

2025

City of Williston, Florida

Financial Statements and
Independent Auditor's Report

September 30, 2025

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**CITY OF WILLISTON, FLORIDA
WILLISTON, FLORIDA**

SEPTEMBER 30, 2025

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AND
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**CITY OF WILLISTON, FLORIDA
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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Williston
Williston, 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, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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City of Williston
Williston, Florida

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and required supplementary information as listed in the table of contents (collectively, the required supplementary information) on pages 4-18 and 65-74 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

Honorable Mayor and City Council
City of Williston
Williston, Florida

INDEPENDENT AUDITOR'S REPORT

of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards and state projects, 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* of the State of Florida and is presented for purposes of additional analysis and is 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 schedule of expenditures of federal awards and state projects is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

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

Purvis Gray

June 30, 2026
Ocala, Florida

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025**

The Management Discussion and Analysis (MD&A) serves as an introduction to the City of Williston, Florida's (the City) basic financial statements. It also aids the readers by focusing on significant financial issues, providing an overview of the City's financial activities, and identifying the City's ability to meet future challenges; it assists in identifying significant deviations from the financial plan and addresses any individual fund issues or concerns. Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, it should be read in conjunction with the City's financial statements (beginning on page 19). Please note the City provides prior year comparative financial information as required by Governmental Accounting Standards Board (GASB) Statement No. 34.

As management of the City, we offer readers of the City's annual financial statements this narrative overview and analysis of financial activities of the City for fiscal year ended September 30. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

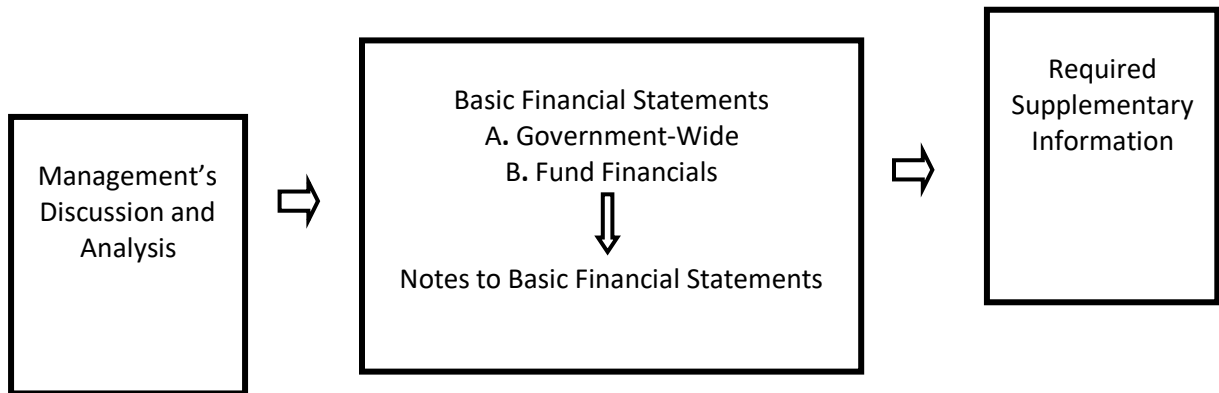
FINANCIAL HIGHLIGHTS

- The City's net position exceeded its liabilities at the close of the current fiscal year by \$33,975,015.
- The City's total net position increased by \$1,886,360 for the current fiscal year. Governmental activities assets increased by \$2,072,947 and business-type activities decreased by \$186,587 for the fiscal year.
- The City's governmental funds reported a combined ending fund balance of \$2,701,692. The non-spendable portion of the fund balance totaled \$103,480 and the restricted portion totaled \$2,172,168. Approximately 16% of the ending fund balance, \$426,044, is available for spending at the City's discretion (unassigned fund balance).
- The City maintains two single employer defined benefit plans that separately cover full-time police officers and all other general employees. The net change in the fiduciary fund's assets was an increase of \$942,760 from the prior year.
- The City's total long-term debt increased by \$3,702,732 or approximately 86% during the current fiscal year. This change was primarily the result of three new loans totaling \$4,723,982 as well as an increase in the City's current CRA project loan, other postemployment benefits, and compensated absences. Those increases were offset by principal payments and a decrease in the net pension liability.
- The City's total net position of \$33,975,015 is divided into the following classifications:
 - Net Investment in Capital Assets in the amount of \$31,066,828. This includes land, buildings, improvements, and equipment less accumulated depreciation and any outstanding debt that is related to the purchase or construction of those assets.
 - Restricted assets of \$3,194,064 for specific use in law enforcement, airport operations, net pension asset and the community redevelopment expenditures.
 - Unrestricted assets in the amount of (\$285,877) are available for the City to meet the ongoing activities and obligations to citizens and creditors.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025**

Overview of the Financial Statements

The MD&A is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. For the fiscal year ended September 30, 2025, the City has prepared the financial statements based on the guidelines provided in the GASB Statement No. 34 reporting model illustrated below:



Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances as a whole. This broad overview is similar to the financial reporting of private-sector businesses. The government-wide financial statements have separate columns for governmental activities and business-type activities. Governmental activities are primarily supported by taxes, charges for services and grants, while business-type activities are self-supporting through user fees and charges.

- The *statement of net position* presents information on all the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
- The *statement of activities* presents information on how the City's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenditures are reported in this statement for some items that will result in cash flows in future fiscal periods. (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions within the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or in part a portion of these costs through user fees and charges (*business-type activities*). Governmental activities include, among other things, general government (city council, finance, and administration), public safety (police and fire control), public works (streets and sidewalks), culture, and recreation. Business activities include electric, gas, water, sewer, and sanitation utilities. The government-wide financial statements can be found on pages 19 and 20 of this report.

CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025

Fund Financial Statements

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

Governmental Funds

This fund is used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows (revenues) and outflows (expenditures of spendable resources)*, as well as on *balances of spendable resources* available at the end of the fiscal year. The government-wide financial statements include both *near-term and long-term inflows (revenues) and outflows (expenditures)*, as well as on *balances of spendable resources* available at the end of the fiscal year. Information in the governmental funds may be useful in evaluating a government's *near-term* financing requirements.

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

The City maintains three (3) individual *governmental funds*. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balance for the general fund, airport development special revenue fund, and community redevelopment special revenue fund, all of which are considered to be major funds. The basic governmental fund financial statements can be found on pages 21 through 24 of this report.

Proprietary Funds

The City maintains one type of *proprietary fund*, which is the *enterprise fund*, used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to separately account for its utility activities. Business-type activities charge a fee for the specific goods or services provided to customers. The basic proprietary fund financial statements can be found on pages 25 through 27 of this report.

Fiduciary Funds

This fund accounts for resources held in a trustee capacity or as an agent for parties outside of the government. Fiduciary funds are not included in the government-wide financial statements because their resources or assets are not available to support the City's activities. The City has two fiduciary fund-type pension trusts for its pension funds. The accounting used for fiduciary funds is much like that used in proprietary funds. The basic fiduciary fund financial statements can be found on pages 28 and 29 of this report.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025**

Notes to the Financial Statements

The notes to the financial statements provide additional information that is important in order to gain a full understanding of the data in the government-wide and fund financial statements. The notes are located immediately following the basic financial statements on pages 30 through 65 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other postemployment benefits to its general employees and police officers. Required supplementary information can be found on pages 66 through 75 of this report.

Government-Wide Financial Analysis

As noted earlier, the statement of net position on the following page may serve over time as a useful indicator of the City's financial position. The City's net position exceeded liabilities by \$33,975,015 at the close of the fiscal year ending September 30, 2025, resulting in an increase in net position of \$1,886,360, or approximately 6% more than the prior year total of \$32,088,655 (as restated).

By far, the largest portion of the City's net position is reflected in its investment in capital assets such as land, buildings, improvements, and equipment, less debt used to acquire those assets that are still outstanding, which total \$31,066,828 or approximately 91% of the overall net position mentioned above. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the City's investment in capital assets is reported net of related outstanding debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted net position are resources subject to external restrictions on how they may be used and represent \$3,194,064, or approximately 9% of total net position. Restricted assets increased by \$904,109, or approximately 39%, from the prior year. Any remaining balance is unrestricted and may be used to meet the City's ongoing obligations to its citizens, customers, and creditors.

The statement of net position on the following page illustrates the increases or decreases in net position from the prior fiscal year both for governmental-type and business-type activities.

CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025

Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2025	2024	2025	2024	2025
Current and other assets	\$ 1,829,068	\$ 3,231,423	\$ 715,275	\$ 1,687,536	\$ 2,544,343	\$ 4,918,959
Prepays and other	2,394,292	1,892,610	4,408,044	3,163,340	6,802,336	5,055,950
Capital assets, net of accumulated depreciation	17,661,203	19,598,401	13,805,974	17,024,210	31,467,177	36,622,611
Total assets	21,884,563	24,722,434	18,929,293	21,875,086	40,813,856	46,597,520
Deferred Outflows - OPEB	96,523	124,526	58,823	79,445	155,346	203,971
Deferred Outflows - Pension	1,095,687	722,250	369,841	207,275	1,465,528	929,525
Total Deferred Outflows of Resources	1,192,210	846,776	428,664	286,720	1,620,874	1,133,496
Long-term liabilities	1,997,743	2,662,385	1,284,734	5,054,847	3,282,477	7,717,232
Other liabilities	1,437,325	1,589,303	3,350,154	2,828,004	4,787,479	4,417,307
Total liabilities	3,435,068	4,251,688	4,634,888	7,882,851	8,069,956	12,134,539
Deferred Inflows - OPEB	231,563	214,810	141,119	137,043	372,682	351,853
Deferred Inflows - Pension	1,240,433	946,052	509,567	323,557	1,750,000	1,269,609
Total Deferred Inflows of Resources	1,471,996	1,160,862	650,686	460,600	2,122,682	1,621,462
Net assets:						
Net Investment in Capital Assets	17,244,388	18,187,128	11,882,535	12,879,700	29,126,923	31,066,828
Restricted	1,784,010	2,547,777	505,945	646,287	2,289,955	3,194,064
Unrestricted	(858,689)	(578,245)	1,683,903	292,368	825,214	(285,877)
Total net assets	\$ 18,169,709	\$ 20,156,660	\$ 14,072,383	\$ 13,818,355	\$ 32,242,092	\$ 33,975,015

Normal Impacts

There are six basic transactions that will affect the comparability of the Statement of Net Position summary presentation.

1. Net results of activities will impact (increase/decrease current assets and unrestricted net position).
2. Borrowing of capital will increase current assets and long-term debt.
3. Spending borrowed proceeds on new capital will reduce current assets and increase capital assets. There is a second impact, an increase in invested capital assets, and an increase in related net debt will not change the invested in capital assets, net of debt.
4. Spending of non-borrowed current assets on new capital will reduce current assets, increase capital assets, reduce unrestricted net position, and increase invested in capital assets, net of debt.
5. Principal payment of debt will reduce current assets and reduce long-term debt, reduce unrestricted net position, and increase invested in capital assets, net of debt.
6. Reduction of capital assets through depreciation will reduce capital assets and increase invested in capital assets, net of debt.

CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025

Changes in Net Position
For the Year Ended September 30, 2025

	Governmental Activities		Business-Type Activities		Total	
	2024	2025	2024	2025	2024	2025
Revenues						
Program revenues:						
Charges for services	\$ 2,635,718	\$ 2,916,682	\$ 8,844,594	\$ 9,828,592	\$ 11,480,312	\$ 12,745,274
Capital grants & contributions	4,642,457	2,713,064	2,024,138	125,024	6,666,595	2,838,088
General revenues:						
Property taxes	1,210,985	1,387,136	-	-	1,210,985	1,387,136
Public service tax	521,256	653,393	-	-	521,256	653,393
Other taxes	567,306	594,561	-	-	567,306	594,561
Other	1,093,580	1,186,806	26,484	13,907	1,120,064	1,200,713
Total revenues	10,671,302	9,451,642	10,895,216	9,967,523	21,566,518	19,419,165
Expenses						
General government	980,939	1,087,575	-	-	980,939	1,087,575
Law enforcement	1,808,930	1,786,893	-	-	1,808,930	1,786,893
Fire control	1,147,874	1,248,059	-	-	1,147,874	1,248,059
Streets and sidewalks	788,146	195,691	-	-	788,146	195,691
Parks and recreation	96,600	660,096	-	-	96,600	660,096
Community redevelopment	247,941	215,186	-	-	247,941	215,186
Information Technology	367,033	395,881	-	-	367,033	395,881
Animal control	204,739	241,614	-	-	204,739	241,614
Airport operations & development	3,374,345	3,516,474	-	-	3,374,345	3,516,474
Interest on long-term debt	7,678	16,553	-	-	7,678	16,553
Utility	-	-	7,475,593	8,076,781	7,475,593	8,076,781
Non Departmental	200,852	92,002	-	-	200,852	92,002
Total expenses	(9,225,077)	(9,456,024)	(7,475,593)	(8,076,781)	(16,700,670)	(17,532,805)
Increase / (Decrease) in net position before transfers:	1,446,225	(4,382)	3,419,623	1,890,742	4,865,848	1,886,360
Transfers	1,750,085	2,077,329	(1,750,085)	(2,077,329)	-	-
Change in net position	3,196,310	2,072,947	1,669,538	(186,587)	4,865,848	1,886,360
Net position, beginning of year **	14,973,399	18,083,713	12,402,845	14,004,942	27,376,244	32,088,655
Net position, end of year	\$18,169,709	\$20,156,660	\$14,072,383	\$13,818,355	\$32,242,092	\$33,975,015

** FY2025 Beginning Fund Balance was restated.

The statement shown above illustrates the increase or decrease in net position for the City resulting from its operating activities.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025**

Governmental Activities

As shown on the previous page, the City's total net position for governmental activities increased by \$2,072,947 for the current fiscal year. Key elements of these changes are as follows:

Revenues

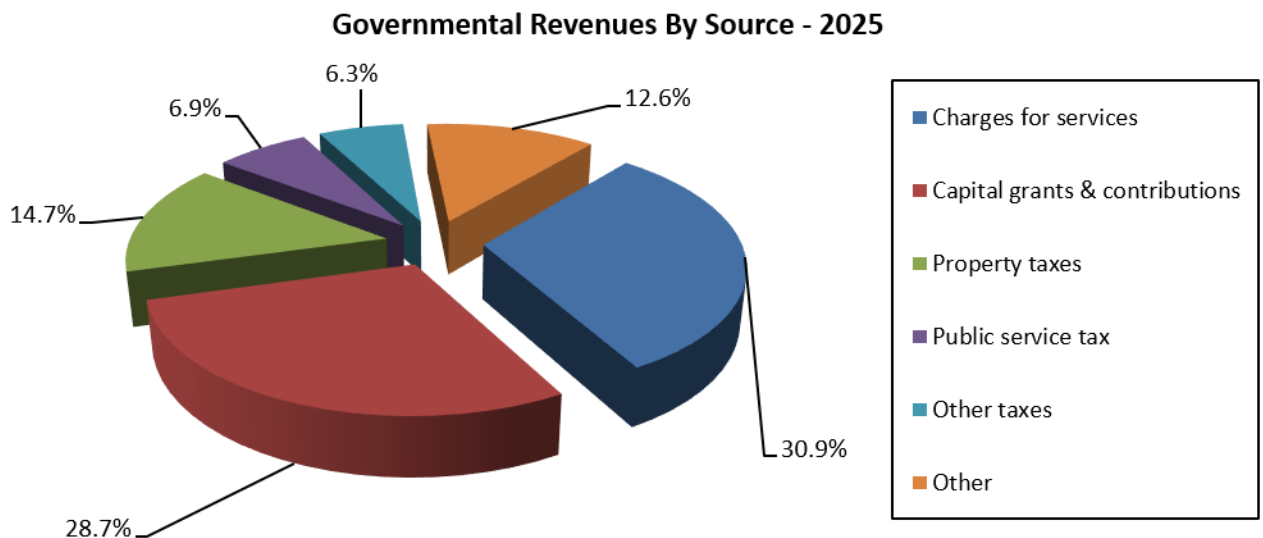
Overall, the total revenue for governmental activities decreased by \$1,219,660 compared to the prior fiscal year. The activity was as follows:

Charges for services increased by \$280,964, or approximately 11%, from the prior fiscal year-end. The increase was primarily the result of an increase in airport fuel sales, timber sales and building permitting revenue during the current fiscal year.

Capital grants and contributions decreased by \$1,929,393 or approximately 42%, compared to the prior fiscal year. The decrease was the result of lower grant funding received for airport construction projects during the current fiscal year.

The general revenues increased by \$428,769 compared to the previous year due to an increase in property taxes, public service taxes, and other taxes.

The following chart shows the percentage each revenue source represents within the City as a whole. The percentages may not equate to 100 percent due to rounding.

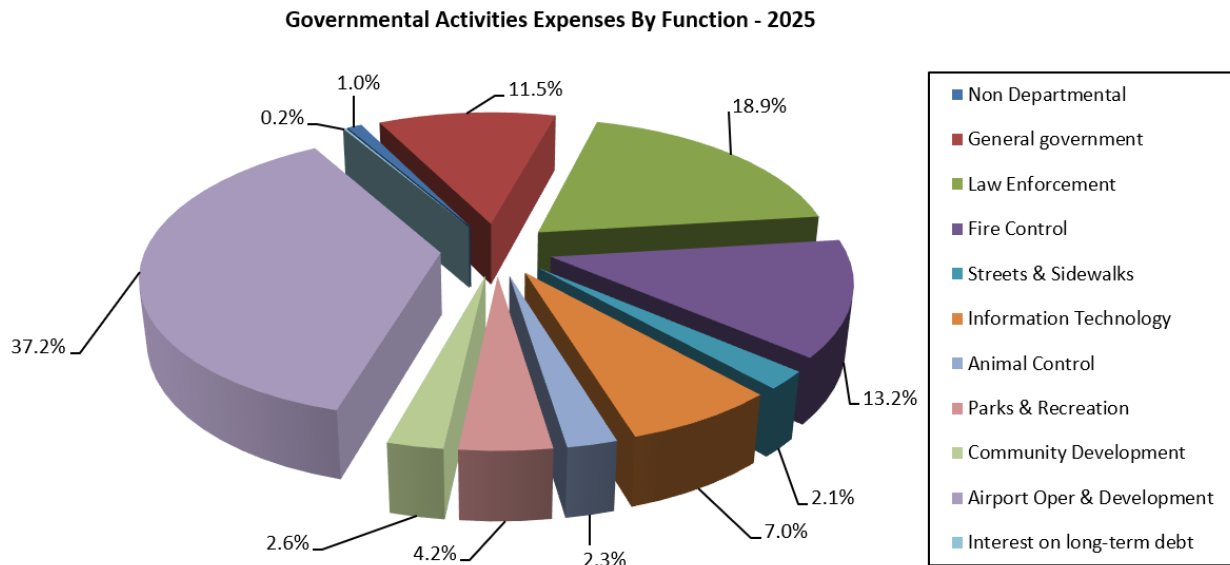


**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025**

Expenses

The City's governmental expenses increased to \$9,456,024, a \$230,947 or 3% increase from the previous fiscal year's total of \$9,225,077. The change is the result of an increase in personal services (including benefits) as well as an increase in airport fuel sales, and insurance premiums.

