



# TOWN OF LONGBOAT KEY



Annual Comprehensive Financial Report  
Fiscal Year Ended September 30, 2025

**TOWN OF LONGBOAT KEY, FLORIDA**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2025**

Prepared by:  
Susan Smith, CGFO, Finance Director  
Finance Department

**THIS PAGE INTENTIONALLY LEFT BLANK**

**TOWN OF LONGBOAT KEY, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

---

**TABLE OF CONTENTS**

Page

**INTRODUCTORY SECTION**

Transmittal Letter .....	i
List of Principal Officials .....	viii
Organizational Chart .....	ix
Certificate of Achievement for Excellence in Financial Reporting .....	x

**FINANCIAL SECTION**

Independent Auditor's Report.....	1
Management's Discussion and Analysis .....	4
 <b>Basic Financial Statements</b>	
<b>Government-wide Financial Statements</b>	
Statement of Net Position.....	22
Statement of Activities.....	23
<b>Fund Financial Statements</b>	
Balance Sheet – Governmental Funds.....	24
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position .....	25
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	27
Statement of Net Position – Proprietary Funds .....	28
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds .....	29
Statement of Cash Flows – Proprietary Funds .....	30
Statement of Fiduciary Net Position – Fiduciary Funds .....	32
Statement of Changes in Fiduciary Net Position – Fiduciary Fund .....	33
Notes to the Financial Statements .....	34
 <b>Required Supplementary Information:</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund.....	74
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – GMD Assessments Fund.....	76
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Neighborhoods Assessments Fund .....	77
Schedule of Changes in Net Pension Liability and Related Ratios – Consolidated Pension Trust Fund .....	78
Schedule of Contributions – Consolidated Pension Trust Fund.....	79
Schedule of Pension Investment Returns .....	80

**TOWN OF LONGBOAT KEY, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

---

TABLE OF CONTENTS (Continued)

	<u>Page</u>
<b>FINANCIAL SECTION (Continued)</b>	
Schedule of the Town's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan .....	81
Schedule of Contributions – Florida Retirement System Pension Plan .....	82
Schedule of the Town's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan .....	83
Schedule of Contributions – Health Insurance Subsidy Pension Plan .....	84
Schedule of the Town's Total OPEB Liability and Related Ratios .....	85
 Supplementary Information:	
Combining and Individual Fund Statements and Schedules	
Combining Balance Sheet – Nonmajor Governmental Funds .....	86
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds .....	88
Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
Special Revenue Funds:	
Sarasota Infrastructure Surtax Fund .....	90
Manatee Infrastructure Surtax Fund .....	91
Tourist Development Tax Fund .....	92
Tree Replacement Fund .....	93
Police Training Fund .....	94
Police Donations Fund .....	95
Law Enforcement Trust Fund .....	96
Miscellaneous Grants Fund .....	97
Road and Bridge Fund .....	98
Tennis Center Fund .....	99
Debt Service Funds:	
General Obligation Fire Stations Bond Fund .....	100
Bayside District General Obligation Beach Bonds Fund .....	101
GMD Undergrounding Bonds Fund .....	102
Neighborhood Undergrounding Bonds Fund .....	103
Gulfside District General Obligation Beach Bonds Fund .....	104
 <b>STATISTICAL SECTION</b>	
Net Position by Component .....	105
Changes in Net Position .....	106
Fund Balances, Governmental Funds .....	108
Changes in Fund Balances, Governmental Funds .....	109
Assessed and Estimated Actual Value of Taxable Property .....	110
Property Tax Rates – Direct and Overlapping Governments .....	111
Principal Property Taxpayers .....	112
Property Tax Levies and Collections .....	113
Ratio of Outstanding Debt by Type .....	114

**TOWN OF LONGBOAT KEY, FLORIDA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

---

TABLE OF CONTENTS (Continued)

	<u>Page</u>
STATISTICAL SECTION (Continued)	
Ratio of General Bonded Debt Outstanding.....	115
Direct and Overlapping Governmental Activities Debt .....	116
Pledged Revenue Coverage .....	117
Demographic and Economic Statistics.....	119
Principal Employers .....	120
Full-Time Equivalent Government Employees by Function/Program .....	121
Operations Indicators by Function/Program .....	122
Capital Assets Statistics by Function .....	123

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 <i>Government Auditing Standards</i> .....	124
Independent Auditor's Report on Compliance for Each Major Federal Program and State Project on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General.....	126
Schedule of Expenditures of Federal Awards and State Financial Assistance.....	129
Schedule of Findings and Questioned Costs.....	130
Schedule of Prior Year Findings.....	132
Independent Auditor's Management Letter .....	133
Independent Accountant's Report – Investment Compliance.....	136

**THIS PAGE INTENTIONALLY LEFT BLANK**

# **Introductory Section**

**THIS PAGE INTENTIONALLY LEFT BLANK**



# TOWN OF LONGBOAT KEY

**Town Hall**  
501 Bay Isles Road  
Longboat Key, FL 34228  
(941) 316-1999  
[www.longboatkey.org](http://www.longboatkey.org)

*Incorporated November 14, 1955*

April 27, 2026

Honorable Mayor, Members of the Town Commission and Citizens of the Town of Longboat Key:

We are pleased to present to you, the Town Commission and the citizens of the Town of Longboat Key, (the "Town") the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2025 (FY2025).

Chapter 218.32 of the Florida Statutes requires that each local government entity that is required to provide for an audit in accordance with Chapter 218.39 must submit an annual financial report with the audit report no later than nine months after the end of the fiscal year. This requirement has been met for the fiscal year ended September 30, 2025, and the report of the independent auditing firm has been included in the financial section of this report.

This report was prepared in accordance with generally accepted accounting principles (GAAP) by the Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Finance Director. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Town as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain a comprehensive understanding of the Town's financial activity have been included.

The Finance Department is responsible for establishing and maintaining internal controls to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. Because the cost of internal controls should not outweigh their benefit, the Town of Longboat Key's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Longboat Key's financial statements have been audited by Mauldin & Jenkins, LLC. The scope of the independent audit is to provide reasonable assurance that the financial statements for the fiscal year end September 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town's financial statements for fiscal year ended September 30, 2025 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

Governmental accounting and auditing principles requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Longboat Key's MD&A can be found immediately following the independent auditors' report.

## **Profile of the Government**

The Town of Longboat Key is a political subdivision of the State of Florida and was formally incorporated in 1955. Longboat Key is a 10-mile-long barrier island, covering 4.75 square miles, located off the coast of Sarasota in Southwest Florida with an estimated population of 7,445 permanent residents. Longboat Key has a reputation as an affluent residential community, particularly for retirees who relocate predominantly from northern states. The island is bordered on the east by Sarasota Bay and on the west by the Gulf of Mexico. The northern half of the island is located in Manatee County, while the southern half is located in Sarasota County. The island's location, temperate climate, and natural resources, particularly its white sand beach, have had a major influence on the Town's growth. Residents and visitors enjoy numerous year-round recreational opportunities, including boating, fishing, golf, tennis, biking, and kayaking.

The citizens enjoy a full range of municipal services including police, fire, ambulance, streets, parks, recreation, public improvements, planning, zoning and general administrative services. The Town also operates a Town-wide water and sewer transmission system. The Town purchases its water and wastewater treatment from Manatee County. Sanitation, electricity, telephone, gas and cable television services are provided by franchisees. Ninety-nine percent (99%) of Longboat Key's residents are happy with the overall quality of life on Longboat Key. Approximately 80% of respondents reported being satisfied with the Town's overall direction and Town interactions. Top priorities for residents are Beach Management and Shoreline Protection 97%, Traffic Congestion/Safety 97%, Fiscal Sustainability 96%, and Infrastructure Resilience 96%. (Town of Longboat Key Resident Survey, 2026). Items of most concern to residents are traffic congestion, property insurance costs and beach erosion.

The Town includes two dependent special districts created for the purpose of financing periodic construction and maintenance of beaches. On November 3, 2014, the district boundaries were modified, with the adoption of Ordinance 2014-29, creating a new Gulfside District and Bayside District, which are geographically separated by Gulf of Mexico Drive. The Ordinance further memorialized the 80/20 allocation of millage contribution between the Gulfside and Bayside Districts and requires a referendum to alter. The Town Commission sits as the Gulfside and Bayside District's governing body. Any future debt financings require referendum approval of Gulfside and Bayside residents. The Gulfside is given authority to assume all of the costs of renourishment if Bayside voters do not approve debt issuance at referendum.

## **Town Structure**

The Town operates under a Charter that was adopted in 1955 and last revised in 2018. The charter sets forth a Commission/Manager form of government. Seven Commissioners are elected for three-year terms and constitute the governing body of the Town. (Three-year terms became effective with the March 2020 General Election). Commissioners may only serve two consecutive three-year terms without an interval of twenty-four months out of office. The appointed Mayor is the Commission's presiding officer. Elections are held annually with either four or three seats to be decided upon. Two (2) commissioners are elected at large. The remaining five (5) commissioners must reside in, and be nominated from, each of the five (5) districts of the Town as set forth in the Charter. Following an election for the commission, the commissioners elect a mayor and vice-mayor.

The Town Manager is the chief administrative officer of the Town and is responsible to the Town Commission for the administration of all Town affairs. He/she establishes such departments and divisions of responsibility as necessary for administration of the affairs of the Town and performance of its municipal functions. The Town manager is responsible for the preservation of peace and the protection of persons and property within the Town and is the director of all public safety forces. The Town Manager appoints, removes and fixes compensation for the chiefs and all subordinate officers of the police, fire and other safety forces of the Town, department heads and all other Town employees, except those specified by the Charter.

Formal budgetary integration is employed as a management control device during the year. Town department directors must submit their budgets by May 1 of each year to the Town Manager. After internal work sessions on departmental budgets are conducted, a tentative overall Town budget is submitted to the Town Commission and public hearings are held to obtain public comments. A final hearing is then held and the final budget adopted. The legal level of budgetary control is at the department level. Transfers of appropriations between funds and/or use of unallocated fund balances amend the budget and require approval by the Town Commission. Transfers of appropriations up to \$26,063 between departments, offices, or agencies within the same fund may be approved by the Town Manager. Budget to actual comparisons are presented in this report for each individual fund for which an annual budget has been adopted. The Town follows the laws of Florida regarding the control, adoption and amendment of the budget during each fiscal year.

## Local Economy

Longboat Key has a permanent population of approximately 7,445 residents, but it is also a popular seasonal destination for visitors and part-time residents from both the United States and abroad. During the winter months, when the climate in Florida is mild, the population on Longboat Key can increase up to 20,000+. However, the majority of the seasonal residents are only on the island for a few weeks to a few months, at most. Close proximity to the Sarasota-Bradenton International Airport and the Tampa International Airport provides convenient access to part-time residents and out-of-state visitors. Longboat Key has no industrial development and limited commercial uses. The median age for the island's residents is 71.3. According to the U.S. Census Bureau, median household income in 2024 dollars was \$158,030, which is 203% higher than the Florida average of \$77,735.

The Town's permanent population increased steadily in the latter part of the 20th century, with near build-out being generally achieved by the year 2000. The number of permanent residents has grown 8% over the past ten years. Much of the Town's building activity is redeveloping older homes and commercial/tourism properties into newer modern and more resilient structures and developments. The Town has a long and distinguished history of planning foresight that contributes to the unique character and distinct feeling of being in special place when arriving in the Town from either north or south directions.

The Town has continued to fare well in terms of property values coming out of the national recession of 2008. The Town property values peaked at \$6.6 billion in 2008, and then steadily declined to \$4.6 billion by 2013. It took over a decade to recover, with assessed values now surpassing prerecession levels of \$9.2 billion for FY2025. The Town does not expect to keep pace with increases in property values as seen in Sarasota and Manatee Counties, due to the Counties' continued aggressive development, however, the demand for housing remains strong in the area and value have continued to steadily increase. The State of Florida has continued to see an unprecedented demand in luxury homes as remote work remains popular. According to the US Census Bureau, the net migration to Florida brought nearly 196,680 new residents to Florida in 2025 driven heavily by international rather than domestic migration. Texas was the fastest growing state in 2025 numerically, followed by Florida and North Carolina.

**Employment Types and Trends.** The largest employers in the Town are the St. Regis Resort & Residences and OpRock, LLC, which owns the Longboat Key Club and the Zota Beach Resort. Publix Supermarket and the Town are the next largest employers on the island. Hospitality and other tourism-related services, retail/food services and municipal government are the major sources of employment within the Town. Seasonal employment is common in the Town due to the influx of seasonal residents and visitors during the winter months.

The length of the typical "season," when most visitors and seasonal residents visit, has historically lasted from approximately November through April. However, weather patterns in northern states can influence the length of each season, with part-time residents sometimes staying longer if northern states continue to experience colder temperatures during early spring. This was the case during the late winter and early spring months over the last few years, when northern states experienced record cold temperatures and extended snow. Many part-time residents delayed their departure from the area, which resulted in record numbers of tourists to the area. This prompted many employers to retain seasonal employees longer than in years past.

The Town's current and future tourism developments generate a greater need for retail businesses and services than could otherwise be supported, provide future buyers for residences thus keeping property values relatively high, provide tax revenues for the Town, and provide places to stay for visiting relatives.

The Town is well positioned for a segment of the baby boom retirees. Additionally, economic growth in the region, and the expansion of remote working opportunities has led to more executives and business owners choosing housing and business opportunities on the Town, leading to increased housing demand on the island.

**Redevelopment.** The Town is currently experiencing a renewed interest in development and redevelopment in both the residential, tourism, and commercial sectors. Projects planned, underway, or recently completed include the following:

*The Lo Key Island Grill Restaurant:* Redevelopment of a commercial center building with new 87-seat restaurant and bar building at the corner of Gulf of Mexico Drive and Tarawitt Drive;

*Whitney's Restaurant:* Redevelopment of a former gas station with a new 70-seat restaurant located at the corner of Gulf of Mexico Drive and Broadway Street is complete;

*Town Center Green:* Multi-use arts, culture, and education center in the Bay Isles shopping area near Town Hall. A Town Center outdoor venue and Town Green park project including a privately funded permanent stage were recently completed. Planning for a future phase to include a Sarasota County library and multi-use building is underway;

*Longboat Key Club:* 300-room resort with conference space on the south end of the island (currently in the planning phase);

*St. Regis Resort:* A \$800 million redevelopment of the former Colony Beach and Tennis Resort was initially approved by the Town Commission the fall of 2021. This is a mixed use 166-room 5-star Marriott Hotel with meeting space, restaurants and bars and 67 upscale condominium units (up to \$20 million). The project finished primary construction in August 2024 and opened hotel operation in the Fall of 2024.

*Sage Condominium:* An 18-unit residential condominium with advertised prices beginning at \$4 million was recently completed;

*Porto Longboat Key Residences (currently called Evolve Longboat):* Development of 8-unit high-end condominium, with a boat basin (construction beginning 2026); and

*3150 Gulf of Mexico Drive Commercial Development:* Approval of a 14,408 sq. ft. commercial center on a currently vacant property (construction completed in 2025).

Numerous individual single-family homes under construction on scattered lots island-wide, including tear-down of older homes to facilitate construction of new and larger homes.

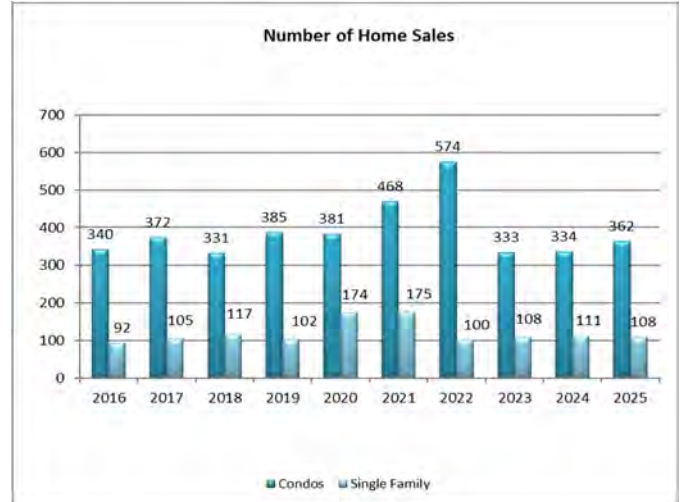
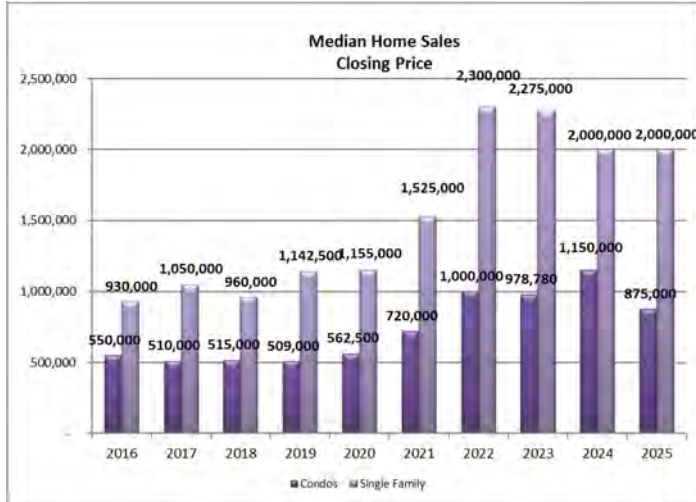
**Comprehensive Plan and Zoning Regulations.** The Town's Comprehensive Plan is developed pursuant to the requirements of Chapter 163, Florida Statutes, and the Florida Administrative Code. In addition to the purposes expressly set forth in the Florida Statutes and Administrative Code, the Town's Comprehensive Plan has the following goals:

- Improve the physical environment for the community as a setting for human and natural resource activities;
- Protect the public health, safety, and welfare;
- Insure that long-range considerations are included in the determination of short-range actions;
- Promote political cooperation by bringing professional and technical knowledge to bear on governmental decisions concerning the physical development of the Town; and,
- To ensure appropriate protection of the public interest with consideration of private property rights as determined by the Town Commission and state law.

The Town's Land Development Code (LDC) establishes the development regulations for all areas within the Town's incorporated boundaries. Most of Longboat Key's multi-family housing stock is comprised of condominiums built prior to the 1980's. Approximately 72% of the available housing stock is more than 25 years old and almost half of the island's housing was built over 35 years ago. As these properties age and look to modernize and/or redevelop, issues such as multiple-ownership, density restrictions and development regulations could present serious challenges.

In the past, developers have cited market trends, increased property values and Longboat Key's restrictive referendum requirements to add any new residential density as challenges to redevelop certain aging tourist properties into residential uses, even though recent reported sales prices indicate new individual luxury condominium units sell into the millions of dollars. The Town recently completed a major rewrite to its Land Development Codes, that streamlined processes, updated all zoning districts, incorporated strong graphic illustrations and resulted in a document that is easier to read and interpret, all while maintaining the economic vitality and the quality of life in the Town and improving its sustainability.

**Housing.** According to Realtor Association of Sarasota, in 2025, the Sarasota and Manatee housing market experienced a notable shift, with total closed sales rising by approximately 4.25% (nearly 1,000 more homes) compared to 2024, driven by increased inventory and an easing of the "lock-in" effect. While sales activity increased, median home prices generally softened by 5–6% and condo prices dropped significantly, resulting in a more buyer-friendly market. While home prices on Longboat Key can range from \$350,000 into the millions, the median condo price decreased by 24%, and the median single-family home stayed flat. The median sale price for a single-family home and condominium for 2025 was \$2 million and \$875,000 respectively. The highest closing price for the year on a single-family home and condominium was \$30.3 million and \$13 million, respectively.



### Major initiatives and Capital Projects

Management’s goals and objectives flow from the adopted Town Strategic Plan including efforts to continue providing a level of infrastructure to complement the residents’ lifestyle. The Town’s five-year annual capital planning process provides the mechanism to compile, rate and prioritize capital needs and also determine funding sources available. Some of our major projects are listed below:

- The Town is in the process of completing a major initiative to underground all of its overhead utility lines island wide for safety, reliability and aesthetics. The project includes undergrounding electrical, communications, fiber optics and other utilities including the new street lighting. The initiative was separated into two referendums, one for Gulf of Mexico Drive and one for the remaining neighborhoods and side streets and is being paid for with non-ad valorem assessment not to exceed 30 years. The Town has run fiber-optic conduit island wide, including areas already undergrounded with fiber pulled for all Town owned facilities. The Town continues to explore opportunities to enhance Town fiber technologies, including improved cellular service through the deployment of intelligent wireless nodes, Wi-Fi access points and smart city concept devices. The project had four (4) phases and work was substantially completed in FY2025 with the final pole removed in July. Bonding occurred in December 2018 and any unspent proceeds will reduce the amount of outstanding bonds, scheduled for May 2026. An assessment recalculation will occur when all invoices are paid and the project is closed.
- In the goal of providing quality island based recreational and educational opportunities, the Town is continuing the development of the 4.8-acre Town owned site located at 600 Bay Isles Road into an outdoor venue to support a variety of Town and community events. Phase 1 prepared the site as an outdoor venue with a buildable area for a future community facility. Phase 2 included smooth surface walkways, a permanent stage, public restrooms, landscaping, and locations for tents and space for food trucks with provisions for power and water. Phase 3 was the design and construction of the permanent stage, later named the Karon Family Pavilion after the lead donor family. Phase 4 is a “Compete the Green” campaign to privately fund a Community Hall in partnership with Sarasota County. A parcel has been set aside in the master plan for a future building that an indoor/outdoor community hall and public library, with the library component funded by Sarasota County and the community hall funded by private donations and slated for FY2026-2027.

- Staff identified \$42.8 million in critical capital needs to the Water and Wastewater System through fiscal year 2030 including the replacement of Asbestos Cement Pipes in the Country Club Shore neighborhoods and replacement of the Subaqueous Wastewater Force Main across Sarasota Bay. The Town implemented a multi-year rate plan increase in addition to financing options to fund the projects. The Town Commission used one-half of the revenue recovery money associated with American Rescue Plan Act (ARPA) grant, towards this project. The Town is proactively seeking all grant opportunities and will revisit the rate plan every three years or as needed. To date we have been awarded \$1.5 million toward the Asbestos Cement Pipe Project and \$5 million toward the Subaqueous Project. The Town voters, authorized by referendum, the application for a loan not to exceed \$33 million, through the State Revolving Fund Loan program to finance the Subaqueous project.
- During the year, the Town engaged a consultant to develop a long-range plan for Gulf of Mexico Drive using the “complete streets” approach. The plan includes an enhanced multi-use pathway, wider bike lanes, added turn lanes, landscaping and other improvements to better the functionality and safety of the corridor. Cost estimates and planning will be brought to FDOT to seek construction dollars. As part of our negotiations, FDOT committed over \$2.6 million to widen Gulf of Mexico Drive, providing for extended center turn lanes at the County Club Shores development, substantially completed in FY2025. In addition, FDOT has committed over \$5 million to complete a Roundabout and Complete Street Project surrounding the Gulf of Mexico Drive and Broadway intersection with plans to begin construction in the Summer/Fall of 2026.
- The Town completed its Sea Level Rise study and the Commission dedicated the remaining half of revenue recovery funds from ARPA to storm drainage and flood mitigation projects. The Town is proactively seeking all grant opportunities and has made resiliency one of its top strategic objectives. Due to rising costs, this is one of the Town’s long-term infrastructure improvement projects that requires proper planning and a funding strategy.
- The Town is in the process of developing a Canal Navigation Maintenance Program that will be funded using both ad valorem taxes and special benefit assessments for those properties with direct canal access. The Town will hold public outreach educational meetings during 2026 and will start the program beginning with the November 2026 tax bills (FY2027). The initial construction will not begin until adequate revenues are accumulated for the project, which could take several years.
- The Town added a Grants Coordinator position in July 2023 to more aggressively go after state and federal dollars for the projects such as those previously mentioned. This initiative has been successful as \$6.9 million in awards were confirmed in FY2025.

### **Long-Term Financial Planning**

Prepared as part of the annual budget process, a five-year plan of capital improvement projects attempts to identify and provide a responsible funding/execution plan for public betterments to ensure a stable community infrastructure. The plan is designed to budget adequate reserves for the replacement of obsolete equipment and vehicles and provide for the betterment of Town-wide infrastructure.

The Finance Department continues to fine tune its long-term forecasting tools, encompassing all fund account groups, providing the ability to enhance the long-term planning process. These tools enable the Town to make timely decisions such as reducing expenses, planning resources, taking advantage of trends and overall, avoiding surprises. Using a variety of forecasting tools and techniques, we will be able to analyze where each department of our business should be in the next year or two so we can make proactive, rather than reactive, decisions.

### **Relevant Financial Policies**

Management’s goals for long-term financial planning include stabilizing tax rates while maintaining adequate General Fund reserves to sustain a complete economic cycle and providing for contingency and emergency/ disaster relief reserves. The Town’s General Fund reserve policy was revised in March 2021 based on a risk-based assessment and peer review performed by Finance staff. The policy calls for a combined target range of 32% - 48% (120 – 180 days) of total budget expenditures excluding capital outlay. The Commission adopted reserving a two-month minimum (60 days or 16%) of Unassigned Fund Balance in addition to two specific assignments using a minimum and maximum range, to allow for flexibility and changes in financial conditions or special circumstances. The reserve categories are shown below:

- Unassigned Fund Balance 16% (approx. 60 days)
- Economic Uncertainty/Revenue Stabilization Reserves 8%-16% (30-60 days)
- Emergency Reserves/Natural Disasters 8%-16% (30-60 days)

The unrestricted General Fund balance is approximately 159 operating days or 35.2% of total General Fund expenditures for 2025, which is within the policy range.

Internal Controls. In developing and evaluating the Town's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the Town's internal accounting controls adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

Budgetary Process. The Town's budget is a detailed operating plan, which identifies estimated costs and revenues to fund program initiatives. The budget includes: (1) the programs, projects, services, and activities to be carried on during the fiscal year; (2) the estimated revenue available to finance the operating plan; and (3) the estimated spending requirements of the operating plan. The budget represents a process where policy decisions by the Town Commission and Town Manager are made, implemented, and controlled. Note 1(N) to the basic financial statements summarizes the budgetary roles of various Town officials and the timetable for their various budgetary actions according to the Town Charter.

Cash Management. The Town's pooled deposits and investments are conservatively invested pursuant to policy established by Resolution working with the Town's Investment Advisory Oversight Committee and Investment Advisor. The Town's investment policy seeks the preservation of safety, liquidity and yield, in that order of priority. The policy addresses the soundness of financial institutions holding our assets and the types of investments permitted by the Florida State Statutes. The Employees' Consolidated Retirement System deposits and investments follow policies established by their respective governing board.

## **Awards**

The Government Finance Officers Association and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Longboat Key, Florida for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2024. This was the 44th consecutive year that the Town has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **Acknowledgment**

The preparation of this report would not have been possible without the dedicated service of the finance staff and the cooperation of Town departments. Our sincerest appreciation is extended to all of the contributing staff members. We also appreciate the professional service and assistance rendered by Mauldin & Jenkins, LLC. The Finance Department is committed to advancing its fiscal accountability, efficiency and integrity in the Town's financial operations.

Also, our deepest appreciation to the members of the Town Commission for their support in planning and guiding the financial affairs of the Town in a responsible and progressive manner.

Respectfully submitted,



---

Howard Tipton  
Town Manager



---

Susan L. Smith  
Finance Director

# TOWN OF LONGBOAT KEY, FLORIDA

## LIST OF PRINCIPAL OFFICIALS SEPTEMBER 30, 2025

---

### TOWN COMMISSION

Mayor Ken Schneier  
Vice-Mayor Debra Williams

District 1 – Gary Coffin  
District 2 – Penny Gold  
District 3 – Ken Schneier  
District 4 – Debra Williams  
District 5 – Sarah Karon  
At Large – Steve Branham  
At Large – B.J. Bishop

### TOWN DEPARTMENTS

Howard Tipton, Town Manager  
Isaac Brownman, Assistant Town Manager  
Susan L. Smith, Finance Director  
Jason Keen, IT Director  
Allen Parsons, Planning Zoning and Building Director  
Charlie Mopps, Public Works Director  
Russ Mager, Chief of Police  
Paul Dezzi, Fire Chief  
Trish Shinkle, Town Clerk  
Maggie Mooney, Town Attorney

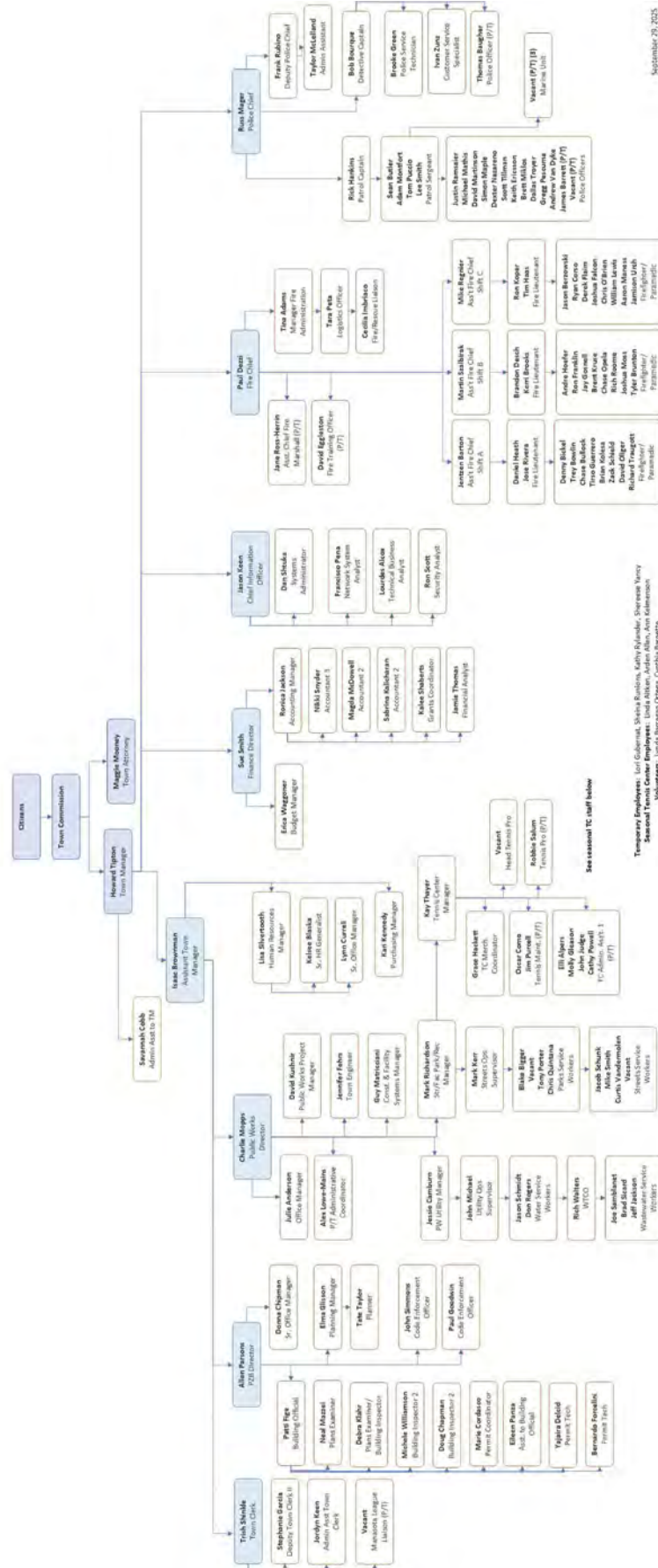
### AUDITORS

Mauldin & Jenkins, LLC

### TOWN FINANCE COMMITTEE

Commissioner Penny Gold, Chairman  
Commissioner Sarah Karon, Vice-Chairman  
Commissioner Debra Williams  
Lynn Larson  
Frank Malickson

# TOWN OF LONGBOAT KEY, FLORIDA





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Longboat Key  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2024

*Christopher P. Morill*

Executive Director/CEO

# **Financial Section**

**THIS PAGE INTENTIONALLY LEFT BLANK**



## Independent Auditor's Report

**Honorable Mayor and Members of  
the Town Commission,  
Town of Longboat Key, Florida**

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

#### ***Opinions***

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

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

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 21, the budgetary comparison information, Schedules of Net Pension Liability and Related Ratios, Schedules of Contributions, Schedule of Pension Investment Returns, Schedules of Proportionate Share of Net Pension Liability, and Schedule of the Town's Total OPEB Liability and Related Ratios on pages 74 through 85 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

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

**Other Information**

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

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 27, 2026, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



Bradenton, Florida  
April 27, 2026

**THIS PAGE INTENTIONALLY LEFT BLANK**

## **Management's Discussion and Analysis**

As management of the Town of Longboat Key, Florida (the "Town"), we present the readers of the Town's financial statements with this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2025 (FY2025). Readers are encouraged to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal, which can be found on pages i-vii of this report as well as the Town's basic financial statements that follow this section provided in the financial statements, the Letter of Transmittal, and the notes to the financial statements.

### **Annual Comprehensive Financial Report (ACFR) Overview**

This discussion and analysis are intended to serve as an introduction to the Town of Longboat Key's basic financial statements. The Town's financial statements are comprised of three main sections: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. There is additional supplementary information in addition to the basic financial statements which may be of interest to the reader.

### **Financial Statements Overview**

This section includes a brief overview of the Town's financial statements and is intended to help readers understand the basic financial statements.

**Fund Types** – The Town uses fund accounting to enhance public accountability over public resources and to demonstrate compliance with finance related legal requirements. A Fund is a self-balancing set of accounts that is used to maintain control over resources segregated for a specific purpose or objective.

There are three different fund types:

1. *Governmental funds* focus on short-term inflows and outflows of spendable resources, as well as spendable resources at year-end. The focus of governmental fund financial statements is on major funds: the General Fund, Gulf of Mexico (GMD) Assessment Fund, Neighborhood Assessment Fund, the Gulfside District General Obligation (G.O.) Beach Bonds Fund, the Beach Nourishment Capital Project Fund, and the GMD and Neighborhood Undergrounding Capital Project Funds. The Governmental Fund financial statements present information for each major fund, while the non-major funds are combined into a separate, single column. These non-major funds are shown separately following the notes to the financial statements on pages 86-104.
2. *Proprietary Funds* are business-type activities generally used for reporting charges for services for which the Town charges a fee. The Town of Longboat Key maintains and presents two major proprietary funds, a Water and Sewer enterprise fund and a Building Department enterprise fund that are presented on pages 28 through 31 of this report.
3. *Fiduciary Funds* account for resources held for the benefit of parties outside of Town government. The Town of Longboat Key maintains and presents the Consolidated Pension Trust Fund which accounts for the Town's three retirement systems. Although this fund is presented in the fund set of statements, it does not appear in the government-wide financial statements because the resources of fiduciary funds are not available to support the Town of Longboat Key government's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. This fund is presented on pages 32 and 33 of this report.

**Basic Financial Statements** – The basic financial statements consist of three components: (1) The Government-Wide Statements, (2) Individual Fund Statements, and (3) Notes to the Financial Statements.

1. *Government-Wide Financial Statements* – provide a broad overview of the Town's finances using the accrual basis of accounting similar to a private sector business entity. These statements are further broken into two types of activities – Governmental activities and Business type activities:
  - a. *Governmental activities* are primarily supported by taxes and other non-program revenue which support general government, public safety, transportation, physical environment, and culture and recreation.

---

## Town of Longboat Key, Florida Management's Discussion and Analysis

September 30, 2025

- b. *Enterprise or business-type activities* are primarily supported by user fees rather than taxes and non-program revenue. Major business activities in the Town of Longboat Key include water and sewer operations and Building Department functions.

Government-wide statements include two types of financial statements:

- i. The *Statement of Net Position* (page 22) presents information on all the Town's assets plus deferred outflows of resources, and liabilities plus deferred inflows of resources, with the difference being reported as net position. Over time, increases or decreases in net position may indicate whether the financial position of the Town is improving or deteriorating.
  - ii. The *Statement of Activities* (page 23) presents information showing how the Town's net position changed during the fiscal year related to revenue and expenses. All revenue and expenses are reported as soon as an underlying event occurs, regardless of when cash is received or paid, as required under accrual basis of accounting. (e.g., accounts payable and earned but unused vacation leave).
2. *Individual Fund Statements* – Individual fund statements report a narrower financial view than the government wide financial statements, but it is useful to compare fund information with the government wide information. A reconciliation of the difference between the two is provided in the ACFR following the Statement of Revenues, Expenditures and Changes in Fund Balances for Governmental Funds.
  3. *Notes to the Financial Statements* – The notes provide additional information that is essential to gaining a full understanding of the government-wide financials and the individual fund statements.

**Required Supplementary Information (RSI)** – RSI (page 78 through 85) in addition to this MD&A provides a Budget to Actual Comparison for the General Fund and various Schedules related to the Town's pension plans and OPEB.

**Combining and Individual Fund Statements and Schedules** – These statements and schedules (page 86 through 104) are provided for the non-major governmental funds and are located immediately following the RSI.

### Highlights of Major Events

Reflecting on the fiscal year, the Town began the year recovering from Hurricanes Debby, Helene, and Milton, all very strong storms occurring within a three-month period. It cannot be denied that the increased frequency and intensity of storms are having a major impact on our community. Hurricanes Debby and Helene were more of storm surge and rain events exposing our vulnerabilities to sea level rise, while Milton was a wind event. Milton made landfall in Siesta Key, just 12 miles south of Longboat Key, occurring just 13 days following Helene's storm surge. Consequently, this close succession made the allocation of storm costs to each named storm much more difficult. Recovery efforts continued through FY2025, requiring several budget amendments utilizing the Town's fund balance reserves of approximately \$6.5 million. As of April 2026, FEMA has reimbursed the Town only for small projects and has yet to send reimbursement for the largest project, being debris removal. Debris removal continued for four months following the storms and cost approximately \$4.4 million. The Town recovered \$1.8 million from insurance for property damage. Financially, the Town was fortunate to have built up its fund balance over the last decade to self-fund this extraordinary three-storm event. Additionally, Finance has prioritized securing insurance and FEMA reimbursements, as well as restoring its fund balance to ensure future resilience.

