

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2025**

Authority Members

Sara Caldwell, Esq., Chairman  
Jose Bernier, Vice-Chairman  
Vince E. Ryan  
Frank Robert Huth, Jr.  
Randall B. Howard, Ph.D.

Executive Director

Disston T. Moore

Legal Counsel

Landis Graham French, P.A.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY  
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## **INDEPENDENT AUDITORS' REPORT**

To the Officers and Members of the Board,  
Volusia County Educational Facilities Authority:

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of Volusia County Educational Facilities Authority (the Authority), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Authority as of September 30, 2025, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***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 Authority's ability to continue as a going concern for twelve months beyond the financial statement issuance date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditors' 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 auditors' report that includes our opinion. 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 GAAS and GAS 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 GAAS and GAS, 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 Authority'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 Authority's ability to continue as a going concern for a reasonable period of time.

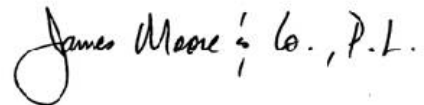
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## ***Required Supplementary Information***

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2026, on our consideration of the Authority'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large initial "J" and a stylized "M".

Daytona Beach, Florida  
January 13, 2026

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2025**

We offer readers of the Volusia County Educational Facilities Authority’s (the Authority’s) financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2025.

The Management’s Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Government Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year and prior year is required to be presented in the MD&A and is presented in the Financial Highlights.

**FINANCIAL HIGHLIGHTS**

- Total assets and liabilities increased by \$140,288,411 to a total of \$513,554,748 at the end of the fiscal year, compared with the \$373,266,337 reported at the end of the prior fiscal year. This net increase was caused primarily by the assumption of two new bond issues in 2025 for \$215,980,000 offset by routine debt principal payments.
- Revenue representing loan interest payments from benefiting institutions, service charges, and investment earnings totaled \$17,947,715 in 2025, compared to \$14,901,867 in 2024. Current year revenues are composed primarily of loan interest and debt expense payment reimbursements. Investment earnings of \$218,431 were also recognized by the Authority in 2025, compared with \$143,758 earned one year earlier. The reason for this increase in interest income was due primarily to the 2025 bond issues. This represents all service charges and related debt service costs incurred by the Authority’s project participants on all of its conduit-debt obligations during these periods.
- Current year administrative fund revenues and expenses totaled \$32,470 and \$32,470, respectively, in 2025, up from \$15,540 and \$15,540, respectively, for 2024. These amounts represent all service charges and administrative costs incurred by the Authority in conducting its fiscal affairs.

**OVERVIEW OF THE BASIC FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements, prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, as amended. All of the Authority’s activities are considered to be business-type activities, which are generally financed in whole or in part by fees charged to external parties for goods or services. The Authority has no governmental activities.

The Authority is considered a single purpose entity engaged only in business-type activities and is required to present only fund financial statements. The fund financial statements are enterprise fund statements comprised of the following:

- Statement of Net Position—The Statement of Net Position includes all the Authority’s assets, liabilities and deferred outflows/inflows using the accrual basis of accounting.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2025**  
(Continued)

- Statement of Revenue, Expenses, and Changes in Net Position—The Statement of Revenue, Expenses, and Changes in Net Position is also shown using the accrual basis of accounting. The statement shows the increases and decreases in net position during the fiscal year.
- Statement of Cash Flows—The Statement of Cash Flows reports cash receipts and cash payments and classifies the Authority’s cash transactions in three categories: operating, capital and related financing, and investing activities.

Following the fund financial statements are notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

**FINANCIAL ANALYSIS OF THE AUTHORITY**

Measuring the Authority’s financial position or financial health can be done by reporting its assets and deferred outflows of resources and liabilities and deferred inflows of resources and the difference between them, referred to as “net position”. Over time, increases or decreases in net position are one indicator of whether its financial health is improving or deteriorating. However, other nonfinancial factors should also be considered in evaluating the Authority’s financial health.

Following is a summarized statement of net position as of September 30, 2025 and 2024:

	<b>Business-Type Activities</b>		<b>Difference</b>
	<b>2025</b>	<b>2024</b>	
<b>Assets</b>			
Cash and cash equivalents - restricted	\$ 289,251	\$ 124,677	\$ 164,574
Loans receivable	513,265,497	373,141,660	140,123,837
Total assets	<u>513,554,748</u>	<u>373,266,337</u>	<u>140,288,411</u>
<b>Liabilities</b>			
Accrued liabilities payable	7,444,748	6,716,337	728,411
Revenue bonds payable	506,110,000	366,550,000	139,560,000
Total liabilities	<u>513,554,748</u>	<u>373,266,337</u>	<u>140,288,411</u>
<b>Net Position</b>			
Unrestricted	-	-	-
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The material portion of the Authority’s assets consists of the amounts receivable from its project borrowers for current interest and debt expense, along with future required principal reductions. At September 30, 2025, Embry-Riddle Aeronautical University, Inc. (“Embry-Riddle”) and Stetson University, Inc. (“Stetson”) had outstanding accounts receivables for debt obligations totaling \$367,928,008 and \$145,337,489, respectively. The remaining assets of \$289,251 represent cash and investments held in trust for debt service payments.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2025**  
(Continued)

The Authority's restricted cash for bond funds increased by \$164,574 in 2025, compared to a decrease of approximately \$13,572,016 during 2024.

Combined loans receivable from participating educational institutions increased by \$140,123,837 in 2025, compared to an increase of approximately \$63,977,323 in 2024. These receivables totaled \$513,265,497 and \$373,141,660 at September 30, 2025 and 2024, respectively. These loans receivable reflect the total amounts due from all project borrowers for accrued interest and future mandatory principal reductions, less amounts aggregated in project trust funds for bond retirement and debt service reserve requirements. The aggregate loan balance due from project borrowers is stated net of \$289,251 and \$124,677 in related bond and debt service reserve funds held in trust at the end of 2025 and 2024, respectively.

The Authority's accrued interest payable at year end 2025 totaled \$7,444,748, compared to \$6,716,337 reported at the end of 2024.

The Authority's revenue bond debt increased by \$139,560,000 at the end of 2025 compared to a realized net increase of approximately \$49,830,000 in 2024. The 2025 net increase was caused primarily by the assumption of two new bond issues in 2025 for \$184,420,000 and \$31,560,000 offset by routine debt principal payments.