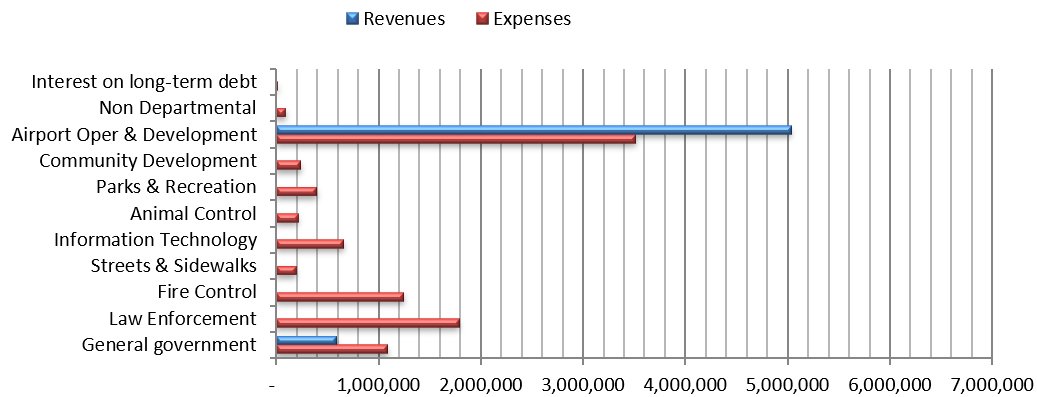
The following illustration shows the percentage each functional area represents within the City as a whole. The percentages may not equate to 100 percent due to rounding.



The bar chart on the next page compares governmental activity expenses against program revenues that each department generates, without any associated general revenues such as property, franchise, public service and telecommunication taxes, as well as interest and other miscellaneous income.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025**

Governmental Activities Expenses & Program Revenues - 2025



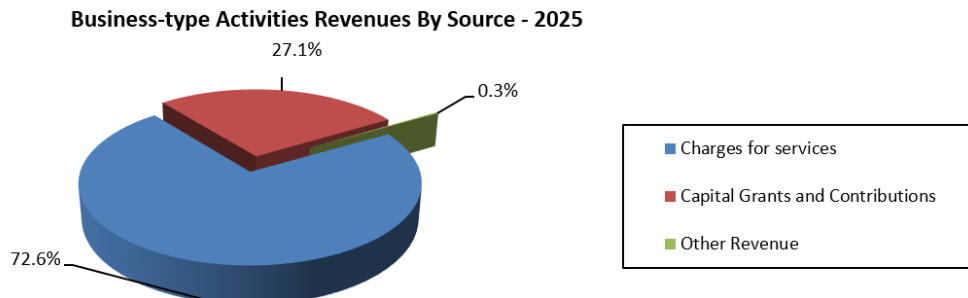
Business-Type Activities

Business-type activities decreased the City's net position by \$186,587 from the previous fiscal year-end. The decrease in the net position was primarily the result of a loss from the City's COWLink services as well as new expenses related to the establishment of a new internet fiber service. Other contributing factors are discussed below.

Revenues

Overall, total revenue for business-type activities decreased by \$915,116 compared to the prior fiscal year. The change was primarily the result of a decrease in the amount of grant revenue compared to the prior fiscal year. The decrease was offset by an increase in utility charges billed by the City.

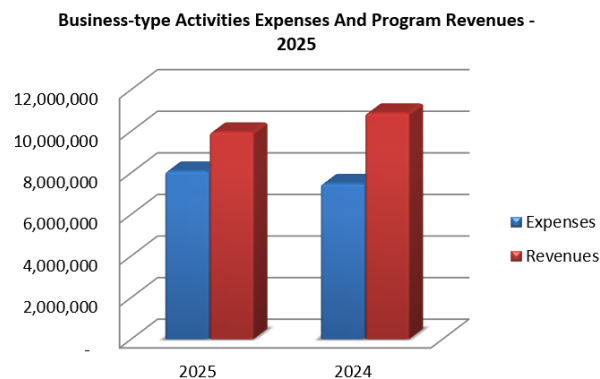
The activity for the fiscal year was as follows: charges for services increased by \$983,998, capital grants and contributions decreased by \$1,899,114, and other revenues and interest decreased by \$12,577 from the prior fiscal year. The chart below illustrates the breakdown as a percentage of total revenues by each source for the City's business-type activities.



**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025**

Business-type activity expenses increased by \$601,188 from the prior fiscal year-end. This change was the result of an increase in salaries and wages, and electricity and gas purchases related to utility services. Other increases in expenses included an increase in the transfer to the general fund, as well as an increase in solid waste collection services, debt service payments, and other professional services. The increases were offset by a decrease in material and supply purchases and equipment maintenance.

The bar chart shown below compares expenses and program revenues for the current fiscal year and the previous one, to illustrate how business-type activities support themselves without the aid of general revenues such as interest earnings and before any transfers are made to governmental funds.



Fund Financial Analysis

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The primary function of the City's governmental funds is to report on *near-term* revenues (inflows), expenditures (outflows) and balance of spendable resources. This information is useful in assessing the government's financial requirements in the near future. In particular, fund balance is a good indicator of the City's net resources that are available for spending at the end of the fiscal year. At the end of the current fiscal year the City's combined ending governmental fund balance was \$2,701,692. The fund balance in the general fund was \$468,885. The fund balance in the two special revenue funds was a combined ending balance of \$2,232,807. The City ended the current fiscal year with an overall increase in its combined fund balance of \$966,242 as compared to the prior year end balance of \$1,735,450.

The City has three major governmental funds as shown below. The following pages illustrate the net change in fund balance for each of the three funds for the fiscal year.

Major Funds

- General Fund
- Special Revenue Fund - Airport Development
- Special Revenue Fund - Community Redevelopment Agency (CRA)

CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025

The general fund is the main operating fund for the City and is shown below. The fund balance after transfers decreased by \$202,041 for the fiscal year, as compared to a decrease of \$153,326 in the previous fiscal year, a net decrease in 2025 of \$48,715.

General Fund			
	2024	2025	Incr. / (Decr.)
Revenues			
Taxes	\$ 2,161,335	\$ 2,470,899	\$ 309,564
Licenses and permits	168,876	203,597	34,721
Intergovernmental	1,149,632	1,220,315	70,683
Fines and forfeitures	27,193	38,457	11,264
Interest Earnings	17,250	9,745	(7,505)
Other	46,924	112,584	65,660
Total revenues	3,571,210	4,055,597	484,387
Expenditures			
Current:			
General Government	622,944	687,539	64,595
Law enforcement	1,614,971	1,499,067	(115,904)
Communications	318,452	358,439	39,987
Roads & Streets	713,220	164,029	(549,191)
Fire Control	998,222	1,149,162	150,940
Parks and recreation	30,420	581,011	550,591
Library	10,729	24,677	13,948
Planning and zoning	232,704	306,727	74,023
Legislative and legal	76,114	97,602	21,488
Animal Control	186,911	238,310	51,399
Information Technology	304,968	310,610	5,642
Non-departmental	188,605	91,805	(96,800)
Capital Outlay	356,087	526,108	170,021
Debt Service:			
Principal	70,156	91,482	21,326
Interest	7,293	13,131	5,838
Total expenditures	(5,731,796)	(6,139,699)	(407,903)
Excess (deficiency) of revenues over (under) expenditures	(2,160,586)	(2,084,102)	76,484
Other financing sources (uses)			
Transfers in	1,819,717	2,122,888	303,171
Transfers out	(201,737)	(240,827)	(39,090)
Proceeds from Debt Issuance	160,000	-	(160,000)
SBITA Issued	211,299	-	(211,299)
Sale of capital assets	17,981	-	(17,981)
Total other financing	2,007,260	1,882,061	(125,199)
Net change in fund balances	(153,326)	(202,041)	(48,715)
Fund balances, beginning of year	824,252	670,926	
Fund balances, end of year	\$ 670,926	\$ 468,885	

CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025

The special revenue fund - airport development is another operating fund of the City. The fund balance increased by \$185,051 for the current fiscal year, as compared to an increase of \$72,180 in the previous year, a net increase in 2025 of \$112,871 as illustrated below:

Special Revenue Fund Airport Development			
	2024	2025	Incr. / (Decr.)
Revenues			
Intergovernmental	\$ 4,352,302	\$ 2,425,505	\$ (1,926,797)
Interest Earnings	6,587	2,461	(4,126)
Rental Income	510,478	461,699	(48,779)
Timber and Hay Sales	3,512	149,392	145,880
Fuel Sales	1,905,927	1,999,425	93,498
Other	39,043	60,197	21,154
Total revenues	6,817,849	5,098,679	(1,719,170)
Expenditures			
Current:			
Airport Development	2,382,299	2,450,110	67,811
Capital Outlay	4,297,314	2,417,959	(1,879,355)
Total expenditures	(6,679,613)	(4,868,069)	1,811,544
Excess (deficiency) of revenues over (under) expenditures	138,236	230,610	92,374
Other financing sources (uses)			
Transfers out	(69,632)	(45,559)	24,073
Sale of Capital Assets	3,576	-	(3,576)
Total other financing	(66,056)	(45,559)	20,497
Net change in fund balances	72,180	185,051	112,871
Fund balances, beginning of year	528,140	600,320	
Fund balances, end of year	\$ 600,320	\$ 785,371	

CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025

The community redevelopment fund is another special revenue fund the City includes in its statements as illustrated below. The fund balance after transfers associated with this fund increased by \$983,232 for the current fiscal year-end, as compared to a increase of \$313,766 in the prior year, a net increase in 2025 of \$669,466. The fund was established to account for the Community Redevelopment Agency's (CRA) activities. The CRA's sole purpose is eliminating and preventing the development of slum and blighted areas within the community in order to serve the interest of the citizens.

Special Revenue Fund
Community Redevelopment

	2024	2025	Incr. / (Decr.)
Revenues			
Taxes	\$ 268,982	\$ 294,343	\$ 25,361
Interest Earnings	891	2,678	1,787
Contributions and Donations	50	-	(50)
Miscellaneous Revenue	1,575	345	(1,230)
Total revenues	271,498	297,366	25,868
Expenditures			
Community Redevelopment	139,378	119,029	(20,349)
Capital Outlay	19,706	415,740	396,034
Debt Service	7,870	12,707	4,837
Total expenditures	(166,954)	(547,476)	(380,522)
Excess (deficiency) of revenues over (under) expenditures	104,544	(250,110)	(354,654)
Other financing sources (uses)			
Transfers in	201,737	240,827	39,090
Proceeds from Debt Issuance	7,485	992,515	985,030
Total Other financing	209,222	1,233,342	1,024,120
Net change in fund balances	313,766	983,232	669,466
Fund balances, beginning of year	150,438	464,204	
Fund balances, end of year	\$ 464,204	\$ 1,447,436	

The Statement of Revenues, Expenditures, and Changes in Fund Balance for all illustrations shown on the previous pages 13 through 15 are provided on page 23 of this report.

Proprietary Funds

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the business-type activities totaled \$292,368 which was \$1,391,535 or approximately 83% less than the prior year. The remaining balance was made up of \$646,287 which was restricted and \$12,879,700 being invested in capital assets net of any related debt.

The City's total net position for business-type activities decreased by \$186,587 from the prior fiscal year-end. Key elements of the increase have been addressed in the discussion of the City's business-type activities found on pages 11 and 12 of this report.

CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025

General Fund Budgetary Highlights with Variances

Overall, the general fund ended the current fiscal year with a positive variance between its final revenues budgeted and actual revenues in the amount of \$32,973. This was mainly due to higher intergovernmental revenues than was budgeted. The positive variance was offset with lower collected property taxes and permitting and fee revenues than was budgeted.

The general fund experienced a positive variance between its final expenditures budget and actual expenditures in the amount of \$265,630. The positive variance was largely the result of lower capital outlay and permitting service spending but was offset by an increase in the fire department spending compared to budget.

Capital Asset and Debt Administration

The City's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounts to \$36,622,611 (net of accumulated depreciation) as compared to the prior year-end total of \$31,573,037 as shown below. The investment in capital assets includes land, buildings, utility distribution systems, improvements, machinery and equipment, streets, roads, and construction in progress. The total increase in capital assets for the current fiscal year was \$5,049,574 or 16%. Governmental activities increased by \$1,831,338 and the business-type activities increased by \$3,218,236 as illustrated below. The increase in governmental activities assets was primarily the additions for airport and CRA projects and was off by depreciation recorded in the current fiscal year. The increase in business-type activities was primarily the result of the Fiber project and was also offset by the depreciation recorded in the current fiscal year.

	Capital Assets - Net of Depreciation					
	Governmental Activities		Business-Type Activities		Total	
	2024	2025	2024	2025	2024	2025
Land	\$ 1,475,235	\$ 1,475,235	\$ 133,966	\$ 133,966	\$ 1,609,201	\$ 1,609,201
Construction In Progress	4,770,116	3,110,999	1,989,092	3,316,154	6,759,208	6,427,153
Buildings and Improvements	10,150,306	13,476,290	-	-	10,150,306	13,476,290
Plant and Distribution Systems	-	-	10,761,225	12,354,387	10,761,225	12,354,387
Machinery and Equipment	1,096,507	1,345,582	921,691	1,219,703	2,018,198	2,565,285
SBITA Right-to-Use Asset	274,899	190,295	-	-	274,899	190,295
Total Assets, Net	\$ 17,767,063	\$ 19,598,401	\$ 13,805,974	\$ 17,024,210	\$ 31,573,037	\$ 36,622,611

Additional information on the City's capital assets can be found in Note 4 starting on page 40 of this report.

**CITY OF WILLISTON, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2025**

Debt Administration

At the end of the current fiscal year, the City had a total long-term debt balance of \$8,350,940. Of that amount, \$2,482,473 is comprised of general obligation debt and backed by the credit of the government. The remaining \$5,868,467 represents notes secured solely by specific revenue sources. Governmental activities account for \$3,153,385 while business-type activities account for \$5,197,555 of the overall debt as shown below.

**Long-Term Debt
General Obligation and Revenue Bonds**

	Governmental Activities	
	2024	2025
Fire Vehicle	\$ 160,000	\$ 140,437
CRA Project	7,485	992,515
Building Renovations	70,481	50,855
SBITA Right To Use	160,029	107,736
Compensated Absences & Other	1,792,789	1,861,842
Total Governmental Activities	\$ 2,190,784	\$ 3,153,385
	Business-Type Activities	
	2024	2025
City Hall	\$ 1,006,370	\$ 953,193
Line of Credit	891,745	-
State Revolving Loan	-	125,886
Fiber Optic Loan	-	3,605,581
Compensated Absences & Other	405,872	512,895
Total Business-Type Activities	\$ 2,303,987	\$ 5,197,555
Total Outstanding Debt	\$ 4,494,771	\$ 8,350,940

Additional information on the City's long-term debt can be found in Note 6 on pages 42 through 44 of this report.

Request for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the City Manager or Finance Director, at 50 N.W. Main Street, Williston, Florida 32696.

BASIC FINANCIAL STATEMENTS

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

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 2,603,013	\$ 1,290,421	\$ 3,893,434
Cash and Cash Equivalents, Restricted	576,775	397,115	973,890
Receivables (Net of Allowance for Uncollectable Accounts)	48,671	1,559,825	1,608,496
Due from Other Governments	558,968	27,896	586,864
Interfund Balances	(57,675)	57,675	-
Inventories	60,639	755,375	816,014
Prepays	9,604	-	9,604
Net Pension Asset	1,324,038	762,569	2,086,607
Capital Assets Not Being Depreciated/Amortized	4,586,234	3,450,120	8,036,354
Capital Assets Net of Accumulated Depreciation/Amortization	15,012,167	13,574,090	28,586,257
Total Assets	24,722,434	21,875,086	46,597,520
Deferred Outflow of Resources			
Deferred Outflow - OPEB Related	124,526	79,445	203,971
Deferred Outflow - Pension Related	722,250	207,275	929,525
Total Deferred Outflow of Resources	846,776	286,720	1,133,496
Total Assets and Deferred Outflow of Resources	25,569,210	22,161,806	47,731,016
Liabilities			
Accounts Payable and Accrued Expenses	825,306	1,355,214	2,180,520
Construction and Retainage Payable	196,905	-	196,905
Due to Pension Funds	76,092	-	76,092
Customer Deposits	-	397,115	397,115
Power Cost Adjustment	-	435,231	435,231
Rate Stabilization Fund Adjustment		497,736	497,736
Liabilities:			
Due Within One Year	491,000	142,708	633,708
Due in More Than One Year	2,662,385	5,054,847	7,717,232
Total Liabilities	4,251,688	7,882,851	12,134,539
Deferred Inflow of Resources			
Deferred Inflow - OPEB Related	214,810	137,043	351,853
Deferred Inflow - Pension Related	946,052	323,557	1,269,609
Total Deferred Inflow of Resources	1,160,862	460,600	1,621,462
Total Liabilities and Deferred Inflow of Resources	5,412,550	8,343,451	13,756,001
Net Position			
Net Investment in Capital Assets	18,187,128	12,879,700	31,066,828
Restricted for:			
Community Redevelopment	870,661	-	870,661
Airport Operations	724,732	-	724,732
Net Pension Asset	952,384	646,287	1,598,671
Unrestricted	(578,245)	292,368	(285,877)
Total Net Position	\$ 20,156,660	\$ 13,818,355	\$ 33,975,015

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Governmental Activities							
General Government	\$ 1,087,575	\$ 306,167	\$ -	\$ 287,559	\$ (493,849)	\$ -	\$ (493,849)
Law Enforcement	1,786,893	-	-	-	(1,786,893)	-	(1,786,893)
Fire Control	1,248,059	-	-	-	(1,248,059)	-	(1,248,059)
Streets and Sidewalks	195,691	-	-	-	(195,691)	-	(195,691)
Animal Control	241,614	-	-	-	(241,614)	-	(241,614)
Parks and Recreation	660,096	-	-	-	(660,096)	-	(660,096)
Community Redevelopment	215,186	-	-	-	(215,186)	-	(215,186)
Information Technology	395,881	-	-	-	(395,881)	-	(395,881)
Non-Departmental	92,002	-	-	-	(92,002)	-	(92,002)
Airport Operations	3,516,474	2,610,515	-	2,425,505	1,519,546	-	1,519,546
Interest on Long-Term Debt	16,553	-	-	-	(16,553)	-	(16,553)
Total Governmental Activities	9,456,024	2,916,682	-	2,713,064	(3,826,278)	-	(3,826,278)
Business-Type Activities							
Utility Services	8,076,781	9,828,592	-	125,024	-	1,876,835	1,876,835
Total Government	\$ 17,532,805	\$ 12,745,274	\$ -	\$ 2,838,088	(3,826,278)	1,876,835	(1,949,443)
General Revenues							
Property Taxes					1,387,136	-	1,387,136
Fines and Forfeitures					38,457	-	38,457
Franchise Taxes					46,805	-	46,805
Public Service Tax					653,393	-	653,393
Local Government Infrastructure Tax					459,098	-	459,098
State Revenue Sharing					1,062,907	-	1,062,907
Telecommunication Tax					88,658	-	88,658
Interest Earnings					14,884	13,907	28,791
Miscellaneous					63,704	-	63,704
Gain on Sale of Fixed Assets					6,854	-	6,854
Total General Revenues					3,821,896	13,907	3,835,803
Transfers							
Transfers					2,077,329	(2,077,329)	-
Total Transfers					2,077,329	(2,077,329)	-
Change in Net Position					2,072,947	(186,587)	1,886,360
Net Position, Beginning of Year (as Restated)					18,083,713	14,004,942	32,088,655
Net Position, End of Year					\$ 20,156,660	\$ 13,818,355	\$ 33,975,015

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

CITY OF WILLISTON, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	<u>General</u>	<u>Special Revenue Airport Development</u>	<u>Special Revenue Community Redevelopment</u>	<u>Total Governmental Funds</u>
Assets				
Cash and Cash Equivalents	\$ 713,403	\$ 910,111	\$ 1,556,274	\$ 3,179,788
Accounts Receivables (Net of Allowance for Uncollectible Accounts)	10,104	38,567	-	48,671
Due from Other Governments	332,715	226,253	-	558,968
Due from Other Funds	-	-	24,955	24,955
Inventories	-	60,639	-	60,639
Prepaid Items	9,604	-	-	9,604
Advance to Other Funds	33,237	-	-	33,237
Total Assets	<u>1,099,063</u>	<u>1,235,570</u>	<u>1,581,229</u>	<u>3,915,862</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable and Accrued Expenses	471,456	416,962	133,793	1,022,211
Due to Other Funds	101,047	-	-	101,047
Advance from Other Funds	57,675	33,237	-	90,912
Total Liabilities	<u>630,178</u>	<u>450,199</u>	<u>133,793</u>	<u>1,214,170</u>
Fund Balances				
Non-Spendable	42,841	60,639	-	103,480
Restricted:				
Community Redevelopment	-	-	870,661	870,661
Airport Operations	-	724,732	-	724,732
Unspent Note Proceeds	-	-	576,775	576,775
Unassigned	426,044	-	-	426,044
Total Fund Balances	<u>468,885</u>	<u>785,371</u>	<u>1,447,436</u>	<u>2,701,692</u>
Total Liabilities and Fund Balances	<u>\$ 1,099,063</u>	<u>\$ 1,235,570</u>	<u>\$ 1,581,229</u>	<u>\$ 3,915,862</u>

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

CITY OF WILLISTON, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Total Fund Balance for Governmental Funds	\$ 2,701,692
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Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$37,627,355 and the accumulated depreciation is (\$18,028,954).	19,598,401
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Net pension assets and liabilities, deferred outflows and inflows of resources related to the pensions, and OPEB are applicable to future periods and, therefore, are not reported in the governmental funds.

