



**AGENDA
TOWN OF JUPITER
AUDIT COMMITTEE ANNUAL MEETING
TOWN HALL LOBBY
COMMUNITY ROOM 108
210 MILITARY TRAIL, JUPITER, FL 33458
TUESDAY, APRIL 21, 2026
4:00 PM**

Call To Order

ROLL CALL

Susan Present, Chair
Michael Villella, Member
Michael Webber, Member
Sam Ulan, Member
Phillip Ameen, Member
Scott Reynolds, Finance Director, Staff Liaison
Dawn Clark, Asst Finance Director, Staff Liaison

MINUTES

1. April 21, 2026 (Draft) Audit Meeting Minutes.

AGENDA ITEMS

2. FY2025 Audit Presentation Discussion and Findings – Moises Ariza, CPA Presenting.
3. FY2025 Infrastructure Surtax Annual Report Presentation by Finance Director, Scott Reynolds.

ADJOURNMENT

**MINUTES
TOWN OF JUPITER
AUDIT / SURTAX COMMITTEE
COMMUNITY ROOM
TUESDAY, APRIL 21, 2026**

The meeting was called to order at 4:00 P.M.

Roll Call:

Ms. Susan C. – Present
Mr. Michael Webber – Present
Mr. Sam Ulan – Present
Mr. Mike Villella – Present
Mr. Phillip Ameen – Present

Also present were Finance Director Mr. Scott Reynolds, Council Representative Councilor Malise Sundstrom, and Mr. Moises Ariza, CPA, representing CBIZ.

MINUTES

1. April 15, 2025 Audit/Surtax Committee Meeting Minutes.

Mr. Webb moved to approve the April 15, 2025 Audit/Surtax Committee Meeting Minutes; seconded by Mr. Ulan motion passed.

| | | | | |
|---------|--------|------|----------|-------|
| Present | Webber | Ulan | Villella | Ameen |
| Yes | Yes | Yes | Yes | Yes |

2. FY 2025 Audit Presentation and Discussion – Mr. Moises Ariza, CPA Presenting.

Mr. Ariza presented the Independent Auditors' Report for the FY 2025 Town of Jupiter Community Redevelopment Agency (CRA). Mr. Ariza stated the auditors issued an unmodified opinion, meaning the financial statements are fairly presented and in accordance with U.S. generally accepted accounting principles (GAAP). Mr. Ariza reviewed the required Independent Florida Statute Compliance Report, which addresses the Agency's material compliance with Sections 163.387(6) and 163.387(7), Florida Statutes.

Mr. Ariza discussed the FY 2025 financial statements of the Town of Jupiter. The auditors issued an unmodified opinion, indicating the financial statements are fairly presented in accordance with GAAP. Mr. Ariza reviewed each of the Town's major funds, including assets, liabilities, and net position. He highlighted the amount of unrestricted fund balance within each of the Town's governmental funds.

He then summarized the Statement of Revenues, Expenses, and Changes in Net

Position for the Town's Enterprise Funds.

Mr. Ariza reviewed the Notes to the Financial Statements and highlighted:

- The Town's investment pools
- The Police Pension investments and related disclosures
- Debt of the Town's General Government and Enterprise Funds

Mr. Ariza responded to questions from committee members regarding audit processes and engagement with the Audit Committee.

Committee members indicated they would like to receive copies of the Police Officers' Pension audit and actuarial report next year.

3. Infrastructure Sales Surtax FY 2025 Report – Mr. Reynolds reviewed the annual Infrastructure Sales Surtax report and provided the year-end balance sheet corresponding to the Town's annual audit.

The members accepted the report for publication.

4. Member Comments – None

NEXT MEETING

No date scheduled.

ADJOURNMENT – 5:00 P.M.

Scott Reynolds, Staff Liaison

Audit Committee Member

TOWN OF JUPITER
FYE 2025 Audit Presentation Discussion and Findings



| | |
|----------------|---|
| DATE | April 21, 2026 |
| TO | Honorable Mayor and Members of Town Council |
| THRU | Scott Reynolds, Finance Director |
| FROM | Scott Reynolds, Finance Director |
| SUBJECT | FYE 2025 Audit Presentation Discussion and Findings |

EXECUTIVE SUMMARY

FYE 2025 Town Audit Presentation Discussion and Findings – Moises Ariza, CPA Presenting.

The annual audit report is an important component of our financial oversight and transparency, providing an independent review of the Town’s financial statements, internal controls, and compliance with applicable laws and regulations.

The audit was conducted by our independent external auditors in accordance with generally accepted auditing principals. Their work included a thorough examination of our financial records, testing of internal controls, and evaluation of our financial reporting processes.

Staff is pleased to report that the Town has once again received a clean, or unmodified, audit opinion. This is the highest level of assurance that can be provided and indicates that the financial statements are fairly presented in all material respects.

This outcome reflects the continued diligence of staff in maintaining strong financial management practices, as well as the Council’s commitment to sound fiscal policies.

ANALYSIS

Presentation discussion and findings of the FYE 2025 Annual Comprehensive Financial Report.

STRATEGIC PRIORITY

ATTACHMENTS

1. Governance Letter
2. FYE 2025 Annual Comprehensive Financial Report
3. CRA Governance Letter
4. CRA FYE 2025 Annual Comprehensive Financial Report
5. Police Officers' Retirement Fund Actuarial Report

FUNDING SOURCE

Funding is not required.

For more information or copies of the attachments, please contact Scott Reynolds at scottr@jupiter.fl.us or 561-741-2327.



CBIZ CPAs P.C.

2255 Glades Road
Suite #321A
Boca Raton, FL 33431

P: 561.994.5050

March 31, 2026

To the Honorable Mayor, Members of Town Council,
Audit Committee and Town Manager
Town of Jupiter, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jupiter, Florida (the “Town”) for the fiscal year ended September 30, 2025. Our report includes a reference to other auditors who audited the financial statements of the Municipal Police Officers’ Retirement Trust Fund (the “Plan”), as described in our report on the Town’s financial statements. Those statements were audited by other auditors, whose report have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Plan is based solely on the report of the other auditor. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the OMB Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 15, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town are described in Note 1 to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the fiscal year ended September 30, 2025, with the exception of the implementation of Government Accounting Standards Board (“GASB”) Statement No. 101, *Compensated Absences* and GASB Statement No. 102, *Certain Risk Disclosures*. We noted no transactions entered into by the Town during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Town’s financial statements were:

Management’s estimate of the net pension liability in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, is based on actuarial methods and assumptions used by the actuaries for the development of funding valuation, as well as the accounting valuation for the Municipal Police Officers’ Retirement Trust, as well as for the Florida Retirement System (“FRS”) and Health Insurance Subsidy (HIS). Plans. The key factors impacting the assumptions, such as inflation, salary changes, market trends, ad hoc postemployment benefit changes (including ad hoc cost-of-living adjustments [COLAs]), and inputs to the discount rate, as well as certain information about mortality assumptions and the dates of experience studies, are subject to change on an

annual basis and therefore can have a significant impact on this estimate. We evaluated the key factors and assumptions used to develop the estimate described above in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the Total Other Post-Employment Benefits ("OPEB") Liability in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, is based on actuarial methods, the total OPEB liability and assumptions used by the actuary for the development of the actuarially determined liability. The key factors impacting the assumptions, such as the discount rate and health rate assumptions, are subject to change on an annual basis and therefore can have a significant impact on this estimate. We evaluated the key factors and assumptions used to develop the estimate described above, in determining that it is reasonable.

Management's estimate of the allowance for uncollectible receivables for Utility Billings based on aging of receivables, historic loss levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure related to the Town's employee retirement plans in Note 10, the disclosures related to the Town's other postemployment benefits (OPEB) plan in Note 11, and the disclosures related to commitments and contingencies in Note 13 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Independence

For the fiscal year ended September 30, 2025, we were engaged to provide nonaudit/nonattest services mainly related to assistance with the preparation of the Town financial statements. We reviewed the nature of the requested work, our role and management's role and determined that our independence would not be impaired, in fact or appearance.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes the net effect of the one (1) uncorrected misstatement. Management has determined that its effects are immaterial, both at the fund level and in the aggregate, to the financial statements taken as a whole.

In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 31, 2026.

Significant Unusual Transactions

For purposes of this letter, professional standards define *significant unusual transactions* as transactions that are outside the normal course of business for the Town or that otherwise appear to be unusual due to their timing, size or nature. We did not identify any significant unusual transactions during our audit.

Related Party Relationships and Transactions

As part of our audit, we evaluated the Town's identification of, accounting for, and disclosures of the Town's relationships and transactions with related parties as required by professional standards. We did not identify any related parties or related party relationships or transactions that were previously undisclosed to us; significant related party transactions that have not been approved in accordance with the Town's policies or procedures or for which exceptions to the Town's policies or procedures were granted; or significant related party transactions that appeared to lack a business purpose.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Town's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Town's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, the budgetary comparison schedules with related notes, the schedule of changes in the net pension liability and related ratios for the Plan, the schedule of Town's contributions for the Plan, the schedule of money-weighted rate of return for the Plan, the schedule of the Town's proportionate share of the net pension liability and schedule of the Town's contributions for FRS and HIS, and the schedule of changes in the total OPEB liability and related ratios, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of

inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining fund financial statements and individual fund budgetary comparison schedules, as listed in the table of contents, and the schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory section and statistical section, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it. We did read the other information and considered whether a material inconsistency exists between the other information and the financial statements. We did not note any material inconsistencies.

Restriction on Use

This information is intended solely for the information and use of the Honorable Mayor, Town Council, Audit Committee and management of the Town and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

CBIZ CPAs P.C.

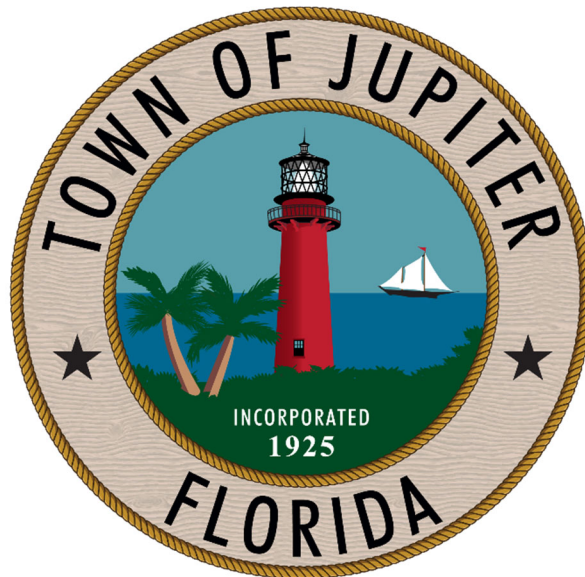
Boca Raton, Florida

ATTACHMENT

Client: **244882 - Town of Jupiter, Florida**
 Engagement: **50902770 - 2025 Jupiter Audit**
 Period Ending: **9/30/2025**
 Trial Balance: **400.001 - Water System Fund TB**
 Workpaper: **Net Effect of Uncorrected Misstatements FY 2025**

| Account | Description | Debit | Credit |
|---|---------------------------------------|--------------------------|--------------------------|
| To adjust for unbilled receivables and revenues as of September 30, 2025. | | | |
| 40000000 115101 00000 | AR-Utility | 714,723.00 | |
| 40000000 276000 00000 | Net Assets Unrestricted | | 651,968.00 |
| 40000000 343300 00000 | CFS-Water Revenue | | 62,755.00 |
| Total | | <u>714,723.00</u> | <u>714,723.00</u> |
| | Total Proposed Journal Entries | <u>714,723.00</u> | <u>714,723.00</u> |

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



**Prepared By:
Finance Department**

**Scott Reynolds
Finance Director**

TOWN OF JUPITER, FLORIDA

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INTRODUCTORY SECTION



TOWN MANAGER'S OFFICE

March 31, 2026

Honorable Mayor, Members of the Town Council and Citizens Town of Jupiter, Florida

The Annual Comprehensive Financial Report (ACFR) of the Town of Jupiter, Florida, (the "Town") for the fiscal year ended September 30, 2025, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Town. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

Management of the Town is responsible for establishing and maintaining internal controls designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with U.S. generally accepted accounting principles. The Town's internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. 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 valuation of costs and benefits requires estimates and judgments by management.

The Town's financial statements are audited by an independent certified public accounting firm. The objective of the audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management to provide reasonable assurance that the financial statements are free of material misstatements.

As part of the Town's annual audit, a review is made of internal controls and tests are performed to determine that the Town has complied with applicable laws and regulations. The results of the Town's audit for the fiscal year ended September 30, 2025, identified no instances of material weaknesses in internal controls or material violations of applicable laws and regulations.

The Town is required to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town's MD&A can be found beginning on page 5 of this report.

GOVERNMENT PROFILE

Government Entity: The Town of Jupiter was incorporated in 1925 as a political subdivision of the State of Florida. Since that time the Town's geographic size has increased from approximately 8.5 square miles to just over 23 square miles. Located on the Atlantic Ocean in northern Palm Beach County, Jupiter is a vibrant coastal community of more than 61,000 year-round residents, having grown from a sleepy, seaside community with less than 10,000 residents in 1980. During the "season," which runs from Thanksgiving to Easter, an additional 12,000-15,000 residents call Jupiter "home".

The Town has operated under the Council-Manager form of government since the early 1970's. Policy making and legislative authority are vested in the Town Council. The Council consists of the Mayor and four other Councilors. The Town Manager is appointed by the Town Council and is responsible for carrying out the policies and ordinances established and approved by the Town Council and managing the day-to-day activities of the Town government. The Town provides a variety of services including public safety, public works, culture and recreation, protective inspections, water and stormwater utilities as well as general administrative services.

Reporting Entity: The management of the Town has considered whether there are potential component units that should be included in the Town's financial statements, by applying the criteria set forth by U.S. generally accepted accounting principles. Based upon the application of these criteria, the only entity to consider was the Jupiter Community Redevelopment Agency (the "CRA"); a dependent special district established by the Town, under authority granted by Florida Statute 163, Section III. The CRA is included in the Town's financial reporting entity as a blended component unit reported in a governmental (special revenue) fund, the Community Redevelopment Fund.

Budgetary Control: The Town adopts an annual operating budget which serves as the foundation for the Town's financial planning and control. The Town Council is required by state statute to hold two public hearings and adopt a final budget no later than the beginning of the fiscal year (October 1st). The operating budget is prepared by fund, function and department. Directors, with the Town Manager's approval, may make budget transfers within a department. Transfers between departments require the approval of the Town Council. In addition to the operating budget, the Town Council also updates and approves the Town's five-year Community Investment Program annually.

FINANCIAL CONDITION AND OUTLOOK

Local Economy: Palm Beach County is the 4th most populous county in the State of Florida. The latest population estimate prepared in 2025 by the University of Florida's Bureau of Economic and Business Research indicates that the current population of the Town exceeds 61,000 and the County is approximately 1.6 million. Projections show the County population growing at an estimated annual rate of 6.0 percent over the next 15

years, with corresponding increases in service businesses and light industry. The County's median household income is \$84,921 and the unemployment rate was 4.5%.

The Town's major challenges are to provide the infrastructure and services required to maintain the quality of life to which Jupiter's residents and visitors have grown accustomed, to create future economic growth opportunities for the community and to position Jupiter to be ready to capitalize on those opportunities as the local and state economies remain stable.

Relevant Financial Policies: The Town has an "informal" policy supported by the Town Council in each year's annual operating budget that provides for the unassigned fund balance in the General Fund to equal or exceed twenty-five percent (25%) of the subsequent year's operating budget. Historically speaking, the Town has always maintained a fund balance targeted to protect its interest and provide needed financial resources to restore services and provide clean up in the event of natural disasters such as major hurricanes, to provide loans to other funds, and to ensure that large projects that have required the use of fund balance are completed successfully. In order to maintain this balance and allow the Town to continue its obligation to its residents as a first responder in the face of natural disasters and other unforeseen circumstances, the Town has implemented the following cost strategies to reduce operating cost and allow for an appropriately sized unassigned fund balance:

- Maintain the size of government based on community needs.
- Aggressively seek affordable healthcare options to allow for sustained viability of the Town's employee health plan.
- Realign capital investments to better align with the strategic goals of the Town.
- Work with developers to foster redevelopment projects within the community to allow for a stable tax base.

Long-term Financial Planning: The Town's strategic plan and performance measures are the cornerstones for its long-term financial planning and budgeting. The General Fund operating budget was adopted in September 2024, at a millage tax rate of 2.3894 which is an increase of 8.10% over the rolled back rate. The governing budget supports the Town's five-year capital improvement plan and the State's comprehensive plan concurrency elements for Fiscal Year 2025. The Town uses a blended budget approach to reduce the reliance on property tax revenues and continues to initiate alternative revenue sources. As part of the Town's efforts to "maintain financial sustainability", the Town continues to seek new ways to contain costs by creating a culture of continuous improvement.

During the past few years assessed property values have been steadily increasing. For FY2025, assessed property values increased to \$17,264,292,077 or an increase of approximately \$1.4 billion or 9.08% from the \$15,827,803,960 in final taxable value for the prior fiscal year. It is anticipated that property values will slightly decrease and stabilize over time.

The largest enterprise activity, the water utility, continues to support its operating and capital improvement plan with rate structure changes to ensure operating stability and a fully funded capital plan. Investing to improve and maintain the infrastructure related to

water and stormwater utility functions provides for future stability related to the current customer base and future growth.

The Town adopted a five-year capital improvement plan identifying future funding needs to maintain, repair and upgrade capital assets and infrastructure. Included in these long-term capital needs are road resurfacing and water infrastructure upgrades, within funding constraints; and aligned with the approved comprehensive plan concurrency elements.

OTHER INFORMATION

Independent Audit: Florida Statutes Chapter 11.45 requires an annual financial and compliance audit by an independent certified public accountant. The auditor’s report on the financial statements is included in the Financial Section of this report. The auditor’s report related specifically to compliance with *Government Auditing Standards* is included in the Compliance Reports Section.

Awards: The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2024, the thirty second consecutive year the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, the Town published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both U.S. 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.

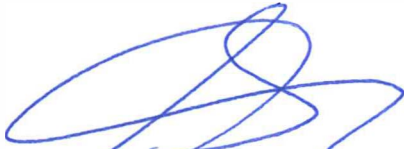
Acknowledgments: The preparation of the annual comprehensive financial report on a timely basis was made possible by the dedicated services of the entire staff of the finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

We believe this report reflects the continued excellent financial position of the Town of Jupiter. We would like to thank the Mayor, the Town Council and the residents of the Town for your interest and support toward the planning and administration of the financial operations of the Town in a responsible and progressive manner. With this support, we have been able to maintain a high degree of fiscal health and responsibility for the Town of Jupiter.

Respectfully Submitted,



Frank Kitzerow
Town Manager



Scott Reynolds
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Jupiter
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

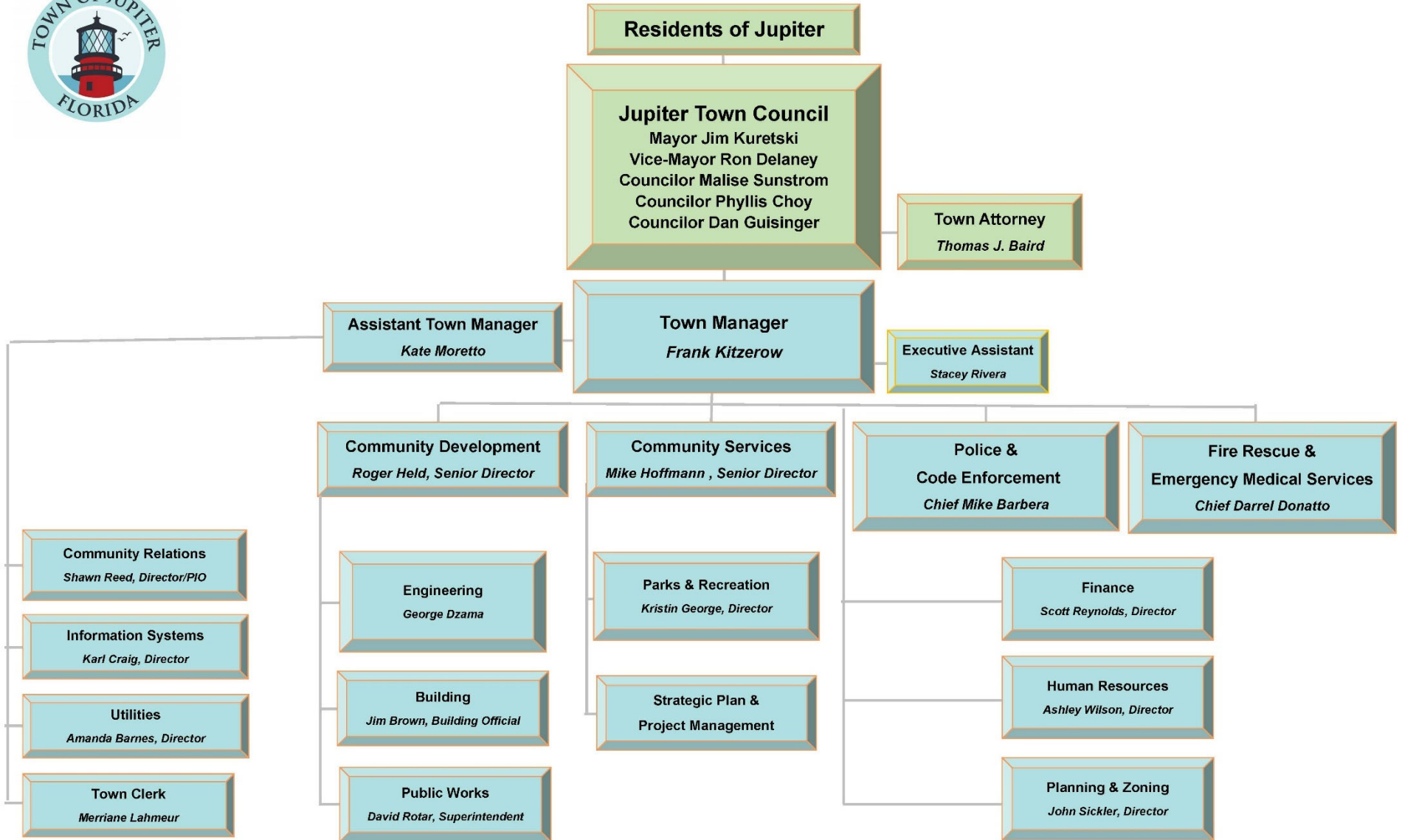
Executive Director/CEO

**TOWN OF JUPITER, FLORIDA
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2025**

| | |
|---------------------------------------|---------------------------|
| Mayor | James Kuretski |
| Vice-Mayor | Ron Delaney |
| Councilor | Malise Sundstrom |
| Councilor | Phyllis Choy |
| Councilor | Dan Guisinger |
| Town Manager | Frank Kitzerow |
| Assistant Town Manager | Kate Moretto |
| Town Attorney | Thomas J. Baird |
| Town Clerk | Merriane Lahmeur |
| Finance Director | Scott Reynolds |
| Chief of Police | Michael Barbera |
| Utilities Director | Amanda Barnes |
| Engineering and Public Works Director | George Dzama |
| Planning and Zoning Director | John R. Sickler, Jr. |
| Information Systems Director | Karl Craig |
| Building Official | James Brown |
| Parks and Recreation Director | Kristin Fitzgerald George |
| Senior Director Community Development | Michael Hoffmann |
| Senior Director Community Services | Roger Held |
| Human Resources Director | Ashley Wilson |
| Fire/Rescue Chief | Darrel Donatto |



Town of Jupiter Organizational Chart



INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

To the Honorable Mayor, Members of the Town Council,
Audit Committee and Town Manager
Town of Jupiter, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jupiter, Florida (the "Town"), as of and for the fiscal 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, based on our report and the report of the other auditors, the accompanying 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 fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Municipal Police Officers' Retirement Trust Fund, the fiduciary fund of the Town, which represents 86%, 86% and 67%, respectively, of the assets, net position/fund balances, and revenues/additions of the aggregate remaining fund information as of September 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Municipal Police Officers' Retirement Trust Fund, is based solely on the report of the other auditors.

Basis for Opinions

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 GAAS 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 GAAS 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 required that the management's discussion and analysis on pages 5 through 14, the budgetary comparison schedules, the pension funds information and the other postemployment benefits information on pages 93 through 106, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 combining fund financial statements and the individual fund budgetary comparison schedules, as listed in the table of contents, and the schedule of expenditures of federal awards on page 141, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 GAAS. In our opinion, the combining fund financial statements and individual fund budgetary comparison schedules, and the schedule of expenditures of federal awards 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 auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 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.

CBIZ CPAs P.C.

Boca Raton, Florida

March 31, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

Acting in our capacity as the management of the Town of Jupiter, Florida, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town of Jupiter, Florida, for the fiscal year ended September 30, 2025.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$622,643,621 (*total net position*). Of this amount, approximately \$193,384,873 (*unrestricted net position*) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's operations increased net position by approximately \$29,255,000. Approximately 42% of this increase is attributable to governmental activities and 58% is attributable to business-type activities.
- As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$130,408,354, an increase of approximately \$2,528,000 from the prior year fund balance. Approximately 48% of the total fund balance amount is *available for spending* at the Town's discretion (*unassigned fund balance*).
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$62,496,637, or 91% of total General Fund expenditures for the current fiscal year.
- The Town's total debt (bonds and notes payable) decreased by approximately \$1,639,000 (17%) during the current fiscal year. The decrease was attributable to scheduled principal payments on the debt.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

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

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, engineering and public works, and culture and recreation. The business-type activities of the Town include the Water System, Stormwater Utility and Building Department.

The Jupiter Community Redevelopment Agency, although a legally separate entity, functions for all practical purposes as a department of the Town, and therefore has been included as an integral part of the primary government (*a blended component unit*). The government-wide financial statements can be found on pages 15-17 of this report.

Fund Financial Statements

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

- **Governmental funds** - *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The Town maintains fourteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenue, expenditures, and changes in fund balances for the General Fund, Community Redevelopment Fund, American Rescue Plan Fund and Capital Improvements Fund, which are considered to be major funds. Aggregated data for the remaining nonmajor governmental funds is also presented. The basic governmental funds financial statements can be found on pages 18-21 of this report.

- ***Enterprise funds*** - The *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses three enterprise funds to account for the separate operations of its Water System, Stormwater Utility and Building Fund. The basic enterprise fund financial statements can be found on pages 22-26 of this report.
- ***Fiduciary fund*** - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for the enterprise funds. The Town's only fiduciary fund is the Municipal Police Officers' Retirement Trust Fund (MPORT), which is used to account for the assets held in a trustee capacity for the retirement pensions of the Town's police officers. The basic fiduciary fund financial statements can be found on pages 27-28 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-92 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The Town adopts an annual appropriated budget for the General Fund and Community Redevelopment Fund. Budgetary comparison schedules and accompanying notes for both funds are included as required supplementary information on pages 93-99 to demonstrate compliance with the adopted budget. The Town also presents required supplementary information related to its defined benefit retirement plans and other postemployment benefits (OPEB) plan on pages 100-106.

The Town also adopts an annual budget for the Capital Improvements Fund and the Debt Service Fund. Budgetary comparison schedules for these funds are included as supplementary information with the combining fund financial statements. The combining fund financial statements and individual fund budgetary comparison schedules are presented immediately following the required supplementary information on pages 107-111.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets and deferred outflows exceeded liabilities and deferred inflows by approximately \$622,644,000 at the close of the most recent fiscal year. The Town's net position at September 30, 2025 and 2024 is summarized as follows (in thousands):

| | Summary of Changes in Net Position | | | | | |
|---------------------------------------|------------------------------------|-------------------|--------------------------|-------------------|-------------------|-------------------|
| | Governmental Activities | | Business-type Activities | | Total | |
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Assets | | | | | | |
| Current and other assets | \$ 141,422 | \$ 139,186 | \$ 129,744 | \$ 131,317 | \$ 271,166 | \$ 270,503 |
| Capital assets, net | 164,251 | 155,274 | 253,875 | 238,138 | 418,126 | 393,412 |
| Total Assets | <u>305,673</u> | <u>294,460</u> | <u>383,619</u> | <u>369,455</u> | <u>689,292</u> | <u>663,915</u> |
| Deferred Outflows of Resources | <u>11,875</u> | <u>4,299</u> | <u>1,494</u> | <u>1,835</u> | <u>13,369</u> | <u>6,134</u> |
| Liabilities | | | | | | |
| Long-term liabilities | 31,356 | 34,039 | 13,785 | 17,265 | 45,141 | 51,304 |
| Other liabilities | 11,265 | 11,488 | 7,047 | 6,946 | 18,312 | 18,434 |
| Total Liabilities | <u>42,621</u> | <u>45,527</u> | <u>20,832</u> | <u>24,211</u> | <u>63,453</u> | <u>69,738</u> |
| Deferred Inflows of Resources | <u>15,074</u> | <u>5,786</u> | <u>1,491</u> | <u>1,137</u> | <u>16,565</u> | <u>6,923</u> |
| Net Position | | | | | | |
| Net investment in capital assets | 159,780 | 150,690 | 246,517 | 229,529 | 406,297 | 380,219 |
| Restricted | 22,620 | 25,303 | -- | -- | 22,620 | 25,303 |
| Unrestricted | 77,453 | 71,453 | 116,273 | 116,413 | 193,726 | 187,866 |
| Total Net Position | <u>\$ 259,853</u> | <u>\$ 247,446</u> | <u>\$ 362,790</u> | <u>\$ 345,942</u> | <u>\$ 622,643</u> | <u>\$ 593,388</u> |

The largest portion of the Town's net position (65%) reflects its investment in capital assets (e.g., land, buildings, improvements, machinery and equipment and infrastructure), less any related debt and deferred inflows/outflows used to acquire those assets that is 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 net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$193 million) may be used to meet the Town's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the Town is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Changes in Net Position

The Town's net position increased by approximately \$29.3 million during 2025. The increase is due to increases in charges for services and property taxes.

The changes in the Town's net position for the fiscal years ended September 30, 2025 and 2024 are summarized as follows (in thousands):

Summary of Changes in Net Position

| | Governmental Activities | | Business-type Activities | | Total | |
|---|-------------------------|-------------------|--------------------------|-------------------|-------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Program Revenues | | | | | | |
| Charges for services | \$ 15,718 | \$ 14,537 | \$ 44,416 | \$ 44,401 | \$ 60,134 | \$ 58,938 |
| Operating grants and contributions | 2,436 | 2,050 | 512 | 11 | 2,948 | 2,061 |
| Capital grants and contributions | 2,270 | 931 | 871 | 1,476 | 3,141 | 2,407 |
| General Revenues | | | | | | |
| Property taxes | 43,370 | 40,545 | -- | -- | 43,370 | 40,545 |
| Other taxes | 29,269 | 28,810 | -- | -- | 29,269 | 28,810 |
| Intergovernmental, unrestricted | 2,770 | 2,767 | -- | -- | 2,770 | 2,767 |
| Investment earnings and other income | 6,595 | 7,962 | 3,909 | 4,554 | 10,504 | 12,516 |
| Total Revenues | <u>102,428</u> | <u>97,602</u> | <u>49,708</u> | <u>50,442</u> | <u>152,136</u> | <u>148,044</u> |
| Expenses | | | | | | |
| General government | 29,289 | 29,538 | -- | -- | 29,289 | 29,538 |
| Public safety | 32,998 | 30,769 | -- | -- | 32,998 | 30,769 |
| Engineering and public works | 16,437 | 12,518 | -- | -- | 16,437 | 12,518 |
| Culture/Recreation | 8,928 | 4,871 | -- | -- | 8,928 | 4,871 |
| Interest on debt | 255 | 296 | -- | -- | 255 | 296 |
| Water system | -- | -- | 27,455 | 26,376 | 27,455 | 26,376 |
| Stormwater | -- | -- | 3,401 | 3,959 | 3,401 | 3,959 |
| Building | -- | -- | 4,118 | 4,480 | 4,118 | 4,480 |
| Total Expenses | <u>87,907</u> | <u>77,992</u> | <u>34,974</u> | <u>34,815</u> | <u>122,881</u> | <u>112,807</u> |
| Change in net position before transfers | 14,521 | 19,610 | 14,734 | 15,627 | 29,255 | 35,237 |
| Transfers | (2,114) | (6) | 2,114 | 6 | -- | -- |
| Change in Net Position | <u>12,407</u> | <u>19,604</u> | <u>16,848</u> | <u>15,633</u> | <u>29,255</u> | <u>35,237</u> |
| Net Position - Beginning | <u>247,446</u> | <u>227,842</u> | <u>345,942</u> | <u>330,309</u> | <u>593,388</u> | <u>558,151</u> |
| Net Position - Ending | <u>\$ 259,853</u> | <u>\$ 247,446</u> | <u>\$ 362,790</u> | <u>\$ 345,942</u> | <u>\$ 622,643</u> | <u>\$ 593,388</u> |

Governmental Activities

Governmental activities increased the Town's net position by approximately \$12,407,000, thereby accounting for 42% of the total growth in the net position of the Town. This increase is directly attributed to increases in revenue collections. When compared to the previous year, revenues increased approximately \$4.8 million. These net increases were offset by increases in expenses of approximately \$9.9 million and net transfers of approximately \$2.1 million.

Business-type Activities

Business-type activities increased the Town's net position by approximately \$16,849,000. Key elements of this change were as follows:

- The Water System change in net position was \$12,747,664 which was \$634,976 greater than the prior year. The current year change in net position is attributable to operating revenues in excess of operating expenses of \$6,826,693, utility connection charges and other capital contributions of \$871,269, investment earnings of \$2,234,804, and transfers in of \$1,751,110.
- The Stormwater Utility change in net position was \$1,618,112 which was \$303,097 greater than the prior year. The current year change in net position is attributable to operating revenues in excess of operating expenses of \$982,450 and transfers in of \$363,096.
- The Building department change in net position was \$2,482,785 which was \$278,055 greater than the prior year. The current year change in net position is attributable to operating revenues in excess of operating expenses of \$1,927,940 and investment earnings of \$550,493.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The significant financial activities of the Town's funds are described below.

Governmental Funds

The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balance of \$130,408,354, an increase of \$2,527,560 from the prior year. Approximately 48% of the total fund balance at September 30, 2025 of \$62,496,637 constitutes *unassigned fund balance*, which is available for spending at the Town's discretion. The remainder of the fund balance is not available for new spending and is broken down into the following categories:

| | | |
|--------------|---------------|-----|
| Nonspendable | \$ 1,768,340 | 1% |
| Restricted | \$ 22,706,305 | 17% |
| Assigned | \$ 43,437,072 | 33% |

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$62,496,637, while total fund balance was \$75,765,254. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 91% of total General Fund expenditures for 2025. The fund balance of the Town's General Fund increased by \$7,811,668 during the current fiscal year as compared to an increase of \$2,994,296 for the prior year. The key factor contributing to the increased net change in fund balance was a decrease in transfers out of approximately \$3.0 million which were mostly to the fire rescue department fund for the purchase of fire apparatus, miscellaneous equipment for the outfitting of the apparatus, ambulances, executive staff funding and hiring of consultants for the development of the department and \$3.0 million to the capital improvement fund for capital acquisitions.

The Community Redevelopment Fund (CRA) had a fund balance of \$2,027,813. The General Fund and Capital Improvement Fund advances will be repaid from future tax increment funds received by the CRA as commercial and redevelopment projects increase taxable property values in the CRA district. The CRA had an increase in the net change of fund balance during 2025 of \$22,495.

The American Rescue Plan Fund had a fund balance of \$0 at fiscal year end 2025, the same as in fiscal year 2024. The American Rescue Plan Fund recognized \$2,060,657 in American Rescue Plan Act (ARPA) funding, which was transferred for construction of water and stormwater infrastructure improvements.

The Capital Improvements Fund has a total fund balance of \$33,397,160 which is intended for the Town's current and future capital projects. The net decrease in fund balance during the current year in the Capital Improvements Fund was \$2,709,380 as compared to the increase of \$2,497,961 for the prior year. The reduction in fund balance during the prior year was due to the construction and draw down of fund balance to pay for fire department construction projects.

Enterprise Funds

The Town's enterprise fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water System Fund, Stormwater Fund and Building Fund at the end of the year amounted to \$87,387,743, \$10,147,740 and \$18,738,046, respectively. The total change in net position of the Water System Fund, Stormwater Fund and Building Fund was \$12,747,664, \$1,618,112, and \$2,482,785, respectively. Other factors concerning the finances have already been addressed in the discussion of the Town's business-type activities.

BUDGETARY HIGHLIGHTS

General Fund: Differences between the original budget and the final amended budget for total expenditures resulted in a net increase of approximately \$1,519,000 in appropriations for 2025 and were generally attributable to the re-appropriation of open contracts from the previous fiscal year and appropriated revenues received but not originally budgeted.

During the year, actual revenues were \$3,232,632 more than budgetary estimates due primarily to increases in taxes of \$697,549, charges for services of \$411,023 and investment earnings of \$1,524,066. Actual expenditures and other financing uses were under budget by \$6,998,001, due primarily to decreases in other general government operating expenses of \$4,584,328 and public safety of \$1,240,226 being less than budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The Town’s investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounts to approximately \$418.1 million (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, park facilities, easements, roads, highways and bridges, water plant facilities, water meters and transmission lines and stormwater facilities. The total increase in the Town’s investment in capital assets for the current fiscal year was approximately \$24.7 million or 6%.

The Town’s capital assets at September 30, 2025 and 2024 are summarized as follows:

| Capital Assets | | | | | | |
|--|-------------------------|-------------------|--------------------------|-------------------|-------------------|-------------------|
| (Amounts in Thousands, net of accumulated depreciation/amortization) | | | | | | |
| | Governmental Activities | | Business-type Activities | | Total | |
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Land | \$ 50,490 | \$ 48,363 | \$ 569 | \$ 569 | \$ 51,059 | \$ 48,932 |
| Construction in progress | 6,279 | 2,550 | 27,092 | 26,235 | 33,371 | 28,785 |
| Buildings | 42,814 | 43,783 | 54,641 | 56,151 | 97,455 | 99,934 |
| Improvements | 26,382 | 27,021 | 162,311 | 145,639 | 188,693 | 172,660 |
| Machinery and equipment | 6,073 | 4,749 | 9,160 | 9,473 | 15,233 | 14,222 |
| Infrastructure | 30,083 | 26,252 | -- | -- | 30,083 | 26,252 |
| Subscription-based assets | 2,130 | 2,556 | 102 | 71 | 2,232 | 2,627 |
| Total | \$ 164,251 | \$ 155,274 | \$ 253,875 | \$ 238,138 | \$ 418,126 | \$ 393,412 |

Major capital asset events during the current fiscal year included the following:

- The construction of two new fire stations.
- Improvements to various Town parks and playgrounds.
- Improvements to the water distribution system in targeted neighborhoods.
- Improvements to the water transmission systems.
- Continuing well rehabilitation program in the water utility.
- Improvements to water processing equipment and operations technology.
- Continuing drainage and swale rehabilitation programs.

- On-going investment in the police vehicle replacement program.
- A continuing reinvestment in the Town’s sidewalk and street infrastructure.
- Continuing investment into the Town’s new fire department with the purchase of equipment and operating capital.

Additional information on the Town’s capital assets can be found in Note 6 on pages 54-56 of this report.

Outstanding debt. At the end of the current fiscal year, the Town had total bonded debt and loans outstanding of approximately \$8,253,000. Of this amount, \$2,000,000 is a note payable related to fire department capital costs. The remainder of the Town’s debt of approximately \$6,253,000 represents bonds and notes secured solely by the net revenues of the Enterprise Funds. The Town’s total debt decreased by approximately \$1,639,000 or 17% during the current fiscal year, due to the retirement of maturing debt. The Town’s outstanding debt at September 30, 2025 and 2024 is summarized as follows:

| Outstanding Debt | | | | | | |
|---|-------------------------|-----------------|--------------------------|-----------------|-----------------|-----------------|
| General Obligation and Revenue Bonds / Note | | | | | | |
| | Governmental Activities | | Business-type Activities | | Total | |
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| General obligation note | \$ -- | \$ 1,982 | \$ -- | \$ -- | \$ -- | \$ 1,982 |
| Note payable | 2,000 | -- | -- | -- | 2,000 | -- |
| Water system revenue bonds / note | -- | -- | 6,253 | 7,910 | 6,253 | 7,910 |
| Total | \$ 2,000 | \$ 1,982 | \$ 6,253 | \$ 7,910 | \$ 8,253 | \$ 9,892 |

The Town as a whole has maintained a “AAA” rating from Standard & Poor’s and Fitch and a “Aaa” rating from Moody’s on their outstanding bonded debt. Town ordinances limit the amount of general obligation debt the Town may issue to 15% of the total assessed valuations of property located in the Town. The current debt limitation for the Town is approximately \$3.1 billion, which is significantly in excess of the Town’s outstanding general obligation debt.

Additional information on the Town’s long-term debt can be found in Note 7 on pages 56-62 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Town's 2026 General Fund budget is approximately \$97 million, or an increase of approximately \$20 million from the original budget adopted for 2025. The following factors were considered in preparing the Town's budget for the 2025 fiscal year.

- Increases in property values and the overall stable housing market will continue to have a positive impact on ad-valorem tax revenues in FY 2026. There was a 7.15% increase in property values for FY 2026, which allowed the Town Council to maintain a conservative millage rate of 2.3894.
- Slight decreases in state shared and sales tax revenues.
- Projected decreases in interest earnings due to decreases in interest rates.
- Funding used for investment in infrastructure that supports the needs of the community.
- Use of \$19.7 million in General Fund reserves to fund Jupiter Fire Rescue operating, debt service and capital needs for the final year of implementation.
- Water System revenues are expected to increase due to a rate index of 3%.
- Stormwater revenues are expected to increase due to a rate index of 7%.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director at 210 Military Trail, Jupiter, Florida 33458.

BASIC FINANCIAL STATEMENTS

TOWN OF JUPITER, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2025

| | Governmental Activities | Business-Type Activities | Total |
|--|----------------------------|-----------------------------|----------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 62,574,937 | \$ 38,484,175 | \$ 101,059,112 |
| Investments | 74,821,032 | 85,033,022 | 159,854,054 |
| Accounts receivable, net | 2,272,932 | 1,490,369 | 3,763,301 |
| Grants receivable | 6,063 | 456,529 | 462,592 |
| Interest receivable | 167,035 | 50,584 | 217,619 |
| Inventory | 10,910 | 927,964 | 938,874 |
| Prepaid expenses | 201,199 | 16,139 | 217,338 |
| Restricted assets | | | |
| Restricted cash and cash equivalents | 341,569 | -- | 341,569 |
| Restricted investments | 1,000,000 | -- | 1,000,000 |
| Notes receivable | 26,087 | -- | 26,087 |
| Noncurrent receivables | -- | 3,285,666 | 3,285,666 |
| Capital assets, not being depreciated/amortized | | | |
| Land | 50,490,169 | 569,123 | 51,059,292 |
| Construction in progress | 6,279,002 | 27,091,521 | 33,370,523 |
| Capital assets, net of accumulated depreciation/amortization | | | |
| Buildings and plant | 42,813,283 | 54,640,537 | 97,453,820 |
| Improvements | 26,382,314 | 162,311,333 | 188,693,647 |
| Machinery and equipment | 6,073,082 | 9,160,533 | 15,233,615 |
| Infrastructure | 30,083,310 | -- | 30,083,310 |
| Subscription-based assets (right to use assets) | 2,130,270 | 102,297 | 2,232,567 |
| Total Assets | 305,673,194 | 383,619,792 | 689,292,986 |
| Deferred charges on refundings | -- | 58,223 | 58,223 |
| Deferred amount related to OPEB | 165,703 | 43,881 | 209,584 |
| Deferred amount related to pensions | 11,709,306 | 1,392,137 | 13,101,443 |
| Total Deferred Outflows of Resources | \$ 11,875,009 | \$ 1,494,241 | \$ 13,369,250 |

(Continued)

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF NET POSITION (CONTINUED)

SEPTEMBER 30, 2025

| | Governmental Activities | Business-Type Activities | Total |
|--|----------------------------|-----------------------------|-----------------------|
| Liabilities | | | |
| Accounts payable | \$ 5,239,485 | \$ 2,596,350 | \$ 7,835,835 |
| Retainage payable | 333,985 | 1,086,412 | 1,420,397 |
| Accrued liabilities | 1,758,330 | 245,860 | 2,004,190 |
| Deposits | 3,611,362 | 1,707,103 | 5,318,465 |
| Unearned revenue | 322,142 | 1,411,460 | 1,733,602 |
| Noncurrent liabilities | | | |
| Due within one year | | | |
| Compensated absences | 310,120 | 144,900 | 455,020 |
| Bonds and notes | 2,000,000 | -- | 2,000,000 |
| Subscription liability | 302,973 | 38,181 | 341,154 |
| Due in more than one year | | | |
| Compensated absences | 4,102,733 | 963,546 | 5,066,279 |
| Bonds and notes | -- | 6,253,000 | 6,253,000 |
| Total OPEB liability | 1,060,248 | 280,777 | 1,341,025 |
| Net pension liability | 21,745,034 | 6,065,812 | 27,810,846 |
| Subscription liability | 1,834,641 | 39,177 | 1,873,818 |
| Total Liabilities | <u>42,621,053</u> | <u>20,832,578</u> | <u>63,453,631</u> |
| Deferred Inflows of Resources | | | |
| Deferred amount related to OPEB | 919,329 | 243,458 | 1,162,787 |
| Deferred amount related to pensions | 14,154,526 | 1,247,671 | 15,402,197 |
| Total Deferred Inflows of Resources | <u>15,073,855</u> | <u>1,491,129</u> | <u>16,564,984</u> |
| Net Position | | | |
| Net investment in capital assets | 159,779,831 | 246,516,797 | 406,296,628 |
| Restricted for: | | | |
| Debt retirement | 326,800 | -- | 326,800 |
| Capital projects | 19,036,346 | -- | 19,036,346 |
| Law enforcement | 1,307,366 | -- | 1,307,366 |
| Economic development | 2,027,310 | -- | 2,027,310 |
| Unrestricted | 77,375,642 | 116,273,529 | 193,649,171 |
| Total Net Position | <u>\$ 259,853,295</u> | <u>\$ 362,790,326</u> | <u>\$ 622,643,621</u> |

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| Functions/Programs | Expenses | Program Revenues | | | Net Revenues (Expenses) and Changes in Net Position | | | |
|---------------------------------------|-----------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|-----------------------|-----------------------|
| | | Charges for Services | Operating Contributions and Grants | Capital Contributions and Grants | Governmental Activities | Business-type Activities | Total | |
| Governmental Activities | | | | | | | | |
| General government | \$ 29,289,386 | \$ 13,478,510 | \$ 1,113,165 | \$ 2,269,857 | \$ (12,427,854) | \$ -- | \$ (12,427,854) | |
| Public safety | 32,997,585 | 712,616 | 1,255,183 | -- | (31,029,786) | -- | (31,029,786) | |
| Engineering and public works | 16,436,558 | 378,307 | 67,874 | -- | (15,990,377) | -- | (15,990,377) | |
| Culture and recreation | 8,928,334 | 1,148,977 | -- | -- | (7,779,357) | -- | (7,779,357) | |
| Interest on long-term debt | 254,681 | -- | -- | -- | (254,681) | -- | (254,681) | |
| Total Governmental Activities | 87,906,544 | 15,718,410 | 2,436,222 | 2,269,857 | (67,482,055) | -- | (67,482,055) | |
| Business-type Activities | | | | | | | | |
| Water system | 27,455,332 | 34,080,516 | 225,351 | 871,269 | -- | 7,721,804 | 7,721,804 | |
| Stormwater | 3,400,816 | 4,290,854 | 286,555 | -- | -- | 1,176,593 | 1,176,593 | |
| Building | 4,118,035 | 6,045,034 | -- | -- | -- | 1,926,999 | 1,926,999 | |
| Total Business-type Activities | 34,974,183 | 44,416,404 | 511,906 | 871,269 | -- | 10,825,396 | 10,825,396 | |
| Total | \$ 122,880,727 | \$ 60,134,814 | \$ 2,948,128 | \$ 3,141,126 | (67,482,055) | 10,825,396 | (56,656,659) | |
| General Revenues | | | | | | | | |
| Taxes | | | | | | | | |
| | | | | | 43,369,687 | -- | 43,369,687 | |
| | | | | | 6,142,437 | -- | 6,142,437 | |
| | | | | | 6,430,914 | -- | 6,430,914 | |
| | | | | | 3,017,933 | -- | 3,017,933 | |
| | | | | | 12,266,568 | -- | 12,266,568 | |
| | | | | | 1,411,109 | -- | 1,411,109 | |
| | | | | | Intergovernmental not restricted to specific programs | 2,769,602 | -- | 2,769,602 |
| | | | | | Investment gains | 6,531,222 | 3,850,936 | 10,382,158 |
| | | | | | Gain on disposal of capital assets | 63,581 | 58,023 | 121,604 |
| | | | | | Transfers | (2,114,206) | 2,114,206 | -- |
| | | | | | Total General Revenues and Transfers | 79,888,847 | 6,023,165 | 85,912,012 |
| | | | | | Change in Net Position | 12,406,792 | 16,848,561 | 29,255,353 |
| | | | | | Net Position - Beginning | 247,446,503 | 345,941,765 | 593,388,268 |
| | | | | | Net Position - Ending | \$ 259,853,295 | \$ 362,790,326 | \$ 622,643,621 |