Following is a summarized statement of changes in net position for the year ended September 30, 2025 and 2024:

	<b>Business-Type Activities</b>		<b>Difference</b>
	<b>2025</b>	<b>2024</b>	
Revenues:			
Program Revenues:			
Loan interest payments	\$ 17,696,814	\$ 14,742,569	\$ 2,954,245
Administrative charges	32,470	15,540	16,930
General Revenues:			
Interest income	218,431	143,758	74,673
Total revenues	<u>17,947,715</u>	<u>14,901,867</u>	<u>3,045,848</u>
Expenses:			
Administrative contract fees	32,470	15,540	16,930
Interest and debt expense	17,915,245	14,886,327	3,028,918
Total expenses	<u>17,947,715</u>	<u>14,901,867</u>	<u>3,045,848</u>
Increase (decrease) in net position	-	-	-
Beginning net position	-	-	-
Ending net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The amount received by the Authority in the current year for loan interest and debt expense payments totaled \$17,947,715, an increase of \$3,045,848 above last year's \$14,901,867. Amounts reported do not include loan interest payments for defeased debt obligations since this debt is considered completely satisfied upon its refunding or redemption. Likewise, principal, interest and debt expense payments do not include amounts attributable to the Authority's legally discharged debt obligations.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2025  
(Continued)**

**DEBT ADMINISTRATION**

As of September 30, 2025, the Authority had \$506,110,000 in outstanding revenue bonds, compared to \$366,550,000 in 2024. Some of these obligations are collateralized by a pledge of tuition revenues from Stetson and Embry-Riddle, as defined in their respective bond indentures.

The respective bond ratings from Moody’s, Standard & Poor’s, and Fitch on the Authority’s outstanding bond obligations at the time of their original issuance are as follows:

	Moody's	Standard & Poors	Fitch's
Embry-Riddle Aeronautical University, Inc.			
Series 2015A	(not rated)	(not rated)	(not rated)
Series 2015B	Baa1	(not rated)	A-
Series 2015C	(not rated)	(not rated)	(not rated)
Series 2017	A3	(not rated)	A-
Series 2020AB	A3	(not rated)	A+
Series 2025	A1	(not rated)	AA-
Stetson University, Inc.			
Series 2015	A3	A-	(not rated)
Series 2024	Baa1	BBB+	(not rated)
Series 2025	Baa1	BBB+	(not rated)
	Moody's	Standard & Poors	Fitch's
Embry-Riddle Aeronautical University, Inc.	A1	(not rated)	AA-
	(01/18/2024)		(04/14/2025)
Stetson University, Inc.	Baa1	BBB+	(not rated)
	(03/10/2025)	(04/18/2024)	

**ECONOMIC FACTORS AND CURRENT YEAR FINANCIAL ISSUES AND CONCERNS**

The management of each project borrower continues to review and monitor current bond market conditions for evaluating the feasibility of restructuring any and all outstanding debt obligations if, and when, the opportunity presents itself and only after it is conclusively determined that it makes significant financial “sense” to pursue.

The Authority is empowered under the Higher Educational Facilities Authorities Law, Part II of Chapter 243, Florida Statutes to assist accredited not-for-profit institutions of higher education through the issuance of bonds or notes for the purpose of acquiring, constructing, equipping, improving or refinancing educational facilities projects. The Authority has no taxing power. Neither the State of Florida, Volusia County, nor any other political subdivision of the State, are in any way liable for any payment of principal, interest or redemption premium on bonds or notes issued by the Authority for its project borrowers. The Authority has no source of funds for the payment of any bonds issued by Project sponsors other than the obligations of the Project sponsors under the respective loan agreements and other funds pledged under the related indentures to the payment of the bonds.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2025  
(Continued)**

As a Florida Special District, the Authority must comply with the requirements of Chapter 189, Florida Statutes, when issuing conduit debt obligations for its Project sponsors. In the event a referendum is not required, the Authority must ensure that, at the time of the closing, the bonds met at least one of the following criteria:

- The bonds were rated in one of the highest four ratings by a nationally recognized rating service;
- The bonds were privately placed with or otherwise sold to accredited investors;
- The bonds were backed by a letter of credit from a bank, savings and loan association, or other creditworthy guarantor, or by bond insurance, guaranteeing payment of principal and interest on the bonds; or
- The bonds were accompanied by an independent financial advisory opinion stating that estimates of debt service coverage and probability of debt repayment are reasonable, which opinion was provided by an independent financial advisory, consulting, or accounting firm registered where professional registration is required by law and which is in good standing with the state and in conformance with all applicable professional standards for such opinions.

**CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide users of the financial statements with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the office of the Executive Director, c/o Landis Graham French, 145 East Rich Avenue, Suite C, DeLand, Florida 32724.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**SEPTEMBER 30, 2025**