The Town has been actively pursuing grant funding to mitigate our most vulnerable neighborhoods, Sleepy Lagoon, Buttonwood, and the Village in the North End, which are experiencing repetitive flooding. The Town completed a multi-phase Sea Level Rise study in 2023 and is in the process of seeking HMGP resiliency grants for Buttonwood, Norton Street and Village Phase 1. This is one of the top strategic initiatives for long-range improvement capital planning.

These storm events, along with past supply chain issues, have played a key role in the delay of our undergrounding of power lines and other utilities along Gulf of Mexico Drive and the neighborhoods. Florida Power & Light (FP&L) crews were pulled from projects like ours to assist in the recovery of the hardest hit areas.

---

## Town of Longboat Key, Florida Management's Discussion and Analysis

September 30, 2025

We substantially completed the undergrounding project during FY2025, with streetlight replacement, final connections, pole removal and extending fiber to all Town owned facilities, enhancing safety and aesthetics. The last pole was taken down July 15, 2025. The Undergrounding project is scheduled to be closed in May 2026 with the final redemption of bonds occurring shortly thereafter. This should provide some relief to assessment payers in the FY2027 tax year, as the Town had a significant savings on the projects.

Other highlights for the year included restoring many of the docks, boat lifts and park boardwalks that were damaged by the storms. The Town also replaced an ambulance and storm damaged vehicles. The Town has many projects in progress such as a major hardening project at Town Hall which includes replacing the roof, installing hurricane windows and upgrading the generator. Additionally, resiliency assessments and engineering work are being conducted for hardest-hit and low lying neighborhoods. A continuous Center Turn Lane for the County Club Shores development is in progress. For the Enterprise Funds, the Building division went live with the new Accela software program and the Utility Department completed Phases 1 and 2 of the Asbestos Pipe Replacement in Country Club shores.

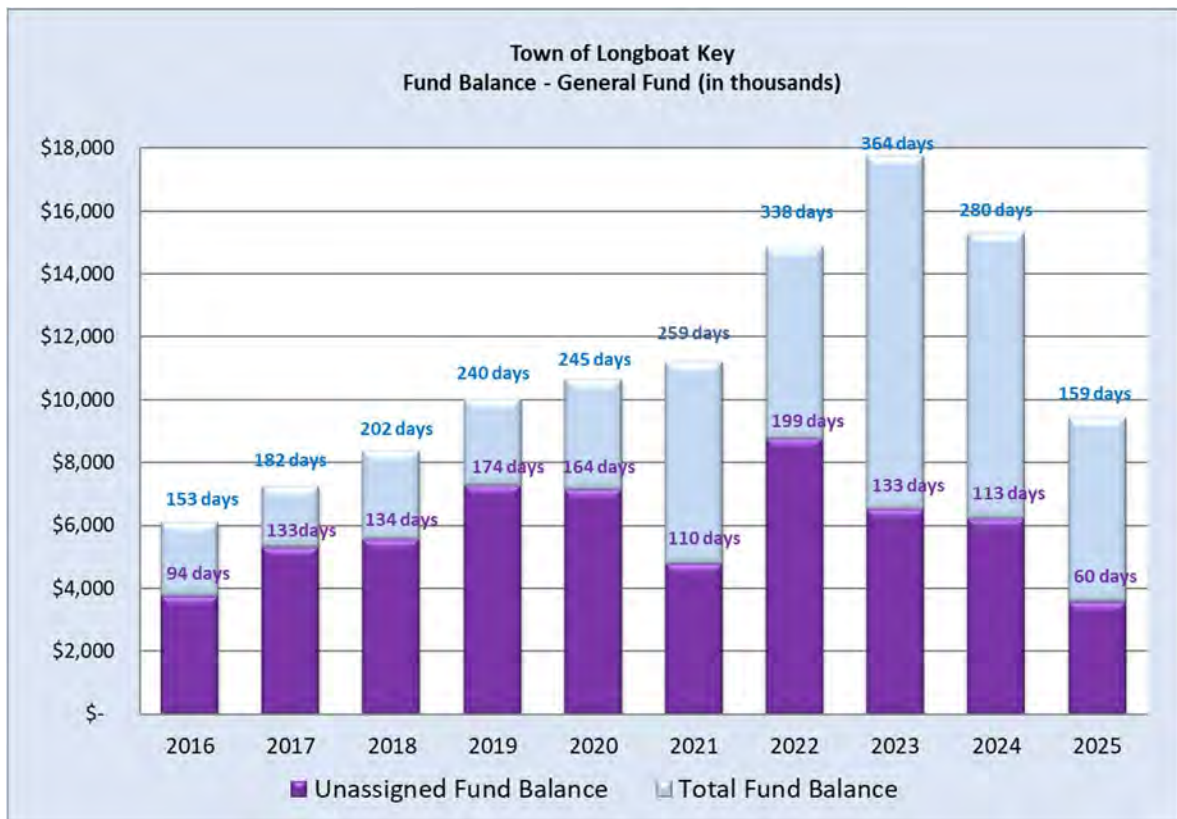
### Financial Highlights – Government-Wide Financial Statements

- At fiscal year-end, the assets and deferred outflows of the Town of Longboat Key governmental activities exceeded its liabilities and deferred inflows by \$99.8 million (*net position*). The total net position decreased by \$16.9 million (14.5%) from the previous year, primarily due to transferring \$23.7 million of undergrounding infrastructure assets over to FP&L. FP&L takes over transmission infrastructure maintenance after receiving as-built drawings, while the Town keeps ownership of fiber conduit, fiber, and streetlights. New assets worth \$4.1 million partly offset the decrease.
- Cash and investments are \$4.6 million lower due to storm recovery costs and use of fund balance. Deferred Inflows and Deferred Outflows were both impacted because of the \$6.2 million decrease in net pension liability measured on September 30, 2024.
- Net position is made up of \$56.6 million invested in capital assets; \$28.3 million is restricted to specific purposes, leaving \$14.9 million in *unrestricted net position*.
- The Town's total net position for business-type activities is \$47.1 million, which is an increase of \$438,000 (0.9%) from the prior year. Of this amount, \$29.3 million is invested in capital assets; \$0.8 million is restricted to specific purposes leaving \$17 million unrestricted. Unrestricted net position decreased by \$4.2 million (9.2%), predominantly due to the increase in building permit activity associated with storm recovery. The Building Department incurred significant contracted building inspection costs and staff overtime to handle the assessment and inspections of 3,000 living units, half of which has some damage and 75 received substantial damage determination letters. Due the excess costs to provide services, the Building Fund's expenditures exceeded its revenue by \$1.9 million. The Building Department allowed a temporary waiver of fees for permit applications between September 2024 and December 2025. The Water and Sewer Fund also made several investments in its infrastructure, including the County Club Shores Asbestos Water Main replacement, the installation of new Neptune water meters and various storm related repairs or replacement.
- Deferred outflow of resources represents the required deferral of FY2025's required contribution to the pension plan and any applicable changes in actuarial assumptions for OPEB, that applies to a future reporting period. The deferral of the contribution was necessary because it occurred before year end but after the measurement date of the Town's net pension liability, which is September 30, 2024. The net pension liabilities decreased \$6.2 million as of September 30, 2024 due to favorable market conditions.

**Town of Longboat Key, Florida**  
**Management’s Discussion and Analysis**  
September 30, 2025

**Financial Highlights – Fund Financial Statements**

- At the close of the fiscal year, governmental funds reported combined ending fund balances of \$53.3 million, a decrease of \$3.9 million from the previous fiscal year. Approximately 6.7% or \$3.5 million is available for spending at the Town’s discretion (*unassigned fund balance*). The decrease in fund balance is attributable to storm recovery expenditures of approximately \$6.5 million, offset by other favorable variances in investment earnings, insurance proceeds, the change in unearned revenues from assessment collection on undergrounding and the accumulation of revenue sources for capital projects still in progress. Additional information on General Fund Budget Highlights is available on page 15-17.
- The General Fund ended the year with a \$9.4 million fund balance. The Town desires to maintain an unrestricted available fund balance target range is 32% (120 days) to 48% (180 days) of General Fund operating expenditures. For purposes of this calculation, total operating expenditures shall include transfers out and contingency line items but shall exclude capital outlay. We have also backed out the extraordinary one-time storm costs for the purpose of calculating the operating cost per day. The priority of funding reserves is as follows:
  - Unassigned Fund Balance- The desired unassigned General Fund balance shall be not less than 16% (16% or 60 days). The Town has \$3,575,000 and meets the 60-day requirement.
  - Assigned for Economic Uncertainty/Revenue Stabilization - The desired assigned reserve for economic related events and revenue stabilization shall be a range of 8% to 16% (30 to 60 days). The Town has \$3,575,000 and meets the maximum 60-day requirement.
  - Emergency/National Disasters Reserve - The desired assigned reserve for emergencies and natural disaster events shall be a range of 8% to 16% (30 to 60 days). The Town has \$2,106,431 which is equivalent to 35 days falling within the required range.
  - Assigned for Encumbrances – Included in Assigned Fund balance is \$176,239 for open purchase orders.



- The chart above shows the history of fund balance levels for both total fund balance (in blue) and unassigned fund balance (in purple). The decrease of unassigned fund balance from 113 days to 60 days is due to the storm related costs and the decision to fund capital needs and in the FY2025 budget.

**Town of Longboat Key, Florida**  
**Management’s Discussion and Analysis**  
September 30, 2025

**Government-Wide Financial Analysis**

Comparative data for fiscal years ending September 30, 2024 and 2025 are shown below.

**Town of Longboat Key Net Position (in thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2024	2025	2024	2025	2024	2025
Current/other assets	\$ 83,171	\$ 81,123	\$ 24,482	\$ 21,071	\$ 107,653	\$ 102,194
Capital assets, net	106,595	86,983	30,387	34,250	136,982	121,233
Total assets	<u>189,766</u>	<u>168,106</u>	<u>54,869</u>	<u>55,321</u>	<u>244,635</u>	<u>223,427</u>
Deferred outflow of resources	<u>7,170</u>	<u>5,333</u>	<u>249</u>	<u>168</u>	<u>7,419</u>	<u>5,501</u>
Current liabilities	9,756	10,326	1,742	2,261	11,498	12,587
Non current liabilities	69,121	58,561	6,680	5,876	75,801	64,437
Total liabilities	<u>78,877</u>	<u>68,887</u>	<u>8,422</u>	<u>8,137</u>	<u>87,299</u>	<u>77,024</u>
Deferred inflows of resources	<u>1,383</u>	<u>4,793</u>	<u>59</u>	<u>277</u>	<u>1,442</u>	<u>5,070</u>
Net investment in capital assets	73,817	56,622	24,583	29,283	98,400	85,905
Restricted	26,133	28,276	775	784	26,908	29,060
Unrestricted	16,726	14,861	21,279	17,008	38,005	31,869
Total net position	<u>\$ 116,676</u>	<u>\$ 99,759</u>	<u>\$ 46,637</u>	<u>\$ 47,075</u>	<u>\$ 163,313</u>	<u>\$ 146,834</u>

**Governmental activities.** The largest portion of the Town’s net position reflects its investment in capital assets (i.e., land, buildings, vehicles, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town’s investment in its capital assets is reported, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves may not be used to liquidate these liabilities. Major Capital asset activity in FY2025 included finishing the Utility Undergrounding improvements (GMD and Neighborhoods), Center Turn Lane and Broadway Roundabout improvements on GMD, and Town Hall Hardening.

The change in *Restricted net position* is primarily the funding of a \$2 million fire truck that is on order.

**Business-type activities.** The Town’s business-type activities (Water and Sewer Utility and Building Departments) net position increased by \$438,000 (0.9%). The Water and Sewer Utility is preparing to replace it’s aging Subaqueous Force Main across Sarasota Bay to Manatee County’s wastewater facility and has implemented a multi-year rate increase to facilitate that construction. Annual rate increases have been implemented since October 1, 2021. The Town also authorized by referendum, on March 11, 2025, the pursuit of a low interest loan not to exceed \$33 million from the State’s Revolving Fund Loan Program. The Building Department saw an increase permit activity due to storm related damage and expenditures exceeded its revenues by \$1.9 million because of the waiver of permit fees implemented while homeowners tried to get their homes restored.

*Restricted net position* represents the restricted cash reserve as required under the debt covenant.

**Town of Longboat Key, Florida**  
**Management's Discussion and Analysis**  
September 30, 2025

Net investment in Capital Assets is calculated as follow:

	Governmental Activities	Business-Type Activities
Total capital assets, not being depreciated	\$ 34,696,787	\$ 7,758,281
Total capital assets, being depreciated	155,727,368	64,021,635
Less accumulated depreciation	(103,441,606)	(37,529,942)
Total principal, governmental debt	(37,000,000)	(4,798,901)
Unamortized premiums	(287,748)	-
Unamortized discounts	146,897	-
Retainage	-	(168,553)
Plus unspent proceeds		
GMD undergrounding	5,616,164	-
Neighborhood undergrounding	1,164,394	-
	<u>\$ 56,622,256</u>	<u>\$ 29,282,520</u>

**Town of Longboat Key Statement of Activities (in thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2024	2025	2024	2025	2024	2025
<b>Revenues</b>						
<b>Program revenues:</b>						
Charges for services	\$ 3,973	\$ 2,796	\$ 13,074	\$ 14,331	\$ 17,047	\$ 17,127
Operating grants and contributions	1,218	1,336	-	-	1,218	1,336
Capital grants and contributions	65	5,128	1,542	-	1,607	5,128
<b>General revenues:</b>						
Property taxes	19,785	20,989	-	-	19,785	20,989
Gasoline taxes	428	418	-	-	428	418
Sales taxes	2,420	2,417	-	-	2,420	2,417
Unrestricted state revenue sharing	577	550	-	-	577	550
Franchise fees	1,293	1,332	-	-	1,293	1,332
Business tax	155	155	-	-	155	155
Tourist tax	1,304	1,423	-	-	1,304	1,423
Interest income	4,820	3,695	1,357	844	6,177	4,539
Miscellaneous	96	973	-	-	96	973
Gain on sale of capital asset	179	-	8	430	187	430
<b>Total revenues</b>	<u>36,313</u>	<u>41,212</u>	<u>15,981</u>	<u>15,605</u>	<u>52,294</u>	<u>56,817</u>
<b>Expenses:</b>						
General government	7,132	31,204	-	-	7,132	31,204
Public safety	13,129	17,548	-	-	13,129	17,548
Transportation	1,076	1,289	-	-	1,076	1,289
Culture and recreation	7,078	7,556	-	-	7,078	7,556
Interest on long-term debt	1,332	1,277	-	-	1,332	1,277
Water and sewer	-	-	9,093	9,806	9,093	9,806
Building department	-	-	1,664	3,342	1,664	3,342
<b>Total expenses</b>	<u>29,747</u>	<u>58,874</u>	<u>10,757</u>	<u>13,148</u>	<u>40,504</u>	<u>72,022</u>
Increase in net position						
Before transfers	6,566	(17,662)	5,224	2,457	11,790	(15,205)
Net transfers	1,596	1,878	(1,596)	(1,878)	-	-
<b>Change in net position</b>	<u>8,162</u>	<u>(15,784)</u>	<u>3,628</u>	<u>579</u>	<u>11,790</u>	<u>(15,205)</u>
Net position - beginning	108,514	116,676	43,009	46,637	151,523	163,313
Change in accounting principle	-	(1,133)	-	(141)	-	(1,274)
Net position - ending	<u>\$ 116,676</u>	<u>\$ 99,759</u>	<u>\$ 46,637</u>	<u>\$ 47,075</u>	<u>\$ 163,313</u>	<u>\$ 146,834</u>

**Town of Longboat Key, Florida**  
**Management’s Discussion and Analysis**  
 September 30, 2025

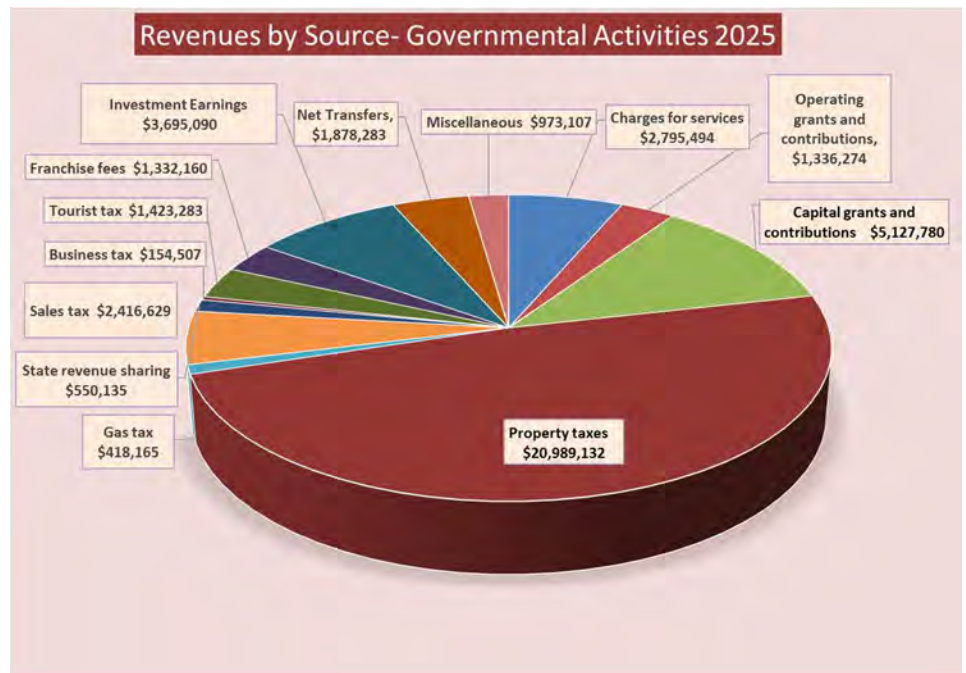
**Summary – Statement of Activities.** The Statement of Activities schedule shown on page 9, presents all revenues, expenses and other sources/uses of funds for Governmental and Business-Type Activities. Some of the activities responsible for the change in net position is discussed below.

- The Town hired a grant coordinator and regularly contracts with consultants and lobbyists to proactively seek eligible grants for beach nourishment reimbursements, hazard mitigation grant opportunities for resiliency, and environmental grants for the Subaqueous Force main replacement project. During the year \$3.3 million was obtained from the Beach Management Funding Assistance Program, and \$1 million was reimbursed from FDOT for the Center Turn Lane improvement on Gulf of Mexico Dr. Various other awards were received that will benefit future budgets.
- Property taxes cover operating and debt service millages for Fire Stations and Beach Renourishment. The FY2025 budget assumed a 10.39% rise in property values, with the operating mill rate at 1.9600. Beach renourishment tax levies were 0.6071 mills for Gulfside District and 0.1518 mills for Bayside District, funding the fifth annual debt payment. Facility Fire Station debt millage was 0.0401.
- General Government expenditures rose after transferring \$23.7 million in underground infrastructure assets to FP&L, which now owns and maintains them. The Town retained ownership and ongoing maintenance for streetlights and fiber assets.
- The Town implemented GASB 101, Compensated Absences, which resulted in a restatement of \$1.3 million for liabilities related to compensated absences, including payouts for sick leave and fringe benefits like FICA and employer retirement contributions. This rule also impacted FY2025 expenditures, increasing them by \$1.5 million for Governmental Activities and \$0.2 million for Business Activities.

**Revenues-Governmental Activities:**

The chart below displays the Town’s revenue sources by account type. The top five revenues make up 82.6% of the Town’s governmental fund revenue as follows: (1) Property taxes 48.7%; (2) Capital grants and contributions 11.9%; (3) Investment earnings 8.6%; (4) Sales Taxes 6.9%; and (5) Charges for services and assessments 6.5%.

- Property taxes include \$17.1 million to support General Fund operations and capital costs and \$3.9 million for debt payments related to beach renourishment and Fire stations renovations.
- Capital grants and contributions of \$5.1 million include \$3.3 million in beach nourishment reimbursements and \$1.1 million for Center Turn Lane improvements.
- Investment income government- wide reached \$3.7 million due to the elevated federal funds rates which ranged from 4.83% at the start of the year and ended at 4.22%.
- Charges for Services, \$2.8 million, includes fees for emergency medical services, fire inspections, zoning fees, recreation, and Tennis Center sales. It also includes special non-ad-valorem assessments associated with the Utility Undergrounding projects (GMD and Neighborhoods). The recognition of deferred revenue on special assessments has an impact on charges for services.



**Town of Longboat Key, Florida**  
**Management’s Discussion and Analysis**  
September 30, 2025

**Expenses-Governmental Activities:**

Typically, Public Safety accounts for about half of governmental expenditures, but this year’s \$23 million transfer of Undergrounding infrastructure assets to FP&L, discussed earlier under Financial Highlights, increased General Government costs, now at 53%. Public Safety follows with 29.8%, and Culture and Recreation at 12.8%. These figures include non-standard expenses not normally budgeted such as capital asset depreciation and disposals, changes in vacation and sick pay accruals, and pension and Other Post-Employment Benefits (OPEB) costs. The accompanying chart details General Government expenses by department using prorated allocations.



**Fiduciary Funds**

The Town of Longboat Key uses fiduciary funds to account for resources held for the benefit of parties outside Town government. Examples of the Town’s fiduciary funds are the funds used to account for the Town’s Consolidated Retirement System. Although these funds are presented in the fund set of statements, they do not appear in the government-wide financial statements because the resources of fiduciary funds are not available to support the Town of Longboat Key government’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. These funds are presented on pages 32 and 33 of this report.

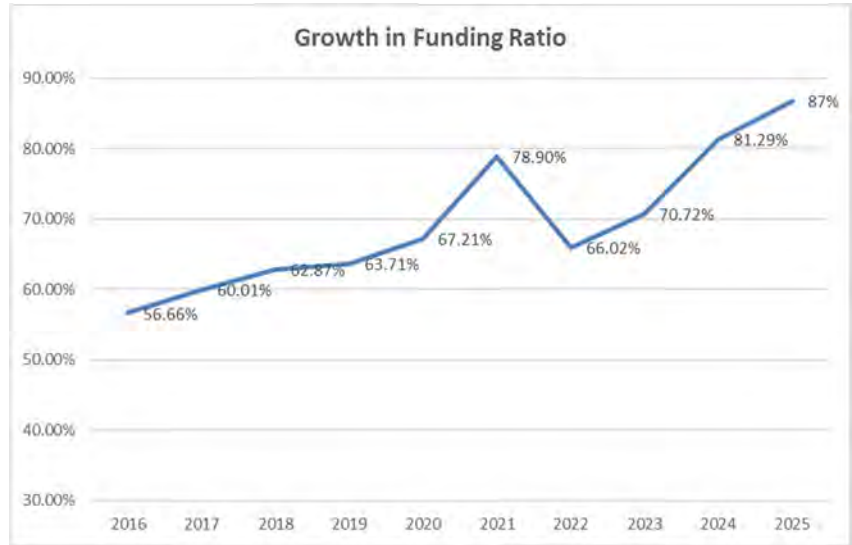
The Town of Longboat Key accounts for three individual pension plans as a Consolidated Retirement System Trust Fund including police officers, firefighters, and general employees. The Town’s Pension was frozen in 2013/2014, which means that employees no longer accrue any benefits after the date of freeze. The accrued benefits they have earned prior to the freeze date are guaranteed and the pension plan will continue to exist until the final benefit payments are made.

The fiduciary net position restricted for pension benefits is defined as the fair market value of investments less amounts due for administrative fees and other payables. The combined net position restricted for pension benefits, measured on September 30, 2025, was \$51.8 million compared to \$48.9 million in the prior year. The \$2.9 million increase is due to the market rally and positive rate of return on investments during the year. The actuarial rate of return was 6.64%, using a four-year smoothing, and the actual market rate of return was 9.22%.

**Town of Longboat Key, Florida**  
**Management's Discussion and Analysis**

September 30, 2025

Although the plan was consolidated in 2014, the Town continues to track each employee group separately in accordance with the requirements of the Town Ordinance and for purposes of budgeting and reporting to the State of Florida for public safety employees. Based on the 10/1/2024 valuation, the Consolidated Retirement System is 81.29% funded. These funding ratios have increased based on the newest 10/1/2025 valuation to 86.81% due to positive market returns. The chart shown at right, shows the continued funding ratio improvement over the past several years. The dip in 2022 was caused by a reduction in the rate of return assumption from 7% to 6.75% in addition to an actuarial loss attributable to a 4.09% investment return falling short of the rate of return assumption.



In lieu of the defined benefit plan, the police officers and general employees were enrolled in a Town sponsored defined contribution (401a) plan and the firefighters are members of the Florida Retirement System (FRS).

The following provides an additional perspective on pension expenses:

- The Town's combined required pension contribution for the defined benefit plan in FY2025 for all three plans was \$2.9 million, approximately 11.7% of the Original General Fund Budget. The contribution is expected to remain relatively flat at \$2.7 million for FY2026.
- The Town's contribution to the FRS for Firefighters was \$1.2 million, excluding employee contributions and health insurance subsidy (HIS).
- The Town's share of the Florida Retirement System's Net Pension Liability (NPL) is an additional \$6.3 million of liability. The Town recognized \$560,756 of pension expense related to FRS.

**Net Pension Liability with Measurement Date as of September 30, 2024**

	<b>General Employees'</b>	<b>Police Officers'</b>	<b>Firefighters'</b>	<b>Combined</b>
Total Pension Liability	\$ 14,789,521	\$ 11,789,519	\$ 33,579,189	\$ 60,158,229
Plan Fiduciary Net Position	(13,042,600)	(9,307,037)	(26,553,251)	(48,902,888)
Net Pension Liability	<u>\$ 1,746,921</u>	<u>\$ 2,482,482</u>	<u>\$ 7,025,938</u>	<u>\$ 11,255,341</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	88.19%	78.94%	79.08%	81.29%

**Net Pension Liability with Measurement Date as of September 30, 2025**

	<b>General Employees'</b>	<b>Police Officers'</b>	<b>Firefighters'</b>	<b>Combined</b>
Total Pension Liability	\$ 14,454,103	\$ 11,923,809	\$ 33,309,216	\$ 59,687,128
Plan Fiduciary Net Position	(13,608,632)	(9,750,249)	(28,454,835)	(51,813,716)
Net Pension Liability	<u>\$ 845,471</u>	<u>\$ 2,173,560</u>	<u>\$ 4,854,381</u>	<u>\$ 7,873,412</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	94.15%	81.77%	85.43%	86.81%

**Town of Longboat Key, Florida**  
**Management’s Discussion and Analysis**  
September 30, 2025

**Governmental Funds**

The focus of the Town’s Governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In assessing the Town of Longboat Key’s financing requirements, unassigned fund balance is a particularly useful measure of net resources available for spending at the end of the fiscal year. The governmental fund types include the General Fund, special revenue funds, debt service funds, and capital projects funds.

The combined fund balance for Governmental Funds decreased \$3.9 million to \$53.3 million for FY2025. Below is a summary of changes in fund balances for governmental funds:

**Town of Longboat Key - Governmental Funds Change in Fund Balance**

	<u>2024</u>	<u>2025</u>	<u>Increase (Decrease)</u>
General Fund	\$ 15,311,918	\$ 9,447,402	\$ (5,864,516)
GMD Assessments Fund	550,802	1,092,020	541,218
Neighborhood Assessments Fund	371,623	590,236	218,613
Gulfside District G.O. Beach Bonds Fund	226,769	294,465	67,696
Beach Nourishment Capital Project Fund	8,095,323	8,757,810	662,487
GMD Undergrounding Capital Project Fund	11,213,021	10,346,527	(866,494)
Neighborhood Undergrounding Capital Project Fund	5,541,953	4,819,515	(722,438)
Nonmajor Governmental Funds	15,839,930	17,931,849	2,091,919
	<u>\$ 57,151,339</u>	<u>\$ 53,279,824</u>	<u>\$ (3,871,515)</u>

**Major Governmental Funds**

The Town of Longboat Key reports seven major funds: General Fund, GMD Assessments Fund, Neighborhood Assessments Fund, Gulfside District G.O. Beach Bonds Fund, Beach Nourishment Capital Project Fund, the GMD Undergrounding Capital Project Fund and the Neighborhood Undergrounding Capital Project Fund. To be classified as a major fund, a fund must report at least 10% of the Town’s total governmental funds’ assets, liabilities, revenues, or expenses, and must report at least 5% of the Town’s total governmental funds plus enterprise funds’ total assets, liabilities, revenues, or expenses. The 10% and 5% tests must be passed for the same element (e.g., for assets) and the tests need only be passed for one of the four elements.

General Fund. The General Fund is the chief operating fund of the Town and accounts for most general governmental activities. General Fund activities directly impact property taxes, which are the fund’s largest revenue source. The next several pages highlight General Fund activity and budget highlights. On September 30, 2025, the total fund balance in the General Fund was \$9.4 million of which \$3.6 million was unassigned. As a measure of the General Fund’s liquidity, total fund balance was 35.2% of total expenditures (excluding capital outlay), as compared to 77% in the prior fiscal year. This is due to the extraordinary cost of Hurricanes Helene and Milton during the year which caused significant damage to the Town, leading to increased expenditures for debris removal and other emergency services. FEMA is expected to reimburse 100% of our debris removal which is approximately \$4.4 million, which will bring fund balances back to a restored level, but the timing remains uncertain.

Gulf of Mexico Drive (GMD) Assessments Fund. The GMD Undergrounding Assessments Fund is a special revenue fund that accounts for the collection of non-ad valorem assessments, collected annually by the County Tax Collectors, based on the methodology approved by Resolution 2017-03 on January 4, 2017. A general Notice of Assessment lien was recorded in May of 2017, following the bond validation. These assessments are restricted for debt service payments and/or project costs associated with Undergrounding Utilities along GMD. The balance of assessments due to the Town is \$11.5 million as of September 30, 2025. Fund balance increased \$541,218 because of investment earnings.

---

## Town of Longboat Key, Florida Management's Discussion and Analysis

September 30, 2025

Neighborhood Assessments Fund. The Neighborhood Undergrounding Assessments Fund is a special revenue fund that accounts for the collection of non-ad valorem assessments, collected annually by the County Tax Collectors, based on the methodology approved by Resolution 2017-18 on November 13, 2017. A general Notice of Assessment lien was recorded in April of 2018, following the bond validation, with the first annual assessments showing on the November 2018 tax bills. These assessments are restricted for project costs and/or debt service payments associated with Undergrounding Utilities in the remaining neighborhoods and side streets. The balance of assessments due to the Town is \$10.5 million as of September 30, 2025. Fund balance increased \$218,613 because of investment earnings.

Gulfside District G.O. Beach Bonds Fund. The Gulfside District G.O. Beach Bonds Fund accounts for the property tax collections from a special district, defined as all properties located west of GMD, to pay for annual debt service payments on bonds or project costs related to the Beach Renourishment Projects. At referenda held March 17, 2020, the voters authorized the issuance of up to \$34.5 million in general obligation bonds for the construction of five permeable groins and island wide nourishment taking place in FY2021. The Town issued \$18,480,000 at a premium of \$2,751,891 on December 9, 2020 to be paid over six years. The mill rate imposed was 0.6071 for the Gulfside District (80% of the sum of the mill rates). Another special district, covering all properties east of GMD pays the remaining 20%, whose mill rate was 0.1518 (20% of the sum of the mill rates) and is accounted for in a separate fund. The fund balance increased \$67,696 because of investment earnings.

Beach Nourishment Capital Project Fund. The beach is the Town's most valuable asset. The Comprehensive Beach Management Plan, revised in FY2019, outlines strategies to reduce erosion, find sand sources, replenish sand, and explore funding options. The Beach Nourishment Capital Project Fund manages income and spending for regular sand replacement, maintenance, dredging, and rebuilding beach structures along the GMD coastline. Funding comes from bonds, FEMA reimbursements, tourist taxes, state grants, and fund balances. Most renourishment ended in FY2021, but \$3.3 million was spent this year on Gulfside Road Interim Nourishment and ongoing monitoring. A FDEP grant and a \$500,000 Tourist Development Tax transfer boosted fund balance by \$662,487.

GMD Undergrounding Capital Project Fund. The GMD Undergrounding Capital Project, originally authorized at \$25,250,000, was created to account for the bond proceeds, assessments, and expenses associated with undergrounding utilities along GMD. The Town collected 22.4% of the project cost in prepaid assessments at the onset of the project, which reduced the amount of borrowing, and the remaining is being collected over 30 years in annual assessments. During FY2025, the fund incurred \$1.3 million in project costs. The project will be closed during FY2026 and a portion of the bonds will be redeemed. The assessments will be recalculated for project savings. There were several delays over the life of the project because of hurricanes, COVID and related supply chain issues and redesigns.

Neighborhood Undergrounding Capital Project Fund. The Neighborhood Undergrounding Capital Project, originally authorized at \$23,850,000, was created to account for the bond proceeds, assessments, and expenses associated with undergrounding utilities in the remaining neighborhoods. The Town collected 20.3% in prepaid assessments at the onset of the project, which reduced the amount of the borrowing, and the remaining is being collected over 30 years in annual assessments. During FY2025, the fund incurred \$949,243 in project costs. The project will be closed during FY2026 and a portion of the bonds will be redeemed. The assessments will be recalculated for project savings.

### **Fund Balance – Governmental Funds**

The *nonspendable* fund balance of \$151,704 represents amounts which cannot be spent such as prepaid items and fuel inventory and merchandise for resale at the Tennis Center.

*Restricted* fund balances of \$36.3 million, are amounts that can be spent only for specific purposes stipulated by: (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

*Assigned* fund balance of \$13.2 million includes spendable fund balance amounts established by management of the Town that are intended to be used for specific purposes. Intent is expressed by the Town Commissioners or a body or official to which the Town Commissioners have delegated authority, which is the Town Manager, to assign amounts to be used for specific purposes. Appropriations of existing fund balances to eliminate deficits in a future budget and encumbrances (open purchase orders) are also considered assignments of fund balances.

**Town of Longboat Key, Florida**  
**Management’s Discussion and Analysis**  
September 30, 2025

*Unassigned* fund balance is the residual classification for the General Fund. The balance of \$3.5 million represents the Town’s amount available for any other purpose, primarily the General Fund.

**General Fund Budgetary Highlights**

The detailed line-item budget can be found on page 74 and 75 of the Required Supplementary Information (RSI) section which provides the original budget, the final budget after amendments, and the actual revenues received, and expenditures incurred.

	<b>Budget Amendments</b>		
	<u>Original</u>	<u>Final</u>	<u>Increase (Decrease)</u>
Revenue	\$ 23,070,624	\$ 23,094,332	\$ 23,708
Expenditures	24,739,014	31,337,693	6,598,679
Increase to fund balance	<u>\$ (1,668,390)</u>	<u>\$ (8,243,361)</u>	<u>\$ (6,574,971)</u>

During the year, the Town amended the Original Budget with six Resolutions. The first Resolution occurs annually to carry over the open purchase orders from the prior fiscal year to the new Budget. The amendments were made to the original line items the purchase orders were encumbered against, in the amount of \$131,688.

Several amendments followed related to the hurricane recovery costs. Debris removal, overtime, repairs and supplies required \$5,072,193 transferred to the Emergency Management Department. This is the department where Finance tracks all Storm related costs when they occur. In addition, a transfer of \$1,521,265 from General Fund reserves was made to the Parks & Recreation Capital Fund to make capital repairs to the Broadway Boat Dock and Lift, Linley Street Boat Dock, Quick Point Boardwalks and Durante Park Boardwalks. To fund these projects in total, other revenue sources were required with transfers from Sarasota and Manatee Infrastructure surtax funds and insurance proceeds from the Town’s insurance carrier.

The Town made a strategic management change this year, replacing the Support Services Director with an Assistant Town Manager, and appointed the Town’s former Public Works Director to that position. The budget amendment moved salaries and benefits from Support Services (\$186,042) and Contingency (\$134,914) to the Town Manager Department (\$320,956).

The Town annually budgets a Contingency line item in the budget. This is a budgetary form of emergency money, similar to the Town’s unassigned fund balance. These funds may be used at a government’s discretion to address emergencies and unanticipated costs throughout the fiscal year. They provide flexibility to respond to unexpected emergencies without utilizing fund balance reserves and may help a government achieve its goals and initiatives. This account also ensures that a government can cover service costs and address unpredictable revenue fluctuations, which could occur during the budget year. The Town had budgeted \$250,000 for general contingency and \$50,000 for Red Tide cleanup. Additional transfers from Contingency include \$48,500 for Storm related costs and \$113,000 to fund overages in Fire/Rescue overtime. The amount remaining in Contingency was \$3,586.

**Town of Longboat Key, Florida**  
**Management's Discussion and Analysis**  
September 30, 2025

**Town of Longboat Key General Fund Budgetary Basis FY2025**

	<u>Amended Budget</u>	<u>Actual</u>	<u>Over (Under)</u>	<u>Note</u>
<b>Revenues:</b>				
Property taxes	\$ 17,299,430	\$ 17,097,102	\$ (202,328)	1
Other taxes	156,000	154,507	(1,493)	
Licenses and permits	20,700	22,423	1,723	
Intergovernmental	1,602,241	1,615,414	13,173	
Charges for services	653,220	673,008	19,788	
Franchise fees	899,000	1,028,133	129,133	
Fines and miscellaneous	58,250	69,090	10,840	
Grants	500	179,187	178,687	2
Income on investments	440,000	777,771	337,771	3
Miscellaneous	86,708	916,973	830,265	4
Other financing sources	1,878,283	1,933,283	55,000	5
<b>Total Revenues</b>	<u>23,094,332</u>	<u>24,466,891</u>	<u>1,372,559</u>	
<b>Expenditures:</b>				
General government	8,033,226	7,217,858	(815,368)	6
Public safety	18,323,510	18,299,200	(24,310)	
Transportation	775,761	690,892	(84,869)	7
Culture and recreation	436,672	365,709	(70,963)	8
Capital outlay/transfers to capital	3,768,524	3,757,748	(10,776)	
<b>Total Expenditures</b>	<u>31,337,693</u>	<u>30,331,407</u>	<u>(1,006,286)</u>	
<b>Net Change in Fund Balance</b>	<u>\$ (8,243,361)</u>	<u>\$ (5,864,516)</u>	<u>\$ 2,378,845</u>	

During the year, actual revenues exceeded budgetary estimates by \$1,372,559 primarily due to these factors:

- 1 – The Manatee and Sarasota County Tax Collectors issued tax refunds to property owners who qualified for Catastrophic Event Tax Refunds after Storms Helene and Milton. These refunds reduced the total amount of taxes collected, resulting in a budget shortfall. These were predominantly located in Manatee County.
- 2 – The Town received unbudgeted FEMA grants for Storms Idalia and Debby.
- 3 – The Town budgeted lower investment income because it was projected that there would be several Federal Fund rate cuts. Due to ongoing inflation concerns the rates stayed relatively high.
- 4 – The Town received \$821,458 of insurance proceeds for Storms Helene and Milton from the Town's carrier.
- 5 – The variance of \$55,000 is the gain on the disposal of capital assets.

