	2	2	5
53	51	79	83	85	82
12,121	16,705	16,624	16,079	15,926	16,108
1,512	2,110	2,030	1,991	1,998	1,972
4,131	5,156	5,466	5,441	4,255	4,544
2,290	2,240	2,170	2,230	2,310	2,280
1,940	1,480	1,840	1,860	1,910	1,870

City of Rockledge, Florida
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Schedule E-3

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
Schedule E-3

Function/Program	2016	2017	2018	2019
Schools (1)				
Elementary	2	2	2	2
Junior High	2	2	2	2
Senior High	1	1	1	1
Police				
Stations	1	1	1	1
Police Officers (2)	49	54	54	54
Fire				
Stations	3	3	3	3
Firefighters (3)	35	37	35	39
Public Works				
Streets (linear miles)	232	233	234	234
Streetlights	2,623	2,633	2,633	2,633
Parks and Recreation				
Parks and playgrounds (4)	5	5	5	5
Tennis courts (5)	6	6	6	6
Swimming pools	1	1	1	1
Skateboard park	1	1	1	1
Lakes (6)	4	5	5	5
Utilities				
Wastewater:				
Reclaimed water (miles)	26	26	26	26
Gravity sewer (miles)	92	93	94	94
Force main sewer (miles)	23	23	25	25
Stormwater sewers (miles) (7)	76	77	77	77

Notes:

- (1) Schools owned and operated by Brevard County School Board
- (2) Sworn officers
- (3) Firefighters and 1 Deputy Chief
- (4) City and County parks in City limits
- (5) 2 courts at McLarty and 4 courts at McKnight
- (6) Open to the public: Lake Betsi, Lake Gilliard, Jimmy Weaver Lake, Anderson Park Lake, Huntington Lake, and Lake Virginia
- (7) 20.48 miles of canals and ditches maintained

City of Rockledge, Florida
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Schedule E-3

2020	2021	2022	2023	2024	2025
2	2	2	2	2	2
2	2	2	2	2	2
1	1	1	1	1	1
1	1	1	1	1	1
54	54	54	55	54	56
3	3	3	3	3	3
39	39	40	41	40	40
234	234	240	240	240	240
2,633	2,633	2,670	2,670	2,670	2,670
5	5	5	5	5	6
6	6	6	6	6	6
1	1	1	1	1	1
1	1	1	1	1	1
5	5	5	5	6	6
26	26	26	26	31	31
94	94	95	96	91	91
25	25	25	26	35	36
77	77	79	79	79	79

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COMPLIANCE SECTION

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City of Rockledge, Florida
Schedule of Expenditures of Federal Awards
and State Financial Assistance

Grantor / Pass-Through Grantor / Program or Cluster Title	Assistance Listing Number	Identification Number	Federal Expenditures	Transfers to Subrecipients
FEDERAL AWARDS:				
<u>United States Department of the Treasury</u>				
Direct Program:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Y5279 FLO272	\$ 1,717,558	\$ -
Total Department of Treasury			1,717,558	-
<u>United States Department of Homeland Security</u>				
Passed through Florida Division of Emergency Management				
Hazard Mitigation Grants	97.039	4468-013-R	530,916	-
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	DR 4673	47,041	-
Total Department of Homeland Security			577,957	-
Total Expenditures of Federal Awards			\$ 2,295,515	\$ -

Grantor / Pass-Through Grantor / Program or Cluster Title	Assistance Listing Number	Identification Number	State Expenditures	Transfers to Subrecipients
STATE FINANCIAL ASSISTANCE:				
<u>Florida Department of Environmental Protection</u>				
Direct Program:				
Statewide Water Quality Restoration Projects – GAA LI 1711C	37.039	LG020	\$ 2,582,877	\$ -
Total Department of Environmental Protection			2,582,877	-
Total Expenditures of State Financial Assistance			\$ 2,582,877	\$ -

City of Rockledge, Florida
Notes to Schedule of
Expenditures of Federal Awards
and State Financial Assistance

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (Schedule) includes the Federal and State award activity of the City of Rockledge, Florida (the City) under programs of the Federal government and State of Florida for the fiscal year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Florida Auditor General. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cashflows of the City.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 10.550, Rules of the Florida Auditor General, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

The City has not elected to use de minimis cost rate allowed under the Uniform Guidance.