	Business-type Activities - Enterprise Funds									Administrative Fund	Total
	Embry-Riddle Aeronautical University, Inc.					Stetson University, Inc.					
	Project 2015A	Project 2015B	Project 2015C	Project 2017	Project 2020AB	Project 2025	Project 2015	Project 2024	Project 2025		
<b>ASSETS</b>											
Loans receivable - current portion	\$ 3,430,000	\$ 2,275,000	\$ 2,855,000	\$ 375,000	\$ 3,205,000	\$ -	\$ -	\$ -	\$ 2,140,000	\$ -	\$ 14,280,000
Restricted current assets											
Cash and cash equivalents	3,173	3,955	-	968	3,983	-	4,201	272,971	-	-	289,251
Total current assets	<u>3,433,173</u>	<u>2,278,955</u>	<u>2,855,000</u>	<u>375,968</u>	<u>3,208,983</u>	<u>-</u>	<u>4,201</u>	<u>272,971</u>	<u>2,140,000</u>	<u>-</u>	<u>14,569,251</u>
Noncurrent assets:											
Loans receivable - noncurrent portion	19,007,186	48,180	2,975,297	46,228,115	101,572,397	185,956,833	49,238,049	63,881,940	30,077,500	-	498,985,497
Total noncurrent assets	<u>19,007,186</u>	<u>48,180</u>	<u>2,975,297</u>	<u>46,228,115</u>	<u>101,572,397</u>	<u>185,956,833</u>	<u>49,238,049</u>	<u>63,881,940</u>	<u>30,077,500</u>	<u>-</u>	<u>498,985,497</u>
Total assets	<u>\$ 22,440,359</u>	<u>\$ 2,327,135</u>	<u>\$ 5,830,297</u>	<u>\$ 46,604,083</u>	<u>\$ 104,781,380</u>	<u>\$ 185,956,833</u>	<u>\$ 49,242,250</u>	<u>\$ 64,154,911</u>	<u>\$ 32,217,500</u>	<u>\$ -</u>	<u>\$ 513,554,748</u>
<b>LIABILITIES</b>											
Current liabilities:											
Payable from restricted assets:											
Current maturities on long-term debt	\$ 3,430,000	\$ 2,275,000	\$ 2,855,000	\$ 375,000	\$ 3,205,000	\$ -	\$ -	\$ -	\$ 2,140,000	\$ -	\$ 14,280,000
Accrued interest payable	295,359	52,135	60,297	1,044,083	2,166,380	1,536,833	807,250	824,911	657,500	-	7,444,748
Total current liabilities	<u>3,725,359</u>	<u>2,327,135</u>	<u>2,915,297</u>	<u>1,419,083</u>	<u>5,371,380</u>	<u>1,536,833</u>	<u>807,250</u>	<u>824,911</u>	<u>2,797,500</u>	<u>-</u>	<u>21,724,748</u>
Noncurrent liabilities:											
Bonds and notes payable, net	18,715,000	-	2,915,000	45,185,000	99,410,000	184,420,000	48,435,000	63,330,000	29,420,000	-	491,830,000
Total noncurrent liabilities	<u>18,715,000</u>	<u>-</u>	<u>2,915,000</u>	<u>45,185,000</u>	<u>99,410,000</u>	<u>184,420,000</u>	<u>48,435,000</u>	<u>63,330,000</u>	<u>29,420,000</u>	<u>-</u>	<u>491,830,000</u>
Total liabilities	<u>\$ 22,440,359</u>	<u>\$ 2,327,135</u>	<u>\$ 5,830,297</u>	<u>\$ 46,604,083</u>	<u>\$ 104,781,380</u>	<u>\$ 185,956,833</u>	<u>\$ 49,242,250</u>	<u>\$ 64,154,911</u>	<u>\$ 32,217,500</u>	<u>\$ -</u>	<u>\$ 513,554,748</u>
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Business-type Activities - Enterprise Funds										
	Embry-Riddle Aeronautical University, Inc.					Stetson University, Inc.					
	Project 2015A	Project 2015B	Project 2015C	Project 2017	Project 2020AB	Project 2025	Project 2015	Project 2024	Project 2025	Administrative Fund	Total
<b>Operating revenues</b>											
Loan interest payments received	\$ 644,953	\$ 1,159,108	\$ 134,687	\$ 2,276,863	\$ 4,726,869	\$ 1,536,833	\$ 3,485,861	\$ 3,074,140	\$ 657,500	\$ -	\$ 17,696,814
Administrative charges	-	-	-	-	-	-	-	-	-	32,470	32,470
Total operating revenues	<u>644,953</u>	<u>1,159,108</u>	<u>134,687</u>	<u>2,276,863</u>	<u>4,726,869</u>	<u>1,536,833</u>	<u>3,485,861</u>	<u>3,074,140</u>	<u>657,500</u>	<u>32,470</u>	<u>17,729,284</u>
<b>Operating expenses</b>											
Administrative contract fee	-	-	-	-	-	-	-	-	-	32,470	32,470
Interest expense	648,465	1,165,865	134,687	2,278,844	4,733,004	1,536,833	3,487,750	3,272,297	657,500	-	17,915,245
Total operating expenses	<u>648,465</u>	<u>1,165,865</u>	<u>134,687</u>	<u>2,278,844</u>	<u>4,733,004</u>	<u>1,536,833</u>	<u>3,487,750</u>	<u>3,272,297</u>	<u>657,500</u>	<u>32,470</u>	<u>17,947,715</u>
<b>Operating loss</b>	<u>(3,512)</u>	<u>(6,757)</u>	<u>-</u>	<u>(1,981)</u>	<u>(6,135)</u>	<u>-</u>	<u>(1,889)</u>	<u>(198,157)</u>	<u>-</u>	<u>-</u>	<u>(218,431)</u>
<b>Nonoperating revenues</b>											
Investment earnings	3,512	6,757	-	1,981	6,135	-	1,889	198,157	-	-	218,431
Total nonoperating revenues	<u>3,512</u>	<u>6,757</u>	<u>-</u>	<u>1,981</u>	<u>6,135</u>	<u>-</u>	<u>1,889</u>	<u>198,157</u>	<u>-</u>	<u>-</u>	<u>218,431</u>
<b>Change in net position</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net position, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net position, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Business-type Activities - Enterprise Funds										
	Embry-Riddle Aeronautical University, Inc.					Stetson University, Inc.					
	Project 2015A	Project 2015B	Project 2015C	Project 2017	Project 2020AB	Project 2025	Project 2015	Project 2024	Project 2025	Administrative Fund	Total
<b>Cash flows from operating activities</b>											
Cash received from (paid to) benefiting institutions	\$ 4,014,245	\$ 36,799,741	\$ 2,958,419	\$ 2,688,823	\$ 7,839,292	\$ (184,420,000)	\$ 35,998,390	\$ 3,254,067	\$ (31,560,000)	\$ 32,470	\$ (122,394,553)
Cash paid to vendors and contractors	-	-	-	-	-	-	-	-	-	(32,470)	(32,470)
Cash paid to trustee for interest payments	(692,945)	(1,964,626)	(163,419)	(2,288,126)	(4,802,901)	-	(4,020,750)	(3,254,067)	-	-	(17,186,834)
Net cash provided by (used in) operating activities	<u>3,321,300</u>	<u>34,835,115</u>	<u>2,795,000</u>	<u>400,697</u>	<u>3,036,391</u>	<u>(184,420,000)</u>	<u>31,977,640</u>	<u>-</u>	<u>(31,560,000)</u>	<u>-</u>	<u>(139,613,857)</u>
<b>Cash flows from capital and related financing activities</b>											
Principal payments of revenue bonds payable	(3,335,000)	(34,855,000)	(2,795,000)	(405,000)	(3,050,000)	-	(31,980,000)	-	-	-	(76,420,000)
Proceeds from issuance of long-term debt	-	-	-	-	-	184,420,000	-	-	31,560,000	-	215,980,000
Net cash provided by (used in) capital and related financing activities	<u>(3,335,000)</u>	<u>(34,855,000)</u>	<u>(2,795,000)</u>	<u>(405,000)</u>	<u>(3,050,000)</u>	<u>184,420,000</u>	<u>(31,980,000)</u>	<u>-</u>	<u>31,560,000</u>	<u>-</u>	<u>139,560,000</u>
<b>Cash flows from investing activities</b>											
Interest received	3,512	6,757	-	1,981	6,135	-	1,889	198,157	-	-	218,431
<b>Net change in cash and cash equivalents</b>	<u>(10,188)</u>	<u>(13,128)</u>	<u>-</u>	<u>(2,322)</u>	<u>(7,474)</u>	<u>-</u>	<u>(471)</u>	<u>198,157</u>	<u>-</u>	<u>-</u>	<u>164,574</u>
<b>Cash and cash equivalents, beginning of year</b>	13,361	17,083	-	3,290	11,457	-	4,672	74,814	-	-	124,677
<b>Cash and cash equivalents, end of year</b>	<u>\$ 3,173</u>	<u>\$ 3,955</u>	<u>\$ -</u>	<u>\$ 968</u>	<u>\$ 3,983</u>	<u>\$ -</u>	<u>\$ 4,201</u>	<u>\$ 272,971</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 289,251</u>
<b>Cash and cash equivalents classified as:</b>											
Restricted	\$ 3,173	\$ 3,955	\$ -	\$ 968	\$ 3,983	\$ -	\$ 4,201	\$ 272,971	\$ -	\$ -	\$ 289,251
Total cash and cash equivalents	<u>\$ 3,173</u>	<u>\$ 3,955</u>	<u>\$ -</u>	<u>\$ 968</u>	<u>\$ 3,983</u>	<u>\$ -</u>	<u>\$ 4,201</u>	<u>\$ 272,971</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 289,251</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>											
Operating loss	\$ (3,512)	\$ (6,757)	\$ -	\$ (1,981)	\$ (6,135)	\$ -	\$ (1,889)	\$ (198,157)	\$ -	\$ -	\$ (218,431)
Adjustments to reconcile net operating income (loss) to net cash provided by (used in) operating activities:											
Changes in assets and liabilities:											
Loans receivable	3,369,292	35,640,633	2,823,732	411,960	3,112,423	(185,956,833)	32,512,529	179,927	(32,217,500)	-	(140,123,837)
Accrued interest payable	(44,480)	(798,761)	(28,732)	(9,282)	(69,897)	1,536,833	(533,000)	18,230	657,500	-	728,411
Net cash provided by (used in) operating activities	<u>\$ 3,321,300</u>	<u>\$ 34,835,115</u>	<u>\$ 2,795,000</u>	<u>\$ 400,697</u>	<u>\$ 3,036,391</u>	<u>\$ (184,420,000)</u>	<u>\$ 31,977,640</u>	<u>\$ -</u>	<u>\$ (31,560,000)</u>	<u>\$ -</u>	<u>\$ (139,613,857)</u>