During the year, actual expenditures were less than budgetary estimates by \$1,006,286 primarily due to these factors:

- 6 – The largest departmental budget surpluses were in the Town Clerk (\$154,804), Public Works Administration (\$132,701), Legal (\$118,137), and Information Technology (\$204,674) departments. These surpluses were mainly due to a postponed retirement, unfilled staff positions, unused professional services budgets, and purchase orders that were carried over into FY2026.
- 7 – Streets Department surplus was unspent appropriations for fiber and streetlights line-locates as well as unspent contracted work for Right of Way maintenance and mowing.
- 8 – Parks and Recreation Department variance was due to a temporary staff vacancy.

**Town of Longboat Key, Florida**  
**Management's Discussion and Analysis**  
September 30, 2025

Below is a comparison between the two fiscal years.

**Town of Longboat Key General Fund Budgetary Basis**

	<u>2024</u>	<u>2025</u>	<u>Increase (Decrease)</u>	<u>Note</u>
<b>Revenues:</b>				
Property taxes	\$ 15,832,029	\$ 17,097,102	\$ 1,265,073	1
Other taxes	154,738	154,507	(231)	
Licenses and permits	21,102	22,423	1,321	
Intergovernmental	1,657,496	1,615,414	(42,082)	
Charges for services	841,683	673,008	(168,675)	2
Franchise fees	989,500	1,028,133	38,633	
Fines and forfeitures	97,225	69,090	(28,135)	
Grants	137,713	179,187	41,474	3
Income on investments	1,381,771	777,771	(604,000)	4
Miscellaneous revenues	79,229	916,973	837,744	5
Other financing sources	1,631,651	1,933,283	301,632	6
<b>Total Revenues</b>	<u>22,824,137</u>	<u>24,466,891</u>	<u>1,642,754</u>	
<b>Expenditures:</b>				
General government	6,374,937	7,217,858	842,921	7, 8
Public safety	12,557,828	18,299,200	5,741,372	7, 9
Transportation	644,548	690,892	46,344	7
Culture and recreation	316,809	365,709	48,900	7
Capital outlay/transfers to capital	5,394,835	3,757,748	(1,637,087)	10
<b>Total Expenditures</b>	<u>25,288,957</u>	<u>30,331,407</u>	<u>5,042,450</u>	
<b>Net Change in Fund Balance</b>	<u>\$ (2,464,820)</u>	<u>\$ (5,864,516)</u>	<u>\$ (3,399,696)</u>	

Notes:

- 1 – Increase in property values provided an 8% increase in ad valorem tax revenue (the amount is net of storm damage refunds in FY25).
- 2 – Charges for services decreased from the lower volume in Ambulance services by \$48,000 and due to the bi-annual cycle for the Residential Rental Registration, collections were approximately 50% of the prior year's revenue because residents are on a bi-annual schedule.
- 3 – FEMA reimbursement payments were higher in 2025 than 2024 covering various storms storm costs.
- 4 – The decrease in investment income was caused by three rate cuts during fiscal year 2025 each at 25 bps in addition to diminished investable surplus funds due to the storm cash needs.
- 5 – Miscellaneous revenues include \$821,458 of insurance proceeds for storm Helene and Milton property damage.
- 6 – The Town charges the Enterprise Funds (*Water & Sewer and Building*) a portion of the indirect costs associated with general administrative services they receive from other departments. The rate was adjusted based on changes in the actual costs.
- 7 – Overall, personnel wages and benefits increased 10% for Non-union general employees based on performance and cost of living increases and bargaining unit contracts with Fire and Police Departments.
- 8 – Cost of property and liability insurance increased 28% and professional services and I.T. software support costs increased.
- 9 – Hurricanes Debby, Helene and Milton added \$5 million in storm recovery costs to the Emergency Management Budget, which is included in public safety.
- 10 – The Town transferred \$2 million to Miscellaneous Capital Projects for the Fire Department Ladder Truck and \$1.5 million to the Parks Capital Fund to restore storm damaged town docks and boardwalks located on Broadway, Linley, Quick point Park and Durante Park.

**Town of Longboat Key, Florida**  
**Management's Discussion and Analysis**  
September 30, 2025

**Capital Assets**

Our financial statements present capital assets in two groups: those assets subject to depreciation, such as equipment or operational facilities and those assets not subject to depreciation such as land and construction-in-progress. The Town of Longboat Key's investment in capital assets for both governmental and business-type activities, net of accumulated depreciation on September 30, 2025 totaled \$121 million, which is an increase of \$15.7 million from the prior year.

The investment in capital assets includes land, buildings, building improvements, beach improvements, machinery and equipment, vehicles, parks, roads, and drainage structures. Below is a summary of the change in capital assets, net of depreciation for FY2025:

<b>Capital Assets Net of Accumulated Depreciation (in thousands)</b>				
	<b>Governmental Activities</b>			
	<b>2024</b>	<b>2025</b>	<b>Increase (Decrease)</b>	<b>Percent</b>
Land	\$ 27,509	\$ 27,509	\$ -	0.0%
Buildings	8,426	7,999	(427)	-5.1%
Streets and roadways	1,566	12,319	10,753	686.7%
Improvements other than buildings	29,637	27,428	(2,209)	-7.5%
Vehicles and other equipment	4,149	4,540	391	9.4%
Construction in progress	35,308	7,187	(28,121)	-79.6%
<b>Total</b>	<b>\$ 106,595</b>	<b>\$ 86,982</b>	<b>\$ (19,613)</b>	<b>-18.4%</b>
	<b>Business-Type Activities</b>			
	<b>2024</b>	<b>2025</b>	<b>Increase (Decrease)</b>	<b>Percent</b>
Land	\$ 1,794	\$ 1,794	\$ -	0.0%
Buildings	70	61	(9)	-12.9%
Improvements other than buildings	19,583	24,589	5,006	25.6%
Vehicles and other equipment	976	1,842	866	88.7%
Construction in progress	7,964	5,964	(2,000)	-25.1%
<b>Total</b>	<b>\$ 30,387</b>	<b>\$ 34,250</b>	<b>\$ 3,863</b>	<b>12.71%</b>

Some of the major capital asset purchases, *excluding* construction in progress, during the current fiscal year include the following:

Governmental Activities:

• Fiber – Neighborhood Undergrounding	\$3,105,707
• Fiber – GMD Undergrounding	2,608,749
• Streetlights – Neighborhood Undergrounding	2,567,948
• Streetlights – GMD Undergrounding	2,618,588
• Gulfside Rd. Interim Nourishment	2,930,514
• New Pass Groin Tightening	728,785
• 2025 Road Rescue Ambulance	363,522
• Motorola Public Safety Radios	360,475
• Beach Post Construction Monitoring	277,976
• Various Fire and Police Equipment	202,710
• Street Resurfacing-St Judes, Yawl Dr, Marbury Ln	143,369
• Fire Bunker Gear	67,057
• Defibrillator	49,832

**Town of Longboat Key, Florida**  
**Management’s Discussion and Analysis**

September 30, 2025

Business Activities:

- Country Club Shores Water Main \$6,243,500
- Neptune Water Meters 1,972,370

The Town added \$7.3 million to Construction in Progress for Governmental Activities and \$4.7 million for Business Activities. Assets still under construction include the Town Hall Hardening Project, GMD Continuous Center Turn Lanes, Broadway Roundabout and other Drainage and Stormwater remediation.

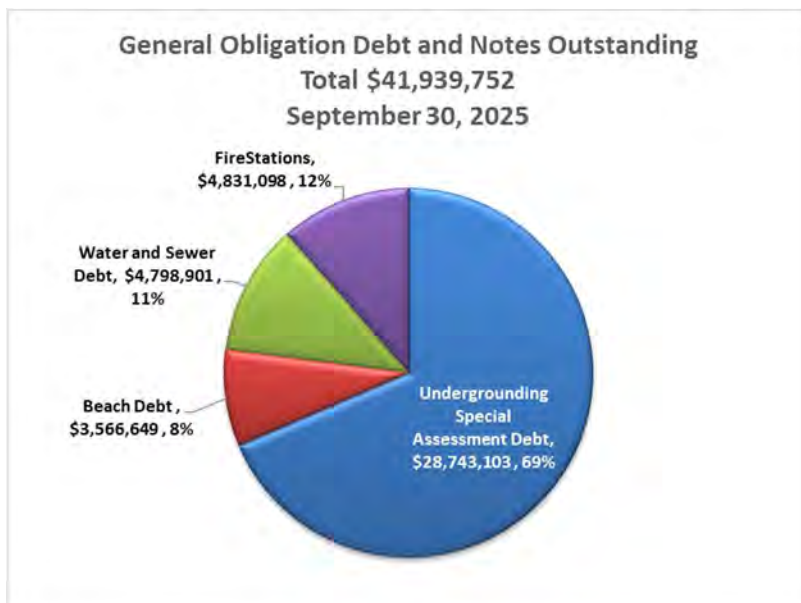
Additional information on the Town of Longboat Key’s capital assets can be found in Note 4 of this report.

**Long-Term Debt**

On September 30, 2025, the Town of Longboat Key had total bonded debt outstanding of \$41,939,752, net of discounts and premiums, consisting of \$4,831,098 for Fire Station Bonds, \$12,992,434 GMD Undergrounding Revenue Bonds, \$15,750,669 Neighborhood Undergrounding Revenue Bonds, \$3,566,649 Beach Bond Debt, and \$4,798,901 for Water and Wastewater Improvement Bonds.

**Outstanding Debt - Governmental and Business Activities**

	<u>2024</u>	<u>2025</u>	<u>Increase (Decrease)</u>
General Obligation Bonds	\$ 17,170,651	\$ 12,908,901	\$ (4,261,750)
Revenue Bonds	29,870,000	28,890,000	(980,000)
Original Issue Discount	(156,202)	(146,897)	9,305
Premium	607,170	287,748	(319,422)
<b>Total</b>	<u><u>\$ 47,491,619</u></u>	<u><u>\$ 41,939,752</u></u>	<u><u>\$ (5,551,867)</u></u>



On October 28, 2020, S&P Global Ratings assigned the Town an AA+ rating for its Series 2020 general obligation beach bonds and affirmed its AA+ rating on the Town’s existing G.O. bonds and special assessment revenue bonds with a stable outlook. There have been no changes to the rating.

Other obligations, totaling \$22,497,011, include net pension liability, the implicit rate subsidies for retiree medical costs and accrued vacation pay and sick leave. More detailed information about the Town’s long-term liabilities is presented in Notes 2, 5 and 11 of the financial statements.

**Fire Stations.** The Town voters approved the issuance of bonds on March 20, 2018 to replace the South Fire Station #92 and renovate the North Fire Station #91. The Town borrowed \$5,892,591 on September 12, 2019, amortized over 25 years, and completed the renovations in FY2022.

**Beach Construction and Nourishment.** The Town voters approved the authorization of up to \$34.5 million of new debt, in FY2021 for a major construction and beach nourishment cycle that took place over two fiscal years. Bonds were issued on December 9, 2020 providing \$21.2 million toward the project to be paid back over six years. Ad valorem taxes are levied with the Gulfside properties paying 80% and Bayside properties paying 20% of the sum of the millage. The project included the construction of five permeable groins at the North end of the Key, sand dredging, and beach nourishment throughout the island. Other funding sources included available fund balance in the Beach Nourishment Capital Project Fund, Tourist Development Taxes, and grants from the State of Florida FDEP Beach Management Funding Assistance Program.

**Town of Longboat Key, Florida**  
**Management’s Discussion and Analysis**  
 September 30, 2025

**Undergrounding Utilities.** The Town is nearing completion of undergrounding electrical, communications, fiber optics, and other utilities including the installation of street lighting island wide. The Town split the undergrounding project into two separate referenda. On November 3, 2016, the Town’s electors voted to authorize the Town’s borrowing of up to \$25,250,000 for undergrounding GMD including Binnacle Point in Spanish Main and on Broadway Street. The Town is funding the debt with non-ad valorem assessments over thirty years. The second referendum held March 15, 2017 authorized the borrowing of an additional \$23,850,000 to underground the remaining neighborhood side streets and install fiber optics in already undergrounded areas. The Town is funding the Neighborhood debt with non-ad valorem assessments and electric franchise fees equal to the debt associated with one-half of the general benefit assessment, over thirty years. The Town issued debt associated with the Undergrounding projects on December 31, 2018.

The constitution of the State of Florida sets no debt limit for municipalities; however, the Town adopted a Debt Management Policy during FY2022 to establish guidelines and show its commitment to strong fiscal management practices. The Town maintains a “pay as you go” policy for most capital purchases. The Town of Longboat Key will issue debt only for the purposes of constructing or acquiring large nonrecurring permanent capital improvements and for making major renovations to existing capital improvements that are included within the Town’s Capital Improvement program. The only exception to the above would involve entering into long-term leases as described above when it is cost justifiable to do so or to fund emergency projects that are not included within the Town’s Capital Improvement program. All capital improvements financed through the issuance of debt will be financed for a period not to exceed the useful life of the improvements, but in no event exceed 30 years. The annual net general obligation debt service shall not exceed 30% of General Fund Expenditures and its total net direct debt will not exceed 1.5% of assessed valuation of taxable property. The Town is following its policy limits and guidelines. Additional information on general obligations bonds can be found in Note 5 of the financial statements.

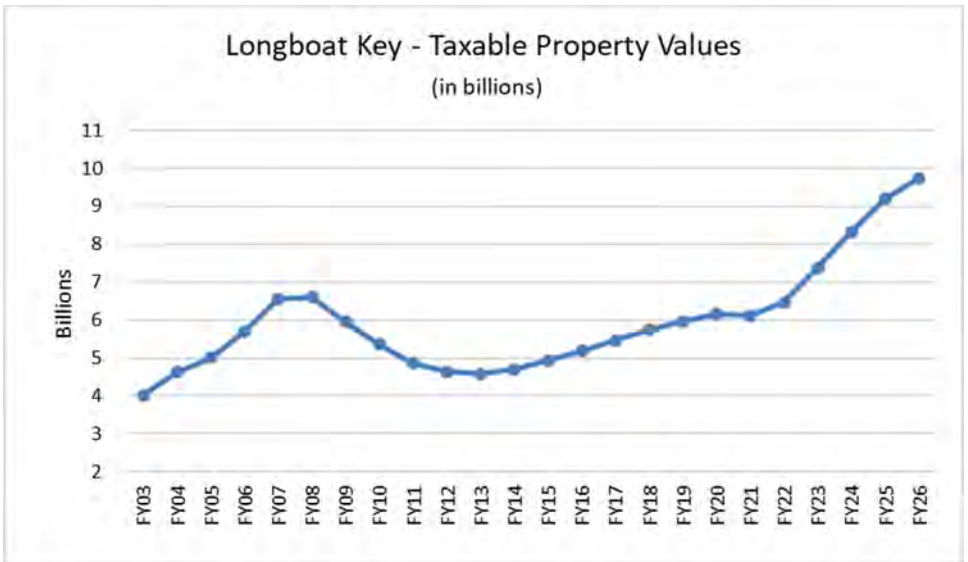
**Economic Factors and Next Year’s Budgets and Rates**

According to the Florida Office of Economic and Demographic Research, *Florida: Long-Range Financial Outlook*, Florida’s real gross domestic product (GDP), grew 2.9% in FY2025 with expected deceleration to more typical rates (1.9% and 2.0% over the current and next two fiscal years).

Personal income growth, another important gauge of the state’s economic health , was ranked 11<sup>th</sup> in the nation with a 6.7% change in the annual rate. Growth is expected to continue at or above 5% annually over the next five years. Historically Florida’s annual average wages have been below the U.S. average (88.5%). The state’s percentage has since risen to 91.9% in 2024, the highest over the past two decades. Projections indicate an average annual wage growth of 3.8% or above each year moving ahead with higher wages likely here to stay.

The state’s unemployment rate increased slightly from the prior year with an actual rate of 3.9% compared to the national rate of 4.3%.

Florida is currently the third most populous state at 23 million, behind California and Texas and is expected to break 24 million by 2027. Between 2024 and 2030, Florida’s growth is expected to average 1.23% per year and going forward net migration will produce all of Florida’s growth as natural increase is anticipated to remain negative with deaths outnumbering births. The first cohort of Baby Boomers became eligible for retirement (turned age 65) in 2011. The population aged sixty-five and over is forecast to represent at least 25% of the total population in 2030, compared with 21.2% in 2020 and 17.3% in 2010. According to the 2020 US Census 69.9% of Longboat Key’s population are people aged sixty-five and older.



---

## Town of Longboat Key, Florida Management's Discussion and Analysis

September 30, 2025

Florida is experiencing an extraordinary influx of new residents and construction activity. This influx has led to increased demand for housing, driving up real estate prices and boosting the local economy. Florida remains a top destination for retirees, especially those over 75.

Domestic migration continues from high-cost states like New York, California, and New Jersey, particularly to Florida, as residents seek relief from elevated living expenses and taxes. Florida's lack of a state income tax is a significant draw, making it an attractive destination for those looking to improve their financial situation and quality of life.

The Florida housing market soared during the low-interest rate period with the documentary stamp tax peaking at \$5.4 billion in FY2022. As interest rates rose, sales declined for two years following at -27.9% and -7.4%. Documentary Stamp Tax collections in FY 2025-2026 are expected to increase a relatively weak 1.5% to \$3.76 billion. Stronger growth is projected for FY2026-2027 (3.8%) and FY2027-2028 (3.2%), before a downshift to two years of more modest growth (2.7% each year). Home affordability became increasingly an issue for both home purchases and rental costs. Florida's residential rental prices have been strongly increasing since 2015.

Longboat Key taxable property values rose by 13.1% in FY2025 to \$9.2 billion and then by 5.96% to \$9.7 billion. In FY2026, hurricane damage led to a 9.96% decrease on the Manatee County side after many first-floor units were reappraised. The opening of St. Regis Resort, now the top taxpayer and employer on Sarasota's portion of the Key, offset these losses; its \$539 million assessed value will bring \$1 million in annual revenue and 550 jobs. Ongoing retail and development activities continue to reshape Downtown Sarasota.

Florida tourism is a major component of the state's economy and state sales tax revenue relies heavily on strong tourism growth. Tourism losses pose the greatest potential risk to the economic outlook and Florida's tourism demand is extremely sensitive to disease outbreaks, natural, or manmade disasters. Tourism declined nearly 70% due to the pandemic and it took two years to reach recovery in domestic visitors and three years in Canadian visitors. Florida continues to set new records, with 143.3 million visitors in 2025 representing a +0.2% increase over 2024, but with a potential for slower growth, volatility and shifting international markets.

The cost of living in Sarasota County is 5% higher than the state average and 5-6% higher than the national average. Sarasota County housing is 13-22% more expensive than the U.S average, while utilities are about 1% less pricey. Home and auto insurance premiums continue to be challenging for the Sarasota and Manatee area and health insurance is rising. In order to assist our employees with these financial challenges and continue to provide adequate wage adjustments, the Town prepared itself to make choices in budget areas, as deemed necessary, to accommodate the Town's priorities.

All these factors were considered in the preparation of the FY2026 Budget. The FY2026 Budget focuses on restoring Town assets, ongoing storm recovery, strengthening resilience through the pursuit of grants for vulnerable areas, pursuing grants for the Utility's Subaqueous Forcemain replacement, maintaining fiscal responsibility and ensuring essential services and public safety.

### **Requests for Information**

This financial report is designed to provide a general overview of The Town of Longboat Key Government's finances for all those with an interest in our government's finances. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to Susan L. Smith, CGFO, Finance Director, Town of Longboat Key, at 501 Bay Isles Road, Longboat Key, Florida, 34228 or by phone at (941) 316-6882.

# **Basic Financial Statements**

**THIS PAGE INTENTIONALLY LEFT BLANK**

**TOWN OF LONGBOAT KEY, FLORIDA**

**STATEMENT OF NET POSITION  
SEPTEMBER 30, 2025**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 3,689,354	\$ 1,325,035	\$ 5,014,389
Investments	48,886,180	17,066,609	65,952,789
Accounts receivables, net	22,253,258	1,749,808	24,003,066
Accrued income	249,682	86,614	336,296
Due from other governments	5,893,696	-	5,893,696
Prepaid items	-	1,200	1,200
Inventory	151,704	57,912	209,616
Restricted asset, cash and cash equivalents	-	783,714	783,714
Capital assets			
Non-depreciable	34,696,787	7,758,281	42,455,068
Depreciable, net	52,285,762	26,491,693	78,777,455
<b>Total assets</b>	<b>168,106,423</b>	<b>55,320,866</b>	<b>223,427,289</b>
<b>Deferred outflows of resources</b>			
Deferred outflows - pensions	5,032,985	117,052	5,150,037
Deferred outflows - OPEB	300,340	51,356	351,696
Total deferred outflows of resources	<b>5,333,325</b>	<b>168,408</b>	<b>5,501,733</b>
<b>Liabilities</b>			
Accounts payable	2,908,632	1,901,110	4,809,742
Accrued liabilities	950,984	145,473	1,096,457
Customer deposits payable	-	215,545	215,545
Unearned revenue	6,466,810	-	6,466,810
Noncurrent liabilities			
Due within one year	10,166,410	1,330,183	11,496,593
Due in more than one year	48,394,598	4,545,572	52,940,170
Total liabilities	<b>68,887,434</b>	<b>8,137,883</b>	<b>77,025,317</b>
<b>Deferred inflows of resources</b>			
Deferred inflows - pensions	4,416,700	212,427	4,629,127
Deferred inflows - OPEB	376,772	64,426	441,198
Total deferred inflows of resources	<b>4,793,472</b>	<b>276,853</b>	<b>5,070,325</b>
<b>Net position</b>			
Net investment in capital assets	56,622,256	29,282,520	85,904,776
Restricted for			
Capital projects	27,878,493	-	27,878,493
Debt service	397,013	783,714	1,180,727
Unrestricted	14,861,080	17,008,304	31,869,384
Total net position	<b>\$ 99,758,842</b>	<b>\$ 47,074,538</b>	<b>\$ 146,833,380</b>

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



TOWN OF LONGBOAT KEY, FLORIDA

BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2025

	General Fund	GMD Assessments Fund	Neighborhoods Assessments Fund	Gulfside District G.O. Beach Bonds Fund	Beach Nourishment Capital Project Fund	GMD Undergrounding Capital Project Fund	Neighborhoods Undergrounding Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>									
Cash and cash equivalents	\$ 722,071	\$ -	\$ -	\$ 20,353	\$ 545,050	\$ 803,382	\$ 357,997	\$ 1,240,501	\$ 3,689,354
Investments	9,341,687	1,077,409	578,381	263,017	7,043,704	10,382,138	4,626,403	15,573,441	48,886,180
Accounts receivable, net	155,116	11,552,725	10,545,417	-	-	-	-	-	22,253,258
Due from other funds	103,546	-	-	-	-	-	-	-	103,546
Accrued income	83,883	4,961	2,398	10,976	34,864	33,123	18,497	60,980	249,682
Due from other governments	390,663	13,176	9,457	146	1,259,429	-	-	4,220,825	5,893,696
Inventory	14,732	-	-	-	-	-	-	136,972	151,704
Total assets	<u>\$ 10,811,698</u>	<u>\$ 12,648,271</u>	<u>\$ 11,135,653</u>	<u>\$ 294,492</u>	<u>\$ 8,883,047</u>	<u>\$ 11,218,643</u>	<u>\$ 5,002,897</u>	<u>\$ 21,232,719</u>	<u>\$ 81,227,420</u>
<b>Liabilities, deferred inflows of resources, and fund balances</b>									
<b>Liabilities</b>									
Accounts payable	\$ 494,138	\$ -	\$ -	\$ 27	\$ 125,237	\$ 872,116	\$ 183,382	\$ 1,233,732	\$ 2,908,632
Accrued liabilities	701,186	-	-	-	-	-	-	12,922	714,108
Unearned revenue	-	6,424,992	-	-	-	-	-	41,818	6,466,810
Due to other funds	-	-	-	-	-	-	-	103,546	103,546
Total liabilities	<u>1,195,324</u>	<u>6,424,992</u>	<u>-</u>	<u>27</u>	<u>125,237</u>	<u>872,116</u>	<u>183,382</u>	<u>1,392,018</u>	<u>10,193,096</u>
<b>Deferred inflows of resources</b>									
Unavailable revenue	<u>168,972</u>	<u>5,131,259</u>	<u>10,545,417</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,908,852</u>	<u>17,754,500</u>
<b>Fund balances</b>									
Nonspendable	14,732	-	-	-	-	-	-	136,972	151,704
Restricted	-	1,092,020	590,236	294,465	8,386,267	9,004,082	4,728,024	12,244,639	36,339,733
Assigned	5,857,670	-	-	-	371,543	1,342,445	91,491	5,576,830	13,239,979
Unassigned	3,575,000	-	-	-	-	-	-	(26,592)	3,548,408
Total fund balances	<u>9,447,402</u>	<u>1,092,020</u>	<u>590,236</u>	<u>294,465</u>	<u>8,757,810</u>	<u>10,346,527</u>	<u>4,819,515</u>	<u>17,931,849</u>	<u>53,279,824</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,811,698</u>	<u>\$ 12,648,271</u>	<u>\$ 11,135,653</u>	<u>\$ 294,492</u>	<u>\$ 8,883,047</u>	<u>\$ 11,218,643</u>	<u>\$ 5,002,897</u>	<u>\$ 21,232,719</u>	<u>\$ 81,227,420</u>

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

**TOWN OF LONGBOAT KEY, FLORIDA**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
SEPTEMBER 30, 2025**

---

<b>Total fund balances for governmental funds</b>		<b>\$ 53,279,824</b>
---	--	----------------------

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.

Governmental capital assets	\$ 190,424,155	
Accumulated depreciation	<u>(103,441,606)</u>	86,982,549

Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.

17,754,500

Deferred outflows and deferred inflows are not expected to be liquidated with expendable available financial resources and, therefore, are not reported in the funds.

Deferred outflows - OPEB	300,340	
Deferred inflows - OPEB	(376,772)	
Deferred outflows - pensions	5,032,985	
Deferred inflows - pensions	<u>(4,416,700)</u>	539,853

Certain liabilities are not due and payable in the current period and, are therefore, not reported in the funds.

Accrued interest payable	(236,876)	
Compensated absences	(3,153,370)	
Net pension liability	(17,125,003)	
Total OPEB liability	(1,141,784)	
Bonds payable	<u>(37,140,851)</u>	<u>(58,797,884)</u>

**Net position of governmental activities**

**\$ 99,758,842**

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

**TOWN OF LONGBOAT KEY, FLORIDA**

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

	General Fund	GMD Assessments Fund	Neighborhoods Assessments Fund	Gulfside District G.O. Beach Bonds Fund	Beach Nourishment Capital Project Fund	GMD Undergrounding Capital Project Fund	Neighborhoods Undergrounding Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>									
Property taxes	\$ 17,097,102	\$ -	\$ -	\$ 2,957,625	\$ -	\$ -	\$ -	\$ 934,405	\$ 20,989,132
Other taxes	154,507	-	-	-	-	-	-	3,111,929	3,266,436
Licenses and permits	22,423	-	-	-	-	-	-	-	22,423
Intergovernmental revenues	1,615,414	-	-	-	-	-	-	89,797	1,705,211
Charges for services	673,008	-	-	-	-	-	-	725,520	1,398,528
Franchise fees	1,028,133	-	-	-	-	-	-	304,027	1,332,160
Fines and forfeitures	69,090	-	-	-	-	-	-	7,773	76,863
Grant revenues	179,187	-	-	-	3,336,462	-	-	1,497,987	5,013,636
Investment earnings	777,771	539,219	530,661	95,303	308,893	481,196	226,805	735,242	3,695,090
Special assessments	-	936,930	572,610	-	-	-	-	-	1,509,540
Miscellaneous revenues	916,973	-	-	-	-	-	-	66,104	983,077
Total revenues	<u>22,533,608</u>	<u>1,476,149</u>	<u>1,103,271</u>	<u>3,052,928</u>	<u>3,645,355</u>	<u>481,196</u>	<u>226,805</u>	<u>7,472,784</u>	<u>39,992,096</u>
<b>Expenditures</b>									
Current									
General government	7,217,858	26,931	25,658	995	-	-	-	289,473	7,560,915
Public safety	18,299,200	-	-	-	-	-	-	237,874	18,537,074
Transportation	690,892	-	-	-	-	-	-	41,022	731,914
Culture/recreation	365,709	-	-	-	180,070	-	-	763,386	1,309,165
Debt service									
Principal retirement	-	-	105,000	2,706,687	-	-	-	1,593,313	4,405,000
Interest	-	-	-	277,550	-	-	-	1,343,178	1,620,728
Capital outlay									
General government	14,500	-	-	-	-	-	-	1,978,465	1,992,965
Public safety	221,983	-	-	-	-	-	-	1,165,384	1,387,367
Physical environment	-	-	-	-	-	1,347,690	949,243	-	2,296,933
Transportation	-	-	-	-	-	-	-	2,777,964	2,777,964
Culture/recreation	-	-	-	-	3,302,798	-	-	505,314	3,808,112
Total expenditures	<u>26,810,142</u>	<u>26,931</u>	<u>130,658</u>	<u>2,985,232</u>	<u>3,482,868</u>	<u>1,347,690</u>	<u>949,243</u>	<u>10,695,373</u>	<u>46,428,137</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(4,276,534)</u>	<u>1,449,218</u>	<u>972,613</u>	<u>67,696</u>	<u>162,487</u>	<u>(866,494)</u>	<u>(722,438)</u>	<u>(3,222,589)</u>	<u>(6,436,041)</u>
<b>Other financing sources (uses)</b>									
Proceeds from the sale of capital assets and insurance	55,000	-	-	-	-	-	-	631,243	686,243
Transfers in	1,878,283	-	-	-	500,000	-	-	5,533,901	7,912,184
Transfers out	(3,521,265)	(908,000)	(754,000)	-	-	-	-	(850,636)	(6,033,901)
Total other financing sources (uses)	<u>(1,587,982)</u>	<u>(908,000)</u>	<u>(754,000)</u>	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>-</u>	<u>5,314,508</u>	<u>2,564,526</u>
<b>Change in fund balances</b>	(5,864,516)	541,218	218,613	67,696	662,487	(866,494)	(722,438)	2,091,919	(3,871,515)
<b>Fund balances, beginning of year</b>	<u>15,311,918</u>	<u>550,802</u>	<u>371,623</u>	<u>226,769</u>	<u>8,095,323</u>	<u>11,213,021</u>	<u>5,541,953</u>	<u>15,839,930</u>	<u>57,151,339</u>
<b>Fund balances, end of year</b>	<u>\$ 9,447,402</u>	<u>\$ 1,092,020</u>	<u>\$ 590,236</u>	<u>\$ 294,465</u>	<u>\$ 8,757,810</u>	<u>\$ 10,346,527</u>	<u>\$ 4,819,515</u>	<u>\$ 17,931,849</u>	<u>\$ 53,279,824</u>

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

**TOWN OF LONGBOAT KEY, 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**

<b>Net change in fund balances – total governmental funds</b>		<b>\$ (3,871,515)</b>
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is depreciated over their estimated useful lives.</p>		
Capital outlay	\$ 12,359,594	
Less current year depreciation	<u>(8,268,688)</u>	4,090,906
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales) is to decrease net position.</p>		
		(23,703,329)
<p>The issuance of long-term debt 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. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of those differences in the treatment of long-term debt and related items.</p>		
Repayment of principal of long-term debt		4,405,000
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		1,219,660
<p>Some expenses 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.</p>		
Pension expense	2,206,046	
Change in total OPEB liability and deferred items	36,536	
Change in accrued interest	33,574	
Amortization of premium	319,422	
Amortization of original issue discount	(9,305)	
Change in compensated absences	<u>(510,983)</u>	<u>2,075,290</u>
<b>Change in net position of governmental activities</b>		<b><u>\$ (15,783,988)</u></b>

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

**TOWN OF LONGBOAT KEY, FLORIDA**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2025**

	<u>Water and Sewer</u>	<u>Building Department</u>	<u>Total</u>
<b>Assets</b>			
Current assets			
Cash and cash equivalents	\$ 1,001,114	\$ 323,921	\$ 1,325,035
Restricted cash and cash equivalents	783,714	-	783,714
Accounts receivable, net	1,746,701	3,107	1,749,808
Investments	12,880,569	4,186,040	17,066,609
Accrued income	67,816	18,798	86,614
Prepays	1,200	-	1,200
Inventory	57,912	-	57,912
Total current assets	<u>16,539,026</u>	<u>4,531,866</u>	<u>21,070,892</u>
Noncurrent assets			
Capital assets, non-depreciable	7,691,281	67,000	7,758,281
Capital assets, net	<u>25,922,425</u>	<u>569,268</u>	<u>26,491,693</u>
Total noncurrent assets	<u>33,613,706</u>	<u>636,268</u>	<u>34,249,974</u>
<b>Total assets</b>	<u>50,152,732</u>	<u>5,168,134</u>	<u>55,320,866</u>
<b>Deferred outflows of resources</b>			
Deferred outflows - pensions	54,781	62,271	117,052
Deferred outflows - OPEB	28,050	23,306	51,356
Total deferred outflows of resources	<u>82,831</u>	<u>85,577</u>	<u>168,408</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	1,520,000	381,110	1,901,110
Bonds payable	858,382	-	858,382
Accrued liabilities	96,461	49,012	145,473
Compensated absences	161,325	173,524	334,849
Net pension liability	54,781	62,271	117,052
Total OPEB liability	10,869	9,031	19,900
Liabilities payable from restricted assets			
Customer deposits payable	215,545	-	215,545
Total current liabilities	<u>2,917,363</u>	<u>674,948</u>	<u>3,592,311</u>
Noncurrent liabilities			
Compensated absences	53,776	57,841	111,617
Bonds payable, net of current portion	3,940,519	-	3,940,519
Net pension liability, net of current portion	148,872	169,227	318,099
Total OPEB liability, net of current portion	95,768	79,569	175,337
Total noncurrent liabilities	<u>4,238,935</u>	<u>306,637</u>	<u>4,545,572</u>
Total liabilities	<u>7,156,298</u>	<u>981,585</u>	<u>8,137,883</u>
<b>Deferred inflows of resources</b>			
Deferred inflows - pension	99,417	113,010	212,427
Deferred inflows - OPEB	35,189	29,237	64,426
Total deferred inflows of resources	<u>134,606</u>	<u>142,247</u>	<u>276,853</u>
<b>Net position</b>			
Net investment in capital assets	28,646,252	636,268	29,282,520
Restricted for			
Debt service	783,714	-	783,714
Unrestricted	13,514,693	3,493,611	17,008,304
Total net position	<u>\$ 42,944,659</u>	<u>\$ 4,129,879</u>	<u>\$ 47,074,538</u>

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

**TOWN OF LONGBOAT KEY, FLORIDA**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Water and Sewer</u>	<u>Building Department</u>	<u>Total</u>
<b>Operating revenues</b>			
Charges for services	\$ 12,737,532	\$ 1,509,429	\$ 14,246,961
Late charges	1,899	-	1,899
Rentals and miscellaneous	19,257	62,723	81,980
Total operating revenues	<u>12,758,688</u>	<u>1,572,152</u>	<u>14,330,840</u>
<b>Operating expenses</b>			
Personnel services and benefits	1,273,857	1,809,121	3,082,978
Professional services	358,458	1,415,206	1,773,664
General and administrative	105,491	40,677	146,168
Materials and supplies	82,890	18,898	101,788
Utility services	183,900	-	183,900
Insurance	215,419	-	215,419
Repairs and maintenance	267,910	2,673	270,583
Water purchased for resale	2,096,362	-	2,096,362
Wastewater treatment	2,687,200	-	2,687,200
Miscellaneous	964	639	1,603
Depreciation	2,412,342	54,671	2,467,013
Total operating expenses	<u>9,684,793</u>	<u>3,341,885</u>	<u>13,026,678</u>
<b>Operating income (loss)</b>	<u>3,073,895</u>	<u>(1,769,733)</u>	<u>1,304,162</u>
<b>Nonoperating revenues (expenses)</b>			
Investment income	614,570	229,835	844,405
Gain on disposal of capital assets	423,731	6,500	430,231
Interest expense	(121,615)	-	(121,615)
Total nonoperating revenues, net	<u>916,686</u>	<u>236,335</u>	<u>1,153,021</u>
Income (loss) before transfers	3,990,581	(1,533,398)	2,457,183
<b>Transfers out</b>	<u>(1,538,690)</u>	<u>(339,593)</u>	<u>(1,878,283)</u>
<b>Change in net position</b>	2,451,891	(1,872,991)	578,900
<b>Net position, beginning</b>	40,575,470	6,061,722	46,637,192
Change in accounting principle	(82,702)	(58,852)	(141,554)
<b>Net position, beginning as restated</b>	<u>40,492,768</u>	<u>6,002,870</u>	<u>46,495,638</u>
<b>Net position, ending</b>	<u>\$ 42,944,659</u>	<u>\$ 4,129,879</u>	<u>\$ 47,074,538</u>

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

**TOWN OF LONGBOAT KEY, FLORIDA**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Water and Sewer</u>	<u>Building Department</u>	<u>Total</u>
<b>Cash flows from operating activities</b>			
Cash received from customers	\$ 12,186,260	\$ 1,569,045	\$ 13,755,305
Cash paid to suppliers for goods and services	(5,816,048)	(1,178,802)	(6,994,850)
Cash paid to employees for services and benefits	(1,207,209)	(1,678,377)	(2,885,586)
Net cash provided by (used in) operating activities	<u>5,163,003</u>	<u>(1,288,134)</u>	<u>3,874,869</u>
<b>Cash flows from noncapital financing activities</b>			
Transfer to other funds	(1,538,690)	(339,593)	(1,878,283)
Net cash used in noncapital financing activities	<u>(1,538,690)</u>	<u>(339,593)</u>	<u>(1,878,283)</u>
<b>Cash flows from capital and related financing activities</b>			
Acquisition and construction of capital assets	(6,198,000)	(300,597)	(6,498,597)
Cash received from sale of capital assets	592,284	6,500	598,784
Principal paid on general obligation notes payable	(836,750)	-	(836,750)
Interest paid	(132,343)	-	(132,343)
Net cash used in capital and related financing activities	<u>(6,574,809)</u>	<u>(294,097)</u>	<u>(6,868,906)</u>
<b>Cash flows from investing activities</b>			
Sale of investments	10,587,168	4,277,436	14,864,604
Purchase of investments	(8,555,038)	(2,780,291)	(11,335,329)
Interest received	605,797	225,207	831,004
Net cash provided by investing activities	<u>2,637,927</u>	<u>1,722,352</u>	<u>4,360,279</u>
<b>Net change in cash and cash equivalents</b>	(312,569)	(199,472)	(512,041)
<b>Cash and cash equivalents, beginning of year</b>	<u>2,097,397</u>	<u>523,393</u>	<u>2,620,790</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 1,784,828</u>	<u>\$ 323,921</u>	<u>\$ 2,108,749</u>
<b>Cash and cash equivalents classified as</b>			
Cash and cash equivalents	\$ 1,001,114	\$ 323,921	\$ 1,325,035
Restricted cash and cash equivalents	783,714	-	783,714
Total cash and cash equivalents	<u>\$ 1,784,828</u>	<u>\$ 323,921</u>	<u>\$ 2,108,749</u>

(Continued)

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

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

	<u>Water and Sewer</u>	<u>Building Department</u>	<u>Total</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities</b>			
Operating income (loss)	\$ 3,073,895	\$ (1,769,733)	\$ 1,304,162
Adjustment to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	2,412,342	54,671	2,467,013
Change in operating assets and liabilities:			
(Increase) decrease in assets:			
Accounts receivable	(621,913)	(3,107)	(625,020)
Inventory	8,438	-	8,438
Deferred outflows - pension	42,792	48,645	91,437
Deferred outflows - OPEB	(7,455)	(3,169)	(10,624)
Increase (decrease) in liabilities:			
Accounts payable	174,108	299,291	473,399
Accrued liabilities	(2,790)	11,122	8,332
Compensated absences payable	36,833	99,895	136,728
Customer deposits	49,485	-	49,485
Deferred inflows - pension	99,417	113,010	212,427
Deferred inflows - OPEB	5,339	(1,501)	3,838
Net pension liability	(113,499)	(129,023)	(242,522)
Total OPEB liability	6,011	(8,235)	(2,224)
Net cash provided by operating activities	<u>\$ 5,163,003</u>	<u>\$ (1,288,134)</u>	<u>\$ 3,874,869</u>

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

**TOWN OF LONGBOAT KEY, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUND**  
**SEPTEMBER 30, 2025**

	<u>Consolidated Pension Trust Fund</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 23,752
Receivables/prepays	
Prepaid items	367,240
Interest receivable	146,480
Due from broker	7,470
Total receivables	<u>521,190</u>
Investments, at fair value	
U.S. government and agency securities	6,915,588
Corporate bonds	4,482,074
Mutual funds	
Equity	15,571,958
Real estate	2,752,588
Equity securities	21,559,698
Total investments	<u>51,281,906</u>
Total assets	<u>\$ 51,826,848</u>
<b>Liabilities</b>	
Accounts payable	\$ 13,132
Total liabilities	<u>13,132</u>
<b>Net position</b>	
Restricted for pension benefits - active and retired members' benefits	<u>51,813,716</u>
Total liabilities and net position	<u>\$ 51,826,848</u>

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

**TOWN OF LONGBOAT KEY, FLORIDA**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u><b>Consolidated Pension Trust Fund</b></u>
<b>Additions</b>	
Contributions	
Town	\$ 2,992,554
Total contributions	<u>2,992,554</u>
Investment income	
Net change in fair value of investments	3,483,846
Interest and dividends	1,155,165
Less investment expense	<u>(246,697)</u>
Net investment income	<u>4,392,314</u>
Total additions	<u>7,384,868</u>
<b>Deductions</b>	
Pension benefits	4,348,751
Administrative expenses	125,289
Total deductions	<u>4,474,040</u>
Change in net position	2,910,828
Net position, restricted for pension benefits	
Beginning of year	<u>48,902,888</u>
End of year	<u>\$ 51,813,716</u>

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

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The financial statements of the Town of Longboat Key, Florida (the “Town”) have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) 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 more significant policies of the Town are described below.