Net Pension Liability - FRS	(855,583)
Net Pension Liability - HIS	(156,627)
Net Pension Asset - Police	583,389
Net Pension Asset - General	740,649
OPEB Obligation	(507,130)

Deferred Inflow - OPEB	(214,810)
Deferred Inflow - FRS	(168,406)
Deferred Inflow - HIS	(41,106)
Deferred Inflow - Police	(422,281)
Deferred Inflow - General	(314,259)

Deferred Outflow - OPEB	124,526
Deferred Outflow - FRS	331,865
Deferred Outflow - HIS	25,499
Deferred Outflow - Police	163,566
Deferred Outflow - General	201,320

Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:

Notes Payable	(1,183,807)
SBITA Right-to-Use Asset	(107,736)
Compensated Absences	(342,502)

Net Position of Governmental Activities	\$ 20,156,660
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The accompanying notes to financial statements are an integral part of this statement.

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

	General	Special Revenue Airport Development	Special Revenue Community Redevelopment	Total Governmental Funds
Revenues				
Taxes:				
Property Tax	\$ 1,092,793	\$ -	\$ 294,343	\$ 1,387,136
Sales and Fuel Tax	589,250	-	-	589,250
Franchise Tax	788,856	-	-	788,856
Licenses, Permits, and Fees	203,597	-	-	203,597
Intergovernmental	1,220,315	2,425,505	-	3,645,820
Fines and Forfeitures	38,457	-	-	38,457
Interest Earnings	9,745	2,461	2,678	14,884
Rental Income	-	461,699	-	461,699
Timber and Hay Sales	-	149,392	-	149,392
Fuel Sales	-	1,999,425	-	1,999,425
Miscellaneous Revenues	112,584	60,197	345	173,126
Total Revenues	<u>4,055,597</u>	<u>5,098,679</u>	<u>297,366</u>	<u>9,451,642</u>
Program Expenditures				
Current:				
General Government	687,539	-	-	687,539
Law Enforcement	1,499,067	-	-	1,499,067
Communications	358,439	-	-	358,439
Roads and Streets	164,029	-	-	164,029
Fire Control	1,149,162	-	-	1,149,162
Parks and Recreation	581,011	-	-	581,011
Library	24,677	-	-	24,677
Planning and Zoning	306,727	-	-	306,727
Legislative and Legal	97,602	-	-	97,602
Animal Control	238,310	-	-	238,310
Airport Operations	-	2,450,110	-	2,450,110
Community Redevelopment	-	-	119,029	119,029
Information Technology	310,610	-	-	310,610
Non-Departmental	91,805	-	-	91,805
Capital Outlay	526,108	2,417,959	415,740	3,359,807
Debt Service:				
Principal	91,482	-	7,485	98,967
Interest	13,131	-	3,422	16,553
Other Debt Services Costs	-	-	1,800	1,800
(Total Expenditures)	<u>(6,139,699)</u>	<u>(4,868,069)</u>	<u>(547,476)</u>	<u>(11,555,244)</u>
(Deficiency) Excess of Revenues				
(Under) Over Expenditures	<u>(2,084,102)</u>	<u>230,610</u>	<u>(250,110)</u>	<u>(2,103,602)</u>
Other Financing Sources (Uses)				
Transfers in	2,122,888	-	240,827	2,363,715
Transfers (out)	(240,827)	(45,559)	-	(286,386)
Note Payable Proceeds	-	-	992,515	992,515
Total Other Financing Sources (Uses)	<u>1,882,061</u>	<u>(45,559)</u>	<u>1,233,342</u>	<u>3,069,844</u>
Net Change in Fund Balances	<u>(202,041)</u>	<u>185,051</u>	<u>983,232</u>	<u>966,242</u>
Fund Balances, Beginning of Year	<u>670,926</u>	<u>600,320</u>	<u>464,204</u>	<u>1,735,450</u>
Fund Balances, End of Year	<u>\$ 468,885</u>	<u>\$ 785,371</u>	<u>\$ 1,447,436</u>	<u>\$ 2,701,692</u>

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

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

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

Net Change in Fund Balances - Total Governmental Funds	\$ 966,242
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period, including a disposal of a capital asset:

Capital Additions	3,359,807
Depreciation Expense	(1,528,469)

The issuance of long-term debt (e.g., bonds, notes payable) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Issuance of Long Term Debt	(992,515)
Repayment of Long-Term Debt	98,967

Compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Net Change in Compensated Absences	(45,600)
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Governmental funds report pension contributions as expenditures. However, in the statement of activities, changes in pension and OPEB liabilities are reported as a pension and OPEB expense. The following changes affected pension and OPEB related expense:

Pension Expense - FRS	47,284
Pension Expense - HIS	(873)
Pension Expense - Police	105,326
Pension Expense - General	130,560
OPEB Expense - General	(67,782)

Change in Net Position of Governmental Activities	\$ 2,072,947
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The accompanying notes to financial statements are an integral part of this statement.

CITY OF WILLISTON, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds Utility Fund
Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 1,290,421
Accounts Receivable, Net	1,559,825
Due from Other Governments	27,896
Advance from Other Funds	57,675
Inventories	755,375
Total Current Assets	<u>3,691,192</u>
Non-Current Assets:	
Restricted Cash and Cash Equivalents	397,115
Net Pension Asset	762,569
Capital Assets:	
Land and Land Improvements	133,966
Construction in Progress	3,316,154
Electric Distribution System	5,576,516
Water Distribution System	4,734,733
Sewer Plant and Distribution System	10,912,294
Natural Gas Distribution System	2,474,419
Stormwater Distribution System	1,903,514
Machinery and Equipment	4,012,966
(Accumulated Depreciation)	<u>(16,040,352)</u>
Total Capital Assets, Net	<u>17,024,210</u>
Total Non-Current Assets	<u>18,183,894</u>
Total Assets	<u>21,875,086</u>
Deferred Outflow of Resources	
OPEB Related	79,445
Pension Related	207,275
Total Deferred Outflow of Resources	<u>286,720</u>
Total Assets and Deferred Outflow of Resources	<u>22,161,806</u>
Liabilities	
Current Liabilities:	
Accounts Payable and Accrued Expenses	1,355,214
Compensated Absences - Current	37,872
Liabilities Payable from Restricted Assets - Customer Deposits	397,115
Note Payable - Current	55,702
OPEB Obligation - Current	49,134
Power Cost Adjustment	435,231
Rate Stabilization Fund Adjustment	497,736
Total Current Liabilities	<u>2,828,004</u>
Non-Current Liabilities:	
Compensated Absences	151,489
OPEB Obligation	274,400
Note Payable	4,628,958
Total Non-Current Liabilities	<u>5,054,847</u>
Total Liabilities	<u>7,882,851</u>
Deferred Inflow of Resources	
OPEB Related	137,043
Pension Related	323,557
Total Deferred Inflow of Resources	<u>460,600</u>
Total Liabilities and Deferred Inflow of Resources	<u>8,343,451</u>
Net Position	
Net Investment in Capital Assets	12,879,700
Restricted for Net Pension Asset	646,287
Unrestricted	292,368
Total Net Position	<u>\$ 13,818,355</u>

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

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

	Business-Type Activities - Enterprise Funds Utility Fund
Operating Revenues	
Charges for Services	\$ 9,828,592
Total Operating Revenues	<u>9,828,592</u>
Operating Expenses	
Electric Power Purchased	2,001,624
Natural Gas Purchased	294,099
Personnel Services	2,099,699
Professional Fees and Services	1,170,676
Insurance	57,125
Operations and Maintenance	654,775
Depreciation and Amortization	874,007
Materials and Supplies	626,999
Other	160,315
Repairs and Maintenance - Capital	23,971
Total Operating Expenses	<u>7,963,290</u>
Operating Income	<u>1,865,302</u>
Non-Operating Revenues (Expenses)	
Capital Grants and Contributions	125,024
Interest Income	13,907
Interest Expense	(113,491)
Total Non-Operating Revenues (Expenses)	<u>25,440</u>
Income Before Capital Contributions and Transfers	<u>1,890,742</u>
Capital Contributions and Transfers	
Transfers (out)	(2,077,329)
Total Contributions and Transfers	<u>(2,077,329)</u>
Change in Net Position	(186,587)
Net Position, Beginning of Year (as Restated)	<u>14,004,942</u>
Net Position, End of Year	<u><u>\$ 13,818,355</u></u>

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

CITY OF WILLISTON, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds Utility Fund
Cash Flows from Operating Activities	
Cash Received from Customers/Others	\$ 9,992,219
Cash Payments to Suppliers for Goods and Services	(2,225,158)
Cash Payments to Employees for Services	(4,993,647)
Net Cash Provided by (Used in) Operating Activities	2,773,414
Cash Flows from Non-Capital Financing Activities	
Operating Transfers to Other Funds	(2,077,329)
Net Cash Provided by (Used in) Non-Capital Financing Activities	(2,077,329)
Cash Flows from Capital and Related Financing Activities	
Acquisition and Construction of Capital Assets	(4,092,238)
Interest Paid on Notes Payable	(113,491)
Payments on Notes Payable	(944,922)
Proceeds from Notes Payable	3,731,467
Capital Contributions	1,681,453
Net Cash Provided by (Used in) Capital and Related Financing Activities	262,269
Cash Flows from Investing Activities	
Interest Received	13,907
Net Cash Provided by (Used in) Investing Activities	13,907
Net Increase (Decrease) in Cash and Cash Equivalents	972,261
Cash and Cash Equivalents, Beginning of Year	715,275
Cash and Cash Equivalents, End of Year	\$ 1,687,536
<u>Reconciliation of Operating Income to Net Cash</u>	
<u>Provided by (Used in) Operating Activities</u>	
Operating Income (Loss)	\$ 1,865,302
Adjustments to Reconcile Operating Income (Loss) to Net Cash	
Provided by (Used in) Operating Activities:	
Depreciation Expense	874,007
(Increase) Decrease in Assets and Deferred Outflows:	
Decrease in Accounts Receivable	(34,333)
Decrease in Inventories	(190,599)
Decrease in Net Pension Asset	(116,898)
Increase in Deferred Outflows	141,944
Increase (Decrease) in Liabilities and Deferred Inflows:	
Increase in Power Costs Recovered in Advance	171,253
Increase in Accounts Payable and Accrued Expenses	186,535
Increase in OPEB Obligation	83,064
(Decrease) in Compensated Absences	(43,483)
(Decrease) in Customer Deposits Payable	(3,393)
(Decrease) in Deferred Inflows	(190,086)
Increase in Due from/to Other Funds	30,100
Total Adjustments	908,111
Net Cash Provided by Operating Activities	\$ 2,773,413
<u>As Shown in the Accompanying Financial Statements</u>	
Cash and Cash Equivalents	\$ 1,290,421
Restricted Cash and Cash Equivalents	397,115
Total Cash and Cash Equivalents	\$ 1,687,536

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

CITY OF WILLISTON, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
SEPTEMBER 30, 2025

	Pension Trust Funds
Assets	
Cash and Cash Equivalents	\$ 82,087
Investments, at Fair Value	10,178,747
Contributions Receivable	41,687
Due from Other Governments	76,093
Total Assets	<u>10,378,614</u>
Liabilities	
Accrued Expenses	<u>8,167</u>
Total Liabilities	<u>8,167</u>
Fiduciary Net Position - Restricted for Pensioners	<u><u>\$ 10,370,447</u></u>

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

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

	Pension Trust Funds
Additions	
Contributions:	
Employer	\$ 342,780
State	76,093
Employees	179,838
Total Contributions	<u>598,711</u>
Investment Earnings	<u>793,854</u>
Total Additions	<u>1,392,565</u>
Deductions	
Benefits Paid	391,415
Administrative Expenses	58,390
Total Deductions	<u>449,805</u>
Net Increase in Fiduciary Net Position	942,760
Fiduciary Net Position	
Beginning of Year	<u>9,427,687</u>
End of Year	<u><u>\$ 10,370,447</u></u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS CITY OF WILLISTON, FLORIDA

Note 1 - Description and Summary of Significant Accounting Policies

Reporting Entity

The City of Williston, Florida (the City) was established in 1897 under Florida Statutes, Section 165.031(4). The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: Public safety (law enforcement, fire, and animal control); public utilities; streets and sidewalks; parks and playgrounds; airport development; and general government services.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accompanying financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations.

Blended Component Units—The Williston Community Redevelopment Agency (the Agency) is included in the financial reporting entity as a blended component unit. The Agency is established under Florida Statutes, Chapter 163, for the purpose of rehabilitation, conservation, and redevelopment of certain slum and blighted areas in order to serve the interest of public health, safety, morals, and welfare of the community residents. Members of the Agency's Board are appointed by the government's City Council for which certain limited power may be delegated to the Agency in carrying out its activities. However, other powers, including final approval of redevelopment plans and the determination of areas as slums or blighted, vest in the City Council. The Agency is presented as a special revenue fund in the accompanying financial statements.

Government-Wide 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 fiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues.

Basis of Presentation—Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the City's enterprise funds. 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.

As discussed earlier, the City has one blended component unit. The Agency is included in the governmental activities column in the government-wide financial statements.

NOTES TO FINANCIAL STATEMENTS CITY OF WILLISTON, FLORIDA

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

Basis of Presentation—Fund Financial Statements

Separate fund financial statements are provided for governmental funds, proprietary funds, blended component units, 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.

The City reports the following 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 *special revenue airport development fund* accounts for operations of the City's airport development and operational related activities.
- The *special revenue community redevelopment fund* accounts for the governmental community redevelopment activities for the purpose of eliminating and preventing the development of slum and blighted areas.

The City reports the following major enterprise fund:

- The *utility fund* accounts for all utility activities of the City. The utility fund reflects activities of the electric systems, the sewage treatment plant and collections systems, the water system, natural gas distribution systems, the solid waste department, and the newly developing COWLink system.

Additionally, the City reports the following fiduciary fund:

- The *pension trust funds* account for the activities of the City's Police Officers and General Employees Retirement Plans and Trusts, which accumulate resources for pension benefit payments to all qualified employees.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources funds. In the fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in the fund financial statements, certain eliminations are made in the preparation of the government-wide financial

NOTES TO FINANCIAL STATEMENTS CITY OF WILLISTON, FLORIDA

statements. Transfers between the funds that are included in the governmental activities column. Similarly, balances between the funds are included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be generally available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Fiduciary fund financial statements for the foregoing pension plans and trusts are prepared using the accrual basis of accounting for trust funds. Employer and participant contributions are recognized in the period that contributions are due and payable in accordance with the terms of each plan. Investments in the plans are reported at fair value according to the independent custodian for each plan using various third-party pricing source. 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 they are needed.

Contribution requirements and contributions made are required by Florida Statutes, and the City's Pension Board govern employer and employee contribution requirements for each plan. The City's contributions are actuarially determined to ensure sufficient assets will be available to pay benefits when due. The costs of administering each plan are funded using investment earnings.

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

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, airport fund, and community redevelopment fund. The appropriated budget is prepared by fund, function, and department. The City's department heads and City Manager may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council. The legal level of budgetary control is the fund level.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Assets, Liabilities, and Fund Balances

Cash and Cash Equivalents and Investments—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. For the purposes of the statement of cash flows, all demand deposits in the proprietary fund are included in the statement.

State statutes and the City's investment policy authorize the City to invest in obligations of the U.S. Treasury, interest bearing time deposits or savings accounts in qualified public depositories, money market funds, and certain governmental investment pools authorized by the state.

Investments for the City are reported at fair value. The City's pension funds are invested in a pooled account under the Florida Municipal Investment Trust Fund, including cash and cash equivalents, and government and corporate securities. The Fund operates in accordance with state laws and regulations. The reported value of the pension funds' investments is the same as the fair value of the pool shares.

Accounts Receivable and Due from Other Governments—Utility operating revenues are generally recognized on the basis of cycle billings rendered monthly. The amount of services delivered after the last billing date and up to September 30 is estimated and accrued at year-end.

Due from Other Governments represent amounts due from the federal, state or local governments, State of Florida, or Levy County for shared revenues or costs. The amount is considered collectible in full within 60 days of fiscal year-end.