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

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

(1) **Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies and practices of the Volusia County Educational Facilities Authority (the Authority), which affect significant elements in the accompanying financial statements:

(a) **Reporting entity**— The Authority is a political instrumentality created by the County Council of Volusia County, Florida (the “Volusia County Council”) pursuant to the Higher Educational Facilities Authorities Law (the "Act"), Chapter 69-345, Laws of Florida, 1969 (Chapter 243, Part II, Florida Statutes), as revised and amended, to assist institutions for higher education within Volusia County in the construction, financing or refinancing of projects (structures and machinery and equipment related to the operation of the structure) required or useful for the instruction of students or the operation of an institution of higher education. The Authority has no taxing power. Neither the State of Florida, Volusia County nor any other political subdivision of the State are in any way liable for payment of principal, interest or redemption premium on bonds or notes issued by the Authority. The Authority has no source of funds for the payment of bonds other than the obligations of the participating institutions under loan agreements and other funds pledged under the indentures. The Authority has adopted Governmental Accounting Standards Board (GASB) Codification and has determined that there are no component units that meet the criteria for inclusion in the Authority's financial statements.

Pursuant to the Act, the Volusia County Council appointed five residents of Volusia County as members of the Authority, one of which must be a trustee, director, officer or employee of an institution of higher education in Volusia County. The members are appointed for staggered terms of five years each. Authority members are eligible for reappointment.

The Authority is exempt from both federal and state taxes.

Since its inception, the Authority has issued twenty-nine series of revenue bonds, summarized as follows:

1. The first series, dated April 1, 1973, was to finance construction of a building at Stetson University, Inc. (Stetson), DeLand, Florida.
2. The second series, dated April 1, 1977, was used to finance and refinance the acquisition, modification and construction of dormitory facilities at Embry-Riddle Aeronautical University, Inc. (Embry-Riddle), Daytona Beach, Florida. This series was redeemed by Embry-Riddle on October 1, 1991 and title to the property financed was transferred to Embry-Riddle.
3. The third series, dated June 14, 1984, was used for the rehabilitation of Stetson Hall at Stetson, plus furnishings, construction of an operations building, campus roads and parking areas.
4. The fourth series, dated December 31, 1985, was used for construction of residence halls and renovation of existing facilities at Stetson. The 1984 and 1985 Series were refunded by the Stetson Series 1992 revenue bonds.
5. The fifth series, dated August 15, 1989, was used for certain renovations, equipment and construction at the Daytona Beach campus of Embry-Riddle.
6. The sixth series, dated March 11, 1992, was used to refund and refinance certain outstanding obligations of Stetson including the refunding of the 1984 and 1985 series, and finance certain capital improvements.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

(1) **Summary of Significant Accounting Policies:** (Continued)