The Town is a political subdivision of the State of Florida created by the Special Act of 1957, Chapter 1540 and Chapter 69-1265. The Town Charter is reviewed every ten years and has been amended by referendum six times. The current charter was adopted in 2018. The Town operates under a Commission-Manager form of government under which a seven-member Commission is elected to serve as the executive and legislative body for the Town. The Commissioners appoint a Town Manager whose duties include the administration of directives and policies of the Commissioners and who has the responsibility for the operation of all Town provided services as authorized by its charter.

The accompanying financial statements present the Town’s primary government and component units over which the Town exercises significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the Town (as distinct from legal relationships). Blended component units, although legally separate entities, are in substance part of the Town’s operations and as a result considered to be financially accountable. The financial transactions of these component units are merged in with similar transactions of the Town as part of the primary government.

The Town has two blended component units reported in the Town’s Annual Comprehensive Financial Report. On November 3, 2014, the Town passed an Ordinance repealing Longboat Key Beach Erosion Control District A and Longboat Key Beach Erosion Control District B, effective June 1, 2021, upon the payoff of the Series 2016 G.O. Bonds. The Ordinance created two new dependent special districts, Bayside District and Gulfside District, geographically divided by Gulf of Mexico Drive. The purpose of these districts is to renourish and maintain the Town’s beachfront area. The services provided by these districts are solely for the benefit of the Town. These Districts began operations on December 9, 2020, upon issuance of bonds. The governing boards of the Districts are the same as those of the Town. These Districts are blended into the Town’s primary government although retaining a separate legal identity. Separate financial statements are not prepared for these component units.

To ensure sustainable navigability of canals within its jurisdiction, Town staff established the Town Canal Navigation Maintenance Program. On December 2, 2024, Ordinance 2024-13 was enacted to create a new dependent District. The Canal District encompasses all real properties situated within the municipal boundaries of the Town, supporting general benefits through a dedicated mill rate ad valorem tax. Additionally, Resolution 2025-32 identified canal-facing properties that receive special benefits; these parcels will be subject to a non-ad valorem special assessment. The Town is currently conducting a public outreach initiative and anticipates implementing the new mill rate and special assessment for the 2026 tax year (fiscal year 2027).

The Consolidated Pension Trust Fund is a single-employer defined benefit pension plan administered by a Board of Trustees, which act as the administrator of the Plan. The Board consists of one elected police officer representative, one elected firefighter representative, one elected general employee representative, five Town Commission appointed residents, and one Town Manager designee. The Plan is reported as a fiduciary component unit in accordance with Governmental Accounting Standards Board Statement Number 84..

**B. Government-Wide and Fund Financial Statements**

The basic financial statements consist of the government-wide financial statements and fund financial statements. Both sets of statements distinguish between the governmental and business-type activities of the Town.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**B. Government-Wide and Fund Financial Statements – Continued**

Government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements report all of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, expenses, gains and losses on all non-fiduciary activities of the Town, providing a consolidated financial picture of the government as a whole. For the most part, the effect of interfund activity has been removed from these statements.

Each statement distinguishes between activities that are supported primarily by taxes and intergovernmental revenues (*governmental activities*) and activities that are intended to recover all or most of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, transportation, physical environment, and culture/recreation. The business-type activities of the Town include the water and sewer system and building permits.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. The effect of administrative and support services' indirect expense allocations has been eliminated in the government-wide financial statements. Depreciation expense for capital assets that serve all functions is reported as a direct expense of the general government function on the government-wide Statement of Activities. All interest on long-term debt is considered indirect and is reported separately in the government-wide Statement of Activities.

*Program revenues* include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, and other items not properly included among program revenues are reported instead as *general revenues*. For identifying the function to which program revenue pertains, the determining factor for *charges for services* is the function that generates the revenue. For *grants and contributions*, the determining factor is the function to which the revenues are restricted.

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. Fund structures have been designed to comply with all the requirements of bond resolutions and regulatory provisions or administrative action. The fund financial statements report additional and detailed information about the Town's operations for major funds individually and nonmajor funds in the aggregate for governmental, proprietary and fiduciary funds. A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentations. The preparation of financial statements in conformity with generally accepted accounting principles, as applicable to governmental units, requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements, as well as the fund financial statements for proprietary funds, custodial funds and the pension trust funds, are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized in the period in which they are earned and expenses are recognized in the period incurred regardless of the timing of related cash flows.

Proprietary Funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from producing or providing goods and services such as water, sewer and garbage services. Operating expenses for these operations include all costs related to providing the service or product. These costs include salaries, supplies, travel, contract services, depreciation, administrative expenses or other expense directly related to the costs of services. All other revenue and expenses not meeting these definitions are reported as non-operating revenues and expenses.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued**

All governmental fund financial statements are reported using a *current financial resources measurement focus* on a *modified accrual basis of accounting*. Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be 60 days.

Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated sick pay and accumulated vacation pay, which are not recorded as expenditures; (2) prepaid insurance and similar items, which are reported only on the balance sheet and do not affect expenditures; and (3) principal and interest on long-term debt, which are recognized when due. It is the Town's policy to recognize grant revenues when earned to match the corresponding expenditures.

Licenses and permits, charges for services, and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash, because they are generally not measurable until actually received. Investment earnings and most fines and forfeitures are recorded as earned since they are measurable and available.

The Town reports the following major governmental funds:

The *General Fund* is the general operating fund of the Town. All general tax revenues and other receipts that are not required either legally or by generally accepted accounting principles to be accounted for in other funds are accounted for in the General Fund.

The *GMD Assessments Fund* was created to account for special non-ad valorem assessments collected for the Gulf of Mexico Drive undergrounding project. These assessments will fund the costs of, or debt issued for undergrounding electrical, communications, fiber optics and other utilities and installation of street lighting relating to Gulf of Mexico Drive.

The *Neighborhoods Assessments Fund* was created to account for special non-ad valorem assessments collected for the Neighborhoods Undergrounding Project. These assessments will fund the costs of, or debt issued for undergrounding electrical, communications, fiber optics and other utilities and installation of street lighting.

The *Gulfside District General Obligation (G.O.) Beach Bonds Fund* was created to account for the property tax collections from properties located west of Gulf of Mexico Drive to pay annual debt service payment on bonds.

The *Beach Nourishment Capital Project Fund* was created to account for the expenditures of reconstructing, renourishing or maintaining beaches along the Town's Gulf of Mexico coastline.

The *GMD Undergrounding Capital Project Fund* was created to account for the expenditures incurred for the Gulf of Mexico Drive utility undergrounding project.

The *Neighborhoods Undergrounding Capital Project Fund* was created to account for the expenditures incurred for the neighborhoods utility undergrounding project.

The following are reported as major proprietary funds:

The *Water and Sewer Fund* accounts for the operation of the Town's potable water and wastewater services to residents and businesses.

The *Building Department Fund* accounts for the permitting and inspecting functions of construction activities.

# TOWN OF LONGBOAT KEY, FLORIDA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation – Continued

The following is reported as a fiduciary fund:

The *Consolidated Pension Trust Fund* accounts for the activities of the Town's consolidated pension plan covering general employees, police officers and firefighters.

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

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

*Proprietary funds* distinguish operating revenues and expenses from non-operating items, operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned and then unassigned.

#### D. Cash and Investments

All funds participate in a pooled cash investment program, excluding certain investments held in a fiduciary capacity or those investments belonging to a specific fund due to legal or other restrictions. Formal accounting records detail the monthly equities of all participating funds. Interest earned on these investments is allocated to funds based on average equity balances. Cash and cash equivalents are cash on hand as well as demand deposits and pooled cash and non-pooled investments with original maturities of three months or less.

The Town is authorized pursuant Resolution 2017-01, adopted January 9, 2017, to invest surplus funds in accordance with Florida Statute 218.415. Investment guidelines have been defined in the policy and authorize the Town to invest in the following:

1. United States Government Securities
2. United States Government Agencies
3. United States Government Sponsored Enterprises (GSE) Federal Instrumentalities
4. Mortgage-Backed Securities
5. Non-Negotiable Interest-Bearing Time Certificates of Deposit or Savings Accounts
6. Repurchase Agreements
7. Commercial Paper
8. Corporate Notes
9. Bankers' Acceptances
10. State or Local Government Taxable and/or Tax-Exempt Debt
11. Registered Investments Companies (Money Market Mutual Funds)
12. Suprnationals

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Cash and Investments – Continued**

- 13. Asset-Backed Securities
- 14. Intergovernmental Investment Pool
- 15. The Florida Local Government Surplus Trust Funds - Florida PRIME

Pension trust funds may be invested in the above as well as certain corporate obligations and equities.

**Investments**

In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, all investments have been reported at fair value. The Town has implemented GASB 40, *Deposit and Investment Risk Disclosures, an amendment of GASB Statement No. 3*, which requires more comprehensive disclosure of various common risks related to deposits and investments.

Investments in debt securities and money markets are recorded at fair value using quoted market prices. If quoted market prices are unavailable, fair values are based on quoted market prices of comparable instruments or values obtained from independent pricing services. The calculation of realized gains and losses is independent of the calculation of the net change in the fair value of investments. Realized gains and losses are netted for financial statement presentation purposes.

The Local Government Surplus Funds Trust Fund (Florida PRIME) is an external 2A7-like investment pool administered by the Florida State Board of Administration. The Town's investment in Florida PRIME represented less than 1% of Florida PRIME's total investments. Investments held in Florida PRIME include, but are not limited to, short-term federal agency obligations, treasury bills, repurchase agreements, and commercial paper. These short-term investments are stated at cost, which approximates market value. Investment income is recognized as earned and is allocated to participants of Florida PRIME based on their equity participation.

Florida Class (FLCLASS) is an independent local government investment pool (LGIP) open to all political subdivisions, instrumentalities of political subdivisions, and state agencies in the State of Florida. The management of FLCLASS is under the direction of a Board of Trustees comprised of eligible Participants of the FLCLASS program. The Town's investment in FLCLASS represented less than 1% of FLCLASS's total investments. Investments held in FLCLASS include, but are not limited to, commercial paper, Certificates of Deposit, U.S. Treasury Securities, Repurchase Agreements and Money Market Funds. These short-term investments are stated at cost, which approximates market value. Investment income is recognized as earned and is allocated to participants of FLCLASS based on their equity participation.

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Cash and Investments – Continued**

The following summarizes the Town's cash and investments, excluding Pension Trust Funds, on September 30, 2025, which are recorded at fair value:

<b>Cash and Equivalents</b>	<b>Rating (Moody's)</b>	<b>Fair Value</b>
Petty cash	N/A	\$ 2,400
Public depository accounts		
Checking	N/A	5,795,703
Total cash and cash equivalents		5,798,103
<b>Investments</b>		
U.S. government and agency obligations		
Less than 1 year maturities	Aaa	5,858,724
1 to 5 year maturities	Aaa	25,449,129
Corporate bonds		
Less than 1 year maturities	Aaa	13,405
1 to 5 year maturities	Aaa	15,361,442
Florida PRIME (S&P Rating)	AAAm	11,223,725
Florida Class (S&P Rating)	AAAm	8,046,364
Total investments		65,952,789
Total cash and cash equivalents and investments		\$ 71,750,892
Amounts as presented on the entity wide statement of net position:		
Cash and cash equivalents		\$ 5,014,389
Investments		65,952,789
Restricted cash and cash equivalents		783,714
Total cash and cash equivalents and investments		\$ 71,750,892

*Custodial Risk:* All of the Town's deposits (checking, savings, money market and certificates of deposit) are held in the Town's name in banks or savings and loan associations certified by the State of Florida as qualified public depositories under Chapter 280, Florida Statutes, *Florida Security of Public Deposits Act*, and are either insured by federal depository insurance or through the State of Florida's public depository collateral pool.

*Concentration of Credit Risk:* It is the policy of the Town to diversify its investment portfolio. Assets are diversified to control the risk of loss resulting from over concentration for assets in a specific maturity, a specific issuer or a specific instrument or class of instruments, and dealers through whom these instruments are bought and sold. To limit concentration of credit risk, the Town's investment policy requires diversification of the portfolio with maximum limits that can be invested per investment type. Diversification strategies are reviewed and revised periodically as necessary.

*Custodial Credit Risk – Investments:* Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town requires its investments to be held in the Town's name to negate this risk.

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**D. Cash and Investments – Continued**

*Interest Rate Risk:* Investment rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town's investment policy recognizes that the longer the maturity of an investment, the greater its price volatility. The Town limits its investment risk for investments by requiring all investments to have a maximum maturity of five years from the date of purchase.

Fair Value Measurements: The Town has the following recurring fair value measurements, broken into the fair value hierarchy, as of September 30, 2025:

<u>Investment</u>	<u>Fair Value Hierarchy</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Fixed income securities:				
U.S. government obligations	\$ 31,307,853	\$ 26,940,026	\$ 4,367,827	\$ -
Corporate bonds	15,374,847	12,829,343	2,545,504	-
Total fixed income securities	46,682,700	39,769,369	6,913,331	-
Investments exempt from level disclosure:				
Florida PRIME	11,223,725	-	-	-
Florida Class	8,046,364	-	-	-
Total investments at fair value level	\$ 65,952,789	\$ 39,769,369	\$ 6,913,331	\$ -

Fixed income securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fixed income securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

**E. Receivables**

All trade receivables are reported net of an allowance for uncollectibles, which is generally equivalent to the receivables that are over 90 days past due. Receivables as of September 30, 2025, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General Fund</u>	<u>GMD Assessments Fund</u>	<u>Neighborhoods Assessments Fund</u>	<u>Gulfside District G.O. Beach Bonds Fund</u>	<u>Beach Nourishment Capital Project Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Water and Sewer Fund</u>	<u>Building Fund</u>	<u>Total</u>
<b>Receivables</b>									
Accounts	\$ 175,302	\$ 11,552,725	\$ 10,545,417	\$ -	\$ -	\$ -	\$ 1,747,470	\$ 3,107	\$ 24,024,021
Due from other governments	390,663	13,176	9,457	146	1,259,429	4,220,825	-	-	5,893,696
Less allowance for uncollectible receivables	(20,186)	-	-	-	-	-	(769)	-	(20,955)
	\$ 545,779	\$ 11,565,901	\$ 10,554,874	\$ 146	\$ 1,259,429	\$ 4,220,825	\$ 1,746,701	\$ 3,107	\$ 29,896,762

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**F. Inventories and Prepaid Items**

Inventories are determined by physical count and valued at cost using first-in first-out (FIFO) method. Inventories, consisting of expendable supplies are recorded as expenditures as they are used (consumption method). Governmental fund inventories are classified as nonspendable fund balance which indicates that the fund balance is not in spendable form.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchase.

**G. Restricted Assets**

The following items are classified as restricted assets of the Statement of Net Position because their use is limited by applicable bond covenants or Town policy: resources of the Town's enterprise fund are set aside for the repayment of scheduled annual debt service payments in the amount of \$783,714.

**H. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, curbs and gutters, streets and sidewalks, and similar items), are reported in the proprietary fund financial statements and in the applicable governmental or business-type activities columns in the government-wide financial statements. Assets are recorded at cost at the time of purchase and an estimated historical cost where no historical records exist. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. Betterments and major improvements which significantly increase values, change capacities, or extend useful lives are capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Amounts expended for maintenance and repairs are charged to expenditures/expenses as incurred. Upon the sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

GASB No. 51 established accounting and financial reporting requirements for intangible assets. The Town complies with this statement by incorporating software, easements, patents, copyrights, water, timber and land rights as intangible assets.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**H. Capital Assets – Continued**

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

<u>Assets</u>	<u>Years</u>	<u>Capitalization Threshold</u>
Buildings	15 - 75	\$ 10,000
Building improvements	7 - 15	10,000
Equipment	5 - 10	5,000
Autos, trucks and buses	3 - 12	5,000
System infrastructure	20 - 40	25,000
Public domain infrastructure	20 - 40	25,000
Beach nourishment	6 - 15	25,000
Intangible assets:		
Software internally generated	3 - 10	25,000
Software purchased	3 - 10	25,000

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

**I. Unamortized Debt Expense**

Unamortized debt expense is amortized by using the outstanding principal method over the life of the debt and is recorded as a reduction to bonds payable.

**J. Amortization of Premiums/Discounts on Bonds**

Amortization of premiums and discounts on bonds is determined by using the effective interest method and is recorded as interest expense each year over the life of the debt when applicable.

**K. Net Position/Fund Balance Classification**

Net investment in capital assets – This category groups all capital assets, including infrastructure into one component of net position. Accumulated depreciation and the outstanding balance of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

Restricted net position – This category presents external restrictions imposed by creditors, grantors, contributors or laws and regulations of other governments and restrictions imposed by law through constitutional provisions in enabling legislation.

At year-end, governmental activities net position restricted for other purposes was composed of amounts related to purposes as noted in the Statement of Net Position.

Unrestricted net position – This category represents net position that does not meet the definition of “net investment in capital assets” or “restricted”.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**K. Net Position/Fund Balance Classification – Continued**

In accordance with GASB Statement No. 54, the Town classified governmental fund balance as follows:

- Nonspendable Fund Balance – This represents amounts that that cannot be spent due to form (e.g. inventories, prepaid amounts) or legally or contractually required to be maintained intact (such as corpus of an endowment fund).
- Restricted Fund Balance – This represents amounts constrained for a specific purpose by external parties, such as creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- Committed Fund Balance – This represents amounts that can only be used for specific purposes determined by a formal action (ordinance) of the Town Commission, the Town's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Town removes those constraints by taking the same type of action.
- Assigned Fund Balance – Assigned fund balances includes spendable fund balance amounts established by management of the Town that are intended to be used for a specific purpose that are neither considered restricted nor committed. Intent is expressed by the Town Commission or a body or official to which the Town Commissioners have delegated authority, which is the Town Manager, to assign amounts to be used for specific purposes. Appropriations of existing fund balances to eliminate deficits in a future budget and encumbrances are considered assignments of fund balance.
- Unassigned Fund Balance – This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

The Town Commission passed Resolution 2021-06 on March 1, 2021, amending the Town's Fund Balance Policy. The desired combined target range is 32%-48% (120-180 days) of total budgeted expenditures (excluding capital outlay) with reserve categories shown below:

- Unassigned Fund Balance 16% (approximately 60 days)
- Assignment for Economic Uncertainty/Revenue Stabilization 8%-16% (30-60 days)
- Assignment for Emergency/Natural Disasters 8%-16% (30-60 days)

Minimum target levels of unassigned fund balance are reviewed annually. If fund balance falls below minimum target levels, the Town Manager will advise the Town Commission in order for the necessary action to be taken to restore the unassigned fund balance to acceptable levels within two budget cycles.

When both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it such as in grant agreements requiring dollar for dollar spending.

When committed, assigned and unassigned funds are available for expenditure, committed funds should be spent first, assigned funds second, and unassigned funds last.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**L. Property Taxes**

Property tax revenue is recognized in the year for which taxes are levied provided the availability test is met.

The value of all taxable property is assessed as of January 1. The Town Commission levies property taxes by approving the millage rate for the following fiscal year in September. Property taxes become due and payable on November 1 of the same year. A 4% discount is allowed if the taxes are paid in November, with the discount declining by 1% each month thereafter. Taxes become delinquent on April 1 of the next year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1. Tax certificate proceeds are remitted to the Town, thereby assuring that virtually all taxes levied are collected within the same fiscal year, after allowing for discounts and any disputed assessment in litigation. The tax certificate, once sold, represents a lien on the property, which may be redeemed by the property owner by paying the face amount of the certificate plus interest and other costs. Property taxes receivable and a corresponding reserve for uncollectable property taxes are not included in the financial statements, as there are no material delinquent taxes as of September 30, 2025. No accrual for the property tax levy becoming due in November of 2025 is included in the accompanying financial statements, since such taxes are collected to finance expenditures of the subsequent period.

**M. Compensated Absences**

Town employees are granted vacation and sick leave in varying amounts. In the event of termination, an employee is paid for accumulated vacation days. Employees are paid for 50% of accumulated sick leave upon death, normal retirement or early retirement. Accumulated vacation and vested sick leave are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability in the amount of \$2,160,355 has been accrued for vacation leave and \$1,439,481 has been accrued for vested accumulated sick leave as described above. A liability for these amounts is reported in governmental funds only when employees were terminated by year-end. The General Fund is the governmental fund where compensated absences are recorded. Non-vested sick leave is recorded when paid.

**N. Budgets and Budgetary Data**

The annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the capital projects funds, which adopt project-length budgets.

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

1. During the Month of April, a Citizens Goals and Objectives workshop is held. During the month of May, the Town Manager and the department and division directors prepare and review the preliminary budget documents.
2. A minimum of two public budget workshops are held in May and June.
3. On or before June 15<sup>th</sup> of each year the Town Manager presents the Preliminary Budget.
4. In July the tentative maximum millage is set, and county and state agencies are notified.
5. On or before August 1<sup>st</sup> the Recommended Budget is presented to the Town Commission.
6. At the first Regular Commission meeting in September, reading of the budget and millage ordinances takes place. Upon approval of the second reading the budget is legally adopted.
7. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed the appropriations) is the department level. Transfers of appropriations between funds and/or use of unallocated fund balances amend the budget and require approval by the Town Commission. At any time during the fiscal year, the Town Manager may transfer up to \$26,063 (\$20k adjusted for CPI US City Average measured each year on September 30) of funds constituting a part or all of any unencumbered appropriation balance among programs between departments, offices, or agencies within the same fund. The Town does not currently use program budgeting.
8. All appropriations except for capital expenditures shall lapse to the extent that it has not been expended or encumbered.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

**O. Deferred Outflows/Inflows of Resources**

The Town reports deferred inflows and deferred outflows related to the recording of changes in its net pension liability and total OPEB liability. Certain changes in these liabilities are recognized as pension or OPEB expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the Town's actuary which adjust the net pension liability or total OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service life of plan members. Changes in actuarial assumptions which adjust the net pension liability or total OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. The changes in proportion and differences between Town contributions and proportionate share of contributions are also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the Town to the pension and OPEB plan before year-end but subsequent to the measurement date of the Town's net pension liability and total OPEB liability are reported as deferred outflows of resources.

In addition to the above pension related deferred inflows, the Town also has one other type of these items, which arises only under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only on the Governmental Funds Balance Sheet. The governmental fund reports unavailable revenues from certain charges for services and fines and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

**P. Pension**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town's three plans and the FRS plan and additions to/deductions from these plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Q. Use of Estimates**

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

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 2 – DEFINED BENEFIT PENSION PLANS**

**Plan Description**

The Town in prior years had three single employer pension plans, for General Employees', Police Officers' and Firefighters'. A Consolidated Board of Trustees was formed in October 2014, with a goal to consolidate the three plans by October 1, 2015. The plans have been consolidated and are maintained as a single Pension Trust Fund and are reported herein as part of the Town's reporting entity. The ordinances establishing the pension plans and their provisions were passed in 1972 for general employees and in 1975 for police and fire employees. An ordinance was passed in 1991 to modify benefits relative to the general employees' and police officers' pension plans. During 2013, the Town adopted several Ordinances which provide for a Plan freeze as of September 30, 2013, for the Firefighters and General Employees' pension plans. The Police Officers' plan was subsequently frozen effective February 1, 2014. In addition, the Town has opted out of participation in the premium tax revenue sharing program established by Chapter 175 and Chapter 185, Florida Statutes. As a result of the Plan freeze, employees ceased contributing to the Plans and members became 100% vested regardless of the number of years of credited service. Early retirement provisions were eliminated except for general employees. Members with less than ten years of credited service were allowed to elect to receive a refund of their accumulated contributions or the actuarial present value of their frozen accrued benefit, in lieu of any other benefit under the Plans. There is no assumption for future salary increases on any of the Plans. In lieu of the defined benefit plan, all current and future firefighters shall be enrolled in the State of Florida Retirement System (FRS). General employees and police officers elected a Town sponsored defined contribution 401(a) plan. All accumulated plan assets are available to pay for any benefit to any plan member or beneficiary. The Town does not issue a stand-alone financial report for this plan.

**Actuarial Assumption/Method Changes Since Prior Valuation**

There have been no changes of actuarial assumptions since the prior valuation.

Employee membership data as of October 1, 2024, is as follows:

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>	<u>Total</u>
Number of participants:				
Active	13	2	3	18
Retirees and terminated employees with vested benefits	54	21	41	116
Total	<u>67</u>	<u>23</u>	<u>44</u>	<u>134</u>

Members are 100% vested in their frozen accrued benefit.

**Benefit Provisions**

Effective Date

General Employees', Police Officers', and Firefighters' – April 1, 1992.

Normal Retirement Date

General Employees' – Earlier of age 62 or age 55 and 30 years of service.

Police Officers' – Earlier of age 60, age 55 and 10 years of service or 25 years of service.

Firefighters' – Earlier of age 60, age 55 and 10 years of service or 25 years of service.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 2 – DEFINED BENEFIT PENSION PLANS – CONTINUED**

**Benefit Provisions – Continued**

Early Retirement Date

General Employees' – Age 50 and 15 years of service.

Police Officers' – None.

Firefighters' – None.

Normal Retirement Benefit

General Employees' – 2.75% of Average Final Compensation times years of credited service accrued as of September 30, 2013.

Police Officers' – 3.5% of Average Final Compensation times years of credited service accrued as of February 1, 2014.

Firefighters' – 3.5% of Average Final Compensation times years of credited service accrued as of September 30, 2013.

Normal Form of Benefit

General Employees', Police Officers' and Firefighters' – Life annuity with 120 months certain. Benefits and refunds of the Plans are recognized when due and payable in accordance with the terms of the Plans.

Disability Benefit

In the event an employee becomes totally and permanently disabled, disability benefits are available.

Termination of Employment Benefit

Upon an employee's termination of employment for reason other than death, disability, or retirement, he shall be entitled to his "accrued benefit", multiplied by his vested percentage. His accrued benefit means a deferred retirement benefit commencing as of his Normal or Early Retirement Date equal to the benefit computed as for normal or early retirement respectively based upon his years of service completed to date of termination and his Average Monthly Compensation as of such date.

**Contributions and Reserves**

Contributions – Employees

General Employees' – None (previously 6% of compensation).

Police Officers' – None (previously 10% of compensation).

Firefighters' – None (previously 10% of compensation).

Contributions – Town

The Town's obligation to contribute is established by ordinance. The Town contributes the remaining amounts necessary to fund the plans as actuarially determined using criteria to satisfy statutory funding requirements. The Town's contribution to the Police Officers' and Firefighters' plan was supplemented by certain statutory contributions from the Office of the State Insurance Commissioner. The Town also pays directly all administrative costs incurred by the Plans. It then reduces its final statutory funding requirement by the payments previously incurred. As a result of the Plan freeze, contributions from the state ceased in 2014.

Concentrations

There were no investments (other than U.S. government and U.S. government-guaranteed obligations) that represent more than 5% of net position restricted for benefits.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 2 – DEFINED BENEFIT PENSION PLANS – CONTINUED**

**Contributions and Reserves – Continued**

There are no investments in, loans to, or leases with, any Town official, government employer official, party related to a Town official or government employer official, non-employer contributor, or organization included in the reporting entity.

**Rate of Return** – For the fiscal year ended September 30, 2025, the annual money-weighted rate of return on the Town’s pension plan investments, net of pension plan investment expense, was 9.22%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Custodial Credit Risk – Deposits.** Custodial credit risk for deposits is the risk that in the event of a bank failure, the Plan may not be able to recover its deposits.

The following summarizes the investments of the Town's Pension Trust Fund on September 30, 2025, which are recorded at fair value:

<u>Investment Type</u>	<u>Credit Rating</u>		<u>Fair Market</u>	<u>Investment Maturity (in Years)</u>			
	<u>(Moody's)</u>	<u>(S&amp;P)</u>		<u>Less Than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>More Than 10</u>
U.S. government and agency securities	Aaa		\$ 6,915,588	\$ -	\$ 4,284,612	\$ 2,630,976	\$ -
Corporate obligations		BBB+	607,370	99,521	99,292	408,557	-
Corporate obligations		BBB	575,865	198,061	282,406	95,398	-
Corporate obligations		BBB-	158,319	88,807	-	69,512	-
Corporate obligations		AA	248,120	136,437	111,683	-	-
Corporate obligations		AA-	121,376	-	121,376	-	-
Corporate obligations		A+	213,148	-	102,685	110,463	-
Corporate obligations		A	1,267,436	474,332	558,107	234,997	-
Corporate obligations		A-	1,080,001	108,225	554,664	417,112	-
Corporate obligations		N/R	210,439	-	120,374	90,065	-
			<u>11,397,662</u>	<u>\$ 1,105,383</u>	<u>\$ 6,235,199</u>	<u>\$ 4,057,080</u>	<u>\$ -</u>
Equity investments	Not rated		38,056,362				
Money market funds	Not rated		1,353,367				
Mutual fund	Not rated		474,515				
Total investments			<u>\$ 51,281,906</u>				

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 2 – DEFINED BENEFIT PENSION PLANS – CONTINUED**

**Contributions and Reserves – Continued**

**Fair Value Measurements** – The Town has the following recurring fair value measurements, broken into the fair value hierarchy, as of September 30, 2025:

<u>Investment</u>	<u>Fair Value Hierarchy</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Fixed income securities:				
U.S. government and agency securities	\$ 6,915,588	\$ -	\$ 6,915,588	\$ -
Corporate bonds	4,482,074	-	4,482,074	-
Mutual fund	474,515	474,515	-	-
Total fixed income securities	<u>11,872,177</u>	<u>474,515</u>	<u>11,397,662</u>	<u>-</u>
Equity investments:				
Common stock - domestic	13,426,356	13,388,127	-	38,229
Common stock - foreign	8,021,369	8,021,369	-	-
Real estate investment trusts	154,656	154,656	-	-
Call options	(42,683)	(42,683)	-	-
Mutual/hedge funds	16,496,664	13,744,076	-	2,752,588
Total equity investments	<u>38,056,362</u>	<u>35,265,545</u>	<u>-</u>	<u>2,790,817</u>
Money market funds	<u>1,353,367</u>	<u>44</u>	<u>1,353,323</u>	<u>-</u>
Total investments at fair value level	<u>\$ 51,281,906</u>	<u>\$ 35,740,104</u>	<u>\$ 12,750,985</u>	<u>\$ 2,790,817</u>

Fixed income securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fixed income securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 3 of the fair value hierarchy are valued using significant unobservable inputs (including the Fund's own assumptions in determining the fair value of the investments).

**Deferred Retirement Option Program (DROP)** – The Consolidated Retirement System no longer provides a DROP feature after February 1, 2014, for Police members; or after September 30, 2013, for Firefighter and General Employee members.

**Net Pension Liability of the Town**

The Town's net pension liability for the plan was measured as of September 30, 2024. The components of the net pension liability of the Town at September 30, 2025 were as follows:

	<u>General Employees'</u>	<u>Police Officers'</u>	<u>Firefighters'</u>	<u>Total</u>
Total pension liability	\$ 14,789,521	\$ 11,789,519	\$ 33,579,189	\$ 60,158,229
Plan fiduciary net position	(13,042,600)	(9,307,037)	(26,553,251)	(48,902,888)
Town's net pension liability	<u>\$ 1,746,921</u>	<u>\$ 2,482,482</u>	<u>\$ 7,025,938</u>	<u>\$ 11,255,341</u>
Plan fiduciary net position as a percentage of net pension liability	88.19%	78.94%	79.08%	81.29%

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 2 – DEFINED BENEFIT PENSION PLANS – CONTINUED**

**Net Pension Liability of the Town – Continued**

For the year ended September 30, 2025, the Town recognized pension expense of \$1,420,020 for the plan. At September 30, 2025, the Town reported deferred outflows of resources and deferred inflows related to its pension plan from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual earnings on investments	\$ -	\$ 3,197,724
Town pension plan contributions subsequent to the measurement date	2,992,554	-
<b>Total</b>	<b>\$ 2,992,554</b>	<b>\$ 3,197,724</b>

The deferred outflows of resources related to the Pension Plan, totaling \$2,992,554 resulting from Town contributions to the plans subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Plan will be recognized in pension expense as follows:

Year ended September 30,	
2026	\$ (862,218)
2027	234,224
2028	(1,460,342)
2029	(1,109,388)
2030	-
<b>Total</b>	<b>\$ (3,197,724)</b>

The required schedule of changes in the Town's net pension liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation as of October 1, 2023, with update procedures performed by the actuary to roll forward to the total pension liability measured as of September 30, 2024 using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.3%
Salary increases	0.0%
Discount rate	6.75%
Investment rate of return	6.75%

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 2 – DEFINED BENEFIT PENSION PLANS – CONTINUED**

**Net Pension Liability of the Town – Continued**

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 expenses 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2025, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	5.92%
International equity	4.70%
Fixed income	1.15%
Private real estate	3.20%
MLP/energy infrastructure	4.92%
Cash	0.80%
Private equity/credit	6.22%

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the net pension liability.