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

TOWN OF JUPITER, FLORIDA

BALANCE SHEET - GOVERNMENTAL FUNDS

SEPTEMBER 30, 2025

| | Major Governmental Funds | | | | Nonmajor Governmental Funds | Total Government Funds |
|---|--------------------------|------------------------------------|---------------------------------|---------------------------------|-----------------------------------|------------------------------|
| | General Fund | Community Redevelopment Fund | American Rescue Plan Fund | Capital Improvements Fund | | |
| Assets | | | | | | |
| Cash and cash equivalents | \$ 22,568,932 | \$ 3,830,955 | \$ 132,584 | \$ 17,695,923 | \$ 18,346,543 | \$ 62,574,937 |
| Investments | 52,300,728 | -- | -- | 21,356,900 | 1,163,404 | 74,821,032 |
| Accounts receivable, net | 2,268,768 | -- | -- | -- | 4,164 | 2,272,932 |
| Grants receivable | 757 | -- | -- | 5,306 | -- | 6,063 |
| Interest receivable | 167,035 | -- | -- | -- | -- | 167,035 |
| Advances from other funds | 1,308,899 | -- | -- | 255,815 | -- | 1,564,714 |
| Inventory | 10,910 | -- | -- | -- | -- | 10,910 |
| Prepaid items | 190,675 | 503 | -- | -- | 10,021 | 201,199 |
| Restricted cash | -- | -- | -- | 341,569 | -- | 341,569 |
| Restricted investments | 1,000,000 | -- | -- | -- | -- | 1,000,000 |
| Notes receivable | -- | 26,087 | -- | -- | -- | 26,087 |
| Total Assets | <u>\$ 79,816,704</u> | <u>\$ 3,857,545</u> | <u>\$ 132,584</u> | <u>\$ 39,655,513</u> | <u>\$ 19,524,132</u> | <u>\$ 142,986,478</u> |
| Liabilities, Deferred Inflows of Resources and Fund Balances | | | | | | |
| Liabilities | | | | | | |
| Accounts payable and retainage payable | \$ 2,165,069 | 128,931 | \$ -- | \$ 3,234,867 | \$ 44,603 | \$ 5,573,470 |
| Accrued liabilities | 1,506,436 | -- | -- | -- | -- | 1,506,436 |
| Unearned revenue | -- | -- | 132,584 | -- | 163,471 | 296,055 |
| Advances to other funds | -- | 1,564,714 | -- | -- | -- | 1,564,714 |
| Deposits | 379,945 | 110,000 | -- | 3,023,486 | 97,931 | 3,611,362 |
| Total Liabilities | <u>4,051,450</u> | <u>1,803,645</u> | <u>132,584</u> | <u>6,258,353</u> | <u>306,005</u> | <u>12,552,037</u> |
| Deferred Inflows of Resources | | | | | | |
| Unavailable revenues | -- | 26,087 | -- | -- | -- | 26,087 |
| Fund Balances | | | | | | |
| Nonspendable: | | | | | | |
| Inventory | 10,910 | -- | -- | -- | -- | 10,910 |
| Prepaid items | 190,675 | 503 | -- | -- | 10,021 | 201,199 |
| Advances from other funds | 1,308,899 | -- | -- | 255,815 | -- | 1,564,714 |
| Restricted for: | | | | | | |
| Public safety | 1,000,000 | -- | -- | -- | -- | 1,000,000 |
| Debt service | -- | -- | -- | -- | 326,800 | 326,800 |
| Capital projects | -- | -- | -- | 341,569 | 18,694,777 | 19,036,346 |
| Law enforcement | 120,837 | -- | -- | -- | 186,529 | 307,366 |
| Economic development | -- | 2,027,310 | -- | -- | -- | 2,027,310 |
| Assigned to: | | | | | | |
| Capital projects | -- | -- | -- | 32,799,776 | -- | 32,799,776 |
| Health insurance | 10,637,296 | -- | -- | -- | -- | 10,637,296 |
| Unassigned: | | | | | | |
| General Fund | 62,496,637 | -- | -- | -- | -- | 62,496,637 |
| Total Fund Balances | <u>75,765,254</u> | <u>2,027,813</u> | <u>--</u> | <u>33,397,160</u> | <u>19,218,127</u> | <u>130,408,354</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | <u>\$ 79,816,704</u> | <u>\$ 3,857,545</u> | <u>\$ 132,584</u> | <u>\$ 39,655,513</u> | <u>\$ 19,524,132</u> | <u>\$ 142,986,478</u> |

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

TOWN OF JUPITER, FLORIDA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION**

SEPTEMBER 30, 2025

| | | |
|---|---------------------|------------------------------|
| Total Governmental Fund Balances | | \$ 130,408,354 |
| <p>Amounts reported for governmental activities in the statement of net position are different because:</p> | | |
| <p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p> | | 164,251,430 |
| <p>Accrued interest on bonds payable and subscription liabilities is not due and payable in the current period and, therefore, is not reported in the funds.</p> | | (251,894) |
| <p>Deferred outflows/inflows of resources related to pensions for defined benefit pension plans and other postemployment benefits are reported in the statement of net position but are not reported in the governmental funds:</p> | | |
| <p>Deferred outflows related to other postemployment benefits</p> | \$ 165,703 | |
| <p>Deferred outflows related to pensions</p> | 11,709,306 | |
| <p>Deferred inflows related to other postemployment benefits</p> | (919,329) | |
| <p>Deferred inflows related to pensions</p> | <u>(14,154,526)</u> | |
| <p>Net adjustment</p> | | (3,198,846) |
| <p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:</p> | | |
| <p>Compensated absences</p> | (4,412,853) | |
| <p>Bonds and notes payable</p> | (2,000,000) | |
| <p>Subscription liability</p> | (2,137,614) | |
| <p>Total other postemployment benefits liability</p> | (1,060,248) | |
| <p>Net pension liability</p> | <u>(21,745,034)</u> | |
| <p>Net adjustment</p> | | <u>(31,355,749)</u> |
| Total Net Position | | <u>\$ 259,853,295</u> |

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

TOWN OF JUPITER, FLORIDA

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Major Governmental Funds | | | | Nonmajor Governmental Funds | Total Governmental Funds |
|--|--------------------------|------------------------------------|---------------------------------|---------------------------------|-----------------------------------|--------------------------------|
| | General Fund | Community Redevelopment Fund | American Rescue Plan Fund | Capital Improvements Fund | | |
| Revenues | | | | | | |
| Taxes | \$ 43,476,706 | \$ 3,370,346 | \$ -- | \$ 5,961,994 | \$ 1,420,597 | \$ 54,229,643 |
| Franchise fees | 6,142,437 | -- | -- | -- | -- | 6,142,437 |
| Licenses and permits | 164,735 | -- | -- | -- | 268,551 | 433,286 |
| Intergovernmental | 10,156,368 | -- | 2,060,657 | 252,593 | 6,276,911 | 18,746,529 |
| Charges for services | 13,564,985 | 110,312 | -- | -- | -- | 13,675,297 |
| Fines and forfeitures | 221,767 | -- | -- | -- | -- | 221,767 |
| Investment earnings | 5,454,333 | 27,688 | -- | 956,719 | 92,482 | 6,531,222 |
| Donations | 35,900 | -- | -- | 144,339 | -- | 180,239 |
| Miscellaneous | 965,466 | -- | -- | 1,230,068 | 8,007 | 2,203,541 |
| Total Revenues | <u>80,182,697</u> | <u>3,508,346</u> | <u>2,060,657</u> | <u>8,545,713</u> | <u>8,066,548</u> | <u>102,363,961</u> |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General government | 23,117,990 | 1,351,113 | -- | 994,453 | 364 | 25,463,920 |
| Public safety | 30,185,409 | -- | -- | -- | 2,565,385 | 32,750,794 |
| Engineering and public works | 9,610,711 | -- | -- | 5,528,324 | -- | 15,139,035 |
| Culture and recreation | 4,116,258 | -- | -- | 3,631,280 | -- | 7,747,538 |
| Capital outlay | 1,009,283 | 2,067,020 | -- | 11,805,231 | 1,274,243 | 16,155,777 |
| Debt service: | | | | | | |
| Principal | 453,091 | -- | -- | -- | 1,982,315 | 2,435,406 |
| Interest and fiscal charges | 83,563 | 67,718 | -- | -- | 33,433 | 184,714 |
| Total Expenditures | <u>68,576,305</u> | <u>3,485,851</u> | <u>--</u> | <u>21,959,288</u> | <u>5,855,740</u> | <u>99,877,184</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>11,606,392</u> | <u>22,495</u> | <u>2,060,657</u> | <u>(13,413,575)</u> | <u>2,210,808</u> | <u>2,486,777</u> |
| Other Financing Sources (Uses) | | | | | | |
| Proceeds from sale of capital assets | 96,210 | -- | -- | -- | -- | 96,210 |
| Subscription based financing arrangements | 58,779 | -- | -- | -- | -- | 58,779 |
| Proceeds from issuance of debt | -- | -- | -- | -- | 2,000,000 | 2,000,000 |
| Transfers in | 2,044,258 | -- | -- | 10,757,745 | 2,958,512 | 15,760,515 |
| Transfers out | (5,993,971) | -- | (2,060,657) | (53,550) | (9,766,543) | (17,874,721) |
| Total Other Financing Sources (Uses) | <u>(3,794,724)</u> | <u>--</u> | <u>(2,060,657)</u> | <u>10,704,195</u> | <u>(4,808,031)</u> | <u>40,783</u> |
| Net Change in Fund Balances | 7,811,668 | 22,495 | -- | (2,709,380) | (2,597,223) | 2,527,560 |
| Fund Balances - Beginning | <u>67,953,586</u> | <u>2,005,318</u> | <u>--</u> | <u>36,106,540</u> | <u>21,815,350</u> | <u>127,880,794</u> |
| Fund Balances - Ending | <u>\$ 75,765,254</u> | <u>\$ 2,027,813</u> | <u>\$ --</u> | <u>\$ 33,397,160</u> | <u>\$ 19,218,127</u> | <u>\$ 130,408,354</u> |

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

TOWN OF JUPITER, FLORIDA

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Net Change in Fund Balance - Total Governmental Funds **\$ 2,527,560**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation and amortization expense. Capital outlays and depreciation/amortization expense were as follows in the current period:

| | | |
|---------------------------------------|--------------------|-----------|
| Capital outlay | \$ 16,155,777 | |
| Depreciation and amortization expense | <u>(7,145,437)</u> | |
| Net adjustment | | 9,010,340 |

In the statement of activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds the proceeds from the sale increase financial resources. The change in net position differs from the change in fund balances by the net book value of assets disposed. (32,629)

Payment of accrued interest is an expenditure in the Governmental funds, but is a reduction of accrued liabilities in the statement of net position. (69,967)

The repayment of long-term debt consumes the current financial resources of governmental funds. However, these transactions do not have effect on net position of the governmental activities. Governmental funds report the effect of debt discount when debt is issued, whereas these amounts are deferred and amortized in the statement of activities:

| | | |
|----------------------------------|------------------|-----------------|
| Issuance of Bonds | (2,000,000) | |
| Debt retirement - principal paid | <u>1,982,314</u> | |
| Net adjustment | | <u>(17,686)</u> |

Some expenses reported in the statement of activities are not reported in the funds because they have no effect on current financial resources:

| | | |
|---|----------------|----------------|
| Compensated absences | (162,808) | |
| Subscription liability | 394,313 | |
| Other postemployment benefits liability | 123,422 | |
| Pension expense | <u>634,247</u> | |
| Net adjustment | | <u>989,174</u> |

Change in Net Position of Governmental Activities **\$ 12,406,792**

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF NET POSITION - ENTERPRISE FUNDS

SEPTEMBER 30, 2025

| | Major Enterprise Funds | | | Total Enterprise Funds |
|--|-------------------------|--------------------|-------------------|------------------------------|
| | Water System Fund | Stormwater Fund | Building Fund | |
| Assets | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | \$ 17,432,625 | \$ 12,920,632 | \$ 8,130,918 | \$ 38,484,175 |
| Investments | 70,447,401 | 1,674,194 | 12,911,427 | 85,033,022 |
| Accounts receivable, net | 1,326,329 | 164,040 | -- | 1,490,369 |
| Grants receivable | 225,351 | 231,178 | -- | 456,529 |
| Interest receivable | 38,440 | -- | 12,144 | 50,584 |
| Inventory | 927,964 | -- | -- | 927,964 |
| Prepaid expenses | 15,048 | -- | 1,091 | 16,139 |
| Total Current Assets | 90,413,158 | 14,990,044 | 21,055,580 | 126,458,782 |
| Noncurrent Assets | | | | |
| Noncurrent receivables | 3,285,666 | -- | -- | 3,285,666 |
| Advances from other funds | 3,650,120 | -- | -- | 3,650,120 |
| Capital assets | | | | |
| Land and improvements | 458,616 | 110,507 | -- | 569,123 |
| Construction in progress | 25,910,772 | 1,180,749 | -- | 27,091,521 |
| Water treatment systems | 104,204,969 | 2,196,896 | -- | 106,401,865 |
| Buildings and improvements | 9,192,703 | 67,856,445 | -- | 77,049,148 |
| Water distribution systems | 159,114,789 | -- | -- | 159,114,789 |
| Wells | 45,483,310 | -- | -- | 45,483,310 |
| Equipment and pumps | 13,457,519 | 1,063,810 | 753,033 | 15,274,362 |
| Meters | 21,359,240 | -- | -- | 21,359,240 |
| Subscription based IT arrangements | 158,546 | 14,275 | 100,713 | 273,534 |
| | 379,340,464 | 72,422,682 | 853,746 | 452,616,892 |
| Less accumulated depreciation and amortization | (174,590,593) | (23,648,148) | (502,807) | (198,741,548) |
| Total Capital Assets, Net | 204,749,871 | 48,774,534 | 350,939 | 253,875,344 |
| Total Noncurrent Assets | 211,685,657 | 48,774,534 | 350,939 | 260,811,130 |
| Total Assets | 302,098,815 | 63,764,578 | 21,406,519 | 387,269,912 |
| Deferred Outflows of Resources | | | | |
| Deferred charges on refundings | 58,223 | -- | -- | 58,223 |
| Deferred amount related to OPEB | 27,586 | 3,942 | 12,353 | 43,881 |
| Deferred amount related to pensions | 893,763 | 112,640 | 385,734 | 1,392,137 |
| Total Deferred Outflows of Resources | \$ 979,572 | \$ 116,582 | \$ 398,087 | \$ 1,494,241 |

(Continued)

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF NET POSITION - ENTERPRISE FUNDS (CONTINUED)

SEPTEMBER 30, 2025

| | Major Enterprise Funds | | | Total Enterprise Funds |
|---|-------------------------|----------------------|----------------------|------------------------------|
| | Water System Fund | Stormwater Fund | Building Fund | |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Accounts payable and retainage payable | \$ 2,976,433 | \$ 639,052 | \$ 67,277 | \$ 3,682,762 |
| Accrued liabilities | 153,544 | 22,749 | 69,567 | 245,860 |
| Compensated absences payable | 92,654 | 18,598 | 33,648 | 144,900 |
| Subscription liability | <u>19,090</u> | <u>--</u> | <u>19,091</u> | <u>38,181</u> |
| Total Current Liabilities | <u>3,241,721</u> | <u>680,399</u> | <u>189,583</u> | <u>4,111,703</u> |
| Noncurrent Liabilities | | | | |
| Customer deposits | 1,525,007 | -- | -- | 1,525,007 |
| Other deposits | 11,242 | 23,479 | 147,375 | 182,096 |
| Unearned revenue | 1,411,460 | -- | -- | 1,411,460 |
| Compensated absences payable, net of current portion | 616,120 | 123,674 | 223,752 | 963,546 |
| Advances to other funds | -- | 3,650,120 | -- | 3,650,120 |
| Revenue bonds payable | 6,253,000 | -- | -- | 6,253,000 |
| Total OPEB liability | 176,511 | 25,224 | 79,042 | 280,777 |
| Net pension liability | 3,894,299 | 490,794 | 1,680,719 | 6,065,812 |
| Subscription liability, net of current portion | <u>19,589</u> | <u>--</u> | <u>19,588</u> | <u>39,177</u> |
| Total Noncurrent Liabilities | <u>13,907,228</u> | <u>4,313,291</u> | <u>2,150,476</u> | <u>20,370,995</u> |
| Total Liabilities | <u>17,148,949</u> | <u>4,993,690</u> | <u>2,340,059</u> | <u>24,482,698</u> |
| Deferred Inflows of Resources | | | | |
| Deferred amount related to OPEB | 153,051 | 21,871 | 68,536 | 243,458 |
| Deferred amount related to pensions | <u>801,015</u> | <u>100,951</u> | <u>345,705</u> | <u>1,247,671</u> |
| Total Deferred Inflows of Resources | <u>954,066</u> | <u>122,822</u> | <u>414,241</u> | <u>1,491,129</u> |
| Net Position | | | | |
| Net investment in capital assets | 197,587,629 | 48,616,908 | 312,260 | 246,516,797 |
| Unrestricted | <u>87,387,743</u> | <u>10,147,740</u> | <u>18,738,046</u> | <u>116,273,529</u> |
| Total Net Position | <u>\$ 284,975,372</u> | <u>\$ 58,764,648</u> | <u>\$ 19,050,306</u> | <u>\$ 362,790,326</u> |

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

TOWN OF JUPITER, FLORIDA

**STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
ENTERPRISE FUNDS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Major Enterprise Funds | | | Total Enterprise Funds |
|--|-------------------------|----------------------|----------------------|------------------------------|
| | Water System Fund | Stormwater Fund | Building Fund | |
| Operating Revenues | | | | |
| Charges for services | \$ 33,768,232 | \$ 4,258,935 | \$ -- | \$ 38,027,167 |
| Licenses and permits | -- | -- | 6,045,034 | 6,045,034 |
| Other fees and charges | 312,107 | 31,919 | -- | 344,026 |
| Total Operating Revenues | <u>34,080,339</u> | <u>4,290,854</u> | <u>6,045,034</u> | <u>44,416,227</u> |
| Operating Expenses | | | | |
| Personal services | 6,371,882 | 1,011,830 | 2,406,547 | 9,790,259 |
| General operating expenses | 14,047,060 | 1,246,567 | 1,622,348 | 16,915,975 |
| Depreciation/Amortization | 6,834,704 | 1,050,007 | 88,199 | 7,972,910 |
| Total Operating Expenses | <u>27,253,646</u> | <u>3,308,404</u> | <u>4,117,094</u> | <u>34,679,144</u> |
| Operating Income | <u>6,826,693</u> | <u>982,450</u> | <u>1,927,940</u> | <u>9,737,083</u> |
| Nonoperating Revenues (Expenses) | | | | |
| Intergovernmental | 225,351 | 286,555 | -- | 511,906 |
| Investment earnings | 2,234,804 | 64,278 | 550,493 | 2,849,575 |
| Miscellaneous revenues | 177 | -- | -- | 177 |
| Net change in fair value of investments | 990,196 | 5,872 | 5,293 | 1,001,361 |
| Loss on sale of capital assets | 49,750 | 8,273 | -- | 58,023 |
| Interest expense | (186,208) | (92,412) | (941) | (279,561) |
| Amortization expense - loss on refunding | (15,478) | -- | -- | (15,478) |
| Total Nonoperating Revenues (Expenses) | <u>3,298,592</u> | <u>272,566</u> | <u>554,845</u> | <u>4,126,003</u> |
| Income Before Capital Contributions and Transfers | 10,125,285 | 1,255,016 | 2,482,785 | 13,863,086 |
| Capital Contributions Transfers | 871,269 | -- | -- | 871,269 |
| | <u>1,751,110</u> | <u>363,096</u> | <u>--</u> | <u>2,114,206</u> |
| Change in Net Position | 12,747,664 | 1,618,112 | 2,482,785 | 16,848,561 |
| Net Position - Beginning | <u>272,227,708</u> | <u>57,146,536</u> | <u>16,567,521</u> | <u>345,941,765</u> |
| Net Position - Ending | <u>\$ 284,975,372</u> | <u>\$ 58,764,648</u> | <u>\$ 19,050,306</u> | <u>\$ 362,790,326</u> |

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF CASH FLOWS - ENTERPRISE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Major Enterprise Funds | | | Total Enterprise Funds |
|--|-------------------------|----------------------|---------------------|------------------------------|
| | Water System Fund | Stormwater Fund | Building Fund | |
| Cash Flows From Operating Activities | | | | |
| Cash received from customers | \$ 33,741,921 | \$ 4,055,948 | \$ 5,950,977 | \$ 43,748,846 |
| Cash paid to suppliers and contractors | (14,390,625) | (853,174) | (1,604,889) | (16,848,688) |
| Cash paid to employees | (6,861,811) | (1,168,543) | (2,928,144) | (10,958,498) |
| Cash received from others | 312,284 | 31,919 | -- | 344,203 |
| Net Cash Provided By Operating Activities | <u>12,801,769</u> | <u>2,066,150</u> | <u>1,417,944</u> | <u>16,285,863</u> |
| Cash Flows From Noncapital Financing Activities | | | | |
| Operating grants received | 225,351 | 286,555 | -- | 511,906 |
| Transfers | 1,751,110 | 363,096 | -- | 2,114,206 |
| Net Cash Provided By Noncapital Financing Activities | <u>1,976,461</u> | <u>649,651</u> | <u>--</u> | <u>2,626,112</u> |
| Cash Flows From Capital and Related Financing Activities | | | | |
| Capital contributions | 978,857 | -- | -- | 978,857 |
| Acquisition and construction of capital assets | (19,725,321) | (3,755,983) | (53,773) | (23,535,077) |
| Repayment of advance from other fund | 361,359 | (361,359) | -- | -- |
| Principal paid on revenue bonds | (1,657,500) | -- | -- | (1,657,500) |
| Principal paid on subscription liability | (53,345) | (4,757) | (34,074) | (92,176) |
| Interest paid on long term-debt | (184,664) | (91,983) | -- | (276,647) |
| Interest paid on subscriptions | (1,545) | (429) | (941) | (2,915) |
| Net Cash Used In Capital and Related Financing Activities | <u>(20,282,159)</u> | <u>(4,214,511)</u> | <u>(88,788)</u> | <u>(24,585,458)</u> |
| Cash Flows From Investing Activities | | | | |
| Purchases of investments | (2,003,135) | (64,282) | (520,890) | (2,588,307) |
| Interest received | 2,234,805 | 64,278 | 555,786 | 2,854,869 |
| Net Cash Provided by (Used In) Investing Activities | <u>231,670</u> | <u>(4)</u> | <u>34,896</u> | <u>266,562</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | (5,272,259) | (1,498,714) | 1,364,052 | (5,406,921) |
| Cash and Cash Equivalents - Beginning | <u>22,704,884</u> | <u>14,419,346</u> | <u>6,766,866</u> | <u>43,891,096</u> |
| Cash and Cash Equivalents - Ending | <u>\$ 17,432,625</u> | <u>\$ 12,920,632</u> | <u>\$ 8,130,918</u> | <u>\$ 38,484,175</u> |

(Continued)

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF CASH FLOWS - ENTERPRISE FUND (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Major Enterprise Funds | | | Total Enterprise Funds |
|---|-------------------------|---------------------|---------------------|------------------------------|
| | Water System Fund | Stormwater Fund | Building Fund | |
| Noncash Financing and Investing Activities | | | | |
| Capital contributions | \$ 278,953 | \$ -- | \$ -- | \$ 278,953 |
| Change in fair value of investments | \$ 990,196 | \$ 5,872 | \$ 5,293 | \$ 1,001,361 |
| Subscription (right-of-use asset) initiation | \$ 58,779 | \$ -- | \$ 58,779 | \$ 117,558 |
| Amortization of deferred charge on refunding | \$ (15,478) | \$ -- | \$ -- | \$ (15,478) |
| Reconciliation of Operating Income to Net Cash Provided By Operating Activities | | | | |
| Operating income | \$ 6,826,693 | \$ 982,450 | \$ 1,927,940 | \$ 9,737,083 |
| Adjustments to reconcile operating income to net cash provided by operating activities operating activities | | | | |
| Depreciation/amortization | 6,834,704 | 1,050,007 | 88,199 | 7,972,910 |
| Provision for doubtful accounts | (26,445) | 304 | -- | (26,141) |
| Miscellaneous revenues | 177 | -- | -- | 177 |
| Changes in operating assets, liabilities and deferred inflows and outflows (Increase) decrease in: | | | | |
| Accounts receivable | (8,514) | (203,291) | -- | (211,805) |
| Interest receivable | 17,074 | -- | (3,531) | 13,543 |
| Inventory | (136,166) | -- | -- | (136,166) |
| Prepaid expenses | 3,279 | -- | (234) | 3,045 |
| Deferred outflows related to OPEB | (8,831) | (1,251) | (3,804) | (13,886) |
| Deferred outflows related to pensions | 156,015 | 42,844 | 140,441 | 339,300 |
| Increase (decrease) in: | | | | |
| Accounts payable | (230,239) | 387,233 | (1,578) | 155,416 |
| Accrued expenses | 19,561 | 6,160 | 19,271 | 44,992 |
| Compensated absences | 77,751 | 11,301 | 28,234 | 117,286 |
| Deposits | (108,430) | -- | (90,526) | (198,956) |
| Unearned revenue | 100,004 | -- | -- | 100,004 |
| Total OPEB liability | 12,363 | 1,672 | 4,224 | 18,259 |
| Net pension liability | (985,733) | (231,996) | (765,280) | (1,983,009) |
| Deferred inflows related to OPEB | (44,617) | (6,490) | (21,560) | (72,667) |
| Deferred inflows related to pensions | 303,123 | 27,207 | 96,148 | 426,478 |
| Net Cash Provided By Operating Activities | \$ 12,801,769 | \$ 2,066,150 | \$ 1,417,944 | \$ 16,285,863 |

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION - PENSION TRUST FUND

SEPTEMBER 30, 2025

| | Municipal Police Officers' Retirement Trust Fund |
|--|---|
| Assets | |
| Cash and cash equivalents | \$ 7,283 |
| Investments | |
| Money market mutual funds | 2,998,962 |
| Certificates of deposit | 1,514,472 |
| U.S. Government securities | 7,140,920 |
| U.S. Government Agency securities | 15,628,612 |
| Corporate obligations | 8,647,345 |
| Asset-backed bonds | 1,589,511 |
| Equity securities | 12,320,553 |
| Equity mutual funds | 42,802,342 |
| Real estate investment trust index funds | 3,231,344 |
| Private credit funds | 3,732,532 |
| Commingled real estate funds | 1,625,808 |
| International equity mutual funds | 19,209,545 |
| Total Investments | 120,441,946 |
| Receivables | |
| Accrued investment income | 300,727 |
| Pending trades receivable | 640,384 |
| Total Receivables | 941,111 |
| Prepaid expenses | 11,185 |
| Total Assets | 121,401,525 |
| Liabilities | |
| Accounts payable and accrued expenses | 34,999 |
| Pending trades payable | 24,973 |
| Total Liabilities | 59,972 |
| Net Position | |
| Restricted for pension benefits | \$ 121,341,553 |

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

TOWN OF JUPITER, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - PENSION TRUST FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Municipal Police Officers' Retirement Trust Fund |
|---|---|
| Additions | |
| Contributions | |
| Town | \$ 3,084,324 |
| State | 1,139,336 |
| Employee | 1,282,308 |
| Total Contributions | 5,505,968 |
| Investment Earnings | |
| Net appreciation in fair value of investments | 7,707,320 |
| Interest and dividends | 3,815,074 |
| Total Investment Earnings | 11,522,394 |
| Less Investment Expenses | (591,116) |
| Net Investment Earnings | 10,931,278 |
| Other income | 616 |
| Total Additions | 16,437,862 |
| Deductions | |
| Pension benefits | 4,357,936 |
| DROP distributions | 4,457,981 |
| Share distributions | 125,511 |
| Refund of contributions | 62,677 |
| Administrative expenses | 168,636 |
| Total Deductions | 9,172,741 |
| Change in Net Position | 7,265,121 |
| Net Position Restricted for Pension Benefits - Beginning | 114,076,432 |
| Net Position Restricted for Pension Benefits - Ending | \$ 121,341,553 |

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

NOTES TO FINANCIAL STATEMENTS

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Town of Jupiter, Florida (the “Town”), is a political subdivision of the State of Florida incorporated on February 9, 1925, under the authority of Chapter 165, Florida Statutes, and was established by House Bill 698, Laws of Florida, 1925. The Town is governed by five Councilors elected by residents of the Town. The accompanying financial statements present the Town and its blended component unit, a legally separate entity for which the Town is considered financially accountable.

The financial statements of the Town have been prepared in accordance with United States of America generally accepted accounting principles (“GAAP”) as applied to governmental units in accordance with the Government Accounting Standards Board (“GASB”) pronouncements. As defined by GAAP, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable.

BLENDED COMPONENT UNIT

The Jupiter Community Redevelopment Agency (the “CRA”) is a dependent special district established by the Town of Jupiter, Florida, under authority granted by Florida Statute 163, Section III. The CRA is included in the Town’s financial reporting entity as a blended component unit reported as a governmental (special revenue) fund, the Community Redevelopment Fund. The purpose of the CRA is to promote and guide the physical and economic development of approximately 400 acres along the Intracoastal Waterway in the Town of Jupiter. The CRA is a legally separate entity established by Ordinance number 60-01 of the Jupiter Town Council in December 2001. The governing body of the CRA consists of the Town Council and the Town handles the management and administration of the CRA’s financial matters. Separate audited financial statements are prepared for the CRA and can be obtained from the Town.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RELATED ORGANIZATION

The Northern Riverwalk Community Development District (the “NRCDD”) was created on May 19, 2009 by Ordinance 1-09 of the Town of Jupiter, Florida, pursuant to the Florida Uniform Community Development District Act of 1980. The NRCDD was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for development within the NRCDD. The NRCDD is governed by a Board of Supervisors (the “Board”), which is composed of five members elected by the owners of the property within the NRCDD. The Town does not approve budgets, retain any financial interest or have any obligation for debt and cannot impose its will on the NRCDD. Accordingly, the NRCDD is not included in the Town’s financial reporting entity.

Government-wide Financial Statements: The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities and report information on all non-fiduciary activities of the Town and its component unit. These financial statements include separate columns for the *governmental activities*, which are normally supported by taxes and intergovernmental revenue, and *business-type activities*, which rely primarily on fees and charges for support. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Town’s enterprise funds operations and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. All internal balances in the Statement of Net Position have been eliminated, except those representing balances between the governmental activities and business-type activities, which are presented as internal balances and eliminated in the Total Column. In the Statement of Activities, all interfund transactions have been eliminated, except for charges between the Town’s governmental activities and business-type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or identifiable activity is offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Program revenue includes three categories of transactions: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; (2) operating grants and contributions; and, (3) capital grants and contributions. Taxes and other items not meeting the definition of program revenue are reported as general revenue. The Town does not allocate indirect costs, however, an administrative service fee is charged by the General Fund to recover the direct costs of General Fund services provided (such as finance, legal, human resources, information systems, etc.).

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS

The underlying accounting system of the Town is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures or expenses, as appropriate.

Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds used by the Town are classified into three categories: governmental, proprietary and fiduciary. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The Town's major governmental funds and enterprise funds are reported as separate columns in the fund financial statements.

- **Governmental Fund Financial Statements** – Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and nonmajor funds in the aggregate. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements, to the net position and changes in net position presented in the government-wide financial statements. The Town reports the following major governmental funds:

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

The *Community Redevelopment Fund* accounts for the economic development activities of the Jupiter Community Redevelopment Agency, whose primary restricted revenue source is from tax increment revenue.

The *American Rescue Plan Fund* accounts for the restricted revenues and expenditures associated with the Coronavirus State and Local Fiscal Recovery Funds established by the American Rescue Plan Act ("ARPA").

The *Capital Improvements Fund* accounts for the purchase and construction of major capital facilities and projects included in the Town's adopted five year Community Investment Program which is funded primarily by ad valorem property tax revenue.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND FINANCIAL STATEMENTS (CONTINUED)

- **Proprietary Fund Financial Statements** – Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows. The Town reports the following major proprietary funds:

The *Water System Fund* accounts for operations of the Town’s water utility system.

The *Stormwater Fund* accounts for operations of the Town’s stormwater collection, treatment and disposal system.

The *Building Fund* accounts for operations of the Town’s building department.

- **Fiduciary Fund Financial Statements** – Fiduciary Fund Financial Statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The Town’s only Fiduciary Fund is a pension trust fund. Since by definition these assets are being held for the benefit of third parties (pension participants) and cannot be used to finance activities or obligations of the government, these funds are not included in the government-wide financial statements. The only Fiduciary Fund of the Town is as follows:

The *Municipal Police Officers’ Retirement Trust Fund* (“MPORT”) is used to account for assets held in a trustee capacity for the retirement pensions of all permanent, full-time Town police officers.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Financial reporting is based upon all pronouncements of GASB. The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenue is recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all-purpose restrictions imposed by the provider have been met.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, revenue is recognized in the period in which it becomes both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Town considers revenue to be available if it is collected within 60 days of the end of the current fiscal year. Property taxes are recognized as revenue in the year for which they are levied. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt, which is recognized when due. Intergovernmental revenue, franchise fees, charges for services and investment income are all considered susceptible to accrual and so have been recognized when due as revenue in the current fiscal year. All other revenue items are considered to be measurable and available only when received in cash by the Town.

Proprietary fund financial statements distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. The proprietary funds also recognize as operating revenue the portion of connection fees intended to recover the cost of connecting new customers to the water system. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

For purposes of measuring the net pension liability, deferred inflows/outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town's defined benefit pension plan and Florida Retirement System and the additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the Town's defined benefit pension plan and the Florida Retirement System. Pension benefit payments (including refunds of employee contributions) and other postemployment benefits ("OPEB") benefit payments for the Town's OPEB plan are recognized when due and payable in accordance with the benefit terms.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PROPERTY TAXES

Ad valorem property taxes are assessed on property valuations as of January 1st and levied the following October 1st. Taxes are due by March 31st and become delinquent on April 1st, when liens are filed against the subject property. Ad valorem taxes are assessed by the Palm Beach County Property Appraiser and collected by the Palm Beach County Tax Collector, which remits the taxes to the Town. Revenue is recognized at the time the taxes are received from Palm Beach County. Pursuant to Florida law, the Palm Beach County Tax Collector advertises and sells tax certificates on all real property for which there are unpaid, delinquent taxes. Accordingly, the Town has no property taxes receivable at September 30, 2025.

Tax revenues are generated by a millage rate set annually by the Town Council with a legal limit of 10 mills (\$10.00 per \$1,000 of taxable property value). The Town contracts fire rescue services to Palm Beach County Fire Rescue MSTU (municipal services taxing unit), which levies a separate tax on Town property owners of 1.6488 mills. The Palm Beach County Fire Rescue MSTU millage rate is deducted from the Town's legal millage rate cap of 10 mills, thereby reducing the Town's millage rate cap to 8.3512.

During 2007, the Florida Legislature passed property tax reform legislation limiting the property tax levies of local governments in the State of Florida. Local governments that adopt a property tax levy in excess of the limit under State law will lose their Half-Cent Sales Tax distribution from the State for the succeeding twelve months. The State law allows local governments to adopt a millage rate based on the following approval of the governing body: (1) a majority vote to adopt a rate equal to the adjusted current year rolled-back millage rate plus an adjustment for growth in per capita Florida personal income; (2) a two-thirds vote to adopt a rate equal to the adjusted current year roll back millage rate plus 10%; or (3) any millage rate approved by unanimous vote or referendum. For the fiscal year ended September 30, 2025, the Town maintained a millage rate of 2.3894, which was less than the maximum tax rate permitted. This millage rate resulted in a total tax levy, including the CRA, of \$41,251,299 for 2025, representing a 9.08% increase over the property tax levy for 2024. Future property tax growth is limited to the annual growth rate of per capita personal income plus the value of new construction.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of petty cash, deposits with financial institutions in interest and non-interest bearing checking accounts and money market accounts and money market mutual funds. The Town considers all highly liquid investments with original maturities of ninety days or less to be cash equivalents. Money market mutual funds held by MPORT are considered part of the long-term investment portfolio.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS

The Town’s investments consist of intergovernmental investment pools, certificate of deposits, equity mutual funds and the Florida PRIME fund. Intergovernmental investment pools and equity mutual funds are reported at fair value. Investments in Florida PRIME, money market mutual funds and certificates of deposit are reported at amortized cost. Negotiable certificates of deposit in the Pension Fund, U.S. Government and Agency securities, asset-backed bonds, domestic and foreign equity and debt securities, equity mutual funds, REIT index funds and commingled real estate funds reported at fair value. Florida Cooperative Liquid Assets Securities System (“FLCLASS”), Florida Local Government Investment Trust (“FLTRUST”), and Florida Public Assets for Liquidity Management (“FLPALM”) (2a7-like external investment pools) are measured at net asset value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments are measured at fair value on a recurring basis.

ACCOUNTS RECEIVABLE

General government accounts receivable includes State shared revenues and charges for miscellaneous services. Accounts receivable reported in the Proprietary Funds represent amounts due for water and stormwater services from utility customers and building related fees due from developers and individuals, generally all of whom are local businesses and residents. Noncurrent receivables in the Water System Fund include amounts due from developers for connection fees and guaranteed revenues that are payable when connections are made to the utility system. Utility customers pay a cash deposit to the Town as collateral for future charges for services. The Town does not require collateral for other accounts receivable. Accounts receivable are reported net of an allowance for uncollectible accounts determined based on the age of the individual receivable, with age categories ranging from 21 days past due to several years past due. Generally, the allowance includes accounts over 120 days past due. Accounts receivable are written off on an individual basis in the year the Town deems them uncollectible.

INTERNAL BALANCES

Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the government-wide governmental and business-type activities columns of the statement of net position, except for any residual amount, which is presented as internal balances.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVENTORY

Inventory recorded in the General Fund represents fuel and oil and inventory in the Water System Fund represent parts, materials and supplies in storage at year end. Inventory is valued at cost (first-in/first-out) and is recorded under the consumption method which records inventory as expenditures when used. Reported amounts in governmental funds are equally offset by nonspendable fund balance in the fund financial statements, which indicates that these amounts do not constitute “available spendable resources” even though they are a component of current assets.

PREPAID ITEMS/EXPENSES

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items/expenses under the consumption method. Reported amounts in governmental funds are equally offset by nonspendable fund balance in the fund financial statements, which indicates that these amounts do not constitute “available spendable resources” even though they are a component of current assets.

RESTRICTED ASSETS

Certain cash equivalents and investments of the General Fund are restricted for land acquisition and economic development. Restricted resources are used first to fund expenditures incurred for restricted purposes.

CAPITAL ASSETS

The Town reports all capital assets, including infrastructure assets (roads, sidewalks and similar items), in the government-wide statement of net position. Capital assets are defined by the Town as assets with an estimated useful life in excess of one year and an initial, individual cost of more than \$5,000, or software with an individual cost of more than \$25,000. Capital assets are recorded at cost or, if donated, at acquisition value at the date of donation. Expenses which materially extend the useful life of existing assets are capitalized. Costs for professional services associated with the acquisition and construction of enterprise fund capital assets are capitalized. Interest cost was capitalized on enterprise fund capital assets during the construction period prior to the adoption of GASB Statement No. 89 in fiscal year 2018. The cost of capital assets sold or retired is removed from the accounts and any resulting gain or loss is included in the change in net position. Depreciation is computed using the

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS (CONTINUED)

straight-line method over the estimated useful lives of all reported capital assets, except land. Estimated useful lives assigned to categories of assets are as follows:

| | |
|------------------------|-------------|
| Buildings and plant | 5-70 years |
| Improvements | 15-70 years |
| Equipment and vehicles | 5-20 years |
| Infrastructure | 7-25 years |

SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Town has entered into contracts that convey control of the right to use information technology software and has recorded subscription-based information technology arrangements (“SBITA”) assets, in accordance with GASB Statement No. 96. The SBITA assets are initially measured at an amount equal to the initial measurement of the related SBITA liability plus any SBITA payments made prior to the subscription term, less SBITA incentives, plus any ancillary charges necessary to place the SBITA into service. Subsequently, the SBITA liability is reduced by the principal portion of payments made. The SBITA assets are amortized on a straight-line basis over the life of the related contract.

The cost of normal maintenance and repairs that do not add to the value of the assets or material extend the asset lives are not capitalized and are expensed as incurred. The Town monitors changes in circumstances that would require a remeasurement of its SBITA’s and will do so if certain changes occur that would be expected to significantly affect the amount of the lease liability.

SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position of the government-wide financial statements and in the proprietary fund financial statements.

UNEARNED/UNAVAILABLE REVENUES

Unearned revenue in the governmental activities and unavailable revenues (a deferred inflow of resources) in the governmental funds include amounts received in advance of the related services being provided by the Town and earned interest income that is not currently due. Unearned revenue in the business-type activities and enterprise funds includes utility payments from customers and other amounts received in advance of the related services being provided by the Town.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COMPENSATED ABSENCES

The Town records accumulated, unpaid vacation, sick and compensatory pay in the enterprise funds as a fund liability. The liability for compensated absences attributable to the Town's governmental funds is recorded only in the government-wide financial statements. The liability for compensated absences of both the governmental and enterprise funds includes related payroll taxes and benefits. Employees may accumulate up to forty days' vacation leave. Employees accrue sick leave at the rate of eight hours per month until retirement or termination, at which time they are paid for up to 50% of their unused sick leave, based on their length of service with the Town. Accordingly, the Town accrues up to 50% of eligible, unused sick leave and related payroll taxes and benefits in the year earned. The Town records compensatory time and related payroll taxes and benefits in the year earned.

NONCURRENT OBLIGATIONS

In the government-wide financial statements and enterprise fund financial statements, long-term debt and other noncurrent obligations are reported as liabilities in the applicable governmental activities, business-type activities, or enterprise fund statement of net position. Long-term debt is reported net of applicable premium or discount. Debt discount and premium in the government-wide financial statements and enterprise funds are amortized using the straight-line method, which approximates the effective interest method, and are charged against operations over the term of the debt issues.

Unamortized debt discount and premium is presented as a reduction of or addition to long-term debt payable. There was no unamortized debt discounts or premiums as of fiscal year ended September 30, 2025. Issuance costs of debt are reported as current period expenses.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as debt service expenditures.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets and liabilities, the government-wide Statement of Net Position and the governmental funds Balance Sheet report a separate section for deferred outflows or deferred inflows of resources. The separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The Town reports deferred charges on refundings as deferred outflows of resources on the government-wide and enterprise funds Statement of Net Position. The deferred charges on refundings were losses resulting from the difference in the carrying value of refunded debt and its reacquisition price. The amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred outflow of resources related to OPEB and pensions results from differences between expected and actual experience and investment earnings, changes in assumptions, Town pension contributions after the pension plan measurement date but prior to the Town's year end or other inputs. The amounts are deferred and amortized to OPEB and pension expense in a systematic and rational manner over a period equal to the average expected remaining service lives of employees that are provided with benefits through the OPEB and pension plans, including inactive employees.

The separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The Town's deferred inflows reported on the government-wide and enterprise funds Statement of Net Position are related to its pension and OPEB liabilities. The deferred inflow of resources related to pensions and OPEB results from differences between expected and actual experience and investment earnings, changes in assumptions, changes in proportion and differences between Town contributions and proportionate share of contributions or other inputs. These amounts are deferred and amortized to pension and OPEB expense in the same manner as deferred outflows related to pensions and OPEB, respectively. The Town also has one item, unavailable revenue, which arises only under the modified accrual basis of accounting and is reported as a deferred inflow of resources on the governmental funds Balance Sheet. The unavailable revenue result from amounts received in advance for business licenses and earned interest income that is not currently due in the General Fund and a note receivable in the Community Redevelopment Fund that will be earned in future years as services are provided. These amounts are deferred and recognized as an inflow of resources in the year that the amounts become available.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/FUND BALANCE

The government-wide and enterprise fund financial statements utilize a net position presentation. Net position is categorized as follows:

Net Investment in Capital Assets

This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, mortgages, notes or other borrowings and deferred inflows/outflows that are attributable to the acquisition, construction, or improvement of those assets and retainage payable. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of *Net Investment in Capital Assets*. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted

This component of net position consists of constraints placed on the use of net position by external restrictions imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted

This component of net position consists of net position that does not meet the definition of Net Investment in Capital Assets or Restricted Net Position.

Fund Balance

In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Town is legally bound to honor the specific purposes for which amounts in fund balance may be spent. The fund balance classifications are summarized as follows:

Nonspendable

Nonspendable fund balances include amounts that cannot be spent because they are either (1) not in spendable form; or (2) legally or contractually required to be maintained intact.

Restricted

Restricted fund balances include amounts that are restricted to specific purposes either by (1) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/FUND BALANCE (CONTINUED)

Committed

Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by the Town Council through an ordinance or resolution, which have equal authority and are the highest level of decision making authority. The Town had no committed fund balances.

Assigned

Assigned fund balances include amounts that are constrained by the Town's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance are made by the Town Manager or Finance Director based upon authority provided in a Resolution adopted by the Town Council or in the Town's annual budget.

Unassigned

Unassigned fund balance includes General Fund amounts that have not been restricted, committed, or assigned to specific purposes. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The Town considers restricted fund balance to be spent when an expenditure is incurred for the restricted purpose. The Town considers committed, assigned or unassigned fund balance to be spent when an expenditure is incurred for purposes for which amounts in any of those fund balance classifications could be used.

Minimum Fund Balance Policy

The Town Council has not adopted a formal minimum fund balance policy. Generally, the Town strives to maintain sufficient unassigned General Fund balance to provide liquidity in the event of a budget shortfall or natural disaster.

ON-BEHALF PAYMENTS

In accordance with U.S. generally accepted accounting principles, on-behalf payments of \$1,139,336 received by the Town from the State of Florida for the benefit of the MPORT for the fiscal year ended September 30, 2025, have been recognized as intergovernmental revenue in the General Fund. The expenditure for the MPORT pension was recorded in the General Fund as Police Department personal services.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INTERFUND TRANSACTIONS

Transactions between funds during the year consist of loans, services provided, reimbursements or transfers. Loans are reported as Advances from Other Funds and Advances to Other Funds and are subject to elimination in the government-wide financial statements. Services, deemed to be reasonably equivalent in value, are treated as revenue and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are presented as transfers. Transfers between the governmental and business-type activities are eliminated in the government-wide financial statements.

IMPLEMENTATION OF NEW GASB STATEMENTS

The Town considered the new accounting standards which effective dates are applicable for the fiscal year ended September 30, 2025.

The implementation of GASB Statement No. 101, *Compensated Absences*, did not have a significant impact on the Town's financial statements.

The implementation of GASB Statement No. 102, *Certain Risk Disclosures*, did not have a significant impact on the Town's financial statements.

GRANTS

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies. Any disallowed claims, including amounts already received in prior years, may constitute a liability of the Town for the return of those funds.

USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets, liabilities, and deferred inflows/outflows, the disclosure of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could vary from the estimates that were used.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS

At September 30, 2025, the Town's cash and cash equivalents included petty cash of \$10,838 and deposits in demand deposit accounts of \$101,389,843. The demand deposit accounts of \$101,389,843 are held by financial institutions that comply with the requirements of Florida Statutes and have been designated as a qualified public depository by the State Treasurer of Florida. Qualified public depositories are required to pledge collateral to the State Treasurer with a fair value equal to a percentage of the average daily balance of all government deposits in excess of any federal deposit insurance. In the event of a default by a qualified public depository, all claims for government deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Accordingly, all deposits with qualified public depositories are considered fully insured or collateralized in accordance with the provisions of GASB Statements.

The MPORT's money market mutual fund of \$2,998,962, was held by the counterparty (securities brokers) in the name of the Town or MPORT, as applicable, but were not otherwise collateralized or secured. The money market mutual funds are reported at amortized cost.

Investments: Town ordinances authorize the Town to invest in the Florida PRIME external investment pool administered by the State Board of Administration ("SBA"); governmental investment pools authorized under Florida Statutes Section 163; direct obligations of or obligations unconditionally guaranteed by the U.S. Government; obligations of U.S. Government Agencies and Instrumentalities; interest bearing time deposits or savings accounts in State qualified public depositories; obligations of the Federal Farm Credit Banks, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank, or obligations guaranteed by the Government National Mortgage Association; obligations of Fannie Mae; the Florida Municipal Investment Trust; state and local tax-exempt debt securities; floating rate securities, money market mutual funds and repurchase agreements invested exclusively in obligations of the U.S. Government and its Agencies and Instrumentalities; and, investments specifically authorized by Town ordinance or resolution. The Town's investment policy prohibits investing in equity securities, derivative investments and cash accounts not held by a qualified public depository.

The MPORT is authorized to invest in the same investments as the Town, bonds issued by the State of Israel and bonds, stocks or other evidence of equity or indebtedness issued or guaranteed by a corporation organized under the laws of the United States or organized territory of the United States, or the District of Columbia, provided that the corporation is listed on any one or more of the recognized national stock exchanges and, in the case of bonds only, holds an investment grade rating by a major rating service at the time of purchase. Additionally, the MPORT Board of Trustees may not invest more than twenty-five percent of MPORT assets in foreign securities, nor more than five percent of its assets in the common stock or capital stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed five percent of the outstanding capital stock of that company, nor shall the aggregate of these investments exceed seventy percent of the fund's assets.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

The investments of the Town and MPORT September 30, 2025, are summarized as follows:

| | Town | Fiduciary Fund Pension Trust | Total |
|---|-----------------------|---------------------------------|-----------------------|
| Florida PRIME | \$ 49,494,883 | \$ -- | \$ 49,494,883 |
| Certificates of deposit (\$1,000,000 pledged - Note 13) | 1,000,000 | 1,514,472 | 2,514,472 |
| Money market mutual funds | -- | 2,998,962 | 2,998,962 |
| Florida intergovernmental investment pool | | | |
| (FCLCLASS) | 12,797,381 | -- | 12,797,381 |
| (FLTRUST) | 23,767,322 | -- | 23,767,322 |
| (FLPALM) | 31,985,682 | -- | 31,985,682 |
| U.S. Government securities | 29,754,383 | 7,140,920 | 36,895,303 |
| U.S. Government Agency securities | -- | 15,628,612 | 15,628,612 |
| Municipal obligations | -- | -- | -- |
| Corporate obligations | 798,339 | 8,647,345 | 9,445,684 |
| Asset-backed bonds | -- | 1,589,511 | 1,589,511 |
| Equity securities | -- | 12,320,553 | 12,320,553 |
| Equity mutual funds | 11,256,065 | 42,802,342 | 54,058,407 |
| REIT index funds | -- | 3,231,344 | 3,231,344 |
| Private credit funds | -- | 3,732,532 | 3,732,532 |
| Commingled real estate funds | -- | 1,625,808 | 1,625,808 |
| International equity mutual funds | -- | 19,209,545 | 19,209,545 |
| Total Investments | \$ 160,854,054 | \$ 120,441,946 | \$ 281,296,000 |

The total cash and cash equivalents and investments of the Town and MPORT are reported as follows:

| | Town | Pension Trust | Total |
|---|-----------------------|-----------------------|----------------------|
| Reported in the financial statements as: | | | |
| Cash and cash equivalents | \$ 101,059,112 | \$ 7,283 | \$101,066,395 |
| Restricted cash and cash equivalents | 341,569 | -- | 341,569 |
| Total cash and cash equivalents | 101,400,681 | 7,283 | 101,407,964 |
| Investments | 159,854,054 | 120,441,946 | 280,296,000 |
| Restricted investments | 1,000,000 | -- | 1,000,000 |
| Total Investments | 160,854,054 | 120,441,946 | 281,296,000 |
| Total Cash, Cash Equivalents and Investments | \$ 262,254,735 | \$ 120,449,229 | \$382,703,964 |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

The Town's investment securities are held by the counterparty (securities broker) in the Town's name but are not otherwise collateralized or insured. The MPORT investment securities are held in custodial safekeeping accounts.