4. Non-cash items received

The City did not receive any noncash items associated with any federal awards during the fiscal year ended September 30, 2025.

5. Payments to Subrecipients

There were no payments made to subrecipients.

6. Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by a grantor agency as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal laws and regulations.



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INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAMS AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE FLORIDA AUDITOR GENERAL

Honorable Mayor and Members of the City Council
City of Rockledge, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited City of Rockledge, Florida’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Rockledge, Florida’s major federal programs and state projects for the year ended September 30, 2025. City of Rockledge, Florida’s major federal programs and state projects are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance 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 the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Florida Auditor General*. Our responsibilities under those standards and the Uniform Guidance and Chapter 10.550, *Rules of the Florida Auditor General* are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Rockledge, Florida and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of City of Rockledge, Florida’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Rockledge, Florida's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.550, *Rules of the Florida Auditor General*, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Rockledge, Florida's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Florida Auditor General*, we:

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

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

Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Florida Auditor General*. Accordingly, this report is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

March 9, 2026

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THE CITY OF ROCKLEDGE, FLORIDA
Schedule of Findings and Questioned Costs
Fiscal Year Ended September 30, 2025

Section I—Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies identified? None reported
- Noncompliance material to financial statements noted? No

Federal Awards and State Projects

Type of auditor’s report issued: Unmodified

Internal control over major federal awards and state projects:

- Material weaknesses identified? No
- Significant deficiencies identified? None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and/or Chapter 10.557, Rules of the Auditor General? No

Identification of major federal programs and state projects:

<u>Federal Assistance Listings Numbers</u>	<u>Federal Programs</u>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

<u>State CSFA Numbers</u>	<u>State Projects</u>
37.039	Statewide Water Quality Restoration Projects

Dollar threshold used to distinguish between type A and B programs was \$1,000,000 for major federal programs and \$750,000 for major state projects. The City was a high-risk auditee.

THE CITY OF ROCKLEDGE, FLORIDA
Schedule of Findings and Questioned Costs (Continued)
Fiscal Year Ended September 30, 2025

Section II—Financial Statement Findings

No matters to report.

Section III—Federal Programs Findings and Questioned Costs

No matters to report.

Section IV—State Project Findings and Questioned Costs

No matters to report.

Section V—Prior Findings and Questioned Costs for Federal Awards

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Status : Resolved.



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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 Members of the City Council
City of Rockledge, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Rockledge, Florida, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Rockledge, Florida’s basic financial statements, and have issued our report thereon dated March 9, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Rockledge, Florida’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 City of Rockledge, Florida’s internal control. Accordingly, we do not express an opinion on the effectiveness of City of Rockledge, Florida’s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. 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 City of Rockledge, Florida's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

March 9, 2026



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INDEPENDENT AUDITOR’S MANAGEMENT LETTER

Honorable Mayor and Members of the City Council
The City of Rockledge, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Rockledge, Florida (the “City”) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 9, 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; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent 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*, Independent Auditor’s Report on Compliance for Each Major Federal Program, and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant’s Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 9, 2026 should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report as noted below:

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Official Title and Legal Authority

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

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the City of Rockledge, Florida met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the City of Rockledge, 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 City of Rockledge, Florida. It is management's responsibility to monitor the City of Rockledge, 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 address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Programs (Unaudited)

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the City of Rockledge, Florida, did not operate a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, within the City of Rockledge, Florida's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.30(3)(b), Florida Statutes.

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 have any such findings.

Purpose of this Letter

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

March 9, 2026

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INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

Honorable Mayor and Members of the City Council
The City of Rockledge, Florida

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

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

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

Our examination does not provide a legal determination on the City of Rockledge, Florida’s compliance with specified requirements.

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

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 9, 2026