*Changes in the Net Pension Liability of the Town.* The changes in the components of the net pension liability of the Town for the fiscal year ended September 30, 2025, were as follows:

	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a-b)</u>
<b>Balances at September 30, 2024</b>	\$ 59,550,533	\$ 42,111,519	\$ 17,439,014
<b>Changes for the year:</b>			
Service cost	13,634	-	13,634
Interest on total pension liability	3,874,743	-	3,874,743
Changes of benefit terms	749,070	-	749,070
Differences between expected and actual experience	284,194	-	284,194
Change in assumptions	-	-	-
Benefit payments, including refunds of employee contributions	(4,313,945)	(4,313,945)	-
Contributions - employer	-	2,864,063	(2,864,063)
Net investment income	-	8,337,292	(8,337,292)
Administrative expenses	-	(96,041)	96,041
<b>Net change</b>	<u>607,696</u>	<u>6,791,369</u>	<u>(6,183,673)</u>
<b>Balances at September 30, 2025</b>	<u>\$ 60,158,229</u>	<u>\$ 48,902,888</u>	<u>\$ 11,255,341</u>

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 2 – DEFINED BENEFIT PENSION PLANS – CONTINUED**

**Net Pension Liability of the Town – Continued**

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate.* The following presents the net pension liabilities of the Town using the measurement date of September 30, 2024, calculated using the discount rates noted, as well as what the Town's net pension liabilities would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

<b>Sponsor's Net Pension Liability</b>	<b>1% Decrease 5.75%</b>	<b>Current Discount Rate 6.75%</b>	<b>1% Increase 7.75%</b>
General Employees'	\$ 3,251,422	\$ 1,746,921	\$ 475,185
Police Officers'	3,691,057	2,482,482	1,452,126
Firefighters'	10,578,082	7,025,938	4,027,784
Total	<u>\$ 17,520,561</u>	<u>\$ 11,255,341</u>	<u>\$ 5,955,095</u>

The following presents the net pension liabilities of the Town using the measurement date of September 30, 2025:

<b>Sponsor's Net Pension Liability</b>	<b>1% Decrease 5.75%</b>	<b>Current Discount Rate 6.75%</b>	<b>1% Increase 7.75%</b>
General Employees'	\$ 2,266,211	\$ 845,471	\$ (361,832)
Police Officers'	3,367,671	2,173,560	1,144,745
Firefighters'	8,323,672	4,854,381	1,914,734
Total	<u>\$ 13,957,554</u>	<u>\$ 7,873,412</u>	<u>\$ 2,697,647</u>

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2025, and the current sharing pattern of costs between employer and employee.

The assumptions used in the October 1, 2023, actuarial valuation are as follows.

Valuation date	October 1, 2023
Actuarial cost method	Entry age normal
Amortization method	Level percentage - closed
Remaining amortization period	20 years
Actuarial asset valuation method	4 year smooth
Actuarial assumptions:	
Investment rate of return	6.75%
Projected salary increases	None

## TOWN OF LONGBOAT KEY, FLORIDA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025

---

#### NOTE 3 – OTHER EMPLOYEES’ PENSION PLANS

##### Florida Retirement System

General Information – Substantially all of the Town’s firefighter employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (“Pension Plan”) and the Retiree Health Insurance Subsidy (“HIS Plan”). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (“Investment Plan”) alternative to the FRS Pension Plan, which is administered by the State Board of Administration (“SBA”). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating town or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, *Florida Administrative Code*. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the website: [www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications).

##### Florida Retirement System – Pension Plan

Plan Description – The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (“DROP”) for eligible employees.

Benefits Provided – Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers’ class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers’ class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 3 – OTHER EMPLOYEES’ PENSION PLANS – CONTINUED**

**Florida Retirement System – Pension Plan – Continued**

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with an FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute 3% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2024 through June 30, 2025, and from July 1, 2025 through September 30, 2025, respectively, were as follows: Regular–13.63% and 14.03%; Senior Management–34.52% and 33.24%; Elected Officers’–58.68% and 54.57%; and DROP participants–21.13% and 22.02%. These employer contribution rates include 1.66% HIS Plan subsidy for the period October 1, 2024 through September 30, 2025.

The Town’s contributions, including employee contributions, to the Pension Plan totaled \$1,156,156 for the fiscal year ended September 30, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2025, the Town reported a liability of \$5,284,785 for its proportionate share of the Pension Plan’s 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, 2024. The Town’s proportionate share of the net pension liability was based on the Town’s 2024-2025 fiscal year contributions relative to the fiscal year contributions of all participating members. At June 30, 2025, the Town’s proportionate share was 0.01703%, which was a decrease from its proportionate share measured as of June 30, 2024 (0.01715%).

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 3 – OTHER EMPLOYEES’ PENSION PLANS – CONTINUED**

**Florida Retirement System – Pension Plan – Continued**

For the fiscal year ended September 30, 2025, the Town recognized pension expense of \$527,133. In addition, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 564,471	\$ -
Change of assumptions	613,701	-
Net difference between projected and actual earnings on Pension Plan investments	-	882,349
Changes in proportion and differences between Town Pension Plan contributions and proportionate share of contributions	552,179	247,489
Town Pension Plan contributions subsequent to the measurement date	286,190	-
Total	<u>\$ 2,016,541</u>	<u>\$ 1,129,838</u>

The deferred outflows of resources related to the Pension Plan, totaling \$286,190 resulting from Town contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

<b>Fiscal Year Ending September 30:</b>	<b>Amount</b>
2026	\$ 1,738,525
2027	(308,889)
2028	(462,265)
2029	(366,858)
2030	-
Thereafter	-
	<u>\$ 600,513</u>

Actuarial Assumptions – The net pension liability in the June 30, 2025, actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation:	2.40%
Salary increases:	3.25%, average, including inflation
Investment rate of return:	6.70%, net of pension plan investment expense, including inflation
Actuarial cost method:	Individual entry age

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

The actuarial assumptions used in the 2025 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 3 – OTHER EMPLOYEES’ PENSION PLANS – CONTINUED**

**Florida Retirement System – Pension Plan – Continued**

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

<u>Asset Class</u>	<u>Target Allocation <sup>(1)</sup></u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
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	<u>100.0%</u>			
Assumed Inflation - Mean			2.4%	1.5%

<sup>(1)</sup> As outlined in the Pension Plan's investment policy.

Discount Rate – The discount rate used to measure the total pension liability was 6.70%. The Pension Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the Town’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following represents the Town’s proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the Town’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

	<u>1% Decrease (5.70%)</u>	<u>Current Discount Rate (6.70%)</u>	<u>1% Increase (7.70%)</u>
Town's proportionate share of the net pension liability	\$ 10,371,309	\$ 5,284,785	\$ 1,020,317

Pension Plan Fiduciary Net Position – Detailed information regarding the Pension Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan – At September 30, 2025, the Town reported a payable in the amount of \$0 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2025.

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 3 – OTHER EMPLOYEES’ PENSION PLANS – CONTINUED**

**Florida Retirement System – HIS Plan**

Plan Description – The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. 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 Florida Department of Management Services, Division of Retirement.

Benefits Provided – For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2025, the HIS contribution for the period October 1, 2024 through June 30, 2025, and from July 1, 2025 through September 30, 2025, was 1.66%. The Town contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The Town’s contributions to the HIS Plan totaled \$71,134 for the fiscal year ended September 30, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2025, the Town reported a liability of \$1,020,028 for its proportionate share of the HIS Plan’s 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, 2024. The Town’s proportionate share of the net pension liability was based on the Town’s 2024-2025 fiscal year contributions relative to the fiscal year contributions of all participating members. At June 30, 2025, the Town’s proportionate share was 0.00796%, which was a decrease from its proportionate share (0.00807%) measured as of June 30, 2024.

For the fiscal year ended September 30, 2025, the Town recognized pension expense of \$33,623. In addition, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 6,089	\$ 1,618
Change of assumptions	9,028	246,719
Net difference between projected and actual earnings on HIS Plan investments	-	849
Changes in proportion and differences between Town HIS Plan contributions and proportionate share of contributions	107,509	52,379
Town HIS Plan contributions subsequent to the measurement date	18,316	-
Total	<u>\$ 140,942</u>	<u>\$ 301,565</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 3 – OTHER EMPLOYEES’ PENSION PLANS – CONTINUED**

**Florida Retirement System – HIS Plan – Continued**

The deferred outflows of resources related to the HIS Plan, totaling \$18,316 resulting from Town contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

<b>Fiscal Year Ending September 30:</b>	<b>Amount</b>
2026	\$ (39,474)
2027	(47,260)
2028	(39,790)
2029	(31,887)
2030	(20,528)
Thereafter	-
	\$ (178,939)

Actuarial Assumptions – The actuarial assumptions that determined the total pension liability as of June 30, 2025, were based on certain results of an actuarial experience study of the FRS for the period July 1, 2013 through June 30, 2018. In the July 1, 2025, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.40%
Salary increases:	3.25%, average, including inflation
Municipal bond rate:	5.20%
Actuarial cost method:	Individual entry age

Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables.

Discount Rate – The discount rate used to measure the total pension liability was 5.20%. In general, the discount rate for calculating the total pension liability 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 HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Town’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following represents the Town’s proportionate share of the net pension liability calculated using the discount rate of 5.20%, as well as what the Town’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.20%) or one percentage point higher (6.20%) than the current rate:

	<b>1% Decrease (4.20%)</b>	<b>Current Discount Rate (5.20%)</b>	<b>1% Increase (6.20%)</b>
Town's proportionate share of the net pension liability	\$ 1,150,246	\$ 1,020,028	\$ 910,817

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 3 – OTHER EMPLOYEES’ PENSION PLANS – CONTINUED**

**Florida Retirement System – HIS Plan – Continued**

Pension Plan Fiduciary Net Position – Detailed information regarding the HIS Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan – At September 30, 2025, the Town reported a payable in the amount of \$0 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2025.

**Florida Retirement System – Investment Plan**

The SBA administers the defined contribution plan officially titled the FRS Investment Plan. The investment Plan is reported in the SBA’s annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Town employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member’s accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04% of payroll and by forfeited benefits of plan members. Allocations to the investment member’s accounts as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ending September 30, 2025, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Town.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 3 – OTHER EMPLOYEES’ PENSION PLANS – CONTINUED**

**Florida Retirement System – Investment Plan – Continued**

Applicable totals for the Town’s defined benefit pension plans are reflected below:

	<b>Consolidated Town Pension Plan</b>	<b>FRS Pension</b>	<b>HIS Pension</b>	<b>Total</b>
Town's net pension liability	\$ 11,255,341	\$ 5,284,785	\$ 1,020,028	\$ 17,560,154
Deferred outflows of resources	2,992,554	2,016,541	140,942	5,150,037
Deferred inflows of resources	3,197,724	1,129,838	301,565	4,629,127
Pension expense/expenditure	1,420,020	527,133	33,623	1,980,776

**NOTE 4 – CAPITAL ASSETS**

	<b>Balance October 1</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Balance September 30</b>
<b>Governmental activities</b>					
Capital assets, not being depreciated					
Land	\$ 27,509,195	\$ -	\$ -	\$ -	\$ 27,509,195
Construction in progress	35,307,895	7,319,809	(23,703,329)	(11,736,783)	7,187,592
Total capital assets, not being depreciated	62,817,090	7,319,809	(23,703,329)	(11,736,783)	34,696,787
Capital assets, being depreciated					
Buildings	15,592,381	28,504	-	-	15,620,885
Streets and roadways	8,683,586	155,029	-	10,900,992	19,739,607
Improvements other than buildings	103,583,681	3,387,810	-	835,791	107,807,282
Vehicles and other equipment	11,532,861	1,468,442	(441,709)	-	12,559,594
Total capital assets, being depreciated	139,392,509	5,039,785	(441,709)	11,736,783	155,727,368
Less accumulated depreciation for					
Buildings	(7,165,452)	(456,566)	-	-	(7,622,018)
Streets and roadways	(7,117,957)	(303,028)	-	-	(7,420,985)
Improvements other than buildings	(73,947,347)	(6,431,439)	-	-	(80,378,786)
Vehicles and other equipment	(7,383,871)	(1,077,655)	441,709	-	(8,019,817)
Total accumulated depreciation	(95,614,627)	(8,268,688)	441,709	-	(103,441,606)
Total capital assets, being depreciated, net	43,777,882	(3,228,903)	-	11,736,783	52,285,762
Governmental activities capital assets, net	\$ 106,594,972	\$ 4,090,906	\$(23,703,329)	\$ -	\$ 86,982,549

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 4 – CAPITAL ASSETS – CONTINUED**

	<u>Balance</u> <u>October 1</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Balance</u> <u>September 30</u>
<b>Business-type activities</b>					
Capital assets, not being depreciated					
Land	\$ 1,794,235	\$ -	\$ -	\$ -	\$ 1,794,235
Construction in progress	7,963,632	4,898,728	(168,552)	(6,729,762)	5,964,046
Total capital assets, not being depreciated	<u>9,757,867</u>	<u>4,898,728</u>	<u>(168,552)</u>	<u>(6,729,762)</u>	<u>7,758,281</u>
Capital assets, being depreciated					
Buildings	2,131,081	17,597	-	-	2,148,678
Improvements other than buildings	49,151,613	818,679	-	6,243,500	56,213,792
Vehicles and other equipment	4,511,975	763,592	(102,664)	486,262	5,659,165
Total capital assets, being depreciated	<u>55,794,669</u>	<u>1,599,868</u>	<u>(102,664)</u>	<u>6,729,762</u>	<u>64,021,635</u>
Less accumulated depreciation for					
Buildings	(2,061,232)	(26,793)	-	-	(2,088,025)
Improvements other than buildings	(29,568,354)	(2,057,008)	-	-	(31,625,362)
Vehicles and other equipment	(3,536,007)	(383,212)	102,664	-	(3,816,555)
Total accumulated depreciation	<u>(35,165,593)</u>	<u>(2,467,013)</u>	<u>102,664</u>	<u>-</u>	<u>(37,529,942)</u>
Total capital assets, being depreciated, net	<u>20,629,076</u>	<u>(867,145)</u>	<u>-</u>	<u>6,729,762</u>	<u>26,491,693</u>
Business-type activities capital assets, net	<u>\$ 30,386,943</u>	<u>\$ 4,031,583</u>	<u>\$ (168,552)</u>	<u>\$ -</u>	<u>\$ 34,249,974</u>

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

<b>Governmental activities</b>	
General government	\$ 464,664
Public safety	1,079,053
Transportation	513,993
Culture and recreation	6,210,978
Total depreciation expense, governmental activities	<u>\$ 8,268,688</u>
<b>Business-type activities</b>	
Water and sewer	\$ 2,412,342
Building department	54,671
Total depreciation expense, business-type activities	<u>\$ 2,467,013</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 5 – LONG-TERM DEBT**

The following is a summary of long-term debt transactions of the Town for the year ended September 30, 2025:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Bonds payable					
General obligation bonds	\$ 11,535,000	\$ -	\$ (3,425,000)	\$ 8,110,000	\$ 3,600,000
Premium	607,170	-	(319,422)	287,748	-
Revenue bonds	29,870,000	-	(980,000)	28,890,000	905,000
Original issue discount	(156,202)	-	9,305	(146,897)	-
Total bonds payable	<u>41,855,968</u>	<u>-</u>	<u>(4,715,117)</u>	<u>37,140,851</u>	<u>4,505,000</u>
Total OPEB liability	1,149,071	266,157	(273,444)	1,141,784	116,375
Compensated absences	2,642,387	510,983	-	3,153,370	2,365,027
Net pension liability	<u>24,607,070</u>	<u>8,059,895</u>	<u>(15,541,962)</u>	<u>17,125,003</u>	<u>3,180,008</u>
Total governmental activities	<u>\$ 70,254,496</u>	<u>\$ 8,837,035</u>	<u>\$ (20,530,523)</u>	<u>\$ 58,561,008</u>	<u>\$ 10,166,410</u>
Business-type activities					
General obligation notes	\$ 5,635,651	\$ -	\$ (836,750)	\$ 4,798,901	\$ 858,382
Total OPEB liability	199,013	45,511	(49,287)	195,237	19,900
Compensated absences	309,738	136,728	-	446,466	334,849
Net pension liability	<u>677,673</u>	<u>428,625</u>	<u>(671,147)</u>	<u>435,151</u>	<u>117,052</u>
Total business-type activities	<u>\$ 6,822,075</u>	<u>\$ 610,864</u>	<u>\$ (1,557,184)</u>	<u>\$ 5,875,755</u>	<u>\$ 1,330,183</u>

Compensated absences are reported in governmental funds only if they have matured. For governmental activities, compensated absences, the total OPEB liability, and the net pension liability are liquidated by the General Fund. For business-type activities, compensated absences, the total OPEB liability and the net pension liability are liquidated by the Water and Sewer Fund and the Building Department Fund. In accordance with GASB 101, the change in compensated absences above is shown net.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 5 – LONG-TERM DEBT – CONTINUED**

Long-term debt payable as of September 30, 2025 is composed of the following issues:

**Bonds Payable**

Special Assessment Revenue Bonds, Series 2018 (GMD Undergrounding Project), due in annual installments through August 1, 2046, in amounts ranging from \$380,000 to \$905,000, plus interest at various rates from 2.0% to 4.0%; collateralized by special assessments and backup covenant to budget and appropriate all other non-ad valorem tax revenues.	\$13,030,000
Special Assessment Revenue Bonds, Series 2018 (Neighborhoods Undergrounding Project), due in annual installments through August 1, 2048, in amounts ranging from \$205,000 to \$1,040,000, plus interest at various rates from 3.0% to 4.0%; collateralized by special assessments and backup covenant to budget and appropriate all other non-ad valorem tax revenues.	15,860,000
General Obligation Bond, Series 2018 (Fire Stations Improvements/ Replacement), due in annual installments through August 1, 2043, plus variable interest ranging from 3.00% to 5.00%; collateralized by ad valorem tax levies.	4,700,000
General Obligation Bond, Series 2020 (Gulfside and Bayside Beach Projects), due in annual installments through August 1, 2026, plus interest at 5.00%; collateralized by ad valorem tax levies.	6,410,000
General Obligation Note, Series 2014 (Water and Wastewater Improvements), due in annual installments through October 1, 2030, in amounts ranging from \$19,836 to \$665,731, plus interest at a rate of 3.09%; collateralized by ad valorem tax levies with the intention of payment coming from the net revenues of the utility system.	3,134,901
Water and Sewer Refunding Revenue Note, Series 2020, due in annual installments through April 1, 2031, in amounts ranging from \$289,983 to \$291,837, plus interest at a rate of 1.43.%; collateralized by ad valorem tax levies with the intention of payment coming from the net revenues of the utility system.	1,664,000
Total bonds payable	<u>\$44,798,901</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 5 – LONG-TERM DEBT – CONTINUED**

The annual debt service payments required on outstanding debt on September 30, 2025 are as follows:

<b>Fiscal Year</b>	<b>Governmental Activities</b>			<b>Business-Type Activities</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ 4,505,000	\$ 1,421,256	\$ 5,926,256	\$ 858,382	\$ 110,600	\$ 968,982
2027	1,115,000	1,214,106	2,329,106	878,641	88,252	966,893
2028	1,150,000	1,176,756	2,326,756	901,363	65,297	966,660
2029	1,190,000	1,138,156	2,328,156	924,784	41,695	966,479
2030	1,225,000	1,102,456	2,327,456	948,731	17,428	966,159
2031-2035	6,745,000	4,897,244	11,642,244	287,000	3,082	290,082
2036-2040	8,105,000	3,541,238	11,646,238	-	-	-
2041-2045	9,125,000	1,839,600	10,964,600	-	-	-
2046-2048	3,840,000	275,000	4,115,000	-	-	-
	<u>\$ 37,000,000</u>	<u>\$ 16,605,812</u>	<u>\$ 53,605,812</u>	<u>\$ 4,798,901</u>	<u>\$ 326,354</u>	<u>\$ 5,125,255</u>

<b>Fiscal Year</b>	<b>Totals</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ 5,363,382	\$ 1,531,856	\$ 6,895,238
2027	1,993,641	1,302,358	3,295,999
2028	2,051,363	1,242,053	3,293,416
2029	2,114,784	1,179,851	3,294,635
2030	2,173,731	1,119,884	3,293,615
2031-2035	7,032,000	4,900,326	11,932,326
2036-2040	8,105,000	3,541,238	11,646,238
2041-2045	9,125,000	1,839,600	10,964,600
2046-2048	3,840,000	275,000	4,115,000
	<u>\$ 41,798,901</u>	<u>\$ 16,932,166</u>	<u>\$ 58,731,067</u>

**Authorized but Unissued Debt**

The total of authorized but unissued bonds on September 30, 2025 is \$73,868,535.

<b>Project</b>	<b>Bonding Authorization</b>	<b>Previously Bonded</b>	<b>Authorized but Unissued</b>
Water and Wastewater Improvement Projects	\$ 27,000,000	\$ 13,869,574	\$ 13,130,426
Water and Wastewater Improvement (SRF Loan Program)	33,000,000	-	33,000,000
GMD Utility Undergrounding	25,250,000	15,765,000	9,485,000
Neighborhood Utility Undergrounding	23,850,000	18,865,000	4,985,000
Beach Renourishment	34,500,000	21,231,891	13,268,109
			<u>\$ 73,868,535</u>

Pursuant to a Resolution adopted by referendum on March 17, 2009, the Town authorized debt not to exceed \$27,000,000 to reimburse various costs and expenses relating to the acquisition, rehabilitation, replacement and equipping of various capital improvements to the Town's water and wastewater utility system.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 5 – LONG-TERM DEBT – CONTINUED**

Pursuant to an Ordinance adopted by referendum on November 3, 2015, the Town authorized the issuance of Revenue Bonds and/or Notes not to exceed \$25,250,000 maturing on or within 30 years of issuance, and payable from special non-ad valorem assessments and other non-ad valorem revenues if necessary, to finance the cost of undergrounding electrical, communications, fiber optics and other utilities and the installation of street lighting relating to Gulf of Mexico Drive. Bonds were issued in the amount of \$15,765,000 on December 31, 2018. The Town redeemed \$130,000 of bonds on February 1, 2022; \$135,000 of bonds on August 1, 2022; and \$100,000 of bonds on August 1, 2023.

Pursuant to an Ordinance adopted by referendum on March 15, 2016, the Town authorized the issuance of Revenue Bonds and/or Notes not to exceed \$23,850,000 maturing on or within 30 years of issuance, and payable from special non-ad valorem assessments and other non-ad valorem revenues if necessary, to finance the cost of undergrounding electrical, communications, fiber optics and other utilities and the installation of street lighting relating to Neighborhoods. Bonds were issued in the amount of \$18,865,000 on December 31, 2018. The Town redeemed \$205,000 of those bonds on August 1, 2019, \$110,000 on February 1, 2021, \$100,000 on August 1, 2022, and \$105,000 on February 1, 2025.

During 2019, the Town issued \$1,360,000 of Series 2019 General Obligation Refunding Note for the purpose of refunding \$1,644,400 of the General Obligation Bonds, Water and Sewer, Series 2009. The refunding note in addition to \$353,206 of available debt service funds, less issuance costs were used to prepay and redeem the old note on July 3, 2019. The refunding resulted in an economic savings to the Town of \$53,983.

Pursuant to a resolution adopted by referenda on March 17, 2020, the Town authorized the issuance of Bonds and/or Notes not to exceed \$34,500,000 in aggregate principal amount (taking into account any gross premium) maturing not beyond eight years from issuance, and payable from the Town's ad valorem tax revenues and full faith, credit and unlimited ad valorem taxing power within the Gulfside District and certain ad valorem taxes imposed and collected within the Bayside District, for the purpose of financing the costs of design, acquisition, construction and installation of Beach Restoration, Nourishment and Maintenance Capital Projects within the Town. Bonds were issued on December 9, 2020 to be paid over six years in the amount of \$18,480,000 plus \$2,751,891 premium for a total of \$21,231,891.

Pursuant to Ordinance 2024-11, adopted by referendum on March 11, 2025, the Town is authorized to borrow in future periods a principal amount not to exceed \$33,000,000 through a State Revolving Fund (SRF) loan. This loan will mature in no longer than 25 years and will bear interest at a rate not exceeding the maximum permitted by law. Repayment will be made from the revenues of the Town's water and sewer utility system. The funds will be used to finance the design, construction, and acquisition of specific capital improvements for the Utility System. This includes a new subaqueous wastewater force main across Sarasota Bay, which will serve as the primary means of transmitting wastewater from Longboat Key to the Manatee County Southwest Water Reclamation Facility on the mainland. The existing force main will be repurposed as a redundant line in accordance with plans and specifications on file with the Town. Additionally, the loan will finance necessary reserves and any capitalized interest. The loan includes a backup covenant to budget and appropriate legally available non-ad valorem revenues.

**NOTE 6 – RESTRICTIONS ON NET POSITION/FUND BALANCES**

The net position of the Water and Sewer Fund is restricted in the amount of \$783,714 in accordance with the terms of the bond ordinances and Town policy, which require establishment of reserve accounts equal to the debt service of the next fiscal year.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 6 – RESTRICTIONS ON NET POSITION/FUND BALANCES – CONTINUED**

Governmental fund balances are classified as follows:

<b>General Fund</b>		
Nonspendable:	Inventory	\$ 14,732
Assigned:	Extreme events/natural disasters	2,106,431
	Economic stabilization/pension	3,575,000
	Encumbrances - capital expenditures	176,239
Unassigned		<u>3,575,000</u>
Total General Fund fund balance		<u>\$ 9,447,402</u>
<b>GMD Assessments Fund</b>		
Restricted:	Undergrounding special assessments costs	<u>\$ 1,092,020</u>
<b>Neighborhoods Assessments Fund</b>		
Restricted:	Undergrounding special assessments costs	<u>\$ 590,236</u>
<b>Gulfside District G.O. Beach Bonds Fund</b>		
Restricted:	Debt service	<u>\$ 294,465</u>
<b>Beach Nourishment Capital Project Fund</b>		
Restricted:	Beach nourishment and projects	\$ 8,386,267
Assigned:	Encumbrances - beach nourishment projects	<u>371,543</u>
Total Beach Nourishment Capital Project Fund fund balance		<u>\$ 8,757,810</u>
<b>GMD Undergrounding Capital Project Fund</b>		
Restricted:	GMD Undergrounding	\$ 9,004,082
Assigned:	Encumbrances - undergrounding capital expenditures	<u>1,342,445</u>
Total GMD Undergrounding Capital Project Fund fund balance		<u>\$ 10,346,527</u>
<b>Neighborhoods Undergrounding Capital Project Fund</b>		
Restricted:	Neighborhoods Undergrounding	\$ 4,728,024
Assigned:	Encumbrances - undergrounding capital expenditures	<u>91,491</u>
Total GMD Undergrounding Capital Project Fund fund balance		<u>\$ 4,819,515</u>
<b>Nonmajor Governmental Funds</b>		
Nonspendable:	Inventory	\$ 136,972
Restricted:	Sarasota Infrastructure Surtax	1,227,579
	Manatee Infrastructure Surtax	568,998
	Tourist Development Tax	3,971,416
	Highway Maintenance and Road Improvements	1,042,022
	Tree Replacement	46,141
	Police Training	18,513
	Police Donations	4,693
	Law Enforcement	104,360
	General Obligation Fire Stations Bonds	36,978
	Bayside District G.O. Beach Bonds	41,815
	GMD Undergrounding Bonds	11,715
	Neighborhood Undergrounding Bonds	12,040
	Streets Capital Projects	2,886,616
	Land Acquisition Fees	313,869
	Canal Dredging	225,126
	Parks and Recreation	1,732,758
Assigned:	Streets Capital Projects - encumbrances (capital expenditures)	3,545,814
	Parks and Recreation - encumbrances	513,828
	Other Capital Projects - encumbrances (capital expenditures)	1,277,201
	Land Acquisition - encumbrances (capital expenditures)	26,295
	Canal Dredging - encumbrances (capital expenditures)	213,692
Unassigned:	Miscellaneous Grants	(19,546)
	Tennis Center	<u>(7,046)</u>
Total Nonmajor Governmental Funds fund balance		<u>\$ 17,931,849</u>
<b>Total governmental funds fund balance</b>		<u>\$ 53,279,824</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 7 – INTERFUND BALANCES AND TRANSFERS**

The composition of interfund transfers for the year ended September 30, 2025 is as follows:

	Transfers In			Total Transfers
	General Fund	Beach Nourishment	Non Major Governmental	
Transfers Out				
General Fund	\$ -	\$ -	\$ 3,521,265 <sup>(4)</sup>	\$ 3,521,265
GMD Assessments Fund	-	-	908,000 <sup>(5)</sup>	908,000
Neighborhoods Assessments Fund	-	-	754,000 <sup>(6)</sup>	754,000
Water and Sewer Fund	1,538,690 <sup>(1)</sup>	-	-	1,538,690
Building Department Fund	339,593 <sup>(2)</sup>	-	-	339,593
Non Major Governmental Funds	-	500,000 <sup>(3)</sup>	350,636 <sup>(7)</sup>	850,636
Total Transfers	<u>\$ 1,878,283</u>	<u>\$ 500,000</u>	<u>\$ 5,533,901</u>	<u>\$ 7,912,184</u>

Administration fees transferred to General Fund from Water and Sewer Enterprise Fund.

Administration fees transferred to General Fund from Building Enterprise Fund.

Transfer of Tourist Development Taxes to fund beach renourishment projects.

Transfer of General Fund Reserves to capital projects for strategic initiatives, infrastructure improvements and vehicle replacements.

Transfer from GMD Assessments to GMD Debt Fund to cover debt service payment.

Transfer from Neighborhood Assessments to Neighborhood Debt Fund to cover debt service payment.

Transfer gas tax revenue from Road and Bridge Fund to the Streets Capital Projects Fund for construction and other infrastructure improvements.

**NOTE 8 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

For the year ended September 30, 2025, expenditures exceeded appropriations in debt service in the Neighborhoods Assessment Fund by \$105,000. These over- expenditures were funded from available fund balance.

**NOTE 9 – COMMITMENTS AND CONTINGENCIES**

Grant Programs

The Town participates in several state and federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives periodically. Such grant programs include FEMA, Department of Environmental Protection Beach Restorations and various other state and local grants.

Contract Commitments

The Town has open construction contracts and other commitments totaling approximately \$9.8 million; of this amount, \$8.1 million is for governmental activities and the remainder is for business-type activities.

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 9 – COMMITMENTS AND CONTINGENCIES – CONTINUED**

Pollution Remediation

A wastewater force main (owned and operated by the Town) leak occurred on or around June 18, 2020, approximately 350 feet north of Sarasota Bay in a mangrove fringe. The construction for the emergency leak repair resulted in dredge and fill activities and mangrove alteration impacting at least 0.54 acres or more. Further analysis revealed no evidence of impact from the discharge on bacteria levels in Sarasota Bay. On February 22, 2021, the Town Commission authorized the Town Manager to enter into an agreement (Consent Order) with the State of Florida Department of Environmental Protection (DEP) to reach settlement associated with the force main leak. The consent order allows the Town to, in lieu of a cash payment of \$188,382 for civil penalties, perform an in-kind penalty project valued at one and half times the civil penalty, which in this case is the equivalent of at least \$281,073. The consent order also requires the Town to perform certain restoration activities that include fill removal and re-grading, mangrove plantings, and monitoring and maintenance for five years. The remaining pollution remediation and restoration costs are estimated to be \$264,000. The Town has accrued these costs as additional liabilities within its Water and Sewer Fund as of year-end. The Town will comply with corrective and restoration actions outlined in the Consent Order and report quarterly in writing to the DEP the status and progress of projects being completed until the requirements of the Consent Order are completed.

**NOTE 10 – RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters and pollution related activities. The Town's participation in the risk pool requires annual premium payments in return for transferring risks among pool participants. Settled claims from these risks have not exceeded the risk pool insurance limits nor have additional premiums been assessed relative to the past three years.

The Town is a member of a purchasing cooperative of government agencies for the purpose of providing employee health benefits through Public Risk Management of Florida Group Health Trust. The Town offers to its employees and covered dependents a choice of two medical plans, two dental plans, vision, life and long- and short-term disability insurance. Medical plans do not have a lifetime maximum per insured.

**NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS**

The Town administers a single-employer OPEB plan. The purpose of this plan is to account for the implicit rate subsidy the Town provides to its retirees. Florida Statutes require that municipalities provide their retirees with access to the same health insurance programs as their current employees at the same rates. Since the inclusion of retirees results in higher overall health insurance costs for the municipality which cannot be passed on to the retirees, it in effect results in what is called the implicit rate subsidy. This is the only post-employment benefit the Town provides to its retirees other than its pension plans. No assets are being accumulated for these benefits.

Employees who retire under a Town-sponsored pension plan are entitled to participate in the group medical insurance plan provided, however, if the Town has a Medicare Supplemental Plan, the employee will be entitled to participate only in the Medicare Supplemental Plan.

Membership in the plan consisted of the following on September 30, 2025:

Inactive plan members or beneficiaries currently receiving benefits	20
Active plan members	112
Inactive plan members entitled to but not yet receiving benefits	-
Total	<u>134</u>

Separate financial statements for the Town's OPEB plan are not available. Funds from the General Fund are used to liquidate the total OPEB liability.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

---

**NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS – CONTINUED**

This actuarial valuation involves estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend.

Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to constant revision as actual experience is compared with past expectations and new estimates are made about the future. The schedule of funding progress presented in the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liabilities for benefits.

Calculations are based upon the types of benefits provided under the terms of the substantive plan at the time of the valuation and on the pattern of sharing costs between the employer and plan members to that point. Calculations reflect a long-term perspective, so methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

*Benefits Provided:*

Retirees and their dependents can continue participating in the group insurance plans offered by the Town of Longboat Key, but they are required to contribute 100% of the active premiums.

**Total OPEB Liability of the Town**

The Town's total OPEB liability was measured as of September 30, 2024 and was determined by an actuarial valuation as of September 30, 2024.

*Actuarial Assumptions.* The total OPEB was determined by an actuarial valuation as of September 30, 2024 using the following actuarial assumptions:

Inflation Rate:	2.50%
Salary Increase:	Varies by service
Discount Rate:	4.06%
Initial Trend Rate:	8.00%
Ultimate Trend Rate:	4.50%
Years to Ultimate:	6
Participation Rate:	40%

All mortality rates were based on the Pub-2010 mortality tables with fully generational improvement using Scale MP-2018. All mortality rates are those outlined in the July 1, 2019 Florida Retirement System (FRS) actuarial valuation report.

Mortality – Healthy Active Lives:

For *General Employee* female lives, the headcount-weighted PubG-2010 below-median income employee table was used. For male lives, the headcount-weighted PubG-2010 employee table, set back one year, was used. For *Fire and Police Employee* female lives, the headcount-weighted PubS-2010 employee table, set forward one year was used. For male lives, the headcount-weighted below-median income PubS-2010 employee table, set forward one year, was used.

Mortality – Inactive Healthy Lives:

For *General Employee* female lives, the headcount-weighted PubG-2010 female healthy retiree table was used. For male lives, the headcount-weighted PubG-2010 male healthy retiree table, set back one year, was used. For *Fire and Police Employee* male and female lives, the headcount-weighted PubS-2010 for Healthy Retirees table, set forward one year was used.

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS – CONTINUED**

Mortality – Beneficiary Lives:

For *General, Fire and Police Employees* female lives, the headcount-weighted PubG-2010 female healthy retiree table was used. For male lives, the headcount-weighted PubG-2010 male healthy retiree table, set back one year, was used.

Mortality – Disabled Lives:

For *General Employees* male and female lives, 100% of the PubG-2010 disabled retiree table was used, set forward three years. For *Fire and Police Employees* male and female lives, the 80% headcount weighted PubG-2010 and 20% headcount-weighted PubS-2010 for Disabled Retirees table was used.

Discount Rate:

Given the Town’s decision not to fund the program, all future benefit payments were discounted using a high-quality municipal bond rate of 4.06%. The high-quality municipal bond rate was based on the S&P Municipal Bond 20-Year High Grade Rate Index as published by S&P Dow Jones Indices nearest the measurement date. The S&P Municipal 20-Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor’s Ratings Services, Aa2 by Moody’s or AA by Fitch. If there are multiple ratings, the lowest rating is used.

**Changes in the Total OPEB Liability of the Town.** The changes in the total OPEB liability of the Town for the year ended September 30, 2025, were as follows:

	<b>Total OPEB Liability</b>
Balances on September 30, 2024	\$ 1,348,084
Changes for the year:	
Service cost	78,437
Interest	65,983
Differences between expected and actual experience	(177,723)
Changes of assumptions	167,248
Benefit payments	(145,008)
Net changes	(11,063)
Balances on September 30, 2025	\$ 1,337,021

Differences Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of September 30, 2024. Changes in Assumptions reflect a change in the discount rate from 4.87% for the reporting period ending September 30, 2024, to 4.06% for the reporting period ended September 30, 2025. Also reflected under changes of assumptions are updated health care costs and premiums, updated health care cost trend rates, and updated mortality rates.

The required schedule of changes in the Town’s total OPEB liability and related ratios immediately following the notes to the financial statements presents multi-year trend information about the total OPEB liability.

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.** The following presents the total OPEB liability of the Town, as well as what the Town’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.06%) or 1-percentage-point higher (5.06%) than the current discount rate:

	<b>1% Decrease (3.06%)</b>	<b>Current Discount Rate (4.06%)</b>	<b>1% Increase (5.06%)</b>
Total OPEB liability	\$ 1,444,779	\$ 1,337,021	\$ 1,241,594

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS – CONTINUED**

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.** The following presents the total OPEB liability of the Town, as well as what the Town’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b>1% Decrease (3.50 - 7.00%)</b>	<b>Healthcare Cost Trend Rates (4.50 - 8.00%)</b>	<b>1% Increase (5.50 - 9.00%)</b>
Total OPEB liability	\$ 1,229,456	\$ 1,337,021	\$ 1,461,565

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2025, and the current sharing pattern of costs between employer and inactive employees.