7. The seventh series, dated November 17, 1992, was used to defease the 1989 series outstanding obligations of Embry-Riddle and finance certain capital improvements.
8. The eighth series, dated March 15, 1996, was used to finance certain capital improvements to Embry-Riddle. These 1996A Series bonds were refunded by the Embry-Riddle Series 2005 revenue bonds on August 5, 2005.
9. The ninth series, dated October 23, 1996, was used to finance the construction of certain capital projects at Stetson and to defease the outstanding Series 1992 Stetson revenue bonds. These 1996A Series bonds were refunded by the Stetson Series 2005 revenue bonds on May 26, 2005.
10. The tenth series, dated June 15, 1999, was applied to finance or refinance certain capital improvements and equipment at Embry-Riddle.
11. The eleventh series, dated June 15, 1999, was used to defease a portion of the 1992 series outstanding obligations of Embry-Riddle.
12. The twelfth series, dated June 15, 1999, was used to finance certain capital improvements at Stetson University.
13. The thirteenth series, dated October 3, 2001, was used to refinance certain existing debt and to finance or refinance the acquisition, construction, and equipping of certain educational facilities at Bethune-Cookman University, Inc. (Bethune-Cookman) in Daytona Beach, Florida.
14. The fourteenth series, dated August 21, 2003, was used to defease the remaining portion of the 1992 series outstanding obligations of Embry-Riddle and to finance certain capital improvements at, and equipment for, Embry-Riddle's Daytona Beach, Florida, and Prescott, Arizona campuses.
15. The fifteenth series, dated May 26, 2005, was used to defease all future maturities of the outstanding Series 1996A Stetson revenue bonds, except for those maturities scheduled for payment on October 15, 2005.
16. The sixteenth series, dated August 5, 2005, was used to refund all of the 1996A series outstanding obligations of Embry-Riddle and to finance certain land, equipment, capital improvements and renovations to Embry-Riddle's Daytona Beach, Florida, and Prescott, Arizona campuses.
17. The seventeenth series, dated December 3, 2010, was used to refund all of the 1996B series and 1999 series outstanding obligations of Stetson and to finance certain campus renovations at Stetson's DeLand, Florida, campus.
18. The eighteenth series, dated July 7, 2011, was used to refund all of the 1999A and 1999B series outstanding obligations of Embry-Riddle.
19. The nineteenth series, dated December 15, 2010, was used to refund two existing mortgage obligations and to finance certain campus renovations at Stetson University.
20. The twentieth series, dated November 8, 2013, was used to refund all of the 2003 outstanding obligations of Embry-Riddle. The Series 2013 Bond was modified on June 12, 2015 for the purposes of restructuring its total debt and to effect making certain other covenants and agreements in connection with the restructuring.
21. The twenty-first series, dated February 12, 2015 (Series 2015A), was used for the purposes of refunding a portion of the Series 2005 obligation of Embry-Riddle and making certain other covenants and agreements in connection with the issuance of the loan.
22. The twenty-second series, dated March 23, 2015 (Series 2015B), was issued by Embry-Riddle for the purposes of financing campus renovations and other capital improvements.
23. The twenty-third series, dated April 1, 2015, was used for the purposes of financing certain renovations and improvements to Stetson's DeLand campus and Gulfport campus, reimbursement for certain property acquisitions, and to refund the Series 2015, Series 2010 and Series 2011 obligations in their entirety.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

(1) **Summary of Significant Accounting Policies:** (Continued)

24. The twenty-fourth series, dated July 17, 2015 (Series 2015C), was used for the purposes of refunding the remaining portion of the Series 2005 Bonds of Embry-Riddle.
25. The twenty-fifth series, dated July 27, 2017 (Series 2017), was used for the purposes of refunding the outstanding Series 2011 and to finance certain equipment, capital improvements and renovations to the University's Daytona Beach, Florida, and Prescott, Arizona campuses.
26. The twenty-sixth series, dated January 16, 2020 (Series 2020AB) was used for the purpose to finance certain capital projects at Embry-Riddle's Daytona Beach, Florida and Prescott, Arizona campuses and to refund the entire Series 2013 Bond and a portion of the Series 2015B Bonds maturing on October 15, 2039.
27. The twenty-seventh series, dated June 1, 2024 (Series 2024) was used for the purpose to finance certain construction and equipping of a new student housing facility and related infrastructure, renovations and improvements to Edmunds Center, and improvements to Elizabeth Hall at Stetson's DeLand, Florida, campus. Bonds mature on June 1, 2054.
28. The twenty-eighth series, dated April 16, 2025 (Series 2025) was used for the purpose of refinancing a portion of the obligations of the Stetson Series 2015 Bonds
29. The twenty-ninth series, dated July 31, 2025 (Series 2025) was used for the purposes of financing or reimbursing costs of constructing educational capital improvements at Embry-Riddle's Daytona Beach, Florida and Prescott, Arizona campuses.

All refunded bonds are considered to be legally defeased and the liability has been removed from the statement of net position.

The Series 2015 Stetson bonds are collateralized by a pledge of tuition revenues of Stetson, as defined in the Bond Indenture. The Series 2015A, 2015B, 2015C, 2017, 2020AB, and 2025 Embry-Riddle bonds are collateralized by a pledge of tuition revenues of Embry-Riddle. In connection with the 2025 issuance, Embry-Riddle approved amendments to its Master Trust Indenture removing certain financial covenants. Investors purchasing the Series 2025 Bonds irrevocably consented to these amendments upon purchase. The amendments become effective upon receiving additional consents representing 51% of outstanding Master Indenture Obligations and consent from all bank loan lenders.

(b) **Measurement focus, basis of accounting, and financial statement presentation**—The accounting records of the Authority are organized on the basis of funds as prescribed with generally accepted accounting principles in the United States of America (GAAP) applicable to governments as established by the Governmental Accounting Standards Board (GASB). The Authority is required to follow all statements of the GASB.

The Authority's activities relate solely to providing services for facilitating the financing of qualifying improvements and, accordingly, all activity is accounted for in proprietary funds. The accompanying financial statements present the financial position, changes in financial position, and cash flows of the Authority. The Authority has nine projects all reported in separate funds, each fund accounts for the activities of the individual project participant's reporting and servicing of the related conduit debt obligation. The nine projects are the Embry-Riddle Aeronautical University, Inc Project 2015A, Embry-Riddle Aeronautical University, Inc Project 2015B, Embry-Riddle Aeronautical University, Inc Project 2015C, Embry-Riddle Aeronautical University, Inc Project 2017, Embry-Riddle Aeronautical University, Inc Project 2020AB, Embry-Riddle Aeronautical University, Inc Project 2025, Stetson University, Inc. Project 2015, Stetson University, Inc. Project 2024, and Stetson University, Inc. Project 2025. The Authority maintains one non-project specific fund that handles the administration of the projects. All funds are considered major funds.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

(1) **Summary of Significant Accounting Policies:** (Continued)

Basis of accounting refers to when revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements. The financial statements of the Authority are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and operating costs and expenses are charged to expense as incurred, regardless of when the cash flow takes place. Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Authority. Operating revenues consist primarily of collections related to the financing of qualifying projects and administrative charges to loan project participants for contracted services provided by the Authority. Operating expenses consist primarily of those related to the payment of financing of qualifying projects and administrative charges.

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

(c) **Cash and cash equivalents**— The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits and money market funds. All investment acquisition authority is based upon the requirements of each Project bond indenture.

(d) **Loans receivable**— The Authority's receivables include amounts due from the benefiting institutions for the repayments of current and future debt service payments on the related conduit debt obligations. No provision or estimates have been made for any uncollectible accounts based upon management's analysis of historical trends.