Inventories and Prepaids—All inventories are valued at cost using the first-in/first-out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets—Capital assets, which include land, plant distribution systems, machinery and equipment, and infrastructure assets (if purchased after 2003) (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

NOTES TO FINANCIAL STATEMENTS **CITY OF WILLISTON, FLORIDA**

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

<u>Assets</u>	<u>Years</u>
Buildings	20-50
Plant Distribution System	5-50
Improvements	5-50
Vehicles	3-10
Machinery and Equipment	5-40

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

Governmental Fund Balances—The GASB has promulgated Statement No. 54, entitled *Fund Balance Reporting and Governmental Fund Type Definitions*. The Statement is designed to do two things: 1) it clarifies the definition of what activities are to be reported within different types of governmental funds (general fund, special revenue fund type, capital project fund type, debt service fund type, and permanent fund type); and 2) it provides clearer fund balance definitions that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds as follows:

- **Non-Spendable**—Amounts that are not in spendable form (such as inventory and prepaids) are required to be maintained intact.
- **Restricted**—Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- **Committed**—Amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e., City Council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the highest level action to remove or the City Council approves the change.
- **Assigned**—Amounts the City intends to use for a specific purpose. Intent can be expressed by the City Council or by an official or body to which the City Council delegates authority.
- **Unassigned**—Amounts that are available for any purpose. Positive amounts are only reported in the General Fund.

The City Council is the highest level of decision-making authority of the City, and approves the establishment, increase, and reduction in *Committed* fund balances by budget resolutions and amendments. *Restricted* and *Committed* fund balances are always used first for the purposes for which they were designated. Changes to this practice require prior City Council approval. A minimum fund balance amount has not been formally adopted.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Revenues and Expenditures/Expenses

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

Property Tax Revenue Recognition—Under Florida law, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method state-wide. Florida Statutes permit municipalities to levy property taxes at a rate of up to 10 mills. The City levied a rate of 6.750 mills in the 2025 tax roll.

The tax levy of the City is established by the City Council prior to October 1 of each year and the Levy County Property Appraiser incorporates the City's millage into the total tax levy, which includes the County and the County School Board tax requirements.

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

All taxes are levied 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. Taxes paid in March are without discount.

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

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

The City does not accrue its portion of the County-held tax sale certificates or personal property tax warrants because such amounts are not measurable and available as of the balance sheet date.

Compensated Absences—It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. The City recognizes a liability for compensated absences for leave time that: (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

NOTES TO FINANCIAL STATEMENTS CITY OF WILLISTON, FLORIDA

The City implemented GASB Statement No. 101, *Compensated Absences*, as of the beginning of the fiscal year. This resulted in a reduction of net position/fund balance of \$153,437.

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

Subscription-Based Information Technology Arrangements (SBITAs)

The City is obligated under a SBITAs related to certain software products utilized in City ERP operations. At the inception of a new SBITA, the City recognizes a SBITA liability and an intangible right-to-use subscription asset (subscription asset) in the government-wide financial statements. At the commencement of the subscription arrangement, the City initially measures the SBITA liability at the present value of payments expected to be made during the subscription term. Subsequently, the SBITA liability is reduced by the principal portion of the subscription payments made. The subscription asset is initially measured as the initial amount of the SBITA liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over the subscription term.

Deferred Inflows and Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. In the statement of net position, the deferred outflow for pensions is an aggregate of items related to pensions and the deferred outflow for Other Postemployment Benefits (OPEB) is an aggregate of items related to OPEB. The deferred outflows related to pensions and OPEB will be recognized as either expense or a reduction in the related liability in future reporting years.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In the statement of net position, the deferred inflow for pensions is an aggregate of items related to pensions and the deferred inflows for OPEB is an aggregate of items related to OPEB. The deferred inflows related to pensions and OPEB will be recognized as reductions to expense in future reporting years.

On-Behalf Payments for Fringe Benefits

The City receives on-behalf payments from the State of Florida to be used for Police Officers' Retirement Plan Contributions. On-behalf payments to the City totaled \$76,093 for the year ended September 30, 2025. Such payments are recorded as intergovernmental revenue and public safety expenditures in the generally accepted accounting principles basis government-wide and general fund financial statements.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the general, special revenue, enterprise, and pension trust funds. All annual appropriations lapse at fiscal year-end. Project-length financial budgets are adopted for all capital projects funds.

Prior to August 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted in August and September to obtain taxpayer comments. Prior to October 1, the budget is legally adopted and approved. Revisions that alter the total expenditures of any fund must be approved by the City Council.

The appropriated budget is prepared by fund, function, and department. The City Manager may make transfers of appropriations within a department. Transfers of appropriations between departments require approval by the City Council by resolution under the City's charter. The legal level of budgetary control is the fund level. Further, Florida Statutes, Section 166.241, requires the City to expend or contract for expenditures only in pursuance of budgeted appropriations. There were no material violations of budgetary or other legal and contractual provisions requiring disclosure.

Note 3 - Deposits and Investments

<u>Type</u>	<u>Fair Value</u>	<u>Interest Rate</u>		<u>Credit Ratings</u>
		<u>Risk WAM</u>	<u>Level</u>	
Cash and Cash Equivalents				
(Non-Pension Investments):				
Cash Deposits	\$ 4,863,324	N/A	N/A	N/A
Petty Cash	<u>4,000</u>	N/A	N/A	N/A
Total	<u>4,867,324</u>			
Pension Cash and Investments:				
Police Officer Pension:				
FMiVT Cash and Money Market	32,905	N/A		N/A
FMiVT Broad Market High Quality Bond	653,977	7.10 Years	2	AAf/S4
FMiVT Core Plus	608,733	5.76 Years	3	Not Rated
FMiVT Diversified Large Cap Equity	1,044,718	N/A	2	Not Rated
FMiVT Small to Mid-Cap Equity Fund	538,811	N/A	2	Not Rated
FMiVT International Equity Portfolio	896,648	N/A	2	Not Rated
FMiVT Core Real Estate Portfolio	337,271	N/A	3	Not Rated
Regular Employee Pension:				
FMiVT Cash and Money Market	49,182	N/A		N/A
FMiVT Broad Market High Quality Bond	977,496	7.10 Years	2	AAf/S4
FMiVT Core Plus	909,870	5.76 Years	3	Not Rated
FMiVT Diversified Large Cap Equity	1,561,534	N/A	2	Not Rated
FMiVT Small to Mid-Cap Equity Fund	805,358	N/A	2	Not Rated
FMiVT International Equity Portfolio	1,340,214	N/A	2	Not Rated
FMiVT Core Real Estate Portfolio	<u>504,117</u>	N/A	3	Not Rated
Total Pension Cash and Investments	<u>10,260,834</u>			
Total	<u>\$ 15,128,158</u>			

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

<u>Type</u>	<u>Fair Value</u>
As shown in the Statement of Net Position:	
Entity-Wide Cash and Cash Equivalents	\$ 3,893,434
Entity-Wide Restricted Cash and Cash Equivalents	973,890
Pension Cash and Money Market	82,087
Pension Investments	<u>10,178,747</u>
Total	<u><u>\$ 15,128,158</u></u>

Fair Value Hierarchy

The City holds assets that are defined as short-term investments. The City's investments are recorded at fair value unless the investment qualifies as an external investment pool under the guidance in GASB Statement No. 79. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1—Inputs - are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2—Inputs - are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly. These inputs are derived from, or corroborated by, observable market data through correlation or by other means.

Level 3—Inputs - are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

Custodial Credit Risk—Cash Deposits

The City's cash deposits are covered by Federal depository insurance or by collateral held by the City's custodial bank, which is pledged to a state trust fund that provides security for amounts held in excess of Federal Deposit Insurance Corporation coverage in accordance with the *Florida Security for Public Deposits Act*, Chapter 280, Florida Statutes.

The *Florida Security for Public Deposits Act* (the Act) established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements, and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral up to a maximum of 125% may be required if deemed necessary under conditions set forth in the Act.

The City's investment policies are governed by state statutes and local ordinance. The basic allowable investment instruments include Local Government Surplus Funds, or any governmental investments pool authorized pursuant to the *Florida Interlocal Act*, as provided by Section 163, Florida Statutes, Security and Exchange Commission registered money market funds with the highest credit quality rating, interest bearing time deposits or savings accounts in qualified public depositories, and direct obligations of the U.S. Treasury.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

The City's pension trust funds are held in the Florida Municipal Pension Trust Fund (FMPTF). The FMPTF is established as a trust whereby governmental entities with employee pension or OPEB plans may elect to join the trust and with the trust providing the plans with administrative and investment services for the benefit of participating employers, participating employees, and beneficiaries. All employee pension plan assets with the FMPTF are included in the trust's Master Trust Fund. Employee pension plan assets of the defined benefit type are invested by the FMPTF through the Florida Municipal Investment Trust (FMIvT) for the benefit of the participating employers, participating employees, and beneficiaries.

The FMIvT, administered by the Florida League of Cities, Inc., is an interlocal governmental entity created under the laws of the State of Florida. The FMIvT is an Authorized Investment under Section 163.01 Florida Statutes. The FMIvT is a Local Government Investment Pool and is considered an external investment pool for GASB reporting purposes; however, subject to the fair value reporting under GASB Statement No. 72.

At September 30, 2025, the City's investment balances consisted of the pension trust funds held in the FMPTF. Asset allocation in the FMPTF external investment pool at September 30, 2025, is as follows:

<u>Asset Allocation</u>	<u>Asset Allocation Percentage</u>
Cash and Money Market	.8%
Broad Market High Quality Bond	15.9%
Core Plus	14.8%
Diversified Large Cap Equity	25.4%
Diversified Small to Mid-Cap Equity	13.1%
International Equity	21.8%
Core Real Estate Portfolio	8.2%
Total	<u><u>100.0%</u></u>

Interest Rate Risk—Interest rate risk exists when there is a possibility the change in interest rates could adversely affect an investment's fair value. The City does not have a policy for interest rate risk. The weighted average maturity (WAM) of the underlying debt investments in the FMPTF pool is used to determine interest rate risk when applicable.

Credit Risk—Credit risk exists when there is a probability that the issuer or other counterparty to an investment may be unable to fulfill its obligations. The City's investment policy limits exposure to credit risk.

Custodial Credit Risk—Under GASB Statement No. 40, disclosure is only required if investments are uninsured, unregistered, and held by either the counterpart of the counterparty's trust department or agent but not in the City's name. The City's investments are through the FMPTF in the FMIvT, which are evidenced by shares in the pool. Investments in the pools should be disclosed but not categorized because they are not evidenced by securities that exist in a physical or book entry form. The City's investments are with the pool, not the securities that make up the pool and, therefore, no disclosure is required.

Foreign Current Risk—The City's investments are part of FMIvT and those investments are not subject to foreign current risk.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Note 4 - Capital Assets

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

	Beginning Balance	Increases	Decreases	Transfers/ Adjustments	Ending Balance
Governmental Activities					
Capital Assets, Not Being					
Depreciated:					
Land	\$ 1,475,235	\$ -	\$ -	\$ -	\$ 1,475,235
Construction in Progress	4,770,116	2,806,821	-	(4,465,938)	3,110,999
Total Capital Assets, Not Being					
Depreciated/Amortized	6,245,351	2,806,821	-	(4,465,938)	4,586,234
Capital Assets, Being					
Depreciated/Amortized:					
Buildings and Improvements	22,730,972	42,343	-	4,465,938	27,239,253
Equipment	4,974,066	510,643	-	-	5,484,709
SBITA Right-to-Use Asset	317,159	-	-	-	317,159
Total Capital Assets, Being					
Depreciated/Amortized:	28,022,197	552,986	-	4,465,938	33,041,121
Less Accumulated					
Depreciation/Amortization for:					
Buildings and Improvements	(12,580,666)	(1,182,297)	-	-	(13,762,963)
Equipment	(3,877,559)	(261,568)	-	-	(4,139,127)
SBITA Right-to-Use Asset	(42,260)	(84,604)	-	-	(126,864)
Total Accumulated					
Depreciation/Amortization	(16,500,485)	(1,528,469)	-	-	(18,028,954)
Total Capital Assets, Being					
Depreciated/Amortized, Net	11,521,712	(975,483)	-	4,465,938	15,012,167
Total Governmental Activities					
Capital Assets, Net	<u>\$ 17,767,063</u>	<u>\$ 1,831,338</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,598,401</u>
Business-Type Activities					
Capital Assets, Not Being					
Depreciated:					
Land and Land Improvements	\$ 133,966	\$ -	\$ -	\$ -	\$ 133,966
Construction in Progress	1,906,279	3,202,372	-	(1,889,615)	3,219,036
Construction in Progress - CDBG	82,813	14,305	-	-	97,118
Total Capital Assets, Not					
Being Depreciated	2,123,058	3,216,677	-	(1,889,615)	3,450,120
Capital Assets, Being					
Depreciated:					
Plant and Distribution					
Systems	23,328,859	383,005	-	1,889,615	25,601,479
Machinery and Equipment	3,520,405	492,561	-	-	4,012,966
Total Capital Assets, Being					
Depreciated	26,849,264	875,566	-	1,889,615	29,614,445
Less Accumulated					
Depreciation for:					
Plant and Distribution					
Systems	(12,567,634)	(679,513)	-	55	(13,247,092)
Machinery and Equipment	(2,598,714)	(194,494)	-	(55)	(2,793,263)
Total Accumulated Depreciation	(15,166,348)	(874,007)	-	-	(16,040,355)
Total Capital Assets, Being					
Depreciated, Net	11,682,916	1,559	-	1,889,615	13,574,090
Business-Type Activities Capital					
Assets, Net	<u>\$ 13,805,974</u>	<u>\$ 3,218,236</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,024,210</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Depreciation expense was charged to functions/programs as follows:

Governmental Activities

General Government	\$ 563
Law Enforcement	92,554
Streets and Sidewalks	34,622
Fire Control	96,429
Parks and Playgrounds	42,631
Library	10,477
Information Technology	84,604
Community Redevelopment	95,950
Animal Control	3,850
Airport Operations	1,066,789
Total Depreciation Expense - Governmental Activities	<u>\$ 1,528,469</u>

Business-Type Activities

Electric	\$ 120,412
Water	158,912
Natural Gas	97,210
Sewer	403,452
Stormwater	23,794
Williston Fiber	4,031
Administrative Services - Utility	66,196
Total Depreciation Expense - Business-Type Activities	<u>\$ 874,007</u>

Note 5 - Interfund Receivable, Payables, Transfers, and Advances

The outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur. All amounts are expected to be paid within one year. Noted no amounts receivable and/or payable as of fiscal year-end.

The composition of interfund advances as September 30, 2025, is as follows:

<u>Advanced To</u>	<u>Advanced From</u>	<u>Amount</u>
General Fund	Utility Fund	\$ 57,675
Airport Development Fund	General Fund	33,237

The advance to the Utility Fund was to fund the purchase of a fire truck. Payments are made as funds are available. In the current year, the City budgeted and repaid \$30,100. The advance to the Airport Development Fund was to fund operating and capital shortfalls in the fund.

The composition of interfund receivables and payables as September 30, 2025, is as follows:

<u>Due To</u>	<u>Due From</u>	<u>Amount</u>
General Fund	Community Redevelopment Fund	\$ 24,955

The City makes transfers among its funds in the fiscal year. The principal purpose of the transfers is to allocate resources from the enterprise funds to the general fund to assist with various governmental activities. Also, transfers are used to move unrestricted general fund revenues to finance various

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

activities that the City must account for in the other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs. A summary of interfund transfers follows:

	<u>Interfund Transfers In</u>	<u>Transfers (Out)</u>
Major Funds		
General Fund	\$ 2,122,888	\$ (240,827)
Utility Fund	-	(2,077,329)
Airport Development Fund	-	(45,559)
Community Redevelopment Fund	<u>240,827</u>	<u>-</u>
Total Interfund Transfers	<u><u>\$ 2,363,715</u></u>	<u><u>\$ (2,363,715)</u></u>

Note 6 - Long-Term Debt

City Hall Bank Note—In May 2018, the City obtained a bank note with a local bank for up to \$3,000,000 to finance the demolition of the old City Hall building and construction of the new City Hall building. The interest rate is 3.5% from May 8, 2018 through May 8, 2039. The City will make 12 monthly payments of interest only, beginning May 8, 2018, followed by 240 payments in the amount required to amortize the unpaid principal balance. All outstanding principal and interest are due on May 8, 2039. At September 30, 2025, the interest rate was 3.5% and total interest paid on this note was \$34,849.

Fire Department and Police Building Renovation – In July 2021, the City entered into a loan agreement for \$100,000 to renovate the Fire Department and Police Buildings. At September 30, 2025, the interest rate was 3.75% and total interest paid on this note was \$2,339. During fiscal year 2024, the City entered into a loan agreement for \$160,000 to rebuild a fire tanker truck. At September 30, 2025, the interest rate was 4.96% and total interest paid on this note was \$7,600.

CRA Note – In August 2024, the City entered into a loan agreement for \$1,000,000 to continue improvement for Block 12 within the CRA boundaries. The loan amount is secured by a pledge of tax increment revenues received within the CRA. At September 30, 2025, the interest rate was 6.00% and total interest paid on this note was \$3,422.

Line of Credit – In May 2024, the City entered into a line of credit agreement for up to \$3,000,000 for upcoming projects to be identified as needed. The first project for the 2024 draw down was stated as John Henry Park Drainage Project. The minimum interest rate is 5%. The rate will be based on the Wall Street Journal Prime rate. During the fiscal year, the interest range was 5.88% to 5.5125%. At September 30, 2025, the interest the total interest paid on this note was \$34,251 and the balance was paid during the fiscal year.