Florida PRIME consists of equity in an external investment pool administered by the State of Florida pursuant to statutory requirements and operated in a manner consistent with SEC Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows SEC registered mutual funds to use amortized cost, rather than fair value, to report net position used to compute share prices if certain conditions are met.

Those conditions include restrictions on the types of investments held, restrictions on the term-to-maturity of individual investments and the dollar-weighted average of the portfolio, requirements for portfolio diversification, and requirements for divestiture considerations in the event of security downgrades and defaults, and required actions if the fair value of the portfolio deviates from amortized cost by a specified amount. The fair value of the position in the pool is considered to be the same as the Town's account balance (amortized cost) in the pool. The Town may withdraw funds from Florida PRIME on an overnight basis, generally without limitation or imposition of fees.

The Florida intergovernmental investment pool consists of FLCLASS, FLTRUST and FLPALM. FLCLASS, FLTRUST and FLPALM are organized under Florida Statutes Section 163, the Florida Interlocal Cooperation Act, by Florida public agencies for the purpose of operating an independent investment pool for local governments in Florida and is administered by a Board of Trustees elected by the participants in the pool. FLCLASS, FLTRUST and FLPALM are operated in a manner consistent with SEC Rule 2a7 of the Investment Company Act of 1940. FLCLASS, FLTRUST and FLPALM are measured at net asset value. The Town may withdraw funds from FLCLASS, FLTRUST and FLPALM on an overnight basis, generally without limitation or imposition of fees.

FAIR VALUE OF INVESTMENTS

The Town follows the provisions of GASB Statement No. 72, *Fair Value Measurement and Application*, which establishes a framework for measuring the fair value of investments in a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are described below:

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

FAIR VALUE OF INVESTMENTS (CONTINUED)

Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Town has the ability to access at the measurement date.

Level 2

Inputs to the valuation methodology include the following:

- Quoted prices for similar assets in active markets.
- Quoted prices for identical or similar assets in inactive markets.
- Inputs other than quoted prices that are observable for the assets.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3

Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable inputs reflect the Town's own estimates for assumptions that market participants would use in pricing the asset or liability. Valuation techniques would typically include discounted cash flow models and similar techniques but may also include the use of market prices of assets that are not directly comparable to the subject asset. The Town does not have any investments categorized as Level 3.

The fair value measurement of an asset within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The categorization of an investment within the fair value hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the Town's perceived risk of that investment.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

FAIR VALUE OF INVESTMENTS (CONTINUED)

Valuation Methodologies

The following valuation methods and assumptions were used by the Town and MPORT in estimating the fair value of financial instruments that are measured at fair value on a recurring basis under GASB Statement No. 72:

Equity securities and REIT index funds: Valued at the closing price reported on the active exchange on which the individual securities are traded.

Equity mutual funds: Valued at the net asset value reported on the active exchange on which the funds are traded.

U.S. Government and U.S. Government Agency securities, negotiable certificates of deposit, tax-exempt state and local debt securities, corporate obligations, and asset-backed bonds: Valued at the closing price reported on the national exchange on which the individual securities are actively traded. Securities that are not actively traded are valued by the investment custodian using a matrix pricing technique based on the securities' relationship to quoted benchmark prices.

Investments measured at net asset value ("NAV"): Certain investments are valued at the unadjusted NAV per share, calculated at September 30, 2025 in a manner consistent with the Financial Accounting Standard Board's measurement principles for investment companies based on the fair value of the underlying fund investments, as determined by the fund manager. Real estate values may be based upon independent appraisals performed for assets held by the fund or may be estimated by the fund manager. The fair value of real estate is the price that would be received if the asset was sold to a market participant assuming the highest and best use of each asset at September 30, 2025.

The methods and assumptions described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Town and MPORT believe their valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There were no changes in the methods and assumptions used for the fiscal year ended September 30, 2025.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

FAIR VALUE OF INVESTMENTS (CONTINUED)

Fair Value of Investments

The financial assets measured at fair value on a recurring basis include the Town’s investments. There were no liabilities measured at fair value on a recurring basis at September 30, 2025. The Town’s and MPORT’s investments at September 30, 2025 are summarized as follows:

| | | Fair Value Measurements Using | | |
|---|-----------------------|-------------------------------|----------------------|---------------------|
| | Reported Value | (Level 1 Inputs) | (Level 2 Inputs) | (Level 3 Inputs) |
| Debt Investments | | | | |
| U.S. Government securities | \$ 36,895,303 | \$ 36,895,303 | \$ -- | \$ -- |
| U.S. Government agencies | 15,628,612 | -- | 15,628,612 | -- |
| Negotiable certificates of deposit | 1,514,472 | 1,514,472 | -- | -- |
| Corporate obligations | 9,445,684 | -- | 9,445,684 | -- |
| Asset-backed bonds | <u>1,589,511</u> | -- | <u>1,589,511</u> | -- |
| Total Debt Securities | <u>65,073,582</u> | <u>38,409,775</u> | <u>26,663,807</u> | -- |
| Equity Investments | | | | |
| Equity securities | 12,320,553 | 12,320,553 | -- | -- |
| Equity mutual funds | 54,058,407 | 54,058,407 | -- | -- |
| REIT index funds | 3,231,344 | 3,231,344 | -- | -- |
| International equity mutual funds | <u>19,209,545</u> | <u>19,209,545</u> | -- | -- |
| Total Equity Securities | <u>88,819,849</u> | <u>88,819,849</u> | -- | -- |
| Total Investments by Fair Value Level | <u>153,893,431</u> | <u>\$ 127,229,624</u> | <u>\$ 26,663,807</u> | <u>\$ --</u> |
| Investment Measured at NAV | | | | |
| Commingled real estate funds | 1,625,808 | | | |
| Private credit funds | 3,732,532 | | | |
| Florida intergovernmental investment pools | | | | |
| FLTRUST | 23,767,322 | | | |
| FLCLASS | 12,797,381 | | | |
| FLPALM | 31,985,682 | | | |
| Investments measured at amortized cost | | | | |
| Florida PRIME | 49,494,882 | | | |
| Certificates of deposit | 1,000,000 | | | |
| Money market mutual funds | <u>2,998,962</u> | | | |
| Total Investments | <u>\$ 281,296,000</u> | | | |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

FAIR VALUE OF INVESTMENTS (CONTINUED)

The following table summarized investments for which fair value is measured using the net asset value per share practical expedient, including their related unfunded commitments and redemption restrictions:

| | Fair Value | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |
|-------------------------|----------------------|-------------------------|-------------------------|-----------------------------|
| Real estate fund (1) | \$ 1,625,808 | \$ -- | Quarterly | 10 days |
| Private credit fund (2) | 1,844,729 | 1,275,159 | N/A | N/A |
| Private credit fund (2) | 1,887,803 | 1,112,197 | N/A | N/A |
| FLTRUST (3) | 23,767,322 | -- | Daily | Same day |
| FLCLASS (4) | 12,797,381 | -- | Daily | Same day |
| FLPALM (5) | 31,985,682 | -- | Daily | Same day |
| Total | <u>\$ 73,908,725</u> | <u>\$ 2,387,356</u> | | |

- (1) Real estate fund: The fund is an open-end diversified core real estate commingled fund that invests primarily in core institutional office, retail, industrial, and multi-family properties located throughout the United States. The investment is valued at NAV and its redemptions must be received by the fund 10 days prior to quarter end.
- (2) Private credit fund: These funds seek to provide a consistent stream of income and capital protection. These funds invest in securitized bonds and real estate collateralized loan obligations. The investments are valued at NAV.
- (3) FLTRUST: The fund is designed to invest in short-to-intermediate securities and have returns generally greater than the national average for money market instruments.
- (4) FLCLASS: The fund invests in high-quality short-to-medium securities chosen to provide safety and liquidity while prioritizing investment earnings.
- (5) FLPALM: The fund invests in high-quality money market instruments to earn the highest income consistent with preserving principal and maintaining liquidity.

CUSTODIAL CREDIT RISK

Custodial credit risk is defined as the risk that the Town may not recover cash and investments held by another party in the event of a financial failure. The Town's investment policy requires investments to be held in third party custodial safekeeping accounts in the name of the Town. At September 30, 2025, all Town investments were held in custodial safekeeping accounts in the name of the Town or MPORT.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

FOREIGN CURRENCY RISK

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. MPORT had \$19,209,545 invested in U.S. dollar denominated international equity mutual funds and \$1,276,465 in foreign bonds at September 30, 2025. All investments are denominated in U.S. dollars, therefore no foreign currency risk exists.

INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. Town policy requires at least 30% of the investment portfolio to mature within one year; no more than 10% may mature in more than five years; and, no investment may have a maturity of more than 15 years. The MPORT investment policy does not limit investment maturities. At September 30, 2025, Florida PRIME had a weighted average maturity of 47 days, FLCLASS had a weighted average maturity of 85 days, FLTRUST has a weighted average maturity of 2.1 years, FLPALM has a weighted average maturity of 43 days and the money market mutual funds had a weighted average maturity of less than 90 days. The following table summarizes the scheduled maturities of debt securities of the Town and MPORT at September 30, 2025.

| | Fair Value of Investment Maturities | | | | Total |
|-----------------------------------|-------------------------------------|----------------------|---------------------|------------------------|----------------------|
| | Less Than One Year | One to Five Years | Six to Ten Years | More Than Ten Years | |
| Debt Securities | | | | | |
| U.S. Government securities | \$10,161,904 | \$22,108,299 | \$ 1,642,496 | \$ 2,982,604 | \$ 36,895,303 |
| U.S. Government Agency securities | -- | 658,797 | 3,809,503 | 11,160,312 | 15,628,612 |
| Certificates of deposit | -- | 1,514,472 | -- | -- | 1,514,472 |
| Municipal obligations | -- | -- | -- | -- | - |
| Corporate obligations | -- | 2,576,816 | 2,708,301 | 2,884,102 | 8,169,219 |
| Foreign Bonds | -- | 438,671 | 701,303 | 136,491 | 1,276,465 |
| Asset-backed bonds | 37,698 | 918,956 | 216,240 | 416,617 | 1,589,511 |
| Total | <u>\$10,199,602</u> | <u>\$28,216,011</u> | <u>\$ 9,077,843</u> | <u>\$17,580,126</u> | <u>\$ 65,073,582</u> |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

CREDIT RISK

Credit risk is the risk that a debt issuer will not fulfill its obligations. The Town’s investment policy requires that investments in debt securities, Florida PRIME and money market mutual funds be rated in one of the top two investment grades by a Nationally Recognized Statistical Rating Organization (“NRSRO”) and the MPORT requires an investment grade rating (BBB or higher) by an NRSRO when purchased. The MPORT utilizes ratings from Standard and Poor’s and Moody’s Investor Services for investments.

Florida PRIME, FLCLASS, FLTRUST and the money market mutual funds owned by the Town and MPORT are rated AAAM. The NRSRO ratings for the investment securities of the Town and MPORT at September 30, 2025, are summarized as follows:

| Investment Type | NRSRO Rating | Fair Value |
|------------------------------------|--------------|----------------------|
| U.S. Government securities | AA+ | \$ 36,895,303 |
| U.S. Government Agency securities | AA+ | 15,628,612 |
| Negotiable certificates of deposit | AA+ | 1,514,472 |
| Corporate obligations | AAA - BBB | 8,169,219 |
| Foreign Bonds | AAA - BBB | 1,276,465 |
| Asset-backed bonds | AAA | 1,589,511 |
| Total | | \$ 65,073,582 |

CONCENTRATION OF CREDIT RISK

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of an investment in a single issuer. The Town’s investment policy limits investments held by any single financial institution to a maximum of 50% of the total cost of the investment portfolio, excluding securities held under a third party safekeeping agreement. In the MPORT, securities of a single issuer are limited to no more than 5% of the net position of the pension fund invested in common stocks and debt securities. Investments in mutual funds and money market accounts are excluded from the concentration of credit risk disclosure requirement. At September 30, 2025, the MPORT had investments in the following mutual funds that represented more than 5% of the Plan’s total investments: Fidelity Mid Cap Index Fund (12.8%), American Euro Pacific Growth Fund (6.1%), SPDR Bloomberg Convertible Fund (5.5%), Fidelity Large Cap Value Index Fund (5.9%) and Fidelity Large Cap Growth Index Fund (11.0%) and Fidelity International Index Fund (9.8%).

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

RISKS AND UNCERTAINTIES

The investments of the Town and MPORT include securities, mutual funds and other investments which are exposed to various risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements. The value, liquidity, and related income of certain securities with contractual cash flows, such as asset-backed securities, collateralized mortgage obligations, commercial mortgage-backed securities and real estate funds or pooled funds investing in these securities or entities, are particularly sensitive to changes in economic conditions, including real estate value, delinquencies or defaults, or both, and may be adversely affected by shifts in the market’s perception of the issuers and changes in interest rates.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable and allowance for uncollectible accounts at September 30, 2025, consist of the following:

| | Gross Accounts Receivable | Allowance For Doubtful Accounts | Net Receivable |
|--|---------------------------------|---------------------------------------|---------------------|
| Governmental Activities / Funds | | | |
| General Fund - Accounts | \$ 2,274,168 | \$ (5,400) | \$ 2,268,768 |
| Nonmajor Governmental Funds | 4,164 | -- | 4,164 |
| Total Governmental Activities / Funds | 2,278,332 | (5,400) | 2,272,932 |
| Business-type Activities / Enterprise Funds | | | |
| Water System Fund - Utility accounts | 1,565,217 | (13,537) | 1,551,680 |
| Stormwater Fund - Utility accounts | 396,854 | (1,636) | 395,218 |
| Total Business-type Activities / Enterprise Funds | 1,962,071 | (15,173) | 1,946,898 |
| Total Reported in the Statement of Net Position | \$ 4,240,403 | \$ (20,573) | \$ 4,219,830 |

Noncurrent receivables in the Proprietary Funds of \$3,285,666 have no allowance for uncollectible accounts at September 30, 2025.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 4 – NOTES RECEIVABLE

LAND SALE

The Town has a note receivable from the Community Redevelopment Fund related to a parcel of land. During 2013, the Town closed on the sale of a parcel of land to a private owner and received a note receivable for a portion of the sales price. The note is non-interest bearing and is due in 177 monthly installments of \$800 until fully paid. In lieu of cash payments on the note, the Town and the private owner agreed that the owner shall pay all ongoing costs associated with the operation and maintenance of a public restroom facility located on the property sold by the Town and the owner will receive a monthly credit of \$800 against the promissory note. The note receivable balance was \$26,087 at September 30, 2025.

NOTE 5 – ADVANCES FROM/TO OTHER FUNDS

ADVANCES DUE FROM CRA

The Town's General Fund and Capital Improvements Fund have advanced funds to the CRA for the purchase of property, construction of public improvements and redevelopment activities within the boundaries of the CRA. The Town and the CRA have entered into an interlocal agreement for the repayment of these advances to the General Fund and Capital Improvements Fund by the CRA, with interest at 3.0%, through the fiscal year ending September 30, 2027. The repayment of the advances ranges from approximately \$1.1 million in 2026 to a final payment of \$524,000 in 2027. The outstanding advances payable to the General Fund and Capital Improvements Fund totaled \$1,308,899 and \$255,815, respectively, at September 30, 2025 and are considered to be noncurrent because the repayments are not expected to be available under the modified accrual basis of accounting.

ADVANCE DUE FROM STORMWATER FUND

In 2020, the Town's Water System Fund advanced funds in the amount of \$5.7 million to the Stormwater Fund to be used for various capital improvement projects. The interfund loan agreement provides for the repayment of these advances to the Water System Fund by the Stormwater Fund, with interest at 2.3%, through the fiscal year ending September 30, 2034. Repayment of the advance will be made in annual payments of approximately \$454,000, including principal and interest. The outstanding advance payable to the Water System Fund was \$3,650,120 at September 30, 2025.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 6 – CAPITAL ASSETS

The Town’s capital asset activity for the year ended September 30, 2025, is summarized as follows:

| | Beginning Balances | Additions | Deletions | Reclassifications | Ending Balances |
|--|-----------------------|---------------------|--------------------|-------------------|-----------------------|
| Governmental Activities | | | | | |
| Capital Assets Not Being Depreciated: | | | | | |
| Land | \$ 48,362,544 | \$ 2,104,325 | \$ -- | \$ 23,300 | \$ 50,490,169 |
| Construction in progress | <u>2,550,596</u> | <u>3,951,898</u> | <u>--</u> | <u>(223,492)</u> | <u>6,279,002</u> |
| Capital Assets Not Being Depreciated | <u>50,913,140</u> | <u>6,056,223</u> | <u>--</u> | <u>--</u> | <u>56,769,171</u> |
| Capital Assets Being Depreciated/Amortized: | | | | | |
| Buildings | 61,675,983 | 871,358 | -- | 40,625 | 62,587,966 |
| Improvements | 58,342,038 | 1,446,650 | -- | (423,771) | 59,364,917 |
| Machinery and equipment | 13,417,440 | 2,577,830 | (649,047) | -- | 15,346,223 |
| Infrastructure | 57,794,581 | 5,144,937 | -- | 583,338 | 63,522,856 |
| Subscription-based assets (Right-to-use-assets) | <u>3,490,151</u> | <u>58,779</u> | <u>(67,838)</u> | <u>--</u> | <u>3,481,092</u> |
| Total Capital Assets Being Depreciated/Amortized | <u>194,720,193</u> | <u>10,099,554</u> | <u>(716,885)</u> | <u>200,192</u> | <u>204,303,054</u> |
| Less: Accumulated Depreciation/Amortization for: | | | | | |
| Buildings | (17,892,994) | (1,881,689) | -- | -- | (19,774,683) |
| Improvements | (31,320,588) | (1,670,490) | -- | 8,475 | (32,982,603) |
| Machinery and equipment | (8,668,830) | (1,220,729) | 616,418 | -- | (9,273,141) |
| Infrastructure | (31,542,864) | (1,888,207) | -- | (8,475) | (33,439,546) |
| Subscription-based assets (Right-to-use-assets) | <u>(934,338)</u> | <u>(484,322)</u> | <u>67,838</u> | <u>--</u> | <u>(1,350,822)</u> |
| Total Accumulated Depreciation and Amortization | <u>(90,359,614)</u> | <u>(7,145,437)</u> | <u>684,256</u> | <u>--</u> | <u>(96,820,795)</u> |
| Depreciable capital assets, net of accumulated depreciation/amortization | <u>104,360,579</u> | <u>2,954,117</u> | <u>(32,629)</u> | <u>200,192</u> | <u>107,482,259</u> |
| Total Capital Assets, Net | <u>\$ 155,273,719</u> | <u>\$ 9,010,340</u> | <u>\$ (32,629)</u> | <u>\$ 200,192</u> | <u>\$ 164,251,430</u> |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 6 – CAPITAL ASSETS (CONTINUED)

| | Beginning | | | | Ending |
|--|-----------------------|----------------------|------------------|---------------------|-----------------------|
| | Balances | Additions | Deletions | Reclassifications | Balances |
| Business-type Activities | | | | | |
| Capital Assets Not Being Depreciated: | | | | | |
| Land | \$ 569,123 | \$ -- | \$ -- | \$ -- | \$ 569,123 |
| Construction in progress | 26,235,046 | 13,563,749 | -- | (12,707,274) | 27,091,521 |
| Total Capital Assets Not Being Depreciated | <u>26,804,169</u> | <u>13,563,749</u> | <u>--</u> | <u>(12,707,274)</u> | <u>27,660,644</u> |
| Capital Assets Being Depreciated/Amortized: | | | | | |
| Building and plant | 110,576,485 | 1,066,543 | -- | 255,207 | 111,898,235 |
| Improvements | 255,788,577 | 7,910,235 | -- | 12,452,067 | 276,150,879 |
| Machinery and equipment | 35,997,734 | 1,053,300 | (417,433) | -- | 36,633,601 |
| Subscription-based assets (Right-to-use-assets) | 227,635 | 117,558 | (71,660) | -- | 273,533 |
| Total Capital Assets Being Depreciated/Amortized | <u>402,590,431</u> | <u>10,147,636</u> | <u>(489,093)</u> | <u>12,707,274</u> | <u>424,956,248</u> |
| Less: Accumulated Depreciation and Amortization for: | | | | | |
| Buildings and plant | (54,425,436) | (2,832,262) | -- | -- | (57,257,698) |
| Improvements | (110,149,818) | (3,689,728) | -- | -- | (113,839,546) |
| Machinery and equipment | (26,525,026) | (1,365,748) | 417,706 | -- | (27,473,068) |
| Subscription-based assets (Right-to-use-assets) | (156,724) | (86,172) | 71,660 | -- | (171,236) |
| Total Accumulated Depreciation and Amortization | <u>(191,257,004)</u> | <u>(7,973,910)</u> | <u>489,366</u> | <u>--</u> | <u>(198,741,548)</u> |
| Depreciable capital assets, net of accumulated depreciation/amortization | 211,333,427 | 2,173,726 | 273 | 12,707,274 | 226,214,700 |
| Total Capital Assets, Net | <u>\$ 238,137,596</u> | <u>\$ 15,737,475</u> | <u>\$ 273</u> | <u>\$ --</u> | <u>\$ 253,875,344</u> |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 6 – CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was charged to functions/programs as follows:

| | |
|--|-----------------------------------|
| Governmental Activities | |
| General government | \$ 3,827,695 |
| Public safety | 805,534 |
| Engineering and public works | 1,322,054 |
| Culture and recreation | <u>1,190,154</u> |
| Total Governmental Activities | |
| Depreciation and Amortization Expense | <u><u>\$ 7,145,437</u></u> |
| Business-type Activities | |
| Water system | \$ 6,834,704 |
| Stormwater | 1,050,007 |
| Building | <u>89,199</u> |
| Total Business-type Activities | |
| Depreciation and Amortization Expense | <u><u>\$ 7,973,910</u></u> |

NOTE 7 – NONCURRENT LIABILITIES

GOVERNMENTAL ACTIVITIES

Changes in governmental activities noncurrent liabilities for the year September 30, 2025, are summarized as follows:

| | Beginning Balances | Additions | Deletions | Ending Balances | Due Within One Year |
|-------------------------------------|-----------------------|---------------------|---------------------|---------------------|---------------------------|
| Governmental Obligation Bonds | | | | | |
| Series 2021 (Refunding Bonds) | \$ 1,132,628 | \$ -- | \$ 1,132,628 | \$ -- | \$ -- |
| Series 2021 (Land Acquisition Debt) | 849,686 | -- | 849,686 | -- | -- |
| Note Payable | -- | 2,000,000 | -- | 2,000,000 | 2,000,000 |
| Subscription liability | 2,531,927 | 58,779 | 453,092 | 2,137,614 | 302,973 |
| Compensated absences | <u>4,250,045</u> | <u>494,702</u> | <u>331,894</u> | <u>4,412,853</u> | <u>310,120</u> |
| Total Long-Term Debt | 8,764,286 | <u>\$ 2,553,481</u> | <u>\$ 2,767,300</u> | 8,550,467 | <u>\$ 2,613,093</u> |
| Current maturities | <u>(2,695,607)</u> | | | <u>(2,613,093)</u> | |
| Totals | <u>\$ 6,068,679</u> | | | <u>\$ 5,937,374</u> | |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 7 – NONCURRENT LIABILITIES (CONTINUED)

GOVERNMENTAL ACTIVITIES (CONTINUED)

The debt service for the General Obligation Bonds is payable from ad valorem taxes. Compensated absences, pension liabilities and other postemployment benefits liabilities are generally liquidated by the General Fund from available non-ad valorem revenues. The tax increment incentive is payable by the CRA from taxes.

GENERAL OBLIGATION BONDS (REFUNDING BONDS) - SERIES 2021

In September 2021, the Town issued \$4,505,858 in General Obligation Bonds (Refunding Bonds), Series 2021 to advance refund the Series 2005 General Obligation Bonds. The proceeds of the Series 2021 Bonds were placed in irrevocable trust to purchase U.S. Government securities which were used, along with all interest earnings, for the sole purpose of paying future debt service on the refunded bonds. The Series 2021 General Obligation Refunding Bonds have an interest rate of 0.73%. The bonds require semiannual payments of interest starting January 1, 2022 and four annual payments of principal and interest commencing July 1, 2022 through maturity on July 1, 2025. The net cash flow savings was \$169,761. The final payment was made during the fiscal year 2025.

GENERAL OBLIGATION BONDS (LAND ACQUISITION BONDS) - SERIES 2021

In September 2021, the Town issued \$3,380,000 in General Obligation Bonds (Land Acquisition Bonds), Series 2021 for the reimbursement for the purchase of land at 500 N. Delaware. The Land Acquisition Bonds have an interest rate of 0.74%. The bonds require semiannual payments of interest starting January 1, 2022 and four annual payments of principal and interest commencing July 1, 2022 through maturity on July 1, 2025. The final payment was made during the fiscal year 2025.

BOND RATINGS

Standard & Poor's Rating Services rates the Town's outstanding general obligation bonds as AAA. Moody's Investor Service rates the Town's outstanding general obligation bonds as AAA. The bonds matured during the fiscal year.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 7 – NONCURRENT LIABILITIES (CONTINUED)

NOTE PAYABLE

The Town has entered into a short-term financing agreement with the Florida Local Government Finance Commission to issue commercial paper notes for the purpose of financing the cost of acquiring, constructing and equipping capital improvements related to the Jupiter Fire department. The amount of borrowing may not exceed \$20,000,000. The note is collateralized by a pledge of non-ad valorem revenues. Interest is at a variable rate based on the Bank’s loan rate (currently 2.7% at September 30, 2025). As of September 30, 2025, the amount borrowed by the Town was \$2,000,000. See Note 14 – Other Matters.

SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Town has entered into various subscription-based information technology agreements for software programs. The agreements require annual payments varying from \$10,682 to \$334,389 over two to ten years with an interest rate of 2.31% to 3.31% and final payments due September 30, 2032. During the year ended September 30, 2025, principal and interest paid were \$453,094 and \$69,966 respectively. Future principal and interest payments as of September 30, 2025, are as follows:

| <u>Fiscal Year Ending September 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--|---------------------|-------------------|---------------------|
| 2026 | \$ 302,974 | \$ 70,504 | \$ 373,478 |
| 2027 | 298,022 | 60,571 | 358,593 |
| 2028 | 287,647 | 50,847 | 338,494 |
| 2029 | 297,165 | 41,328 | 338,493 |
| 2030 | 306,998 | 31,495 | 338,493 |
| 2031-2032 | <u>644,808</u> | <u>32,179</u> | <u>676,987</u> |
| Total | <u>\$ 2,137,614</u> | <u>\$ 286,924</u> | <u>\$ 2,424,538</u> |

Amounts of subscription assets by major classes of underlying assets were as follows as of the fiscal year ended September 30, 2025:

| <u>Asset Class</u> | <u>Asset Value</u> | <u>Accumulated Amortization</u> | <u>Carrying Value</u> |
|--------------------|--------------------|---------------------------------|-----------------------|
| Software | <u>\$3,481,092</u> | <u>\$1,350,822</u> | <u>\$2,130,270</u> |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 7 – NONCURRENT LIABILITIES (CONTINUED)

BUSINESS-TYPE ACTIVITIES

Changes in business-type activities noncurrent liabilities for the fiscal year ended September 30, 2025, are summarized as follows:

| | Balance at Beginning of Year | Additions | Retirements | Balance at End of Year | Amounts Due Within One Year |
|---|------------------------------------|-------------------|---------------------|------------------------------|-----------------------------------|
| Water revenue Bonds / Note Series 2013 | \$ 7,910,500 | \$ -- | \$ 1,657,500 | \$ 6,253,000 | \$ -- |
| Subscription liability | 51,976 | 117,558 | 92,176 | 77,358 | 38,181 |
| Compensated absences | <u>991,160</u> | <u>136,235</u> | <u>18,950</u> | <u>1,108,445</u> | <u>144,900</u> |
| Total Long-Term Debt | 8,953,636 | <u>\$ 253,793</u> | <u>\$ 1,768,626</u> | 7,438,803 | <u>\$ 183,081</u> |
| Current maturities | <u>(196,875)</u> | | | <u>(183,081)</u> | |
| Net Long-Term Debt | <u>\$ 8,756,761</u> | | | <u>\$ 7,255,722</u> | |

WATER REVENUE REFUNDING BONDS - SERIES 2013

On August 9, 2013, the Town issued \$28,130,000 Water Revenue Refunding Bonds - Series 2013 (the “Series 2013 Bonds”) to a financial institution to currently refund the outstanding principal balance of \$6,155,000 on the Water Revenue Refunding Bonds - Series 2002 and \$21,930,000 Water Revenue Refunding Bonds – Series 2003. The refunding resulted in an economic gain of \$2,245,124 and reduced the total debt service payments by \$8,481,910. The Series 2013 Bonds are payable from and collateralized by the proceeds from pledged net revenues of the water system (as defined in the note agreement) and connection charges. Interest on the Series 2013 Bonds is payable at 2.336% on each April 1 and October 1 and principal payments are due each October 1 through maturity on October 1, 2029. Upon occurrence of an event of default, the bank may declare the entire debt then remaining unpaid immediately due and payable and obligate the Town to cover all costs of collection and enforcement. During the period of default, the note shall bear interest at a rate of the lesser of 18% or the maximum rate permitted by law. Additionally, any acceleration of the note obligates the Town to a prepayment fee as determined by the bank.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 7 – NONCURRENT LIABILITIES (CONTINUED)

WATER REVENUE REFUNDING BONDS - SERIES 2013 (CONTINUED)

The debt service requirements of the Series 2013 Bonds are as follows:

| <u>Fiscal Year Ending September 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--|---------------------|-------------------|---------------------|
| 2026 (*) | \$ -- | \$ 165,413 | \$ 165,413 |
| 2027 | 1,617,000 | 127,171 | 1,744,171 |
| 2028 | 1,633,500 | 89,209 | 1,722,709 |
| 2029 | 1,644,500 | 50,926 | 1,695,426 |
| 2030 | <u>1,358,000</u> | <u>15,860</u> | <u>1,373,860</u> |
| Total | <u>\$ 6,253,000</u> | <u>\$ 448,579</u> | <u>\$ 6,701,579</u> |

(*) Payment made in September 2025 for principal and interest due on October 1, 2025.

PLEGGED UTILITY REVENUE

The Town has pledged the future net revenues (as defined in the bond resolutions and loan agreement, but generally customer revenues and connection charges, net of specified operating expenses) of the water utility system (the “System”) to repay the outstanding revenue bonds and note issued to finance improvements to the System. The water revenue bonds and note are payable solely from the net revenues of the System through 2030. Annual principal and interest payments on the bonds and note are expected to require less than 30 percent of the System net revenues. Total principal and interest remaining to be paid on the water revenue bonds is \$6,701,579 at September 30, 2025. Principal and interest paid on the water revenue bonds and net revenues of the System for 2025 were \$1,842,271 and \$17,161,675, respectively.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 7 – NONCURRENT LIABILITIES (CONTINUED)

SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Town has entered into various subscription-based information technology agreements for software programs. The agreements require annual payments varying from \$40,401 to \$53,598 over two to three years with an interest rate ranging from 2.61% to 3.12%. and final payments due September 30, 2025. During the year ended September 30, 2025, principal and interest paid were \$92,176 and \$2,632 respectively. Future principal and interest payments as of September 30, 2024, are as follows:

| <u>Fiscal Year Ending September 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---|------------------|-----------------|------------------|
| 2026 | \$ 38,181 | \$ 2,019 | \$ 40,200 |
| 2027 | <u>39,177</u> | <u>1,023</u> | <u>40,200</u> |
| Total | <u>\$ 77,358</u> | <u>\$ 3,042</u> | <u>\$ 80,400</u> |

Amounts of subscription assets by major classes of underlying assets were as follows as of the fiscal year ended September 30, 2025:

| <u>Asset Class</u> | <u>Asset Value</u> | <u>Accumulated Amortization</u> | <u>Carrying Value</u> |
|--------------------|--------------------|---------------------------------|-----------------------|
| Software | <u>\$ 273,533</u> | <u>\$ 171,236</u> | <u>\$ 102,297</u> |

DEFEASED BONDS

The Town defeased certain general obligation bonds and revenue bonds by placing the proceeds of the new bonds in irrevocable trust accounts to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town’s financial statements. At September 30, 2025, the outstanding principal of the defeased bonds considered extinguished under these funding arrangements is as follows:

| | |
|----------------------------------|----------------------|
| Water Revenue Bonds, Series 2003 | <u>\$ 10,930,000</u> |
| Total Defeased Bonds | <u>\$ 10,930,000</u> |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 7 – NONCURRENT LIABILITIES (CONTINUED)

ANNUAL MATURITIES

The aggregate maturities for all long-term debt of the Town at September 30, 2025 are as follows:

| <u>Fiscal Year Ending September 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--|---------------------|-------------------|---------------------|
| 2026 (*) | \$ -- | \$ 165,413 | \$ 165,413 |
| 2027 | 1,617,000 | 127,171 | 1,744,171 |
| 2028 | 1,633,500 | 89,209 | 1,722,709 |
| 2029 | 1,644,500 | 50,926 | 1,695,426 |
| 2030 | <u>1,358,000</u> | <u>15,860</u> | <u>1,373,860</u> |
| Total | <u>\$ 6,253,000</u> | <u>\$ 448,579</u> | <u>\$ 6,701,579</u> |

(*) Payment made in September 2025 for principal and interest due on October 1, 2025.

EVENTS OF DEFAULT

The Town’s failure to pay the principal or interest on debt when due or failure to observe and perform any covenant, condition, agreement or provision in any indenture applicable to the Town’s various debt obligations, constitutes an event of default for the Town. In the event of a default, bondholders may sue to enforce their rights. In certain cases, in the event of a default, the interest rate may be increased.

NOTE 8 – RESTRICTED ASSETS

Cash and investments held by the Town that are subject to externally imposed restrictions on their withdrawal and use for other than current operations are reported as restricted assets. Net position is restricted to the extent that restricted assets exceed the respective liabilities payable from restricted assets and any unspent bond proceeds.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 8 – RESTRICTED ASSETS (CONTINUED)

Restricted investments and the related liabilities and restricted net position/fund balance of the governmental activities and governmental funds at September 30, 2025 are summarized as follows:

| | Restricted Investments, Cash and Cash Equivalents | Liabilities Payable From Restricted Assets | Unspent Debt Proceeds | Restricted Net Position/ Fund Balance |
|--------------------------------------|---|---|-----------------------------|---|
| Governmental Activities/Funds | | | | |
| Restricted for: | | | | |
| Environmental land acquisition | \$ 341,569 | \$ -- | \$ -- | \$ 341,569 |
| Law enforcement | <u>1,000,000</u> | <u>--</u> | <u>--</u> | <u>1,000,000</u> |
| Total | <u>\$ 1,341,569</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ 1,341,569</u> |

NOTE 9 – INTERFUND TRANSACTIONS

Advances to/from other funds at September 30, 2025 are summarized as follows:

| Receivable Fund | Payable Fund | Amount |
|---------------------------|------------------------------|---------------------|
| General Fund | Community Redevelopment Fund | \$ 1,308,899 |
| Capital Improvements Fund | Community Redevelopment Fund | 255,815 |
| Water System Fund | Stormwater Fund | <u>3,650,120</u> |
| Total | | <u>\$ 5,214,834</u> |

The outstanding balances between funds generally result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The amount payable by the Community Redevelopment Fund is for initial working capital and property received from the General Fund and approximately \$1,056,000 of the balance is scheduled to be collected in the subsequent year. The amount payable by the Stormwater Fund is a loan from the Water System Fund for capital improvements and approximately \$361,000 of the balance is scheduled to be collected in the subsequent year.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 9 – INTERFUND TRANSACTIONS (CONTINUED)

Interfund transfer activity for the fiscal year ended September 30, 2025, is summarized as follows:

| Transfer To | Transfer From | Amount |
|-----------------------------|-----------------------------|----------------------------|
| General Fund | Nonmajor Governmental Funds | \$ 2,044,258 |
| Capital Improvements Fund | General Fund | 3,035,459 |
| Capital Improvements Fund | Nonmajor Governmental Funds | 7,722,285 |
| Nonmajor Governmental Funds | General Fund | 2,958,512 |
| Water System Fund | American Rescue Plan Fund | 1,674,611 |
| Water System Fund | Capital Improvements Fund | 53,550 |
| Water System Fund | Stormwater Fund | 22,950 |
| Stormwater Fund | American Rescue Plan Fund | 386,046 |
| Total | | <u>\$17,897,671</u> |

Transfers were used to: (1) move revenue from the fund that is required to collect it to the fund that is required or allowed to expend it; and, (2) use excess revenue collected in certain funds to finance various programs and projects accounted for in other funds in accordance with budgetary authorizations.

NOTE 10 – EMPLOYEE RETIREMENT PLANS

The Town of Jupiter administers one single-employer, defined benefit pension plan, the Municipal Police Officers’ Retirement Trust (“MPORT”), which covers all sworn police officers. The Town also participates in the Florida Retirement System (“FRS”) Pension Plan and the Retiree Health Insurance Subsidy (“HIS”) Trust Fund, both of which are multiple-employer, cost-sharing, defined benefit public employee retirement plans administered by the State of Florida. FRS and HIS cover all Town employees, excluding sworn police officers covered by MPORT. The net pension liability/asset, deferred outflows/inflows of resources related to pensions and pension expense related to these retirement plans are summarized as follows at September 30, 2025:

| | MPORT | FRS | HIS | Total |
|----------------------------------|----------------------|----------------------|---------------------|----------------------|
| Net Pension Liability | <u>\$ 7,778,443</u> | <u>\$ 13,778,569</u> | <u>\$ 6,253,834</u> | <u>\$ 27,810,846</u> |
| Deferred Outflows/Inflows | | | | |
| Deferred outflows of resources | <u>\$ 8,503,896</u> | <u>\$ 4,060,852</u> | <u>\$ 536,695</u> | <u>\$ 13,101,443</u> |
| Deferred inflows of resources | <u>\$ 11,281,752</u> | <u>\$ 2,425,705</u> | <u>\$ 1,694,740</u> | <u>\$ 15,402,197</u> |
| Pension Expense | <u>\$ 4,043,696</u> | <u>\$ 1,419,724</u> | <u>\$ 100,221</u> | <u>\$ 5,563,641</u> |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

MUNICIPAL POLICE OFFICERS’ RETIREMENT TRUST (“MPORT”)

The Municipal Police Officers’ Retirement Trust (“MPORT”) is a single-employer, defined benefit pension plan. The plan is administered by the MPORT pension board consisting of five members, two of which are Town residents appointed by the Town Council; two of which are police officers elected by members of the MPORT; and, one person selected by a majority of the other four members and appointed by the Town Council. The Board has the ability to make recommendations on establishing and amending pension plan provisions which can only be authorized by the Town Council. When the Town Council adopted Ordinance 9-95 on March 21, 1995, participation in the plan became mandatory for all full-time police officers entering employment on or after April 1, 1995.

The MPORT issues a publicly available, stand-alone financial report. The MPORT financial report may be obtained by writing to the Finance Department, Town of Jupiter, 210 Military Trail, Jupiter, Florida 33458 or by calling (561) 746-5134. Membership in the MPORT was comprised of the following at October 1, 2025, the date of the latest actuarial valuation:

| | |
|---|-------------------|
| Active employees | 93 |
| Retirees and beneficiaries receiving benefits | 87 |
| DROP participants | 23 |
| Inactive employees | <u>1</u> |
| Total Members | <u>204</u> |

The Town is required to contribute an actuarially determined amount necessary to pay the annual normal cost of the plan plus the additional amount needed to amortize any unfunded accrued liability. Members hired prior to March 6, 2012, are referred to as “Tier One” employees and members hired on or after March 6, 2012, are referred to as “Tier Two” employees. Contributions by Plan members and the Town are established and may be amended by Town ordinance. Tier one employees, are required to contribute 8.78% of salary effective October 1, 2012; 9.25% of salary effective October 1, 2014; and, 10.00% of salary effective October 1, 2015. Tier Two employees are required to contribute 10.00% of salary. Pursuant to Florida Statutes, Chapter 185, the State collects a tax on insurance premiums for property and casualty coverage and annually remits a contribution to the MPORT. Administrative costs of the MPORT are financed through investment earnings.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

RETIREMENT AND OTHER BENEFITS

The MPORT provides retirement, death, and disability benefits for its members. Tier One employees may retire with normal benefits after the earlier of: (1) age 60; (2) age 55 with 10 years of credited service; or (3) when the total of the member's age, computed in terms of full months, plus the member's credited service, computed in terms of full months, equals 780 months. Tier Two employees may retire with normal benefits after the earlier of: (1) age 55 with 10 years of credited service; or (2) when the total of the member's age, computed in terms of full months, plus the member's credited service, computed in terms of full months, equals 840 months and the member has 25 years of credited service.

Normal retirement benefits are 3.0% (2.75% for Tier Two employees) of the member's average monthly salary multiplied by years of credited service at the normal retirement date (limited to 25 years for Tier Two employees). Average monthly salary for purposes of calculating benefits is the average of covered salary over the highest three years out of the last ten years of credited service. Reduced early retirement benefits are available once a member reaches age 50 and accumulates 10 years of credited service.

The early retirement benefit for Tier One employees is equal to the accrued benefit reduced by 3.0%, multiplied by the number of years by which the starting date of the benefit precedes age 55. For Tier Two employees, the early retirement benefit is equal to the accrued benefit reduced by 3.0% for every 24 months by which the starting date of the benefit precedes 840 months. The accrued benefit is that portion of a member's normal retirement benefit earned at any point in time. A supplemental benefit of \$100 per month is available for members, plus for members who retire on or after October 1, 2001, a monthly benefit equal to the lesser of (1) \$150 or (2) the greater of (a) \$30 and (b) \$5 multiplied by credited service. The supplemental benefit is reduced for early retirement. Members in DROP are not eligible to receive supplemental benefits until their DROP participation ends.

Eligibility for disability benefits begins from the member's date of hire. The amount of the monthly benefit due to a total and permanent disability is: (1) the greater of (a) 60% of the covered salary at the time of the member's disability or (b) the monthly income payable for ten years certain that can be provided by the single sum value of the member's accrued benefit; plus (2) the supplemental benefit. This benefit is payable until the member's death or recovery. Effective March 6, 2012, members with a disability not incurred in the line of duty are eligible for Disability Retirement benefits after completion of 10 years of service.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DEFERRED RETIREMENT OPTION PLAN (“DROP”)

Tier One Members are eligible to enter DROP at the Tier One Normal Retirement Date. Tier Two Members are eligible to enter DROP the first of the month coincident with or next following the earlier of: (1) the Tier Two Normal Retirement Date, or, (2) 22 years of Credited Service regardless of age with no reduction in the Tier Two Accrued Benefit for DROP entry prior to the Tier Two Normal Retirement Date.

The Accrued Benefit is frozen at DROP entry and accumulates in DROP. Participants in DROP are not eligible for death or disability benefits. The Supplemental Benefit is not payable while a Member is in DROP. The maximum DROP participation duration was extended from 5 years to 8 years effective March 6, 2012. Members in the DROP on March 6, 2012 were allowed to elect the 8 year DROP by agreeing to pay contributions at the employee contribution rate in effect at DROP entry for the remainder of the initial 5 years of DROP participation with 1/3 of these contributions credited to the members' DROP account. None of the members in DROP on March 6, 2012 exercised this option.

For Tier One members who enter DROP after March 6, 2012, employee contributions continue at the rate in effect on the date of entry into DROP for the first four years of DROP participation with 1/3 of these contributions credited to the members' DROP account. For Tier Two DROP entrants, employee contributions continue for all years of DROP participation with 1/4 of these contributions credited to the members' DROP account. Tier Two maximum DROP participation is based on creditable years of service.

The balance of amounts held under DROP was \$10,055,754 at September 30, 2025.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the MPORT are prepared using the economic resources measurement focus and the accrual basis of accounting. Employee and employer contributions are recognized in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Other expenses are recognized when the corresponding liabilities are incurred. Investment income is recognized as revenue when earned. Investments are reported at fair value, except for money market mutual funds which are reported at amortized cost, and are classified as investments in the financial statements. Investment securities are valued at the closing price reported on the national exchange on which the individual securities are actively traded. Securities that are not actively traded are valued using a matrix pricing technique based on the securities' relationship to quoted benchmark prices. Net asset values of commingled real estate funds are determined by the fund managers using the fair values of the underlying investments of the fund. Net appreciation or depreciation in the fair value of investments includes the difference between the fair value and cost of the investments held, as well as the net realized and unrealized gains and losses for securities sold during the period. Interest and dividend income are recognized on the accrual basis when earned. Purchases and sales of investments are recorded on a trade date basis. Investment earnings are reduced for investment related expenses, such as management fees, portfolio evaluation and custodial services. Benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms.

INVESTMENT POLICY

The policy in regard to the allocation of invested assets is established and may be amended by a majority vote of the Board of the MPORT. It is the policy of the MPORT Board to pursue an investment strategy that reduces risk through the prudent diversification of the investment portfolio across a broad selection of distinct asset classes. The investment policy of the MPORT discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. There were no changes in the investment policy of the MPORT for the fiscal year ended September 30, 2025.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

INVESTMENT POLICY (CONTINUED)

The asset allocation policy adopted by the MPORT Board at September 30, 2025 was as follows:

| Asset Class | |
|---------------------------------------|-------------|
| Domestic equity | 37% |
| International equity | 15% |
| Convertible equity | 5% |
| Fixed income | 24% |
| Private real estate | 5% |
| Alternatives | 10% |
| Real estate investment trusts (REITs) | 3% |
| Cash | 1% |
| Total | <u>100%</u> |

RATE OF RETURN

For the year ended September 30, 2025, the annual money-weighted rate of return on MPORT’s investments, net of investment expenses, was 10.1%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

NET PENSION LIABILITY

The components of the net pension liability for MPORT for the most recent actuarial valuation as of October 1, 2025, as reported by the actuary in the September 30, 2025 Supplement, were as follows:

| | |
|---|----------------------------|
| Total pension liability | \$ 129,119,996 |
| Less plan fiduciary net position | <u>(121,341,553)</u> |
| Net Pension Liability | <u>\$ 7,778,443</u> |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | <u>94.0%</u> |

ACTUARIAL ASSUMPTIONS

The net pension liability of the MPORT was determined by an actuarial valuation as of October 1, 2025, as reported by the actuary in the September 30, 2025 Supplement, using the following significant actuarial assumptions:

| | |
|---|---|
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level dollar |
| Amortization period | 20 years |
| Asset valuation method | 5 year smoothed fair value |
| Investment rate of return (net of expenses, with inflation) | 7.0% |
| Payroll growth | 0.0% |
| Projected salary increases attributable to: | |
| Salary increases, including inflation | 5.00% - 12.27% |
| Inflation | 2.00% |
| Cost of living adjustments | 3.0% |
| Mortality rates | Florida Retirement System Special Risk Employees' tables |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

CHANGES IN ACTUARIAL ASSUMPTIONS

There were no changes in the actuarial assumptions used in the October 1, 2025 actuarial valuation of the Plan from the prior actuarial valuation.

LONG-TERM EXPECTED RATE OF RETURN

The long-term expected rate of return on investments of the MPORT 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 a long-term expected rate of return of 7.0% 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 plans' target allocation as of September 30, 2025 (see the discussion of the pension plan's investment policy) are summarized in the following table:

| Asset Class | |
|---------------------------------------|------|
| Domestic equity | 7.8% |
| International equity | 3.8% |
| Convertible equities | 6.3% |
| Alternatives | 5.0% |
| Fixed Income | 1.8% |
| Real estate investment trusts (REITs) | 7.0% |
| Private real estate | 5.4% |
| Cash | 0.0% |

DISCOUNT RATE

The discount rate used to measure the total pension liability was 7.0% and was based on the expected rate of return on investments of the plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the MPORT's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DISCOUNT RATE (CONTINUED)

Therefore, the long-term expected rate of return on investments of the pension plan was applied to all periods of projected benefit payments to determine the projected total pension liability.