(e) **Revenue bonds payable**— In the financial statements, long-term debt obligations are reported as liabilities in the statement of net position. Bonds payable are reported at their par amounts, since this represents the amounts that will ultimately be required to be paid for retirement of the outstanding principal balances. Therefore, no provision has been made to recognize any original issue premiums or discounts.

(f) **Use of estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

(2) **Cash and Cash Equivalents:**

The Authority does not possess any unencumbered cash deposits and investments held exclusively in its name at September 30, 2025. Instead, separate cash and money market accounts are established, funded and maintained by each Project Participant for each Project bond issue in related trust accounts. At September 30, 2025, the Authority's Project Bond Trust Accounts had \$289,251 in aggregate trust (money market) account deposits.

The Authority's cash is held with a local financial institution that is a qualified public depository pursuant to Chapter 280, Florida Statutes, the *Florida Security for Public Deposits Act* (the Act). At September 30, 2025, the maximum deposit amount covered by the Federal Deposit Insurance Corporation (FDIC) was \$250,000 per depositor at each separately chartered FDIC-insured depository institution. The Authority's deposits with the local financial institution were in excess of \$250,000 at times, and such excess was covered by collateral held by the financial institution and pledged to a state trust fund in accordance with the Act.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

(2) **Cash and Cash Equivalents:** (Continued)

The Act established guidelines for qualification and participation in Florida's public deposits program by banks and savings associations, procedures for administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified 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 125%, may be required if deemed necessary. Obligations pledged to secure deposits must be delivered to the State Treasurer or, with the approval of the State Treasurer, to a bank, savings association, or trust company provided a power of attorney. Under the Act, the Authority is authorized to deposit funds only in qualified public depositories.

*Investment Policy.* The Authority's investment policies are governed by State Statutes and trust indentures for each of the specific Project bond issues. Funds held in trust may be invested in direct obligations of, or guaranteed by, the United States Government, obligations of agencies of the United States Government, credit rated general or revenue obligations of any state, municipality or political subdivision of any state, credit rated commercial paper, bank deposits, collateralized repurchase agreements, credit rated investment agreements, federal funds and Banker's Acceptances, credit rated mutual funds, credit rated common trust funds, and credit rated corporate obligations.

*Interest Rate Risk.* The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Instead, all trust investments are governed by the respective Project bond indentures. Generally, the Authority's trustees limit the acquisition of investments with maturities of greater than six months, unless such investments are purchased for holding to maturity. Interest rate risk is minimized for all other investments, which are normally held for periods of less than six months.

*Credit Risk.* The Authority's investments are governed pursuant to the Bond Indentures established for each of its outstanding bond obligations. Investments made in mutual funds must be rated in the highest applicable rating category by any nationally recognized credit rating service. Investments made in investment agreements are limited to obligors whose long-term senior unsecured obligations are rated in one of the three highest whole letter rating categories by any nationally recognized credit rating service. As of September 30, 2025, the Authority's investments in money market funds totaling \$289,251 were in money market funds guaranteed by the U.S. Treasury.

*Concentrations of Credit Risk.* The Authority places no limit on the amount the trustees may invest in any one issuer. More than 5% of the Authority's investments are in money market funds guaranteed by the U.S. Treasury. This investment of \$289,251, represents approximately 100.0% of the Authority's total aggregate deposits and investments.

(3) **Loans Receivable:**

The Authority has outstanding Project bond principal obligations of \$513,265,497 as of September 30, 2025, for the benefit of various private institutions of higher education. The obligations are secured by loans, the terms of which generally correspond to the amortization requirements of the related bond issues. A summary of the Authority's loans receivable from the issuance of conduit debt obligations is as follows at September 30, 2025:

(a) *Embry-Riddle Aeronautical University, Inc.*

On February 12, 2015, the Authority issued \$50,740,000 in tax-exempt bonds. The proceeds of this issue were loaned to Embry-Riddle pursuant to the terms and conditions of the Bond Indenture. The loan receivable is collateralized by tuition revenues pledged by Embry-Riddle under the indenture. The repayment terms for the loan receivable are identical to the terms of the bonds, which Authority management believes are sufficient to cover all principal and interest due each year. The outstanding loan receivable balance at September 30, 2025 is \$22,437,186.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

(3) **Loans Receivable:** (Continued)

On March 23, 2015, the Authority issued \$69,195,000 in tax-exempt bonds. The proceeds of this issue were loaned to Embry-Riddle pursuant to the terms and conditions of the Bond Indenture. The loan receivable is collateralized by tuition revenues pledged by Embry-Riddle under the indenture. The repayment terms for the loan receivable are identical to the terms of the bonds, which Authority management believes are sufficient to cover all principal and interest due each year. The outstanding loan receivable balance at September 30, 2025 is \$2,323,180.

On July 17, 2015, the Authority issued \$26,535,000 in tax-exempt bonds. The proceeds of this issue were loaned to Embry-Riddle pursuant to the terms and conditions of the Bond Indenture. The loan receivable is collateralized by tuition revenues pledged by Embry-Riddle under the indenture. The repayment terms for the loan receivable are identical to the terms of the bonds, which Authority management believes are sufficient to cover all principal and interest due each year. The outstanding loan receivable balance at September 30, 2025 is \$5,830,297.

On August 17, 2017, the Authority issued \$46,355,000 in tax-exempt bonds. The proceeds of this issue were loaned to Embry-Riddle pursuant to the terms and conditions of the Bond Indenture. The loan receivable is collateralized by tuition revenues pledged by Embry-Riddle under the indenture. The repayment terms for the loan receivable are identical to the terms of the bonds, which Authority management believes are sufficient to cover all principal and interest due each year. The outstanding loan receivable balance at September 30, 2025 is \$46,603,115.

On January 16, 2020, the Authority issued \$100,135,000 in tax-exempt bonds and \$10,000,000 in taxable bonds. The proceeds of this issue were loaned to Embry-Riddle pursuant to the terms and conditions of the Bond Indenture. The loan receivable is collateralized by tuition revenues pledged by Embry-Riddle under the indenture. The repayment terms for the loan receivable are identical to the terms of the bonds, which Authority management believes are sufficient to cover all principal and interest due each year. The outstanding loan receivable balance at September 30, 2025 is \$104,777,397.