Williston Fiber Loan - In May 2025, the City entered into a loan agreement for up to \$4,667,774 for Williston Fiber. The interest rate during the Fixed Rate Period, a fixed rate of interest equal to 4.92% per annum, and during each Index Rate Period, a rate of interest for such period equal to 73.5% multiplied by the sum of (a) the Index as of the Rate Reset Date plus (b) 2.35%, unless a Determination of Taxability shall have occurred, in which case the Series 2025 Note Rate shall mean the Taxable Rate. The minimum rate will be no less than 4.50% or greater than 8%. At September 30, 2025, the interest the total interest paid on this note was \$44,390.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

General Long-Term Debt Schedules:

Note Payable Year Ended September 30,	Direct Borrowings Governmental Activities	
	Principal	Interest
2026	\$ 299,149	\$ 51,923
2027	370,070	41,391
2028	379,425	19,419
2029	83,918	3,635
2030	51,245	2,659
Total	\$ 1,183,807	\$ 119,027

Business-Type Long-Term Debt Schedules:

Note Payable Year Ended September 30,	Direct Borrowings Business-Type Activities - Utility System	
	Principal	Interest
2026	\$ 55,702	\$ 32,324
2027	95,002	75,538
2028	195,274	202,579
2029	203,933	193,919
2030	492,842	257,115
2031-2035	1,234,493	719,755
2036-2040	1,090,997	458,135
2041-2045	1,309,708	165,018
2046-2050	6,709	34
Total	\$ 4,684,660	\$ 2,104,417

Changes in Long-Term Liabilities—Long-term liability activity for the year ended September 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Direct Borrowing					
Note Payable - Fire Truck	\$ 160,000	\$ -	\$ (19,563)	\$ 140,437	\$ 20,671
Note Payable - CRA Project	7,485	992,515	(7,485)	992,515	258,070
Note Payable - Building Renovations	70,481	-	(19,626)	50,855	20,408
SBITA Right to Use	160,029	-	(52,293)	107,736	53,336
Compensated Absences*	296,902	45,600	-	342,502	68,500
Other Postemployment Benefits	394,592	112,538	-	507,130	70,015
Net Pension Liability (FRS and HIS)	1,187,291	-	(175,081)	1,012,210	-
Total Governmental Activities					
Long-Term Activities	<u>\$ 2,276,780</u>	<u>\$ 1,150,653</u>	<u>\$ (274,048)</u>	<u>\$ 3,153,385</u>	<u>\$ 491,000</u>
Business-Type Activities					
Direct Borrowings					
Note Payable:					
City Hall	\$ 1,006,370	\$ -	\$ (53,177)	\$ 953,193	\$ 55,702
Line of Credit	891,745	-	(891,745)	-	-
State Revolving Loan	-	125,886	-	125,886	-
Fiber Optic Loan	-	3,605,581	-	3,605,581	-
Compensated Absences*	232,843	-	(43,482)	189,361	37,872
Other Postemployment Benefits	240,470	83,064	-	323,534	49,134
Total Business-Type Activities	<u>\$ 2,371,428</u>	<u>\$ 3,814,531</u>	<u>\$ (988,404)</u>	<u>\$ 5,197,555</u>	<u>\$ 142,708</u>

* Compensated absences is presented at net.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Pledged Revenues

The City has pledged certain revenues to repay loans outstanding as of September 30, 2025. The following table reports the revenues, pledged for each note issued, the amounts of such revenues received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue, which is pledged to meet the note obligation, the date through which the revenue is pledged under the note agreement, and the total pledged future revenues for each note, which is the amount of the remaining principal and interest on the notes at September 30, 2025:

Description of Notes	Pledge Revenue	Revenue Received	Principal and Interest Paid	Estimated Percentage Pledged	Outstanding Principal and Interest	Pledged Through
Governmental						
Activity						
Note Payable:						
Renovation	Communications					
	Service Tax	\$ 88,658	\$ 21,965	4.29%	\$ 53,277	2039
Note Payable:						
CRA Project	Tax Increment					
	Revenues	\$ 535,171	\$ 10,907	62.41%	\$ 1,001,962	2029
Note Payable:						
Renovation	Fire Protection					
	Services	\$ 397,085	\$ 27,163	6.82%	\$ 162,565	2031
Business-Type						
Activity						
Note Payable:						
City Hall Loan	Net System					
	Revenues (1)(2)	\$ 460,203	\$ 88,026	18.58%	\$ 1,197,352	2039
Note Payable:						
State Revolving Loan	Net System					
	Revenues (1)(2)	\$ 372,177	\$ -	1.58%	\$ 129,027	2025
Note Payable:						
Fiber Loan	Net System					
	Revenues (1)(2)	\$ 372,177	\$ 44,390	55.76%	\$ 4,150,565	2045

- (1) Net System Revenues - all excess revenues received by the City for the operation of utility system (after payment of associated operation and maintenance expense).
- (2) Per the loan agreement, pledged revenues for the City Hall Note will be "all utility system revenues". Additionally, the City agrees to pledge such additional non-ad valorem tax revenues as is necessary. Information for pledged revenue amounts will be included when loan balance outstanding is finalized.

Note 7 - Subscription-Based Information Technology Arrangements

The City has one information technology software subscription arrangements that require recognition under GASB Statement No. 96. The City recognizes a SBITA liability and an intangible right-to-use asset for the software arrangements.

Effective September 30, 2025, the City entered into a subscription arrangement with Edmunds GovTech for the use of certain software for a five-year term. The agreement requires annual payments of \$55,485. The City used its incremental borrowing rate of 1.9767% to record the present value of the subscription payments.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

As of September 30, 2025, the City's SBITA assets and accumulated amortization are as follows:

	<u>SBITA Asset Value</u>	<u>Accumulated Amortization</u>	<u>Net</u>
Edmunds GovTech	\$ 211,297	\$ (84,520)	\$ 126,777
Total	<u>\$ 211,297</u>	<u>\$ (84,520)</u>	<u>\$ 126,777</u>

Remaining principal and interest requirements for the City's subscription arrangements are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 53,336	\$ 2,148	\$ 55,484
2027	54,400	1,085	55,485
Total	<u>\$ 107,736</u>	<u>\$ 3,233</u>	<u>\$ 110,969</u>

Note 8 - Regulated Leases

The City is the lessor in sixteen agreements that qualify to be treated as regulated in accordance with the requirements of GASB Statement No. 87, *Leases*. The City leases land and facilities for airport grounds, hangars, parking, and buildings through 2053. T-hangar rents are on a monthly basis and all others are completed on an agreement basis for a specified period of time. The City received \$510,425 during the current fiscal year related to these leases. The following is the schedule of future lease payments:

<u>September 30,</u>	<u>Revenue</u>
2026	\$ 206,133
2027	167,926
2028	119,504
2029	83,769
2030	72,175
2031-2035	325,697
2036-2040	255,729
2041-2045	217,669
2046-2050	153,168
2051-2054	78,000
Total	<u>\$ 1,679,770</u>

Note 9 - Other Postemployment Benefits (OPEB)

Plan Description – The OPEB Plan is a single employer benefit plan administered by the City.

Pursuant to the provision of Section 112.0801, Florida Statutes, former employees who retire from the City and their dependents are eligible to participate in the City's Health Plan for health and life insurance, as long as they pay a full premium applicable to the coverage elected.

Benefits Provided – The OPEB Plan is a single employer benefit plan administered by the City. The retirees are charged the same premium amount the insurance company charges for the type of coverage elected. However, the premiums set by the insurance company are based on average experiences among younger

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

active employees and older retired employees. The older retirees would have a higher cost for health insurance coverage without the City's subsidizing the cost of the retiree coverage because it pays all or a significant portion of the premium on behalf of the active employees. Per GASB Statement No. 75, this is called the "implicit rate subsidy".

Employees Covered by Benefit Terms – At October 1, 2023, the date of the most recent actuarial valuation, plan participation consisted of the following covered by the benefit terms:

Active Plan Members	70
Inactive Plan Members	-
Total Participants	<u>70</u>

Contributions – For the OPEB Plan, contribution requirements of the City are established and may be amended through action from the City Council. Currently the City's OPEB benefits are unfunded. The actual contributions are based on pay-as-you-go financing requirements. There is not a separate trust fund or equivalent arranged in which the City would make contributions to advance-fund the obligation, as it does for its pension funds.

Net OPEB Liability – The City's net OPEB liability was measured as of September 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions – The total OPEB liability in the October 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate:	4.50% per annum; this rate was used to discount all future benefit payments and based on the return on the S & P Municipal Bond 20-year High Grade Index as of the measurement date.
Inflation:	3.50%
Salary Increases:	3.00% per annum
Investment Rate of Return:	4.50%
Healthcare Cost Trend Rates:	Increases in healthcare costs are assumed to be 8.00% for the 2024/2025 fiscal year graded down by 0.50% per year to 5.00% for the 2030-31 and later fiscal years.
Mortality Basis:	Sex-distinct rates set forth in the PUB-2010 Mortality Table for general and public safety employees, with full generational improvements in mortality using Scale MP-2020.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Changes:	Since the prior measurement date, the discount rate was increased from 4.06% per annum to 4.50% per annum; the healthcare cost trend rates were increased from 6.50% for 2024-25 fiscal year graded down to 5.00% for the 2027-28 and later fiscal years to 8.00% for the 2024-25 fiscal year graded down to 5.00% for the 2030-31 and later fiscal years; and the monthly implied subsidy at age 55 for the 2024-2025 fiscal year for the retiree and his spouse was decreased from \$347.75 to \$400.00.
Types of Benefits Offered:	Post-retirement medical, dental, vision, and life insurance benefits.
Implied Subsidy:	Because the insurance carrier charges the same monthly rate for health insurance regardless of age, an implied monthly subsidy of \$400.00 has been assumed at age 55 for the 2024/25 fiscal year; at other ages, the implied subsidy was developed based on the age-related morbidity assumption and, for other fiscal years, the implied subsidy was increased in accordance with the healthcare cost trend rates; the implied subsidy is assumed to disappear at age 65.
Explicit Subsidy:	An explicit subsidy of \$854.80 per month has been assumed for the period October 1, 2024 through September 30, 2025 until age 65 for each individual who retires on or after age 62 with at least 25 years of service and this subsidy is assumed to increase with the healthcare cost trend rates; with respect to general employees, an explicit subsidy of \$5.85 per month prior to age 65, \$3.80 per month between ages 65 and 70, and \$2.92 per month after age 70 has been assumed for each retiree and this subsidy is not assumed to increase in the future; with respect to public safety employees, an explicit subsidy of \$6.00 per month prior to age 65, \$3.90 per month between ages 65 and 70, and \$3.00 per month after age 70 has been assumed for each retiree and this subsidy is not assumed to increase in the future.
Premium:	Retirees must pay the full monthly premium as determined by the insurance carrier for coverage other than medical and life insurance coverage for the retiree himself and must pay the full cost of health insurance coverage for himself above any explicit subsidies provided by the City. The City pays any applicable premiums for single coverage under the medical insurance program until age 65 for those employees who retire on or after age 62 with at least 25 years of service and who were covered under the City's health insurance program for at least five years immediately prior to their retirement. In addition, the City pays the entire premium for a \$15,000 life insurance policy to each retiree. Life insurance coverage decreases by 35% upon the attainment of age 65 and decreases by another 15% upon the attainment of age 70.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Changes in the OPEB Liability – for the fiscal year ended September 30, 2025, were as follows:

	<u>Total OPEB Liability</u>
Balance at September 30, 2024	\$ 635,062
Changes for a Year:	
Service Cost	125,555
Demographic Gain/Loss	(26,420)
Assumption Changes	73,117
Expected Interest Growth	36,046
Benefit Payments and Refunds	<u>(12,699)</u>
Balance at September 30, 2025	<u><u>\$ 830,661</u></u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates –

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.06 percent) or 1-percentage-point higher (5.06 percent) than the current discount rate:

Comparison of Net OPEB Liability Using Alternative Discount Rates

	<u>3.06% Decrease</u>	<u>4.06% Discount Rate</u>	<u>5.06% Increase</u>
Net OPEB Liability	\$ 925,612	\$ 830,661	\$ 747,214

Comparison of Net OPEB Liability Using Alternative Healthcare Cost Trend Rates

	<u>1% Decrease</u>	<u>7.0% Graded Down to 5.0%</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 709,524	830,661	983,343

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources – For the year ended September 30, 2025, the City recognized OPEB expense of \$83,289.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Balance as of September 30, 2024	\$ 155,346	\$ 372,682
Change due to:		
Amortization Payments	(24,492)	(47,249)
Demographic Gain/Loss	-	26,420
Assumption Changes	<u>73,117</u>	<u>-</u>
Total Change	<u>48,625</u>	<u>(20,829)</u>
Balance as of September 30, 2025	<u><u>\$ 203,971</u></u>	<u><u>\$ 351,853</u></u>

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

<u>Fiscal Year</u>	<u>Net OPEB Expense</u>
2026	\$ 22,756
2027	22,756
2028	22,756
2029	22,360
2030	20,252
Thereafter	<u>37,002</u>
Total	<u><u>\$ 147,882</u></u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Note 10 - Employee Retirement Plans

Defined Contribution Plan

The City provides a 457 Deferred Compensation Plan for the City Manager. Contributions to the Plan for the year ended September 30, 2025, were \$11,173.

Defined Benefits Plans

The City maintains two single employer, defined benefit plans that separately cover full-time police officer employees and all other general employees. Prior to October 1, 2004, the City's police officers were covered under the same defined benefit plan along with the City's general employees. Effective October 1, 2004, the City established a separate plan and trust for police officers and transferred all liabilities for any accrued benefits, and the cash equivalents equal to the present value to pay the accrued benefits, to the new plan and trust.

Police Officers Plan

Retirement Plan and Trust for Police Officers—The City sponsors and administers the Retirement Plan for the Police Officers of the City of Williston (the Plan). The Plan is considered a defined benefit single-employer plan and is accounted for as a separate pension trust fund. The Plan covers all full-time police officers. A City employee shall become a participant of the Plan at the time of employment. Participants contribute 5% of compensation to the Plan, whereas the City is required to contribute an amount actuarially determined using the aggregate actuarial cost method, currently 3.00% (October 1, 2023) of covered payroll. The cost of administering the Plan is financed by investment earnings.

Name of the Pension Plan:	Retirement Plan and Trust for Police Officers of the City of Williston.
Legal Plan Administrator:	Board of Trustees of the Retirement Plan for the Police Officers of the City of Williston Single-Employer Defined Benefit Pension Plan.
Pension Plan Reporting:	The Plan issues a stand-alone financial report each year, which contains information about the Plan's fiduciary net position. The Plan's fiduciary net position has been determined on the same basis used by the pension plan and is equal to the market value of the assets as calculated under the accrual basis of accounting. This report is available to the public at the Plan's administrative office: Retirement Department, Florida League of Cities, Inc. P.O. Box 1757, Tallahassee, Florida 32302, (800) 342-8112.

Description of Benefit Terms:

Employees Covered:	Full-time police officers employed by the City of Williston.
Types of Benefits Offered:	Retirement, disability, and pre-retirement death benefits.
Basic Pension Formula:	3.00% of average earnings times service.
Early Retirement Adjustment:	Early retirement pension is reduced by 3% for each year by which the early retirement date precedes the normal retirement date.
Disability Pension:	Larger of basic pension formula or 42% of average earnings (for service-connected disabilities). Larger of basic pension formula or 25% of average earnings (for non-service-connected disabilities). Disability benefits are offset as necessary to preclude the total of the disability compensation from exceeding average earnings.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Pre-Retirement Death Benefit:	Basic pension formula payable for 10 years at early or normal retirement age (payable to the beneficiary of vested participant). Return of accumulated employee contributions (payable to the beneficiary of a non-vested participant).
Normal Retirement Age:	Age 55 with at least five years of service (only for participants who were fully vested at the time of their transfer into the Plan from the general employees' plan prior to June 1, 2008), or Age 55 with at least 10 years of service, or Age 52 with at least 25 years of service, or any age with at least 30 years of service.
Early Retirement Age:	Age 50 with at least 10 years of service.
Vesting Requirement:	100% vesting after five years of service (only for participants who were fully vested at the time of their transfer into the Plan from the general employees' plan prior to June 1, 2008), or 100% vesting after 10 years of service.
Form of Payment:	Actuarially increased single life annuity 10-year certain and life annuity. Actuarially equivalent 50%, 66 ^{2/3} %, 75%, or 100% joint and contingent annuity. Any other actuarially equivalent form of payment approved by the Board of Trustees.
Average Earnings:	Average of the highest five-years of pensionable earnings out of the last 10 years.
Cost-of-Living Adjustment:	No automatic cost-of-living adjustment is provided.
Deferred Retirement Option Plan (DROP):	A participant who has attained their normal retirement age is eligible to participate in the DROP for a period of up to 60 months. The DROP accounts are credited with interest at the rate of 6.50% per annum.
Legal Authority:	The Plan was established effective October 1, 2004, pursuant to City ordinance and has been amended several times since that date.
Plan Amendments:	Since the completion of the previous valuation, Ordinances 638 and 641 were adopted. These Ordinances added a DROP provision. This addition of the DROP had no actuarial impact.

Information used to determine the Net Pension Liability:

Employer's Reporting Date:	September 30, 2025
Measurement Date:	September 30, 2025
Actuarial Valuation Date:	October 1, 2024

Additional information as of the latest actuarial valuation is as follows:

Actuarial Cost Method	Aggregate
Amortization Method	Level Percentage, Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value
Non-Investment Expenses	Liabilities have been loaded by 2.75% to account for non-investment expenses.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Mortality Basis	Sex-distinct rates set forth in the RP-2000 Blue Collar Mortality Table, with full generational improvements in mortality using Scale BB. For non-retired participants, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Employee Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year (pre-retirement mortality); for non-disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Healthy Retiree Mortality Table for public safety employees (Below Median table for males), with full generational improvements in mortality using Scale MP-2018 and with ages set forward one year; for disabled retirees, sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Disabled Retiree Mortality Table (80% general employee rates plus 20% public safety employee rates), with full generational improvements in mortality using Scale MP-2018.
Retirement	Retirement is assumed to occur at normal retirement age.
Future Contributions	Contributions from the employer and employees are assumed to be made as legally required.
Changes	Contributions from the employer and employees are assumed to be made as legally required. Since the prior measurement date, the mortality basis was changed from the RP-2000 Blue Collar Mortality Table with generational improvements in mortality using Scale BB to selected PUB-2010 Mortality Tables with generational improvements in mortality using Scale MP-2018.
Actuarial Assumptions:	
Investment Rate of Return	7.00%
Projected Salary Increases	4.50% per annum
Non-Investment Expenses	Liabilities have been loaded by 2.75%
Includes Inflation at *	2.92%
Discount Rate	7.00% (2.77% per annum is due to inflation)
Cost-of-Living Adjustments	0.0%
Changes	No assumptions were changed since the prior measurement date.

*Same assumptions as used for the actuarial valuation of system.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Determination of Long-Term Expected Rate of Return on Plan Assets:

Investment Category	Target Allocation	Expected Long-Term Real Return
Core Bonds	15.00%	1.60% per annum
Core Plus	15.00%	2.10% per annum
U.S. Large Cap Equity	25.00%	4.60% per annum
U.S. Small Cap Equity	14.00%	5.50% per annum
Non-U.S. Equity	21.00%	6.70% per annum
Core Real Estate	10.00%	5.00% per annum
Total or Weighted Arithmetic Average	100.00%	4.38% per annum

Current membership in the Plan is comprised of the following:

<u>Group</u>	<u>October 1, 2024</u>
Retirees and Beneficiaries Currently Receiving Benefits	6
Terminated Plan Participants Entitled to But Not Yet Receiving Benefits	7
Active Plan Participants	<u>13</u>
Total	<u><u>26</u></u>

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

Total Pension Liability	\$ 3,171,637
Plan Fiduciary Net Position	<u>(3,755,026)</u>
Sponsor's Net Pension Liability (Asset)	<u>\$ (583,389)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)	118%

The differences between the actuarial financial statements and the pension financial statement were due to timing differences.

The investments in the Police Officers separate Share Plan are not included in the calculation of the Plan Fiduciary Net Position, however, are included in the Statement of Fiduciary Net Position. These investments totaled \$371,987 as of September 30, 2024.