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

For the year ended September 30, 2025 the Town recognized OPEB expense of \$90,729. At September 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 17,019	\$ 286,080
Change of assumptions	198,402	155,118
Town contributions subsequent to the measurement date	136,275	-
	<b>\$ 351,696</b>	<b>\$ 441,198</b>

The deferred outflow of resources totaling \$136,275 resulting from Town contributions subsequent to the plan measurement date will be recognized as a reduction of the total OPEB liability in the fiscal year ended September 30, 2026. Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending	Amount
September 30:	
2026	\$ (64,442)
2027	(87,591)
2028	(80,901)
2029	8,902
2030	(1,745)
Thereafter	-
	<b>\$ (225,777)</b>

**TOWN OF LONGBOAT KEY, FLORIDA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 12 – DEFINED CONTRIBUTION PLANS**

The Town adopted and maintains several salary savings plans available to various employee groups. The Town has a 401(a), a 401(k) and a Roth Salary Savings Plan. The plans are administered on behalf of the Town by Mission Square, an unrelated financial institution.

**Plan Description**

The Town’s 401(a) plan is a pre-tax defined contribution governmental money purchase plan in which participants may contribute a percentage of their base pay to the plan each pay period and receive a matching contribution from the Town as outlined in the plan. Participants are not taxed on the contributions until the funds are withdrawn, usually at retirement. The plan applies to all regular, full-time employees, who are not firefighters. The normal retirement age is 59.5 to 65 based on employee group.

The 401(k) plan is a voluntary pre-tax defined contribution profit sharing plan and trust, with a normal retirement date of 59.5 applicable to the General Employees, At-Will Employees, Shift Commander Deputy Chiefs, Police Deputy Chief, Police Captain, Police Lieutenant, PBA-Police Officer/Sergeant (not eligible for match), IAFF-Firefighter/Paramedics/Lieutenants (not eligible for match).

**Town Matching**

Due to the freezing of the defined benefit plan, the Town makes a base contribution to the employee’s 401(a) plan as shown below. In addition, the Town has various voluntary matching programs based on employee groups as shown below:

<u>Employee Group</u>	<u>Town Contribution</u>	<u>Additional Matching Program</u>	
		<u>Employee Contribution</u>	<u>Town Match</u>
General Employees	6%	0 - 6%	50% up to 3%
Police Officers	12%	0 - 3%	100% up to 3%
At Will	16%	Not Applicable	Not Applicable
Town Manager	17.80%	Not Applicable	Not Applicable

The 401(k) plan provides for an elective deferral of up to 6% of earnings with an employer match based on the Participant’s years of service: from one to five years of service a 25% match; for five or more years of service a 50% match.

The Town’s contributions to the 401(a) and 401(k) Plans for the years ended September 30, 2025 and 2024 were \$1,165,693 and \$1,031,876, respectively.

**Forfeitures**

A participant who separates from service prior to obtaining full vesting shall forfeit that percentage of his/her employer contribution account balance which has not vested as of the date such participant incurs a break in service of five consecutive years or, if earlier, the date such participant receives, or is deemed to have received, distribution of the entire non-forfeitable interest in his/her employer contribution account.

All amounts forfeited by terminated participants shall be allocated to a suspense account and used to reduce dollar for dollar employer contributions otherwise required under the Plan for the current plan year and succeeding plan years, if necessary. Forfeitures may first be used to pay the reasonable administrative expenses of the Plan, with any remainder being applied to reduce employer contributions. There are no forfeitures reflected in pension expense for the fiscal year 2025.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025**

**NOTE 12 – DEFINED CONTRIBUTION PLANS – CONTINUED**

**Rollover Contributions by Participants**

Participants may rollover funds contained in another qualified retirement plan or IRA to the Plan.

**Vesting Provisions**

Former participants of the Town of Longboat Key Defined Benefit Plan are vested immediately for the Town's matching contributions. New hires are 100% vested for the Town's matching contributions after five years of service. The Town Manager and At Will employees are vested immediately. Participants are eligible to withdraw the retirement funds when they are no longer employed by the Town or reach age 59.5 or 62, depending on the employee group. Participants may choose distribution in a single payment, installment payments, life annuity or rollover to another qualified retirement account.

**NOTE 13 – CHANGE IN ACCOUNTING PRINCIPLE**

In conjunction with the implementation of Governmental Accounts Standards Board (GASB) Statement No. 101, Compensated Absences, the Town is required to recognize liabilities for compensated absences for: (1) leave that has not been used, and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if: (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Therefore, in conjunction with the implementation of GASB Statement No. 101, a restatement to beginning net position was required to properly report compensated absences as of October 1, 2024 as follows:

Entity Wide Level	
Net position, Governmental Activities, previously reported	\$ 116,676,307
Implementation of GASB 101	<u>(1,133,477)</u>
Beginning net position, Governmental Activities, as restated	<u>\$ 115,542,830</u>
Net position, Business-type Activities, previously reported	\$ 46,637,192
Implementation of GASB 101	<u>(141,554)</u>
Beginning net position, Business-type Activities, as restated	<u>\$ 46,495,638</u>
Fund Level	
Net position, Water and Sewer Fund, previously reported	\$ 40,575,470
Implementation of GASB 101	<u>(82,702)</u>
Beginning fund balance, Water and Sewer Fund, as restated	<u>\$ 40,492,768</u>
Net position, Building Department Fund, previously reported	\$ 6,061,722
Implementation of GASB 101	<u>(58,852)</u>
Beginning net position, Building Department Fund, as restated	<u>\$ 6,002,870</u>

**NOTE 14 – SUBSEQUENT EVENTS**

The Town has evaluated all subsequent events through April 27, 2026 the date the financial statements were available to be issued.

**Required  
Supplementary  
Information**

**THIS PAGE INTENTIONALLY LEFT BLANK**

# General Fund

The General Fund is the principal fund of the Town and is used to account for all activities of the Town, except those required to be accounted for in another fund. The General Fund accounts for the normal recurring activities of the Town (i.e., general government, public safety, transportation, and culture and recreation). These activities are funded principally by property taxes, user fees, and grants from other governmental units.

**THIS PAGE INTENTIONALLY LEFT BLANK**

TOWN OF LONGBOAT KEY, FLORIDA

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

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property taxes	\$ 17,299,430	\$ 17,299,430	\$ 17,097,102	\$ (202,328)
Other taxes	156,000	156,000	154,507	(1,493)
Licenses and permits	20,700	20,700	22,423	1,723
Intergovernmental	1,602,241	1,602,241	1,615,414	13,173
Charges for services	653,220	653,220	673,008	19,788
Franchise fees	899,000	899,000	1,028,133	129,133
Fines and forfeitures	58,250	58,250	69,090	10,840
Grant revenues	500	500	179,187	178,687
Investment earnings	440,000	440,000	777,771	337,771
Miscellaneous revenues	63,000	86,708	916,973	830,265
Other financing sources:				
Transfers in	1,878,283	1,878,283	1,878,283	-
Proceeds from the sale of capital assets	-	-	55,000	55,000
Total revenues	<u>\$ 23,070,624</u>	<u>\$ 23,094,332</u>	<u>\$ 24,466,891</u>	<u>\$ 1,372,559</u>
<b>Expenditures:</b>				
Current				
General government				
Legislative				
Town Commission	\$ 38,140	\$ 46,110	\$ 46,105	\$ 5
Town Manager	529,837	840,463	820,117	20,346
Town Clerk	662,394	660,211	506,127	154,084
Financial and administrative				
Finance department	1,179,557	1,214,296	1,202,800	11,496
Public works	975,296	933,296	800,595	132,701
Legal counsel	424,000	424,000	305,863	118,137
Support services	726,729	565,530	540,533	24,997
Comprehensive planning				
Planning and zoning	783,222	814,703	774,164	40,539
Other general government				
Information technology	1,471,261	1,521,470	1,316,796	204,674
Municipal buildings	183,358	225,358	207,799	17,559
General services	804,503	784,203	696,959	87,244
Contingencies	300,000	3,586	-	3,586
Total general government	<u>8,078,297</u>	<u>8,033,226</u>	<u>7,217,858</u>	<u>815,368</u>
Public safety				
Law enforcement				
Police department	4,358,554	4,263,554	4,245,744	17,810
Fire control/rescue service				
Fire department	9,069,830	9,199,863	9,199,525	338
Emergency and disaster relief services	19,900	4,860,093	4,853,931	6,162
Total public safety	<u>13,448,284</u>	<u>18,323,510</u>	<u>18,299,200</u>	<u>24,310</u>
Transportation				
Street department	<u>775,761</u>	<u>775,761</u>	<u>690,892</u>	<u>84,869</u>
Culture and recreation				
Parks division	<u>436,672</u>	<u>436,672</u>	<u>365,709</u>	<u>70,963</u>

(Continued)

TOWN OF LONGBOAT KEY, FLORIDA

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

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures (continued):</b>				
Capital outlay				
General government	\$ -	\$ -	\$ 14,500	\$ (14,500)
Public safety	-	247,259	221,983	25,276
Total capital outlay	-	247,259	236,483	10,776
Other financing uses				
Transfers out	2,000,000	3,521,265	3,521,265	-
Total expenditures	24,739,014	31,337,693	30,331,407	1,006,286
Change in fund balance	\$ (1,668,390)	\$ (8,243,361)	\$ (5,864,516)	\$ 2,378,845

**Notes to RSI:**

The annual budgets for the Town's General Fund, GMD Assessments Fund, and Neighborhoods Assessments Fund are adopted and presented herein on a basis consistent with generally accepted accounting principles.

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - GMD ASSESSMENTS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Investment earnings	\$ 6,700	\$ 6,700	\$ 539,219	\$ 532,519
Special assessments	1,462,653	1,462,653	936,930	(525,723)
<b>Total revenues</b>	<u>1,469,353</u>	<u>1,469,353</u>	<u>1,476,149</u>	<u>6,796</u>
<b>Expenditures</b>				
Current				
General government	44,450	44,450	26,931	17,519
<b>Total expenditures</b>	<u>44,450</u>	<u>44,450</u>	<u>26,931</u>	<u>17,519</u>
<b>Excess of revenues over expenditures</b>	<u>1,424,903</u>	<u>1,424,903</u>	<u>1,449,218</u>	<u>24,315</u>
<b>Other financing uses</b>				
Transfers out	(919,975)	(919,975)	(908,000)	11,975
<b>Total other financing uses</b>	<u>(919,975)</u>	<u>(919,975)</u>	<u>(908,000)</u>	<u>11,975</u>
<b>Change in fund balance</b>	504,928	504,928	541,218	36,290
<b>Fund balance, beginning of year</b>	<u>550,802</u>	<u>550,802</u>	<u>550,802</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 1,055,730</u>	<u>\$ 1,055,730</u>	<u>\$ 1,092,020</u>	<u>\$ 36,290</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – NEIGHBORHOODS ASSESSMENTS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Investment earnings	\$ 4,100	\$ 4,100	\$ 530,661	\$ 526,561
Special assessments	1,097,555	1,097,555	572,610	(524,945)
Total revenues	<u>1,101,655</u>	<u>1,101,655</u>	<u>1,103,271</u>	<u>1,616</u>
<b>Expenditures</b>				
Current				
General government	39,000	39,000	25,658	13,342
Debt service				
Principal retirement	-	-	105,000	(105,000)
Total expenditures	<u>39,000</u>	<u>39,000</u>	<u>130,658</u>	<u>(91,658)</u>
<b>Excess of revenues over expenditures</b>	<u>1,062,655</u>	<u>1,062,655</u>	<u>972,613</u>	<u>(90,042)</u>
<b>Other financing uses</b>				
Transfers out	(766,767)	(766,767)	(754,000)	12,767
Total other financing uses	<u>(766,767)</u>	<u>(766,767)</u>	<u>(754,000)</u>	<u>12,767</u>
<b>Change in fund balance</b>	295,888	295,888	218,613	(77,275)
<b>Fund balance, beginning of year</b>	<u>371,623</u>	<u>371,623</u>	<u>371,623</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 667,511</u>	<u>\$ 667,511</u>	<u>\$ 590,236</u>	<u>\$ (77,275)</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
AND RELATED RATIOS – CONSOLIDATED PENSION TRUST FUND**

Reporting period ending Measurement date	9/30/2026 9/30/2025	9/30/2025 9/30/2024	9/30/2024 9/30/2023	9/30/2023 9/30/2022	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019	9/30/2019 9/30/2018	9/30/2018 9/30/2017	9/30/2017 9/30/2016
<b>Total pension liability</b>										
Service cost	\$ 13,725	\$ 13,634	\$ 15,572	\$ 18,741	\$ 21,217	\$ 23,079	\$ 28,900	\$ 31,679	\$ 35,799	\$ 22,567
Interest on total pension liability	3,914,593	3,874,743	3,908,362	3,962,540	3,947,581	3,987,218	3,992,647	3,975,460	3,912,316	3,790,450
Change of benefit terms	-	749,070	-	-	-	-	410	-	-	(686,452)
Differences between expected and actual experience	(568,126)	284,194	(111,525)	101,669	342,130	435,211	(182,519)	279,183	983,420	(206,405)
Change of assumptions	517,458	-	-	1,436,013	-	(999,651)	-	-	-	2,859,004
Benefit payments, including refunds of employee contributions	(4,348,751)	(4,313,945)	(4,303,120)	(4,140,587)	(4,048,918)	(3,971,584)	(3,849,906)	(4,226,940)	(3,823,764)	(5,652,075)
<b>Net change in total pension liability</b>	<b>(471,101)</b>	<b>607,696</b>	<b>(490,711)</b>	<b>1,378,376</b>	<b>262,010</b>	<b>(525,727)</b>	<b>(10,468)</b>	<b>59,382</b>	<b>1,107,771</b>	<b>127,089</b>
<b>Total pension liability - beginning</b>	<b>60,158,229</b>	<b>59,550,533</b>	<b>60,041,244</b>	<b>58,662,868</b>	<b>58,400,858</b>	<b>58,926,585</b>	<b>58,937,053</b>	<b>58,877,671</b>	<b>57,769,900</b>	<b>57,642,811</b>
<b>Total pension liability - ending (a)</b>	<b>\$59,687,128</b>	<b>\$60,158,229</b>	<b>\$59,550,533</b>	<b>\$60,041,244</b>	<b>\$58,662,868</b>	<b>\$58,400,858</b>	<b>\$58,926,585</b>	<b>\$58,937,053</b>	<b>\$58,877,671</b>	<b>\$57,769,900</b>
<b>Plan fiduciary net position</b>										
Contributions - employer	\$ 2,992,554	\$ 2,864,063	\$ 2,515,982	\$ 2,886,072	\$ 2,980,962	\$ 3,448,668	\$ 3,393,342	\$ 3,283,591	\$ 3,012,062	\$ 3,119,832
Contributions - state	-	-	-	-	-	-	-	-	-	-
Contributions - employee	-	-	-	-	-	-	-	-	-	-
Net investment income	4,392,314	8,337,292	4,366,561	(5,280,630)	8,189,367	2,331,653	1,034,293	2,775,853	3,550,564	2,625,672
Benefit payments, including refunds of member contributions	(4,348,751)	(4,313,945)	(4,303,120)	(4,140,587)	(4,048,918)	(3,971,584)	(3,849,906)	(4,226,940)	(3,823,764)	(5,652,075)
Administrative expenses	(125,289)	(96,041)	(109,320)	(107,120)	(90,610)	(96,800)	(92,324)	(109,839)	(136,338)	(112,796)
<b>Net change in plan fiduciary net position</b>	<b>2,910,828</b>	<b>6,791,369</b>	<b>2,470,103</b>	<b>(6,642,265)</b>	<b>7,030,801</b>	<b>1,711,937</b>	<b>485,405</b>	<b>1,722,665</b>	<b>2,602,524</b>	<b>(19,367)</b>
<b>Plan fiduciary net position - beginning</b>	<b>48,902,888</b>	<b>42,111,519</b>	<b>39,641,416</b>	<b>46,283,681</b>	<b>39,252,880</b>	<b>37,540,943</b>	<b>37,055,538</b>	<b>35,332,873</b>	<b>32,730,349</b>	<b>32,749,716</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$51,813,716</b>	<b>\$48,902,888</b>	<b>\$42,111,519</b>	<b>\$39,641,416</b>	<b>\$46,283,681</b>	<b>\$39,252,880</b>	<b>\$37,540,943</b>	<b>\$37,055,538</b>	<b>\$35,332,873</b>	<b>\$32,730,349</b>
<b>Town's net pension liability - ending (a) - (b)</b>	<b>\$ 7,873,412</b>	<b>\$11,255,341</b>	<b>\$17,439,014</b>	<b>\$20,399,828</b>	<b>\$12,379,187</b>	<b>\$19,147,978</b>	<b>\$21,385,642</b>	<b>\$21,881,515</b>	<b>\$23,544,798</b>	<b>\$25,039,551</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	86.81%	81.29%	70.72%	66.02%	78.90%	67.21%	63.71%	62.87%	60.01%	56.66%
<b>Covered payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 1,198,776
<b>Town's net pension liability as a percentage of covered payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2088.76%

**TOWN OF LONGBOAT KEY, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CONTRIBUTIONS  
CONSOLIDATED PENSION TRUST FUND**

	<u>9/30/2025</u>	<u>9/30/2024</u>	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>
Reporting period ending										
Actuarially determined contribution	\$2,992,554	\$2,864,063	\$2,515,982	\$2,886,072	\$2,980,962	\$3,448,668	\$ 3,393,342	\$ 3,283,591	\$2,925,178	\$3,119,832
Contributions in relation to the actuarially determined contribution	<u>2,992,554</u>	<u>2,864,063</u>	<u>2,515,982</u>	<u>2,886,072</u>	<u>2,980,962</u>	<u>3,448,668</u>	<u>3,393,342</u>	<u>3,283,591</u>	<u>3,012,062</u>	<u>3,119,832</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (86,884)</u>	<u>\$ -</u>
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$2,521,491
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	123.73%

**Notes to the Schedule:**

Valuation date: October 1, 2023  
 Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:  
 Funding method: Entry age normal actuarial cost method. An interest load equal to 1.5 years has been applied for determination of the total required contribution.  
 Amortization method: Level percentage of pay, closed.  
 Remaining amortization period: 20 years (as of October 1, 2022).  
 Mortality: RP-2000 combined healthy (sex distinct), projected to valuation date using scale AA.  
 Termination rates: Table 1305, see sample rates below.

Age	% Terminating During the Year
20	17.20%
30	15.00%
40	8.20%
50	1.70%

Retirement age: The earlier of age 62 or age 55 and completion of 30 years of credited service. Also, any member who has reached normal retirement is assumed to continue employment for one additional year.  
 Early retirement: 5% per year, for each year of eligibility, beginning at age 50 with 15 years of credited service.  
 Interest rate: 6.75% per year, compounded annually, net of investment-related expenses.  
 Salary increases: None.  
 Payroll growth: None.  
 Asset valuation method: Each year, the prior actuarial value of assets is brought forward using the historical geometric four-year average market value return. It is possible that over time this technique will produce an insignificant bias above or below market value.

**TOWN OF LONGBOAT KEY, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF PENSION INVESTMENT RETURNS**

---

Reporting period ending	<u>9/30/2026</u>	<u>9/30/2025</u>	<u>9/30/2024</u>	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>
Measurement date	<u>9/30/2025</u>	<u>9/30/2024</u>	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>	<u>9/30/2017</u>	<u>9/30/2016</u>
Consolidated Pension Trust Fund										
Annual money-weighted rate of return, net of investment expenses	9.22%	20.33%	11.38%	-11.66%	21.45%	6.36%	2.86%	8.04%	11.15%	8.25%

**TOWN OF LONGBOAT KEY, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -  
FLORIDA RETIREMENT SYSTEM PENSION PLAN**

Reporting period ending Measurement date	<u>9/30/2025</u> <u>6/30/2025</u>	<u>9/30/2024</u> <u>6/30/2024</u>	<u>9/30/2023</u> <u>6/30/2023</u>	<u>9/30/2022</u> <u>6/30/2022</u>	<u>9/30/2021</u> <u>6/30/2021</u>	<u>9/30/2020</u> <u>6/30/2020</u>	<u>9/30/2019</u> <u>6/30/2019</u>	<u>9/30/2018</u> <u>6/30/2018</u>	<u>9/30/2017</u> <u>6/30/2017</u>	<u>9/30/2016</u> <u>6/30/2016</u>
Town's proportion of the FRS net pension liability	0.0170284%	0.0171531%	0.0143682%	0.0153135%	0.0156199%	0.0176149%	0.0179257%	0.0173769%	0.0174717%	0.0176405%
Town's proportionate share of the FRS net pension liability	\$ 5,284,785	\$ 6,635,636	\$ 5,725,267	\$ 5,697,858	\$ 1,179,903	\$ 7,634,566	\$ 6,173,377	\$ 5,234,011	\$ 5,168,012	\$ 4,454,244
Town's covered payroll	\$ 3,413,947	\$ 3,050,567	\$ 2,851,699	\$ 2,843,023	\$ 2,735,183	\$ 2,599,851	\$ 2,600,024	\$ 2,476,338	\$ 2,373,392	\$ 2,287,722
Town's proportionate share of the FRS net pension liability as a percentage of its covered payroll	154.80%	217.52%	200.77%	200.42%	43.14%	293.65%	237.44%	211.36%	217.75%	194.70%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	87.26%	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%

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

**TOWN OF LONGBOAT KEY, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CONTRIBUTIONS**  
**FLORIDA RETIREMENT SYSTEM PENSION PLAN**

Reporting period ending Measurement date	<u>9/30/2025</u> <u>6/30/2025</u>	<u>9/30/2024</u> <u>6/30/2024</u>	<u>9/30/2023</u> <u>6/30/2023</u>	<u>9/30/2022</u> <u>6/30/2022</u>	<u>9/30/2021</u> <u>6/30/2021</u>	<u>9/30/2020</u> <u>6/30/2020</u>	<u>9/30/2019</u> <u>6/30/2019</u>	<u>9/30/2018</u> <u>6/30/2018</u>	<u>9/30/2017</u> <u>6/30/2017</u>	<u>9/30/2016</u> <u>6/30/2016</u>
Contractually required FRS contribution	\$ 1,060,586	\$ 959,994	\$ 771,157	\$ 653,456	\$ 595,049	\$ 585,266	\$ 555,827	\$ 495,228	\$ 454,831	\$ 430,192
FRS contributions in relation to the contractually required FRS contribution	<u>1,060,586</u>	<u>959,994</u>	<u>771,157</u>	<u>653,456</u>	<u>595,049</u>	<u>585,266</u>	<u>555,827</u>	<u>495,228</u>	<u>454,831</u>	<u>430,192</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,375,498	\$ 2,874,828	\$ 2,836,581	\$ 2,827,905	\$ 2,824,311	\$ 2,643,352	\$ 2,607,089	\$ 2,511,448	\$ 2,396,497	\$ 2,257,018
FRS contributions as a percentage of covered payroll	31.42%	33.39%	27.19%	23.11%	21.07%	22.14%	21.32%	19.72%	18.98%	19.06%

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

**TOWN OF LONGBOAT KEY, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -  
HEALTH INSURANCE SUBSIDY PENSION PLAN**

Reporting period ending Measurement date	<u>9/30/2025</u> <u>6/30/2025</u>	<u>9/30/2024</u> <u>6/30/2024</u>	<u>9/30/2023</u> <u>6/30/2023</u>	<u>9/30/2022</u> <u>6/30/2022</u>	<u>9/30/2021</u> <u>6/30/2021</u>	<u>9/30/2020</u> <u>6/30/2020</u>	<u>9/30/2019</u> <u>6/30/2019</u>	<u>9/30/2018</u> <u>6/30/2018</u>	<u>9/30/2017</u> <u>6/30/2017</u>	<u>9/30/2016</u> <u>6/30/2016</u>
Town's proportion of the HIS net pension liability	0.0079581%	0.0080668%	0.0071798%	0.0077019%	0.0077333%	0.0074766%	0.0077742%	0.0075818%	0.0074460%	0.0074208%
Town's proportionate share of the HIS net pension liability	\$ 1,020,028	\$ 1,210,093	\$ 1,140,247	\$ 815,756	\$ 948,610	\$ 912,880	\$ 869,855	\$ 802,463	\$ 796,157	\$ 864,858
Town's covered payroll	\$ 3,413,947	\$ 3,050,567	\$ 2,851,699	\$ 2,843,023	\$ 2,735,183	\$ 2,599,851	\$ 2,600,024	\$ 2,476,338	\$ 2,373,392	\$ 2,287,722
Town's proportionate share of the HIS net pension liability as a percentage of its covered payroll	29.88%	39.67%	39.98%	28.69%	34.68%	35.11%	33.46%	32.41%	33.55%	37.80%
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	6.36%	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%

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

**TOWN OF LONGBOAT KEY, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CONTRIBUTIONS**  
**HEALTH INSURANCE SUBSIDY PENSION PLAN**

Reporting period ending Measurement date	<u>9/30/2025</u> <u>6/30/2025</u>	<u>9/30/2024</u> <u>6/30/2024</u>	<u>9/30/2023</u> <u>6/30/2023</u>	<u>9/30/2022</u> <u>6/30/2022</u>	<u>9/30/2021</u> <u>6/30/2021</u>	<u>9/30/2020</u> <u>6/30/2020</u>	<u>9/30/2019</u> <u>6/30/2019</u>	<u>9/30/2018</u> <u>6/30/2018</u>	<u>9/30/2017</u> <u>6/30/2017</u>	<u>9/30/2016</u> <u>6/30/2016</u>
Contractually required HIS contribution	\$ 72,341	\$ 67,768	\$ 53,092	\$ 46,603	\$ 45,457	\$ 43,084	\$ 43,169	\$ 41,116	\$ 39,406	\$ 38,036
HIS contributions in relation to the contractually required HIS contribution	<u>72,341</u>	<u>67,768</u>	<u>53,092</u>	<u>46,603</u>	<u>45,457</u>	<u>43,084</u>	<u>43,169</u>	<u>41,116</u>	<u>39,406</u>	<u>38,036</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,375,498	\$ 2,874,828	\$ 2,836,581	\$ 2,827,905	\$ 2,824,311	\$ 2,643,352	\$ 2,607,089	\$ 2,511,448	\$ 2,396,497	\$ 2,257,018
HIS contributions as a percentage of covered payroll	2.14%	2.36%	1.87%	1.65%	1.61%	1.63%	1.66%	1.64%	1.64%	1.69%

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

TOWN OF LONGBOAT KEY, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE TOWN'S TOTAL OPEB LIABILITY AND RELATED RATIOS

Reporting period ending	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Measurement date	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017
Service cost	\$ 78,437	\$ 72,296	\$ 115,864	\$ 111,458	\$ 98,229	\$ 86,359	\$ 60,955	\$ 62,113
Interest	65,983	61,516	44,744	39,495	59,535	65,719	50,864	43,733
Differences between expected and actual experience	(177,723)	25,529	(255,326)	-	(61,889)	-	(33,200)	-
Changes of assumptions	167,248	38,348	(283,479)	(40,140)	200,783	64,506	179,191	(55,074)
Benefit payments	(145,008)	(132,349)	(128,246)	(110,883)	(142,977)	(132,386)	(84,932)	(78,098)
Net change in total OPEB liability	(11,063)	65,340	(506,443)	(70)	153,681	84,198	172,878	(27,326)
Total OPEB liability - beginning	1,348,084	1,282,744	1,789,187	1,789,257	1,635,576	1,551,378	1,378,500	1,405,826
Total OPEB liability - ending	<u>\$ 1,337,021</u>	<u>\$ 1,348,084</u>	<u>\$ 1,282,744</u>	<u>\$ 1,789,187</u>	<u>\$ 1,789,257</u>	<u>\$ 1,635,576</u>	<u>\$ 1,551,378</u>	<u>\$ 1,378,500</u>
Covered employee payroll	\$ 13,272,426	\$ 8,977,560	\$ 8,758,595	\$ 8,247,958	\$ 7,855,198	\$ 7,941,495	\$ 7,563,329	\$ 7,237,402
Town's total OPEB liability as a percentage of covered employee payroll	10.07%	15.02%	14.65%	21.69%	22.78%	20.60%	20.51%	19.05%

**Notes to the Schedule:**

*Changes of Assumptions.* Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending September 30, 2025:	4.06%
Fiscal Year Ending September 30, 2024:	4.87%
Fiscal Year Ending September 30, 2023:	4.77%
Fiscal Year Ending September 30, 2022:	2.43%
Fiscal Year Ending September 30, 2021:	2.14%
Fiscal Year Ending September 30, 2020:	3.58%
Fiscal Year Ending September 30, 2019:	4.18%
Fiscal Year Ending September 30, 2018:	3.64%
Fiscal Year Ending September 30, 2017:	3.06%

No assets are being accumulated in a trust to pay the related benefits for the OPEB plan.

The schedule will present 10 years of information once it is accumulated.

# **Combining and Individual Fund Statements and Schedules**

**THIS PAGE INTENTIONALLY LEFT BLANK**

# Nonmajor Governmental Funds

## Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt and capital projects.

### Sarasota Infrastructure Surtax Fund

To account for the Town's portion of the Sarasota County local option one-cent sales tax and expenditures made to acquire and maintain governmental infrastructure.

### Manatee Infrastructure Surtax Fund

To account for the Town's portion of the Manatee County local option one-half cent sales tax and expenditures made to acquire and maintain governmental infrastructure.

### Tourist Development Tax Fund

To account for the beach nourishment portion of tourist development tax revenues.

### Tree Replacement Fund

To account for fees collected through permits for tree removal or relocation for which funds may only be used to plant or replace trees on public property. Funds may be used for Town or state projects that include trees.

### Police Training Fund

To account for revenue received through the court system which may only be used for police education and training.

### Police Donations Fund

The Town allows the police department to accept contributions in lieu of gratuities and provide a general use and benefit to the members of the police department.

### Law Enforcement Trust Fund (LETF)

To account for receipt of awards for information or assistance leading to a civil or criminal forfeiture. Funds are restricted to crime prevention, safe neighborhood, drug abuse education and prevention, other law enforcement purposes, defibrillators, matching funds for federal grants, but may not be used to meet normal operating expenses of the agency.

### Miscellaneous Grants Fund

To account for the receipt and disbursement of small miscellaneous grants received by the Town.

### Road and Bridge Fund

To account for the collection of county road funds and state fuel taxes and expenditures made to maintain and improve the Town's roads and bridges.

### Tennis Center Fund

To account for the sales and expenses associated with running the Tennis Center facility.

# Nonmajor Governmental Funds Continued

## **Debt Service Funds**

### General Obligation Fire Stations Bonds Fund

To account for the property tax collections for Sarasota and Manatee County collectors office and pays annual debt service payment on the fire stations bonds.

### Bayside District General Obligation Beach Bonds Fund

To account for the property tax collections for Sarasota and Manatee County collectors office and pays annual debt service payment on the beach bonds.

### Gulf of Mexico Dr. (GMD) Undergrounding Bonds Fund

To account for the special assessment collections for Sarasota and Manatee County collectors office and pays annual debt service payment on the undergrounding bonds.

### Neighborhood Undergrounding Bonds Fund

To account for the special assessment collections for Sarasota and Manatee County collectors office and pays annual debt service payment on the undergrounding bonds.

## **Capital Project Funds**

### Street Capital Projects Fund

To account for the collection of county road funds and state fuel taxes and expenditures to maintain and improve the Town's roads, storm water systems and drainage.

### Other Capital Projects Fund

To account for miscellaneous smaller capital projects of the Town.

### Land Acquisition Fees Fund

To account for funds received from contractors to secure undeveloped land in the Town to preserve open spaces or for public purposes.

### Canal Dredging Fund

To account for expenditures incurred in dredging of canals within the Town.

### Parks and Recreation Capital Project Fund

To account for grants and donations and expenditures of constructing new parks and recreational facilities.

TOWN OF LONGBOAT KEY, FLORIDA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2025

	Special Revenue Funds									
	Sarasota Infrastructure Surtax	Manatee Infrastructure Surtax	Tourist Development Tax	Tree Replacement	Police Training	Police Donations	Law Enforcement Trust	Miscellaneous Grants	Road and Bridge Fund	Tennis Center
<b>Assets</b>										
Cash and cash equivalents	\$ 82,045	\$ 38,600	\$ 217,457	\$ 3,297	\$ 1,268	\$ 7,766	\$ 9,333	\$ -	\$ 70,122	\$ 27,642
Investments	1,060,274	498,829	2,810,208	42,609	16,382	-	120,605	-	906,189	-
Due from other governments	100,112	30,683	937,176	-	690	-	-	128,819	68,672	-
Inventory	-	-	-	-	-	-	-	-	-	136,972
Accrued income	8,182	886	6,575	235	173	-	790	-	10,438	-
Total assets	<u>\$ 1,250,613</u>	<u>\$ 568,998</u>	<u>\$ 3,971,416</u>	<u>\$ 46,141</u>	<u>\$ 18,513</u>	<u>\$ 7,766</u>	<u>\$ 130,728</u>	<u>\$ 128,819</u>	<u>\$ 1,055,421</u>	<u>\$ 164,614</u>
<b>Liabilities and fund balances</b>										
Liabilities										
Accounts payable	\$ 23,034	\$ -	\$ -	\$ -	\$ -	\$ 3,073	\$ 26,368	\$ 3,001	\$ 13,399	\$ 21,766
Accrued liabilities	-	-	-	-	-	-	-	-	-	12,922
Unearned revenue	-	-	-	-	-	-	-	41,818	-	-
Due to other funds	-	-	-	-	-	-	-	103,546	-	-
Total liabilities	<u>23,034</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,073</u>	<u>26,368</u>	<u>148,365</u>	<u>13,399</u>	<u>34,688</u>
Deferred inflows of resources										
Unavailable revenue	-	-	-	-	-	-	-	-	-	-
Fund balances										
Nonspendable	-	-	-	-	-	-	-	-	-	136,972
Restricted	1,227,579	568,998	3,971,416	46,141	18,513	4,693	104,360	-	1,042,022	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(19,546)	-	(7,046)
Total fund balances	<u>1,227,579</u>	<u>568,998</u>	<u>3,971,416</u>	<u>46,141</u>	<u>18,513</u>	<u>4,693</u>	<u>104,360</u>	<u>(19,546)</u>	<u>1,042,022</u>	<u>129,926</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 1,250,613</u>	<u>\$ 568,998</u>	<u>\$ 3,971,416</u>	<u>\$ 46,141</u>	<u>\$ 18,513</u>	<u>\$ 7,766</u>	<u>\$ 130,728</u>	<u>\$ 128,819</u>	<u>\$ 1,055,421</u>	<u>\$ 164,614</u>

Continued

	Debt Service Funds				Capital Project Funds				Total Nonmajor Governmental Funds	
	G.O. Fire Stations Bonds	Bayside District G.O. Beach Bonds	GMD Undergrounding Bonds	Neighborhood Undergrounding Bonds	Street Capital Projects	Other Capital Projects	Land Acquisition Fees	Canal Dredging		Parks and Recreation Capital Project Fund
<b>Assets</b>										
Cash and cash equivalents	\$ 2,603	\$ 2,855	\$ 733	\$ 741	\$ 436,132	\$ 101,627	\$ 27,040	\$ 33,655	\$ 177,585	\$ 1,240,501
Investments	33,642	36,898	9,474	9,571	5,636,147	1,313,323	349,437	434,918	2,294,935	15,573,441
Due from other governments	30	76	-	-	1,521,432	1,433,135	-	-	-	4,220,825
Inventory	-	-	-	-	-	-	-	-	-	136,972
Accrued income	729	2,077	1,508	1,728	10,820	3,052	8,989	4,020	778	60,980
Total assets	<u>\$ 37,004</u>	<u>\$ 41,906</u>	<u>\$ 11,715</u>	<u>\$ 12,040</u>	<u>\$ 7,604,531</u>	<u>\$ 2,851,137</u>	<u>\$ 385,466</u>	<u>\$ 472,593</u>	<u>\$ 2,473,298</u>	<u>\$ 21,232,719</u>
<b>Liabilities and fund balances</b>										
Liabilities										
Accounts payable	\$ 26	\$ 91	\$ -	\$ -	\$ 696,389	\$ 140,796	\$ 45,302	\$ 33,775	\$ 226,712	\$ 1,233,732
Accrued liabilities	-	-	-	-	-	-	-	-	-	12,922
Unearned revenue	-	-	-	-	-	-	-	-	-	41,818
Due to other funds	-	-	-	-	-	-	-	-	-	103,546
Total liabilities	<u>26</u>	<u>91</u>	<u>-</u>	<u>-</u>	<u>696,389</u>	<u>140,796</u>	<u>45,302</u>	<u>33,775</u>	<u>226,712</u>	<u>1,392,018</u>
Deferred inflows of resources										
Unavailable revenue	-	-	-	-	475,712	1,433,140	-	-	-	1,908,852
Fund balances										
Nonspendable	-	-	-	-	-	-	-	-	-	136,972
Restricted	36,978	41,815	11,715	12,040	2,886,616	-	313,869	225,126	1,732,758	12,244,639
Assigned	-	-	-	-	3,545,814	1,277,201	26,295	213,692	513,828	5,576,830
Unassigned	-	-	-	-	-	-	-	-	-	(26,592)
Total fund balances	<u>36,978</u>	<u>41,815</u>	<u>11,715</u>	<u>12,040</u>	<u>6,432,430</u>	<u>1,277,201</u>	<u>340,164</u>	<u>438,818</u>	<u>2,246,586</u>	<u>17,931,849</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 37,004</u>	<u>\$ 41,906</u>	<u>\$ 11,715</u>	<u>\$ 12,040</u>	<u>\$ 7,604,531</u>	<u>\$ 2,851,137</u>	<u>\$ 385,466</u>	<u>\$ 472,593</u>	<u>\$ 2,473,298</u>	<u>\$ 21,232,719</u>