On July 31, 2025, the Authority issued \$184,420,000 in tax-exempt bonds. The proceeds of this issue were loaned to Embry-Riddle pursuant to the terms and conditions of the Bond Indenture. The loan receivable is collateralized by tuition revenues pledged by Embry-Riddle under the indenture. The repayment terms for the loan receivable are identical to the terms of the bonds, which Authority management believes are sufficient to cover all principal and interest due each year. The outstanding loan receivable balance at September 30, 2025 is \$185,956,833.

(b) *Stetson University, Inc.*

On April 1, 2015, the Authority issued \$96,420,000 in tax-exempt bonds. The proceeds of this issue were loaned to Stetson pursuant to the terms and conditions of the Bond Indenture. The loan receivable is collateralized by tuition revenues pledged by Stetson under the indenture. The repayment terms for the loan receivable are identical to the terms of the bonds, which Authority management believes are sufficient to cover all principal and interest due each year. The outstanding loan receivable balance at September 30, 2025 is \$49,238,049.

On June 1, 2024, the Authority issued \$63,330,000 in tax-exempt bonds. The proceeds of this issue were loaned to Stetson pursuant to the terms and conditions of the Bond Indenture. The repayment terms for the loan receivable are identical to the terms of the bonds, which Authority management believes are sufficient to cover all principal and interest due each year. The outstanding loan receivable balance at September 30, 2025 is \$63,881,940.

On April 16, 2025, the Authority issued \$31,560,000 in tax-exempt bonds. The proceeds of this issue were loaned to Stetson pursuant to the terms and conditions of the Bond Indenture. The repayment terms for the loan receivable are identical to the terms of the bonds, which Authority management believes are sufficient to cover all principal and interest due each year. The outstanding loan receivable balance at September 30, 2025 is \$32,217,500.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**(4) Revenue Bonds Payable:**

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

	<u>Balance September 30, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2025</u>	<u>Due Within One Year</u>
Projects:					
Embry-Riddle Aeronautical University, Inc					
Series 2015A	\$ 25,480,000	\$ -	\$ (3,335,000)	\$ 22,145,000	\$ 3,430,000
Series 2015B	37,130,000	-	(34,855,000)	2,275,000	2,275,000
Series 2015C	8,565,000	-	(2,795,000)	5,770,000	2,855,000
Series 2017	45,965,000	-	(405,000)	45,560,000	375,000
Series 2020AB	105,665,000	-	(3,050,000)	102,615,000	3,205,000
Series 2025	-	184,420,000	-	184,420,000	-
Stetson University, Inc.					
Series 2015	80,415,000	-	(31,980,000)	48,435,000	-
Series 2024	63,330,000	-	-	63,330,000	-
Series 2025	-	31,560,000	-	31,560,000	2,140,000
Totals	<u>\$366,550,000</u>	<u>\$215,980,000</u>	<u>\$ (76,420,000)</u>	<u>\$506,110,000</u>	<u>\$ 14,280,000</u>

Bonds and notes payable in the Authority's business-type activities at September 30, 2025, were comprised of the following obligations:

\$50,750,000 Series 2015A Educational Facilities Revenue Refunding Bond (Embry-Riddle Aeronautical University, Inc Project). Due serially October 15, 2019 through 2030, semi-annual interest at 2.91% due April 15 and October 15.	\$ 22,145,000
\$69,195,000 Series 2015B Educational Facilities Revenue Bonds (Embry-Riddle Aeronautical University, Inc Project). Due serially October 15, 2023 through 2034, semi-annual interest ranging from 3.00% to 5.00% due April 15 and October 15. In January of 2020 the University current refunded \$10,060,000 of the principal amount, plus accrued interest, to the redemption date. During February 2020, the University legally defeased \$16,205,000 of the principal amount, plus accrued interest, to the redemption date. These transactions were accounted for as extinguishments of debt. During May 2025, the University early redeemed \$32,650,000 of principal.	\$ 2,275,000
\$26,535,000 Series 2015C Educational Facilities Revenue Refunding Bond (Embry-Riddle Aeronautical University, Inc Project). Due serially October 15, 2019 through 2026, semi-annual interest at 2.28% due April 15 and October 15.	\$ 5,770,000
\$46,355,000 Series 2017 Educational Facilities Revenue and Refunding Bond (Embry-Riddle Aeronautical University, Inc Project). Due serially October 15, 2023 through 2047, semi-annual interest at 5.00% due April 15 and October 15.	\$ 45,560,000

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**(4) Revenue Bonds Payable:** (Continued)

\$110,135,000 Series 2020AB Educational Facilities Revenue and Refunding Bond (Embry-Riddle Aeronautical University, Inc Project). Due serially October 15, 2020 through 2049, semi-annual interest ranging from 3.00% to 5.00% due April 15 and October 15.	\$102,615,000
\$184,420,000 Series 2025 Educational Facilities Revenue Bond (Embry-Riddle Aeronautical University, Inc Project). Due serially October 15, 2025 through 2040, semi-annual interest of 5.00% due April 15 and October 15.	\$184,420,000
Total Embry-Riddle Aeronautical University, Inc.	\$362,785,000
\$96,420,000 Series 2015 Educational Facilities Revenue Bond (Stetson University, Inc Project). Due serially June 1, 2020 through 2045, semi-annual interest at 5.00% due June 1 and December 1.	\$ 48,435,000
\$63,330,000 Series 2024 Educational Facilities Revenue Bond (Stetson University, Inc Project). Due serially June 30, 2029 through 2054, semi-annual interest ranging from 5.00% to 5.25% due June 30 and December 31.	\$ 63,330,000
\$31,560,000 Series 2025 Educational Facilities Revenue Bond (Stetson University, Inc Project). Due serially June 30, 2026 through 2036, semi-annual interest at 5.00% due June 30 and December 31	31,560,000
Total Stetson University, Inc.	\$143,325,000

Annual debt service requirements to maturity for the Authority's business-type activities revenue bonds are as follows:

Year Ending September 30,	Embry-Riddle Aeronautical University, Inc.					
	Project 2015A		Project 2015B		Project 2015C	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 3,430,000	\$ 594,513	\$ 2,275,000	\$ 56,875	\$ 2,855,000	\$ 99,009
2027	3,530,000	493,245	-	-	2,915,000	33,231
2028	3,635,000	388,994	-	-	-	-
2029	3,740,000	281,688	-	-	-	-
2030	3,850,000	171,254	-	-	-	-
2031-2035	3,960,000	57,618	-	-	-	-
2036-2040	-	-	-	-	-	-
2041-2045	-	-	-	-	-	-
2046-2050	-	-	-	-	-	-
Totals	\$ 22,145,000	\$ 1,987,312	\$ 2,275,000	\$ 56,875	\$ 5,770,000	\$ 132,240