CHANGES IN THE NET PENSION LIABILITY

The changes in the MPORT net pension liability were as follows for the year ended September 30, 2025:

| | Increase (Decrease) | | |
|--|-------------------------------|-----------------------------------|-----------------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability |
| Balances at October 1, 2024 | <u>\$ 122,539,900</u> | <u>\$ 114,076,432</u> | <u>\$ 8,463,468</u> |
| Changes for the current year: | | | |
| Service cost | 3,040,499 | -- | 3,040,499 |
| Interest | 8,475,484 | -- | 8,475,484 |
| Benefit change | 528,091 | -- | 528,091 |
| Difference between expected and actual experience | 1,077,155 | -- | 1,077,155 |
| Change of assumptions | 2,462,972 | -- | 2,462,972 |
| Contributions - Town | -- | 3,084,324 | (3,084,324) |
| Contributions - State of Florida | | 1,139,336 | (1,139,336) |
| Contributions - employee | -- | 1,282,308 | (1,282,308) |
| Net investment income | -- | 10,931,894 | (10,931,894) |
| Benefit payments, including refunds of member contributions | (9,004,105) | (9,004,105) | -- |
| Administration expenses | -- | (168,636) | 168,636 |
| Net Changes | <u>6,580,096</u> | <u>7,265,121</u> | <u>(685,025)</u> |
| Balances at September 30, 2025 | <u>\$ 129,119,996</u> | <u>\$ 121,341,553</u> | <u>\$ 7,778,443</u> |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following table presents the net pension liability of the MPORT, calculated using the discount rate of 7.0%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate:

| | 1.0% Decrease (6.00%) | Current Discount Rate (7.0%) | 1.0% Increase (8.0%) |
|-------------------------------|-----------------------------|---------------------------------------|----------------------------|
| Net pension liability (asset) | \$21,786,833 | \$ 7,778,443 | \$ (3,825,255) |

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

For the fiscal year ended September 30, 2025, the Town recognized pension expense of \$4,043,696 for the MPORT. At September 30, 2025, the Town reported deferred inflows/outflows of resources related to the MPORT pensions from the following sources:

| | Deferred Outflows | Deferred Inflows |
|--|----------------------|---------------------|
| Differences between expected and actual experience | \$ 1,101,851 | \$ 9,102 |
| Net difference between projected and actual investment earnings on pension plans | 5,554,816 | 11,272,650 |
| Change of assumptions | 1,847,229 | -- |
| Balances at September 30, 2025 | \$ 8,503,896 | \$11,281,752 |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

PENSION EXPENSE AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

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

| Fiscal Year Ending September 30 | Amount |
|------------------------------------|------------------------------|
| 2025 | \$ 3,055,464 |
| 2026 | (2,793,338) |
| 2027 | (2,417,032) |
| 2028 | <u>(622,950)</u> |
| Total | <u>\$ (2,777,856)</u> |

STATE OF FLORIDA PENSION PLANS

All regular, full-time employees of the Town, except police officers, are required to participate in the Florida Retirement System (FRS) Pension Plan and the Retiree Health Insurance Subsidy (HIS) Trust Fund administered by the Florida Department of Management Services, Division of Retirement. FRS and HIS are cost-sharing, multiple-employer defined benefit pension plans with approximately 1,000 participating employers. FRS and HIS were established and are administered in accordance with Chapter 121 and Section 112.363, Florida Statutes, respectively.

FRS includes a DROP available for eligible employees. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state community college, or district school board, unless restricted from FRS membership under sections 121.053 and 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation is optional for cities, municipalities, special districts, charter schools and metropolitan planning organizations.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

STATE OF FLORIDA PENSION PLANS (CONTINUED)

HIS membership is optional and available to all retirees under the state-administered retirement system, provided the retiree provides proof of health insurance coverage, which can include Medicare.

Participation is compulsory for cities, municipalities, special districts, charter schools and metropolitan planning organizations that participate in FRS.

BENEFITS PROVIDED

FRS provides retirement, survivor and disability benefits to plan members and beneficiaries. Pension benefits of FRS are established by Florida Statutes, Chapter 121, and may be amended by the Florida Legislature. Retirement benefits are computed on the basis of age and/or years of service, average final compensation and service credit. Members initially enrolled on or after July 1, 2001 through June 30, 2011, vest after six years of creditable service. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service. HIS provides retirees and beneficiaries a monthly benefit equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The monthly benefit payment is established by Section 112.363, Florida Statutes and is at least \$30, but not more than \$150.

TOWN CONTRIBUTIONS

FRS members are required to contribute 3.0% of their annual covered payroll and no contribution is required for HIS members. Participating governments, including the Town, contribute to FRS at actuarially determined rates for various classes of employees, which are presently 12.03% of annual covered payroll for employees covered in the regular class, 31.24% for senior management class, 33.19% for special risk class, 52.57% for elected officials and 20.02% for employees covered in the FRS DROP program. Participating governments, including the Town, also contribute to HIS based on a percentage of gross compensation for all active FRS members, which is presently 2.00%. The Town's contributions to FRS and HIS for the fiscal year ended September 30, 2025 were \$3,191,457, which was equal to 100% of the required contributions for the year.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

FUNDING POLICY

FRS funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due based upon plan assumptions. HIS uses a pay-as-you-go funding policy based on monthly employer contributions at a flat percentage of gross compensation for all active FRS members. Employer and employee contribution rates are established by State law as a level percentage of payroll. Employer contribution rates are determined using the entry-age actuarial cost method. The consulting actuary recommends rates based on the annual valuation, but actual contribution rates are established by the Florida Legislature.

PUBLICLY AVAILABLE FINANCIAL REPORT

The State of Florida issues a publicly available financial report for FRS and HIS that includes financial statements and required supplementary information. The complete financial report is available on the Publications page of the Division of Retirement's website at www.frs.myflorida.com or by writing to the Research and Education Section at P.O. Box 9000, Tallahassee, Florida, 32315-9000 or by calling toll free 877-377-1737 or 850-488-5706.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of FRS and HIS are prepared using the economic resources measurement focus and the accrual basis of accounting. Employee contributions are recognized in the period of time for which the contributions are assessed. Employer contributions are recognized in the period in which employee services are performed. Benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the terms of FRS and HIS. Other expenses are recognized when the corresponding liabilities are incurred. Investment income is recognized as revenue when earned. Investments are reported at fair value and are managed by external investment managers. The independent investment custodian for FRS and HIS determines the fair value of securities using various third party pricing sources. For private market investments, where no readily ascertainable market value exists, fair values are based on net asset value (capital account balance) provided by investment managers at the closest available reporting period

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

and adjusted for subsequent contributions and distributions. The net appreciation (depreciation) in fair value of investments is recorded as an increase (decrease) to investment income based on the valuation of investments. Investment earnings are net of investment related expenses, such as management fees, portfolio evaluation and custodial services. For purposes of measuring the net pension liability, deferred inflows/outflows of resources related to pensions, and pension expense, information about the fiduciary net position of FRS and HIS and the additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by FRS and HIS.

PAYABLES TO FRS AND HIS

There were no amounts payable to FRS or HIS by the Town at September 30, 2025.

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO FRS AND HIS PENSIONS

At September 30, September 30, 2025, the Town reported a liability of \$13,778,569 and \$6,253,834 for its proportionate share of the net pension liability of FRS and HIS, respectively. The net pension liability of each plan was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability of the FRS plan was determined by an actuarial valuation as of July 1, 2025 and the net pension liability of the HIS plan was determined by an actuarial valuation as of July 1, 2024. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating governments, as actuarially determined. At June 30, 2025, the Town's FRS proportion was 0.044396682 percent, which was an decrease of 0.000608446 percent from its proportion measured as of June 30, 2024 and the HIS proportion was 0.048791587 percent, which was an increase of 0.002167246 percent from its proportion measured as of June 30, 2024.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO FRS AND HIS PENSIONS (CONTINUED)

For the year ended September 30, 2025, the Town recognized pension expense of \$1,519,945 for FRS and HIS. At September 30, 2025, the Town reported deferred outflows and inflows of resources related to FRS pensions from the following sources:

| | Deferred Outflows | Deferred Inflows |
|--|----------------------|---------------------|
| Differences between expected and actual experience | \$ 1,471,696 | \$ -- |
| Changes in assumptions | 1,600,050 | -- |
| Net difference between projected and actual investment earnings on pension plan investments | -- | 2,300,471 |
| Changes in proportion and differences between employer contributions and proportional share of contributions | 217,091 | 125,234 |
| Town contributions subsequent to the measurement date | 772,015 | -- |
| Total | \$ 4,060,852 | \$ 2,425,705 |

At September 30, 2025, the Town reported deferred outflows and inflows of resources related to HIS pensions from the following sources:

| | Deferred Outflows | Deferred Inflows |
|--|----------------------|---------------------|
| Differences between expected and actual experience | \$ 37,331 | \$ 9,920 |
| Changes in assumptions | 55,353 | 1,512,642 |
| Net difference between projected and actual investment earnings on pension plan investments | -- | 5,205 |
| Changes in proportion and differences between employer contributions and proportional share of contributions | 320,229 | 166,973 |
| Town contributions subsequent to the measurement date | 123,782 | -- |
| Total | \$ 536,695 | \$ 1,694,740 |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO FRS AND HIS PENSIONS (CONTINUED)

Deferred outflows of resources related to FRS and HIS pensions of \$895,797 resulting from Town contributions subsequent to the measurement date of June 30, 2025, but prior to September 30, 2025, will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred inflows/outflows of resources related to pensions will be recognized in pension expense as follows:

| <u>Fiscal Year Ending September 30</u> | <u>FRS Amount</u> | <u>HIS Amount</u> |
|--|-----------------------|-----------------------|
| 2026 | \$ 2,248,198 | \$ (291,038) |
| 2027 | (381,415) | (353,483) |
| 2028 | (578,403) | (293,571) |
| 2029 | (455,866) | (230,193) |
| 2030 | 15,310 | (139,086) |
| Thereafter | <u>15,308</u> | <u>25,544</u> |
| Total | <u>\$ 863,132</u> | <u>\$ (1,281,827)</u> |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

ACTUARIAL ASSUMPTIONS

The total pension liability for FRS and HIS was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | FRS | HIS |
|--|---|---|
| Valuation date | July 1, 2025 | July 1, 2024 |
| Measurement date | June 30, 2025 | June 30, 2025 |
| Actuarial cost method | Individual Entry Age | Individual Entry Age |
| Amortization method | Level percent of pay, closed | Level percent of pay, closed |
| Amortization period | 18/30 years | 23/30 years |
| Asset valuation method | 5 year smoothed | Fair value |
| Discount rate | 6.70% | 5.20% |
| Inflation | 2.40% | 2.40% |
| Salary increases, including inflation | 3.50% | 3.50% |
| Long-term expected rate of return, net of investment expenses | 6.70% | N/A |
| Municipal bond rate | N/A | 5.20% |
| Cost of living adjustments | 3% pre-July 2011, 0% thereafter | N/A |
| Mortality rates | PUB-2010 base table with Scale MP-2021 | PUB-2010 base table with Scale MP-2021 |

The actuarial assumptions that determined the total pension liability as of June 30, 2025, were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2023.

Changes in Actuarial Assumptions: The municipal bond rate for HIS was increased from 3.93% for 2024 to 5.20% for 2025.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

LONG-TERM EXPECTED RATE OF RETURN

The long-term expected rate of return on FRS 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 of 6.7% 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 are as follows:

| <u>Asset Class</u> | <u>Long-Term Real Rate of Return</u> |
|-----------------------|--|
| Cash | 3.2% |
| Fixed income | 5.5% |
| Global equity | 8.5% |
| Real estate | 8.4% |
| Private equity | 12.4% |
| Strategic investments | 6.5% |

DISCOUNT RATE

The discount rate used to measure the total pension liability of FRS at June 30, 2025 was 6.70% for FRS and 5.20% for HIS. The FRS discount rate was based on the expected rate of return on FRS investments. The HIS discount rate was based on the municipal bond rate which was 5.20%, based on an index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that member contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the fiduciary net position of FRS was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on investments of FRS was applied to all periods of projected benefit payments to determine the projected total pension liability. Because HIS uses a pay-as-you-go funding structure, a municipal bond rate of 5.20% was used to determine the total pension liability.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 10 – EMPLOYEE RETIREMENT PLANS (CONTINUED)

DISCOUNT RATE (CONTINUED)

Sensitivity of the Town’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following table presents the Town’s proportionate share of the net pension liability of FRS and HIS at June 30, 2025, calculated using the current discount rate, as well as what the Town’s proportionate share of the net pension liability/asset would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| FRS | | | HIS | | |
|---------------------------|-----------------------------|-----------------------------|---------------------------|-----------------------------|-----------------------------|
| | Current Discount Rate | | | Current Discount Rate | |
| 1% Decrease (5.70%) | | 1.0% Increase (7.70%) | 1% Decrease (4.20%) | | 1.0% Increase (6.20%) |
| <u>\$ 27,040,228</u> | <u>\$ 13,778,569</u> | <u>\$ 2,660,185</u> | <u>\$ 7,052,205</u> | <u>\$ 6,253,834</u> | <u>\$ 5,584,255</u> |

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the fiduciary net position of FRS is available in the separately issued FRS financial report, which is available on the Publications page of the Division of Retirement’s website at www.frs.myflorida.com.

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

DESCRIPTION OF THE PLAN

The Town administers a single-employer defined benefit health care plan (the “Plan”) that provides health care benefits to eligible retired employees and their beneficiaries. The Town Council has the authority to establish and amend the premiums for and the benefit provisions of the Plan. The Plan is financed on a “pay-as-you-go” basis and is not administered as a formal qualifying trust. The Plan does not issue a publicly available financial report.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

DESCRIPTION OF THE PLAN (CONTINUED)

The Town is required by Florida Statute 112.0801 to allow retirees to buy healthcare coverage at the same group insurance rates that current employees are charged, resulting in an implicit healthcare benefit. The State of Florida prohibits the Plan from separately rating retirees and active employees. The Plan therefore charges both groups an equal, blended rate premium. Although both groups are charged the same blended rate premium, GAAP requires the actuarial figures to be calculated using age adjusted premiums approximating claim costs for retirees separate from active employees. The use of age adjusted premiums results in the addition of the implicit rate subsidy into the actuarial accrued liability. Plan members receiving benefits contribute 100% of the monthly premium ranging from a minimum of \$1,060 for single coverage to a maximum of \$3,213 for family coverage.

PLAN MEMBERSHIP

Membership in the Plan was comprised of the following at September 30, 2025, the date of the most recent actuarial valuation:

| | |
|---|-----------------------|
| Active employees | 403 |
| Retirees and beneficiaries receiving benefits | 19 |
| Inactive employees | <u> --</u> |
| Total Members | <u> 422</u> |

TOTAL OPEB LIABILITY

The Town’s total OPEB liability of \$1,341,025 was measured as of September 30, 2025, and was determined by an actuarial valuation dated October 1, 2025.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

ACTUARIAL METHODS AND SIGNIFICANT ASSUMPTIONS

The actuarial methods and significant assumptions used to determine the Town’s total OPEB liability for the current year are summarized as follows:

| | |
|-----------------------------------|---|
| Valuation date | October 1, 2025 |
| Actuarial cost method | Entry Age Normal |
| Port-retirement benefit increases | None |
| Healthcare cost trend rates | 6.2% per year initially, reduced annually by an ultimate rate of 4.1% |
| Amortization method | Level Percent of Projected Salary - Closed |
| Remaining amortization period | 6.1 years |
| Asset valuation method | N/A ¹ |
| Actuarial assumptions: | |
| Discounted rate | 4.50% ² |
| Projected salary increases | 3.50% |
| Mortality rates | PUB - 2010 mortality table with generational scale MP - 2021 |

(1) The plan is funded on a pay-as-you-go basis and is not administered as a formal qualifying trust. There were no plan assets as of September 30, 2025, the date of the most recent actuarial valuation.

(2) Since there are currently no invested plan assets held in trust to finance the OPEB obligation, the discount rate is the long-term expected rate of return on tax-exempt, high quality municipal bonds based on the *Bond Buyer 20-Bond GO Index* .

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

CHANGES IN THE TOTAL OPEB LIABILITY

The changes in the total OPEB liability were as follows for the year ended September 30, 2025:

| | |
|---|----------------------------|
| Total OPEB Liability at October 1, 2024 | <u>\$ 1,189,477</u> |
| Changes for the Current Year | |
| Service cost | 68,959 |
| Interest | 49,472 |
| Difference between expected and actual experience | 66,848 |
| Change in assumptions or other inputs | 46,919 |
| Benefit payments | <u>(80,650)</u> |
| Net Changes | <u>151,548</u> |
| Total OPEB Liability at September 30, 2025 | <u><u>\$ 1,341,025</u></u> |

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following table presents the total OPEB liability of the Town calculated using the current discount rate of 4.50%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.50%) or one percentage point higher (5.50%) than the current rate:

| 1% Decrease (3.50%) | Current Discount Rate (4.50%) | 1.0% Increase (5.50%) |
|---------------------------|--|-----------------------------|
| <u>\$ 1,450,206</u> | <u>\$ 1,341,025</u> | <u>\$ 1,241,858</u> |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

CHANGES IN THE TOTAL OPEB LIABILITY

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate: The following table presents the total OPEB liability of the Town calculated using the current healthcare cost trend rate of 6.0% decreasing to 4.5%, as well as what the total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower (5.0% decreasing to 3.5%) or one percentage point higher (7.0% decreasing to 5.5%) than the current rate:

| 1% Decrease (5.0% decreasing to 3.5%) | Current Trend Rate (6.0% decreasing to 4.5%) | 1.0% Increase (7.0% decreasing to 5.5%) |
|--|---|--|
| \$ 1,211,945 | \$ 1,341,025 | \$ 1,492,409 |

OPEB EXPENSE AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO OPEB

For the fiscal year ended September 30, 2025, the Town recognized OPEB expense of \$111,066. At September 30, 2025, the Town reported deferred inflows/outflows of resources related to OPEB from the following sources:

| | Deferred Outflows | Deferred Inflows |
|--|----------------------|---------------------|
| Differences between expected and actual experience | \$ 72,215 | \$ 1,000,808 |
| Changes in assumptions or other inputs | 137,369 | 161,979 |
| Total | \$ 209,584 | \$ 1,162,787 |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

***OPEB EXPENSE AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO OPEB
(CONTINUED)***

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

| Fiscal Year Ending September 30 | Amount |
|------------------------------------|----------------------------|
| 2025 | \$ (229,497) |
| 2026 | (229,497) |
| 2027 | (223,442) |
| 2028 | (195,392) |
| 2029 | (96,063) |
| Thereafter | <u>20,688</u> |
| Total | <u><u>\$ (953,203)</u></u> |

NOTE 12 – 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; and natural disasters. The Town is also subject to risk of loss arising in the ordinary course of business, including, but not limited to, claims for damages for personal injuries, employment-related claims, and breach of contract. Commercial insurance is purchased for certain specialized insurance coverages, including, but not limited to property, equipment, general liability, automobile, professional liability, and workers compensation. The Town uses the General Fund to account for all commercial insurance and retained risks of loss.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 12 – RISK MANAGEMENT (CONTINUED)

On January 1, 2015, the Town entered into a partially self-insured health plan with a third-party administrator. The Town is partially self-insured up to a stop loss of \$200,000 per claim and has purchased excess insurance for claims exceeding the stop loss for individual and aggregate claims from Blue Cross and Blue Shield of Florida.

The Town has recorded a claims liability of \$271,345 (all current) at September 30, 2025. This claims liability reflects claims development for group health insurance. The liability falls within the actuarially determined range, from a valuation for all claims based upon the date the loss was incurred and includes a provision for claims incurred but not yet reported (IBNR).

The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated annually to consider the effects of inflation, recent claim settlement trends (including frequency and amount of payouts), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, such as those from subrogation, are also considered in the claims liability estimate. The following summarizes the claims liability activity for 2025:

| Fiscal Year Ended September 30, | Beginning | Claims Expense | Claims Paid | Ending |
|------------------------------------|------------|-------------------|----------------|------------|
| 2024 | \$ 235,719 | \$ 4,752,516 | \$ (4,760,344) | \$ 227,891 |
| 2025 | 227,891 | 4,643,612 | (4,600,158) | 271,345 |

For each of the past three years, there have been no settlements that have exceeded the Town’s insurance coverage. The claims liability at September 30, 2025 was all current.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 12 – RISK MANAGEMENT (CONTINUED)

As a political subdivision of the State of Florida, the Town has sovereign immunity under the Florida Constitution for tort actions. Therefore, in accordance with Chapter 768.28 Laws of Florida, the Town is not liable to pay a claim or judgment, or any portions thereof, which when totaled with all other claims or judgments paid by the State or its agencies or subdivisions arising out of the same incident or occurrence, exceeds the aggregate sum of \$300,000. Chapter 768.28 also provides that judgments may be claimed or rendered in excess of these limits; however, these amounts must be reported to and approved by the Florida Legislature.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

CONTRACT COMMITMENTS

The Town has uncompleted construction contracts for the Town’s municipal complex, improvements to the water system, infrastructure and other improvements. The water system construction is funded primarily from capital contributions. General revenues and impact fees fund the municipal complex, infrastructure and other improvements. At September 30, 2025, the remaining commitments on all uncompleted contracts were \$35,157,810. The outstanding contract commitments at September 30, 2025, are summarized as follows:

| | Contract Amounts | Payments | Retainage Payable | Remaining Contract Commitments |
|---------------------------|----------------------|----------------------|----------------------|--------------------------------------|
| Capital Improvements Fund | \$ 29,257,814 | \$ 7,112,421 | \$ 333,985 | \$ 21,811,408 |
| Water System Fund | 30,786,491 | 17,847,139 | 928,786 | 12,010,566 |
| Stormwater Fund | 4,432,471 | 2,939,009 | 157,626 | 1,335,836 |
| | <u>\$ 64,476,776</u> | <u>\$ 27,898,569</u> | <u>\$ 1,420,397</u> | <u>\$ 35,157,810</u> |

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 13 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

COST SHARING AGREEMENT

The Town entered into an agreement with the Town of Palm Beach Gardens, Florida, (“PBG”) and the Town of Juno Beach, Florida, to share costs related to public safety dispatch services. The initial agreement was for a five-year period ending September 30, 2021. The agreement has been extended for an additional five-year period through September 30, 2026. The Dispatch Services are provided by PBG which operates the dispatch center. Each municipality’s share of the operating costs are based upon the percentage of each municipality’s population as compared to the total population of all the contracting municipalities being served. The Town’s costs related to the agreement were approximately \$2,472,000 for the fiscal year ended September 30, 2025.

ECONOMIC DEVELOPMENT LOAN GUARANTEES

In 2006, the Town established a \$3 million economic development initiative to assist biotechnology businesses in relocating to or expanding in northern Palm Beach County and generating jobs for north county residents. The Town’s program provides direct loans and loan guarantees to qualifying companies. Generally, the companies negotiate financing for their proposed project with a participating local financial institution and the Town provides a loan guarantee in the form of a certificate of deposit pledged by the Town to the financial institution. The lender has the right to immediately draw against the pledged certificate of deposit in the event of a default by the borrower with the covenants and obligations of the loan. At September 30, 2025, the outstanding loan guarantees expired and the balance of the remaining pledged certificates of deposit matured and the funds were released to the Town.

INFRASTRUCTURE EQUITY

Beginning in 2012, the Town entered into agreements with various homeowner associations (HOA) for the maintenance of certain rights of way including streets, sidewalks and storm drainage infrastructure items within the HOA developments. The HOAs transferred title of these infrastructure right of way assets to the Town, which were recognized as contributed capital and capital assets. The HOAs agreed to make payments to the Town annually over a period of 4 to 10 years, in amounts ranging from \$2,465 to \$33,025 to compensate the Town for the cost of maintaining the right of way assets.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 13 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

LITIGATION

The Town is a defendant in lawsuits arising in the ordinary course of normal operations. Although the ultimate outcome of these lawsuits cannot be determined at the present time, it is the opinion of management based upon consultation with legal counsel, that the outcome of these actions will not materially affect the financial position of the Town.

NOTE 14 – OTHER MATTERS

The Town has an interlocal agreement with Palm Beach County (“PBC”) for the delivery of fire and EMS services within Town boundaries. The interlocal agreement ended on September 30, 2023. A revised interlocal agreement was reached between the Town and Palm Beach County Fire Rescue (“PBCFR”) in April 2023 for a three-year extension of interlocal agreement through September 30, 2026.

In August 2023, the Town Council voted to start its own fire department. The Town exercised the 36-month termination clause option that was in the interlocal agreement with PBCFR. In January 2024, the Town hired a fire chief to create the Town’s fire department. The Town has developed a funding plan for the new fire department that involves a combination of funding sources including use of the Town’s reserves, some financed debt, and ad valorem taxes and a non-ad valorem assessment when the fire department goes into operations. Town management believes that the amount of ad valorem taxes and non-ad valorem assessment dollars required to start-up and operate the Town’s fire department will be less than the amount of ad valorem taxes being levied by PBC currently and in future years.

In October 2023, the Town funded and ordered the required fire apparatus and ambulances needed by the new department by October 1, 2026. These costs were funded through the Town’s reserves.

TOWN OF JUPITER, FLORIDA

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 14 – OTHER MATTERS (CONTINUED)

In August 2024, the Town Council awarded a construction contract to Kaufman Lynn Construction to construct two fire stations for the new fire rescue department. To fund the initial cost of construction, the Town entered into an interim financing agreement in an amount not to exceed \$20,000,000 through the Florida Local Government Finance Commission's ("FLGFC") Pooled Commercial Paper Loan Program ("CP Program"). Once the fire stations are completed, the Town will secure a longer-term borrowing option. Since interest rates are anticipated to decline over the next 18-24 months, the use of the CP Program as a bridge financing option over that time period will position the Town to take advantage of lower, long-term interest rates. The combined use of the CP program in the short-term and a bank loan longer-term is anticipated to save the Town approximately \$770,000 based on the present value of costs over the life of the loan. As of September 30, 2025, the Town has borrowed \$2,000,000 under this loan program.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF JUPITER, FLORIDA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND - GAAP BASIS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|----------------------|----------------------|----------------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| | | | | |
| Taxes | \$ 42,779,157 | \$ 42,779,157 | \$ 43,476,706 | \$ 697,549 |
| Franchise fees | 6,527,661 | 6,527,661 | 6,142,437 | (385,224) |
| Licenses and permits | 75,000 | 75,000 | 164,735 | 89,735 |
| Intergovernmental revenue | 9,552,078 | 10,080,169 | 10,156,368 | 76,199 |
| Charges for services | 9,684,964 | 9,693,231 | 10,104,254 | 411,023 |
| Cost allocation | 3,460,731 | 3,460,731 | 3,460,731 | -- |
| Fines and forfeitures | 214,500 | 214,500 | 221,767 | 7,267 |
| Investment earnings | 3,930,267 | 3,930,267 | 5,454,333 | 1,524,066 |
| Donations | 18,000 | 20,000 | 35,900 | 15,900 |
| Miscellaneous | 150,000 | 169,349 | 965,466 | 796,117 |
| Total Revenues | 76,392,358 | 76,950,065 | 80,182,697 | 3,232,632 |
| Other Financing Sources | | | | |
| Designated fund balance | -- | -- | -- | -- |
| Insurance recoveries | -- | -- | -- | -- |
| Sale of capital assets | -- | 12,910 | 96,210 | 83,300 |
| Proceeds for the issuance of debt | -- | -- | -- | -- |
| Subscription based financing arrangements | -- | -- | 58,779 | 58,779 |
| Appropriated fund balance | -- | 3,983,817 | -- | (3,983,817) |
| Transfers In | 700,000 | 700,000 | 2,044,258 | 1,344,258 |
| Total Other Financing Sources | 700,000 | 4,696,727 | 2,199,247 | (2,497,480) |
| Total Revenues and Other Financing Sources | \$ 77,092,358 | \$ 81,646,792 | \$ 82,381,944 | \$ 735,152 |

(Continued)

See notes to budgetary comparison schedule.

TOWN OF JUPITER, FLORIDA

BUDGETARY COMPARISON SCHEDULE GENERAL FUND - GAAP BASIS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---------------------------|------------------|------------------|-------------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| General Government | | | | |
| Town Council | | | | |
| Personal services | \$ 69,232 | \$ 69,232 | \$ 59,551 | \$ 9,681 |
| Operating expenditures | 173,959 | 173,959 | 168,604 | 5,355 |
| Donations | 50,000 | 50,000 | 50,000 | -- |
| | <u>293,191</u> | <u>293,191</u> | <u>278,155</u> | <u>15,036</u> |
| Town Manager | | | | |
| Personal services | 910,498 | 986,666 | 986,663 | 3 |
| Operating expenditures | 39,770 | 32,044 | 28,528 | 3,516 |
| | <u>950,268</u> | <u>1,018,710</u> | <u>1,015,191</u> | <u>3,519</u> |
| Town Clerk | | | | |
| Personal services | 567,335 | 567,335 | 513,263 | 54,072 |
| Operating expenditures | 254,180 | 415,740 | 227,995 | 187,745 |
| | <u>821,515</u> | <u>983,075</u> | <u>741,258</u> | <u>241,817</u> |
| Neighborhood | | | | |
| Personal services | 292,635 | 292,635 | 275,143 | 17,492 |
| Operating expenditures | 94,200 | 94,200 | 64,375 | 29,825 |
| | <u>386,835</u> | <u>386,835</u> | <u>339,518</u> | <u>47,317</u> |
| External Affairs | | | | |
| Personal services | 603,739 | 603,739 | 593,586 | 10,153 |
| Operating expenditures | 302,955 | 305,455 | 250,830 | 54,625 |
| Capital outlay | 10,000 | 7,500 | 7,304 | 196 |
| | <u>916,694</u> | <u>916,694</u> | <u>851,720</u> | <u>64,974</u> |
| Finance | | | | |
| Personal services | 1,313,790 | 1,313,790 | 1,290,703 | 23,087 |
| Operating expenditures | 76,774 | 65,284 | 31,812 | 33,472 |
| Capital outlay | -- | 11,490 | 11,490 | -- |
| | <u>1,390,564</u> | <u>1,390,564</u> | <u>1,334,005</u> | <u>56,559</u> |
| Town Attorney | | | | |
| Operating expenditures | 450,000 | 450,000 | 337,246 | 112,754 |

(Continued)

See notes to budgetary comparison schedule.

TOWN OF JUPITER, FLORIDA

BUDGETARY COMPARISON SCHEDULE GENERAL FUND - GAAP BASIS (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---------------------------------|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Information Systems | | | | |
| Personal services | \$ 1,821,022 | \$ 1,823,642 | \$ 1,747,640 | \$ 76,002 |
| Operating expenditures | 2,237,705 | 2,235,085 | 1,885,607 | 349,478 |
| Capital outlay | -- | -- | 58,779 | (58,779) |
| Debt service | -- | -- | 186,827 | (186,827) |
| | <u>4,058,727</u> | <u>4,058,727</u> | <u>3,878,853</u> | <u>179,874</u> |
| Human Resources | | | | |
| Personal services | 873,946 | 873,946 | 850,328 | 23,618 |
| Operating expenditures | 298,710 | 298,710 | 212,636 | 86,074 |
| | <u>1,172,656</u> | <u>1,172,656</u> | <u>1,062,964</u> | <u>109,692</u> |
| Planning and Zoning | | | | |
| Personal services | 2,073,403 | 2,123,403 | 1,837,717 | 285,686 |
| Operating expenditures | 566,558 | 531,457 | 274,646 | 256,811 |
| | <u>2,639,961</u> | <u>2,654,860</u> | <u>2,112,363</u> | <u>542,497</u> |
| Other General Government | | | | |
| Personal services | 10,000 | 10,000 | -- | 10,000 |
| Operating expenditures | 14,561,345 | 14,625,874 | 11,446,035 | 3,179,839 |
| Capital outlay | 20,450 | 20,450 | -- | 20,450 |
| | <u>14,591,795</u> | <u>14,656,324</u> | <u>11,446,035</u> | <u>3,210,289</u> |
| Total General Government | <u>27,672,206</u> | <u>27,981,636</u> | <u>23,397,308</u> | <u>4,584,328</u> |
| Public Safety | | | | |
| Code Compliance | | | | |
| Personal services | 806,520 | 806,520 | 792,161 | 14,359 |
| Operating expenditures | 123,753 | 123,753 | 70,192 | 53,561 |
| | <u>930,273</u> | <u>930,273</u> | <u>862,353</u> | <u>67,920</u> |
| Police | | | | |
| Personal services | 24,513,771 | 25,041,817 | 24,607,612 | 434,205 |
| Operating expenditures | 5,603,027 | 5,613,404 | 4,764,123 | 849,281 |
| Capital Outlay | 152,000 | 510,899 | 272,252 | 238,647 |
| Debt service | -- | -- | 349,827 | (349,827) |
| | <u>30,268,798</u> | <u>31,166,120</u> | <u>29,993,814</u> | <u>1,172,306</u> |
| Total Public Safety | <u>31,199,071</u> | <u>32,096,393</u> | <u>30,856,167</u> | <u>1,240,226</u> |

(Continued)

See notes to budgetary comparison schedule.

TOWN OF JUPITER, FLORIDA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND - GAAP BASIS (CONTINUED)**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|-------------------|-------------------|---------------------|---|
| | Original | Final | | |
| Engineering and Public Works | | | | |
| Engineering | | | | |
| Personal services | \$ 1,610,880 | \$ 1,610,880 | \$ 1,613,569 | \$ (2,689) |
| Operating expenditures | 238,136 | 238,136 | 148,987 | 89,149 |
| Capital outlay | -- | -- | -- | -- |
| | <u>1,849,016</u> | <u>1,849,016</u> | <u>1,762,556</u> | <u>86,460</u> |
| Public Works | | | | |
| Personal services | 4,884,652 | 4,884,652 | 4,569,818 | 314,834 |
| Operating expenditures | 3,835,722 | 3,910,427 | 3,289,329 | 621,098 |
| Capital outlay | 434,639 | 672,157 | 659,458 | 12,699 |
| | <u>9,155,013</u> | <u>9,467,236</u> | <u>8,518,605</u> | <u>948,631</u> |
| Total Engineering and Public Works | <u>11,004,029</u> | <u>11,316,252</u> | <u>10,281,161</u> | <u>1,035,091</u> |
| Culture and Recreation | | | | |
| Parks and Recreation | | | | |
| Personal services | 2,570,897 | 2,570,897 | 2,559,026 | 11,871 |
| Operating expenditures | 1,687,643 | 1,687,643 | 1,561,158 | 126,485 |
| Capital outlay | -- | -- | -- | -- |
| | <u>4,258,540</u> | <u>4,258,540</u> | <u>4,120,184</u> | <u>138,356</u> |
| Total Culture and Recreation | <u>4,258,540</u> | <u>4,258,540</u> | <u>4,120,184</u> | <u>138,356</u> |
| Total Expenditures | <u>74,133,846</u> | <u>75,652,821</u> | <u>68,654,820</u> | <u>6,998,001</u> |
| Other Financing Uses | | | | |
| Transfers Out | 2,958,512 | 5,993,971 | 5,993,971 | -- |
| | <u>2,958,512</u> | <u>5,993,971</u> | <u>5,993,971</u> | <u>--</u> |
| Total Expenditures and Other Financing Uses | <u>77,092,358</u> | <u>81,646,792</u> | <u>74,648,791</u> | <u>6,998,001</u> |
| Net Change in Fund Balance | <u>\$ --</u> | <u>\$ --</u> | <u>\$ 7,733,153</u> | <u>\$ 7,733,153</u> |
| Reconciliation to GAAP Basis Statements | | | | |
| Insurance reimbursements over expenditures | | | <u>78,515</u> | |
| Net Change in Fund Balance - GAAP Basis | | | <u>\$ 7,811,668</u> | |

See notes to budgetary comparison schedules.

TOWN OF JUPITER, FLORIDA

BUDGETARY COMPARISON SCHEDULE COMMUNITY REDEVELOPMENT FUND - GAAP BASIS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|-------------------|---|
| | Original | Final | | |
| Taxes | \$ 3,372,721 | \$ 3,372,721 | \$ 3,370,346 | \$ (2,375) |
| Charges for services | 108,159 | 108,159 | 110,312 | 2,153 |
| Investment earnings | <u>50,000</u> | <u>50,000</u> | <u>27,688</u> | <u>(22,312)</u> |
| Total Revenues | <u>3,530,880</u> | <u>3,530,880</u> | <u>3,508,346</u> | <u>(22,534)</u> |
| Expenditures | | | | |
| General government | | | | |
| Operating expenditures | 2,195,613 | 3,018,353 | 1,351,113 | 1,667,240 |
| Capital outlay | 375,000 | 3,181,593 | 2,067,020 | 1,114,573 |
| Interest and fiscal charges | <u>67,718</u> | <u>67,718</u> | <u>67,718</u> | <u>--</u> |
| Total Expenditures | <u>2,638,331</u> | <u>6,267,664</u> | <u>3,485,851</u> | <u>2,781,813</u> |
| Excess of Revenues Over (Under) Expenditures | 892,549 | (2,736,784) | 22,495 | 2,759,279 |
| Other Financing Sources (Uses) | | | | |
| Transfers out | (892,549) | (892,549) | -- | 892,549 |
| Appropriated fund balance | <u>--</u> | <u>3,629,333</u> | <u>--</u> | <u>(3,629,333)</u> |
| Total Other Financing Sources (Uses) | <u>(892,549)</u> | <u>2,736,784</u> | <u>--</u> | <u>(2,736,784)</u> |
| Net Change in Fund Balance | <u>\$ --</u> | <u>\$ --</u> | <u>\$ 22,495</u> | <u>\$ 22,495</u> |

See notes to budgetary comparison schedules.

TOWN OF JUPITER, FLORIDA

NOTES TO BUDGETARY COMPARISON SCHEDULES (CONTINUED)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – BUDGETARY ACCOUNTING

Annual budgets are adopted on the modified accrual basis of accounting consistent with U.S. generally accepted accounting principles for the General Fund, Community Redevelopment Fund, all debt service funds and the Capital Improvements Fund. The budgets represent departmental appropriations as authorized by Town ordinance. Expenditures may not legally exceed budgeted appropriations at the department level. The Town Manager has the authority to approve all budget transfers within a department. Budget transfers between departments and transfers involving appropriation of additional revenues require the approval of the Town Council. Accordingly, the Town's legal level of budgetary control is at the department level.

For the fiscal year ended September 30, 2025, supplemental budget appropriations of expenditures of \$1,518,975 for the General Fund and \$3,629,333 for the Community Redevelopment Fund were approved by the Town Council during the year. In addition, the General Fund had a supplemental budget appropriation of other financing uses of \$3,035,459. Total expenditures may not legally exceed total fund appropriations including any budgeted fund balance from prior years. All annual appropriations lapse at year end. The budget amounts presented reflect the original budget and the amended budget based on legally authorized revisions to the original budget during the year.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriations, is employed as an extension of formal budgetary control in the General Fund. Encumbrances lapse at year end and become obligations of the subsequent year's budget. At September 30, 2025, the Town had commitments related to unperformed contracts, which have been re-appropriated in the 2026 annual budget. These amounts are not included in the current year's expenditures as reported in the budgetary comparison schedules.

NOTE 2 – BUDGET AND ACTUAL COMPARISONS

The budgetary comparison schedule for the General Fund is prepared under the GAAP basis of accounting used in preparing the appropriated budget, except that the Town's self-insurance operations accounted for in the GAAP basis General Fund financial statements are not budgeted in the General Fund. As a result, the expenditures reported in the General Fund budgetary comparison schedule differ from that reported on the GAAP basis by the amount that insurance expenditures exceeded related insurance reimbursements.

TOWN OF JUPITER, FLORIDA

NOTES TO BUDGETARY COMPARISON SCHEDULES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – BUDGET AND ACTUAL COMPARISONS (CONTINUED)

The budgetary comparison schedule for the Community Redevelopment Fund is prepared under the GAAP basis of accounting used in preparing the appropriated budget. As a result, the revenue and expenditures reported in the budgetary comparison schedule for the Community Redevelopment Fund agree with that reported on the GAAP basis.

TOWN OF JUPITER, FLORIDA

**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
MUNICIPAL OFFICERS' RETIREMENT TRUST**

LAST TEN FISCAL YEARS

| | Measurement Date September 30, | | | | | | | | | |
|---|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
| Total Pension Liability | | | | | | | | | | |
| Service cost | \$ 3,040,499 | \$ 2,867,365 | \$ 2,658,201 | \$ 2,524,866 | \$ 2,651,840 | \$ 2,557,724 | \$ 2,406,524 | \$ 2,521,070 | \$ 2,582,297 | \$ 2,364,103 |
| Interest | 8,475,484 | 8,111,659 | 7,620,572 | 7,224,193 | 6,940,564 | 6,654,336 | 6,173,634 | 5,878,440 | 5,599,862 | 5,122,104 |
| Changes of benefit terms | 528,091 | 452,286 | 385,313 | 224,239 | 176,391 | 194,383 | 175,084 | 132,470 | 20,996 | 119,360 |
| Differences between expected and actual experience | 1,077,155 | (18,204) | 1,273,929 | 823,152 | (111,593) | (136,862) | 1,019,990 | (986,328) | (1,242,300) | 1,544,666 |
| Changes of assumptions | 2,462,972 | -- | -- | -- | 1,971,172 | (430,685) | 885,877 | 850,361 | 44,485 | -- |
| Benefit payments, including refunds | (9,004,105) | (4,856,857) | (5,406,127) | (4,956,534) | (4,433,605) | (2,976,321) | (3,159,357) | (3,251,402) | (3,201,705) | (2,712,827) |
| Net Change in Total Pension Liability | 6,580,096 | 6,556,249 | 6,531,888 | 5,839,916 | 7,194,769 | 5,862,575 | 7,501,752 | 5,144,611 | 3,803,635 | 6,437,406 |
| Total Pension Liability - Beginning of Fiscal Year | 122,539,900 | 115,983,651 | 109,451,763 | 103,611,847 | 96,417,078 | 90,554,503 | 83,052,751 | 77,908,140 | 74,104,505 | 67,667,099 |
| Total Pension Liability - End of Fiscal Year (a) | \$ 129,119,996 | \$ 122,539,900 | \$ 115,983,651 | \$ 109,451,763 | \$ 103,611,847 | \$ 96,417,078 | \$ 90,554,503 | \$ 83,052,751 | \$ 77,908,140 | \$ 74,104,505 |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions | | | | | | | | | | |
| Employer | \$ 3,084,324 | \$ 2,545,418 | \$ 2,271,218 | \$ 2,597,168 | \$ 2,661,412 | \$ 2,308,308 | \$ 2,346,166 | \$ 2,476,765 | \$ 2,211,161 | \$ 2,251,726 |
| State of Florida | 1,139,336 | 1,063,531 | 996,558 | 835,484 | 787,636 | 805,628 | 786,329 | 743,715 | 632,241 | 730,605 |
| Plan members | 1,282,308 | 1,243,242 | 1,224,971 | 1,057,854 | 1,050,767 | 1,086,504 | 1,043,638 | 991,404 | 975,895 | 903,805 |
| Net investment income (loss) | 10,931,894 | 19,952,752 | 7,907,463 | (20,244,276) | 18,039,655 | 8,387,386 | 4,629,836 | 4,933,798 | 6,163,642 | 4,860,116 |
| Benefit payments, including refunds | (9,004,105) | (4,856,857) | (5,406,127) | (4,956,534) | (4,433,605) | (2,976,321) | (3,159,357) | (3,251,402) | (3,201,705) | (2,712,827) |
| Administration expense | (168,636) | (159,756) | (141,817) | (146,502) | (139,996) | (148,946) | (139,405) | (142,815) | (133,665) | (143,660) |
| Net Change in Plan Fiduciary Net Position | 7,265,121 | 19,788,330 | 6,852,266 | (20,856,806) | 17,965,869 | 9,462,559 | 5,507,207 | 5,751,465 | 6,647,569 | 5,889,765 |
| Plan Fiduciary Net Position - Beginning of Fiscal Year | 114,076,432 | 94,288,102 | 87,435,836 | 108,292,642 | 90,326,773 | 80,864,214 | 75,357,007 | 69,605,542 | 62,957,973 | 57,068,208 |
| Plan Fiduciary Net Position - End of Fiscal Year (b) | \$ 121,341,553 | \$ 114,076,432 | \$ 94,288,102 | \$ 87,435,836 | \$ 108,292,642 | \$ 90,326,773 | \$ 80,864,214 | \$ 75,357,007 | \$ 69,605,542 | \$ 62,957,973 |
| Net Pension Liability (Asset) - End of Fiscal Year [(a)-(b)] | \$ 7,778,443 | \$ 8,463,468 | \$ 21,695,549 | \$ 22,015,927 | \$ (4,680,795) | \$ 6,090,305 | \$ 9,690,289 | \$ 7,695,744 | \$ 8,302,598 | \$ 11,146,532 |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 94.0% | 93.1% | 81.3% | 79.9% | 104.5% | 93.7% | 89.3% | 90.7% | 89.3% | 85.0% |
| Covered Payroll | \$ 12,823,064 | \$ 12,432,415 | \$ 11,702,410 | \$ 10,578,535 | \$ 10,507,659 | \$ 10,865,023 | \$ 10,407,005 | \$ 9,612,905 | \$ 9,725,993 | \$ 9,049,623 |
| Net Pension Liability (Asset) as a Percentage of Covered Payroll | 60.7% | 68.1% | 185.4% | 208.1% | -44.5% | 56.1% | 93.1% | 80.1% | 85.4% | 123.2% |

Notes to Schedule:

Effective with the October 1, 2015 actuarial valuation, the mortality table was revised to the mortality assumption used for special risk employees of the Florida Retirement System (FRS). FRS updated its mortality table in 2020 and MPORT revised its mortality assumption accordingly effective with its October 1, 2020 actuarial valuation.

Payroll growth rate changed from 1.8% to 1.4% effective with the October 1, 2017 actuarial valuation and to zero with the October 1, 2018 actuarial valuation.

The investment rate of return changed from 7.5% to 7.4% effective with the October 1, 2018 actuarial valuation and was reduced to 7.3% with the October 1, 2019 actuarial valuation and reduced again to 7.2% with the October 1, 2020 actuarial valuation and reduced to 7.0% with the October 1, 2021 actuarial valuation.

TOWN OF JUPITER, FLORIDA

SCHEDULE OF TOWN CONTRIBUTIONS - MUNICIPAL POLICE OFFICERS' RETIREMENT TRUST

LAST TEN FISCAL YEARS

| | Fiscal Year Ended September 30, | | | | | | | | | |
|--|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------|---------------------|
| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
| Actuarially determined contribution | \$ 3,084,324 | \$ 2,545,418 | \$ 2,271,218 | \$ 2,597,168 | \$ 2,661,412 | \$ 2,308,308 | \$ 2,346,166 | \$ 2,476,765 | \$ 2,159,386 | \$ 2,168,424 |
| Contributions in relation to actuarially determined contribution | <u>3,084,324</u> | <u>2,545,418</u> | <u>2,271,218</u> | <u>2,597,168</u> | <u>2,661,412</u> | <u>2,308,308</u> | <u>2,346,166</u> | <u>2,476,765</u> | <u>2,211,161</u> | <u>2,251,726</u> |
| Contribution deficiency (excess) | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ (51,775)</u> | <u>\$ (83,302)</u> |
| Covered payroll | <u>\$ 12,823,064</u> | <u>\$ 12,432,415</u> | <u>\$ 11,702,410</u> | <u>\$ 10,578,535</u> | <u>\$ 10,507,659</u> | <u>\$ 10,865,023</u> | <u>\$ 10,407,005</u> | <u>\$ 9,612,905</u> | <u>\$ 9,725,993</u> | <u>\$ 9,049,623</u> |
| Contributions as a percentage of covered payroll | 24.1% | 20.5% | 19.4% | 24.6% | 25.3% | 21.2% | 22.5% | 25.8% | 22.7% | 24.9% |

Notes to Schedule:

Actuarial valuation date: 10/1/2023
 Actuarially determined contribution rates are calculated at October 1st, two years prior to the end of the fiscal year in which the contributions are paid.

Significant methods and assumptions used to determine contribution rates:

| | |
|---|------------------|
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level Dollar |
| Amortization period: | |
| Gains and losses | 20 years |
| Assumption, method and plan changes | 20 years |
| Asset valuation method | 5 Year Smoothed |
| Inflation, per year | 2.00% |
| Salary increases (with inflation), per year | 5% - 12.27% |
| Investment rate of return (net of expenses, with inflation), per year | 7.0% |
| Payroll growth | 0.0% |
| Cost of living adjustments | 3.0% |
| Retirement age - Tier One unisex rates | |
| Each year member is eligible for early retirement | 5% |
| Year in which member attains normal retirement | 80% |
| Each of the four years following normal retirement date | 40% |
| Fifth year following normal retirement date | 100% |

Retirement age - Tier Two members are assumed to retire at a rate of 100% upon reaching unreduced benefit eligibility (the earlier of (1) age 55 with 10 years of service, (2) rule of 70, but not earlier than age 50, or (3) at 22 years of service for DROP entry.