Pension Expense

Service Cost	\$ 191,412
Other Recognized Changes in Net Pension Liability:	
Expected Interest Growth	(30,572)
Investment Gain (Loss)	(29,849)
Demographic Gain (Loss)	(61,891)
Employee Contributions	(35,751)
Administrative Expenses	21,513
Assumption Changes	<u>(5,257)</u>
Total Pension Expense	<u><u>\$ 49,605</u></u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Deferred Inflows and Deferred Outflows of Resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2024	\$ 300,417	\$ 584,390
Amortization Payments	(136,851)	(233,848)
Investment Gain (Loss)	-	47,337
Demographic Gain (Loss)	-	24,402
Balance as of September 30, 2025	<u>\$ 163,566</u>	<u>\$ 422,281</u>

Amortization schedule for deferred outflows and inflows of resources:

Year Ending September 30,	Pension Expense Amounts
2026	\$ 36,234
2027	136,169
2028	82,451
2029	5,583
2030	(3,886)
Thereafter	2,164
Total	<u>\$ 258,715</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate:

	1% Decrease	Discount Rate 7.00%	1% Increase
Total Pension Liability	\$ 3,515,634	\$ 3,171,637	\$ 2,882,553
Less Fiduciary Net Position	(3,755,026)	(3,755,026)	(3,755,026)
Net Pension Liability (Asset)	<u>\$ (239,392)</u>	<u>\$ (583,389)</u>	<u>\$ (872,473)</u>

Changes in Net Pension Liability (Asset):

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a+b)
Reporting Period Ended September 30, 2024	\$ 2,941,830	\$ (3,445,151)	\$ (503,321)
Change for a Year:			
Service Cost	191,412	-	191,412
Interest	211,300	(241,872)	(30,572)
Unexpected Investment Income	-	(47,337)	(47,337)
Demographic Experience	(24,402)	-	(24,402)
Employer Contributions	-	(154,931)	(154,931)
Employee Contributions	-	(35,751)	(35,751)
Benefit Payments and Refunds	(148,503)	148,503	-
Administrative Expenses	-	21,513	21,513
Reporting Period Ended September 30, 2025	<u>\$ 3,171,637</u>	<u>\$ (3,755,026)</u>	<u>\$ (583,389)</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

General Employees Plan

Retirement Plan and Trust for General Employees—The City sponsors and administers the Retirement Plan and Trust for the General Employees of the City (the Plan). The Plan is considered a defined benefit single-employer plan and is accounted for as a separate pension trust fund. The Plan covers all full-time general employees. A government employee shall become a participant of the Plan at the time of employment.

Name of Pension Plan:	Retirement Plan for the General Employees of the City of Williston.
Legal Plan Administrator:	Board of Trustees of the Retirement Plan for the General Employees of the City of Williston Single-Employer Defined Benefit Pension Plan.
Type of Plan:	Single-Employer Defined Benefit Pension Plan.
Current Contribution Requirements:	Employer contributions are actuarially determined; employees contribute 5.00% of pensionable earnings; employee contribution requirement may be amended by City ordinance, but employer contribution requirement is subject to State minimums.
Pension Plan Reporting:	The Plan issues a stand-alone financial report each year, which contains information about the Plans fiduciary net position. The Plan's fiduciary net position has been determined on the same basis used by the pension plan and is equal to the market value of the assets as calculated under the accrual basis of accounting. This report is available to the public at the Plan's administrative office: Retirement Department, Florida League of Cities, Inc. P.O. Box 1757, Tallahassee, Florida 32302, (800) 342-8112.

Description of Benefit Terms:

Employees Covered:	Full-time employees of the City of Williston, other than Police Officers and the City Manager.
Types of Benefits Offered:	Retirement, disability, and pre-retirement death benefits.
Basic Pension Formula:	2.25% of average earnings times service.
Early Retirement Adjustment:	The early retirement pension is actuarially equivalent to the normal retirement pension.
Disability Pension:	The disability pension is actuarially equivalent to the normal retirement pension.
Pre-Retirement Death Benefit:	The pre-retirement death benefit is actuarially equivalent to the normal retirement pension and is payable as a single life annuity or as a single lump sum payment to the beneficiary of a vested participant. Return of accumulated employee contributions (payable to the beneficiary of a non-vested participant).
Normal Retirement Age:	Age 62 with at least five years of service.
Early Retirement Age:	Age 55 with at least five years of service.
Vesting Requirement:	100% vesting after five years of service.
Form of Payment:	Single life annuity. Actuarially equivalent 10-year certain and life annuity. Actuarially equivalent 50%, 66 ^{2/3} %, 75%, or 100% joint and contingent annuity. Actuarially equivalent single lump sum payment. Any other actuarially equivalent form of payment approved by the Board of Trustees.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Average Earnings:	Average of the highest five years of pensionable earnings out of the last 10 years; pensionable earnings include total compensation other than bonuses, lump sum payments, overtime pay, and extraordinary compensation.
Cost-of-Living Adjustment:	None
DROP:	A deferred retirement option plan (DROP) is available to those participants who have attained their early or normal retirement age, and individuals may participate in the DROP for up to 60 months; DROP accounts are credited with interest at the rate of 6.50% per annum.
Legal Authority:	The Plan was established effective October 1, 1983, pursuant to City ordinance and has been amended several times since that date.
Changes:	The benefit terms did not change from the prior measurement date.

Additional information as of the latest actuarial valuation is as follows:

Valuation Date	October 1, 2023
Actuarial Cost Method	Aggregate
Amortization Method	Level Percentage, Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value
Mortality Basis	Pre-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Employee Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year; post-retirement mortality is based on the sex-distinct rates set forth in the PUB-2010 Headcount-Weighted Below Median Healthy Retiree Mortality Table for general employees, with full generational improvements in mortality using Scale MP-2018 and with male ages set back one year.
Retirement	Retirement is assumed to occur at normal retirement age.
Non-Investment Expenses	Liabilities have been loaded by 2.75% to account for non-investment expenses.
Future Contributions	Contributions from the employer and employees are assumed to be made as legally required.
Changes	No changes from the prior measurement date.
Actuarial Assumptions:	
Investment Rate of Return	7.00%
Projected Salary Increases	4.00%
Non-Investment Expenses	Liabilities have been loaded by 2.25%
Includes Inflation at *	3.25%
Discount Rate	7.00% (2.77% per annum is due to inflation)
Cost of Living Adjustments	0.0%
Changes	No assumptions were changed since the prior measurement date.

*Same assumptions as used for the actuarial valuation of system.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Current membership in the Plan is comprised of the following:

<u>Group</u>	<u>October 1, 2024</u>
Retirees and Beneficiaries Currently Receiving Benefits	19
Terminated Plan Participants Entitled to But Not Yet Receiving Benefits	59
Plan Participants:	
Active	<u>57</u>
Total	<u><u>135</u></u>

Net Pension Liability (Asset)

The components of the net pension liability of the sponsor on September 30, 2025, were as follows:

Total Pension Liability	\$ 4,672,289
Plan Fiduciary Net Position	<u>(6,175,508)</u>
Sponsor's Net Pension Liability (Asset)	<u><u>\$ (1,503,219)</u></u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	132%

The differences between the actuarial financial statements and the pension financial statement were due to timing differences related to investments.

Pension Expense

Service Cost	\$ 402,054
Other Recognized Changes in Net Pension Liability:	
Expected Interest Growth	(83,044)
Investment Gain (Loss)	(53,951)
Demographic Gain (Loss)	(70,093)
Employee Contributions	(138,988)
Administrative Expenses	34,639
Assumption Changes	<u>(2,422)</u>
Pension Expense (Negative)	<u><u>\$ 88,195</u></u>

Determination of Long-Term Expected Rate of Return on Plan Assets:

Investment Category	Target Allocation	Expected Long-Term Real Return
Core Bonds	15.00%	1.60% per annum
Core Plus	15.00%	2.10% per annum
U.S. Large Cap Equity	25.00%	4.60% per annum
U.S. Small Cap Equity	14.00%	5.50% per annum
Non-U.S. Equity	21.00%	6.70% per annum
Core Real Estate	10.00%	5.00% per annum
Total or Weighted Arithmetic Average	100.00%	4.38% per annum

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Deferred Inflows and Deferred Outflows of Resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Total of Components:		
Balance as of September 30, 2024	\$ 733,252	\$ 1,010,283
Amortization Payments	(324,659)	(451,125)
Investment Gain (Loss)	-	78,664
Demographic Gain (Loss)	-	166,151
Balance as of September 30, 2025	<u>\$ 408,593</u>	<u>\$ 803,973</u>

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in Pension Expense as follows:

Year Ending September 30,	Net Pension Expense
2026	\$ 2,503
2027	205,311
2028	145,931
2029	10,204
2030	(8,701)
Thereafter	40,132
Total	<u>\$ 395,380</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate:

	1% Decrease	Discount Rate – 7.00%	1% Increase
Total Pension Liability	\$ 5,340,531	\$ 4,672,289	\$ 4,129,040
Less Fiduciary Net Position	(6,175,508)	(6,175,508)	(6,175,508)
Net Pension Liability (Asset)	<u>\$ (834,977)</u>	<u>\$ (1,503,219)</u>	<u>\$ (2,046,468)</u>

Changes in Net Pension Liability (Asset):

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Asset (a+b)
Reporting Period Ended September 30, 2024	\$ 4,365,292	\$ (5,645,408)	\$ (1,280,116)
Change for a Year:			
Service Cost	402,054	-	402,054
Interest	314,006	(397,050)	(83,044)
Unexpected Investment Income	-	(78,664)	(78,664)
Demographic Experience	(166,151)	-	(166,151)
Employer Contributions	-	(192,949)	(192,949)
Employee Contributions	-	(138,988)	(138,988)
Benefit Payments and Refunds	(242,912)	242,912	-
Administrative Expenses	-	34,639	34,639
Reporting Period Ended September 30, 2025	<u>\$ 4,672,289</u>	<u>\$ (6,175,508)</u>	<u>\$ (1,503,219)</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

**Combining Schedule of Fiduciary
Net Position
Pension Trust Funds
September 30, 2025**

	Retirement Plan and Trust for the Police Officers	Retirement Plan and Trust for the General Employees	Total
Assets			
Cash and Money Market	\$ 32,905	\$ 49,182	\$ 82,087
Investment in External Investment Pool at Fair Value	4,080,158	6,098,589	10,178,747
Due from General Fund	76,093	-	76,093
Contributions Receivable	13,950	27,737	41,687
Total Assets	<u>4,203,106</u>	<u>6,175,508</u>	<u>10,378,614</u>
Liabilities			
Accrued Expenses	3,478	4,689	8,167
Total Liabilities	<u>3,478</u>	<u>4,689</u>	<u>8,167</u>
Net Positions - Held in Trust for Pension Benefits	<u>\$ 4,199,628</u>	<u>\$ 6,170,819</u>	<u>\$ 10,370,447</u>

**Combining Schedule of Changes in Fiduciary Net Position
Pension Trust Funds
For The Fiscal Year Ended September 30, 2025**

	Retirement Plan and Trust for the Police Officers	Retirement Plan and Trust for the General Employees	Total
Additions			
Contribution:			
Employer	\$ 154,931	\$ 187,849	\$ 342,780
State	76,093	-	76,093
Employees	35,751	144,087	179,838
Total Contributions	266,775	331,936	598,711
Investment Earnings	318,139	475,715	793,854
Total Additions	<u>584,914</u>	<u>807,651</u>	<u>1,392,565</u>
Deductions			
Benefits Paid	135,969	195,691	331,660
Lump Sum Distributions	12,534	47,220	59,754
Administrative Expenses	22,871	35,520	58,391
Total Deductions	<u>171,374</u>	<u>278,431</u>	<u>449,805</u>
Change in Net Position	413,540	529,220	942,760
Net Position Held in Trust for Pension Benefits, Beginning of Year	<u>3,786,088</u>	<u>5,641,599</u>	<u>9,427,687</u>
Net Position Held in Trust for Pension Benefits, End of Year	<u>\$ 4,199,628</u>	<u>\$ 6,170,819</u>	<u>\$ 10,370,447</u>

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Florida State Retirement System – Pension Plan

Beginning in 2017, all Fire Fighters of the City are eligible to participate in the Florida State Retirement System (the System). This System was created by the Florida Legislature and is a cost-sharing, multiple-employer defined benefit, and public retirement plan available to governmental units within the State of Florida. The System issued a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315, or by calling (850) 488-5706.

All fire employees of the City are eligible to participate in the System. Special risk employees who retire at or after age 55, with six years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to the product of: 1) average monthly compensation in the highest five years of creditable service; 2) creditable service during the appropriate period; and 3) the appropriate benefit percentage. Benefits fully vest on reaching six years of service. Vested employees may retire after six years of creditable service and receive reduced retirement benefits. The System also provides death benefits, disability benefits, and annual cost-of-living adjustments. Benefits are established by Florida Statute. Beginning in 2011, the state mandated a 3% contribution to the plan by the employees. The City currently only has fire employees that participate in the Florida Retirement System.

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that employers, such as the City, are required to contribute 32.67% of the compensation for Regular Special Risk and 39.82% for Administrative (with 1.66% for HIS) as of September 30, 2023. In addition, employees that are not participating in the DROP program are required to contribute 3% of their gross salary.

The City contributed 100% of the required contributions to the System for the year ended September 30, 2025, as follows:

<u>Year</u>	<u>Amount</u>
2025	\$ 207,767

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At September 30, 2025, the City reported a net pension liability of \$855,584 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share of the net pension liability was based on projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2025, the City's proportionate share of the FRS liability was .00275682558% an increase of .00014029793% from the prior year.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources—For the year ended September 30, 2025, the Sponsor recognized a Pension Expense of \$47,284. On September 30, 2025, the Sponsor reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

	<u>Deferred Inflow of Resources</u>	<u>Deferred Outflow of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 91,385
Change in Assumptions	-	99,356
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	142,848	-
Changes in Proportion and Differences Between the City Contributions and Proportionate Share of Contributions	25,558	105,073
City Contributions Subsequent to Measurement Date	<u>-</u>	<u>36,051</u>
Total	<u><u>\$ 168,406</u></u>	<u><u>\$ 331,865</u></u>

The Deferred Outflows of Resources related to pensions totaling \$36,051 resulting from City contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other 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</u>	<u>Pension Expense</u>
2026	\$ 149,351
2027	10,866
2028	(13,091)
2029	<u>(19,718)</u>
Total	<u><u>\$ 127,408</u></u>

Actuarial Assumptions

The total pension liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.50% Including Inflation
Investment Rate of Return 6.70%, Net Pension Plan	Investment Expense, Including Inflation

Mortality rates were based on the PUB-2010 with Scale MP-2021.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period June 30, 2018 through June 30, 2023.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.2%	3.2%	1.1%
Fixed Income	29.0%	5.5%	5.4%	4.0%
Global Equity	45.0%	8.5%	6.9%	18.3%
Real Estate	12.0%	8.4%	7.1%	16.8%
Private Equity	11.0%	12.4%	8.8%	28.4%
Strategic Investments	2.0%	6.5%	6.1%	8.7%
Total	100%			

Assumed Inflation-Mean 2.4% 1.5%

Discount Rate—The discount rate used to measure the total pension liability was 6.70 percent. In general, the discount rate for calculating the total pension liability under GASB Statement No. 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. The rate of return assumption is a prescribed assumption as defined by Actuarial Standard of Practice No. 27.

Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate—The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.70 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.70 percent) or 1-percentage-point higher (7.70 percent) than the current rate:

	1% Decrease 5.70%	Current Discount Rate – 6.70%	1% Increase 7.70%
City's Proportionate Share of the Net Pension Liability	\$ 1,679,071	\$ 855,584	\$ 165,185

FRS Pension Plan Fiduciary Net Position—Detailed information about pension plan's fiduciary net position is available in the separately issued FRS Annual Comprehensive Financial Report.

Health Insurance Subsidy (HIS) Defined Benefit Pension Plan

Plan Description—The HIS Pension Plan (HIS Plan) is a cost-sharing, multiple-employer defined benefit pension plan established to provide a monthly subsidy payment to retired members of any state-administered retirement system in order to assist such retired members in paying the costs of health insurance. Persons are eligible for HIS payments who are retired under a state-administered retirement system, or a beneficiary who is a spouse or financial dependent entitled to receive benefits under a state-administered retirement system, except those individuals who are pension recipients under Sections 121.40, 237.08(18)(a), and 250.22, Florida Statutes, or recipients of health insurance coverage under Section 110.1232, Florida Statutes, or any other special pension or relief act are not eligible for such pension payments. A person is deemed retired from a state-administered retirement system when he or she terminates employment with all employers participating in the FRS and:

- For a member of the FRS investment plan, the participant meets the age or service requirements to qualify for normal retirement per Section 121.021(29), Florida Statutes and meets the definition of retiree in Section 121.4501(2), Florida Statutes.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

- For a member of the FRS defined benefit pension plan, or any employee who maintains creditable service under the pension plan and the investment plan, the member begins drawing retirement benefits from the pension plan.

Any person retiring on or after July 1, 2001, as a member of the FRS, including a member of the investment plan, must satisfy the vesting requirements for his or her membership class under the pension plan as administered under Chapter 121, Florida Statutes. Any person retiring due to disability must qualify for a regular or in-line-of-duty disability benefit per provisions under Chapter 112, Florida Statutes. Additionally, participants in the Senior Management Service Optional Annuity Program and the State City System Optional Retirement Program are not eligible to receive benefits from the HIS Plan.

Benefits Provided—The benefit is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Department of Management Services, Division of Retirement.

For the fiscal year ended June 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$7.50. The payments are at least \$45 but not more than \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions—The HIS Program is funded by required contributions from FRS participating employers as set by the Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2025, the contribution rate was 2.00 percent of payroll. The state contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The City's contributions to the HIS defined benefit pension plan are reported as a total with the pension plan contributions listed above.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to HIS—At September 30, 2025, the City reported a net pension liability of \$156,626 for its proportionate share of the net pension liability for HIS. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share of the net pension liability was based on projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2025, the City's proportionate share was .00122197205%, which was an increase of .00005474626% from its proportionate share measured from the prior year.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

For the year ended September 30, 2025, the City recognized pension expense is \$873. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Inflow Funds	Deferred Outflow Funds
Differences Between Expected and Actual Experience	\$ 248	\$ 935
Change in Assumptions	37,884	1,386
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	130	-
Changes in Proportion and Differences Between the City Contributions and Proportionate Share of Contributions	2,844	20,979
City Contributions Subsequent to Measurement Date	-	2,199
Total	<u><u>\$ 41,106</u></u>	<u><u>\$ 25,499</u></u>

The deferred outflows of resources related to pensions totaling \$2,199 resulting from City contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>September 30,</u>	<u>Inflows/Outflows</u>
2026	\$ (1,707)
2027	(5,160)
2028	(4,125)
2029	(4,034)
2030	(2,780)
Total	<u><u>\$ (17,806)</u></u>

Actuarial Assumptions—The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increase	3.50% Average, Including Inflation
Bond Buyer General Obligation 20-Bond Municipal Bond	5.20%

Mortality rates were based on the PUB-2010 with Scale MP-2021.

The actuarial assumptions used in the July 1, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

Discount Rate—The discount rate used to measure the total pension liability was 5.20 percent. In general, the discount rate for calculating the total pension liability under GASB Statement No. 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The discount rate used in the 2024 valuation was updated from 3.93 percent, reflecting the change in the Bond Buyer General Obligation 20-Bond Municipal Bond Index as of June 30, 2025.

NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate—
The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 5.20 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.20 percent) or 1-percentage-point higher (6.20 percent) than the current rate:

	<u>1% Decrease</u> <u>4.20%</u>	<u>Current Discount</u> <u>Rate 5.20%</u>	<u>1% Increase</u> <u>6.20%</u>
City's Proportionate Share of the Net Pension Liability	\$ 176,621	\$ 156,626	\$ 139,856

*Pension Plan Fiduciary Net Position—*Detailed information about the pension plan's fiduciary net position is available in the separately issued FRS Annual Comprehensive Financial Report.

Note 11 - Other Disclosures

Allowances for Doubtful Accounts

Allowances for doubtful accounts at September 30, 2025, are as follows:

Utility Fund	\$ 128,314
General Fund	60,000
Airport Fund	<u>16,339</u>
Total Allowances for Doubtful Accounts	<u><u>\$ 204,653</u></u>

Note 12 - Other Information

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; workers' compensation; and natural disasters for which the City carries commercial insurance. There were no settlements in excess of the insurance coverage in any of the three prior fiscal years.

Contingent Liabilities

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

Note 13 - Commitments and Contingencies

The City has a construction commitment for a new airport gas extension for a total commitment of \$230,000 funded with net position. As of September 30, 2025, the amount paid is \$123,513 with a remaining balance of approximately \$106,487 to be paid on the project.

The City has a construction commitment for a new airport hangar for a total commitment of \$959,150 funded with grant proceeds. As of September 30, 2025, the amount paid is \$489,572 with a remaining balance of approximately \$469,578 to be paid on the project.

**NOTES TO FINANCIAL STATEMENTS
CITY OF WILLISTON, FLORIDA**

The City has a construction commitment for the Williston Fiber project for a total commitment of \$4,667,774 funded with loan proceeds. As of September 30, 2025, the amount paid is \$2,890,372 with a remaining balance of approximately \$1,777,402 to be paid on the project.

The City has a construction commitment for the Downtown Parking Lot project for a total commitment of \$1,000,000 funded with loan proceeds. As of September 30, 2025, the amount paid is \$319,555 with a remaining balance of approximately \$680,445 to be paid on the project.

Note 14 - Change in Accounting Principle

For the fiscal year ended September 30, 2025, the City implemented GASB Statement No. 101, *Compensated Absences*. This Statement amends the recognition and measurement guidance for vacation, sick leave, and other compensated absences by requiring a liability to be recognized for leave that has not been used but is attributable to past services, and that is more likely than not to be used or paid. As a result of this implementation, the City has recognized a liability for accumulated vacation and sick leave that is more likely than not to be paid upon termination or used as retirement service credit, which was accrued using a different methodology under the previous standard (GASB Statement No. 16).

The impact of this change in accounting principle on the beginning net position as of October 1, 2024, is as follows:

	Governmental Funds	Proprietary Fund
Beginning Net Position, October 1, 2024 (as Previously Reported)	\$ 18,169,709	\$ 14,072,383
Prior Period Adjustment (Implementation of GASB 101)	(85,996)	(67,441)
Beginning Net Position, October 1, 2024 (as Restated)	<u>\$ 18,083,713</u>	<u>\$ 14,004,942</u>

REQUIRED SUPPLEMENTARY INFORMATION

The following supplementary schedules present trend information regarding the retirement plans for the City's General Employees and Police Officers retirement plans, retirement plans for the City's Firefighters, and Other Postemployment Benefits. This information is necessary for a fair presentation in conformity with generally accepted accounting principles.

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

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 2,485,293	\$ 2,495,792	\$ 2,470,899	\$ (24,893)
Licenses, Permits, and Fees	316,500	276,000	203,597	(72,403)
Intergovernmental	881,666	1,134,982	1,220,315	85,333
Fines and Forfeitures	25,500	30,550	38,457	7,907
Interest Earnings	15,000	15,000	9,745	(5,255)
Miscellaneous Revenues	68,875	70,300	112,584	42,284
Total Revenues	3,792,834	4,022,624	4,055,597	32,973
Expenditures				
Current:				
General Government	697,616	670,665	687,539	(16,874)
Law Enforcement	1,584,556	1,588,006	1,499,067	88,939
Communications	400,774	385,024	358,439	26,585
Streets and Sidewalks	182,664	183,314	164,029	19,285
Fire Control	999,306	943,106	1,149,162	(206,056)
Parks and Recreation	521,080	514,080	581,011	(66,931)
Library	11,118	11,118	24,677	(13,559)
Planning and Zoning	428,350	432,600	306,727	125,873
Legislative and Legal	75,000	75,000	97,602	(22,602)
Animal Control	236,701	236,551	238,310	(1,759)
Information Technology	364,495	361,995	310,610	51,385
Non-Departmental	287,474	129,879	91,805	38,074
Capital Outlay	530,000	782,791	526,108	256,683
Debt Service:				
Principal	-	83,700	91,482	(7,782)
Interest	-	7,500	13,131	(5,631)
(Total Expenditures)	(6,319,134)	(6,405,329)	(6,139,699)	265,630
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,526,300)	(2,382,705)	(2,084,102)	298,603
Other Financing Sources (Uses)				
Transfers in	2,021,300	2,016,300	2,122,888	106,588
Transfers (out)	-	(242,826)	(240,827)	1,999
Note Payable Proceeds	460,000	465,000	-	(465,000)
Proceeds from Sale of Capital Assets	10,000	26,000	-	(26,000)
Total Other Financing Sources (Uses)	2,491,300	2,264,474	1,882,061	(382,413)
Net Change in Fund Balance	(35,000)	(118,231)	(202,041)	(83,810)
Fund Balances, Beginning of Year	846,633	846,633	670,926	(175,707)
Fund Balances, End of Year	\$ 811,633	\$ 728,402	\$ 468,885	\$ (259,517)

CITY OF WILLISTON, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND
AIRPORT DEVELOPMENT
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Intergovernmental Revenue	\$ 8,089,737	\$ 8,089,737	\$ 2,425,505	\$ (5,664,232)
Interest Earnings	5,000	5,000	2,461	(2,539)
Rental Income	485,000	485,000	461,699	(23,301)
Timber and Hay Sales	3,000	3,000	149,392	146,392
Fuel Sales	2,111,917	2,111,917	1,999,425	(112,492)
Miscellaneous	21,634	21,634	60,197	38,563
Total Revenues	<u>10,716,288</u>	<u>10,716,288</u>	<u>5,098,679</u>	<u>(5,617,609)</u>
Expenditures				
Current:				
Airport Operations	2,619,051	2,619,051	2,450,110	168,941
Debt Service	5,000	5,000	-	5,000
Capital Outlay	8,089,737	8,089,737	2,417,959	5,671,778
(Total Expenditures)	<u>(10,713,788)</u>	<u>(10,713,788)</u>	<u>(4,868,069)</u>	<u>5,845,719</u>
Excess of Revenues Over Expenditures	<u>2,500</u>	<u>2,500</u>	<u>230,610</u>	<u>228,110</u>
Other Financing Sources (Uses)				
Transfers (out)	-	-	(45,559)	(45,559)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(45,559)</u>	<u>(45,559)</u>
Net Change in Fund Balances	2,500	2,500	185,051	182,551
Fund Balances, Beginning of Year	<u>600,320</u>	<u>600,320</u>	<u>600,320</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 602,820</u>	<u>\$ 602,820</u>	<u>\$ 785,371</u>	<u>\$ 182,551</u>

CITY OF WILLISTON, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
SPECIAL REVENUE FUND
COMMUNITY REDEVELOPMENT
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Taxes	\$ 321,102	\$ 321,102	\$ 294,343	\$ (26,759)
Interest and Other	25	25	2,678	2,653
Contributions and Donations	2,000	2,000	-	(2,000)
Miscellaneous	1,000	1,000	345	(655)
Total Revenues	<u>324,127</u>	<u>324,127</u>	<u>297,366</u>	<u>(26,761)</u>
Expenditures				
Current:				
Community Redevelopment	171,820	171,820	119,029	52,791
Debt Service	281,820	281,820	12,707	269,113
Capital Outlay	1,359,773	1,359,773	415,740	944,033
Total Expenditures	<u>1,813,413</u>	<u>1,813,413</u>	<u>547,476</u>	<u>1,265,937</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,489,286)</u>	<u>(1,489,286)</u>	<u>(250,110)</u>	<u>1,239,176</u>
Other Financing Sources (Uses)				
Transfer in	240,827	240,827	240,827	-
Notes Payable Proceeds	750,000	750,000	992,515	242,515
Total Other Financing Sources (Uses)	<u>990,827</u>	<u>990,827</u>	<u>1,233,342</u>	<u>242,515</u>
Net Change in Fund Balance	(498,459)	(498,459)	983,232	1,481,691
Fund Balances, Beginning of Year	<u>464,204</u>	<u>464,204</u>	<u>464,204</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ (34,255)</u>	<u>\$ (34,255)</u>	<u>\$ 1,447,436</u>	<u>\$ 1,481,691</u>

CITY OF WILLISTON, FLORIDA
RETIREMENT PLAN AND TRUST FOR POLICE OFFICERS
FOR YEAR ENDED SEPTEMBER 30, 2025
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION
LIABILITY (ASSET) AND RELATED RATIOS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	\$ 191,412	\$ 180,267	\$ 130,179	\$ 119,921	\$ 130,047	\$ 138,458	\$ 113,336	\$ 101,591	\$ 91,379	\$ 81,601
Interest on the Total Pension Liability	211,300	192,515	179,111	183,854	181,889	186,496	169,828	157,781	141,704	103,951
Demographic Experience	(24,402)	52,672	(33,976)	(266,938)	(55,717)	(19,888)	5,253	(28,525)	(17,330)	26,226
Assumption Changes	-	-	-	-	(57,264)	-	-	-	65,439	354,990
Change in Benefit Terms	-	-	-	5,374	-	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(148,503)	(134,372)	(132,776)	(112,163)	(153,662)	(357,722)	(69,746)	(71,101)	(54,371)	(37,231)
Net Change in Total Pension Liability	229,807	291,082	142,538	(69,952)	45,293	(52,656)	218,671	159,746	226,821	529,537
Total Pension Liability, Beginning of Year	2,941,830	2,650,748	2,508,210	2,578,162	2,532,869	2,585,525	2,366,854	2,207,108	1,980,287	1,450,750
Total Pension Liability, End of Year (a)	\$ 3,171,637	\$ 2,941,830	\$ 2,650,748	\$ 2,508,210	\$ 2,578,162	\$ 2,532,869	\$ 2,585,525	\$ 2,366,854	\$ 2,207,108	\$ 1,980,287
Plan Fiduciary Net Position										
Contributions - Employer	\$ (154,931)	\$ (164,847)	\$ (14,333)	\$ (122,842)	\$ (98,038)	\$ (109,578)	\$ (97,045)	\$ (90,446)	\$ (74,311)	\$ (79,553)
Contributions - Employee	(35,751)	(38,323)	(32,921)	(29,932)	(26,986)	(26,958)	(24,421)	(21,005)	(18,698)	(18,330)
Expected Interest Growth	(241,872)	(361,420)	(45,411)	(216,958)	-	-	-	-	-	-
Net Investment Income	(47,337)	(200,040)	(185,740)	625,654	(503,060)	(163,769)	(137,328)	(173,485)	(269,174)	(149,871)
Benefit Payments	148,503	134,372	132,776	112,163	153,662	357,722	69,746	71,101	54,371	37,231
Administrative Expense	21,513	17,720	16,679	15,115	12,234	10,160	10,954	10,325	9,711	8,354
Net Change in Plan Fiduciary Net Position	(309,875)	(612,538)	(128,950)	383,200	(462,188)	67,577	(178,094)	(203,510)	(298,101)	(202,169)
Plan Fiduciary Net Position, Beginning of Year	(3,445,151)	(2,832,613)	(2,703,663)	(3,086,863)	(2,624,675)	(2,692,252)	(2,514,158)	(2,310,648)	(2,012,547)	(1,810,378)
Plan Fiduciary Net Position, End of Year (b)	\$ (3,755,026)	\$ (3,445,151)	\$ (2,832,613)	\$ (2,703,663)	\$ (3,086,863)	\$ (2,624,675)	\$ (2,692,252)	\$ (2,514,158)	\$ (2,310,648)	\$ (2,012,547)
Net Pension Liability (Asset), Ending (a) - (b)	\$ (583,389)	\$ (503,321)	\$ (181,865)	\$ (195,453)	\$ (508,701)	\$ (91,806)	\$ (106,727)	\$ (147,304)	\$ (103,540)	\$ (32,260)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	118.39%	117.11%	106.86%	107.79%	119.73%	103.62%	104.13%	106.22%	104.69%	101.63%
Covered Payroll*	\$ 722,351	\$ 656,709	\$ 465,905	\$ 440,525	\$ 514,896	\$ 533,995	\$ 444,302	\$ 402,249	\$ 363,641	\$ 331,296
Net Pension Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*For the 2017 fiscal year, the covered payroll was based on pensionable salary.

**CITY OF WILLISTON, FLORIDA
RETIREMENT PLAN AND TRUST FOR POLICE OFFICERS
FOR YEAR ENDED SEPTEMBER 30, 2025
SCHEDULE OF CONTRIBUTIONS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 161,301	\$ 164,847	\$ 11,193	\$ 113,563	\$ 119,604	\$ 110,636	\$ 100,309	\$ 94,683	\$ 82,868	\$ 80,725
Contributions in Relation to the										
Actuarially Determined Contribution	154,931	164,847	14,333	122,842	98,038	109,578	97,045	90,446	74,311	79,553
Contribution Deficiency (Excess)	<u>\$ 6,370</u>	<u>\$ -</u>	<u>\$ (3,140)</u>	<u>\$ (9,279)</u>	<u>\$ 21,566</u>	<u>\$ 1,058</u>	<u>\$ 3,264</u>	<u>\$ 4,237</u>	<u>\$ 8,557</u>	<u>\$ 1,172</u>
Covered Payroll	<u>\$ 722,351</u>	<u>\$ 656,709</u>	<u>\$ 465,905</u>	<u>\$ 440,525</u>	<u>\$ 514,896</u>	<u>\$ 533,995</u>	<u>\$ 444,302</u>	<u>\$ 402,249</u>	<u>\$ 363,641</u>	<u>\$ 331,296</u>
Contributions as a Percentage of Covered Payroll	21.45%	25.10%	3.08%	27.89%	19.04%	20.52%	21.84%	22.49%	20.44%	24.01%

CITY OF WILLISTON, FLORIDA
RETIREMENT PLAN AND TRUST FOR GENERAL EMPLOYEES
FOR YEAR ENDED SEPTEMBER 30, 2025
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION
LIABILITY (ASSET) AND RELATED RATIOS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	\$ 402,054	\$ 311,000	\$ 245,399	\$ 205,360	\$ 182,311	\$ 189,718	\$ 170,840	\$ 141,746	\$ 121,584	\$ 128,374
Interest on the Total Pension Liability	314,006	293,366	271,263	269,993	288,495	278,616	280,605	286,840	268,562	212,271
Demographic Experience	(166,151)	207,132	(28,583)	(238,169)	(49,335)	(65,801)	(223,621)	(115,227)	32,335	104,482
Assumption Changes	-	-	-	-	(381,350)	-	-	-	265,359	695,988
Benefit Payments, Including Refunds of Employee Contributions	(242,912)	(477,518)	(241,254)	(254,922)	(314,826)	(246,250)	(276,669)	(423,229)	(446,417)	(322,256)
Net Change in Total Pension Liability	306,997	333,980	246,825	(17,738)	(274,705)	156,283	(48,845)	(109,870)	241,423	818,859
Total Pension Liability, Beginning of Year	4,365,292	4,031,312	3,784,487	3,802,225	4,076,930	3,920,647	3,969,492	4,079,362	3,837,939	3,019,080
Total Pension Liability, End of Year (a)	\$ 4,672,289	\$ 4,365,292	\$ 4,031,312	\$ 3,784,487	\$ 3,802,225	\$ 4,076,930	\$ 3,920,647	\$ 3,969,492	\$ 4,079,362	\$ 3,837,939
Plan Fiduciary Net Position										
Contributions - Employer	\$ (192,949)	\$ (174,074)	\$ (20,285)	\$ (35,260)	\$ (26,952)	\$ (25,474)	\$ (30,143)	\$ (107,990)	\$ (76,582)	\$ (32,832)
Contributions - Employee	(138,988)	(125,680)	(101,419)	(88,148)	(67,437)	(64,038)	(60,484)	(53,296)	(53,684)	(41,937)
Net Investment Income	(78,664)	(614,833)	(77,239)	1,098,395	(928,524)	(303,613)	(242,575)	(338,157)	(573,325)	(343,551)
Expected Interest Growth	(397,050)	(335,964)	(320,481)	(381,672)	-	-	-	-	-	-
Benefit Payments	242,912	477,518	241,254	254,922	314,827	246,250	276,669	423,229	446,417	322,256
Administrative Expense	34,639	28,492	28,261	35,229	24,016	19,065	20,221	20,487	19,911	17,752
Net Change in Plan Fiduciary Net Position	(530,100)	(744,541)	(249,909)	883,466	(684,070)	(127,810)	(36,312)	(55,727)	(237,263)	(78,312)
Plan Fiduciary Net Position, Beginning of Year	(5,645,408)	(4,900,867)	(4,650,958)	(5,534,424)	(4,850,354)	(4,722,544)	(4,686,232)	(4,630,505)	(4,393,242)	(4,314,930)
Plan Fiduciary Net Position, End of Year (b)	\$ (6,175,508)	\$ (5,645,408)	\$ (4,900,867)	\$ (4,650,958)	\$ (5,534,424)	\$ (4,850,354)	\$ (4,722,544)	\$ (4,686,232)	\$ (4,630,505)	\$ (4,393,242)
Net Pension Liability (Asset) - Ending (a) + (b)	\$ (1,503,219)	\$ (1,280,116)	\$ (869,555)	\$ (866,471)	\$ (1,732,199)	\$ (773,424)	\$ (801,897)	\$ (716,740)	\$ (551,143)	\$ (555,303)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	132.17%	129.32%	121.57%	122.90%	145.56%	118.97%	120.45%	118.06%	113.51%	114.47%
Covered Payroll*	\$ 2,522,904	\$ 1,860,041	\$ 1,496,641	\$ 1,255,248	\$ 1,144,391	\$ 1,166,771	\$ 1,053,876	\$ 895,351	\$ 787,576	\$ 880,740
Net Pension Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*For the 2017 fiscal year, the covered payroll was based on pensionable salary.