Year Ending September 30,	Embry-Riddle Aeronautical University, Inc.					
	Project 2017		Project 2020AB		Project 2025	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 375,000	\$ 2,268,625	\$ 3,205,000	\$ 4,646,525	\$ -	\$ 6,531,542
2027	460,000	2,247,750	3,370,000	4,482,150	-	9,221,000
2028	4,680,000	2,119,250	715,000	4,380,025	-	9,221,000
2029	5,505,000	1,864,625	-	4,362,150	5,925,000	9,072,875
2030	4,160,000	1,623,000	-	4,362,150	7,855,000	8,728,375
2031-2035	3,840,000	7,226,250	7,090,000	21,334,732	70,440,000	34,244,000
2036-2040	6,160,000	5,898,500	27,640,000	17,984,688	80,200,000	15,754,000
2041-2045	7,965,000	4,140,875	21,420,000	12,578,250	20,000,000	500,000
2046-2050	12,415,000	1,108,875	39,175,000	5,917,125	-	-
Totals	\$ 45,560,000	\$ 28,497,750	\$ 102,615,000	\$ 80,047,795	\$ 184,420,000	\$ 93,272,792

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

(4) **Revenue Bonds Payable:** (Continued)

Year Ending September 30,	Stetson University					
	Project 2015		Project 2024		Project 2025	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ -	\$ 2,421,750	\$ -	\$ 3,281,413	\$ 2,140,000	\$ 1,775,250
2027	-	2,421,750	-	3,281,413	2,440,000	1,471,000
2028	-	2,421,750	-	3,281,413	2,560,000	1,349,000
2029	-	2,421,750	1,220,000	3,281,413	2,690,000	1,221,000
2030	-	2,421,750	1,285,000	3,220,413	2,830,000	1,086,500
2031-2035	-	12,108,750	7,450,000	15,072,063	16,400,000	3,165,000
2036-2040	21,275,000	10,084,750	9,500,000	13,014,564	2,500,000	125,000
2041-2045	27,160,000	4,206,500	12,215,000	10,300,239	-	-
2046-2050	-	-	15,780,000	6,738,638	-	-
2051-2055	-	-	15,880,000	2,137,531	-	-
<b>Totals</b>	<b>\$ 48,435,000</b>	<b>\$ 38,508,750</b>	<b>\$ 63,330,000</b>	<b>\$ 63,609,100</b>	<b>\$ 31,560,000</b>	<b>\$ 10,192,750</b>

**Total - Both Universities**

Year	Principal	Interest
2026	\$ 14,280,000	\$ 21,675,502
2027	12,715,000	23,651,539
2028	11,590,000	23,161,433
2029	19,080,000	22,505,502
2030	19,980,000	21,613,442
2031-2035	109,180,000	93,208,413
2036-2040	147,275,000	62,861,502
2041-2045	88,760,000	31,725,864
2046-2050	67,370,000	13,764,638
2051-2055	15,880,000	2,137,531
<b>Totals</b>	<b>\$ 506,110,000</b>	<b>\$ 316,305,366</b>

(5) **Subsequent Events:**

The Authority has evaluated subsequent events for potential recognition and disclosure through January 13, 2026, which is the date the financial statements were complete in a form and format that complies with GAAP and approvals necessary for issuance had been obtained. No subsequent events requiring recognition or disclosure were identified.

**VOLUSIA COUNTY EDUCATIONAL FACILITIES AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2025**

**(6) Recent Accounting Pronouncements:**

The GASB has issued pronouncements that have effective dates that may impact future financial statements. The Authority has considered the new pronouncements that altered accounting principles generally accepted in the United States of America, and other than as disclosed in the notes to the financial statements, does not believe that any other new or modified principles will have a material impact on the Authority's reported financial position or operations in the near term.

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



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

To the Officers and Members of the Board,  
Volusia County Educational Facilities Authority:

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 (*Government Auditing Standards*), the financial statements of the business-type activities of Volusia County Educational Facilities Authority (the Authority), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated January 13, 2026.

***Report on Internal Control over Financial Reporting***

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

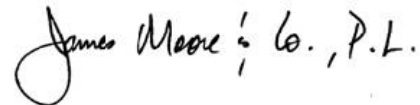
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

### ***Report on Compliance and Other Matters***

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

### **Purpose of this Report**

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Daytona Beach, Florida  
January 13, 2026



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

To the Officers and Members of the Board,  
Volusia County Educational Facilities Authority:

**Report on the Financial Statements**

We have audited the financial statements of the Volusia County Educational Facilities Authority (the Authority), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated January 13, 2026.

**Auditors' Responsibility**

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

**Other Reporting Requirements**

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 13, 2026, should be considered in conjunction with this management letter.

**Prior Audit Findings**

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

**Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting Authority be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority for the primary government and consideration of component units of the reporting Authority is disclosed in Note (1) of the basic financial statements. There are no component units related to the Authority.

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

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

## **Property Assessed Clean Energy (PACE) Programs**

The following items have been provided to us to comply with state reporting requirements and have not been audited by us. We did not audit the following information within this section, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on this data.

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

## **Special District Specific Information – Volusia County Educational Facilities Authority**

The following items have been provided to us to comply with state reporting requirements and have not been audited by us. We did not audit the following information within this section, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on this data.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Authority reported the following unaudited data:


- a) The total number of district employees compensated in the last pay period of the district's fiscal year: -0-.
- b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year: -2-.
- c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: \$0.
- d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: \$32,470.
- e) Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as: No such projects noted.
- f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as follows: The Authority does not prepare a budget. The Authority's funds are proprietary funds. The Authority does not pay administrative costs but passes them through proportionately to the participating universities. The Authority approves contracts for financial services, but the financial responsibility is born by the participating universities. Invoices for administrative costs are sent directly by the provider to the participating universities, and payments are made from the universities themselves, consistent with the Loan Agreements from the bond issues with the universities and Florida Statutes Section 243.54(15). There is effectively no budget variance as the Authority's funds are proprietary funds and the Authority's effective revenue and expenditures are zero as administrative expenses are the responsibility of and paid by the participating universities.

### **Additional Matters**

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

### **Purpose of this Letter**

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



Daytona Beach, Florida  
January 13, 2026



## INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Officers and Members of the Board,  
of the Volusia County Educational Facilities Authority:

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

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

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

In our opinion, the Volusia County Educational Facilities Authority complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2025.



Daytona Beach, Florida  
January 13, 2026