TOWN OF JUPITER, FLORIDA

SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN MUNICIPAL POLICE OFFICERS' RETIREMENT FUND

LAST TEN FISCAL YEARS

| <u>Fiscal Year Ended September 30,</u> | <u>Money- Weighted Rate of Return</u> |
|--|---|
| 2025 | 10.1% |
| 2024 | 21.6% |
| 2023 | 9.5% |
| 2022 | -18.7% |
| 2021 | 20.5% |
| 2020 | 10.7% |
| 2019 | 6.3% |
| 2018 | 7.5% |
| 2017 | 10.2% |
| 2016 | 8.9 % |

Notes to Schedule:

The money-weighted rate of return considers the changing amounts estimated as invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. Cash flows are estimated on a monthly basis and are assumed to occur at the beginning of each month. Cash inflows are netted with cash outflows, resulting in a net cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

TOWN OF JUPITER, FLORIDA

**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN**

LAST TEN FISCAL YEARS

| | Measurement Date June 30, | | | | | | | | | |
|---|---------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
| Town's proportion of the net pension liability | <u>0.044396682%</u> | <u>0.043788236%</u> | <u>0.043902725%</u> | <u>0.043464885%</u> | <u>0.044834791%</u> | <u>0.044583895%</u> | <u>0.044715658%</u> | <u>0.045472054%</u> | <u>0.045483477%</u> | <u>0.042422942%</u> |
| Town's proportionate share of the net pension liability | <u>\$ 13,778,569</u> | <u>\$ 16,939,349</u> | <u>\$ 17,493,847</u> | <u>\$ 16,172,430</u> | <u>\$ 3,386,759</u> | <u>\$ 19,323,317</u> | <u>\$ 15,399,450</u> | <u>\$ 13,696,418</u> | <u>\$ 13,453,707</u> | <u>\$ 10,711,826</u> |
| Town covered payroll | <u>\$ 21,814,067</u> | <u>\$ 19,752,416</u> | <u>\$ 18,407,117</u> | <u>\$ 17,339,619</u> | <u>\$ 17,237,437</u> | <u>\$ 17,553,761</u> | <u>\$ 17,045,381</u> | <u>\$ 16,833,609</u> | <u>\$ 16,715,630</u> | <u>\$ 15,116,119</u> |
| Town's proportionate share of the net pension liability as a percentage of Town covered payroll | <u>63.16%</u> | <u>85.76%</u> | <u>95.04%</u> | <u>93.27%</u> | <u>19.65%</u> | <u>110.08%</u> | <u>90.34%</u> | <u>81.36%</u> | <u>80.49%</u> | <u>70.86%</u> |
| Plan fiduciary net position as a percentage of the total pension liability | <u>87.30%</u> | <u>83.70%</u> | <u>82.38%</u> | <u>82.69%</u> | <u>96.40%</u> | <u>78.80%</u> | <u>82.60%</u> | <u>84.26%</u> | <u>83.90%</u> | <u>84.90%</u> |

Notes to Schedule:

| | |
|--|----------------------------------|
| Actuarial valuation date | 7/1/2025 |
| Actuarial measurement date | 6/30/2025 |
| Significant actuarial methods and assumptions used to determine contribution rates: | |
| Actuarial cost method | Individual Entry Age |
| Amortization method | Level Percent of Payroll, Closed |
| Amortization period: | |
| Gains and losses | 24/30 years |
| Assumption, method and plan changes | 24/30 years |
| Asset valuation method | Fair Value |
| | 5-year smoothed |
| Inflation, per year | 2.40% |
| Salary increases (with inflation), per year | 3.50% |
| Investment rate of return (net of expenses, with inflation), per year | 6.70% |
| Cost of living adjustments | 3.0% pre-July 2011 |
| | 0% thereafter |
| Retirement age | Varies by tier and member class |
| Mortality | |
| 2024 | PUB-2010 |
| | base table with Scale MP-2021 |
| 2019-2023 | PUB-2010 |
| | base table with Scale MP-2018 |
| 2014 through 2018 | RP-2000 |
| | Mortality Table |
| | Projection Scale BB |

TOWN OF JUPITER, FLORIDA

**SCHEDULE OF TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREE HEALTH INSURANCE SUBSIDY (HIS) TRUST FUND**

LAST TEN FISCAL YEARS

| | Measurement Date June 30, | | | | | | | | | |
|---|---------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
| Town's proportion of the net pension liability | <u>0.048791587%</u> | <u>0.046624341%</u> | <u>0.046394777%</u> | <u>0.047524777%</u> | <u>0.048460192%</u> | <u>0.050585147%</u> | <u>0.050960206%</u> | <u>0.051527758%</u> | <u>0.052350980%</u> | <u>0.048949110%</u> |
| Town's proportionate share of the net pension liability | <u>\$ 6,253,834</u> | <u>\$ 6,994,107</u> | <u>\$ 7,368,109</u> | <u>\$ 5,033,633</u> | <u>\$ 5,944,371</u> | <u>\$ 6,176,364</u> | <u>\$ 5,701,937</u> | <u>\$ 5,453,756</u> | <u>\$ 5,597,608</u> | <u>\$ 5,704,816</u> |
| Town covered payroll | <u>\$ 21,814,067</u> | <u>\$ 19,752,416</u> | <u>\$ 18,407,117</u> | <u>\$ 17,339,619</u> | <u>\$ 17,237,437</u> | <u>\$ 17,553,761</u> | <u>\$ 17,045,381</u> | <u>\$ 16,833,609</u> | <u>\$ 16,715,630</u> | <u>\$ 15,116,119</u> |
| Town's proportionate share of the net pension liability as a percentage of Town covered payroll | <u>28.67%</u> | <u>35.41%</u> | <u>40.03%</u> | <u>29.03%</u> | <u>34.49%</u> | <u>35.19%</u> | <u>33.45%</u> | <u>32.40%</u> | <u>33.49%</u> | <u>37.74%</u> |
| Plan fiduciary net position as a percentage of the total pension liability | <u>6.40%</u> | <u>4.80%</u> | <u>4.12%</u> | <u>4.81%</u> | <u>3.56%</u> | <u>3.00%</u> | <u>2.60%</u> | <u>2.15%</u> | <u>1.60%</u> | <u>1.00%</u> |

Notes to Schedule:

Actuarial valuation date

7/1/2024

Actuarial measurement date

6/30/2025

Significant actuarial methods and assumptions used to determine contribution rates:

| | |
|---|--|
| Actuarial cost method | Individual Entry Age |
| Amortization method | Level Percent of Payroll, Closed |
| Amortization period: | |
| Gains and losses | 24/30 years |
| Assumption, method and plan changes | 24/30 years |
| Asset valuation method | Fair Value |
| Inflation, per year | 2.40% |
| Salary increases (with inflation), per year | 3.50% |
| Investment rate of return (net of expenses, with inflation), per year | 5.20% |
| Payroll growth | N/A |
| Cost of living adjustments | N/A |
| Retirement age | N/A |
| Mortality | PUB-2010 base table with Scale MP-2021 |

TOWN OF JUPITER, FLORIDA
SCHEDULE OF TOWN CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM FRS AND HIS PLANS

LAST TEN FISCAL YEARS

| | Fiscal Year Ended September 30, | | | | | | | | | |
|---|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
| Florida Retirement System (FRS) | | | | | | | | | | |
| Contractually required Town contribution | \$ 2,742,021 | \$ 2,518,169 | \$ 2,214,751 | \$ 1,968,159 | \$ 1,741,284 | \$ 1,539,089 | \$ 1,406,460 | \$ 1,319,143 | \$ 1,160,342 | \$ 1,082,756 |
| Contributions in relation to the contractually required Town contribution | <u>2,742,021</u> | <u>2,518,169</u> | <u>2,214,751</u> | <u>1,968,159</u> | <u>1,741,284</u> | <u>1,539,089</u> | <u>1,406,460</u> | <u>1,319,143</u> | <u>1,160,342</u> | <u>1,082,756</u> |
| Contribution deficiency (excess) | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> |
| Town covered payroll | <u>\$ 22,565,343</u> | <u>\$ 20,155,143</u> | <u>\$ 18,781,269</u> | <u>\$ 18,113,117</u> | <u>\$ 17,237,456</u> | <u>\$ 17,537,332</u> | <u>\$ 17,135,908</u> | <u>\$ 16,861,444</u> | <u>\$ 16,392,069</u> | <u>\$ 15,373,489</u> |
| Contributions as a percentage of Town covered payroll | <u>12.15%</u> | <u>12.49%</u> | <u>11.79%</u> | <u>10.87%</u> | <u>10.10%</u> | <u>8.78%</u> | <u>8.21%</u> | <u>7.82%</u> | <u>7.08%</u> | <u>7.04%</u> |
| Florida Retiree Health Insurance Subsidy (HIS) | | | | | | | | | | |
| Contractually required Town contribution | \$ 449,436 | \$ 403,895 | \$ 328,287 | \$ 300,131 | \$ 284,928 | \$ 291,177 | \$ 284,545 | \$ 279,839 | \$ 271,789 | \$ 255,186 |
| Contributions in relation to the contractually required Town contribution | <u>449,436</u> | <u>403,895</u> | <u>328,287</u> | <u>300,131</u> | <u>284,928</u> | <u>291,177</u> | <u>284,545</u> | <u>279,839</u> | <u>271,789</u> | <u>255,186</u> |
| Contribution deficiency (excess) | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ --</u> |
| Town covered payroll | <u>\$ 22,565,343</u> | <u>\$ 20,155,143</u> | <u>\$ 18,781,269</u> | <u>\$ 18,113,117</u> | <u>\$ 17,237,456</u> | <u>\$ 17,537,332</u> | <u>\$ 17,135,908</u> | <u>\$ 16,861,444</u> | <u>\$ 16,392,069</u> | <u>\$ 15,373,489</u> |
| Contributions as a percentage of Town covered payroll | <u>1.99%</u> | <u>2.00%</u> | <u>1.75%</u> | <u>1.66%</u> | <u>1.65%</u> | <u>1.66%</u> | <u>1.66%</u> | <u>1.66%</u> | <u>1.66%</u> | <u>1.66%</u> |

TOWN OF JUPITER, FLORIDA

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

LAST EIGHT FISCAL YEARS

| | Measurement Date September 30, | | | | | | | |
|--|--------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Total OPEB Liability | | | | | | | | |
| Service cost | \$ 68,959 | \$ 57,137 | \$ 53,407 | \$ 79,415 | \$ 78,290 | \$ 64,501 | \$ 174,529 | \$ 167,430 |
| Interest | 49,472 | 53,543 | 50,515 | 29,866 | 28,387 | 140,341 | 135,725 | 118,110 |
| Differences between expected and actual experience | 66,848 | -- | (12,273) | 32,702 | (57,763) | (2,247,613) | -- | -- |
| Changes in assumptions and other inputs | 46,919 | 74,396 | 14,308 | (212,334) | (5,382) | 78,844 | -- | (209,355) |
| Benefit payments | (80,650) | (74,927) | (63,725) | (83,926) | (116,035) | (35,227) | (147,509) | (124,180) |
| Net Change in Total OPEB Liability | 151,548 | 110,149 | 42,232 | (154,277) | (72,503) | (1,999,154) | 162,745 | (47,995) |
| Total OPEB liability - Beginning of Fiscal Year | 1,189,477 | 1,079,328 | 1,037,096 | 1,191,373 | 1,263,876 | 3,263,030 | 3,100,285 | 3,148,280 |
| Total OPEB liability - End of Fiscal Year | <u>\$ 1,341,025</u> | <u>\$ 1,189,477</u> | <u>\$ 1,079,328</u> | <u>\$ 1,037,096</u> | <u>\$ 1,191,373</u> | <u>\$ 1,263,876</u> | <u>\$ 3,263,030</u> | <u>\$ 3,100,285</u> |
| Town Covered Employee Payroll | <u>\$ 37,266,302</u> | <u>\$ 31,724,551</u> | <u>\$ 29,329,050</u> | <u>\$ 27,563,802</u> | <u>\$ 27,745,096</u> | <u>\$ 29,850,528</u> | <u>\$ 28,776,378</u> | <u>\$ 27,676,807</u> |
| Total OPEB Liability as a Percentage of Town Covered Employee Payroll | <u>3.60%</u> | <u>3.70%</u> | <u>3.70%</u> | <u>3.80%</u> | <u>4.30%</u> | <u>4.20%</u> | <u>11.30%</u> | <u>11.20%</u> |

Notes to Schedule:

Information prior to adoption of GASB Statement No. 75 in fiscal year 2018 is not available.

The plan is funded on a pay-as-you-go basis and is not administered as a formal qualifying trust. There were no plan assets as of the date of the most recent valuation. Since there are currently no invested plan assets held in trust to finance the OPEB obligation, the discount rate is the long-term expected rate of return on tax-exempt, high quality municipal bonds based on the Bond Buyer 20-Bond GO Index.

Changes in actuarial assumptions:

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each year. The following are the discount rates used for each fiscal year:

| | |
|------|-------|
| 2025 | 4.50% |
| 2024 | 4.06% |
| 2023 | 4.87% |
| 2022 | 4.77% |
| 2021 | 2.43% |
| 2020 | 2.21% |
| 2019 | 4.24% |
| 2018 | 4.24% |

**COMBINING FUND FINANCIAL STATEMENTS AND
INDIVIDUAL FUND BUDGETARY COMPARISON
SCHEDULES**

NONMAJOR GOVERNMENTAL FUND

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Road Impact Fee Fund – This fund accounts for all road impact fees collected, investment earnings and the expenditure of these funds, which are used solely for the purpose of constructing or improving roads, streets, highways and bridges in the Jupiter road network system.

Recreation Impact Fee Fund – This fund accounts for recreation impact fees collected, investment earnings and the expenditure of these funds, which are used solely for capital facility costs for parks and recreation facilities to serve new development.

Police Impact Fee Fund – This fund accounts for police impact fees collected, investment earnings and the expenditure of these funds, which are used solely for new police related capital improvement costs that add capacity to serve new development.

Law Enforcement Fund – This fund accounts for revenue received from confiscated and forfeited properties from cases involving the Town's police department. Expenditures from this fund are generally for police education and training programs and equipment.

Infrastructure Surtax Fund – This fund accounts for the distributions received from the State of Florida for the Local Infrastructure Sales Surtax that are to be used for infrastructure capital improvement projects.

Workforce Housing Trust Fund – This fund accounts for fees and expenditures relating to the Town's workforce housing program.

Fire Rescue Department Fund – This fund accounts for costs associated with establishing the Jupiter Fire Rescue Department.

Canal Trimming Fund – This fund accounts for the levy and collection of a non-ad valorem assessment for biennial vegetative trimming of the privately-owned canals in and around Jupiter River Estates. These funds are collected by special assessment of benefitting property owners. Proceeds are received from the Palm Beach County Tax Collector via the annual property tax collection process.

Debt Service Funds - Debt Service Funds are used to account for assets held for the repayment of principal and interest on debt reported in the governmental fund financial statements.

Debt Service Fund – This fund accounts for dedicated property tax revenues and the related interest earnings that are used for payments of principal, interest and related fiscal charges on the \$3,380,000 General Obligation Bonds, (Land Acquisition Bonds), Series 2021 and \$4,505,858 General Obligation Bonds, (Refunding Bonds), Series 2021.

JFRD Debt Service Fund – This fund accounts for payments of principal, interest and related fiscal charges on the Florida Local Government Finance Commission Pooled Commercial Paper Loan Program. The financing will be used to acquire, construct and equip the Jupiter Fire Rescue department.

TOWN OF JUPITER, FLORIDA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2025

| | Special Revenue | | | | | | | | Debt Service | | Total Nonmajor Governmental Funds |
|--|----------------------------|----------------------------------|------------------------------|----------------------------|----------------------------------|---------------------------------------|-----------------------------------|---------------------------|----------------------|------------------------------|--|
| | Road Impact Fee Fund | Recreation Impact Fee Fund | Police Impact Fee Fund | Law Enforcement Fund | Infrastructure Surtax Fund | Workforce Housing Trust Fund | Fire Rescue Department Fund | Canal Trimming Fund | Debt Service Fund | JFRD Debt Service Fund | |
| Assets | | | | | | | | | | | |
| Cash and cash equivalents | \$ 1,512,125 | \$ 18,443 | \$ 52,141 | \$ 111,360 | \$ 7,787,772 | \$ 2,502,738 | \$ 5,918,810 | \$ 116,354 | \$ -- | \$ 326,800 | \$ 18,346,543 |
| Investments | 927,534 | 217,006 | 18,864 | -- | -- | -- | -- | -- | -- | -- | 1,163,404 |
| Accounts receivable | -- | -- | -- | 4,164 | -- | -- | -- | -- | -- | -- | 4,164 |
| Prepaid items | -- | -- | -- | -- | -- | -- | 1,538 | -- | -- | 8,483 | 10,021 |
| Total Assets | <u>\$ 2,439,659</u> | <u>\$ 235,449</u> | <u>\$ 71,005</u> | <u>\$ 115,524</u> | <u>\$ 7,787,772</u> | <u>\$ 2,502,738</u> | <u>\$ 5,920,348</u> | <u>\$ 116,354</u> | <u>\$ --</u> | <u>\$ 335,283</u> | <u>\$ 19,524,132</u> |
| Liabilities and Fund Balances | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | |
| Accounts payable | \$ -- | \$ -- | \$ -- | \$ -- | \$ -- | \$ -- | 44,603 | \$ -- | \$ -- | \$ -- | \$ 44,603 |
| Unearned revenue | -- | -- | -- | -- | -- | -- | 47,117 | 116,354 | -- | -- | 163,471 |
| Deposits | -- | -- | -- | -- | -- | -- | 97,931 | -- | -- | -- | 97,931 |
| Total Liabilities | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>189,651</u> | <u>116,354</u> | <u>--</u> | <u>--</u> | <u>306,005</u> |
| Fund Balances | | | | | | | | | | | |
| Nonspendable: | | | | | | | | | | | |
| Prepaid items | -- | -- | -- | -- | -- | -- | 1,538 | -- | -- | 8,483 | 10,021 |
| Restricted for: | | | | | | | | | | | |
| Debt service | -- | -- | -- | -- | -- | -- | -- | -- | -- | 326,800 | 326,800 |
| Capital projects | 2,439,659 | 235,449 | -- | -- | 7,787,772 | 2,502,738 | 5,729,159 | -- | -- | -- | 18,694,777 |
| Law enforcement | -- | -- | 71,005 | 115,524 | -- | -- | -- | -- | -- | -- | 186,529 |
| Total Fund Balances | <u>2,439,659</u> | <u>235,449</u> | <u>71,005</u> | <u>115,524</u> | <u>7,787,772</u> | <u>2,502,738</u> | <u>5,730,697</u> | <u>--</u> | <u>--</u> | <u>335,283</u> | <u>19,218,127</u> |
| Total Liabilities and Fund Balances | <u>\$ 2,439,659</u> | <u>\$ 235,449</u> | <u>\$ 71,005</u> | <u>\$ 115,524</u> | <u>\$ 7,787,772</u> | <u>\$ 2,502,738</u> | <u>\$ 5,920,348</u> | <u>\$ 116,354</u> | <u>\$ --</u> | <u>\$ 335,283</u> | <u>\$ 19,524,132</u> |

TOWN OF JUPITER, FLORIDA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Special Revenue | | | | | | | Debt Service | | Total Nonmajor Governmental Funds | |
|---|----------------------------|----------------------------------|------------------------------|----------------------------|----------------------------------|---------------------------------------|-----------------------------------|---------------------------|----------------------|--|------------------------------|
| | Road Impact Fee Fund | Recreation Impact Fee Fund | Police Impact Fee Fund | Law Enforcement Fund | Infrastructure Surtax Fund | Workforce Housing Trust Fund | Fire Rescue Department Fund | Canal Trimming Fund | Debt Service Fund | | JFRD Debt Service Fund |
| Revenues | | | | | | | | | | | |
| Taxes | \$ -- | \$ -- | \$ -- | \$ -- | \$ -- | \$ -- | \$ -- | \$ -- | \$ 1,420,597 | \$ -- | \$ 1,420,597 |
| Impact fees | 214,242 | 42,484 | 11,825 | -- | -- | -- | -- | -- | -- | -- | 268,551 |
| Intergovernmental | -- | -- | -- | -- | 6,276,911 | -- | -- | -- | -- | -- | 6,276,911 |
| Investment earnings | 41,444 | 9,695 | 843 | -- | -- | -- | 40,452 | 48 | -- | -- | 92,482 |
| Miscellaneous | -- | -- | -- | 4,164 | -- | -- | 2,750 | 1,093 | -- | -- | 8,007 |
| Total Revenues | <u>255,686</u> | <u>52,179</u> | <u>12,668</u> | <u>4,164</u> | <u>6,276,911</u> | <u>--</u> | <u>43,202</u> | <u>1,141</u> | <u>1,420,597</u> | <u>--</u> | <u>8,066,548</u> |
| Expenditures | | | | | | | | | | | |
| Current | | | | | | | | | | | |
| General government | -- | -- | -- | -- | -- | -- | -- | 364 | -- | -- | 364 |
| Public safety | -- | -- | -- | 25,551 | -- | -- | 2,539,834 | -- | -- | -- | 2,565,385 |
| Capital outlay | -- | -- | -- | -- | -- | -- | 1,274,243 | -- | -- | -- | 1,274,243 |
| Debt service | | | | | | | | | | | |
| Principal | -- | -- | -- | -- | -- | -- | -- | -- | 1,982,315 | -- | 1,982,315 |
| Interest and fiscal charges | -- | -- | -- | -- | -- | -- | -- | -- | 14,556 | 18,877 | 33,433 |
| Total Expenditures | <u>--</u> | <u>--</u> | <u>--</u> | <u>25,551</u> | <u>--</u> | <u>--</u> | <u>3,814,077</u> | <u>364</u> | <u>1,996,871</u> | <u>18,877</u> | <u>5,855,740</u> |
| Revenues Over (Under) Expenditures | <u>255,686</u> | <u>52,179</u> | <u>12,668</u> | <u>(21,387)</u> | <u>6,276,911</u> | <u>--</u> | <u>(3,770,875)</u> | <u>777</u> | <u>(576,274)</u> | <u>(18,877)</u> | <u>2,210,808</u> |
| Other Financing Sources (Uses) | | | | | | | | | | | |
| Transfers in | -- | -- | -- | -- | -- | -- | 2,604,352 | -- | -- | 354,160 | 2,958,512 |
| Refunding debt issued | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Proceeds from the issuance of debt | -- | -- | -- | -- | -- | -- | -- | -- | -- | 2,000,000 | 2,000,000 |
| Transfers out | (49,455) | (600,000) | -- | -- | (7,072,830) | -- | -- | -- | (44,258) | (2,000,000) | (9,766,543) |
| Total Other Financing Sources (Uses) | <u>(49,455)</u> | <u>(600,000)</u> | <u>--</u> | <u>--</u> | <u>(7,072,830)</u> | <u>--</u> | <u>2,604,352</u> | <u>--</u> | <u>(44,258)</u> | <u>354,160</u> | <u>(4,808,031)</u> |
| Net Change in Fund Balances | <u>206,231</u> | <u>(547,821)</u> | <u>12,668</u> | <u>(21,387)</u> | <u>(795,919)</u> | <u>--</u> | <u>(1,166,523)</u> | <u>777</u> | <u>(620,532)</u> | <u>335,283</u> | <u>(2,597,223)</u> |
| Fund Balances - Beginning of Year | <u>2,233,428</u> | <u>783,270</u> | <u>58,337</u> | <u>136,911</u> | <u>8,583,691</u> | <u>2,502,738</u> | <u>6,897,220</u> | <u>(777)</u> | <u>620,532</u> | <u>--</u> | <u>21,815,350</u> |
| Fund Balances - Ending of Year | <u>\$ 2,439,659</u> | <u>\$ 235,449</u> | <u>\$ 71,005</u> | <u>\$ 115,524</u> | <u>\$ 7,787,772</u> | <u>\$ 2,502,738</u> | <u>\$ 5,730,697</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ 335,283</u> | <u>\$ 19,218,127</u> |

BUDGETARY COMPARISON SCHEDULES

TOWN OF JUPITER, FLORIDA

**BUDGETARY COMPARISON SCHEDULE -
DEBT SERVICE FUND**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|------------------|---------------------|---|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ 1,401,271 | \$ 1,401,271 | \$ 1,420,597 | \$ 19,326 |
| Total Revenue | <u>1,401,271</u> | <u>1,401,271</u> | <u>1,420,597</u> | <u>19,326</u> |
| Expenditures | | | | |
| Principal retirement | 1,982,314 | 1,982,315 | 1,982,315 | -- |
| Interest and fiscal charges | <u>14,557</u> | <u>14,556</u> | <u>14,556</u> | <u>--</u> |
| Total Expenditures | <u>1,996,871</u> | <u>1,996,871</u> | <u>1,996,871</u> | <u>--</u> |
| Excess of Revenues (Under) Expenditures | <u>(595,600)</u> | <u>(595,600)</u> | <u>(576,274)</u> | <u>19,326</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers out | -- | -- | (44,258) | (44,258) |
| Appropriated fund balance | <u>595,600</u> | <u>595,600</u> | <u>--</u> | <u>(595,600)</u> |
| Total Other Financing Sources (Uses) | <u>595,600</u> | <u>595,600</u> | <u>(44,258)</u> | <u>(639,858)</u> |
| Net Change in Fund Balance | <u>\$ --</u> | <u>\$ --</u> | <u>\$ (620,532)</u> | <u>\$ (620,532)</u> |

TOWN OF JUPITER, FLORIDA

**BUDGETARY COMPARISON SCHEDULE -
JFRD DEBT SERVICE FUND**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------|-----------------------|----------------------|---|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ -- | \$ -- | \$ -- | \$ -- |
| Total Revenue | <u> --</u> | <u> --</u> | <u> --</u> | <u> --</u> |
| Expenditures | | | | |
| Principal retirement | -- | -- | -- | -- |
| Interest and fiscal charges | <u> 354,160</u> | <u> 354,160</u> | <u> 18,877</u> | <u> 335,283</u> |
| Total Expenditures | <u> 354,160</u> | <u> 354,160</u> | <u> 18,877</u> | <u> 335,283</u> |
| Excess of Revenues (Under) Expenditures | <u> (354,160)</u> | <u> (354,160)</u> | <u> (18,877)</u> | <u> (335,283)</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 354,160 | 354,160 | 354,160 | -- |
| Proceeds from the issuance of debt | -- | 20,000,000 | 2,000,000 | -- |
| Transfers out | <u> --</u> | <u> (20,000,000)</u> | <u> (2,000,000)</u> | <u> 18,000,000</u> |
| Total Other Financing Sources (Uses) | <u> 354,160</u> | <u> 354,160</u> | <u> 354,160</u> | <u> 18,000,000</u> |
| Net Change in Fund Balance | <u>\$ --</u> | <u>\$ --</u> | <u>\$ 335,283</u> | <u>\$ 335,283</u> |

TOWN OF JUPITER, FLORIDA

**BUDGETARY COMPARISON SCHEDULE -
CAPITAL IMPROVEMENTS FUND**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|--------------------|---------------------|-----------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 5,702,850 | \$ 5,702,850 | \$ 5,961,994 | \$ 259,144 |
| Intergovernmental | 2,698,367 | 4,187,438 | 252,593 | (3,934,845) |
| Investment earnings | -- | -- | 956,719 | 956,719 |
| Donations | -- | 1,070,000 | 144,339 | (925,661) |
| Miscellaneous | 878,908 | 25,731,641 | 1,230,068 | (24,501,573) |
| Total Revenues | <u>9,280,125</u> | <u>36,691,929</u> | <u>8,545,713</u> | <u>(28,146,216)</u> |
| Expenditures | | | | |
| General Government | | | | |
| Operating expenditures | 741,564 | 3,589,362 | 994,453 | 2,594,909 |
| Capital outlay | 2,075,000 | 5,149,694 | 3,764,580 | 1,385,114 |
| | <u>2,816,564</u> | <u>8,739,056</u> | <u>4,759,033</u> | <u>3,980,023</u> |
| Public Safety | | | | |
| Operating expenditures | -- | -- | 2,556,514 | (2,556,514) |
| Engineering and Public Works | | | | |
| Operating expenditures | 3,010,516 | 8,692,184 | 5,528,324 | 3,163,860 |
| Capital outlay | 4,013,187 | 13,745,313 | 298,966 | 13,446,347 |
| | <u>7,023,703</u> | <u>22,437,497</u> | <u>5,827,290</u> | <u>16,610,207</u> |
| Culture and Recreation | | | | |
| Operating expenditures | 1,457,500 | 6,691,266 | 3,631,280 | 3,059,986 |
| Capital outlay | 1,187,358 | 31,728,139 | 7,741,685 | 23,986,454 |
| | <u>2,644,858</u> | <u>38,419,405</u> | <u>11,372,965</u> | <u>27,046,440</u> |
| Total Expenditures | <u>12,485,125</u> | <u>69,595,958</u> | <u>21,959,288</u> | <u>47,636,670</u> |
| Excess of Revenues (Under) Expenditures | <u>(3,205,000)</u> | <u>(32,904,029)</u> | <u>(13,413,575)</u> | <u>19,490,454</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 3,205,000 | 32,957,579 | 10,757,745 | (22,199,834) |
| Transfers out | -- | (53,550) | (53,550) | -- |
| Total Other Financing Sources (Uses) | <u>3,205,000</u> | <u>32,904,029</u> | <u>10,704,195</u> | <u>(22,199,834)</u> |
| Net Change in Fund Balance | <u>\$ --</u> | <u>\$ --</u> | <u>\$ (2,709,380)</u> | <u>\$ (2,709,380)</u> |

STATISTICAL SECTION

STATISTICAL SECTION

TABLE OF CONTENTS

This part of the Towns' 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 Towns' overall financial health.

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| Financial Trends..... | 112-120 |
| <i>These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.</i> | |
| Revenue Capacity | 121-124 |
| <i>These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.</i> | |
| Debt Capacity..... | 125-128 |
| <i>These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.</i> | |
| Demographic and Economic Information..... | 129-130 |
| <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.</i> | |
| Operating Information | 131-135 |
| <i>These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town of Jupiter provides and the activities it performs.</i> | |

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

TOWN OF JUPITER, FLORIDA

NET POSITION BY COMPONENT

**LAST TEN FISCAL YEARS
ACCRUAL BASIS OF ACCOUNTING**

| | Fiscal Year | | | | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Governmental Activities | | | | | | | | | | |
| Net investment in capital assets | \$ 91,245,314 | \$ 94,709,390 | \$ 98,251,923 | \$ 106,249,231 | \$ 122,991,581 | \$ 122,756,875 | \$ 122,900,255 | \$ 143,364,492 | \$ 150,689,912 | \$ 159,779,831 |
| Restricted | 6,386,483 | 11,095,413 | 16,120,792 | 12,163,652 | 11,681,972 | 21,410,565 | 15,290,419 | 17,882,038 | 25,303,217 | 22,697,822 |
| Unrestricted | <u>29,702,275</u> | <u>26,363,894</u> | <u>27,480,540</u> | <u>43,428,914</u> | <u>39,146,657</u> | <u>46,198,725</u> | <u>74,664,125</u> | <u>66,595,883</u> | <u>71,453,374</u> | <u>77,375,642</u> |
| Total Governmental Activities Net Position | 127,334,072 | 132,168,697 | 141,853,255 | 161,841,797 | 173,820,210 | 190,366,165 | 212,854,799 | 227,842,413 | 247,446,503 | 259,853,295 |
| Business-Type Activities | | | | | | | | | | |
| Net investment in capital assets | 191,909,758 | 194,047,350 | 197,010,656 | 201,690,198 | 201,924,395 | 204,119,930 | 206,789,023 | 215,024,872 | 229,529,165 | 246,516,797 |
| Restricted | 8,025,089 | 6,894,379 | 4,167,642 | 4,539,226 | -- | -- | -- | -- | -- | -- |
| Unrestricted | <u>74,453,424</u> | <u>82,802,676</u> | <u>94,176,869</u> | <u>95,266,944</u> | <u>106,162,128</u> | <u>115,545,576</u> | <u>112,031,712</u> | <u>115,284,460</u> | <u>116,412,600</u> | <u>116,273,529</u> |
| Total Business-Type Activities Net Position | 274,388,271 | 283,744,405 | 295,355,167 | 301,496,368 | 308,086,523 | 319,665,506 | 318,820,735 | 330,309,332 | 345,941,765 | 362,790,326 |
| Primary Government | | | | | | | | | | |
| Net investment in capital assets | 283,155,072 | 288,756,740 | 295,262,579 | 307,939,429 | 324,915,976 | 326,876,805 | 329,689,278 | 358,389,364 | 380,219,077 | 406,296,628 |
| Restricted | 14,411,572 | 17,989,792 | 20,288,434 | 16,702,878 | 11,681,972 | 21,410,565 | 15,290,419 | 17,882,038 | 25,303,217 | 22,697,822 |
| Unrestricted | <u>104,155,699</u> | <u>109,166,570</u> | <u>121,657,409</u> | <u>138,695,858</u> | <u>145,308,785</u> | <u>161,744,301</u> | <u>186,695,837</u> | <u>181,880,343</u> | <u>187,865,974</u> | <u>193,649,171</u> |
| Total Primary Government Net Position | \$ 401,722,343 | \$ 415,913,102 | \$ 437,208,422 | \$ 463,338,165 | \$ 481,906,733 | \$ 510,031,671 | \$ 531,675,534 | \$ 558,151,745 | \$ 593,388,268 | \$ 622,643,621 |

TOWN OF JUPITER, FLORIDA

CHANGES IN NET POSITION

**LAST TEN FISCAL YEARS
ACCURAL BASIS OF ACCOUNTING**

| | Fiscal Year | | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 18,477,434 | \$ 19,564,860 | \$ 19,391,006 | \$ 19,486,317 | \$ 20,602,900 | \$ 20,812,119 | \$ 23,425,637 | \$ 25,139,966 | \$ 29,253,570 | \$ 29,289,386 |
| Public safety | 21,699,238 | 22,658,014 | 23,181,411 | 24,691,487 | 23,956,385 | 20,268,334 | 27,094,984 | 32,343,528 | 30,668,581 | 32,997,585 |
| Engineering and public works | 7,956,044 | 9,117,025 | 9,478,260 | 9,981,890 | 9,601,528 | 9,528,337 | 9,497,695 | 10,224,598 | 12,656,215 | 16,436,558 |
| Culture and recreation | 3,450,245 | 4,257,500 | 4,041,480 | 4,401,313 | 3,800,581 | 4,211,506 | 4,395,043 | 5,811,526 | 5,117,516 | 8,928,334 |
| Interest on long-term debt | 901,567 | 860,839 | 761,846 | 652,880 | 533,471 | 450,368 | 187,776 | 247,538 | 296,489 | 254,681 |
| Total Governmental Activities Expenses | 52,484,528 | 56,458,238 | 56,854,003 | 59,213,887 | 58,494,865 | 55,270,664 | 64,601,135 | 73,767,156 | 77,992,371 | 87,906,544 |
| Business-type activities: | | | | | | | | | | |
| Water system | 19,967,372 | 21,635,338 | 22,048,888 | 22,595,973 | 23,356,881 | 22,947,236 | 24,806,245 | 25,898,766 | 26,375,845 | 27,455,332 |
| Stormwater | 2,195,891 | 2,398,659 | 2,370,650 | 2,846,895 | 2,943,687 | 2,969,055 | 3,080,707 | 3,216,382 | 3,959,253 | 3,400,816 |
| Building | 3,447,445 | 3,458,772 | 3,751,616 | 4,108,850 | 4,544,896 | 3,464,327 | 4,041,573 | 4,883,816 | 4,479,865 | 4,118,035 |
| Total Business-Type activities Expenses | 25,610,708 | 27,492,769 | 28,171,154 | 29,551,718 | 30,845,464 | 29,380,618 | 31,928,525 | 33,998,964 | 34,814,963 | 34,974,183 |
| Total Primary Government Expenses | 78,095,236 | 83,951,007 | 85,025,157 | 88,765,605 | 89,340,329 | 84,651,282 | 96,529,660 | 107,766,120 | 112,807,334 | 122,880,727 |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | 2,115,287 | 2,280,076 | 2,610,230 | 2,462,897 | 3,319,433 | 3,637,331 | 9,997,249 | 11,164,519 | 12,691,483 | 13,478,510 |
| Public safety | 439,092 | 660,870 | 541,365 | 876,948 | 672,072 | 265,262 | 346,277 | 384,394 | 408,891 | 712,616 |
| Engineering and public works | 4,373,961 | 4,613,018 | 4,796,872 | 5,089,779 | 5,033,024 | 5,610,775 | 397,390 | 431,663 | 454,085 | 378,307 |
| Culture and recreation | 1,144,715 | 1,181,827 | 1,265,177 | 1,342,961 | 327,977 | 601,476 | 593,996 | 822,162 | 982,207 | 1,148,977 |
| Operating contributions and grants: | | | | | | | | | | |
| General government | 2,613,490 | 648,254 | 1,194,767 | 517,950 | 411,956 | 1,784,967 | 914,861 | 808,217 | 607,279 | 1,113,165 |
| Public safety | 786,588 | 712,653 | 818,723 | 949,002 | 1,094,531 | 80,609 | 861,422 | 1,138,857 | 1,226,422 | 1,255,183 |
| Engineering and public works | 216,381 | 599,375 | 233,032 | 745,204 | 1,849,171 | 853,569 | 85,910 | 200,570 | 216,037 | 67,874 |
| Culture and recreation | -- | -- | 4,943 | -- | -- | -- | -- | -- | -- | -- |
| Capital contributions and grants: | | | | | | | | | | |
| General government | 1,903,824 | 541,618 | 2,916,987 | 3,693,575 | 90,966 | 204,325 | 2,833,280 | 2,677,624 | 931,004 | 2,269,857 |
| Public safety | 28,897 | 44,671 | 23,783 | 29,227 | 894,252 | 140,785 | -- | -- | -- | -- |
| Engineering and public works | 459,745 | 405,721 | 313,648 | 397,096 | 161,675 | 22,517 | 378,585 | -- | -- | -- |
| Culture and recreation | 234,716 | 199,466 | 132,179 | 222,852 | 58,264 | 104,222 | -- | -- | -- | -- |
| Total Governmental Activities Program Revenues | 14,316,696 | 11,887,549 | 14,851,706 | 16,327,491 | 13,913,321 | 13,305,838 | 16,408,970 | 17,628,006 | 17,517,408 | 20,424,489 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Water system | 25,136,478 | 26,589,627 | 26,359,138 | 27,626,343 | 27,027,704 | 28,253,897 | 27,634,393 | 30,229,903 | 33,121,312 | 34,080,516 |
| Stormwater | 2,678,185 | 2,613,792 | 2,940,150 | 3,178,624 | 3,216,793 | 3,714,856 | 3,503,150 | 3,760,686 | 4,920,160 | 4,290,854 |
| Building | 3,921,256 | 4,017,180 | 5,329,430 | 5,349,574 | 4,306,407 | 5,714,786 | 6,437,980 | 5,227,186 | 6,359,938 | 6,045,034 |
| Operating contributions and grants: | | | | | | | | | | |
| Water system | -- | 435,240 | 49,823 | 18,734 | 288,703 | 33,832 | 347,297 | 20,466 | 11,248 | 225,351 |
| Stormwater | -- | -- | 197,383 | 21,566 | 32,144 | -- | -- | 248,169 | -- | 286,555 |
| Building | -- | -- | -- | -- | 4,890 | -- | -- | -- | -- | -- |
| Capital contributions and grants: | | | | | | | | | | |
| Water system | 2,458,583 | 2,421,140 | 2,142,384 | 1,434,266 | 1,373,557 | 2,404,493 | 1,384,853 | 1,324,063 | 1,461,472 | 871,269 |
| Stormwater | 1,538,772 | 273,840 | 2,202,305 | 1,434,280 | 17,000 | 388,321 | -- | -- | 14,267 | -- |
| Total Business-Type activities Program Revenues | 35,733,274 | 36,350,819 | 39,220,613 | 39,063,387 | 36,267,198 | 40,510,185 | 39,307,673 | 40,810,473 | 45,888,397 | 45,799,579 |
| Total Primary Government Program Revenues | \$ 50,049,970 | \$ 48,238,368 | \$ 54,072,319 | \$ 55,390,878 | \$ 50,180,519 | \$ 53,816,023 | \$ 55,716,643 | \$ 58,438,479 | \$ 63,405,805 | \$ 66,224,068 |

TOWN OF JUPITER, FLORIDA
CHANGES IN NET POSITION (CONTINUED)

LAST TEN FISCAL YEARS
ACCRUAL BASIS OF ACCOUNTING

| | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental activities | \$ (38,167,832) | \$ (44,570,689) | \$ (42,002,297) | \$ (42,886,396) | \$ (44,581,544) | \$ (41,964,826) | \$ (48,192,165) | \$ (56,139,150) | \$ (60,474,963) | \$ (67,482,055) |
| Business-type activities | 10,122,569 | 8,858,050 | 11,049,459 | 9,511,669 | 5,421,734 | 11,129,567 | 7,379,148 | 6,811,509 | 11,073,434 | 10,825,396 |
| Total Primary Government Net Expense | <u>(28,045,263)</u> | <u>(35,712,639)</u> | <u>(30,952,838)</u> | <u>(33,374,727)</u> | <u>(39,159,810)</u> | <u>(30,835,259)</u> | <u>(40,813,017)</u> | <u>(49,327,641)</u> | <u>(49,401,529)</u> | <u>(56,656,659)</u> |
| General Revenues and Other Changes in Net Assets | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property taxes | 24,582,705 | 26,376,117 | 27,999,283 | 29,327,134 | 30,708,041 | 31,944,223 | 33,179,247 | 37,305,224 | 40,545,054 | 43,369,687 |
| Franchise fees | 4,666,753 | 4,555,475 | 4,780,075 | 4,796,053 | 4,685,329 | 4,833,111 | 5,538,675 | 6,291,831 | 6,151,510 | 6,142,437 |
| Public service taxes | 4,717,433 | 4,872,381 | 4,963,194 | 5,082,420 | 5,070,326 | 5,187,400 | 5,356,468 | 5,990,871 | 6,128,342 | 6,430,914 |
| Communications services taxes | 2,610,258 | 2,527,223 | 2,627,795 | 2,604,323 | 2,627,216 | 2,509,229 | 2,619,349 | 2,723,315 | 2,885,962 | 3,017,933 |
| Sales taxes | 4,521,600 | 6,965,372 | 9,231,139 | 9,475,646 | 8,986,318 | 10,267,047 | 12,321,307 | 12,306,233 | 12,234,731 | 12,266,568 |
| Gas taxes | 1,325,773 | 1,394,012 | 1,385,729 | 1,402,154 | 1,251,589 | 1,297,878 | 1,368,417 | 1,382,329 | 1,410,021 | 1,411,109 |
| Intergovernmental, unrestricted | 1,729,267 | 1,861,678 | 1,963,607 | 2,051,360 | 1,864,802 | 2,224,124 | 2,803,330 | 2,884,214 | 2,766,618 | 2,769,602 |
| Impact fees | -- | -- | -- | -- | -- | 189,170 | 193,269 | 25,931 | 188,759 | -- |
| Investment earnings (losses) | 742,188 | 853,056 | 1,028,793 | 2,901,309 | 1,353,660 | 266,966 | (22,157) | 4,203,076 | 7,555,340 | 6,531,222 |
| Other | -- | -- | -- | -- | 33,926 | (88,877) | (138,363) | 33,476 | 218,495 | 63,581 |
| Transfers | (4,426) | -- | 157,168 | 5,234,539 | (21,250) | (119,500) | 7,461,257 | (2,019,736) | (5,779) | (2,114,206) |
| Total Governmental Activities | <u>44,891,551</u> | <u>49,405,314</u> | <u>54,136,783</u> | <u>62,874,938</u> | <u>56,559,957</u> | <u>58,510,771</u> | <u>70,680,799</u> | <u>71,126,764</u> | <u>80,079,053</u> | <u>79,888,847</u> |
| Business-type activities: | | | | | | | | | | |
| Investment earnings | 589,855 | 498,084 | 964,703 | 1,859,551 | 1,143,045 | 329,916 | (793,675) | 2,636,193 | 4,587,586 | 3,850,936 |
| Gain/(Loss) on disposal of capital assets | 4,067 | -- | 4,120 | 4,120 | 4,126 | -- | 31,013 | 21,159 | (34,366) | 58,023 |
| Transfers | 4,426 | -- | (157,168) | (5,234,539) | 21,250 | (119,500) | (7,461,257) | 2,019,736 | 5,779 | 2,114,206 |
| Total Business-Type Activities | <u>598,348</u> | <u>498,084</u> | <u>811,655</u> | <u>(3,370,868)</u> | <u>1,168,421</u> | <u>210,416</u> | <u>(8,223,919)</u> | <u>4,677,088</u> | <u>4,558,999</u> | <u>6,023,165</u> |
| Total Primary Government | <u>45,489,899</u> | <u>49,903,398</u> | <u>54,948,438</u> | <u>59,504,070</u> | <u>57,728,378</u> | <u>58,721,187</u> | <u>62,456,880</u> | <u>75,803,852</u> | <u>84,638,052</u> | <u>85,912,012</u> |
| Changes in Net Assets | | | | | | | | | | |
| Governmental activities | 6,723,719 | 4,834,625 | 12,134,486 | 19,988,542 | 11,978,413 | 16,545,955 | 22,488,634 | 14,987,614 | 19,604,090 | 12,406,792 |
| Business-type activities | 10,720,917 | 9,356,134 | 11,861,114 | 6,141,201 | 6,590,155 | 11,578,983 | (844,771) | 11,488,597 | 15,632,433 | 16,848,561 |
| Total Primary Government | <u>\$ 17,444,636</u> | <u>\$ 14,190,759</u> | <u>\$ 23,995,600</u> | <u>\$ 26,129,743</u> | <u>\$ 18,568,568</u> | <u>\$ 28,124,938</u> | <u>\$ 21,643,863</u> | <u>\$ 26,476,211</u> | <u>\$ 35,236,523</u> | <u>\$ 29,255,353</u> |

TOWN OF JUPITER, FLORIDA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE

LAST TEN FISCAL YEARS ACCRUAL BASIS OF ACCOUNTING

| <u>Fiscal Year</u> | <u>Property Taxes</u> | <u>Franchise Fees</u> | <u>Public Service Taxes</u> | <u>Communications Services Taxes</u> | <u>Sales Taxes</u> | <u>Gas Taxes</u> | <u>Total</u> |
|--------------------|-----------------------|-----------------------|-----------------------------|--------------------------------------|--------------------|------------------|---------------|
| 2016 | \$ 24,582,705 | \$ 4,666,753 | \$4,717,433 | \$ 2,610,258 | \$ 4,521,600 | \$ 1,325,773 | \$ 42,424,522 |
| 2017 | 26,376,117 | 4,555,475 | 4,872,381 | 2,527,223 | 6,965,372 | 1,394,012 | 46,690,580 |
| 2018 | 27,999,283 | 4,780,075 | 4,963,194 | 2,627,795 | 9,231,139 | 1,385,729 | 50,987,215 |
| 2019 | 29,327,134 | 4,796,053 | 5,082,420 | 2,604,323 | 9,475,646 | 1,402,154 | 52,687,730 |
| 2020 | 30,708,041 | 4,685,329 | 5,070,326 | 2,627,216 | 8,986,318 | 1,251,589 | 53,328,819 |
| 2021 | 31,944,223 | 4,833,111 | 5,187,400 | 2,509,229 | 10,267,047 | 1,297,878 | 56,038,888 |
| 2022 | 33,179,247 | 5,538,675 | 5,356,468 | 2,619,349 | 12,321,307 | 1,368,417 | 60,383,463 |
| 2023 | 37,305,224 | 6,291,831 | 5,990,871 | 2,723,315 | 12,306,233 | 1,382,329 | 65,999,803 |
| 2024 | 40,545,054 | 6,151,510 | 6,128,342 | 2,885,962 | 12,234,731 | 1,410,021 | 69,355,620 |
| 2025 | 43,369,687 | 6,142,437 | 6,430,914 | 3,017,933 | 12,266,568 | 1,411,109 | 72,638,648 |

TOWN OF JUPITER, FLORIDA

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

MODIFIED ACCRUAL BASIS OF ACCOUNTING

| | Fiscal Year | | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| General Fund | | | | | | | | | | |
| Nonspendable: | | | | | | | | | | |
| Inventory | \$ 66,005 | \$ 83,445 | \$ 29,760 | \$ 20,970 | \$ 19,181 | \$ 14,003 | \$ 26,742 | \$ 21,002 | \$ 32,428 | \$ 10,910 |
| Prepaid items | 10,997 | 22,948 | 13,991 | 18,025 | 224,859 | 3,722 | 11,652 | 8,042 | 9,603 | 190,675 |
| Advances from other funds | 5,957,885 | 5,901,436 | 5,009,196 | 4,908,899 | 4,108,899 | 3,608,899 | 3,108,899 | 2,608,899 | 2,008,899 | 1,308,899 |
| Note receivable | 171,173 | 111,173 | 111,173 | 111,173 | 111,173 | 111,173 | -- | -- | -- | -- |
| Restricted for: | | | | | | | | | | |
| Public safety | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1,000,000 |
| Law enforcement | 509,748 | 823,659 | 471,525 | 475,935 | 67,733 | 97,800 | 128,982 | 241,911 | 245,449 | 120,837 |
| Economic development | 1,163,147 | 1,520,195 | 1,039,623 | 1,800,720 | 1,825,675 | 1,848,970 | 1,872,147 | 1,176,366 | 447,617 | -- |
| Assigned to: | | | | | | | | | | |
| Subsequent year's budget | -- | -- | 228,823 | -- | -- | -- | -- | -- | -- | -- |
| Health insurance | -- | -- | -- | -- | -- | -- | -- | 8,807,477 | 10,287,436 | 10,637,296 |
| Unassigned | <u>31,856,248</u> | <u>29,676,802</u> | <u>33,412,574</u> | <u>39,570,998</u> | <u>45,539,373</u> | <u>51,333,641</u> | <u>48,162,407</u> | <u>52,095,593</u> | <u>54,922,154</u> | <u>62,496,637</u> |
| Total General Fund | <u>39,735,203</u> | <u>38,139,658</u> | <u>40,316,665</u> | <u>46,906,720</u> | <u>51,896,893</u> | <u>57,018,208</u> | <u>53,310,829</u> | <u>64,959,290</u> | <u>67,953,586</u> | <u>75,765,254</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable: | | | | | | | | | | |
| Prepaid items | -- | -- | -- | 2,966 | -- | 395 | 495 | -- | 450 | 10,524 |
| Advances from other funds | -- | -- | -- | -- | 1,164,088 | 993,011 | 816,801 | -- | -- | 255,815 |
| Note receivable | -- | -- | -- | 74,087 | 74,087 | -- | -- | -- | -- | -- |
| Restricted for: | | | | | | | | | | |
| Public safety | -- | -- | -- | -- | -- | -- | -- | 156,036 | -- | -- |
| Debt service | 1,523,685 | 1,565,663 | 2,002,353 | 2,029,608 | 500,199 | 549,434 | 575,012 | 595,600 | 620,532 | 326,800 |
| Capital projects | 3,939,363 | 7,708,287 | 12,962,802 | 8,148,311 | 9,117,100 | 14,038,683 | 12,517,144 | 14,992,313 | 21,789,053 | 19,036,346 |
| Law enforcement | 247,577 | 259,512 | 145,212 | 209,801 | 171,265 | 194,883 | 197,134 | 183,035 | 195,248 | 186,529 |
| Economic Development | -- | -- | -- | -- | -- | -- | -- | 536,777 | 2,005,318 | 2,027,310 |
| Assigned to: | | | | | | | | | | |
| Capital projects | 13,859,274 | 14,157,056 | 16,307,489 | 28,998,901 | 18,946,806 | 20,558,128 | 48,466,137 | 32,973,274 | 35,316,607 | 32,799,776 |
| Unassigned Special Revenue Funds (deficit) | <u>(4,354,660)</u> | <u>(4,115,803)</u> | <u>(4,720,286)</u> | <u>(4,696,887)</u> | <u>(3,894,193)</u> | <u>(2,986,968)</u> | <u>(1,144,992)</u> | -- | -- | -- |
| Total All Other Governmental Funds | <u>\$ 15,215,239</u> | <u>\$ 19,574,715</u> | <u>\$ 26,697,570</u> | <u>\$ 34,766,787</u> | <u>\$ 26,079,352</u> | <u>\$ 33,347,566</u> | <u>\$ 61,427,731</u> | <u>\$ 49,437,035</u> | <u>\$ 59,927,208</u> | <u>\$ 54,643,100</u> |