**TOWN OF LONGBOAT KEY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Special Revenue Funds									
	Sarasota Infrastructure Surtax	Manatee Infrastructure Surtax	Tourist Development Tax	Tree Replacement	Police Training	Police Donations	Law Enforcement Trust	Miscellaneous Grants	Road and Bridge Fund	Tennis Center
<b>Revenues</b>										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	1,051,317	300,033	1,423,283	-	-	-	-	337,296	-	-
Intergovernmental revenue	-	-	-	-	-	-	-	80,869	-	-
Charges for services	-	-	-	-	-	-	-	56,936	668,584	-
Franchise fees	-	-	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	7,773	-	-	-	-	-
Grant revenues	-	-	-	-	-	-	390,661	-	-	-
Investment earnings (loss)	51,095	18,980	120,736	1,944	645	-	5,505	-	33,522	-
Miscellaneous revenues	-	-	-	325	-	1,350	-	9,645	7,658	47,126
Total revenues	<u>1,102,412</u>	<u>319,013</u>	<u>1,544,019</u>	<u>2,269</u>	<u>8,418</u>	<u>1,350</u>	<u>5,505</u>	<u>400,306</u>	<u>516,281</u>	<u>715,710</u>
<b>Expenditures</b>										
Current										
General government	499	170	1,000	17	-	-	-	-	-	-
Public safety	-	-	-	-	6	4,213	51	233,604	-	-
Transportation	-	-	-	-	-	-	-	41,022	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	763,386
Debt service										
Principal retirement	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Capital outlay										
General government	83,489	-	-	-	-	-	-	24,859	-	-
Public safety	972,392	-	-	-	-	-	26,369	163,389	-	-
Transportation	-	1,645	-	-	-	-	-	-	51,972	-
Culture and recreation	25,735	28,822	-	-	-	-	-	-	-	14,590
Total expenditures	<u>1,082,115</u>	<u>30,637</u>	<u>1,000</u>	<u>17</u>	<u>6</u>	<u>4,213</u>	<u>26,420</u>	<u>421,852</u>	<u>92,994</u>	<u>777,976</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,297</u>	<u>288,376</u>	<u>1,543,019</u>	<u>2,252</u>	<u>8,412</u>	<u>(2,863)</u>	<u>(20,915)</u>	<u>(21,546)</u>	<u>423,287</u>	<u>(62,266)</u>
<b>Other financing sources (uses)</b>										
Proceeds from the sale of capital assets and insurance proceeds	16,000	31,000	-	-	-	-	-	2,000	11,500	-
Transfers from other funds	-	-	-	-	-	-	-	-	-	-
Transfers to other funds	(275,488)	(75,148)	(500,000)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(259,488)</u>	<u>(44,148)</u>	<u>(500,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>11,500</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>(239,191)</u>	<u>244,228</u>	<u>1,043,019</u>	<u>2,252</u>	<u>8,412</u>	<u>(2,863)</u>	<u>(20,915)</u>	<u>(19,546)</u>	<u>434,787</u>	<u>(62,266)</u>
Fund balances, beginning	1,466,770	324,770	2,928,397	43,889	10,101	7,556	125,275	-	607,235	192,192
Fund balances, ending	<u>\$ 1,227,579</u>	<u>\$ 568,998</u>	<u>\$ 3,971,416</u>	<u>\$ 46,141</u>	<u>\$ 18,513</u>	<u>\$ 4,693</u>	<u>\$ 104,360</u>	<u>\$ (19,546)</u>	<u>\$ 1,042,022</u>	<u>\$ 129,926</u>

Continued

	Capital Project Funds									
	G.O. Fire Stations Bonds	Bayside District G.O. Beach Bonds	GMD Undergrounding Bonds	Neighborhood Undergrounding Bonds	Street Capital Projects	Other Capital Projects	Land Acquisition Fees	Canal Dredging	Parks and Recreation Capital Project Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>										
Property taxes	\$ 349,853	\$ 584,552	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 934,405
Other taxes	-	-	-	-	-	-	-	-	-	3,111,929
Intergovernmental revenue	-	-	-	-	8,928	-	-	-	-	89,797
Charges for services	-	-	-	-	-	-	-	-	-	725,520
Franchise fees	-	-	-	304,027	-	-	-	-	-	304,027
Fines and forfeitures	-	-	-	-	-	-	-	-	-	7,773
Grant revenues	-	-	-	-	1,107,326	-	-	-	-	1,497,987
Investment earnings (loss)	9,212	18,256	17,177	15,150	310,894	35,216	16,765	23,400	56,745	735,242
Miscellaneous revenues	-	-	-	-	-	-	-	-	-	66,104
Total revenues	<u>359,065</u>	<u>602,808</u>	<u>17,177</u>	<u>319,177</u>	<u>1,427,148</u>	<u>35,216</u>	<u>16,765</u>	<u>23,400</u>	<u>56,745</u>	<u>7,472,784</u>
<b>Expenditures</b>										
Current										
General government	364	456	425	414	66,471	418	7,993	211,184	62	289,473
Public safety	-	-	-	-	-	-	-	-	-	237,874
Transportation	-	-	-	-	-	-	-	-	-	41,022
Culture and recreation	-	-	-	-	-	-	-	-	-	763,386
Debt service										
Principal retirement	180,000	538,313	420,000	455,000	-	-	-	-	-	1,593,313
Interest	174,181	55,200	499,975	613,822	-	-	-	-	-	1,343,178
Capital outlay										
General government	-	-	-	-	-	1,853,617	16,500	-	-	1,978,465
Public safety	-	-	-	-	-	3,234	-	-	-	1,165,384
Transportation	-	-	-	-	2,724,347	-	-	-	-	2,777,964
Culture and recreation	-	-	-	-	-	29,315	-	-	406,852	505,314
Total expenditures	<u>354,545</u>	<u>593,969</u>	<u>920,400</u>	<u>1,069,236</u>	<u>2,790,818</u>	<u>1,886,584</u>	<u>24,493</u>	<u>211,184</u>	<u>406,914</u>	<u>10,695,373</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,520</u>	<u>8,839</u>	<u>(903,223)</u>	<u>(750,059)</u>	<u>(1,363,670)</u>	<u>(1,851,368)</u>	<u>(7,728)</u>	<u>(187,784)</u>	<u>(350,169)</u>	<u>(3,222,589)</u>
<b>Other financing sources (uses)</b>										
Proceeds from the sale of capital assets and insurance proceeds	-	-	-	-	-	27,698	-	-	543,045	631,243
Transfers from other funds	-	-	908,000	754,000	-	2,000,000	-	-	1,871,901	5,533,901
Transfers to other funds	-	-	-	-	-	-	-	-	-	(850,636)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>908,000</u>	<u>754,000</u>	<u>-</u>	<u>2,027,698</u>	<u>-</u>	<u>-</u>	<u>2,414,946</u>	<u>5,314,508</u>
<b>Net change in fund balance</b>	<u>4,520</u>	<u>8,839</u>	<u>4,777</u>	<u>3,941</u>	<u>(1,363,670)</u>	<u>176,330</u>	<u>(7,728)</u>	<u>(187,784)</u>	<u>2,064,777</u>	<u>2,091,919</u>
Fund balances, beginning	<u>32,458</u>	<u>32,976</u>	<u>6,938</u>	<u>8,099</u>	<u>7,796,100</u>	<u>1,100,871</u>	<u>347,892</u>	<u>626,602</u>	<u>181,809</u>	<u>15,839,930</u>
Fund balances, ending	<u>\$ 36,978</u>	<u>\$ 41,815</u>	<u>\$ 11,715</u>	<u>\$ 12,040</u>	<u>\$ 6,432,430</u>	<u>\$ 1,277,201</u>	<u>\$ 340,164</u>	<u>\$ 438,818</u>	<u>\$ 2,246,586</u>	<u>\$ 17,931,849</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – SARASOTA INFRASTRUCTURE SURTAX FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Other taxes	\$ 1,017,674	\$ 1,017,674	\$ 1,051,317	\$ 33,643
Investment earnings	30,000	30,000	51,095	21,095
Miscellaneous revenues	24,000	24,000	-	(24,000)
Total revenues	<u>1,071,674</u>	<u>1,071,674</u>	<u>1,102,412</u>	<u>30,738</u>
<b>Expenditures</b>				
Current				
General government	1,000	1,000	499	501
Capital outlay	2,785,991	1,574,969	1,081,616	493,353
Total expenditures	<u>2,786,991</u>	<u>1,575,969</u>	<u>1,082,115</u>	<u>493,854</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(1,715,317)</u>	<u>(504,295)</u>	<u>20,297</u>	<u>524,592</u>
<b>Other financing sources (uses)</b>				
Proceeds from the sale of capital assets	150,000	150,000	16,000	(134,000)
Transfers out	-	(275,488)	(275,488)	-
Total other financing sources (uses)	<u>150,000</u>	<u>(125,488)</u>	<u>(259,488)</u>	<u>(134,000)</u>
<b>Change in fund balance</b>	(1,565,317)	(629,783)	(239,191)	390,592
<b>Fund balance, beginning of year</b>	<u>1,466,770</u>	<u>1,466,770</u>	<u>1,466,770</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ (98,547)</u>	<u>\$ 836,987</u>	<u>\$ 1,227,579</u>	<u>\$ 390,592</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – MANATEE INFRASTRUCTURE SURTAX FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Other taxes	\$ 287,119	\$ 287,119	\$ 300,033	\$ 12,914
Investment earnings	10,263	10,263	18,980	8,717
Total revenues	<u>297,382</u>	<u>297,382</u>	<u>319,013</u>	<u>21,631</u>
<b>Expenditures</b>				
Current				
General government	200	200	170	30
Capital outlay	492,015	248,358	30,467	217,891
Total expenditures	<u>492,215</u>	<u>248,558</u>	<u>30,637</u>	<u>217,921</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(194,833)</u>	<u>48,824</u>	<u>288,376</u>	<u>239,552</u>
<b>Other financing sources (uses)</b>				
Proceeds from the sale of capital assets	-	-	31,000	31,000
Transfers out	-	(75,148)	(75,148)	-
Total other financing sources (uses)	<u>-</u>	<u>(75,148)</u>	<u>(44,148)</u>	<u>31,000</u>
<b>Change in fund balance</b>	(194,833)	(26,324)	244,228	270,552
<b>Fund balance, beginning of year</b>	<u>324,770</u>	<u>324,770</u>	<u>324,770</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 129,937</u>	<u>\$ 298,446</u>	<u>\$ 568,998</u>	<u>\$ 270,552</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – TOURIST DEVELOPMENT TAX FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Other taxes	\$ 1,577,176	\$ 1,577,176	\$ 1,423,283	\$ (153,893)
Investment earnings	42,450	42,450	120,736	78,286
Total revenues	<u>1,619,626</u>	<u>1,619,626</u>	<u>1,544,019</u>	<u>(75,607)</u>
<b>Expenditures</b>				
Current				
General government	1,000	1,000	1,000	-
Total expenditures	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
<b>Excess of revenues over expenditures</b>	<u>1,618,626</u>	<u>1,618,626</u>	<u>1,543,019</u>	<u>(75,607)</u>
<b>Other financing uses</b>				
Transfers out	(500,000)	(500,000)	(500,000)	-
Total other financing uses	<u>(500,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
<b>Change in fund balance</b>	1,118,626	1,118,626	1,043,019	(75,607)
<b>Fund balance, beginning of year</b>	<u>2,928,397</u>	<u>2,928,397</u>	<u>2,928,397</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 4,047,023</u>	<u>\$ 4,047,023</u>	<u>\$ 3,971,416</u>	<u>\$ (75,607)</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – TREE REPLACEMENT FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Investment earnings	\$ 1,300	\$ 1,300	\$ 1,944	\$ 644
Miscellaneous revenues	500	500	325	(175)
Total revenues	<u>1,800</u>	<u>1,800</u>	<u>2,269</u>	<u>469</u>
<b>Expenditures</b>				
Current				
General government	50	50	17	33
Culture and recreation	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>40,000</u>
Total expenditures	<u>40,050</u>	<u>40,050</u>	<u>17</u>	<u>40,033</u>
<b>Change in fund balance</b>	(38,250)	(38,250)	2,252	40,502
<b>Fund balance, beginning of year</b>	<u>43,889</u>	<u>43,889</u>	<u>43,889</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u><u>\$ 5,639</u></u>	<u><u>\$ 5,639</u></u>	<u><u>\$ 46,141</u></u>	<u><u>\$ 40,502</u></u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – POLICE TRAINING FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Fines and forfeitures	\$ 1,750	\$ 1,750	\$ 7,773	\$ 6,023
Investment earnings	200	200	645	445
Total revenues	<u>1,950</u>	<u>1,950</u>	<u>8,418</u>	<u>6,468</u>
<b>Expenditures</b>				
Current				
Public safety	4,023	4,023	6	4,017
Total expenditures	<u>4,023</u>	<u>4,023</u>	<u>6</u>	<u>4,017</u>
<b>Change in fund balance</b>	(2,073)	(2,073)	8,412	10,485
<b>Fund balance, beginning of year</b>	<u>10,101</u>	<u>10,101</u>	<u>10,101</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 8,028</u>	<u>\$ 8,028</u>	<u>\$ 18,513</u>	<u>\$ 10,485</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - POLICE DONATIONS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Miscellaneous revenues	\$ 2,000	\$ 2,000	\$ 1,350	\$ (650)
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>1,350</u>	<u>(650)</u>
<b>Expenditures</b>				
Current				
Public safety	6,000	6,000	4,213	1,787
Total expenditures	<u>6,000</u>	<u>6,000</u>	<u>4,213</u>	<u>1,787</u>
<b>Change in fund balance</b>	(4,000)	(4,000)	(2,863)	1,137
<b>Fund balance, beginning of year</b>	<u>7,556</u>	<u>7,556</u>	<u>7,556</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 3,556</u>	<u>\$ 3,556</u>	<u>\$ 4,693</u>	<u>\$ 1,137</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – LAW ENFORCEMENT TRUST FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Fines and forfeitures	\$ -	\$ -	\$ -	\$ -
Investment earnings	1,800	1,800	5,505	3,705
Total revenues	<u>1,800</u>	<u>1,800</u>	<u>5,505</u>	<u>3,705</u>
<b>Expenditures</b>				
Current				
Public safety	50,100	23,100	51	23,049
Total expenditures	<u>50,100</u>	<u>50,100</u>	<u>26,420</u>	<u>23,680</u>
<b>Change in fund balance</b>	(48,300)	(48,300)	(20,915)	27,385
<b>Fund balance, beginning of year</b>	<u>125,275</u>	<u>125,275</u>	<u>125,275</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 76,975</u>	<u>\$ 76,975</u>	<u>\$ 104,360</u>	<u>\$ 27,385</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – MISCELLANEOUS GRANTS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Grant revenues	\$ 305,341	\$ 473,425	\$ 390,661	\$ (82,764)
Miscellaneous revenues	20,551	20,311	9,645	(10,666)
Total revenues	<u>325,892</u>	<u>493,736</u>	<u>400,306</u>	<u>(93,430)</u>
<b>Expenditures</b>				
Current				
Public safety	284,242	287,500	233,604	53,896
Capital outlay				
General government	-	24,859	24,859	-
Public safety	32,557	172,524	163,389	9,135
Culture and recreation	9,093	8,853	-	8,853
Total expenditures	<u>325,892</u>	<u>493,736</u>	<u>421,852</u>	<u>71,884</u>
<b>Excess (deficiency) of revenues over under expenditures</b>	<u>-</u>	<u>-</u>	<u>(21,546)</u>	<u>(21,546)</u>
<b>Other financing sources</b>				
Proceeds from the sale of capital assets	-	-	2,000	2,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>2,000</u>	<u>-</u>
<b>Change in fund balance</b>	<u>-</u>	<u>-</u>	<u>(19,546)</u>	<u>(21,546)</u>
<b>Fund balance, beginning of year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance (deficit), end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (19,546)</u>	<u>\$ (21,546)</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – ROAD AND BRIDGE FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Other taxes	\$ 321,000	\$ 321,000	\$ 337,296	\$ 16,296
Intergovernmental revenue	88,896	88,896	80,869	(8,027)
Charges for service	84,092	84,092	56,936	(27,156)
Investment earnings	11,872	11,872	33,522	21,650
Miscellaneous revenues	-	-	7,658	7,658
Total revenues	<u>505,860</u>	<u>505,860</u>	<u>516,281</u>	<u>10,421</u>
<b>Expenditures</b>				
Current				
Transportation	55,750	55,750	41,022	14,728
Capital outlay	65,000	65,000	51,972	13,028
Total expenditures	<u>120,750</u>	<u>120,750</u>	<u>92,994</u>	<u>27,756</u>
<b>Excess of revenues over expenditures</b>	<u>385,110</u>	<u>385,110</u>	<u>423,287</u>	<u>38,177</u>
<b>Other financing sources</b>				
Proceeds from the sale of capital assets	-	-	11,500	11,500
Total other financing sources	<u>-</u>	<u>-</u>	<u>11,500</u>	<u>11,500</u>
<b>Change in fund balance</b>	385,110	385,110	434,787	49,677
<b>Fund balance, beginning of year</b>	<u>607,235</u>	<u>607,235</u>	<u>607,235</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 992,345</u>	<u>\$ 992,345</u>	<u>\$ 1,042,022</u>	<u>\$ 49,677</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – TENNIS CENTER FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Charges for services	\$ 810,344	\$ 810,344	\$ 668,584	\$ (141,760)
Miscellaneous revenues	-	46,737	47,126	389
Total revenues	<u>810,344</u>	<u>857,081</u>	<u>715,710</u>	<u>(141,371)</u>
<b>Expenditures</b>				
Current				
Culture and recreation	811,120	822,085	763,386	58,699
Capital outlay				
Culture and recreation	-	39,035	14,590	24,445
Total expenditures	<u>811,120</u>	<u>861,120</u>	<u>777,976</u>	<u>83,144</u>
<b>Change in fund balance</b>	(776)	(4,039)	(62,266)	(58,227)
<b>Fund balance, beginning of year</b>	<u>192,192</u>	<u>192,192</u>	<u>192,192</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 191,416</u>	<u>\$ 188,153</u>	<u>\$ 129,926</u>	<u>\$ (58,227)</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – GENERAL OBLIGATION FIRE STATIONS BONDS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Property taxes	\$ 354,182	\$ 354,182	\$ 349,853	\$ (4,329)
Investment earnings	3,000	3,000	9,212	6,212
Total revenues	<u>357,182</u>	<u>357,182</u>	<u>359,065</u>	<u>1,883</u>
<b>Expenditures</b>				
Current				
General government	420	420	364	56
Debt service				
Principal retirement	180,000	180,000	180,000	-
Interest	174,182	174,182	174,181	1
Total expenditures	<u>354,602</u>	<u>354,602</u>	<u>354,545</u>	<u>57</u>
<b>Change in fund balance</b>	2,580	2,580	4,520	1,940
<b>Fund balance, beginning of year</b>	<u>32,458</u>	<u>32,458</u>	<u>32,458</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 35,038</u>	<u>\$ 35,038</u>	<u>\$ 36,978</u>	<u>\$ 1,940</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – BAYSIDE DISTRICT GENERAL OBLIGATION BEACH BONDS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Property taxes	\$ 593,530	\$ 593,530	\$ 584,552	\$ (8,978)
Investment earnings	6,000	6,000	18,256	12,256
Total revenues	<u>599,530</u>	<u>599,530</u>	<u>602,808</u>	<u>3,278</u>
<b>Expenditures</b>				
Current				
General government	550	550	456	94
Debt service				
Principal retirement	538,313	538,313	538,313	-
Interest	55,200	55,200	55,200	-
Total expenditures	<u>594,063</u>	<u>594,063</u>	<u>593,969</u>	<u>94</u>
<b>Change in fund balance</b>	5,467	5,467	8,839	3,372
<b>Fund balance, beginning of year</b>	<u>32,976</u>	<u>32,976</u>	<u>32,976</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 38,443</u>	<u>\$ 38,443</u>	<u>\$ 41,815</u>	<u>\$ 3,372</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – GMD UNDERGROUNDING BONDS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Intergovernmental revenue	\$ 7,000	\$ 7,000	\$ 17,177	\$ 10,177
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>17,177</u>	<u>10,177</u>
<b>Expenditures</b>				
Current				
General government	650	650	425	225
Debt service				
Principal retirement	420,000	420,000	420,000	-
Interest	499,975	499,975	499,975	-
Total expenditures	<u>920,625</u>	<u>920,625</u>	<u>920,400</u>	<u>225</u>
<b>Deficiency of revenues under expenditures</b>	<u>(913,625)</u>	<u>(913,625)</u>	<u>(903,223)</u>	<u>10,402</u>
<b>Other financing sources</b>				
Transfers in	919,975	919,975	908,000	(11,975)
Total other financing sources	<u>919,975</u>	<u>919,975</u>	<u>908,000</u>	<u>(11,975)</u>
<b>Change in fund balance</b>	6,350	6,350	4,777	(1,573)
<b>Fund balance, beginning of year</b>	<u>6,938</u>	<u>6,938</u>	<u>6,938</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u><u>\$ 13,288</u></u>	<u><u>\$ 13,288</u></u>	<u><u>\$ 11,715</u></u>	<u><u>\$ (1,573)</u></u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – NEIGHBORHOOD UNDERGROUNDING BONDS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Franchise fees	\$ 304,027	\$ 304,027	\$ 304,027	\$ -
Investment earnings	6,100	6,100	15,150	9,050
Total revenues	<u>310,127</u>	<u>310,127</u>	<u>319,177</u>	<u>9,050</u>
<b>Expenditures</b>				
Current				
General government	850	850	414	436
Debt service				
Principal retirement	455,000	455,000	455,000	-
Interest	615,794	615,794	613,822	1,972
Total expenditures	<u>1,071,644</u>	<u>1,071,644</u>	<u>1,069,236</u>	<u>2,408</u>
<b>Deficiency of revenues under expenditures</b>	<u>(761,517)</u>	<u>(761,517)</u>	<u>(750,059)</u>	<u>11,458</u>
<b>Other financing sources</b>				
Transfers in	766,767	766,767	754,000	(12,767)
Total other financing sources	<u>766,767</u>	<u>766,767</u>	<u>754,000</u>	<u>(12,767)</u>
<b>Change in fund balance</b>	5,250	5,250	3,941	(1,309)
<b>Fund balance, beginning of year</b>	<u>8,099</u>	<u>8,099</u>	<u>8,099</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 13,349</u>	<u>\$ 13,349</u>	<u>\$ 12,040</u>	<u>\$ (1,309)</u>

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL – GULFSIDE DISTRICT GENERAL OBLIGATION BEACH BONDS FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property taxes	\$ 2,984,220	\$ 2,984,220	\$ 2,957,625	\$ (26,595)
Intergovernmental revenue	30,000	30,000	95,303	65,303
Total revenues	<u>3,014,220</u>	<u>3,014,220</u>	<u>3,052,928</u>	<u>38,708</u>
<b>Expenditures</b>				
Current				
General government	1,350	1,350	995	355
Debt service				
Principal retirement	2,706,687	2,706,687	2,706,687	-
Interest	<u>277,550</u>	<u>277,550</u>	<u>277,550</u>	<u>-</u>
Total expenditures	<u>2,985,587</u>	<u>2,985,587</u>	<u>2,985,232</u>	<u>355</u>
<b>Change in fund balance</b>	28,633	28,633	67,696	39,063
<b>Fund balance, beginning of year</b>	<u>226,769</u>	<u>226,769</u>	<u>226,769</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 255,402</u>	<u>\$ 255,402</u>	<u>\$ 294,465</u>	<u>\$ 39,063</u>

**THIS PAGE INTENTIONALLY LEFT BLANK**

# Statistical Section

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

## Contents

### Financial Trends (Pages 105 – 109) (Tables 1 – 4)

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

### Revenue Capacity (Pages 110 – 113) (Tables 5 – 8)

These schedules contain information to help the reader assess the Town's most significant sources of revenue.

### Debt Capacity (Pages 114 – 118) (Tables 9 – 12)

These schedules contain information to help the reader assess the affordability of the Town's current level of debt and the Town's ability to issue debt in the future.

### Demographics and Economic Information (Pages 119 and 120) (Tables 13 and 14)

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

### Operating Information (Pages 121 – 123) (Tables 15 – 17)

These schedules contain information regarding the number of employees, the operating indicators, and the capital assets used in the various functions and programs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

**THIS PAGE INTENTIONALLY LEFT BLANK**

TOWN OF LONGBOAT KEY, FLORIDA

NET POSITION BY COMPONENT  
 LAST TEN FISCAL YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)  
 (Table 1)

	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$ 48,772,257	\$ 56,025,058	\$ 56,478,072	\$ 58,787,253	\$ 61,550,069	\$ 75,420,072	\$ 68,782,794	\$ 71,795,751	\$ 73,816,495	\$ 56,622,256
Restricted										
Capital projects	8,944,542	8,120,414	7,130,626	16,824,730	18,063,120	11,369,482	16,942,755	19,127,738	25,826,080	27,878,493
Debt service	3,322,743	462,583	661,028	523,548	74,220	245,002	210,519	156,308	307,240	397,013
Unrestricted	(3,708,420)	(8,378,269)	(5,703,438)	(11,112,772)	(11,032,840)	(2,898,274)	17,490,314	17,434,473	16,726,492	14,861,080
Total governmental activities net position	\$ 57,331,122	\$ 56,229,786	\$ 58,566,288	\$ 65,022,759	\$ 68,654,569	\$ 84,136,282	\$ 103,426,382	\$ 108,514,270	\$ 116,676,307	\$ 99,758,842
Business-type activities										
Net investment in capital assets	\$ 16,805,803	\$ 16,710,926	\$ 17,808,807	\$ 19,872,547	\$ 20,328,564	\$ 19,241,386	\$ 19,085,978	\$ 21,388,225	\$ 24,582,739	\$ 29,282,520
Restricted										
Debt service	981,794	601,674	623,781	274,362	641,697	741,736	748,030	771,569	774,810	783,714
Connection fees	1,328,814	1,359,561	1,391,264	1,439,046	-	-	-	-	-	-
Unrestricted	14,341,142	15,918,440	14,225,116	12,924,696	13,967,575	15,241,415	19,250,938	20,849,025	21,279,643	17,008,304
Total business-type activities net position	\$ 33,457,553	\$ 34,590,601	\$ 34,048,968	\$ 34,510,651	\$ 34,937,836	\$ 35,224,537	\$ 39,084,946	\$ 43,008,819	\$ 46,637,192	\$ 47,074,538
Primary government										
Net investment in capital assets	\$ 65,578,060	\$ 72,735,984	\$ 74,286,879	\$ 78,659,800	\$ 81,878,633	\$ 94,661,458	\$ 87,868,772	\$ 93,183,976	\$ 98,399,234	\$ 85,904,776
Restricted										
Capital projects	8,944,542	8,120,414	7,130,626	16,824,730	18,063,120	11,369,482	16,942,755	19,127,738	25,826,080	27,878,493
Debt service	4,304,537	1,064,257	1,284,809	797,910	715,917	986,738	958,549	927,877	1,082,050	1,180,727
Connection fees	1,328,814	1,359,561	1,391,264	1,439,046	-	-	-	-	-	-
Unrestricted	10,632,722	7,540,171	8,521,678	1,811,924	2,934,735	12,343,141	36,741,252	38,283,498	38,006,135	31,869,384
Total primary government net position	\$ 90,788,675	\$ 90,820,387	\$ 92,615,256	\$ 99,533,410	\$ 103,592,405	\$ 119,360,819	\$ 142,511,328	\$ 151,523,089	\$ 163,313,499	\$ 146,833,380

TOWN OF LONGBOAT KEY, FLORIDA

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(Table 2)

	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Expenses</b>										
Governmental activities:										
General government	\$ 4,957,901	\$ 6,000,443	\$ 4,563,210	\$ 4,785,548	\$ 4,956,110	\$ 4,958,163	\$ 10,795,835	\$ 6,313,266	\$ 7,131,617	\$ 31,203,746
Public safety	11,187,571	12,954,560	12,178,651	11,298,115	11,709,523	9,038,445	9,479,471	13,617,186	13,129,490	17,547,981
Transportation	889,340	883,892	743,164	912,741	916,222	943,666	850,936	1,000,494	1,076,062	1,289,000
Culture/recreation	4,109,675	6,804,311	6,204,287	6,437,819	6,369,986	11,124,147	7,870,678	6,769,871	7,078,426	7,556,263
Physical environment	-	-	-	-	1,872	5,491	9,215	-	-	-
Interest on long-term debt	51,509	201,343	149,256	1,663,826	1,511,341	1,793,729	1,437,028	1,385,806	1,331,795	1,277,037
Total governmental activities expenses	21,195,996	26,844,549	23,838,568	25,098,049	25,465,054	27,863,641	30,443,163	29,086,623	29,747,390	58,874,027
Business-type activities:										
Water and sewer	6,583,800	6,493,020	7,250,303	7,513,461	7,663,894	8,304,246	7,826,497	8,525,418	9,093,364	9,806,408
Building department	789,776	345,853	1,387,191	1,060,745	998,032	1,001,690	1,043,344	1,390,760	1,663,656	3,341,885
Total business-type activities expenses	7,373,576	6,838,873	8,637,494	8,574,206	8,661,926	9,305,936	8,869,841	9,916,178	10,757,020	13,148,293
Total primary government expenses	\$ 28,569,572	\$ 33,683,422	\$ 32,476,062	\$ 33,672,255	\$ 34,126,980	\$ 37,169,577	\$ 39,313,004	\$ 39,002,801	\$ 40,504,410	\$ 72,022,320
<b>Program revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 46,183	\$ 66,033	\$ 94,607	\$ 45,790	\$ 65,110	\$ 94,425	\$ 256,656	\$ 128,305	\$ 273,036	\$ 182,305
Public safety	858,151	371,309	344,639	375,146	467,651	496,471	746,118	550,054	707,735	600,704
Transportation	52,996	66,810	62,000	64,870	66,799	55,844	84,696	60,832	94,153	56,936
Culture and recreation	594,545	593,982	648,216	691,257	618,275	669,909	737,980	757,572	741,691	681,027
Physical environment	528,514	924,329	2,172,305	4,585,813	3,022,748	4,768,256	18,826,445	930,097	2,155,706	1,274,522
Operating grants and contributions	122,371	240,431	289,444	458,873	228,655	556,949	3,752,612	1,338,094	1,218,382	1,336,274
Capital grants and contributions	7,498,538	2,805,928	2,045,057	1,040,509	351,186	12,449,871	392,156	1,493,025	65,428	5,127,780
Total governmental activities program revenues	9,701,298	5,068,822	5,656,268	7,262,258	4,820,424	19,091,725	24,796,663	5,257,979	5,256,131	9,259,548
Business-type activities:										
Charges for services:										
Water and sewer	7,886,444	8,119,588	8,140,102	8,342,704	8,441,773	8,683,816	9,030,139	10,399,612	10,923,018	12,758,688
Building department	985,797	1,122,628	1,279,642	1,526,856	1,672,906	2,203,420	3,523,851	2,018,326	2,150,617	1,572,152
Capital grants and contributions	-	-	-	-	-	-	40,950	2,009,050	1,541,985	-
Total business-type activities program revenues	8,872,241	9,242,216	9,419,744	9,869,560	10,114,679	10,887,236	12,594,940	14,426,988	14,615,620	14,330,840
Total primary government program revenues	\$ 18,573,539	\$ 14,311,038	\$ 15,076,012	\$ 17,131,818	\$ 14,935,103	\$ 29,978,961	\$ 37,391,603	\$ 19,684,967	\$ 19,871,751	\$ 23,590,388
<b>Net (expense)/revenue</b>										
Governmental activities	\$ (11,494,698)	\$ (21,775,727)	\$ (18,182,300)	\$ (17,835,791)	\$ (20,644,630)	\$ (8,771,916)	\$ (5,646,500)	\$ (23,828,644)	\$ (24,491,259)	\$ (49,614,479)
Business-type activities	1,498,665	2,403,343	782,250	1,295,354	1,452,753	1,581,300	3,725,099	4,510,810	3,858,600	1,182,547
Total primary government net expense	\$ (9,996,033)	\$ (19,372,384)	\$ (17,400,050)	\$ (16,540,437)	\$ (19,191,877)	\$ (7,190,616)	\$ (1,921,401)	\$ (19,317,834)	\$ (20,632,659)	\$ (48,431,932)

(Continued)

TOWN OF LONGBOAT KEY, FLORIDA

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(Table 2)

	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>General revenues and other changes in net position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 13,950,405	\$ 14,609,896	\$ 14,809,552	\$ 15,285,129	\$ 15,496,526	\$ 16,617,933	\$ 17,183,527	\$ 18,070,561	\$ 19,784,754	\$ 20,989,132
Gasoline taxes	425,861	417,112	422,851	405,427	369,925	405,407	414,745	434,813	427,576	418,165
Sales taxes	1,357,642	1,493,594	1,633,731	1,680,821	1,634,044	1,900,879	2,253,303	2,458,647	2,420,450	2,416,629
State revenue sharing	550,938	619,668	590,797	586,869	579,033	527,500	539,575	566,128	576,537	550,135
Business tax	958,713	968,157	1,189,701	1,015,947	987,715	1,031,374	1,193,636	1,339,739	1,293,527	1,332,160
Tourist tax	156,420	157,626	128,155	122,760	144,375	167,807	144,752	167,875	154,738	154,507
Franchise tax	675,353	760,200	742,198	804,869	819,496	712,196	760,003	1,097,282	1,303,969	1,423,283
Income on investments	200,368	129,841	253,771	2,932,252	2,787,344	1,196,346	27,926	3,255,772	4,819,581	3,695,090
Gain on disposal of capital assets	10,924	-	60,925	29,668	54,195	125,521	-	27,412	178,840	-
Miscellaneous	277,220	167,797	145,411	130,733	73,837	238,716	2,832,695	136,026	97,413	973,107
Net transfers	1,255,500	1,350,500	1,334,474	1,297,787	1,329,950	1,329,950	(413,562)	1,362,277	1,595,911	1,878,283
Total governmental activities	19,819,344	20,674,391	21,311,566	24,292,262	24,276,440	24,253,629	24,936,600	28,916,532	32,653,296	33,830,491
Business-type activities:										
Income (loss) on investments	122,741	80,205	146,128	464,116	299,381	24,251	(279,652)	743,340	1,357,534	844,405
Gain on disposal of capital assets	-	-	-	-	5,001	11,100	1,400	32,000	8,150	430,231
Net transfers	(1,255,500)	(1,350,500)	(1,334,474)	(1,297,787)	(1,329,950)	(1,329,950)	413,562	(1,362,277)	(1,595,911)	(1,878,283)
Total business-type activities	(1,132,759)	(1,270,295)	(1,188,346)	(833,671)	(1,025,568)	(1,294,599)	135,310	(586,937)	(230,227)	(603,647)
Total primary government	18,686,585	19,404,096	20,123,220	23,458,591	23,250,872	22,959,030	25,071,910	28,329,595	32,423,069	33,226,844
<b>Change in net position</b>										
Governmental activities	\$ 8,324,646	\$ (1,101,336)	\$ 3,129,266	\$ 6,456,471	\$ 3,631,810	\$ 15,481,713	\$ 19,290,100	\$ 5,087,888	\$ 8,162,037	\$ (15,783,988)
Business-type activities	365,906	1,133,048	(406,096)	461,683	427,185	286,701	3,860,409	3,923,873	3,628,373	578,900
Total primary government	\$ 8,690,552	\$ 31,712	\$ 2,723,170	\$ 6,918,154	\$ 4,058,995	\$ 15,768,414	\$ 23,150,509	\$ 9,011,761	\$ 11,790,410	\$ (15,205,088)

TOWN OF LONGBOAT KEY, FLORIDA

FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 (Table 3)

	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ 367,620	\$ 13,482	\$ 13,647	\$ 14,168	\$ 12,824	\$ 20,249	\$ 22,892	\$ 16,979	\$ 11,783	\$ 14,732
Assigned	1,978,997	1,953,147	2,817,163	2,747,485	3,516,519	6,437,931	6,097,028	11,245,938	9,110,078	5,857,670
Unassigned	3,750,286	5,302,772	5,544,903	7,270,861	7,126,107	4,762,212	8,738,566	6,513,821	6,190,057	3,575,000
Total General Fund	<u>\$ 6,096,903</u>	<u>\$ 7,269,401</u>	<u>\$ 8,375,713</u>	<u>\$ 10,032,514</u>	<u>\$ 10,655,450</u>	<u>\$ 11,220,392</u>	<u>\$ 14,858,486</u>	<u>\$ 17,776,738</u>	<u>\$ 15,311,918</u>	<u>\$ 9,447,402</u>
All other governmental funds										
Nonspendable, reported in:										
Special revenue funds	\$ 71,950	\$ 68,837	\$ 72,381	\$ 91,721	\$ 82,664	\$ 88,337	\$ 125,615	\$ 156,576	\$ 166,124	\$ 136,972
Capital projects funds	-	2,817	-	-	-	-	-	-	-	-
Restricted, reported in:										
Special revenue funds	3,485,965	3,002,628	2,385,563	3,079,622	3,146,496	4,221,001	6,568,374	5,721,547	6,436,418	8,665,978
Debt service funds	3,322,743	462,583	661,028	523,548	74,220	245,002	210,519	156,308	307,240	397,013
Capital projects funds	5,687,859	5,832,361	11,594,718	46,551,577	38,348,238	26,748,100	24,713,993	25,866,627	28,484,710	27,276,742
Assigned	4,432,756	1,501,676	1,333,754	10,237,169	16,060,475	11,463,375	6,248,776	5,114,174	6,444,929	7,382,309
Unassigned	(390,439)	(1,141,330)	(362)	(184,517)	-	(11,686)	(48,329)	-	-	(26,592)
Total all other governmental funds	<u>\$ 16,610,834</u>	<u>\$ 9,729,572</u>	<u>\$ 16,047,082</u>	<u>\$ 60,299,120</u>	<u>\$ 57,712,093</u>	<u>\$ 42,754,129</u>	<u>\$ 37,818,948</u>	<u>\$ 37,015,232</u>	<u>\$ 41,839,421</u>	<u>\$ 43,832,422</u>