CITY OF WILLISTON, FLORIDA
RETIREMENT PLAN AND TRUST FOR GENERAL EMPLOYEES
FOR YEAR ENDED SEPTEMBER 30, 2025
SCHEDULE OF CONTRIBUTIONS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 131,368	\$ 174,074	\$ 147,464	\$ -	\$ 26,165	\$ 89,095	\$ 75,498	\$ 56,834	\$ 106,400	\$ 57,705
Contributions in Relation to the										
Actuarially Determined Contribution	192,949	174,074	20,285	35,260	26,952	25,474	30,143	107,990	76,582	32,832
Contribution Deficiency (Excess)	<u>\$ (61,581)</u>	<u>\$ -</u>	<u>\$ 127,179</u>	<u>\$ (35,260)</u>	<u>\$ (787)</u>	<u>\$ 63,621</u>	<u>\$ 45,355</u>	<u>\$ (51,156)</u>	<u>\$ 29,818</u>	<u>\$ 24,873</u>
Covered Payroll	<u>\$ 2,522,904</u>	<u>\$ 1,860,041</u>	<u>\$ 1,496,641</u>	<u>\$ 1,255,248</u>	<u>\$ 1,144,391</u>	<u>\$ 1,166,771</u>	<u>\$ 1,053,876</u>	<u>\$ 895,351</u>	<u>\$ 787,576</u>	<u>\$ 880,740</u>
Contributions as a Percentage of Covered Payroll	7.65%	9.36%	1.36%	2.81%	2.36%	2.18%	2.86%	12.06%	9.72%	3.73%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Note 1: Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution rates in the schedule of contributions are calculated as of October 1, 2023, one year prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the most recent contribution rate reported in that schedule:

	Police Officers' Pension Plan	General Employees' Pension Plan
Valuation Date	October 1, 2024	October 1, 2024
Actuarial Cost Method	Aggregate	Aggregate
Amortization Method	Level Percentage, Open	Level Percentage, Open
Remaining Amortization Period	30 Years	30 Years
Asset Valuation Method	Market Value	Market Value
Salary Increase	4.50% per Annum	4.00% per Annum
Discount Rate	7.00%	7.00%

Note 2: Changes in Assumptions

There were no changes in assumptions in either plan.

CITY OF WILLISTON, FLORIDA
FLORIDA RETIREMENT SYSTEM PENSION PLAN (1)
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	2025	2024	2023	2022	2021	2020	2019	2018	2017
City's Proportion of the Net Pension Liability	0.0027568256%	0.0026165277%	0.0024583072%	0.0021656840%	0.0021357330%	0.0028013258%	0.0021972346%	0.0019285260%	0.0012006047%
City's Proportionate Share of the Net Pension Liability	\$ 855,584	\$ 1,012,195	\$ 979,557	\$ 805,809	\$ 161,330	\$ 1,214,136	\$ 756,697	\$ 580,882	\$ 355,131
City's Covered Payroll (June 30)	\$ 580,754	\$ 488,573	\$ 471,142	\$ 394,545	\$ 359,481	\$ 302,438	\$ 299,039	\$ 255,001	\$ 154,244
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	147.32%	207.17%	207.91%	204.24%	44.88%	401.45%	253.04%	227.80%	230.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.26%	83.70%	82.38%	82.89%	96.40%	82.61%	78.85%	84.26%	83.89%

SCHEDULE OF CITY CONTRIBUTIONS

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Contractually Required Contribution	\$ 193,893	\$ 152,230	\$ 131,190	\$ 105,148	\$ 86,024	\$ 94,233	\$ 73,666	\$ 59,700	\$ 55,327
Contributions in Relation to the Contractually Required Contribution	(193,893)	(152,230)	(131,190)	(105,148)	(86,024)	(94,233)	(73,666)	(59,700)	(55,327)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-
City's Covered Payroll (September 30)	\$ 617,896	\$ 544,675	\$ 480,825	\$ 400,096	\$ 356,917	\$ 400,474	\$ 315,454	\$ 250,613	\$ 154,244
Contributions as a Percentage of Covered Payroll	31.38%	27.95%	27.28%	26.28%	24.10%	23.53%	23.35%	23.82%	35.87%

(1) 2017 was the first year that the City's Firefighters were entered into the Plan. Information for the subsequent 10 years' data will be accumulated.

CITY OF WILLISTON, FLORIDA
FLORIDA HEALTH INSURANCE SUBSIDY PENSION PLAN (1)
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's Proportion of the Net Pension Liability	0.0012219720%	0.0011672258%	0.0017304646%	0.00106611336%	0.00101142522%	0.00112852490%	0.00089413716%	0.00078074600%	0.00047024182%
City's Proportionate Share of the Net Pension Liability	\$ 156,626	\$ 175,096	\$ 183,284	\$ 112,918	\$ 124,066	\$ 137,791	\$ 100,045	\$ 82,635	\$ 50,280
City's Covered Payroll (June 30)	\$ 580,754	\$ 488,573	\$ 471,142	\$ 394,545	\$ 359,481	\$ 302,438	\$ 299,039	\$ 255,001	\$ 154,244
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	26.97%	35.84%	38.90%	28.62%	34.51%	45.56%	33.46%	32.41%	32.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	6.36%	4.80%	4.12%	4.81%	3.56%	2.63%	3.00%	2.15%	1.64%

SCHEDULE OF CITY CONTRIBUTIONS

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually Required Contribution	\$ 13,874	\$ 10,893	\$ 7,982	\$ 6,642	\$ 4,160	\$ 4,858	\$ 5,133	\$ 4,160	\$ 2,560
Contributions in Relation to the Contractually Required Contribution	(13,874)	(10,893)	(7,982)	(6,642)	(4,160)	(4,858)	(5,133)	(4,160)	(2,560)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-
City's Covered Payroll (September 30)	\$ 617,896	\$ 544,675	\$ 480,825	\$ 400,096	\$ 356,917	\$ 400,474	\$ 315,454	\$ 250,613	\$ 154,244
Contributions as a Percentage of Covered Payroll	2.25%	2.00%	1.66%	1.66%	1.17%	1.21%	1.63%	1.66%	1.66%

(1) 2017 was the first year that the City's Firefighters were entered into the Plan. Information for the subsequent 10 years' data will be accumulated.

Since the prior measurement date, the discount rate was increased from 3.54% per annum to 3.93% per annum.

CITY OF WILLISTON, FLORIDA
OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY

	Fiscal Year 2025	Fiscal Year 2024	Fiscal Year 2023	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018
Total OPEB Liability								
Service Cost	\$ 125,555	\$ 97,680	\$ 104,061	\$ 71,353	\$ 127,835	\$ 91,224	\$ 48,542	\$ 52,877
Expected Interest Growth	36,043	26,530	26,899	29,638	13,998	9,456	12,783	13,394
Demographic Gain/Loss	(26,420)	(16,631)	(40,290)	4,120	(136,289)	(1,624)	(1,654)	-
Difference Between Expected and Actual Expense Amortization	-	-	-	-	-	2,841	(24,641)	-
Changes in Assumptions and Other Inputs	73,117	(20,858)	35,176	(200,229)	102,240	(850)	(850)	-
Benefit Payments	(12,696)	(14,732)	(12,960)	(9,256)	(2,867)	(4,040)	(37,793)	(51,738)
Net Change in Total OPEB Liability	195,599	71,989	112,886	(104,374)	104,917	97,007	(3,613)	14,533
Total OPEB Liability - Beginning	635,062	563,073	450,187	554,561	449,644	352,637	356,250	341,717
Total OPEB Liability - Ending	\$ 830,661	\$ 635,062	\$ 563,073	\$ 450,187	\$ 554,561	\$ 449,644	\$ 352,637	\$ 356,250
 Covered-Employee Payroll	 \$ 3,439,941	 \$ 2,723,290	 \$ 2,691,045	 \$ 2,151,469	 \$ 2,150,285	 \$ 2,125,527	 \$ 1,730,542	 \$ 1,586,211
 Total OPEB Liability as a Percentage of Covered Payroll	 24.15%	 23.32%	 20.92%	 20.92%	 25.79%	 21.15%	 20.38%	 22.46%

Note: No plan assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Assumption Changes: Since the prior measurement date, the discount rate was decreased from 3.58% per annum to 3.00% per annum, the monthly implied subsidy at age 55 for the 2019/2020 fiscal year for the retiree and his spouse was increased from \$215 to \$250, and the mortality basis was changed from the RP-2000 Mortality Table with generational improvements in mortality using Scale BB to the PUB-2010 Mortality Table with generational improvements in mortality using Scale MP-2017.

Historical information is required only for measurement periods for which GASB Statement No. 75 is applicable. Future years' information will be displayed as it becomes available for a period of up to 10 years.

Since the prior measurement date, the discount rate was increased from 2.14% per annum to 2.43% per annum; the healthcare cost trend rates were changed from 6.50% for the 2020/2021 fiscal year graded down to 5.00% per year to 8.50% for the 2020/2021 fiscal year spouse was increased from \$267.50 to \$350.00 graded down to 5.00% per year; and the monthly implied subsidy at age 55 for the 2020/2021 fiscal year for the retiree and his spouse was increased from \$267.50 to \$350.00.

Since the prior measurement date, the discount rate was increased from 2.43% per annum to 4.77% per annum and the monthly implied subsidy at age 55 for the 2021/2022 fiscal year for the retiree and his spouse was decreased from \$379.75 to \$300.00.

Since the prior measurement date, the discount rate was increased from 4.77% per annum to 4.91% per annum.

Since the prior measurement date, the discount rate was increased from 4.91% per annum to 4.06% per annum and the monthly implied subsidy at age 55 for the 2023/24 fiscal year for the retiree and his spouse was decreased from \$403.12 to \$325.00.

Since the prior measurement date, the discount rate was increased from 24.06% per annum to 4.50% per annum; the healthcare cost trend rates were changed from 6.50% for the 2024/25 fiscal year graded down to 5.00% for the 2027/28 and later fiscal years to 8.00% for the 2024/2025 fiscal year graded down to 5.00% for the 2030/31 and later fiscal year; and the monthly implied subsidy at age 55 for the 2024/2025 fiscal year for the retiree and his spouse was increased from \$347.75 to \$400.00.

OTHER REPORTS

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

Honorable Mayor and City Council
City of Williston
Williston, 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 Williston, Florida (the City) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on

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Honorable Mayor and City Council
City of Williston
Williston, Florida

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

the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Purvis Gray

June 30, 2026
Ocala, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Honorable Mayor and City Council
City of Williston
Williston, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited the City of Williston, Florida's (the City) compliance with the types of compliance requirements, identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the *Department of Financial Services, State Projects Compliance Supplement*, that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2025. The City'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, the City 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 Projects

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 the *Department of Financial Services, State Projects Compliance Supplement*. Our responsibilities under those standards, the Uniform Guidance, and the *State Projects Compliance Supplement* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City 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 the City'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 the City's federal programs and state projects.

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Honorable Mayor and City Council
City of Williston
Williston, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City'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 Department of Financial Services, *State Projects Compliance Supplement*, will always detect material non-compliance when it exists. The risk of not detecting material non-compliance 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. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City'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 the *Department of Financial Services, State Projects Compliance Supplement*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material non-compliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City'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 the *Department of Financial Services, State Projects Compliance Supplement*, but not for the purpose of expressing an opinion on the effectiveness of the City'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, non-compliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable

Honorable Mayor and City Council
City of Williston
Williston, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

possibility that material non-compliance with a type of compliance requirement of a federal program 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 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 the 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 the *Department of Financial Services, State Projects Compliance Supplement*. Accordingly, this report is not suitable for any other purpose.

Purvis Gray

June 30, 2026
Ocala, Florida

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

Honorable Mayor and City Council
City of Williston
Williston, Florida

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

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

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

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

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

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

Purvis Gray

June 30, 2026
Ocala, Florida

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CITY OF WILLISTON, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Federal Grantor/Pass-Through Grantor/Project Title	Assistance Listing No.	Grantor's Contract Number	Project Award	Expenditures
U.S. Department of Transportation				
Florida Department of Transportation				
Taxiway G Realignment	20.106	3-12-0087-027-2024	\$ 1,658,876	\$ 1,606,290
Design Runway 5/23 Lighting Rehabilitation	20.106	3-12-0087-028-2025	1,680,000	5,059
Total U.S. Department of Transportation			<u>3,338,876</u>	<u>1,611,349</u>
U.S. Department of Homeland Security				
Federal Emergency Management Agency				
Assistance to Firefighters Grant	97.044	EMW-2023-FG-00308	260,000	247,619
Total U.S. Department of Homeland Security			<u>260,000</u>	<u>247,619</u>
US Department of the Treasury				
Florida Department of State				
Coronavirus State and Local Fiscal Recovery Funds (CSFRF)	21.027	23.s.aa.900.137	465,392	224
Total U.S. Department of the Treasury			<u>465,392</u>	<u>224</u>
Total Federal Awards			<u>\$ 4,064,268</u>	<u>\$ 1,859,192</u>

State Grantor/Pass-Through Grantor/Project Title	CSFA No.	Grantor's Contract Number	Project	Expenditures
Florida Department of Environmental Protection				
Wastewater Treatment and Stormwater Management TF	37.077	WWW380610	\$ 393,300	\$ 251,771
Total Florida Department of Environmental Protection			<u>393,300</u>	<u>251,771</u>
Florida Department of Transportation				
Construction of New Airport Terminal Building	55.004	442505-1	3,475,056	10,103
Design Runway 5/23 Lighting Rehabilitation	55.004	446167-1	70,000	213
Taxiway G Realignment	55.004	425169-2-94-23	201,350	178,199
Airport Box Hangar "E"	55.004	444473-1-94-01	1,100,000	620,866
Total Florida Department of Transportation			<u>4,846,406</u>	<u>809,381</u>
Florida Department of Financial Services				
Florida Firefighter Assistance Grant Program	43.006	2024/2025	1,871	1,779
Florida Firefighter Assistance Grant Program	43.006	2024/2025	6,698	3,349
Total Florida Department of Transportation			<u>8,569</u>	<u>5,128</u>
Florida Department of Law Enforcement				
Drone Replacement Program	71.092	3X171	25,000	24,908
Total Florida Department of Law Enforcement			<u>25,000</u>	<u>24,908</u>
Total State Projects			<u>\$ 5,273,275</u>	<u>\$ 1,091,188</u>

Note 1 - Basis of Presentation

The Schedule of Federal Awards includes the federal grant activity of the City of Williston, Florida and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

Note 2 - Indirect Cost Rate

The City has elected not to use the 15% de minimis indirect cost rate as allowed under the Uniform Guidance.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS AND STATE PROJECTS
CITY OF WILLISTON, FLORIDA
YEAR ENDED SEPTEMBER 30, 2025**

1. Summary of Audit Results

I. Type of Audit Report Issued on Financial Statements:

Unmodified Opinion

II. Internal Control Over Financial Reporting:

Audit disclosed no significant deficiencies or material weaknesses in internal control.

III. Non-Compliance Material to Audited Financial Statements:

Audit disclosed no material instances of non-compliance.

IV. Significant Deficiencies and/or Material Weaknesses in Internal Control Over Major Federal Award Programs and State Projects:

Audit disclosed no material instances and/or significant deficiencies of non-compliance.

V. Type of Audit Report Issued on Compliance with Requirements Applicable to Major Federal Award Program:

Unmodified Opinion

VI. Major Programs/Projects:

Federal:

- U.S. Department of Transportation
AL#: 21.106 Airport Improvement Program

State:

- Florida Department of Transportation
CSFA#: 55.004 Aviation Grant Programs

VII. Dollar Threshold Used to Distinguish Between Type A and Type B Federal Program and State Projects:

\$1,000,000 for Federal Programs
\$750,000 for State Projects

VIII. Auditee Qualification as Low-Risk Auditee for Federal Programs

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS AND STATE PROJECTS
CITY OF WILLISTON, FLORIDA
YEAR ENDED SEPTEMBER 30, 2025**

2. **Findings Related to the Financial Statements Required to be Reported Under Generally Accepted Government Auditing Standards (GAGAS)**

Noted no current year recommendations.

3. **Findings and Questioned Costs for Major Federal Program and State Projects**

Noted no current year recommendations.

4. **Audit Findings Disclosed that are Required to be Reported in Accordance with 2 CFR 200.516**

Noted no current year recommendations.

5. **Prior Audit Findings**

Noted no prior audit findings.

MANAGEMENT LETTER

Honorable Mayor and City Council
City of Williston
Williston, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Williston, Florida (the City) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 30, 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 State Project 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 June 30, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Tabulation of Uncorrected Audit Findings		
Current Year Finding Nos.	2023-24 FY Finding No.	2022-23 FY Finding No.
2025-1	2024-1	
2025-2	2024-2	

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City of Williston
Williston, Florida

MANAGEMENT LETTER

Official Title and Legal Authority

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

- Williston Community Redevelopment Agency

Financial Condition and Management

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

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

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. Please see Management Letter Comments.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, the City has stated that a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the City'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 218.39(3)(b), Florida Statutes.

Specific Information as required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)i)7, *Rules of the Auditor General* for the Williston Community Redevelopment Agency can be found in its separately issued report.

Honorable Mayor and City Council
City of Williston
Williston, Florida

MANAGEMENT LETTER

Additional Matters

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

Purpose of this Letter

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

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

Purvis Gray

June 30, 2026
Ocala, Florida

MANAGEMENT LETTER COMMENT

Honorable Mayor and City Council
City of Williston
Williston, Florida

Current Fiscal Year

2025-1 Implementation of Enterprise Resource Planning (ERP) System

During the fiscal year ended 2024, the City of Williston, Florida (the City) experienced several issues related to various accounting functions during the implementation of their new ERP system. The issues continued into the 2025 fiscal year and were related to utility billing, compilation of detailed accounting data, and summary information. The key accounting areas experiencing these issues were:

- Accounts Payable
- Utility Billing

We recommend that the City continue their efforts to work with the ERP provider to address the items to ensure timely financial reporting and completeness of the information.

2025-2 Financial Condition and Fund Balance Policy

As required by the *Rules of the Auditor General*, we have applied financial condition assessment procedures to the City's general and proprietary funds as of September 30, 2025, and noted that each fund has experienced a decrease in fund balance wherein revenues and transfers in were less than expenditures and transfers out causing a decrease in fund balance. Additionally, it was noted that the current general fund balance reserves represents 7% of annual expenditures and current proprietary net position reserves less than 1% of annual expenses.

Based on the overall state of the City, we recommend that management review and monitor future financial activity including budget to actual variances to ensure stability. We also recommend that management and the Council consider developing a fund balance policy that would require preservation and increase in the reserves by setting aside current and future net revenue for committed purposes.

Purvis Gray

June 30, 2026
Ocala, Florida

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FLORIDA

50 N.W. Main ST. • P.O. Drawer 160 • Williston, Florida 32696-0160
Phone (352) 528-3060 • Fax (352) 528-2877

June 30, 2026

Honorable Mayor and City Council
City of Williston
Williston, Florida

RE: MANAGEMENT'S RESPONSE TO AUDIT FINDINGS

This letter represents our required response and follow-up to audit findings under Section 10.558(2), Rules of the Auditor General, State of Florida, for the year ended September 30, 2025:

2025-1 Implementation of Enterprise Resource Planning (ERP) System

The City will continue to work with the ERP provider to complete the implementation of the ERP system and address the outstanding items to ensure timely financial reporting and completeness of the information.

2025-2 Fund Balance Policy

The City will develop a fund balance/net position policy that will set limitations and guidelines for targeted reserves in order to work towards the best practices fund balance recommendations.

Very truly yours,

CITY OF WILLISTON, FLORIDA

By Stephen Bloom

Stephen Bloom
Finance Director

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