TOWN OF JUPITER, FLORIDA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

**LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING**

| | Fiscal Year | | | | | | | | | |
|---|---------------------|---------------------|---------------------|----------------------|-----------------------|----------------------|----------------------|---------------------|----------------------|---------------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Revenues | | | | | | | | | | |
| Taxes | \$ 33,236,169 | \$ 35,169,733 | \$ 36,976,001 | \$ 38,416,031 | \$ 39,657,172 | \$ 40,938,730 | \$ 42,523,481 | \$ 47,401,739 | \$ 50,969,379 | \$ 54,229,643 |
| Franchise fees | 4,666,753 | 4,555,475 | 4,780,075 | 4,796,053 | 4,685,329 | 4,833,111 | 5,538,675 | 6,291,831 | 6,151,510 | 6,142,437 |
| Licenses and permits | 1,066,601 | 1,171,336 | 1,180,932 | 979,343 | 707,491 | 762,304 | 279,374 | 120,036 | 315,752 | 433,286 |
| Intergovernmental | 9,510,011 | 9,773,878 | 12,309,014 | 12,830,540 | 14,340,018 | 13,736,370 | 19,411,528 | 19,322,212 | 17,462,849 | 18,746,529 |
| Charges for services | 7,417,420 | 7,617,007 | 8,098,492 | 8,968,660 | 8,614,311 | 8,922,017 | 10,424,324 | 12,161,668 | 12,980,384 | 13,675,297 |
| Fines and forfeitures | 275,109 | 492,517 | 317,617 | 217,147 | 188,464 | 452,487 | 247,665 | 296,391 | 295,416 | 221,767 |
| Investment earnings | 742,188 | 853,056 | 1,028,793 | 2,901,309 | 1,353,660 | 266,966 | (21,358) | 4,203,076 | 7,555,340 | 6,531,222 |
| Donations | 131,426 | 94,048 | 108,014 | 164,855 | 71,940 | 1,344,936 | 420,849 | 214,594 | 213,269 | 180,239 |
| Miscellaneous | 407,932 | 1,072,829 | 1,179,402 | 1,063,509 | 805,401 | 768,075 | 942,337 | 729,483 | 1,439,846 | 2,203,541 |
| Total Revenues | 57,453,609 | 60,799,879 | 65,978,340 | 70,337,447 | 70,423,786 | 72,024,996 | 79,766,875 | 90,741,030 | 97,383,745 | 102,363,961 |
| Expenditures | | | | | | | | | | |
| General government | 15,764,985 | 17,212,029 | 16,923,247 | 16,495,149 | 16,581,794 | 17,996,107 | 20,216,947 | 22,233,492 | 24,764,200 | 25,463,920 |
| Public safety | 20,166,583 | 21,149,280 | 22,278,196 | 22,533,970 | 24,198,507 | 23,747,051 | 24,888,071 | 26,158,644 | 29,270,108 | 32,750,794 |
| Engineering and public works | 6,822,473 | 7,941,816 | 8,371,545 | 8,732,062 | 8,157,359 | 8,566,185 | 8,373,703 | 8,790,089 | 11,509,272 | 15,139,035 |
| Culture and recreation | 2,533,217 | 3,272,414 | 3,017,915 | 3,370,928 | 2,707,088 | 3,220,765 | 3,355,609 | 4,674,805 | 3,985,080 | 7,747,538 |
| Capital outlay | 4,766,872 | 5,125,886 | 2,952,087 | 6,466,306 | 19,225,974 | 7,095,842 | 3,944,786 | 28,081,705 | 11,925,008 | 16,155,777 |
| Debt service | | | | | | | | | | |
| Principal | 2,386,459 | 2,479,478 | 2,562,727 | 2,666,210 | 2,764,931 | 6,320,000 | 1,960,641 | 2,483,322 | 2,412,804 | 2,435,406 |
| Interest | 912,340 | 873,015 | 774,820 | 667,431 | 548,680 | 481,371 | 180,126 | 155,977 | 217,001 | 184,714 |
| Total Expenditures | 53,352,929 | 58,053,918 | 56,880,537 | 60,932,056 | 74,184,333 | 67,427,321 | 62,919,883 | 92,578,034 | 84,083,473 | 99,877,184 |
| Revenues Over (Under) Expenditures | 4,100,680 | 2,745,961 | 9,097,803 | 9,405,391 | (3,760,547) | 4,597,675 | 16,846,992 | (1,837,004) | 13,300,272 | 2,486,777 |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Issuance of refunding debt | -- | -- | -- | -- | -- | 7,885,858 | -- | -- | -- | -- |
| Subscription based financing arrangement | | | | | | | | 3,444,097 | 41,054 | 2,000,000 |
| Proceeds from sale of assets | 53,868 | 17,970 | 44,891 | 19,342 | 84,535 | 73,497 | 64,537 | 70,408 | 148,922 | 96,210 |
| Insurance recoveries | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Other debt service costs | -- | -- | -- | -- | -- | (48,001) | -- | -- | -- | 58,779 |
| Transfers in | 3,875,995 | 5,838,077 | 4,375,651 | 20,149,856 | 11,148,454 | 2,544,796 | 29,334,242 | 5,872,810 | 19,394,868 | 15,760,515 |
| Transfers out | (3,877,421) | (5,838,077) | (4,218,483) | (14,915,317) | (11,169,704) | (2,664,296) | (21,872,985) | (7,892,546) | (19,400,647) | (17,874,721) |
| Total Other Financing Sources (Uses) | 52,442 | 17,970 | 202,059 | 5,253,881 | 63,285 | 7,791,854 | 7,525,794 | 1,494,769 | 184,197 | 40,783 |
| Net Change in Fund Balances | \$ 4,153,122 | \$ 2,763,931 | \$ 9,299,862 | \$ 14,659,272 | \$ (3,697,262) | \$ 12,389,529 | \$ 24,372,786 | \$ (342,235) | \$ 13,484,469 | \$ 2,527,560 |
| Debt Service as a Percentage of Non-Capital Expenditures | 6.79% | 6.33% | 6.19% | 6.12% | 6.03% | 11.27% | 3.63% | 4.09% | 3.64% | 3.13% |

TOWN OF JUPITER, FLORIDA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE

**LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING**

| <u>Fiscal Year</u> | <u>Property Taxes (1)</u> | <u>Public Service Taxes</u> | <u>Communications Services Taxes</u> | <u>Gas Taxes</u> | <u>Total Taxes</u> | <u>Franchise Fees</u> | <u>Total</u> |
|--------------------|---------------------------|-----------------------------|--------------------------------------|------------------|--------------------|-----------------------|--------------|
| 2016 | \$24,582,705 | \$ 4,717,433 | \$ 2,610,258 | \$ 1,325,773 | \$ 33,236,169 | \$4,666,753 | \$37,902,922 |
| 2017 | 26,376,117 | 4,872,381 | 2,527,223 | 1,394,012 | 35,169,733 | 4,555,475 | 39,725,208 |
| 2018 | 27,999,283 | 4,963,194 | 2,627,795 | 1,385,729 | 36,976,001 | 4,780,075 | 41,756,076 |
| 2019 | 29,327,134 | 5,082,420 | 2,604,323 | 1,402,154 | 38,416,031 | 4,796,053 | 43,212,084 |
| 2020 | 30,708,041 | 5,070,326 | 2,627,216 | 1,251,589 | 39,657,172 | 4,685,329 | 44,342,501 |
| 2021 | 31,944,223 | 5,187,400 | 2,509,229 | 1,297,878 | 40,938,730 | 4,833,111 | 45,771,841 |
| 2022 | 33,179,247 | 5,356,468 | 2,619,349 | 1,368,417 | 42,523,481 | 5,538,675 | 48,062,156 |
| 2023 | 37,305,224 | 5,990,871 | 2,723,315 | 1,382,329 | 47,401,739 | 6,291,831 | 53,693,570 |
| 2024 | 40,545,054 | 6,128,342 | 2,885,962 | 1,410,021 | 50,969,379 | 6,151,510 | 57,120,889 |
| 2025 | 43,369,687 | 6,430,914 | 3,017,933 | 1,411,109 | 54,229,643 | 6,142,437 | 60,372,080 |

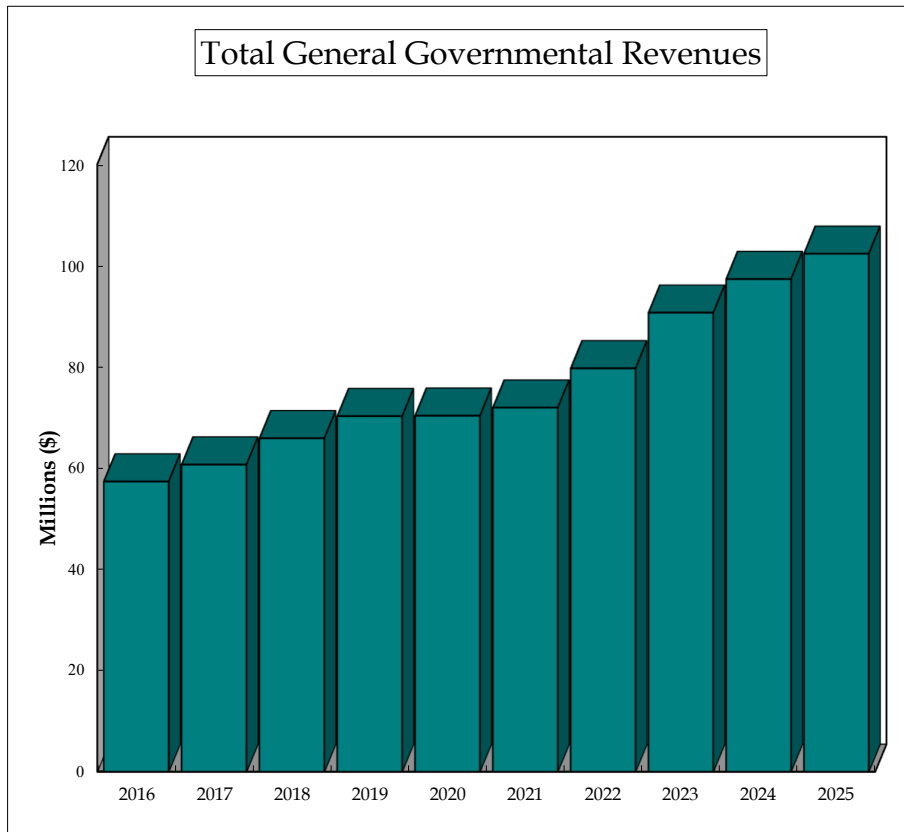
(1) Includes CRA tax increment revenues from the Town and Palm Beach County.

TOWN OF JUPITER, FLORIDA

TOTAL GENERAL GOVERNMENTAL REVENUES BY SOURCE

**LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING**

| Fiscal Year | Taxes and Franchise Fees | Licenses and Permits | Intergovernmental | Charges for Services | Fines and Forfeitures | Investment Earnings | Special Assessments | Miscellaneous | Total |
|-------------|--------------------------|----------------------|-------------------|----------------------|-----------------------|---------------------|---------------------|---------------|---------------|
| 2016 | \$37,902,922 | \$ 1,066,601 | \$ 9,510,011 | \$ 7,417,420 | \$ 275,109 | \$ 742,188 | \$ -- | \$ 539,358 | \$ 57,453,609 |
| 2017 | 39,725,208 | 1,171,336 | 9,773,878 | 7,617,007 | 492,517 | 853,056 | -- | 1,166,877 | 60,799,879 |
| 2018 | 41,756,076 | 1,180,932 | 12,309,014 | 8,098,492 | 317,617 | 1,028,793 | -- | 1,287,416 | 65,978,340 |
| 2019 | 43,212,084 | 979,343 | 12,830,540 | 8,968,660 | 217,147 | 2,901,309 | -- | 1,228,364 | 70,337,447 |
| 2020 | 44,342,501 | 707,491 | 14,340,018 | 8,614,311 | 188,464 | 1,353,660 | -- | 877,341 | 70,423,786 |
| 2021 | 45,771,841 | 762,304 | 13,736,370 | 8,922,017 | 452,487 | 266,966 | -- | 2,113,011 | 72,024,996 |
| 2022 | 48,062,156 | 279,374 | 19,411,528 | 10,424,324 | 247,665 | (21,358) | -- | 1,363,186 | 79,766,875 |
| 2023 | 53,693,570 | 120,036 | 19,322,212 | 12,161,668 | 296,391 | 4,203,076 | -- | 944,077 | 90,741,030 |
| 2024 | 57,120,889 | 315,752 | 17,462,849 | 12,980,384 | 295,416 | 7,555,340 | -- | 1,653,115 | 97,383,745 |
| 2025 | 60,372,080 | 433,286 | 18,746,529 | 13,675,297 | 221,767 | 6,531,222 | -- | 2,383,780 | 102,363,961 |

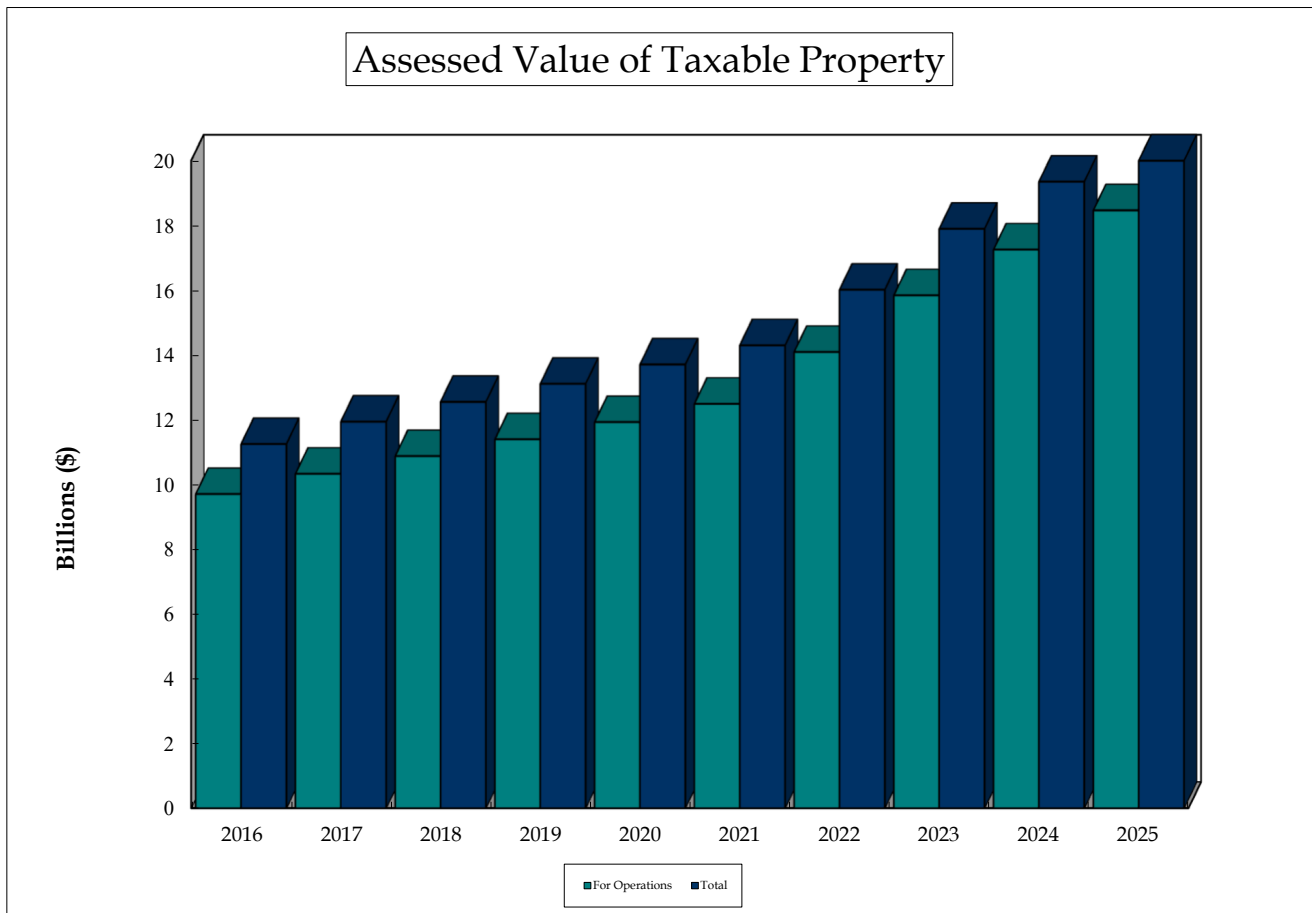


TOWN OF JUPITER, FLORIDA

ASSESSED VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

| Year | Real Property | Personal Property | Centrally Assessed Property | Exemptions | Assessed Value for Operations | Total Town Tax Rate | Total Taxable Value (1) |
|------|------------------|-------------------|-----------------------------|------------------|-------------------------------|---------------------|-------------------------|
| 2016 | \$10,845,565,535 | \$ 395,066,652 | \$ 1,928,796 | \$ 1,544,975,723 | \$ 9,697,585,260 | 2.7364 | \$11,242,560,983 |
| 2017 | 11,583,806,982 | 348,811,183 | 2,026,948 | 1,609,024,923 | 10,325,620,190 | 2.6963 | 11,934,645,113 |
| 2018 | 12,175,877,382 | 367,909,293 | 2,033,088 | 1,676,169,844 | 10,869,649,919 | 2.6815 | 12,545,819,763 |
| 2019 | 12,756,217,115 | 345,974,844 | 2,033,243 | 1,714,368,700 | 11,389,856,502 | 2.6611 | 13,104,225,202 |
| 2020 | 13,341,314,232 | 358,916,726 | 2,029,787 | 1,780,635,673 | 11,921,625,072 | 2.6524 | 13,702,260,745 |
| 2021 | 13,929,871,921 | 363,343,424 | 2,082,535 | 1,808,832,565 | 12,486,465,315 | 2.6524 | 14,295,297,880 |
| 2022 | 15,608,191,232 | 401,636,595 | 2,276,838 | 1,922,579,247 | 14,089,525,418 | 2.6326 | 16,012,104,665 |
| 2023 | 17,435,693,444 | 457,260,755 | 2,408,662 | 2,054,962,716 | 15,840,400,145 | 2.6134 | 17,895,362,861 |
| 2024 | 18,877,688,812 | 468,791,824 | 4,942,227 | 2,095,581,644 | 17,255,841,219 | 2.5224 | 19,351,422,863 |
| 2025 | 20,124,396,524 | 470,506,449 | 4,948,659 | 2,133,019,865 | 18,466,831,767 | 2.4748 | 20,599,851,632 |



(1) Florida state law requires all property to be assessed at current fair market value.

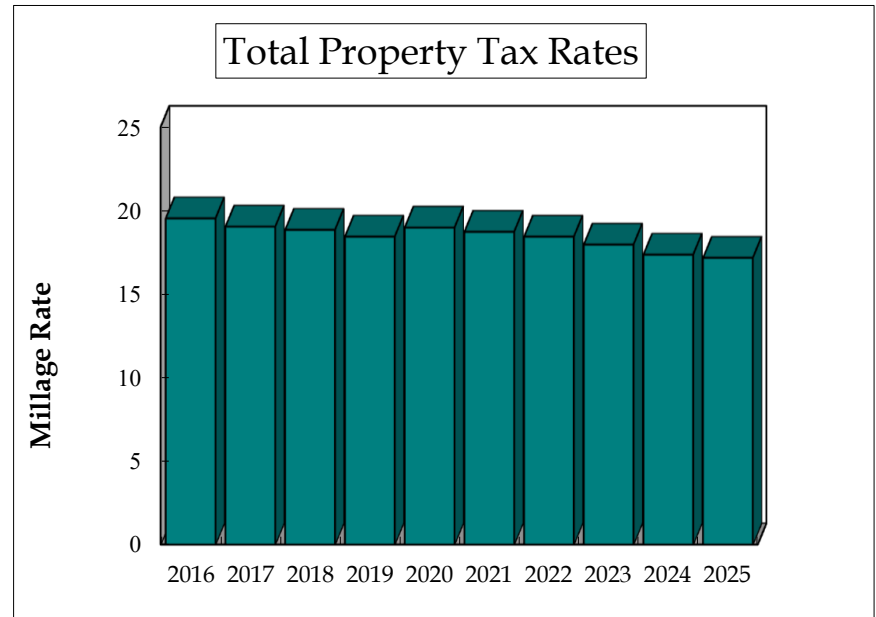
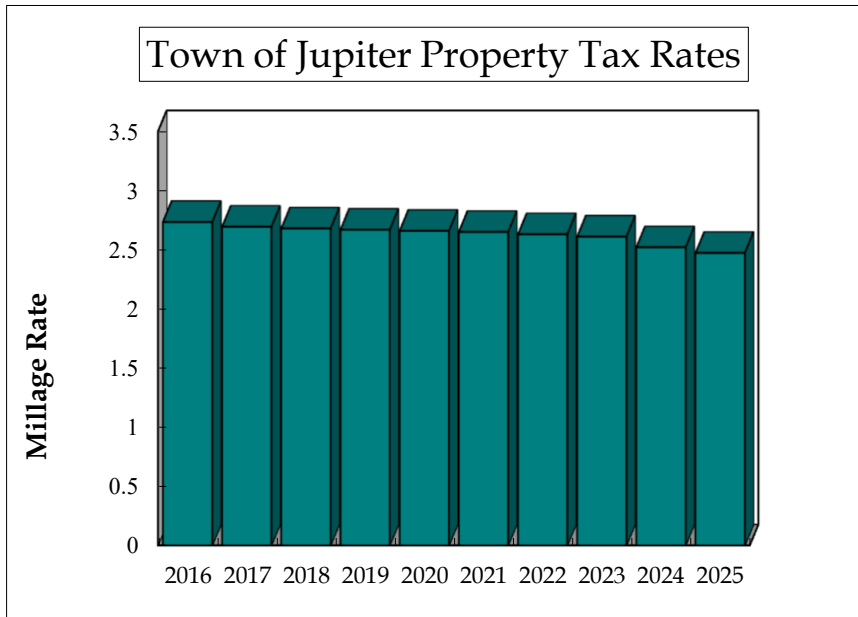
Source: Palm Beach County Property Appraiser

TOWN OF JUPITER, FLORIDA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS RATE PER \$1,000 OF ASSESSED VALUE

| Fiscal Year | Town of Jupiter Property Tax Rates | | | Overlapping Property Tax Rates - Palm Beach County | | | Overlapping Property Tax Rates - Palm Beach County School District | | | Palm Beach | Total |
|-------------|------------------------------------|-------------------------|--------------------|---|-------------------------|----------------------|---|-------------------------|----------------------|--------------------------|---------|
| | Operating Millage | General | | Operating Millage | General | | Operating Millage | General | | County Special Districts | |
| | | Obligation Debt Service | Total Town Millage | | Obligation Debt Service | Total County Millage | | Obligation Debt Service | Total School Millage | | |
| 2016 | 2.4834 | 0.2530 | 2.7364 | 4.7815 | 0.1327 | 4.9142 | 7.070 | -- | 7.070 | 4.7998 | 19.5204 |
| 2017 | 2.4633 | 0.2330 | 2.6963 | 4.7815 | 0.1208 | 4.9023 | 6.769 | -- | 6.769 | 4.6566 | 19.0242 |
| 2018 | 2.4633 | 0.2182 | 2.6815 | 4.7815 | 0.1208 | 4.9023 | 6.769 | -- | 6.769 | 4.4836 | 18.8364 |
| 2019 | 2.4633 | 0.2079 | 2.6712 | 4.7815 | 0.1165 | 4.8980 | 6.572 | -- | 6.572 | 4.2889 | 18.4301 |
| 2020 | 2.4633 | 0.1978 | 2.6611 | 4.7815 | 0.0765 | 4.8580 | 7.164 | -- | 7.164 | 4.2838 | 18.9669 |
| 2021 | 2.4633 | 0.1891 | 2.6524 | 4.7815 | 0.0309 | 4.8124 | 7.010 | -- | 7.010 | 4.2461 | 18.7209 |
| 2022 | 2.4633 | 0.1693 | 2.6326 | 4.7815 | 0.0334 | 4.8149 | 6.875 | -- | 6.875 | 4.1011 | 18.4236 |
| 2023 | 2.4633 | 0.1501 | 2.6134 | 4.7150 | 0.0289 | 4.7439 | 6.519 | -- | 6.519 | 4.0702 | 17.9465 |
| 2024 | 2.3894 | 0.1330 | 2.5224 | 4.5000 | 0.0188 | 4.5188 | 6.457 | -- | 6.457 | 3.8465 | 17.3447 |
| 2025 | 2.3894 | 0.0854 | 2.4748 | 4.5000 | 0.0396 | 4.5396 | 6.314 | -- | 6.314 | 3.8248 | 17.1532 |



TOWN OF JUPITER, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

| | 2025 | | |
|------------------------------------|----------------------------------|------|---|
| | Taxable Assessed Valuation | Rank | Percentage of Assessed Value for Operations |
| Florida Power & Light Co | \$ 166,718,493 | 1 | 0.81% |
| BVF V Sophia LLC | 123,949,098 | 2 | 0.60% |
| Northland Floresta LLC | 100,303,234 | 3 | 0.49% |
| AA Propco 2022 LLC | 98,871,454 | 4 | 0.48% |
| Northland Barcelona LLC | 94,328,510 | 5 | 0.46% |
| Harbourside Place LLC | 64,100,000 | 6 | 0.31% |
| Club at Admirals Cove, Inc. | 61,370,119 | 7 | 0.30% |
| Jupiter Resort LLC | 49,324,655 | 8 | 0.24% |
| PRCP Abacoa Investment LLC | 47,203,655 | 9 | 0.23% |
| Jupiter Rehab Realty Holdings, LLC | 42,592,000 | 10 | 0.21% |
| Totals | \$ 848,761,218 | | 4.12% |

(Continued)

Source: Palm Beach County Property Appraiser.

TOWN OF JUPITER, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS (CONTINUED)

CURRENT YEAR AND NINE YEARS AGO

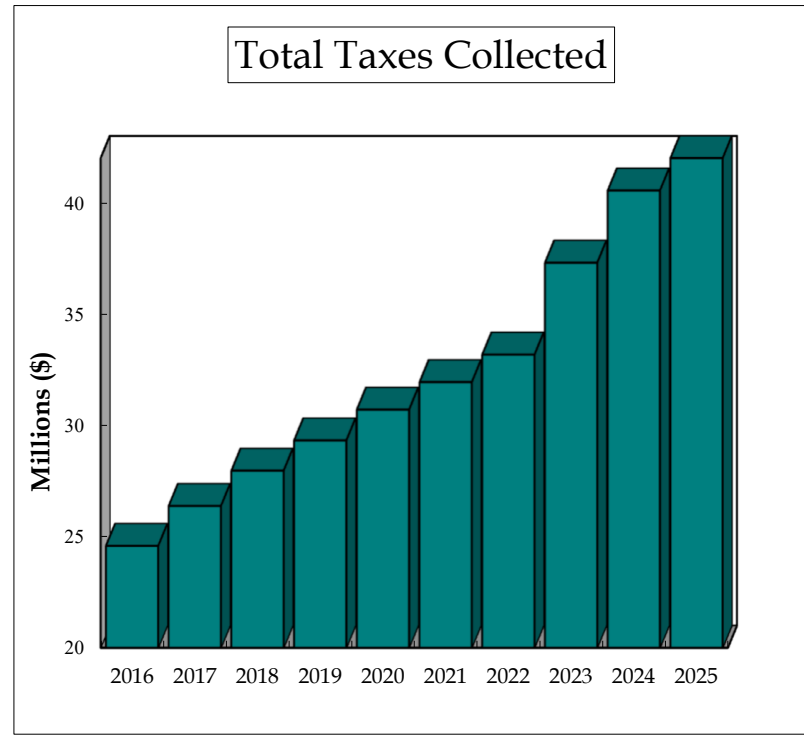
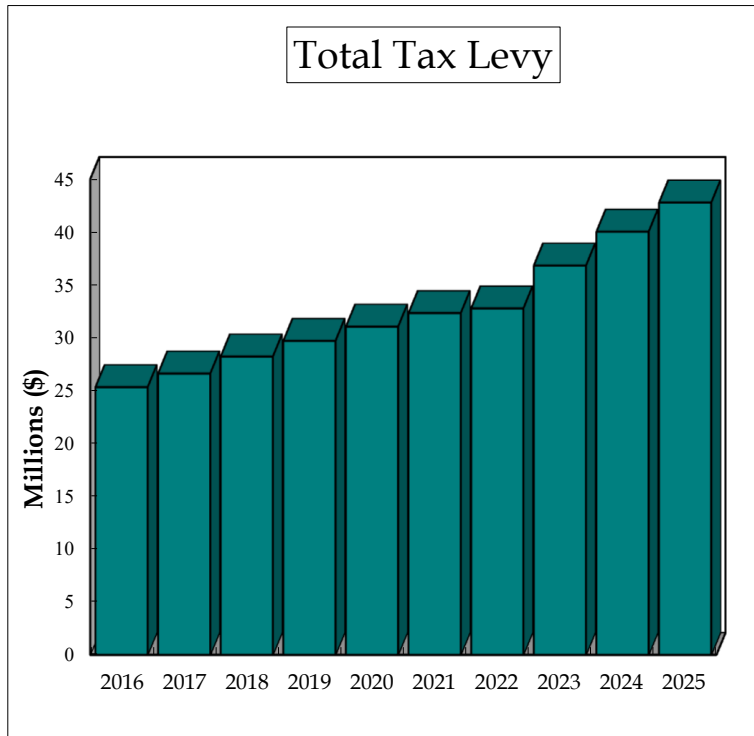
| | 2015 | | |
|-----------------------------------|---|-------------|--|
| | <u>Taxable Assessed Valuation</u> | <u>Rank</u> | <u>Percentage of Assessed Value for Operations</u> |
| Florida Power & Light Co | \$ 89,605,929 | 1 | 0.92% |
| Harbourside Place LLC | 74,000,000 | 2 | 0.36% |
| Heart Abacoa LLC | 70,939,114 | 3 | 0.73% |
| Northland Floresta LLC | 63,293,013 | 4 | 0.65% |
| 207 Florida Realty Associates LLC | 62,167,655 | 5 | 0.64% |
| KMF X Jupiter LLC | 55,056,609 | 6 | 0.57% |
| Divosta Homes, LP | 36,650,210 | 7 | 0.38% |
| PRCP Abacoa Investment LLC | 33,428,045 | 8 | 0.34% |
| Orion Venture XI Jupiter LLC | 32,254,945 | 9 | 0.33% |
| Jupiter CC LLC | 25,597,532 | 10 | 0.26% |
| | <u>\$ 542,993,052</u> | | <u>5.20%</u> |

TOWN OF JUPITER, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

| Fiscal Year | Total Tax Levy | Amount of Current Taxes Collected (1) | Percent of Total Tax Levy Collected | Amount of Delinquent Taxes Collected | Total Collected for the Year | Ratio of Total Taxes Collected to Current Levy | Accumulated Delinquent Taxes | Ratio of Delinquent Taxes to Current Levy |
|-------------|----------------|---------------------------------------|-------------------------------------|--------------------------------------|------------------------------|--|------------------------------|---|
| 2016 | \$ 25,355,767 | \$ 24,459,033 | 96.5 | \$ 123,672 | \$ 24,582,705.00 | 97.0 | N/A | N/A |
| 2017 | 26,641,448 | 26,338,234 | 98.9 | 37,883 | 26,376,117 | 99.0 | N/A | N/A |
| 2018 | 28,247,551 | 27,964,200 | 99.0 | -- | 27,964,200 | 99.0 | N/A | N/A |
| 2019 | 29,722,342 | 29,321,830 | 98.7 | 5,304 | 29,327,134 | 98.7 | N/A | N/A |
| 2020 | 31,071,637 | 30,689,530 | 98.8 | 18,511 | 30,708,041 | 98.8 | N/A | N/A |
| 2021 | 32,349,608 | 31,934,486 | 98.7 | 9,738 | 31,944,224 | 98.7 | N/A | N/A |
| 2022 | 32,790,681 | 33,169,660 | 101.2 | 9,587 | 33,179,247 | 101.2 | N/A | N/A |
| 2023 | 36,839,038 | 37,187,744 | 100.9 | 117,480 | 37,305,224 | 101.3 | N/A | N/A |
| 2024 | 40,036,524 | 40,514,126 | 101.2 | 30,928 | 40,545,054 | 101.3 | N/A | N/A |
| 2025 | (1) 42,792,991 | 43,368,972 | 101.3 | 715 | 43,369,687 | 101.3 | N/A | N/A |



(1) Includes discount taken for early payment of property taxes.

TOWN OF JUPITER, FLORIDA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS
(DOLLARS IN THOUSANDS, EXCEPT PER CAPITA)

| Fiscal Year | Governmental Activities | | | | | | Business-type Activities | | | | | Primary Government | | | |
|-------------|--|--|---------------------------|-------------------------|--------------|------------------------|-------------------------------|---------------------|-----------------|------------------------|--------------------------------|--------------------------|--|--|---------------------------|
| | General Bonded Debt | | | Sales Tax Revenue Bonds | Note Payable | Subscription Liability | Total Governmental Activities | Water Revenue Bonds | Stormwater Loan | Subscription Liability | Total Business-type Activities | Total Primary Government | Percentage of Total Taxable Value ⁽²⁾ of Property | Percentage of Personal Income ⁽³⁾ | Per Capita ⁽³⁾ |
| | General Obligation Bonds, Net ⁽¹⁾ | Percentage of Total Taxable Value ⁽²⁾ of Property | Per Capita ⁽³⁾ | | | | | | | | | | | | |
| 2016 | \$ 12,947 | 11.5% | 214 | \$ 4,675 | \$ -- | \$ -- | \$ 17,622 | \$ 26,400 | \$ 54 | \$ -- | \$ 26,454 | \$ 44,076 | 0.39 | 42.43 | 727 |
| 2017 | 11,390 | 9.5% | 186 | 2,869 | -- | -- | 14,259 | 23,710 | -- | -- | 23,710 | 37,969 | 0.32 | 34.53 | 619 |
| 2018 | 9,767 | 7.8% | 157 | 1,936 | -- | -- | 11,703 | 20,885 | -- | -- | 20,885 | 32,588 | 0.26 | 27.50 | 525 |
| 2019 | 8,064 | 6.2% | 129 | 980 | -- | -- | 9,044 | 18,573 | -- | -- | 18,573 | 27,617 | 0.21 | 22.16 | 442 |
| 2020 | 6,286 | 4.6% | 99 | -- | -- | -- | 6,286 | 16,406 | -- | -- | 16,406 | 22,692 | 0.17 | 17.21 | 359 |
| 2021 | 7,886 | 5.5% | 129 | -- | -- | -- | 7,886 | 14,137 | -- | -- | 14,137 | 22,023 | 0.15 | N/A | 360 |
| 2022 | 5,925 | 3.7% | 97 | -- | -- | -- | 5,925 | 11,843 | -- | -- | 11,843 | 17,768 | 0.11 | N/A | 290 |
| 2023 | 3,957 | 2.2% | 65 | -- | -- | 2,929 | 6,886 | 9,538 | -- | 138 | 9,676 | 16,562 | 0.09 | N/A | 270 |
| 2024 | 1,982 | 1.0% | 65 | -- | -- | 2,532 | 4,514 | 7,911 | -- | 52 | 7,963 | 12,477 | 0.06 | N/A | 204 |
| 2025 | -- | 0.0% | -- | -- | 2,000 | 2,138 | 4,138 | 6,253 | -- | 77 | 6,330 | 10,468 | 0.05 | N/A | 171 |

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

⁽¹⁾ Debt is net of unamortized bond discount.

⁽²⁾ See Table at page 120 for property value data.

⁽³⁾ See Table at page 129 for personal income and population data.

N/A - Personal income information not available.

TOWN OF JUPITER, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2025

| | Debt Outstanding | Estimated ⁽¹⁾ Percentage Applicable to Town of Jupiter | Estimated ⁽¹⁾ Share of Direct and Overlapping Debt |
|---|---------------------|---|---|
| Direct Debt: | | | |
| Town of Jupiter | \$ 1,996,871 | 100.00% | \$ 1,996,871 |
| Overlapping Debt: | | | |
| Debt repaid with property taxes | | | |
| Palm Beach County | 95,565,000 | 6.18% | 5,902,151 |
| Other Debt | | | |
| Palm Beach County ⁽²⁾ | 811,992,374 | 6.18% | 50,149,131 |
| Palm Beach County School Board ⁽³⁾ | 1,278,696,000 | 6.18% | <u>78,973,023</u> |
| Total Overlapping Debt | | | <u>135,024,305</u> |
| Total Direct and Overlapping Debt | | | <u>\$ 137,021,176</u> |
| Estimated Population | | | 61,246 |
| Total Direct and Overlapping Debt per Capita | | | <u>\$ 2,237</u> |

⁽¹⁾ Estimates based on ratio of assessed taxable values.

⁽²⁾ Includes Non Ad Valorem Revenue Bonds (\$678,416,533) and Other Notes and Loans (\$169,994,355).

⁽³⁾ Includes Capital Outlay Bonds (\$3,314,000) and Certificates of Participation (\$1,369,955,000).

Source: Finance Department, Town of Jupiter, Florida
 Palm Beach County Finance Department
 School Board of Palm Beach County ACFR

TOWN OF JUPITER, FLORIDA

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS (AMOUNTS IN THOUSANDS)

| Fiscal Year | Assessed Value for Legal Debt Margin | | | Legal Debt Margin | | | Total Net Debt Applicable to the Limit as a Percentage of Debt Limit |
|-------------|--------------------------------------|----------------------------|----------------------------|------------------------------|------------------------------------|-------------------------|--|
| | Assessed Value for Operations | Exempt Real Property | Total Assessed Value | Debt Limit ⁽¹⁾ | Net Debt Applicable to Limit | Legal Debt Margin | |
| 2016 | \$ 9,697,585 | \$ 1,544,976 | \$ 11,242,561 | \$ 1,686,384 | \$ 12,947 | \$ 1,673,437 | 0.77% |
| 2017 | 10,325,620 | 1,609,025 | 11,934,645 | 1,790,197 | 11,390 | 1,778,807 | 0.64% |
| 2018 | 10,869,650 | 1,676,170 | 12,545,820 | 1,881,873 | 9,767 | 1,872,106 | 0.52% |
| 2019 | 11,389,857 | 1,714,369 | 13,104,226 | 1,965,634 | 8,064 | 1,957,570 | 0.41% |
| 2020 | 11,921,625 | 1,780,636 | 13,702,261 | 2,055,339 | 6,286 | 2,049,053 | 0.31% |
| 2021 | 12,486,465 | 1,808,833 | 14,295,298 | 2,144,295 | 7,886 | 2,136,409 | 0.10% |
| 2022 | 14,089,525 | 1,922,579 | 16,012,104 | 2,401,816 | 5,925 | 2,395,891 | 0.08% |
| 2023 | 15,840,400 | 2,054,963 | 17,895,363 | 2,684,304 | 3,957 | 2,680,347 | 0.07% |
| 2024 | 17,255,841 | 2,095,582 | 19,351,423 | 2,902,713 | 1,982 | 2,900,731 | 0.07% |
| 2025 | 18,466,832 | 2,133,020 | 20,599,852 | 3,089,978 | -- | 3,089,978 | 0.00% |

⁽¹⁾ Debt limit is 15% of total assessed values based on Town ordinance.

TOWN OF JUPITER, FLORIDA

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

| Fiscal Year | Sales Tax Revenue Bonds | | | Water Revenue Bonds | | | | |
|-------------|-------------------------|-----------------------------|-------------------------|------------------------------|-----------------------------------|--|-----------------------------|-------------------------|
| | Sales Tax Revenue | Debt Service ⁽³⁾ | Coverage ⁽⁴⁾ | Gross Revenue ⁽¹⁾ | Operating Expenses ⁽²⁾ | Net Revenue Available for Debt Service | Debt Service ⁽³⁾ | Coverage ⁽⁴⁾ |
| 2016 | \$ 4,521,600 | \$ 987,030 | 4.58 | \$ 25,544,277 | \$ 13,260,368 | \$ 12,283,909 | \$ 3,233,251 | 3.80 |
| 2017 | 4,657,676 | 991,249 | 4.70 | 27,578,625 | 14,794,859 | 12,783,766 | 3,296,838 | 3.88 |
| 2018 | 4,898,846 | 992,760 | 4.93 | 27,329,670 | 14,992,883 | 12,336,787 | 3,400,428 | 3.63 |
| 2019 | 4,979,248 | 996,539 | 5.00 | 28,989,206 | 15,513,104 | 13,476,102 | 2,825,882 | 4.77 |
| 2020 | 4,686,687 | 998,447 | 4.69 | 28,204,402 | 16,018,428 | 12,185,974 | 2,621,662 | 4.65 |
| 2021 | -- | -- | -- | 28,696,292 | 15,907,890 | 12,788,402 | 2,667,699 | 4.79 |
| 2022 | -- | -- | -- | 28,490,610 | 17,783,204 | 10,707,406 | 2,635,211 | 4.06 |
| 2023 | -- | -- | -- | 31,710,337 | 18,836,109 | 12,874,228 | 2,307,499 | 5.58 |
| 2024 | -- | -- | -- | 35,251,882 | 19,277,760 | 15,974,122 | 1,630,910 | 9.79 |
| 2025 | -- | -- | -- | 36,540,671 | 20,418,942 | 16,121,729 | 1,659,045 | 9.72 |

⁽¹⁾ Revenue excludes change in fair value of investments and gain on sale of capital assets.

⁽²⁾ Expenses exclude depreciation.

⁽³⁾ Includes principal and interest of revenue bonds only.
It does not include debt defeasance transactions.

⁽⁴⁾ Required coverage is 1.10.

TOWN OF JUPITER, FLORIDA

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

| Fiscal Year | Population ⁽¹⁾ | Personal Income ⁽²⁾ (in millions) | Per Capita Personal Income ⁽²⁾ | Unemployment Rate ⁽³⁾ | School Enrollment ⁽⁴⁾ |
|-------------|---------------------------|---|---|----------------------------------|----------------------------------|
| 2016 | 60,615 | \$ 103,876 | \$ 71,946 | 3.6% | 9,819 |
| 2017 | 61,388 | 109,974 | 74,754 | 3.8% | 10,106 |
| 2018 | 62,100 | 118,519 | 79,760 | 3.1% | 10,187 |
| 2019 | 62,497 | 124,632 | 83,268 | 3.1% | 10,306 |
| 2020 | 63,188 | 131,881 | 87,478 | 6.1% | 9,576 |
| 2021 | 61,121 | N/A | 100,792 | 3.7% | 9,519 |
| 2022 | 61,341 | N/A | 108,679 | 1.9% | 9,379 |
| 2023 | 61,333 | N/A | 117,322 | 3.1% | 9,335 |
| 2024 | 61,215 | N/A | N/A | N/A | 9,245 ⁽⁵⁾ |
| 2025 | 61,246 | N/A | N/A | N/A | 8,968 ⁽⁵⁾ |

Data Sources:

⁽¹⁾ Source: University of Florida, Bureau of Economic and Business Research.

⁽²⁾ For Palm Beach County - U.S. Department of Commerce, Bureau of Economic Analysis

⁽³⁾ For Palm Beach County - U.S. Department of Labor, Bureau of Labor Statistics (As of the month of October)

⁽⁴⁾ For the 8 Jupiter area schools (5 Elementary, 2 Middle & 1 High) - The School District of Palm Beach County

⁽⁵⁾ Based on October FTE Enrollment Report

N/A - Not available

TOWN OF JUPITER, FLORIDA

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

| Employer | 2025 ⁽¹⁾ | | | 2016 ⁽¹⁾ | | |
|-------------------------------------|---------------------|------|---------------------------------------|---------------------|------|---------------------------------------|
| | Employees | Rank | Percentage of Total County Employment | Employees | Rank | Percentage of Total County Employment |
| Palm Beach County School District | 22,801 | 1 | 35% | 21,656 | 1 | 42% |
| Baptist Health South Florida | 6,773 | 2 | 10% | -- | -- | -- |
| Florida Atlantic University | 6,335 | 3 | 10% | 2,529 | 7 | 5% |
| NextEra Energy, Inc. (Headquarters) | 6,139 | 4 | 10% | 4,005 | 4 | 8% |
| Palm Beach County | 6,130 | 5 | 9% | 5,930 | 2 | 11% |
| Tenet Healthcare Corp. | 5,734 | 6 | 9% | 4,595 | 3 | 9% |
| Veterans Health Administration | 2,948 | 7 | 5% | 2,700 | 6 | 5% |
| HCA Florida Healthcare | 2,850 | 8 | 4% | -- | -- | -- |
| Jupiter Medical Center | 2,495 | 9 | 4% | 2,195 | 9 | 4% |
| The Breakers | 2,400 | 10 | 4% | -- | -- | -- |
| Hospital Corporation of America | -- | -- | -- | 3,476 | 5 | 7% |
| Bethesda Health, Inc. | -- | -- | -- | 2,150 | 10 | 4% |
| Boca Raton Regional Hospital | -- | -- | -- | 2,500 | 8 | 5% |
| Totals | 64,605 | | 100.00% | 51,736 | | 100.00% |

⁽¹⁾ Source: Business Development Board of Palm Beach County. Data is for Palm Beach County.

* Updated figures unavailable at date of publication

TOWN OF JUPITER, FLORIDA

FULL-TIME EQUIVALENT TOWN EMPLOYEES BY FUNCTION / PROGRAM

LAST TEN FISCAL YEARS

| | Fiscal Year | | | | | | | | | |
|---------------------------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| General Government | | | | | | | | | | |
| Town Manager | 4 | 4 | 4 | 4 | 2 | 2 | 3 | 5 | 5 | 3 |
| Town Clerk | 5 | 5 | 5 | 5 | 5 | 4 | 4 | 4 | 4 | 4 |
| Finance | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 9 | 10 | 9 |
| Human Resources | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 6 | 7 |
| Information Systems | 11 | 11 | 12 | 12 | 13 | 13 | 13 | 13 | 13 | 13 |
| Neighborhoods | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 2 |
| External Affairs | 5 | 6 | 6 | 6 | 6 | 6 | 6 | 5 | 5 | 5 |
| Public Safety | | | | | | | | | | |
| Police Officers | 116 | 116 | 118 | 118 | 118 | 118 | 118 | 118 | 121 | 121 |
| Civilian Police | 22 | 24 | 25 | 25 | 24 | 24 | 24 | 25 | 25 | 25 |
| Engineering/Public Works | | | | | | | | | | |
| Engineering | 10 | 10 | 11 | 11 | 11 | 11 | 11 | 10 | 10 | 10 |
| Public Works | 20 | 20 | 19 | 18 | 19 | 19 | 19 | 26 | 28 | 30 |
| Parks Maintenance | 19 | 21 | 22 | 25 | 25 | 25 | 25 | 19 | 19 | 19 |
| Culture and Recreation | | | | | | | | | | |
| Parks and Recreation | 18 | 19 | 19 | 20 | 20 | 20 | 20 | 21 | 21 | 22 |
| Water System | | | | | | | | | | |
| Plant | 28 | 29 | 29 | 30 | 30 | 30 | 30 | 30 | 31 | 32 |
| Field | 17 | 17 | 17 | 17 | 18 | 18 | 18 | 18 | 20 | 19 |
| Administration | 17 | 18 | 18 | 18 | 17 | 17 | 17 | 17 | 17 | 17 |
| Building Department | | | | | | | | | | |
| Building | 24 | 25 | 27 | 28 | 28 | 28 | 28 | 29 | 29 | 28 |
| Planning | 15 | 15 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 |
| Business Registration | 4 | 3 | 3 | 3 | 1 | 1 | 1 | 0 | 0 | 0 |
| Code Enforcement | 7 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Stormwater System | | | | | | | | | | |
| Field | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 6 |
| Administration | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 6 | 6 | 5 |
| Total | <u>366</u> | <u>376</u> | <u>384</u> | <u>389</u> | <u>386</u> | <u>385</u> | <u>386</u> | <u>391</u> | <u>401</u> | <u>401</u> |

TOWN OF JUPITER, FLORIDA

OPERATING INDICATORS BY FUNCTION / PROGRAM

LAST TEN FISCAL YEARS

| Function | Fiscal Year | | | | | | | | | |
|--|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Public Safety | | | | | | | | | | |
| Police | | | | | | | | | | |
| Physical arrests | 1,483 | 1,535 | 1,659 | 1,582 | 1,571 | 1,168 | 1,254 | 1,452 | 1,331 | 1,083 |
| Parking violations | 1,164 | 1,409 | 1,041 | 762 | 640 | 473 | 1,136 | 884 | 760 | 520 |
| Traffic violations | 6,171 | 5,698 | 7,984 | 8,042 | 7,346 | 9,366 | 5,572 | 6,299 | 5,229 | 4,136 |
| Code Compliance | | | | | | | | | | |
| Code violations | 2,352 | 3,316 | 3,257 | 2,293 | 1,947 | 1,956 | 1,303 | 1,405 | 1,742 | 1,792 |
| Public Works | | | | | | | | | | |
| Street resurfacing (lane miles) | 9 | 1 | 9 | 11 | 3 | 4 | 0 | 0 | 16 | 7 |
| Pot holes repaired | 52 | 58 | 73 | 37 | 40 | 49 | 48 | 27 | 45 | 42 |
| Culture and Recreation | | | | | | | | | | |
| Parks and Recreation | | | | | | | | | | |
| Recreation programs offered | 519 | 520 | 525 | 530 | 259 | 352 | 599 | 867 | 1,944 | 1,800 |
| Recreation program participants | 71,073 | 71,849 | 79,034 | 85,525 | 30,442 | 44,191 | 39,626 | 46,653 | 58,103 | 68,367 |
| Youth athletic participants (JTAA) | 6,161 | 6,446 | 6,423 | 6,670 | 5,202 | 5,723 | 6,072 | 6,534 | 6,628 | 6,783 |
| Camp program participants | 1,876 | 2,032 | 2,203 | 2,807 | 723 | 509 | 751 | 1,263 | 1,428 | 1,532 |
| Athletic camp participants | 960 | 995 | 1,120 | 1,129 | -- | -- | 783 | 840 | 756 | 770 |
| Skate park participants | 22,922 | 21,803 | 22,675 | 6,617 | 7,731 | 16,184 | 9,387 | 7,688 | 7,361 | 6,807 |
| Water System | | | | | | | | | | |
| Water customers | 29,484 | 29,778 | 30,087 | 30,260 | 30,377 | 30,455 | 30,624 | 30,790 | 30,846 | 30,907 |
| Permitted Capacity per day (million gallons) | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 |
| Average daily water consumption (million gallons) | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 |
| Building Department | | | | | | | | | | |
| Building permits issued | 6,297 | 7,646 | 8,898 | 8,743 | 9,332 | 10,364 | 9,433 | 8,309 | 7,931 | 7,875 |
| Value of permits (in thousands) | \$ 208,708 | \$ 175,709 | \$ 261,372 | \$ 272,649 | \$ 198,639 | \$ 272,204 | \$ 306,525 | \$ 236,404 | \$ 313,857 | \$ 320,012 |
| Stormwater System | | | | | | | | | | |
| Stormwater customers | 22,820 | 22,993 | 23,155 | 23,261 | 23,308 | 23,376 | 23,413 | 23,434 | 23,439 | 23,454 |

Sources: Town departments.