TOWN OF LONGBOAT KEY, FLORIDA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(Table 4)

	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Revenues</b>										
Property taxes	\$ 13,950,405	\$ 14,300,315	\$ 14,809,552	\$ 15,285,129	\$ 15,496,526	\$ 16,617,933	\$ 17,183,527	\$ 18,070,561	\$ 19,784,754	\$ 20,989,132
Other taxes	1,861,572	2,148,734	2,283,095	2,203,350	2,215,727	2,374,130	2,627,835	3,183,742	3,343,964	3,266,436
Licenses and permits	36,601	24,753	21,292	16,468	15,294	23,353	27,534	22,292	21,102	22,423
Intergovernmental	1,374,292	1,441,637	1,446,562	1,563,490	1,672,713	3,401,909	2,417,098	1,906,356	1,817,538	1,705,211
Charges for services	1,499,066	1,930,285	1,099,973	1,160,377	1,168,832	1,194,778	1,694,914	1,371,947	1,663,802	1,398,528
Franchise	958,713	968,157	1,189,701	1,015,947	987,715	1,031,374	1,193,636	1,339,739	1,293,527	1,332,160
Fines/miscellaneous/interest	1,030,587	1,727,270	662,892	3,130,139	2,888,950	1,521,231	3,135,087	4,263,825	5,076,926	4,755,030
Special assessments	-	139,257	2,172,305	4,585,813	3,022,748	4,768,256	2,201,948	2,275,498	1,523,108	1,509,540
Grants	2,180,989	1,402,724	46,862	8,365,321	635,732	6,402,874	7,371,572	1,246,850	1,106,382	5,013,636
Total revenues	22,892,225	24,083,132	23,732,234	37,326,034	28,104,237	37,335,838	37,853,151	33,680,810	35,631,103	39,992,096
<b>Expenditures</b>										
General government	4,601,435	4,402,763	4,624,728	4,663,593	4,704,555	4,810,177	5,280,412	5,918,321	6,760,744	7,560,915
Public safety	9,386,368	9,485,446	9,924,191	9,956,307	10,438,447	10,241,980	10,224,276	11,375,602	12,781,963	18,537,074
Transportation	623,326	623,293	666,229	615,856	617,479	626,764	575,469	566,411	652,272	731,914
Economic environment	-	-	-	-	-	-	-	-	-	-
Culture and recreation	778,052	2,571,524	991,417	993,481	931,344	982,482	1,044,454	1,121,298	1,210,510	1,309,165
Debt service										
Principal retirement	260,000	2,877,893	2,924,866	3,182,388	4,055,761	4,150,000	3,850,000	4,020,000	4,110,000	4,405,000
Interest	26,474	207,885	160,106	1,043,812	1,531,623	2,223,725	2,182,588	2,003,044	1,815,450	1,620,728
Fiscal charges	-	-	177,998	391,808	-	-	-	-	-	-
Capital outlay	16,964,797	10,983,196	4,126,867	6,305,576	9,173,264	51,385,963	15,713,032	7,954,490	7,828,946	12,263,341
Total expenditures	32,640,452	31,152,000	23,596,402	27,152,821	31,452,473	74,421,091	38,870,231	32,959,166	35,159,885	46,428,137
Excess of revenues over (under) expenditures	(9,748,227)	(7,068,868)	135,832	10,173,213	(3,348,236)	(37,085,253)	(1,017,080)	721,644	471,218	(6,436,041)
<b>Other financing sources (uses)</b>										
Proceeds from the sale of capital assets	-	9,604	60,925	29,668	54,195	130,390	133,555	30,615	292,240	686,243
Bond proceeds	10,720,908	-	5,655,000	34,630,000	-	18,480,000	-	-	-	-
Premium on bonds issued	-	-	237,591	-	-	2,751,891	-	-	-	-
Original issue discount	-	-	-	(221,829)	-	-	-	-	-	-
Transfers in	6,296,022	6,544,228	4,010,964	3,243,240	4,276,570	4,675,956	10,442,824	7,362,762	10,369,023	7,912,184
Transfers out	(5,040,522)	(5,193,728)	(2,676,490)	(1,945,453)	(2,946,620)	(3,346,006)	(10,856,386)	(6,000,485)	(8,773,112)	(6,033,901)
Total other financing sources (uses)	11,976,408	1,360,104	7,287,990	35,735,626	1,384,145	22,692,231	(280,007)	1,392,892	1,888,151	2,564,526
Net change in fund balances	\$ 2,228,181	\$ (5,708,764)	\$ 7,423,822	\$ 45,908,839	\$ (1,964,091)	\$ (14,393,022)	\$ (1,297,087)	\$ 2,114,536	\$ 2,359,369	\$ (3,871,515)
Debt service as a percentage of noncapital expenditures	2%	15%	16%	20%	25%	28%	26%	24%	22%	18%

**TOWN OF LONGBOAT KEY, FLORIDA**

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS  
(UNAUDITED)  
(Table 5)**

Fiscal Year	Real and Personal Property Sarasota County	Real and Personal Property Manatee County	Total Assessed Value	Estimated Actual Value <sup>(1)</sup>	Total Direct Tax Rate	Ratio of Total Assessed to Total Estimated Actual Value
2016	\$ 3,719,283,879	\$ 1,471,187,971	\$ 5,190,471,850	\$ 5,190,471,850	2.1876	100%
2017	3,908,461,938	1,557,319,515	5,465,781,453	5,465,781,453	2.1691	100%
2018	4,051,443,151	1,693,475,816	5,744,918,967	5,744,918,967	2.1658	100%
2019	4,181,674,911	1,782,763,409	5,964,438,320	5,964,438,320	2.1621	100%
2020	4,190,191,926	1,917,925,940	6,108,117,866	6,108,117,866	2.1740	100%
2021	4,189,225,765	1,917,662,223	6,106,887,988	6,106,887,988	2.1751	100%
2022	4,451,367,657	2,018,623,218	6,469,990,875	6,469,990,875	2.1713	100%
2023	5,089,038,371	2,296,653,504	7,385,691,875	7,385,691,875	2.0394	100%
2024	5,739,628,966	2,588,930,848	8,328,559,814	8,328,559,814	2.0040	100%
2025	6,230,214,973	2,963,620,882	9,193,835,855	9,193,835,855	2.0001	100%

Notes: The year indicated is for the fiscal year ended September 30. The amounts indicated are for valuations established as of the prior January 1. As an example, the 2025 Sarasota County valuation of \$6,230,214,973 represents valuations as of January 1, 2024. Taxes were collected during October 1, 2024 to September 30, 2025.

<sup>(1)</sup> The property appraisers have always maintained that assessments were at 100% of actual value; and there was no independent attempt to establish an estimated actual value.

Source: Certification from County Property Appraisers Offices - Sarasota and Manatee Counties.

**TOWN OF LONGBOAT KEY, FLORIDA**

**PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS  
(rate per \$1,000 of assessed value)  
(Table 6)**

Fiscal Year	Town Direct Rates			Overlapping Rates									
	Operating Millage	General	Total Direct Rate	<sup>(1)</sup> Beach Districts				Manatee			Sarasota		
		Obligation Debt Service		District A	District B	Gulfside District	Bayside District	County	District A/ Gulfside	District B/ Bayside	County	District A/ Gulfside	District B/ Bayside
2016	2.1300	0.0576	2.1876	0.8328	0.2082	-	-	14.2100	15.0428	14.4182	12.5949	13.4277	12.8031
2017	2.1144	0.0547	2.1691	0.7699	0.1925	-	-	13.8587	14.6286	14.0512	12.2478	13.0177	12.4403
2018	2.1144	0.0514	2.1658	0.7272	0.1818	-	-	13.5210	14.2482	13.7028	11.9947	12.7219	12.1765
2019	2.1144	0.0477	2.1621	0.7002	0.1750	-	-	14.2585	14.9587	14.4335	11.7711	12.4713	11.9461
2020	2.1144	0.0596	2.1740	0.6181	0.1545	-	-	14.0471	14.6652	14.2016	11.7376	12.3557	11.8921
2021	2.1144	0.0607	2.1751	-	-	0.9458	0.2365	13.8709	14.8167	14.1074	11.7833	12.7291	12.0198
2022	2.1144	0.0569	2.1713	-	-	0.8537	0.2134	14.8709	15.7246	15.0843	12.7833	13.6370	12.9967
2023	1.9900	0.0494	2.0394	-	-	0.7115	0.1779	13.0697	13.7812	13.2476	11.0257	11.7372	11.2036
2024	1.9600	0.0440	2.0040	-	-	0.6672	0.1668	13.0970	13.7642	13.2638	10.9038	11.5710	11.0706
2025	1.9600	0.0401	2.0001	-	-	0.6071	0.1518	12.7601	13.3672	12.9119	10.7889	11.3960	10.9407

Notes: The Town of Longboat Key is located within two counties. Taxpayers pay taxes to the county in which they reside. Taxes are collected by both counties and distributed to the Town. The year indicates the year taxes are collected. Assessments are based on the valuations as of January 1 of the previous year. As an example, 2025 direct tax rate of 2.0001 applies to valuations as of January 1, 2024.

<sup>(1)</sup> The Town has two dependent special districts that were created for beach erosion control. District A is primarily beachfront properties, while District B encompasses all other properties on Longboat Key. The Erosion Control District A and District B sunset on June 1, 2020 upon final payment of the Series 2016 Bonds and were replaced with the Gulfside District and the Bayside District for any new bonded debt. For the fiscal year ending September 30, 2025, the adopted millage rate is 0.6071 for the Gulfside District and 0.1518 for the Bayside District.

Source: Town's financial records and Property Appraiser's Office in Sarasota and Manatee Counties.

TOWN OF LONGBOAT KEY, FLORIDA

PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(Table 7)

Taxpayer	2025			2016		
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
SR LBK II LLC (St. Regis Resort- 1561 Gulf of Mexico Dr)	\$ 69,578,190	1	0.76%			
LB 500, LLC (Resort, Moorings, Inn on the Beach)	45,177,144	2	0.49%	\$ 16,503,300	2	0.32%
OPROCK Longboat (Hotel-Zota Beach Resort)	43,218,563	3	0.47%	14,500,000	3	0.28%
Avenue of the Flowers,LLC (Retail Shopping Plaza-Publix & Bank)	23,254,000	4	0.25%	23,857,200	1	0.46%
Pleasant Real Estate LLC (Res-857 Longboat Club Rd & 545 Sanctuary)	19,529,523	5	0.21%	11,879,901	5	0.23%
845 LBCR Land Trust (Residential-845 Longboat Club Rd.)	15,715,147	6	0.17%			
Grand Mariner on Dream Island LLC (Condominium)	15,549,628	7	0.17%			
825 Longboat Club Rd Land Trust (Residential-825 Longboat Club Rd.)	14,287,294	8	0.16%	13,194,600 *	4	0.25%
Soin Rajesh & Indu (CO-TTEE) (Residential-50&80 Lighthouse Point Dr)	13,603,027	9	0.15%			
Veranda Beach Club (Resort - 2509 Gulf of Mexico Dr)	12,723,150	10	0.14%	11,541,600	6	0.22%
Robert Hutcheson				11,442,801	7	0.22%
Mike McKee				10,631,083	8	0.20%
BBC of Longboat Key LLC				10,247,633	9	0.20%
Florida Power & Light				8,995,205	10	0.17%
	<u>\$ 272,635,666</u>		<u>2.97%</u>	<u>\$ 132,793,323</u>		<u>2.56%</u>

Note: \* 825 Longboat Club Rd was owned by P&W Charters in 2016.

Source: Sarasota and Manatee Counties' Tax Rolls.

**TOWN OF LONGBOAT KEY, FLORIDA**

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS  
(Table 8)**

Fiscal Year	Total Tax Levy For Fiscal Year <sup>(1)</sup>	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years <sup>(3)</sup>	Total Collections to Date	
		Amount <sup>(2)</sup>	Percentage of Levy		Collections	Percentage of Levy
2016	\$ 14,355,766	\$ 13,950,405	97.2%	\$ 6	\$ 13,950,411	97.2%
2017	14,773,619	14,300,060	96.8%	255	14,300,315	96.8%
2018	15,536,171	14,809,552	95.3%	29	14,809,581	95.3%
2019	15,812,387	14,876,333	94.1%	-	14,876,333	94.1%
2020	16,107,406	15,496,449	96.2%	1,576	15,498,025	96.2%
2021	17,189,005	16,616,357	96.7%	-	16,616,357	96.7%
2022	17,782,823	17,183,528	96.6%	-	17,183,528	96.6%
2023	18,635,653	18,070,562	97.0%	-	18,070,562	97.0%
2024	20,421,559	19,784,754	96.9%	-	19,784,754	96.9%
2025	22,115,499	21,057,322	95.2%	1,976	21,059,298	95.2%

Notes: <sup>(1)</sup> Property taxes become due and payable on November 1 of each year and a 4% discount is allowed if the taxes are paid in November, with the discount declining by 1% each month thereafter. Therefore, taxes collected will never be 100% of the tax levy. Taxes become delinquent on April 1, of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1 of each year. A small difference is also indicated by changes to original tax levy due to Board of Equalization adjustments which reduces assessed valuations and the percentage collected based on the original tax levy. Property taxes receivable and the corresponding reserve for uncollectable property taxes are not included in the financial statements as there are no material delinquent taxes as of September 30, 2025.

<sup>(2)</sup> Tax levy includes millage for operating and debt service requirements.

<sup>(3)</sup> Collection in subsequent years is reported for Manatee County only; Sarasota County does not provide.

Source: Town's audited financial statements and Sarasota and Manatee County Property Appraiser's Office.

TOWN OF LONGBOAT KEY, FLORIDA

RATIO OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(Table 9)

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government <sup>(1)</sup>	Percentage of Personal Income <sup>(1)</sup>	Per Capita	Percentage of Actual Estimated Value of Property <sup>(2)</sup>
	General Obligation Bonds	Revenue Bonds	General Obligation Bonds	Notes Payable				
2016	\$11,810,908	\$ -	\$7,488,264	\$3,615,830	\$ 22,915,002	3.54%	\$3,331	0.44%
2017	8,933,015	-	7,093,016	3,410,817	19,436,848	2.88%	2,781	0.36%
2018	11,900,740	-	6,677,736	3,199,980	21,778,456	2.90%	3,082	0.37%
2019	8,908,507	34,210,331	5,956,904	2,983,156	52,058,898	7.35%	7,197	0.87%
2020	5,720,993	33,337,472	5,812,501	2,760,174	47,631,140	6.77%	6,347	0.77%
2021	23,254,590	32,334,516	8,007,406	-	63,596,512	8.90%	8,458	1.04%
2022	19,567,167	31,456,303	7,237,597	-	58,261,067	6.58%	7,749	0.90%
2023	15,864,210	30,552,672	6,451,252	-	52,868,134	5.48%	7,014	0.72%
2024	12,142,170	29,713,798	5,635,651	-	47,491,619	4.56%	6,305	0.57%
2025	8,397,748	28,743,103	4,798,901	-	41,939,752	3.63%	5,633	0.46%

Notes: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

<sup>(1)</sup> See Table 13 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

<sup>(2)</sup> See Table 5 footnote 1 for explanation of Actual Estimated Value of Property.

**TOWN OF LONGBOAT KEY, FLORIDA**

**RATIO OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
(Table 10)**

<b>Fiscal Year</b>	<b>Governmental Activities General Obligation Bonds</b>	<b>Business-Type Activities General Obligation Bonds</b>	<b>Less: Amounts Available in Debt Service Funds</b>	<b>Total</b>	<b>Percentage of Actual Taxable Value of Property <sup>(1)</sup></b>	<b>Per Capita <sup>(2)</sup></b>
2016	\$ 11,810,908	\$ 7,488,264	\$ 287,216	\$ 19,011,956	0.37%	\$ 2,764
2017	8,933,015	7,093,016	292,982	15,733,049	0.29%	2,269
2018	11,663,149	6,677,736	661,028	17,679,857	0.31%	2,529
2019	8,908,507	5,956,904	523,548	14,341,863	0.24%	2,036
2020	5,720,993	5,812,501	74,220	11,459,274	0.19%	1,527
2021	23,254,590	8,007,406	245,002	31,016,994	0.52%	4,125
2022	19,567,167	7,237,597	210,519	26,594,245	0.41%	3,537
2023	15,864,210	6,451,252	152,410	22,163,052	0.30%	2,941
2024	12,142,170	5,635,651	292,203	17,485,618	0.21%	2,322
2025	8,397,748	4,798,901	373,258	12,823,391	0.14%	1,722

Notes:

<sup>(1)</sup> See Table 5 for property value data.

<sup>(2)</sup> See Table 13 for population data.

**TOWN OF LONGBOAT KEY, FLORIDA**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
SEPTEMBER 30, 2025  
(Table 11)**

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to Longboat Key <sup>(1)</sup></u>	<u>Amount Applicable to Longboat Key</u>
Town of Longboat Key	\$ 37,140,851	100.00%	\$ 37,140,851
<b>Overlapping Bonded Debt <sup>(2)</sup></b>			
Sarasota County Schools	1,121,931	6.00%	67,316
Manatee County Schools	1,004,000	4.22%	42,369
Sarasota County <sup>(3)</sup>	47,988,055	6.00%	2,879,283
Manatee County	35,695,000	4.22%	1,506,329
Total Overlapping Bonded Debt	<u>85,808,986</u>		<u>4,495,297</u>
Total net direct and net overlapping bonded debt	<u>\$ 122,949,837</u>		<u>\$ 41,636,148</u>

Notes:

<sup>(1)</sup> Calculated as a ratio of taxable valuation of property in the Town of Longboat Key to total taxable valuation of property in Sarasota and Manatee Counties.

<sup>(2)</sup> Includes general obligation debt.

<sup>(3)</sup> Limited ad valorem debt.

Sources: Sarasota and Manatee Counties Finance Division ACFRs.

TOWN OF LONGBOAT KEY, FLORIDA

PLEGDED REVENUE COVERAGE  
LAST TEN FISCAL YEARS  
(Table 12)

Fiscal Year	General Obligation Bonds (Beach and Facilities)			
	Pledged Revenues <sup>(1)</sup>	Debt Service		Coverage
		Principal	Interest	
2016	\$ 291,871	\$ 260,000	\$ 26,475	1.0
2017	2,920,489	2,877,893	207,885	0.9
2018	3,088,105	2,924,866	160,106	1.0
2019	3,276,647	2,977,388	106,671	1.1
2020	3,444,925	3,170,761	265,208	1.0
2021	4,163,022	3,135,000	801,398	1.1
2022	4,145,025	2,960,000	973,181	1.1
2023	4,084,004	3,105,000	825,181	1.0
2024	3,923,784	3,500,000	669,931	0.9
2025	4,307,004	3,425,000	506,931	1.1

Fiscal Year	Special Assessment Revenue Bonds (Gulf of Mexico Drive Utility Undergrounding)			
	Pledged Revenues <sup>(5)</sup>	Debt Service		Coverage
		Principal <sup>(6)</sup>	Interest	
2016	\$ -	\$ -	\$ -	-
2017	1,662,882	-	-	-
2018	1,648,132	-	-	-
2019	1,562,213	-	330,541	4.7
2020	1,528,442	510,000	561,684	1.4
2021	1,520,281	515,000	551,813	1.4
2022	1,479,514	485,000	539,369	1.4
2023	1,460,273	495,000	527,819	1.4
2024	1,454,811	410,000	512,275	1.6
2025	1,445,351	420,000	499,975	1.6

Fiscal Year	Special Assessment Revenue Bonds (Remaining Neighborhoods Utility Undergrounding)			
	Pledged Revenues <sup>(5)</sup>	Debt Service		Coverage
		Principal <sup>(6)</sup>	Interest	
2016	\$ -	\$ -	\$ -	-
2017	-	-	-	-
2018	-	-	-	-
2019	1,288,701	205,000	417,619	2.1
2020	1,450,852	375,000	704,731	1.3
2021	1,447,480	500,000	687,684	1.2
2022	1,402,491	505,000	670,038	1.2
2023	1,396,484	420,000	650,044	1.3
2024	1,702,031	440,000	633,244	1.6
2025	1,368,215	560,000	613,822	1.2

**TOWN OF LONGBOAT KEY, FLORIDA**

**PLEGDED REVENUE COVERAGE  
LAST TEN FISCAL YEARS  
(Table 12)**

Fiscal Year	Water and Sewer						Coverage
	Revenue Bonds; State Revolving Fund Loan <sup>(2)</sup> ; General Obligation Note <sup>(3)(4)</sup>						
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service			
			Principal	Interest			
2016	\$ 7,886,444	\$ 4,585,149	\$ 3,301,295	\$ 575,389	\$ 396,550	3.4	
2017	8,119,588	4,376,845	3,742,743	600,262	370,582	3.9	
2018	8,140,102	5,060,405	3,079,697	626,117	360,615	3.1	
2019	8,342,704	5,079,720	3,262,984	980,481	316,992	2.5	
2020	8,441,773	5,209,863	3,231,910	367,385	252,977	5.2	
2021	8,683,816	5,595,003	3,088,813	634,095	202,460	3.7	
2022	9,030,139	5,405,558	3,624,581	769,809	182,141	3.8	
2023	10,399,612	6,073,560	4,326,052	786,345	163,912	4.6	
2024	10,923,018	6,596,208	4,326,810	815,601	143,057	4.5	
2025	12,758,688	7,272,451	5,486,237	836,750	121,615	5.7	

Notes: Details regarding the Town's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest and depreciation expense.

<sup>(1)</sup> Combined revenues of Ad Valorem Taxes for Facilities (Firestations) and Beach Districts.

<sup>(2)</sup> State Revolving Fund Loan began in 2009 with first payment due in 2011. Refunding occurred in 2021 and is serviced by the Water and Sewer Fund.

<sup>(3)</sup> General Obligation Note began in 2009 with first payment due in 2010; this debt is collateralized by ad valorem tax levies with the intention of payment coming from the net revenues of the utility system.

<sup>(4)</sup> 2009 General Obligation Note was partially advanced refunded in 2014 and 2019.

<sup>(5)</sup> Pledged revenues include special assessments and prepayments of assessments. Remaining Neighborhoods includes franchise fee revenues covering one-half of debt associated with general benefits, beginning in 2020.

<sup>(6)</sup> Principal payments include extraordinary bond redemptions.

**TOWN OF LONGBOAT KEY, FLORIDA**

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(Table 13)**

<b>Year</b>	<b>Population <sup>(1)</sup></b>	<b>Personal Income</b>	<b>Per Capita Personal Income <sup>(2)</sup></b>	<b>Unemployment Rate <sup>(3)</sup></b>
2016	6,879	\$ 646,426,509	\$ 93,971	4.7%
2017	6,934	674,130,414	97,221	3.9%
2018	6,990	742,379,940	106,206	3.3%
2019	7,043	689,270,238	97,866	2.9%
2020	7,505	703,887,366	99,167	5.2%
2021	7,519	714,966,672	95,088	3.7%
2022	7,519	885,730,681	117,799	2.5%
2023	7,537	964,653,093	127,989	3.4%
2024	7,532	1,041,306,532	138,251	3.7%
2025	7,445	1,155,009,855	155,139	4.7%

Sources:

- (1) 2025 population: Office of Economic and Demographic Research, April 2025.  
2025 population: U.S. Census.
- (2) United States Census Bureau (in 2025 dollars).
- (3) U.S. Department of Labor, Bureau of Labor Statistics.  
(North Port-Bradenton-Sarasota, FL MSA), September 2025.

**TOWN OF LONGBOAT KEY, FLORIDA**

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(Table 14)**

<b>Employer</b>	<b>2025</b>			<b>2016</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total Employment</b>
St Regis Longboat Key Resort & Residences	550	1	23.91%			
Resort at Longboat Key Club <sup>(1)</sup>	504	2	21.91%	500	1	25.00%
Publix Supermarket	144	3	6.26%	160	2	8.00%
Town of Longboat Key	123	4	5.35%	114	3	5.70%
Zota Beach Resort (formerly Hilton)	115	5	5.00%			
Shore Restaurant	102	6	4.43%			
Dry Dock Restaurant	92	7	4.00%	25	9	1.25%
Mar Vista Dockside Restaurant	60	8	2.61%			
Charthouse Restaurant	50	9	2.17%			
Harry's Continental Kitchen	45	10	1.96%			
Euphemia Haye Restaurant				48	4	2.40%
Michael Saunders & Company				45	5	2.25%
Century 21 Beggins Enterprise				35	6	1.75%
RVA, Resort Vacations				35	7	1.75%
All Care Medical Centers				30	8	1.50%
Wagner Realty				25	10	1.25%
<b>Total</b>	<b>1,785</b>		<b>77.61%</b>	<b>1,017</b>		<b>50.85%</b>

Source: Employers/Town of Longboat Key.

TOWN OF LONGBOAT KEY, FLORIDA

FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
(Table 15)

	FISCAL YEAR									
	2016	2017	2018	2019	2020 <sup>(3)</sup>	2021	2022	2023	2024	2025
<b>Governmental Activities:</b>										
<b>Function</b>										
General Government										
Town Manager			5.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Support Services			-	4.0	4.4	4.0	4.0	4.0	4.0	4.0
Town Clerk <sup>(1)</sup>			3.0	3.0	3.2	3.2	3.2	3.2	3.2	3.2
Finance			6.0	6.0	6.0	6.0	6.0	6.3	7.5	7.5
I.T.			3.0	3.0	3.0	3.0	3.0	3.0	5.0	5.0
Public Works			4.0	5.0	5.0	5.0	5.0	5.0	5.5	6.5
Planning, Zoning, Building			4.0	5.0	5.0	3.7	4.2	4.5	4.5	4.5
Total General Government	31.0	36.0	25.0	28.0	28.6	26.9	27.4	28.0	31.7	32.7
Public Safety										
Fire/Rescue			36.5	36.5	36.5	36.5	36.5	36.5	37.5	37.5
Police			23.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5
Total Public Safety	62.0	61.0	60.0	59.0	59.0	59.0	59.0	59.0	60.0	60.0
Transportation										
Streets	6.0	6.0	6.0	6.0	6.0	6.0	5.0	5.0	5.0	5.0
Culture and Recreation										
Parks			3.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0
Tennis			2.0	2.0	3.8	4.2	4.2	4.2	4.2	4.7
Total Culture and Recreation	7.0	5.0	5.0	5.0	6.8	7.2	7.2	7.2	8.2	8.7
<b>Total Governmental Activities</b>	<b>106.0</b>	<b>108.0</b>	<b>96.0</b>	<b>98.0</b>	<b>100.4</b>	<b>99.1</b>	<b>98.6</b>	<b>99.2</b>	<b>104.9</b>	<b>106.4</b>
<b>Business-Type Activities</b>										
Water and Sewer	8.0	9.0	8.0	7.0	8.0	8.0	8.5	8.5	8.5	8.5
Building			8.0	7.0	7.0	8.3	8.3	8.5	9.5	9.5
<b>Total Business-Type Activities</b>	<b>8.0</b>	<b>9.0</b>	<b>16.0</b>	<b>14.0</b>	<b>15.0</b>	<b>16.3</b>	<b>16.8</b>	<b>17.0</b>	<b>18.0</b>	<b>18.0</b>
<b>Total</b>	<b>114.0</b>	<b>117.0</b>	<b>112.0</b>	<b>112.0</b>	<b>115.4</b>	<b>115.4</b>	<b>115.4</b>	<b>116.2</b>	<b>122.9</b>	<b>124.4</b>

Notes:

(1) Excludes poll workers.

(2) Building FTE's are included in general government for years 2012 through 2017.

(3) 2020 Restated.

Source: Town of Longboat Key Finance Department.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**OPERATIONS INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(Table 16)**

Function/Program	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Fire</b>										
Fire calls <sup>(1)</sup>	466	485	695	754	819	826	830	896	1,180	820
Rescue calls	1,138	1,058	1,068	1,164	1,082	1,075	1,210	1,125	1,048	999
<b>Police</b>										
Law arrests	48	66	81	102	65	50	177	357	335	335
Law violations <sup>(2)</sup>	623	1,079	650	1,003	1,403	2,166	2,965			
Parking citations								320	419	341
Parking warnings								78	91	113
Traffic citations								1,492	1,963	1,900
Traffic warnings								1,432	4,257	4,000
Index / part two crimes								521	452	379
<b>Water system</b>										
Number of users or consumers	18,108	19,778	19,910	18,778	19,000	18,356	18,947	18,291	18,284	19,046
Daily average finished flow in gallons	1,650,375	1,646,296	1,610,605	1,945,729	1,929,416	1,911,605	1,820,800	1,905,338	1,849,219	1,842,052
<b>Sewer system</b>										
Daily average treatment in gallons	1,794,885	1,767,603	1,850,992	1,730,279	1,674,411	1,734,666	1,766,300	1,559,323	1,576,899	1,574,419

**Note:**

<sup>(1)</sup> The increase in fire calls in 2024 were related to multiple hurricanes (fire alarms or other related events).

<sup>(2)</sup> The increase in Law Violations is a result of the increased parking violations.

Sources: various Town of Longboat Key departments.

**TOWN OF LONGBOAT KEY, FLORIDA**  
**CAPITAL ASSETS STATISTICS BY FUNCTION**  
**LAST TEN FISCAL YEARS**  
**(Table 17)**

Function/Program	FISCAL YEAR									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Command staff and other vehicles <sup>(1)</sup>	5	5	5	5	5	6	6	6	6	6
Patrol units <sup>(2)</sup>	6	8	7	7	7	7	7	18	18	18
Marine units	2	2	2	2	2	2	2	3	3	3
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Fire trucks	3	3	3	3	3	3	3	3	3	3
Ambulances	3	3	3	3	3	3	3	3	3	3
Marine units	1	1	1	1	1	1	1	1	1	1
Beach rescue units	2	2	2	2	2	2	2	2	2	2
Highways and Streets										
Streets - paved (miles)	14	14	14	14	14	14	14	14	14	14
Alleys	1	1	1	1	1	1	1	1	1	1
Sidewalks (miles)	10	10	10	10	10	10	10	10	10	10
Streetlights	283	283	283	283	283	283	283	283	283	283
Traffic signals	4	4	4	4	4	4	4	4	4	4
Culture and Recreation										
Parks acreage (in excess of)	144	146	146	146	146	146	146	146	146	146
Parks	5	6	6	6	6	6	6	6	6	6
Town center	-	-	-	-	-	1	1	1	1	1
Recreation center	1	1	1	1	1	1	1	1	1	1
Tennis courts	12	12	12	12	12	12	12	12	12	12
Shuffleboard courts	2	2	2	2	2	2	2	2	2	2
Basketball courts	2	2	2	2	1	1	1	1	1	1
Pickleball courts	-	1	1	1	3	3	3	3	3	3
Water										
Water mains (miles)	46	46	46	46	46	46	46	46	46	46
Storage capacity (thousands of gallons)	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Fire hydrants	212	400	405	405	405	405	398	398	404	404
Wastewater										
Sanitary sewers (miles)	44	44	44	44	44	44	44	44	44	44
Storm sewers (miles)	1	1	1	1	1	1	1	1	1	1

<sup>(1)</sup> Restated FY14-22 to reflect vehicles not designated as solely patrol.

<sup>(2)</sup> In fiscal year 2023, all officers were provided take home vehicles

Note: No capital asset indicators are available for the general government function.

Sources: various Town of Longboat Key departments.

**THIS PAGE INTENTIONALLY LEFT BLANK**

## **OTHER REPORTS**

**THIS PAGE INTENTIONALLY LEFT BLANK**



## 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*

**Honorable Mayor and Members of  
the Town Commission,  
Town of Longboat Key, Florida**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Longboat Key, Florida (the "Town"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated April 27, 2026.

### **Report on Internal Control Over Financial Reporting**

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

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

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

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free 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 Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Bradenton, Florida  
April 27, 2026



# 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 Members of  
the Town Commission,  
Town of Longboat Key, Florida**

## **Report on Compliance for Each Major Federal Program and State Project**

### ***Opinion on Each Major Federal Program and State Project***

We have audited Town of Longboat Key, Florida's (the "Town") 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 Town's major federal programs and state projects for the year ended September 30, 2025. The Town's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

### ***Basis for Opinion on Each Major Federal Program and State Project***

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

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

***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

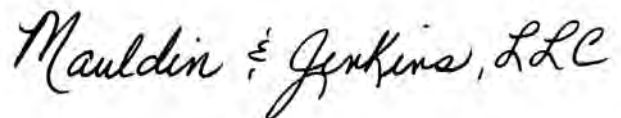
## Report on Internal Control Over Compliance

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

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

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

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



Bradenton, Florida  
April 27, 2026

**THIS PAGE INTENTIONALLY LEFT BLANK**

**TOWN OF LONGBOAT KEY, FLORIDA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE**

**FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Federal Grantor, Pass-Through Grantor/Program Title	AL / CSFA Number	Contract Grant Number	Expenditures	Passed Through to Subrecipients
<b>Federal Expenditures</b>				
<b>U.S. Department of Justice</b>				
Passed through the State of Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	6N055	\$ 1,000	\$ -
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-24-GG-05228-JAGX	16,673	-
Total Department of Justice			<u>17,673</u>	<u>-</u>
<b>U.S. Department of Homeland Security</b>				
Passed through the State of Florida Department of Environmental Protection				
Hazard Mitigation Assistance	97.047	LPDM-PJ-04-FL-2022-004	68,198	-
Hazard Mitigation Assistance	97.039	4673-109-R	91,853	-
Hazard Mitigation Assistance	97.039	4337-346-R	1,433,140	-
Total Department of Homeland Security			<u>1,593,191</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 1,610,864</u>	<u>\$ -</u>
<b>State Financial Assistance</b>				
Florida Department of Environmental Protection				
Beach Management Funding Assistance Program	37.003	21ME2	\$ 228,694	\$ -
Beach Management Funding Assistance Program	37.003	22ME1	298,273	-
Beach Management Funding Assistance Program	37.003	25ME3	1,550,066	-
Beach Management Funding Assistance Program	37.003	26ME3	1,259,429	-
Total Florida Department of Environmental Protection			<u>3,336,462</u>	<u>-</u>
Florida Department of Health				
High Performance Resuscitation Agency Training Plan	N/A	C458	756	-
Florida Department of Management Services				
Local Government Cybersecurity Grant Program	72.009	DMS24/25-508	24,859	-
Total Expenditures of State Financial Assistance			<u>\$ 3,362,077</u>	<u>\$ -</u>

**Notes:**

This schedule includes the federal and state grant activity of the Town of Longboat Key, Florida, for the fiscal year ended September 30, 2025, and is presented using the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts in, or used in the preparation of the basic financial statements.

The Town chose not to use the allowable de minimis indirect cost rate for the year ended September 30, 2025.

The Town did not receive noncash federal awards during the year ended September 30, 2025.

# Town of Longboat Key, Florida

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED SEPTEMBER 30, 2025

### SECTION I SUMMARY OF AUDIT RESULTS

#### ***Financial Statements***

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:  
Material weaknesses identified?  yes  no

Significant deficiencies identified not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

#### ***Federal Awards and State Financial Assistance Projects***

Internal Control over major federal programs and state financial assistance:  
Material weaknesses identified?  yes  no

Significant deficiencies identified not considered to be material weaknesses?  yes  none reported

Type of auditor's report issued on compliance for major federal programs and state financial assistance: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.550, Rules of the Auditor General?  yes  no

Identification of major federal programs:

AL Number	Name of Federal Program or Cluster
97.039	U.S. Department of Homeland Security - Hazard Mitigation Assistance Grant

Identification of major state financial assistance:

CSFA Number	Name of Federal Program or Cluster
37.003	Florida Department of Environmental Protection Beach Management Funding Assistance Program

Dollar threshold used to distinguish between  
Type A and Type B federal programs: \$1,000,000  
Type A and Type B state awards: \$750,000

Auditee qualified as low-risk auditee?  yes  no

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

---

**SECTION II  
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None noted.

**SECTION III  
FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS**

None noted.

# Town of Longboat Key, Florida

## **SCHEDULE OF PRIOR YEAR FINDINGS FOR THE YEAR ENDED SEPTEMBER 30, 2025**

---

None noted.



## Independent Auditor's Management Letter

**Honorable Mayor and Members of  
the Town Commission,  
Town of Longboat Key, Florida**

### **Report on the Financial Statements**

We have audited the financial statements of the Town of Longboat Key, Florida (the "Town"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated April 27, 2026.

### **Auditor's Responsibility**

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

### **Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of 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 these reports, which are dated April 27, 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 in the preceding annual financial report requiring correction.

### **Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Town of Longboat Key, Florida is a political subdivision of the State of Florida created by Special Act of 1957, Chapter 1540 and Chapter 69-1265. The Town includes the following blended component units within its annual financial report: the Longboat Key Bayside District and the Longboat Key Gulfside District.

## Financial Condition and Management

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

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

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the Town'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)6, Rules of the Auditor General, the Longboat Key Bayside District and Gulfside District reported:

- a. There were no District employees compensated in the last pay period of the District's fiscal year.
- b. There were no independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year.
- c. There were no compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency.
- d. There were no compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency.
- e. There were no construction projects 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.
- 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, has been presented on pages 101 and 104 of this report.

**Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, require us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not 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 and other granting agencies, the Mayor and Members of the Town Commission, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



Bradenton, Florida  
April 27, 2026

**THIS PAGE INTENTIONALLY LEFT BLANK**



## Independent Accountant's Report

**Honorable Mayor and Members of  
the Town Commission,  
Town of Longboat Key, Florida**

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, 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 ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

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

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

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

*Mauldin & Jenkins, LLC*

Bradenton, Florida  
April 27, 2026

**THIS PAGE INTENTIONALLY LEFT BLANK**