TOWN OF JUPITER, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION / PROGRAM
LAST TEN FISCAL YEARS

| 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 |
| Patrol units | 148 | 148 | 147 | 141 | 142 | 145 | 140 | 143 | 141 | 133 |
| Code Compliance | | | | | | | | | | |
| Vehicles | 8 | 9 | 9 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Engineering and Public Works | | | | | | | | | | |
| Centerline road miles | 139.21 | 138.93 | 142.79 | 146.69 | 148.28 | 149.08 | 151.03 | 151.20 | 151.26 | 151.48 |
| Culture and Recreation | | | | | | | | | | |
| Parks and Recreation | | | | | | | | | | |
| Community Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Civic Center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Ballfields - lighted | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 |
| Basketball courts | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| Multi-purpose fields | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 | 16 |
| Tennis courts | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 11 | 11 |
| Pickleball courts | -- | -- | -- | -- | -- | -- | -- | -- | 13 | 13 |
| Parks | 17 | 17 | 18 | 19 | 19 | 19 | 19 | 19 | 19 | 19 |
| Parks (acres) | 265 | 265 | 278 | -- | -- | -- | -- | -- | -- | -- |
| Park properties (acres) | -- | -- | -- | 217 | 217 | 217 | 217 | 217 | 217 | 217 |
| Open space properties (acres) | -- | -- | -- | 109 | 110 | 110 | 121 | 121 | 121 | 121 |
| Water System | | | | | | | | | | |
| Water mains (miles) | 468 | 470 | 474 | 476 | 476 | 477 | 478 | 479 | 480 | 480 |
| Plants | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Fire hydrants | 3,646 | 3,717 | 3,711 | 3,758 | 3,780 | 3,802 | 3,853 | 3,863 | 3,872 | 3,875 |
| Building Department | | | | | | | | | | |
| Vehicles | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 10 |
| Stormwater System | | | | | | | | | | |
| Stormwater sewers (miles) | 93.8 | 93.8 | 92.7 | 93.9 | 94.4 | 94.9 | 96.7 | 97.0 | 97.3 | 98.5 |

Source: Town departments.

N/A: Not available.

TOWN OF JUPITER, FLORIDA

SCHEDULE OF INSURANCE IN FORCE

AS OF SEPTEMBER 30, 2025

| Type of Coverage | Coverage Amount | |
|--|----------------------------------|--------------|
| Property | 205,214,330 | (1, 10) |
| Equipment Breakdown | 100,000,000 | (1, 10) |
| Inland Marine | 4,321,655 | (1, 10) |
| Ocean Marine | 265,432 | (13, 17) |
| Crime/Employee Dishonesty | 250,000 | (1, 9) |
| Deadly Weapon Protection | 1,000,000 | (1) |
| General Liability | 2,000,000 per claim/no aggregate | (1, 6, 9) |
| Cyber Liability | 2,000,000 per claim/no aggregate | (1) |
| Law Enforcement Liability | 1,000,000/1,000,000 | (1, 2, 7, 9) |
| Automobile Liability | 1,000,000 | (1) |
| Automobile Physical Damage | ACV or repair | (1, 15) |
| Public Officials & Employment Practices Liability | 1,000,000 | (1) |
| Workers' Compensation | Statutory | (1) |
| Employers' Liability Limit for Workers Compensation | 1,000,000 | (1, 18) |
| Environmental Insurance (Pollution) | 1,000,000/1,000,000 | (7, 12) |
| Railroad Protective Liability | 2,000,000/6,000,000 | (8, 14) |
| Police - Statutory Accidental Death and Dismemberment | 225,000 | (5, 11) |
| | 75,000 | (5, 11) |
| | 75,000 | (5, 11) |
| CRA (Director & Officers including Employment Practices) | 1,000,000 Aggregate | (7, 16) |
| Life Insurance | 200,000 | (3, 19) |
| AD&D Insurance | 200,000 | (3, 19) |
| Medical - HMO | Unlimited | (4, 20) |
| Medical - HSA | Unlimited | (4, 20) |
| Additional Insured Policy (Locations/Special Events) | | |
| General Liability (Additional Insured Locations/Events) | 1,000,000/2,000,000 | (21, 22) |
| General Liability Excess Policy | 2,000,000/2,000,000 | (21, 23) |
| Drone/Aircraft Liability | 1,000,000 per occurrence | (24, 25) |

- (1) Coverage is through Preferred Governmental Insurance Trust.
- (2) Coverage is per person/per occurrence.
- (3) Coverage is based on Class of eligible employee and salary to a maximum of \$200,000.
- (4) Lifetime maximum per individual.
- (5) Coverage is mandated by FL Statute & adjusted for cost of living based upon a formula updated annually for Accidental Death & Dismemberment Benefits (Line of Duty Damage or Employee benefits liability).
- (6) Coverage applicable to claims \$2,000,000 per occurrence. Note: No aggregate on Bodily Injury, Property Damage or Employee benefits liability.
- (7) Coverage applicable to claims \$1,000,000 per occurrence, \$1,000,000 aggregate.
- (8) Coverage applicable to claims \$2,000,000 per occurrence, \$6,000,000 aggregate for annual maintenance and upkeep of land in right of way of railroad.
- (9) Coverage is per occurrence.
- (10) Coverage is based upon property schedule.
- (11) Coverage is through Ace American Insurance Company.
- (12) Coverage is through Indian Harbor Insurance Company.
- (13) Coverage is through Great American Insurance Company.
- (14) Coverage is through Hudson Insurance Company.
- (15) Actual Cash Value at the time of loss minus deductible.
- (16) Coverage is through Indian Harbor Insurance Company.
- (17) Coverage based on Ocean Marine Application.
- (18) Coverage applicable to Bodily Injury by accident \$1,000,000; Bodily Injury by Disease Agreement Limit \$1,000,000; and Bodily Injury by Disease each employee \$1,000,000.
- (19) Coverage through US Able.
- (20) Coverage is through Nautilus Insurance Company.
- (21) Coverage applicable to claims \$1,000,000 per occurrence, \$2,000,000 aggregate.
- (22) Coverage applicable to claims \$1,000,000 per occurrence, \$2,000,000 aggregate.
- (23) Coverage applicable to claims \$2,000,000 per occurrence, \$2,000,000 aggregate.
- (24) Coverage is through Global Aerospace
- (25) Coverage applicable to claims Aircraft Liability \$1,000,000 per occurrence; Personal Injury Limit \$1,000,000

Sources: Town departments

SALARIES OF PRINCIPAL OFFICIALS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| <u>Official</u> | <u>Annual Salary</u> |
|---------------------------------------|----------------------|
| Mayor | \$ 22,200 |
| Council (4 members) | 18,600 (per member) |
| Town Manager | 300,000 |
| Police Chief | 211,014 |
| Utilities Director | 193,199 |
| Engineering and Public Works Director | 185,000 |
| Finance Director | 182,326 |
| Assistant Town Manager | 229,125 |
| Planning and Zoning Director | 184,598 |
| Construction Services Director | 214,143 |
| Town Clerk | 117,427 |
| Information Systems Director | 150,952 |
| Parks and Recreation Director | 157,286 |
| Fire Chief | 200,655 |

REPORTING SECTION

**Independent Auditors' Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Honorable Mayor, Members of the Town Council,
Audit Committee and Town Manager
Town of Jupiter, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America (“GAAS”) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (“*Government Auditing Standards*”), the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jupiter, Florida (the “Town”) as of and for the fiscal 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 March 31, 2026. Our report includes a reference to another auditor who audited the financial statements of the Municipal Police Officers’ Retirement Trust Fund, the fiduciary fund of the Town, as described in our report on the Town’s financial statements. This report does not include the results of the other auditors’ testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free 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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CBIZ CPAs P.C.

Boca Raton, Florida
March 31, 2026

**Independent Auditors' Report on Compliance for the Major
Federal Program and Report on Internal Control Over
Compliance Required by the Uniform Guidance**

To the Honorable Mayor, Members of the Town Council,
Audit Committee and Town Manager
Town of Jupiter, Florida

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Town of Jupiter, Florida (the "Town") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Town's major federal program for the fiscal year ended September 30, 2025. The Town's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' 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 the major federal program. Our audit does not provide a legal determination of the 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 the Town's federal programs.

Auditors' 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance 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 as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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, 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 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 will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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. Accordingly, this report is not suitable for any other purpose.

CBIZ CPAs P.C.

Boca Raton, Florida
March 31, 2026

TOWN OF JUPITER, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| Federal Agency, Pass-through Grantor Program of Cluster Title | Assistance Listing Number | Grant Number/ Pass-through Entity Identifying Number | Federal Expenditures |
|---|---------------------------------|--|----------------------------|
| <u>United States Department of Housing and Urban Development</u> | | | |
| Direct Programs: | | | |
| Community Development Block Grants/Entitlement Grants | 14.218 | B-19-MC-12-0059 | \$ 110,321 |
| Community Development Block Grants/Entitlement Grants | 14.218 | B-20-MC-12-0059 | 2,120 |
| Community Development Block Grants/Entitlement Grants | 14.218 | B-22-MC-12-0059 | 42,087 |
| COVID-19 Community Development Block Grant | 14.218 | B-24-MC-12-0059 | 54,672 |
| Total CDBG-Entitlement/Special Purpose Grants Cluster | | | <u>209,200</u> |
| Total United States Department of Housing and Urban Development | | | <u>209,200</u> |
| <u>United States Department of Justice</u> | | | |
| Direct Programs: | | | |
| Bulletproof Vest Partnership Program | 16.607 | 2023BUBX23033830 | 8,392 |
| Bulletproof Vest Partnership Program | 16.607 | 2024BUBX24039806 | 5,729 |
| Total Bulletproof Vest Partnership Programs | | | <u>14,121</u> |
| Equitable Sharing Program | 16.922 | N/A | 153,607 |
| Total Equitable Sharing Programs | | | <u>153,607</u> |
| Total United States Department of Justice | | | <u>167,728</u> |
| <u>United States Department of Transportation</u> | | | |
| Direct Program: | | | |
| State and Community Highway Safety Program | 20.600 | G3492 | 24,014 |
| Total Highway Safety Cluster | | | <u>24,014</u> |
| Total United States Department of Transportation | | | <u>24,014</u> |
| <u>United States Department of Treasury</u> | | | |
| Direct Program: | | | |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | 1505-0271 | 2,060,657 |
| Total United States Department of Treasury | | | <u>2,060,657</u> |
| <u>United States Department of Homeland Security</u> | | | |
| Direct Program: | | | |
| Hazard Mitigation Grant Program | 97.039 | FEMA-DR-4468-FL | 225,351 |
| Total United States Department of Homeland Security | | | <u>225,351</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 2,686,950</u> |

See accompanying notes to schedule of expenditures of federal awards.

TOWN OF JUPITER, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) presents the expenditure activity of all federal awards of the Town of Jupiter, Florida (the “Town”) for the fiscal year ended September 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the Town. Expenditures of State financial assistance for the fiscal year ended September 30, 2025 did not exceed the \$750,000 threshold for a Florida Single Audit.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Certain pass-through entity identifying numbers were not available for pass-through awards listed in the Schedule for the fiscal year ended September 30, 2025.

NOTE 3 – INDIRECT COST RATE

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

NOTE 4 – SUBRECIPIENTS

The Town made no payments to subrecipients from Federal awards for the fiscal year ended September 30, 2025.

TOWN OF JUPITER, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified Opinion

Internal control over financial reporting:

Material weakness(es) identified?

___ Yes X No

Significant deficiency(ies) identified?

___ Yes X None reported

Non-compliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal control over the major programs:

Material weakness(es) identified?

___ Yes X No

Significant deficiency(ies) identified?

___ Yes X None reported

Type of auditors’ report issued on compliance for the Major federal programs:

Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?

___ Yes X No

Identification of the Major Federal Program:

Name of Federal Program

Assistance Listing No.

Coronavirus State and Local Fiscal Recovery Funds

21.027

Dollar threshold used to distinguish between Type A and Type B federal programs:

\$ 1,000,000

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?

X Yes ___ No

TOWN OF JUPITER, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

TOWN OF JUPITER, FLORIDA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION I – PRIOR YEAR AUDIT FINDINGS

None

SECTION II – PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

**Management Letter in Accordance with the
Rules of the Auditor General for the State of Florida**

To the Honorable Mayor, Members of the Town Council,
Audit Committee and Town Manager
Town of Jupiter, Florida

Report on the Financial Statements

We have audited the financial statements of the Town of Jupiter, Florida (the “Town”), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 13, 2026. We did not audit the financial statements of the Municipal Police Officers’ Retirement Trust Fund, as described in our report on the Town’s financial statements. This management letter does not include any matters reported on separately by those other auditors in their management letter, if any.

Auditors’ Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors’ Report on Compliance for the Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance; Schedule of Findings and Questioned Costs; Summary Schedule of Prior Audit Findings; and Independent Accountants’ Report on examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated March 13, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 to the financial statements. Also, as discussed in Note 1, the Town included the Jupiter Community Redevelopment Agency (the “CRA”) as a component unit of the Town.

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 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 for the Town. 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 review of financial information provided by same. Our assessment was done as of the fiscal year end.

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) Program

As required by Section 10.554(1)(i)6.a, Rules of the Auditor General, requires a statement to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the Town’s geographical boundaries during the fiscal year under audit. During the fiscal year ended September 30, 2025, the PACE program did not operate within the Town’s geographical boundaries.

Special District Component Unit

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 unit that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

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

Purpose of this Letter

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

CBIZ CPAs P.C.

Boca Raton, Florida
March 31, 2026



CBIZ CPAs P.C.

2255 Glades Road
Suite #321A
Boca Raton, FL 33431

P: 561.994.5050

Independent Accountants' Report on Compliance
Pursuant to Section 218.415, Florida Statutes

To the Honorable Mayor, Members of the Town Council,
Audit Committee and Town Manager
Town of Jupiter, Florida

We have examined the Town of Jupiter, Florida (the "Town") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the fiscal year ended September 30, 2025. Management of the Town is responsible for the Town's compliance with the specified 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 judgment, 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 other 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 the specified requirements.

In our opinion, the Town complied, in all material respects, with Section 218.415, Florida Statutes, for the fiscal year ended September 30, 2025.

This report is intended solely to describe our testing of compliance with Section 218.415, Florida Statutes, and it is not suitable for any other purpose.

CBIZ CPAs P.C.

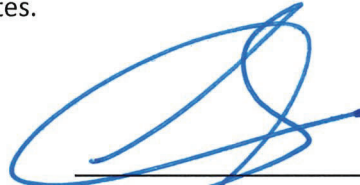
Boca Raton, Florida
March 31, 2026



BEFORE ME, the undersigned authority, personally appeared Scott Reynolds, who being duly sworn, deposes and says on oath that:

1. I am the Finance Director of the Town of Jupiter which is a local governmental entity of the State of Florida.
2. The Town of Jupiter adopted the following Ordinances implementing impact fees:
 - 1) Recreation Impact fees: (Ord 35-93, passed 5-4-1993)
 - 2) Police Impact fees: (Ord 48-95, passed 12-5-1995)
 - 3) Road Impact fees: (Ord 14-04, passed 4-20-2004)
3. The Town of Jupiter has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT



Scott Reynolds

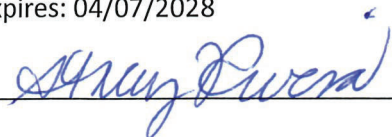
Notary Public

STATE OF FLORIDA
COUNTY OF PALM BEACH

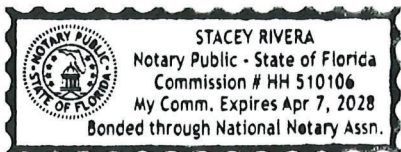
Subscribed and sworn to before me by means of physical presence this 4th day of November, 2025, by Scott Reynolds as Finance Director of the Town of Jupiter, who is personally know to me.

Print Name: Stacey Rivera

My Commission Expires: 04/07/2028

Notary Signature: 

Seal:





CBIZ CPAs P.C.

2255 Glades Road
Suite #321A
Boca Raton, FL 33431

P: 561.994.5050

March 31, 2026

To the Board of Commissioners and Executive Director
Town of Jupiter Community Redevelopment Agency

We have audited the financial statements of the governmental activities and the major fund of the Town of Jupiter Community Redevelopment Agency (the "CRA"), a component unit of the Town of Jupiter for the fiscal year ended September 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 15, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the CRA are described in Note 2 – Summary of Significant Accounting Policies to the financial statements. No new accounting policies were adopted, and the application of existing policies was not changed during the fiscal year ended September 30, 2025, except for the implementation of Governmental Accounting Standards Board ("GASB") Statement No. 101, *Compensated Absences* and GASB Statement No. 102, *Certain Risk Disclosures*. We noted no transactions entered into by the CRA during the fiscal year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the CRA's financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no sensitive disclosures affecting the CRA's financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Independence

For the fiscal year ended September 30, 2025, we were engaged to provide nonaudit/nonattest services mainly related to preparation of the CRA's financial statements. We reviewed the nature of the requested work, our role and management's role and determined that our independence would not be impaired, in fact or appearance.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no such misstatements noted during the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 31, 2026.

Significant Unusual Transactions

For purposes of this letter, professional standards define *significant unusual transactions* as transactions that are outside the normal course of business for the CRA or that otherwise appear to be unusual due to their timing, size or nature. We did not identify any significant unusual transactions during our audit.

Related Party Relationships and Transactions

As part of our audit, we evaluated the CRA's identification of, accounting for, and disclosures of the CRA's relationships and transactions with related parties as required by professional standards. We did not identify any related parties or related party relationships or transactions that were previously undisclosed to us; significant related party transactions that have not been approved in accordance with the CRA's policies or procedures or for which exceptions to the CRA's policies or procedures were granted; or significant related party transactions that appeared to lack a business purpose.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the CRA's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as CRA's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis and the budgetary comparison schedule and related notes, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Honorable Mayor, CRA Board of Commissioners, Executive Director and management of the CRA and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

CBIZ CPAs P.C.

Boca Raton, Florida

**TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

**TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

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INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

To the Board of Commissioners and Executive Director
Town of Jupiter Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of the Town of Jupiter Community Redevelopment Agency (the "Agency"), a component unit of the Town of Jupiter, Florida, as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Agency, as of September 30, 2025, and the respective changes in financial position for the fiscal 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 ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency 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 Agency's ability to continue as a going concern for twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 GAAS 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 GAAS 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 Agency'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 Agency'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 9, and the budgetary comparison schedule and notes to the schedule on pages 26 through 27 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2026 on our consideration of the Agency'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 Agency'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 Agency's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Boca Raton, Florida
March 31, 2026

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(MD&A)**

MANAGEMENT’S DISCUSSION AND ANALYSIS

Acting in our capacity as the management of the Town of Jupiter Community Redevelopment Agency (the “CRA” or the “Agency”), we offer readers of the CRA’s financial statements this narrative overview and analysis of the financial activities of the CRA for the fiscal year ended September 30, 2025.

Financial Highlights

- The assets of the CRA exceeded its liabilities at the close of the most recent fiscal year by \$12,112,716 (*net position*).
- The CRA’s total net position increased \$1,962,945. Substantially all of this increase is attributable to tax increment revenue in excess of redevelopment expenses due to the timing of CRA projects.
- As of the close of the current fiscal year, the CRA’s General Fund reported an ending fund balance of \$2,027,813, an increase of \$22,495 as compared to prior year. The prior year had restricted fund balance of \$2,005,318.
- The CRA’s capital assets of \$10,058,816 increased by \$1,950,050 during the current fiscal year due to an increase in capital assets additions net of depreciation.

Overview of the Financial Statements

This management discussion and analysis is intended to serve as an introduction to the CRA’s financial statements. The financial statements of the CRA comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains required supplementary information in addition to the financial statements themselves.

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

The *statement of net position* presents information on all of the CRA’s assets, liabilities, and deferred inflows/outflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CRA is improving or deteriorating.

The *statement of activities* presents information showing how the CRA’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flow*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements present functions of the CRA that are principally supported by tax increment revenues (*governmental activities*). The governmental activities of the CRA consist of general government expenses. The CRA has no business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The government-wide financial statements can be found on pages 10 and 11 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CRA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The CRA utilizes only one fund, the *General Fund*, which is classified as a *governmental* fund and accounts for all financial resources of the CRA.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The governmental fund financial statements can be found on pages 12 and 14 of this report. The reconciliation of the general fund balance sheet to the statement of net position can be found on page 13. The reconciliation between the governmental fund change in fund balance and the governmental activities change in net position can be found on page 15.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16 to 25 of this report.

Other information. In addition to the financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the CRA's budget to actual results for the General Fund for the current year. The CRA adopts an annual appropriated budget for its General Fund, for which a budgetary comparison schedule has been provided on page 26 to demonstrate compliance with this budget.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the CRA, assets exceeded liabilities by \$12,112,716 at the close of the most recent fiscal year.

The following table provides a summary of the CRA's net position for the fiscal years ended September 30, 2025 and 2024:

SUMMARY OF NET POSITION FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2025 AND 2024

| | Governmental Activities | | | |
|----------------------------------|-------------------------|----------------------|---------------------|---------------|
| | 2025 | 2024 | (\$) Change | (%) Change |
| Assets | | | | |
| Current and other assets | \$ 3,857,545 | \$ 4,793,566 | \$ (936,021) | -19.5% |
| Capital assets, net | <u>10,058,816</u> | <u>8,108,766</u> | <u>1,950,050</u> | 24.0% |
| Total Assets | <u>13,916,361</u> | <u>12,902,332</u> | <u>1,014,029</u> | 7.9% |
| Liabilities | | | | |
| Current liabilities | <u>1,803,645</u> | <u>2,752,561</u> | <u>(948,916)</u> | -34.5% |
| Total Liabilities | <u>1,803,645</u> | <u>2,752,561</u> | <u>(948,916)</u> | -34.5% |
| Net Position | | | | |
| Net investment in capital assets | 10,058,816 | 8,081,390 | 1,977,426 | 24.5% |
| Restricted | <u>2,053,900</u> | <u>2,068,381</u> | <u>(14,481)</u> | 100.0% |
| Total Net Position | <u>\$ 12,112,716</u> | <u>\$ 10,149,771</u> | <u>\$ 1,962,945</u> | 19.3% |

The CRA's net position increased by \$1,962,945 during the current fiscal year, which primarily represents the degree to which tax increment revenues exceeded current year expenses.

Current and other assets decreased due to a decrease in cash of approximately \$936,000. The decrease in cash was due to the payment on the advance from the Town of Jupiter.

Current liabilities decreased approximately \$949,000 (34.5%) due to the current year principal payment on an advance from the Town of Jupiter (the "Town") to the CRA.

Governmental activities. Governmental activities increased the CRA’s net position by \$1,962,945. Key elements of this increase are as follows.

**SUMMARY OF CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2025 AND 2024**

| | Governmental Activities | | | |
|---------------------------------|-------------------------|----------------------|---------------------|---------------|
| | 2025 | 2024 | (\$) Change | (%) Change |
| Revenues | | | | |
| Program revenues: | | | | |
| Charges for services | \$ 110,312 | \$ 107,099 | \$ 3,213 | 3.0% |
| General revenues: | | | | |
| Tax increment revenue | 3,370,346 | 3,096,974 | 273,372 | 8.8% |
| Investment earnings | <u>27,688</u> | <u>48,791</u> | <u>(21,103)</u> | -43.3% |
| Total Revenues | <u>3,508,346</u> | <u>3,252,864</u> | <u>255,482</u> | 7.9% |
| Expenses | | | | |
| General government | 1,477,683 | 1,384,716 | 92,967 | 6.7% |
| Interest expense | <u>67,718</u> | <u>91,326</u> | <u>(23,608)</u> | -25.9% |
| Total Expenses | <u>1,545,401</u> | <u>1,476,042</u> | <u>69,359</u> | 4.7% |
| Change in Net Position | 1,962,945 | 1,776,822 | 186,123 | 10.5% |
| Net Position - Beginning | <u>10,149,771</u> | <u>8,372,949</u> | <u>1,776,822</u> | 21.2% |
| Net Position - Ending | <u>\$ 12,112,716</u> | <u>\$ 10,149,771</u> | <u>\$ 1,962,945</u> | 19.3% |

Tax increment revenues increased by approximately \$273,000 or 8.8% for fiscal year 2025. Property values in the CRA’s development area increased by approximately \$42 million or 8.75% over 2024, accounting for the increase in tax increment revenue.

General government expenses increased approximately \$93,000 (6.7%) resulting from an increase in professional services for capital projects.

Financial Analysis of the Governmental Fund

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

Governmental fund. The CRA has only one governmental fund, the General Fund. The focus of this *governmental fund* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the CRA’s financing requirements. In particular, *unassigned fund balance* and *fund balance assigned for the subsequent year’s budget* may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the CRA’s General Fund reported an ending restricted fund balance of \$2,027,813, an increase of \$22,495 for the year.

The \$22,495 increase in fund balance for the General Fund in fiscal year 2025 was primarily related to an increase in tax increment revenues offset by capital expenditures.

General Fund Budgetary Highlights

During fiscal year 2025, total revenues were slightly lower than budget by approximately \$23,000 (excluding appropriated fund balance) as a result of decreases in investment earnings. Overall, total expenditures were approximately \$2,782,000 less than the final budgeted appropriations for 2025 due to redevelopment projects not being completed by year end. There was an increase of approximately \$3,629,000 from the original budgeted expenditures to the final amended budget for the year, which was attributable to an increase in capital projects.

Capital Asset and Debt Administration

Capital assets. The CRA’s investment in capital assets as of September 30, 2025, amounts to \$10,058,816 (net of accumulated depreciation). This investment in capital assets includes land, improvements other than buildings, and infrastructure. The net increase in the CRA’s investment in capital assets for the current fiscal year was \$1,977,426. Major capital asset transactions during 2025 consisted of capital outlay expenditures of \$2,067,020 net of depreciation of \$116,970. Capital assets at September 30, 2025 and 2024 are summarized as follows:

**CAPITAL ASSETS
(NET OF ACCUMULATED DEPRECIATION)
SEPTEMBER 30, 2025 AND 2024**

| | Governmental Activities | |
|----------------------------------|-------------------------|---------------------|
| | 2025 | 2024 |
| Land | \$ 6,243,961 | \$ 5,218,551 |
| Construction in progress | 611,444 | 11,080 |
| Improvement other than buildings | 1,422,013 | 1,482,204 |
| Infrastructure | 1,781,398 | 1,396,931 |
| Totals | \$ 10,058,816 | \$ 8,108,766 |

Additional information on the CRA's capital assets can be found in Note 6 to the audited financial statements.

Noncurrent liability. The CRA does not have any debt obligations as of September 30, 2025 or 2024.

Economic Factors and Next Year's Budget

The following economic factors were considered in establishing the CRA's budget for the 2025/2026 fiscal year.

- The incremental property valuations in the CRA district are anticipated to be approximately \$555 million in tax year 2026, which represents a \$40 million increase in the CRA incremental value over that of the 2025 tax year. Ad valorem revenues generated from the incremental tax base throughout the CRA is estimated at \$3.6 million for the 2026 fiscal year compared to \$3.4 million for fiscal year 2025. Overall property values compare favorably with those in other areas of Palm Beach County which continued to rise and are expected to increase modestly in future years.
- The Inlet Village within the CRA continues to experience redevelopment activity along its Riverwalk Corridor which will lead to future gains in surrounding property values.
- At the end of fiscal year 2025, the commission invested in the future development of Piatt Place Park that is adjacent to the intercoastal waterway and Burt Reynolds Park. This project is one of the main strategic priorities within the district and required the removal of an underground parking structure which had been on the site for many years. The park project is an overlapping project with the Town's new Fire Station being constructed adjacent to the park site.

All of these factors were considered in preparing the CRA's budget for the 2025/2026 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director at 210 Military Trail, Jupiter, Florida, 33458.

FINANCIAL STATEMENTS

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)

STATEMENT OF NET POSITION

SEPTEMBER 30, 2025

| | <u>Governmental Activities</u> |
|--|------------------------------------|
| Assets | |
| Cash | \$ 3,830,955 |
| Note receivable | 26,087 |
| Prepaid item | 503 |
| Capital assets, not being depreciated: | |
| Land | 6,243,961 |
| Construction in progress | 611,444 |
| Capital assets, net of accumulated depreciation: | |
| Improvements other than buildings | 1,422,013 |
| Infrastructure | <u>1,781,398</u> |
| Total Assets | <u>13,916,361</u> |
| Liabilities | |
| Accounts payable | 128,931 |
| Advance due to the Town of Jupiter | 1,564,714 |
| Deposits | <u>110,000</u> |
| Total Liabilities | <u>1,803,645</u> |
| Net Position | |
| Net investment in capital assets | 10,058,816 |
| Restricted for: | |
| Community development | <u>2,053,900</u> |
| Total Net Position | <u>\$ 12,112,716</u> |

The accompanying notes are an integral part of these financial statements.

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| Functions/Programs | Expenses | Program Revenue | | | Net Revenue (Expenses) and Changes in Net Position |
|--------------------------------------|---------------------|-------------------------|--|--|---|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Governmental Activities | | | | | |
| General government | \$ 1,477,683 | \$ 110,312 | \$ -- | \$ -- | \$ (1,367,371) |
| Interest expense | <u>67,718</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>(67,718)</u> |
| Total Governmental Activities | <u>\$ 1,545,401</u> | <u>\$ 110,312</u> | <u>\$ --</u> | <u>\$ --</u> | <u>(1,435,089)</u> |
| | | | Tax increment revenue | | 3,370,346 |
| | | | Investment earnings | | <u>27,688</u> |
| | | | Total General Revenues | | <u>3,398,034</u> |
| | | | Change in Net Position | | 1,962,945 |
| | | | Net Position - Beginning | | <u>10,149,771</u> |
| | | | Net Position - Ending | | <u>\$ 12,112,716</u> |

The accompanying notes are an integral part of these financial statements.

**TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

BALANCE SHEET - GENERAL FUND

SEPTEMBER 30, 2025

Assets

| | |
|-----------------|---------------|
| Cash | \$ 3,830,955 |
| Prepaid item | 503 |
| Note receivable | <u>26,087</u> |

Total Assets \$ 3,857,545

Liabilities and Fund Balance

Liabilities

| | |
|------------------------------------|----------------|
| Accounts payable | \$ 128,931 |
| Advance due to the Town of Jupiter | 1,564,714 |
| Deposits | <u>110,000</u> |

Total Liabilities 1,803,645

Deferred Inflows of Resources

| | |
|---------------------|---------------|
| Unavailable revenue | <u>26,087</u> |
|---------------------|---------------|

Fund Balance

| | |
|-----------------------|------------------|
| Non-Spendable | 503 |
| Restricted for: | |
| Community development | <u>2,027,310</u> |

Total Fund Balance 2,027,813

Total Liabilities and Fund Balance \$ 3,857,545

The accompanying notes are an integral part of these financial statements.

**TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

**RECONCILIATION OF THE GENERAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

SEPTEMBER 30, 2025

Fund Balance - Total General Fund \$ 2,027,813

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the general fund:

| | | |
|-------------------------------|--------------------|------------|
| Governmental capital assets | \$ 11,074,581 | |
| Less accumulated depreciation | <u>(1,015,765)</u> | 10,058,816 |

In the general fund, the long-term note receivable is not available to pay for current period expenditures and, therefore, is reported as unavailable revenue in the general fund

26,087

Net Position of Governmental Activities \$ 12,112,716

The accompanying notes are an integral part of these financial statements.

**TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - GENERAL FUND**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | |
|---|----------------------------|
| Revenues | |
| Tax increment revenue | \$ 3,370,346 |
| Charges for services | 110,312 |
| Investment earnings | <u>27,688</u> |
| Total Revenues | <u>3,508,346</u> |
| Expenditures | |
| Current | |
| General government | 1,351,113 |
| Capital outlay | 2,067,020 |
| Debt service | |
| Interest | <u>67,718</u> |
| Total Expenditures | <u>3,485,851</u> |
| Excess of Revenues over Expenditures | 22,495 |
| Fund Balance - Beginning | <u>2,005,318</u> |
| Fund Balance - Ending | <u><u>\$ 2,027,813</u></u> |

The accompanying notes are an integral part of these financial statements.

**TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)**

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF THE
GENERAL FUND TO THE STATEMENT OF ACTIVITIES**

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Net Change in Fund Balance - General Fund \$ 22,495

Amounts reported for governmental activities in the statement of activities are different because:

General fund reports capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:

| | | |
|---------------------------|------------------|-----------|
| Capital outlay | \$ 2,067,020 | |
| Current year depreciation | <u>(116,970)</u> | 1,950,050 |

| | |
|--|----------------|
| Current year change in deferred inflows reported at the fund level, but recognized as revenue in the statement of activities | <u>(9,600)</u> |
|--|----------------|

Change in Net Position of Governmental Activities \$ 1,962,945

The accompany notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – JUPITER COMMUNITY REDEVELOPMENT AGENCY

The Town of Jupiter Community Redevelopment Agency (the “CRA” or “Agency”) is a dependent special district established by the Town of Jupiter, Florida, (the “Town”) under authority granted by Florida Statute 163, Section III. The purpose of the CRA is to promote and guide the physical and economic redevelopment of approximately 400 acres along the Intracoastal Waterway in the Town of Jupiter. The CRA is a legally separate entity established by Ordinance number 60-01 of the Jupiter Town Council (the “Town Council”) in December 2001. The governing body of the CRA consists of the Town Council and the Town handles the management and administration of the CRA’s financial matters.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the CRA have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as applied to government units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. This summary of the CRA’s Significant Accounting Policies is presented to assist the reader in interpreting the financial statements and other information in this report. These policies are considered essential and should be read in conjunction with the accompanying financial statements. The more significant of the CRA’s governmental accounting policies are described below.

As defined by GAAP, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Based upon the application of these criteria, the CRA does not have any component units to report.

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities and report information on all activities of the CRA. These statements include the *governmental activities* of the CRA, which are primarily supported by tax increment revenue. The CRA has no *business-type activities*. The Statement of Net Position presents the financial condition of the CRA, including all long-term assets, as well as all long-term debt and obligations.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or identifiable activity is offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or identifiable activity. *Program revenue* includes three categories of transactions: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; (2) operating grants and contributions (none in fiscal year 2025); and, (3) capital grants and contributions (none in fiscal year 2025). Tax increment revenue and other items not meeting the definition of program revenue are reported as *general revenue*. The CRA does not allocate indirect expenses.

FUND FINANCIAL STATEMENTS

The underlying accounting system of the CRA is organized and operated as a separate fund, which is considered to be a separate accounting entity. The operations of the fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows/outflows, fund balance, revenues and expenditures. The CRA utilizes only one fund, the *General Fund*, which is classified as a *governmental* fund and accounts for all financial resources of the CRA.

The fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balance for the General Fund. Accompanying schedules are presented to reconcile and explain the differences in fund balance and changes in fund balance as presented in these statements, to the net position and changes in net position presented in the government-wide financial statements.

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows. Tax increment revenues are recognized as revenues in the year for which they are levied. Grants, if any, are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the period in which they become both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities of the current period.

The CRA considers revenues to be available if collected within 60 days of the end of the current fiscal year. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt, which is recognized when due. Tax increment revenues, intergovernmental revenues, charges for services and investment income are all considered susceptible to accrual and so have been recognized as revenue in the current fiscal year. All other revenue items are considered to be measurable and available only when received in cash by the CRA.

CASH

Cash consists of amounts on deposit in an interest-bearing account with a financial institution.

ACCOUNTS RECEIVABLE

Accounts receivable include charges for miscellaneous services. The CRA does not require collateral for such amounts. Accounts receivable are reported net of an allowance for uncollectible accounts, if deemed necessary. No allowance was required as of September 30, 2025. Accounts receivable are written off on an individual basis in the fiscal year the CRA deems them uncollectible. The CRA had no accounts receivable balance as of fiscal year end September 30, 2025.

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CAPITAL ASSETS

The CRA has reported all capital assets in the government-wide statement of net position. Capital assets are defined by the CRA as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are recorded at cost or, if donated, acquisition value at the date of donation. Expenditures, which materially extend the useful life of existing assets, are capitalized. Certain costs for professional services associated with the acquisition and construction of capital assets have been capitalized. The cost of capital assets sold or retired is removed from the appropriate accounts and any resulting gain or loss is included in the change in net position. Depreciation is computed on all capital assets, except land, using the straight-line method over the assets' estimated useful lives. The estimated useful lives of improvements and infrastructure range from 25 to 60 years.

Capital outlay expenditures that are for construction, renovation or acquisition of capital assets that are in the name of the Town and for which the CRA does not have any operational responsibility or obligation for ongoing repair and maintenance are not capitalized. Such assets are transferred to the Town upon acquisition or upon completion of construction or renovation.

EMPLOYEE AND RELATED BENEFIT COSTS

The CRA does not have any employees and therefore, does not have any related benefit costs. The CRA uses Town personnel to perform all operational activities and pays the Town an allocated fee for such services.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets and liabilities, the government-wide Statement of Net Position and the governmental fund Balance Sheet may report a separate section for deferred outflows or deferred inflows of resources. The separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The CRA has no amounts reported as deferred inflows/outflows of resources on the government-wide Statement of Net Position. The CRA's General Fund has one item, unavailable revenue, which is reported as a deferred inflow of resources on the General Fund Balance Sheet at September 30, 2025.

The unavailable revenue results from a note receivable that will be received over a period of years in the future.

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/FUND BALANCE

The government-wide financial statements utilize a net position presentation, while the governmental fund financial statements report fund balance.

Net Position

Net position of the government-wide financial statements is categorized as investment in capital assets, restricted or unrestricted. *Investment in capital assets* is that portion of net position that relates to the CRA's net capital assets. There was no outstanding balance of long-term debt used to acquire the capital assets. *Restricted net position* is that portion of net position that has constraints placed on its use by external restrictions imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The CRA had restricted net position for community development. *Unrestricted net position* consists of net position that does not meet the definition of investment in capital assets or restricted net position.

Fund Balance

In the fund financial statements, the general fund reports fund balance classifications that comprise a hierarchy based primarily on the extent to which the CRA is legally bound to honor the specific purposes for which amounts in fund balance may be spent. The fund balance classifications are summarized as follows:

Nonspendable - Nonspendable fund balance includes amounts that cannot be spent because they are either 1) not in spendable form; or, 2) legally or contractually required to be maintained intact.

Restricted - Restricted fund balance includes amounts that are restricted to specific purposes either by 1) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments; or, 2) imposed by law through constitutional provisions or enabling legislation.

Committed - Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by the CRA's Board of Commissioners through a Board resolution. The CRA had no committed fund balance.

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET POSITION/FUND BALANCE (CONTINUED)

Fund Balance (continued)

Assigned - Assigned fund balance includes amounts that are constrained by the CRA's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance are made by the CRA's executive director based upon direction by the CRA's Board of Commissioners or in the CRA's annual budget. The CRA had no assigned fund balance.

Unassigned - Unassigned fund balance includes amounts that have not been restricted, committed, or assigned to specific purposes within the general fund. The CRA has no unassigned fund balance.

The CRA considers restricted fund balance to be spent first when an expenditure is incurred for the restricted purpose. The CRA considers committed, assigned or unassigned fund balances to be spent when an expenditure is incurred for purposes for which amounts in any of those fund balance classifications could be used.

MINIMUM FUND BALANCE POLICY

The CRA has not adopted a formal minimum fund balance policy. Generally, the CRA will strive to maintain sufficient general fund balance to provide liquidity in the event of a budget shortfall or natural disaster, once its advance from the Town is repaid.

USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements in accordance with U.S. generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets, liabilities, and deferred inflows/outflows and the disclosure of contingent assets and liabilities, and the reported revenues and expenditures. Actual results could vary from the estimates that were used.

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IMPLEMENTATION OF NEW GASB STATEMENTS

The CRA considered the new accounting standards which effective dates are applicable for the fiscal year ended September 30, 2025. The implementation of GASB Statement No. 101, *Compensated Absences*, and GASB Statement No. 102, *Certain Risk Disclosures*, did not have a significant impact on the CRA's financial statements.

NOTE 3 - CASH

Cash at September 30, 2025, consists of deposits with a financial institution with a bank balance and book balance of \$3,830,955. The bank deposits were entirely covered by federal depository insurance and a collateral pool pledged to the State Treasurer of Florida by financial institutions that comply with the requirements of Florida Statutes and have been designated as a Qualified Public Depository by the State Treasurer. Qualified public depositories are required to pledge collateral to the State Treasurer with a fair value equal to a percentage of the average daily balance of all government deposits in excess of any federal deposit insurance. In the event of a default by a qualified public depository, the amount of public funds would be covered by the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Accordingly, the CRA's deposits are considered fully insured or collateralized in accordance with the provisions of GASB Statements.

NOTE 4 - NOTE RECEIVABLE

During 2013, the CRA closed on the sale of a parcel of land to a private owner and received a note receivable for a portion of the sales price. The note is non-interest bearing and is due in 177 monthly installments of \$800 until fully paid. In lieu of cash payments on the note, the CRA and the private owner agreed that the owner shall pay all ongoing costs associated with the operation and maintenance of a public restroom facility located on the property sold by the CRA and the owner will receive a monthly credit of \$800 against the promissory note. The note receivable balance was \$26,087 at September 30, 2025.

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 5 - ADVANCE DUE TO THE TOWN OF JUPITER

The Town's General Fund and Capital Improvements Fund have advanced \$7,633,899 to the CRA to cover operating costs and for the purchase of property and the completion of public improvements within the boundaries of the CRA. The Town and the CRA have entered into an interlocal agreement for the repayment of these advances, with interest at 3.0%, through the fiscal year ending September 30, 2027. Annual repayments of the advances, including interest, range from approximately \$1.1 million in 2026 to a final payment of \$524,165 due in 2027.

The outstanding combined advances payable to the General Fund and Capital Improvements Fund totaled \$1,564,714 at September 30, 2025. Future principal payments on this advance are expected to be as follows:

| Fiscal Year Ending September 30 | Principal | Interest | Total |
|------------------------------------|---------------------|------------------|---------------------|
| 2026 | \$ 1,055,816 | \$ 39,267 | \$ 1,095,083 |
| 2027 | <u>508,898</u> | <u>15,267</u> | <u>524,165</u> |
| Total | <u>\$ 1,564,714</u> | <u>\$ 54,534</u> | <u>\$ 1,619,248</u> |

Interest paid to the Town's General Fund and the Capital Improvement Fund during the fiscal year ended September 30, 2025 totaled \$67,718.

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 6 - CAPITAL ASSETS

The capital asset activity for the fiscal year ended September 30, 2025, was as follows:

| | Balance at Beginning of Year | Increases | Decreases | Reclassifications | Balance at End of Year |
|--|------------------------------------|---------------------|--------------|-------------------|------------------------------|
| Capital Assets, not being depreciated | | | | | |
| Land | \$ 5,218,551 | \$ 1,025,410 | \$ -- | \$ -- | \$ 6,243,961 |
| Construction in progress | <u>11,080</u> | <u>600,364</u> | <u>--</u> | <u>--</u> | <u>611,444</u> |
| Capital assets not being depreciated | <u>5,229,631</u> | <u>1,625,774</u> | <u>--</u> | <u>--</u> | <u>6,855,405</u> |
| Capital Assets, being depreciated | | | | | |
| Improvements other than buildings | 2,146,561 | -- | -- | -- | 2,146,561 |
| Infrastructure | <u>1,631,369</u> | <u>441,246</u> | <u>--</u> | <u>--</u> | <u>2,072,615</u> |
| Total depreciable capital assets | <u>3,777,930</u> | <u>441,246</u> | <u>--</u> | <u>--</u> | <u>4,219,176</u> |
| Less accumulated depreciation: | | | | | |
| Improvements other than buildings | (664,357) | (60,191) | -- | -- | (724,548) |
| Infrastructure | <u>(234,438)</u> | <u>(56,779)</u> | <u>--</u> | <u>--</u> | <u>(291,217)</u> |
| Total accumulated depreciation | <u>(898,795)</u> | <u>(116,970)</u> | <u>--</u> | <u>--</u> | <u>(1,015,765)</u> |
| Depreciable capital assets, net of accumulated depreciation | <u>2,879,135</u> | <u>324,276</u> | <u>--</u> | <u>--</u> | <u>3,203,411</u> |
| Total Capital Assets | <u>\$ 8,108,766</u> | <u>\$ 1,950,050</u> | <u>\$ --</u> | <u>\$ --</u> | <u>\$ 10,058,816</u> |

Depreciation expense of \$116,970 was charged to general government in the governmental activities statement of activities.

NOTE 7 - RELATED PARTY TRANSACTIONS

For the fiscal year ended September 30, 2025, the CRA paid the Town \$686,883 for contractual and other services provided by the Town to the CRA in connection with various administrative and redevelopment activities.

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 8 - COMMITMENTS AND CONTINGENCIES

RISK MANAGEMENT

The CRA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The CRA purchases commercial insurance through the Town for the risks of losses to which it is exposed. Policy limits and deductibles are reviewed annually by management and established at amounts to provide reasonable protection from significant financial loss. Settlements have not exceeded insurance coverage for any of the prior three fiscal years.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY
(A COMPONENT UNIT OF THE TOWN OF JUPITER, FLORIDA)

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

| | Budgeted Amounts | | Actual Amounts (GAAP Basis) | Variance with Final Budget - Positive (Negative) |
|--|------------------|--------------------|--------------------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 3,372,721 | \$ 3,372,721 | \$ 3,370,346 | \$ (2,375) |
| Charges for services | 108,159 | 108,159 | 110,312 | 2,153 |
| Investment earnings | <u>50,000</u> | <u>50,000</u> | <u>27,688</u> | <u>(22,312)</u> |
| Total Revenues | <u>3,530,880</u> | <u>3,530,880</u> | <u>3,508,346</u> | <u>(22,534)</u> |
| Expenditures | | | | |
| General government | 2,195,613 | 3,018,353 | 1,351,113 | 1,667,240 |
| Capital outlay | 375,000 | 3,181,593 | 2,067,020 | 1,114,573 |
| Interest and fiscal charges | <u>67,718</u> | <u>67,718</u> | <u>67,718</u> | <u>--</u> |
| Total Expenditures | <u>2,638,331</u> | <u>6,267,664</u> | <u>3,485,851</u> | <u>2,781,813</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>892,549</u> | <u>(2,736,784)</u> | <u>22,495</u> | <u>2,759,279</u> |
| Other financing sources (uses) | | | | |
| Transfers out | (892,549) | (892,549) | -- | (892,549) |
| Appropriated fund balance | <u>--</u> | <u>3,629,333</u> | <u>--</u> | <u>3,629,333</u> |
| Total Other Financing Sources (Uses) | <u>(892,549)</u> | <u>2,736,784</u> | <u>--</u> | <u>2,736,784</u> |
| Net Change in Fund Balance | <u>\$ --</u> | <u>\$ --</u> | 22,495 | <u>\$ 22,495</u> |
| Fund Balance - Beginning | | | <u>2,005,318</u> | |
| Fund Balance - Ending | | | <u>\$ 2,027,813</u> | |

See notes to required supplementary information.

TOWN OF JUPITER COMMUNITY REDEVELOPMENT AGENCY

NOTES TO BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – BUDGETARY ACCOUNTING

The CRA’s adopted General Fund budget is prepared on the modified accrual basis of accounting in accordance with U.S. generally accepted accounting principles (“GAAP”). The budget represents departmental appropriations as authorized by CRA ordinance. Expenditures may not legally exceed budgeted appropriations at the fund level. The Town Manager, acting in his capacity as Executive Director of the CRA, has the authority to approve all budget transfers within a department. Budget transfers between departments and transfers involving appropriation of additional revenues require the approval of the Board of the CRA. Accordingly, the CRA’s legal level of budgetary control is at the fund level. Currently, other financing sources (appropriated fund balance) represent expected Transfers In from the Town to the CRA.

For the fiscal year ended September 30, 2025, supplemental budget appropriations of \$3,629,333 were approved by the CRA Board during the fiscal year. Total expenditures may not legally exceed total fund appropriations including any budgeted fund balance from prior years. All annual appropriations lapse at year end. The budget amounts presented reflect the original budget and the amended budget based on legally authorized revisions to the original budget during the year.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriations, is employed as an extension of formal budgetary control. Encumbrances lapse at year end and become obligations of the subsequent year’s budget. At September 30, 2025, the CRA had commitments related to unperformed contracts, which have been re-appropriated in the 2025-2026 annual budget.

NOTE 2 – BUDGET AND ACTUAL COMPARISONS

The budgetary comparison schedule for the CRA is prepared under the GAAP basis of accounting used in preparing the appropriated budget. As a result, the revenue and expenditures reported in the budgetary comparison schedule for the CRA agree with that reported on the GAAP basis.

REPORTING SECTION

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Commissioners and Executive Director
Town of Jupiter Community Redevelopment Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America (“GAAS”) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (“*Government Auditing Standards*”), the financial statements of the governmental activities and the major fund of the Town of Jupiter Community Redevelopment Agency (the “Agency”), a component unit of the Town of Jupiter, Florida, as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, and have issued our report thereon dated March 31, 2026.

Report on Internal Control Over Financial Reporting

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

CBIZ CPAs P.C.

Boca Raton, Florida
March 31, 2026

**Management Letter in Accordance with the Rules of the
Auditor General for the State of Florida**

To the Board of Commissioners and Executive Director
Town of Jupiter Community Redevelopment Agency

Report on the Financial Statements

We have audited the financial statements of the Town of Jupiter Community Redevelopment Agency (the “Agency”), a component unit of the Town of Jupiter, Florida, as of and for the fiscal year ended September 30, 2025 and have issued our report thereon dated March 31, 2026.

Auditors’ Responsibility

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

Other Reporting Requirements

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

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Agency 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 Agency did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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) Program

Section 10.554(1)(i)6.a, Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the Agency's geographical boundaries during the fiscal year under audit. During the fiscal year ended September 30, 2025, the PACE program did not operate within the Agency's geographical boundaries.

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 failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information for Special Districts

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Agency reported:

- a. The total number of Agency employees compensated in the last pay period of the Agency's fiscal year as zero.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year as zero.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- e. Each construction project with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin on or after October 1 of the fiscal year being reported, together with total expenditures for such projects as follows:
 - a. Piatt Place Park Project, Budget of \$2,665,595 and actual expenditures of \$1,652,554.
 - b. Jupiter Beach Road Project, Budget of \$441,247 and actual expenditures of \$441,247.
 - c. Love Street Sidewalk Project, Budget of \$156,879 and actual expenditures of \$24,421.
 - d. Shoreline Stabilization Project, Budget of \$581,415 and actual expenditures of \$188,213.
 - e. Riverwalk Gravity Wall Project, Budget of \$203,790 and actual expenditures of \$131,240.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes, if any, would be reported on page 26.

Additional Matters

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

Purpose of this Letter

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

CBIZ CPAs P.C.

Boca Raton, Florida
March 31, 2026

**Independent Accountants' Report on Compliance
with Florida Statutes**

To the Board of Commissioners and Executive Director
Town of Jupiter Community Redevelopment Agency

We have examined the Town of Jupiter Community Redevelopment Agency (the "Agency"), a component unit of the Town of Jupiter, Florida, compliance with Sections 163.387(6) and 163.387(7), Florida Statutes for the fiscal year ended September 30, 2025. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency'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 Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, the Agency complied, in all material respects, with Sections 163.387(6) and 163.387(7), Florida Statutes for the fiscal year ended September 30, 2025.

This report is intended solely to describe our testing of compliance with aforementioned sections of the Florida Statutes, and it is not suitable for any other purpose.

CBIZ CPAs P.C.

Boca Raton, Florida
March 31, 2026

Town of Jupiter Police Officers' Retirement Fund

Actuarial Valuation Report as of October 1, 2025

Report to Determine Minimum Funding Requirement
For the Plan and Fiscal Year Ending September 30, 2027





February 19, 2026

Board of Trustees
Town of Jupiter Police Officers' Retirement Fund
Jupiter, Florida

RE: Actuarial Valuation as of October 1, 2025

Dear Members of the Board:

The results of the October 1, 2025 Annual Actuarial Valuation of Town of Jupiter Police Officers' Retirement Fund are presented in this report.

This report was prepared at the request of the Board and is intended for use by the Board and those designated or approved by the Board. This report may be provided to parties other than the Board only in its entirety and only with the permission of the Board. GRS is not responsible for unauthorized use of this report.

The purposes of the valuation are to measure the Plan's funding progress, to determine the employer contribution rate for the fiscal year ending September 30, 2027, and to comply with the annual disclosure requirements under Chapter 112.664, Florida Statutes, for the fiscal year ending September 30, 2025. This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results, associated with the benefits described in this report, for purposes other than those identified above, may be significantly different.

The contribution rate in this report is determined using the actuarial assumptions and methods disclosed in Section 4 of this report. This report includes risk metrics at the end of Section 1 but does not include a more robust assessment of the risks of future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment.

This valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The findings in this report are based on data or other information through September 30, 2025. The valuation was based upon information furnished by the Town and Plan Administrator concerning benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by the Town or Plan Administrator.

This report was prepared using certain assumptions approved by the Board as authorized under Florida Statutes and prescribed by the Florida Statutes as described in the section of this report entitled Description of Assumptions and Methods. The investment return assumption was prescribed by the Board and the assumed mortality rates were prescribed by Chapter 112.63, Florida Statutes. All actuarial assumptions used in this report are reasonable for purposes of this valuation. The combined effect of the assumptions, excluding prescribed assumptions or methods set by law, is expected to have no significant bias (i.e. not significantly optimistic or pessimistic).

We have assessed that the contribution rate calculated under the current funding policy is a reasonable Actuarially Determined Employer Contribution (ADEC) and it is consistent with the System accumulating adequate assets to make benefit payments when due.

This report was prepared using Proval's valuation model, a software product of Winklevoss Technologies. We are relying on the Proval model. We performed tests of the Proval model with this assignment and made a reasonable attempt to understand the developer's intended purpose of, general operation of, major sensitivities and dependencies within, and key strengths and limitations of the Proval model. In our professional judgement, the Proval valuation model has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

The signing actuaries are independent of the plan sponsor. These actuaries meet the American Academy of Actuaries' Qualification Standards to render the actuarial opinions contained herein.

Statement by Enrolled Actuary:

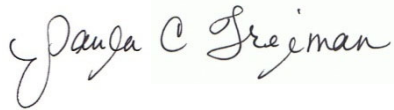
"This actuarial valuation and/or cost determination was prepared and completed by us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate. In our opinion, the techniques and assumptions used are reasonable, meet the requirements and intent of Part VII, Chapter 112, Florida Statutes, and are based on generally accepted actuarial principles and practices. There is no benefit or expense to be provided by the plan and/or paid from the plan's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation."



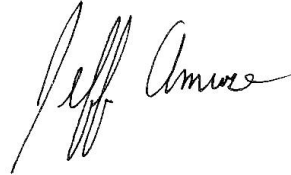
Board of Trustees
RE: Actuarial Valuation as of October 1, 2025
February 19, 2026
Page iii

Gabriel, Roeder, Smith & Company will be pleased to review this Actuarial Valuation Report with the Board of Trustees and to answer any questions pertaining to the valuation.

Respectfully submitted,
Gabriel, Roeder, Smith & Company



Paula C Freiman, ASA, EA, FCA
Enrolled Actuary No. 23-5796
Consultant & Actuary



Jeffrey Amrose, EA, MAAA, FCA
Enrolled Actuary No. 23-6599
Senior Consultant & Actuary



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SECTION 1

BOARD SUMMARY

SECTION 1 - BOARD SUMMARY

Comparison of Required Employer Contributions

A comparison of the required employer contribution developed in this and the last actuarial valuations is as follows:

| | For FYE 9/30/2026 Based on 10/1/2024 Valuation | For FYE 9/30/2027 Based on 10/1/2025 Valuation | Increase (Decrease) |
|--|---|---|------------------------|
| Required Employer/State Contribution As % of Covered Payroll | \$ 3,874,497 37.94 % | \$ 4,198,066 40.00 % | \$ 323,569 2.06 % |
| Estimated Credit for State Contribution As % of Covered Payroll | \$ 611,245 5.99 % | \$ 611,245 5.82 % | \$ 0 (0.17) % |
| Net Employer Contribution As % of Covered Payroll | \$ 3,263,252 31.95 % | \$ 3,586,821 34.18 % | \$ 323,569 2.23 % |

Payment of Required Contribution

The required employer contribution shown above has been adjusted for interest on the basis that contributions are made evenly throughout the year.

Further, the contribution has been computed under the assumption that the amount to be received from the State on behalf of police officers in 2026 and 2027 will be at least \$611,245. If the actual payment from the State falls below this amount, then the Town must increase its contribution by the difference.

The actual contributions received during the year ending September 30, 2025 were \$3,084,324 from the Town and \$611,245 in annual Chapter 185 revenue, for a total of \$3,695,569. The actuarially determined employer contribution was \$3,695,569.

Revisions in Benefits

There have been no revisions in benefits since the previous valuation.

Revisions in Actuarial Assumptions and Methods

The mortality tables and improvement scales were updated to reflect the updated mortality assumptions used in the July 1, 2024 Florida Retirement System (FRS) Actuarial Valuation. Florida Statutes Chapter 112.63 mandates that local municipal pension plans use the mortality rates in either of the last two published FRS valuation reports. Please see the Description of Assumptions and Methods subsection of this report for additional information on the revised assumptions. The change in the mortality assumption increased the required employer contribution by \$313,406 or 2.99% of covered payroll.



Actuarial Experience

There was a net actuarial loss of \$471,218 for the year which means that actual experience was less favorable than expected. The loss is primarily due to an average salary increase of 9.1% which is greater than the assumed rate of 8.6%. This loss was partially offset by a gain from the return on the actuarial value of assets of 7.6% when compared to the assumed rate of 7.0%. The net actuarial loss caused the employer contribution to increase by 0.44% of covered payroll.

Funded Ratio

This year's funded ratio is 89.55% compared to last year's funded ratio of 90.62%. The funded ratio before reflecting the change in assumptions was 91.29%. The ratio is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability.

Analysis of Change in Employer Contribution

The components of change in the required employer contribution are as follows:

| | |
|------------------------------|--------------|
| Contribution Rate Last Year | 31.95% |
| Change in Benefit Provisions | 0.00% |
| Change in Assumptions | 2.99% |
| Change in Normal Cost Rate | -0.59% |
| Amortization Payment on UAL | -0.78% |
| Experience (Gain) / Loss | 0.44% |
| Change in State Contribution | <u>0.17%</u> |
| Contribution Rate This Year | 34.18% |

Variability of Future Contribution Rates

The Actuarial Cost Method used to determine the contribution rate is intended to produce contribution rates which are generally level as a percent of payroll. Even so, when experience differs from the assumptions, as it often does, the employer's contribution rate can vary significantly from year-to-year.

Over time, if the year-to-year gains and losses offset each other, the contribution rate would be expected to return to the current level, but this does not always happen.

The Market Value of Assets exceeds the Actuarial Value of Assets by \$5,717,834 as of the valuation date (see Section 2, the Development of Actuarial Value of Assets). This difference will be gradually recognized over the next several years. In turn, the computed employer contribution rate will decrease by approximately 5.3% of covered payroll over the same period in the absence of offsetting losses.

Relationship to Market Value

If Market Value had been the basis for the valuation, the Employer contribution rate would have been 28.9% and the funded ratio would have been 94.0%. In the absence of other gains and losses, the employer contribution rate should decrease to that level over the next several years.



Historical Information

| 10/1 | Member Count | | Covered Payroll | Employer Cost | % Pay | State Contribs. | Return % (MVA) | Return % (AVA) |
|---------|--------------|----------|-----------------|---------------|-------|-----------------|----------------|----------------|
| | Active | Inactive | | | | | | |
| 1981 | 24 | 0 | 433,105 | 45,000 | 10.39 | 22,256 | 10.2 | 10.9 |
| 1983 | 30 | 0 | 586,289 | 74,570 | 12.72 | 37,642 | 13.9 | 13.9 |
| 1985 | 34 | 0 | 707,735 | 89,618 | 12.66 | 55,937 | 8.6 | 8.6 |
| 1987 | 38 | 1 | 860,099 | 105,018 | 12.21 | 105,663 | 11.5 | 12.5 |
| 1988 | 49 | 1 | 1,146,929 | 148,527 | 12.95 | 125,952 | 5.8 | 5.8 |
| 1989 | 51 | 1 | 1,343,194 | 172,063 | 12.81 | 144,595 | 13.2 | 12.2 |
| 1990 | 64 | 2 | 1,733,655 | 263,367 | 15.19 | 151,246 | 4.9 | 5.6 |
| 1991 | 69 | 1 | 2,004,761 | 295,633 | 14.75 | 162,901 | 16.3 | 15.2 |
| 1992 | 68 | 1 | 2,060,861 | 291,618 | 14.15 | 160,329 | 11.6 | 10.7 |
| 1993 | 67 | 4 | 2,045,820 | 307,740 | 15.04 | 171,072 | 9.2 | 8.6 |
| 1994 | 69 | 4 | 2,228,738 | 323,896 | 14.53 | 172,730 | 0.6 | 6.0 |
| 1995 | 70 | 5 | 2,342,203 | 318,820 | 13.61 | 195,833 | 14.6 | 8.2 |
| 1996 | 80 | 6 | 2,952,602 | 384,412 | 13.02 | 229,028 | 12.1 | 7.4 |
| 1997 | 78 | 7 | 3,003,811 | 371,098 | 12.35 | 254,063 | 26.6 | 11.1 |
| 1998 | 79 | 8 | 3,223,063 | 423,645 | 13.14 | 263,995 | 4.2 | 9.5 |
| 1999 | 90 | 9 | 3,756,604 | 492,986 | 13.12 | 267,367 | 10.8 | 10.7 |
| 2000 | 91 | 9 | 4,186,335 | 587,457 | 14.03 | 263,186 | 8.0 | 9.9 |
| 2001 | 91 | 13 | 4,091,599 | 679,017 | 16.60 | 285,362 | (14.7) | 3.5 |
| 2002 | 94 | 16 | 4,635,380 | 889,807 | 19.19 | 323,560 | (9.1) | (1.7) |
| 2003 | 96 | 22 | 5,090,906 | 1,279,739 | 25.14 | 372,366 | 14.1 | 0.6 |
| 2004 | 103 | 24 | 5,961,340 | 1,874,271 | 31.44 | 445,083 | 9.7 | 0.9 |
| 2005 | 96 | 27 | 5,802,340 | 1,962,276 | 33.82 | 498,215 | 9.7 | 2.5 |
| 2006 | 97 | 29 | 7,162,426 | 2,651,307 | 37.02 | 771,596 | 6.3 | 6.6 |
| 2007 | 104 | 32 | 7,486,458 | 2,932,853 | 39.18 | 562,358 | 12.5 | 10.2 |
| 2008 | 101 | 36 | 7,713,220 | 3,065,330 | 37.97 | 498,215 | (10.8) | 4.3 |
| 2009 | 104 | 40 | 8,142,853 | 3,141,755 | 37.10 | 647,532 | 2.0 | 2.6 |
| 2010 | 101 | 44 | 8,105,374 | 2,082,682 | 28.25 | 571,647 | 7.7 | 3.3 |
| 2011 | 97 | 51 | 8,074,317 | 2,433,363 | 31.67 | 611,245 | 0.0 | 2.7 |
| 2012 | 98 | 55 | 7,683,583 | 2,431,252 | 31.35 | 523,095 | 17.1 | 4.1 |
| 2013 | 97 | 57 | 7,602,240 | 2,374,127 | 31.09 | 482,537 | 11.9 | 8.4 |
| 2014 | 97 | 58 | 7,587,568 | 2,251,726 | 29.08 | 527,943 | 9.3 | 9.5 |
| 2015 | 95 | 65 | 7,619,457 | 2,211,161 | 28.98 | 559,470 | (2.0) | 7.3 |
| 2016 | 100 | 68 | 8,577,516 | 2,476,765 | 29.81 | 730,605 | 8.5 | 7.7 |
| 2017 | 99 | 73 | 8,631,288 | 2,346,166 | 28.84 | 632,241 | 9.8 | 7.1 |
| 2018 | 96 | 78 | 8,275,347 | 2,308,308 | 29.58 | 743,715 | 7.1 | 6.7 |
| 2019 | 94 | 96 | 8,713,149 | 2,661,412 | 33.46 | 786,329 | 6.1 | 6.2 |
| 2020 | 91 | 83 | 8,919,342 | 2,597,168 | 31.88 | 805,628 | 10.4 | 8.1 |
| 2021 | 83 | 94 | 8,273,904 | 2,271,218 | 28.93 | 787,636 | 20.1 | 10.6 |
| 2022 | 88 | 99 | 8,947,330 | 2,545,418 | 29.92 | 835,484 | (18.8) | 4.7 |
| 2023 | 90 | 103 | 9,717,352 | 3,084,324 | 32.12 | 996,558 | 9.2 | 3.5 |
| 2024 | 93 | 105 | 10,324,899 | 3,263,252 | 31.95 | 1,063,531 | 21.3 | 6.6 |
| 2025 | 93 | 111 | 10,666,191 | 3,586,821 | 34.18 | 1,139,336 | 9.8 | 7.6 |
| Average | | | | | | | 7.5 | 7.1 |

*Based on actual state contributions for minimum funding and the actual payroll for fiscal 2012.

**We recommend a contribution deposit by the Town greater than or equal to the dollar amount shown. An additional amount is payable by the Town if actual State contributions received in the funding year are less than expected.



While the average return on the Market Value of Assets has been 7.5% the return on the Actuarial Value of Assets has been 7.1% when looking over the last 42 valuations performed, as shown above.

Assessment and Disclosure of Risk

This section is meant to address the assessment and disclosure of risk in a pension funding valuation. This is not meant to be a comprehensive summary but should provide information regarding risks related to this plan. Other historical information provided in this report contains relevant information regarding asset size, asset mix, pay increases, benefits, and contributions. This information can be used to understand the changes over time to identify trends. The following provides examples of potential risk.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan’s funded status); and changes in plan provisions or applicable law.

Investment Risk: As noted previously, investment returns less than the assumed rate of return result in increased annual minimum required contributions payable in a subsequent year.

Interest Rate Risk: Interest rates are used to discount the value of benefits. If the long-term expectation of returns is higher or lower than the assumed net investment return, the assumed net investment return should be adjusted. When the assumed net investment return is increased the estimated liability is decreased. When the assumed net investment return is decreased the estimated liability is increased. The chart below shows what the funded status of the plan is on a market value of assets basis after changing the net assumed return by 1% or 2%.

| Funded Status on Market Value of Assets Basis | | | | | | |
|--|---|------------------------|------------------------|--|--------|-------|
| As of 10/1 | Valuation Net Assumed Return | | | Valuation Net Assumed Return Assumption | | |
| | 2% Decrease | 1% Decrease | 1% Increase | 2% Increase | | |
| 2025 | 75.7% | 84.8% | 94.0% | 103.3% | 112.6% | 7.00% |
| 2024 | 75.5% | 84.3% | 93.1% | 102.0% | 110.8% | 7.00% |
| 2023 | 65.8% | 73.5% | 81.3% | 89.2% | 97.1% | 7.00% |
| 2022 | 64.6% | 72.2% | 79.9% | 87.6% | 95.4% | 7.00% |
| 2021 | 84.5% | 94.4% | 104.5% | 114.7% | 124.9% | 7.00% |
| 2020 | 76.0% | 84.8% | 93.7% | 102.7% | 111.7% | 7.20% |
| 2019 | 71.9% | 80.5% | 89.3% | 98.2% | 107.1% | 7.30% |
| 2018 | 72.9% | 81.7% | 90.7% | 99.9% | 109.1% | 7.40% |
| 2017 | 71.6% | 80.4% | 89.3% | 98.5% | 107.7% | 7.50% |
| 2016 | 67.9% | 76.3% | 85.0% | 93.8% | 102.7% | 7.50% |
| 2015 | | 75.7% | 84.3% | 93.2% | | 7.50% |
| 2014 | | 80.7% | 89.9% | 99.4% | | 7.50% |



Longevity and Other Demographic Risks: The estimated liability of the Plan is based on assumptions related to mortality, retirement, disability, and termination. To the extent that Plan experience is different than these assumptions the gains and losses affect future required contributions and estimated liability.

Salary and Payroll Risk: Actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from that expected.

Contribution Risk: The possibility that the plan sponsor does not make contributions to the plan according to the funding policy.

Intergenerational equity risk: Intergenerational equity is the concept that resources do not belong to a specific generation and they must be preserved for future generations. One way to alleviate this risk is to pay for benefits over the average future service of the group receiving benefits. Members may feel there are inequities when one is paying more than others, receiving less than others, or paying more than others in relation to what they are receiving.

Plan maturity measures may help understand the risks associated with the plan. As the Plan matures, the ratio of the Market Value of Assets to the Covered Payroll increases. As this ratio gets larger, the impact of asset volatility has a larger effect on the volatility of the Minimum Required Contribution as a percentage of pay.

| Year Ending 9/30 | Market Value of Assets | Covered Valuation Payroll | Asset Volatility Ratio |
|---------------------------------|---------------------------------------|--|---------------------------------------|
| 2025 | \$121,341,553 | \$10,666,191 | 11.4 |
| 2024 | 114,076,432 | 10,324,899 | 11.0 |
| 2023 | 94,288,102 | 9,717,352 | 9.7 |
| 2022 | 87,435,836 | 8,947,330 | 9.8 |
| 2021 | 108,292,642 | 8,273,904 | 13.1 |
| 2020 | 90,326,773 | 8,919,342 | 10.1 |
| 2019 | 80,864,214 | 8,713,149 | 9.3 |
| 2018 | 75,357,007 | 8,275,347 | 9.1 |
| 2017 | 69,605,542 | 8,631,288 | 8.1 |
| 2016 | 62,957,973 | 8,577,516 | 7.3 |
| 2015 | 57,068,208 | 7,619,457 | 7.5 |
| 2014 | 56,943,073 | 7,587,568 | 7.5 |
| 2013 | 50,685,368 | 7,602,240 | 6.7 |
| 2012 | 43,960,626 | 7,683,583 | 5.7 |
| 2011 | 36,357,994 | 8,074,317 | 4.5 |
| 2010 | 33,909,059 | 8,105,374 | 4.2 |
| 2009 | 29,094,716 | 8,142,853 | 3.6 |



Another measure of a pension plan’s maturity is the Ratio of Benefit Payments to Contributions. Over the life of a pension plan, it is expected that the majority of the benefits will be paid for by returns rather than contributions. For this to happen, as a plan matures, the plan will eventually pay out more in benefits than it receives in contributions. It is important to understand the magnitude of this difference so that steps can be taken, if necessary, to manage cash flows going forward. The table below provides the Ratio of Benefit Payments to Contributions. Note that there are other cash flows to be considered such as interest and dividends earned or expenses paid by a pension plan.

| Year Ending 9/30 | <u>Benefit Payments</u> | <u>Contributions</u> | Ratio of Benefit Payments to <u>Contributions</u> |
|---------------------------------|------------------------------------|-----------------------------|--|
| 2025 | \$9,004,105 | \$5,505,968 | 1.64 |
| 2024 | 4,856,857 | 4,852,191 | 1.00 |
| 2023 | 5,406,127 | 4,492,747 | 1.20 |
| 2022 | 4,956,534 | 4,490,506 | 1.10 |
| 2021 | 4,433,605 | 4,499,815 | 0.99 |
| 2020 | 2,976,321 | 4,200,440 | 0.71 |
| 2019 | 3,159,357 | 4,176,133 | 0.76 |
| 2018 | 3,251,402 | 4,211,884 | 0.77 |
| 2017 | 3,201,705 | 3,819,297 | 0.84 |
| 2016 | 2,712,827 | 3,886,136 | 0.70 |
| 2015 | 2,334,850 | 3,716,738 | 0.63 |
| 2014 | 2,013,388 | 3,625,886 | 0.56 |
| 2013 | 2,070,750 | 3,625,399 | 0.57 |
| 2012 | 1,921,629 | 3,364,787 | 0.57 |
| 2011 | 1,867,025 | 4,433,844 | 0.42 |
| 2010 | 1,513,883 | 4,140,632 | 0.37 |
| 2009 | 1,301,265 | 4,179,489 | 0.31 |



When looking at Net Cash Flows, it is useful to understand the relative size of the cash flows in comparison to the Market Value of Assets. The following table provides the ratio of the Net Cash Flows divided by the Market Value of Assets. As mentioned previously, there are other cash flows to be considered such as interest and dividends earned or expenses paid by a pension plan.

| Year Ending 9/30 | <u>Contributions</u> | <u>Disbursements</u> | <u>Assets</u> | Net Cash Flow Divided by <u>Assets</u> |
|---------------------------------|-----------------------------|-----------------------------|----------------------|---|
| 2025 | \$5,505,968 | \$9,172,741 | \$121,341,553 | (0.03) |
| 2024 | 4,852,191 | 5,016,613 | 114,076,432 | 0.00 |
| 2023 | 4,492,747 | 5,547,944 | 94,288,102 | (0.01) |
| 2022 | 4,490,506 | 5,103,036 | 87,435,836 | (0.01) |
| 2021 | 4,499,815 | 4,573,601 | 108,292,642 | 0.00 |
| 2020 | 4,200,440 | 3,125,267 | 90,326,773 | 0.01 |
| 2019 | 4,176,133 | 3,298,762 | 80,864,214 | 0.01 |
| 2018 | 4,211,884 | 3,394,217 | 75,357,007 | 0.01 |
| 2017 | 3,819,297 | 3,335,370 | 69,605,542 | 0.01 |
| 2016 | 3,886,136 | 2,856,487 | 62,957,973 | 0.02 |
| 2015 | 3,716,738 | 2,465,458 | 57,068,208 | 0.02 |
| 2014 | 3,625,886 | 2,137,996 | 56,943,073 | 0.03 |
| 2013 | 3,625,399 | 2,189,591 | 50,685,368 | 0.03 |
| 2012 | 3,364,787 | 2,049,849 | 43,960,626 | 0.03 |
| 2011 | 4,433,844 | 1,999,614 | 36,357,994 | 0.07 |
| 2010 | 4,140,632 | 1,648,553 | 33,909,059 | 0.07 |
| 2009 | 4,179,489 | 1,429,632 | 29,094,716 | 0.09 |

Additional risk assessment is outside the scope of this actuarial valuation. Additional assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests, and a comparison of the present value of accrued benefits at low-risk discount rates with the actuarial accrued liability.



Low-Default-Risk Obligation Measure

This section addresses the evaluation and disclosure of a Low-Default-Risk Obligation Measure (LDROM) within a pension funding valuation. The LDROM involves a calculation of liability assuming that the Plan's investments are in low-default-risk securities. Importantly, the LDROM serves as a supplementary calculation and is not intended to replace the funding measures outlined in this report.

Instead, the LDROM offers an additional perspective by providing a measure of the Plan's cost if its investments were shifted to low-default-risk fixed income securities. This adjustment aligns with return profiles that essentially mirror future cash flows, potentially mitigating contribution volatility. Furthermore, the LDROM serves to illustrate the potential savings the Plan experiences by diversifying its portfolio.

The table below depicts the Actuarial Accrued Liability for funding purposes in comparison to the LDROM. The net assumed rate of return for funding purposes is shown as well as the rate used to determine the LDROM. The LDROM Accrued Liability for October 1, 2023 and 2024 were based on the S&P Municipal Bond 20 Year High Grade Rate Index (yield to maturity). Effective October 1, 2025 the Bond Buyer "20-Bond GO Index" is the basis for the LDROM Accrued Liability. All other assumptions and methods are the same as described at the end of this report.

It's essential to understand that the LDROM is not the definitive measure of the Plan's liability. Instead, it provides an estimate of the Plan's cost under the scenario where the Board opts for a portfolio exclusively comprised of low-default-risk fixed income investments.

| Valuation Date | Funding Accrued Liability | Funding Net Assumed Return | LDROM Accrued Liability | LDROM Rate |
|-----------------------|--------------------------------------|---|------------------------------------|-------------------|
| 10/01/2025 | \$129,119,996 | 7.00% | \$162,161,359 | 4.90% |
| 10/01/2024 | \$122,539,900 | 7.00% | \$169,048,518 | 4.06% |
| 10/01/2023 | \$115,983,651 | 7.00% | \$145,561,129 | 4.87% |



SECTION 2

RESULTS DERIVATION

SECTION 2 - RESULTS DERIVATION

In this section, the assets and liabilities of the Plan are shown in detail. Assets and liabilities are then compared to determine the funded status and minimum funding requirements. Finally, analysis is performed to explain movement in results from the prior valuation.

While asset information is based on the fair market value of assets, along with any techniques used to smooth out market fluctuations, liabilities are determined through a combination of the benefit provisions, participant census data which contains information for the members who will receive those benefits, and the methods and assumptions used with regard to how benefits will be paid to members. A summary of participant data, an outline of the benefit provisions, and a description of the methods and assumptions used in this valuation are described in Section 4.

Financial Information

Over the life of the Plan, the majority of assets are typically generated from investment return. In this section, we describe how the assets of the Plan are invested, show how the actuarial value of assets is derived, and review the investment results since the prior valuation.

Investment Allocation

| Valuation Date | October 1, 2024 | | October 1, 2025 | |
|-------------------------------------|-----------------|-----------|-----------------|-----------|
| Money market funds | \$4,476,290 | 4% | \$2,998,962 | 2% |
| Certificates of deposit | 1,224,714 | 1% | 1,514,472 | 1% |
| U.S. government treasury securities | 3,724,398 | 3% | 7,140,920 | 6% |
| U.S. government agency securities | 19,105,780 | 17% | 15,628,612 | 13% |
| Corporate bonds | 10,139,519 | 9% | 7,370,880 | 6% |
| Asset-backed bonds | 1,572,385 | 1% | 1,589,511 | 1% |
| Foreign bonds | 1,221,326 | 1% | 1,276,465 | 1% |
| Common stocks | 11,000,207 | 10% | 12,320,553 | 10% |
| Private credit funds | 0 | 0% | 3,732,532 | 3% |
| Equity mutual funds | 42,485,790 | 38% | 42,802,342 | 36% |
| Real estate investment index fund | 3,438,841 | 3% | 3,231,344 | 3% |
| Real estate fund | 3,940,679 | 3% | 1,625,808 | 1% |
| International equity mutual fund | 11,288,854 | 10% | 19,209,545 | 16% |
| Cash and cash equivalents | 0 | 0% | 7,283 | 0% |
| Net receivables | <u>457,649</u> | <u>0%</u> | <u>892,324</u> | <u>1%</u> |
| Fair Market Value of Assets | \$114,076,432 | 100% | \$121,341,553 | 100% |

Note: Investment allocation information shown above is as provided by the Board's auditor.



Reconciliation of Market Value of Assets

| Year ending September 30, | 2024 | 2025 |
|--|------------------|------------------|
| 1. Market Value of Assets beginning of year | \$94,288,102 | \$114,076,432 |
| 2. Contributions | | |
| a. Town | \$2,545,418 | \$3,084,324 |
| b. State | 1,063,531 | 1,139,336 |
| c. Regular member contributions | 1,243,242 | 1,282,308 |
| d. Member service purchase | <u>0</u> | <u>0</u> |
| e. Total Contributions | \$4,852,191 | \$5,505,968 |
| 3. Investment earnings | | |
| a. Unrealized gains and losses | \$13,502,253 | \$5,758,551 |
| b. Realized gains and losses | 3,884,589 | 1,948,769 |
| c. Interest and dividends | 2,878,807 | 3,815,074 |
| d. Other | 360 | 616 |
| e. Investment expense | <u>(313,257)</u> | <u>(591,116)</u> |
| f. Net investment income | \$19,952,752 | \$10,931,894 |
| 4. Deductions | | |
| a. Pension benefits | \$(4,018,398) | \$(4,357,936) |
| b. Contribution refunds | (83,566) | (62,677) |
| c. DROP balance payouts | (722,433) | (4,457,981) |
| d. Share payments | (32,460) | (125,511) |
| e. Administrative expense | <u>(159,756)</u> | <u>(168,636)</u> |
| f. Total deductions | \$(5,016,613) | \$(9,172,741) |
| 5. Net increase | \$19,788,330 | \$7,265,121 |
| 6. Market Value of Assets end of year | \$114,076,432 | \$121,341,553 |
| 7. Return on Market Value of Assets | 21.30% | 9.79% |

*Note: Asset information is as provided by the Board's auditor.



Development of Actuarial Value of Assets

The Market Value of Assets is adjusted to recognize investment earnings greater than (or less than) the assumed net investment return over a five-year period. The Actuarial Value of Assets is no more than 120% and no less than 80% of the Market Value of Assets.

| | | | | |
|----|---|---------------------------------|---------------------------------|-------------------------------------|
| 1. | Market Value of Assets as of September 30, 2025 | | | \$121,341,553 |
| 2. | Phase-In gains (losses) over five years | | | |
| | <u>Year Ending</u> | <u>Original Gain (Loss)</u> | <u>Percent Unrecognized</u> | <u>Unrecognized Gain (Loss)</u> |
| a. | September 30, 2025 | \$3,114,758 | 80% | \$2,491,806 |
| b. | September 30, 2024 | 13,395,563 | 60% | 8,037,338 |
| c. | September 30, 2023 | 1,858,766 | 40% | 743,506 |
| d. | September 30, 2022 | (27,774,080) | 20% | <u>(5,554,816)</u> |
| e. | Total | | | \$5,717,834 |
| 3. | Preliminary Gross Actuarial Value of Assets | | | \$115,623,719 |
| 4. | Corridor around Market Value | | | |
| a. | Minimum = 80% of Market Value of Assets | | | \$97,073,242 |
| b. | Maximum = 120% of Market Value of Assets | | | \$145,609,864 |
| c. | Corridor adjustment to preliminary Actuarial Value | | | \$0 |
| 5. | Gross Actuarial Value of Assets as of October 1, 2025 | | | \$115,623,719 |
| 6. | State contribution reserve | | | \$0 |
| 7. | Actuarial Value of Assets as of October 1, 2025 | | | \$115,623,719 |



Development of Historical Gain or Loss on Market Value of Assets

| | 2025 | 2024 |
|---|------------------|------------------|
| 1. Market Value of Assets - beginning of year | \$114,076,432 | \$94,288,102 |
| 2. Contributions | 5,505,968 | 4,852,191 |
| 3. Benefit payments + administrative expense | (9,172,741) | (5,016,613) |
| 4. Expected interest | <u>7,817,136</u> | <u>6,557,189</u> |
| 5. Expected Market Value of Assets | \$118,226,795 | \$100,680,869 |
| 6. Market Value of Assets - end of year | \$121,341,553 | \$114,076,432 |
| 7. Gain (loss) = (6) - (5) | \$3,114,758 | \$13,395,563 |
| | 2023 | 2022 |
| 1. Market Value of Assets - beginning of year | \$87,435,836 | \$108,292,642 |
| 2. Contributions | 4,492,747 | 4,490,506 |
| 3. Benefit payments + administrative expense | (5,547,944) | (5,103,036) |
| 4. Expected interest | <u>6,048,697</u> | <u>7,529,804</u> |
| 5. Expected Market Value of Assets | \$92,429,336 | \$115,209,916 |
| 6. Market Value of Assets - end of year | \$94,288,102 | \$87,435,836 |
| 7. Gain (loss) = (6) - (5) | \$1,858,766 | \$(27,774,080) |



State Contributions

| Year Ending 30-Sep | State Contributions | Base Plus Benefit Improvements | Recognized State Funding | Balance Available Upon Benefit Improvement | Recurring Cost Benefit Improvements | One-Time Cost Benefit Improvements |
|--------------------------|------------------------|--------------------------------------|--------------------------------|---|--|---|
| 2025 | \$1,139,336 | \$611,245 | \$1,139,336 | \$0 | \$0 | \$528,091 |
| 2024 | 1,063,531 | 611,245 | 1,063,531 | 0 | 0 | 452,286 |
| 2023 | 996,558 | 611,245 | 996,558 | 0 | 0 | 385,313 |
| 2022 | 835,484 | 611,245 | 835,484 | 0 | 0 | 224,239 |
| 2021 | 787,636 | 611,245 | 787,636 | 0 | 0 | 176,391 |
| 2020 | 805,628 | 611,245 | 805,628 | 0 | 0 | 194,383 |
| 2019 | 786,329 | 611,245 | 786,329 | 0 | 0 | 175,084 |
| 2018 | 743,715 | 611,245 | 743,715 | 0 | 0 | 132,470 |
| 2017 | 632,241 | 611,245 | 632,241 | 0 | 0 | 20,996 |
| 2016 | 730,605 | 611,245 | 730,605 | 0 | 0 | 119,360 |
| 2015 | 559,470 | 611,245 | 559,470 | 0 | 0 | 0 |
| 2014 | 527,943 | 611,245 | 527,943 | 0 | 0 | 0 |
| 2013 | 482,537 | 611,245 | 482,537 | 0 | 0 | 0 |
| 2012 | 523,095 | 611,245 | 523,095 | 0 | 0 | 0 |
| 2011 | * | 611,245 | 292,304 | 292,304 | 2,169,270 | 0 |
| 2010 | | 571,647 | 292,304 | 292,304 | 1,850,329 | 0 |
| 2009 | | 647,532 | 292,304 | 292,304 | 1,570,986 | 0 |
| 2008 | | 498,215 | 292,304 | 292,304 | 1,215,758 | 0 |
| 2007 | | 562,358 | 292,304 | 292,304 | 1,009,847 | 0 |
| 2006 | | 771,596 | 292,304 | 633,702 | 739,793 | 27,295 |
| 2005 | | 498,215 | 265,009 | 265,009 | 601,899 | 0 |
| 2004 | | 445,083 | 265,009 | 265,009 | 368,693 | 0 |
| 2003 | | 372,366 | 265,009 | 265,009 | 188,619 | 0 |
| 2002 | | 323,560 | 265,009 | 265,009 | 81,262 | 0 |
| 2001 | | 285,362 | 265,009 | 265,009 | 22,711 | 0 |
| 2000 | | 263,186 | 265,009 | 263,186 | 2,358 | 0 |
| 1999 | | 267,367 | 265,009 | 265,009 | 2,358 | 1,014 |
| 1998 | | 263,995 | 263,995 | 263,995 | 0 | 0 |

*The \$2,169,270 cumulative balance available upon benefit improvement was released into the Actuarial Value of Assets as of October 1, 2011 per Ordinance No. 46-11.



Historical Asset Values

| Value as of October 1, | Market Value of Assets | Actuarial Value of Assets | % Market Return | % Actuarial Return | % Assumed Return |
|---------------------------|------------------------------|---------------------------------|-----------------------|--------------------------|------------------------|
| 2025 | \$121,341,553 | \$115,623,719 | 9.79 % | 7.59 % | 7.00 % |
| 2024 | 114,076,432 | 111,040,926 | 21.30% | 6.61 % | 7.00 % |
| 2023 | 94,288,102 | 104,343,789 | 9.15% | 3.45 % | 7.00 % |
| 2022 | 87,435,836 | 101,915,023 | (18.82)% | 4.66 % | 7.00 % |
| 2021 | 108,292,642 | 97,992,113 | 20.07 % | 10.56 % | 7.20 % |
| 2020 | 90,326,773 | 88,743,461 | 10.35 % | 8.08 % | 7.30 % |
| 2019 | 80,864,214 | 81,105,111 | 6.14 % | 6.15 % | 7.40 % |
| 2018 | 75,357,007 | 75,577,156 | 7.08 % | 6.66 % | 7.50 % |
| 2017 | 69,605,542 | 70,089,029 | 9.80 % | 7.11 % | 7.50 % |
| 2016 | 62,957,973 | 64,992,441 | 8.49 % | 7.74 % | 7.50 % |
| Ten Year Average | | | 7.79 % | 6.85 % | 7.24 % |

Historical Contribution Amounts

| Year Ending September 30, | Employer | State | Members | Total |
|------------------------------|-------------|-------------|-------------|-------------|
| 2025 | \$3,084,324 | \$1,139,336 | \$1,282,308 | \$5,505,968 |
| 2024 | 2,545,418 | 1,063,531 | 1,243,242 | 4,852,191 |
| 2023 | 2,271,218 | 996,558 | 1,224,971 | 4,492,747 |
| 2022 | 2,597,168 | 835,484 | 1,057,854 | 4,490,506 |
| 2021 | 2,661,412 | 787,636 | 1,050,767 | 4,499,815 |
| 2020 | 2,308,308 | 805,628 | 1,086,504 | 4,200,440 |
| 2019 | 2,346,166 | 786,329 | 1,043,638 | 4,176,133 |
| 2018 | 2,476,765 | 743,715 | 991,404 | 4,211,884 |
| 2017 | 2,211,161 | 632,241 | 975,895 | 3,819,297 |
| 2016 | 2,251,726 | 730,605 | 903,805 | 3,886,136 |

Historical Deductions from Fund

| Year Ending September 30, | Benefits | Refunds | Administrative Expense | Total |
|------------------------------|-------------|----------|---------------------------|-------------|
| 2025 | \$8,941,428 | \$62,677 | \$168,636 | \$9,172,741 |
| 2024 | 4,773,291 | 83,566 | 159,756 | 5,016,613 |
| 2023 | 5,406,127 | 0 | 141,817 | 5,547,944 |
| 2022 | 4,956,534 | 0 | 146,502 | 5,103,036 |
| 2021 | 4,433,605 | 0 | 139,996 | 4,573,601 |
| 2020 | 2,900,130 | 76,191 | 148,946 | 3,125,267 |
| 2019 | 2,930,753 | 228,604 | 139,405 | 3,298,762 |
| 2018 | 3,145,024 | 106,378 | 142,815 | 3,394,217 |
| 2017 | 2,972,816 | 228,889 | 133,665 | 3,335,370 |
| 2016 | 2,683,461 | 29,366 | 143,660 | 2,856,487 |



Historical Gain/Loss from on Recent Valuation Results

| Valuation Date | Investment Gain/(Loss) | | Demographic | Total Gain/(Loss) (B) + (C) |
|----------------|------------------------|------------------------|--------------------|--------------------------------|
| | Market Basis (A) | Actuarial Basis (B) | Gain/(Loss) (C) | |
| October 1 | | | | |
| 2025 | \$3,114,758 | \$644,915 | \$(1,116,133) | \$(471,218) |
| 2024 | 13,395,563 | (399,528) | 18,204 | (381,324) |
| 2023 | 1,858,766 | (3,578,277) | (1,273,929) | (4,852,206) |
| 2022 | (27,774,080) | (2,273,327) | (823,152) | (3,096,479) |
| 2021 | 11,567,139 | 2,963,920 | 111,593 | 3,075,513 |
| 2020 | 2,474,460 | 632,666 | 136,862 | 769,528 |
| 2019 | (949,951) | (945,494) | (1,019,990) | (1,965,484) |
| 2018 | (289,391) | (588,990) | 986,328 | 397,338 |
| 2017 | 1,447,356 | (256,210) | 1,242,300 | 986,090 |
| 2016 | 568,786 | 141,375 | (1,544,666) | (1,403,291) |
| 2015 | (5,422,818) | (109,038) | 51,881 | (57,157) |
| 2014 | 932,414 | 977,591 | 1,448,507 | 2,426,098 |
| 2013 | 1,956,139 | (145,267) | 1,648,178 | 1,502,911 |
| 2012 | 3,531,150 | (1,958,980) | 2,572,390 | 613,410 |
| 2011 | (2,596,836) | (1,655,547) | 1,487,916 | (167,631) |
| 2010 | 68,144 | (1,447,911) | 235,214 | (1,212,697) |
| 2009 | (1,475,390) | (1,430,901) | 627,016 | (803,885) |
| 2008 | (5,026,434) | (765,449) | 288,249 | (477,200) |
| 2007 | 1,093,387 | 536,389 | 408,674 | 945,063 |

Notes:

- (1) The funding method was revised to Entry Age Normal (level percent of pay) effective 10/1/2006 from the Frozen Entry Age (level percent of pay) used in the 10/1/2005 actuarial valuation of the Plan.
- (2) The salary scale was revised to use a table of increases based on the service of the member effective 10/1/2006. In addition, retirement benefits are increased 5% for overtime utilization increases near retirement plus a 5% increase for retirement and vested termination benefits for accumulated leave payouts effective 10/1/2006. In comparison, the 10/1/2005 actuarial valuation used a flat 7.0% salary scale assumption.
- (3) Effective 10/1/2008 the smoothing method used to determine the actuarial value of assets was revised.
- (4) The assumed investment return was revised from 8.5% used in the 10/1/2005 actuarial valuation of the Plan to 7.75% effective 10/1/2006 and 7.5% effective 10/1/2007.
- (5) At the request of the Town and the Town's actuary and as approved by the board, the salary scale was lowered 2% at all service levels effective with the 10/1/2010 valuation. Also at the request of the Town and the Town's actuary, the method used to determine minimum funding requirements was revised such that dollar figures for minimum funding are not known until after fiscal year end.
- (6) The mortality table was revised with the October 1, 2012 actuarial valuation from the 1983 Group Annuity Mortality Table to the RP-2000 Combined Mortality Table projected to the valuation year



using Scale AA. Tier 2 members are assumed to retire or enter the DROP at first eligibility with unreduced benefits payable where retirement benefits are increased 3.8% for overtime and accrued leave and vested termination benefits are increased 1% for accrued leave. In addition, the Town requested dollar figures for minimum funding be provided beginning with figures for fiscal 2013.

- (7) Effective October 1, 2014 the assumption used to amortize unfunded accrued liability as a percentage of payroll was revised from 4.0% to 2.4%. A fresh start was implemented on the amortization of the unfunded accrued liability over 20 years. Whereas the prior valuation excluded DROP balances from both assets and liabilities, the valuation as of October 1, 2014 includes DROP balances in both assets and liabilities.
- (8) Effective October 1, 2015 rates of termination were revised and the mortality table adopted by the board of trustees is that used in the July 1, 2014 and 2015 actuarial valuations of the Florida Retirement System for Special Risk members.
- (9) Effective October 1, 2016 the assumption used to amortize unfunded accrued liability as a percentage of payroll was revised from 2.4% to 1.8%.
- (10) Effective October 1, 2017 the mortality table was revised to that used in the July 1, 2016 and 2017 actuarial valuations of the Florida Retirement System for Special Risk members. In addition, the assumption used to amortize unfunded accrued liability as a percentage of payroll was revised from 1.8% to 1.4%.
- (11) Effective October 1, 2018 the net assumed return was revised to 7.4% from 7.5%. The assumption for line-of-duty death was revised to 25% in comparison to 75% used in the prior valuation. The assumption for non-line-of-duty death was revised to 75% in comparison to 25% used in the prior valuation. In addition, the unfunded accrued liability is amortized on a level dollar basis in comparison to being amortized as a percentage of payroll assumed to increase at 1.4% in the prior valuation.
- (12) Effective October 1, 2019 the net assumed return was revised to 7.3% from 7.4%.
- (13) Effective October 1, 2020 the net assumed return was revised to 7.2% from 7.3%. In addition mortality rates were revised to that used in the July 1, 2019 and 2020 actuarial valuations of the Florida Retirement System for Special Risk members.
- (14) Effective October 1, 2021 the net assumed return was revised to 7.0% from 7.2%.
- (15) Effective October 1, 2025 the mortality table was revised to that used in the July 1, 2024 actuarial valuations of the Florida Retirement System for Special Risk members.

Present Value of Benefits

| Valuation as of October 1, | 2024 | 2025 Before Assumption Change | 2025 After Assumption Change |
|---|------------------|--|---------------------------------------|
| 1. Active members | | | |
| a. Retirement benefits | \$58,964,283 | \$60,736,411 | \$62,208,864 |
| b. Deferred benefits | 2,786,664 | 2,876,527 | 2,980,673 |
| c. Survivor benefits | 458,145 | 464,432 | 376,346 |
| d. Disability retirement | <u>2,397,342</u> | <u>2,529,218</u> | <u>2,578,576</u> |
| e. Total | \$64,606,434 | \$66,606,588 | \$68,144,459 |
| 2. Inactive members | | | |
| a. Retirement benefits | \$71,551,553 | \$72,677,699 | \$73,908,720 |
| b. Terminated members | 313,495 | 222,430 | 233,123 |
| c. Beneficiaries | 3,343,550 | 3,277,607 | 3,406,964 |
| d. Disability retirement | <u>6,991,392</u> | <u>8,780,943</u> | <u>8,931,608</u> |
| e. Total | \$82,199,990 | \$84,958,679 | \$86,480,415 |
| 3. Share balances | \$1,932,296 | \$2,441,166 | \$2,441,166 |
| 4. Present Value of Benefits (PVB) | \$148,738,720 | \$154,006,433 | \$157,066,040 |



Accrued Liability

| Valuation as of October 1, | 2024 | 2025 Before Assumption Change | 2025 After Assumption Change |
|-----------------------------|------------------|--|---------------------------------------|
| 1. Active members | | | |
| a. Retirement benefits | \$36,998,574 | \$37,813,521 | \$38,723,956 |
| b. Deferred benefits | 607,515 | 627,400 | 663,956 |
| c. Survivor benefits | 140,569 | 137,473 | 114,017 |
| d. Disability retirement | <u>660,956</u> | <u>678,785</u> | <u>696,486</u> |
| e. Total | \$38,407,614 | \$39,257,179 | \$40,198,415 |
| 2. Inactive members | | | |
| a. Retirement benefits | \$71,551,553 | \$72,677,699 | \$73,908,720 |
| b. Terminated members | 313,495 | 222,430 | 233,123 |
| c. Beneficiaries | 3,343,550 | 3,277,607 | 3,406,964 |
| d. Disability retirement | <u>6,991,392</u> | <u>8,780,943</u> | <u>8,931,608</u> |
| e. Total | \$82,199,990 | \$84,958,679 | \$86,480,415 |
| 3. Share balances | \$1,932,296 | \$2,441,166 | \$2,441,166 |
| 4. Accrued Liability | \$122,539,900 | \$126,657,024 | \$129,119,996 |



Normal Cost

| Valuation as of October 1, | 2024 | 2025 Before Assumption Change | 2025 After Assumption Change |
|---------------------------------------|--------------------|--|---------------------------------------|
| 1. Preliminary Normal Cost | | | |
| a. Retirement benefits | \$2,575,275 | \$2,601,065 | \$2,664,667 |
| b. Deferred benefits | 236,685 | 237,790 | 245,041 |
| c. Survivor benefits | 36,057 | 36,245 | 28,692 |
| d. Disability retirement | <u>192,482</u> | <u>199,584</u> | <u>202,004</u> |
| e. Total | \$3,040,499 | \$3,074,684 | \$3,140,404 |
| 2. Total Normal Cost | | | |
| a. Preliminary Normal Cost | \$3,040,499 | \$3,074,684 | \$3,140,404 |
| b. Administrative expense | <u>159,756</u> | <u>168,636</u> | <u>168,636</u> |
| c. Total Normal Cost | \$3,200,255 | \$3,243,320 | \$3,309,040 |
| d. As a Percentage of Payroll | 31.00 % | 30.41 % | 31.02 % |
| 3. Actual Employer Normal Cost | | | |
| a. Preliminary Normal Cost | \$3,040,499 | | |
| b. Administrative expense | 168,636 | | |
| c. Employee Contributions | <u>(1,282,308)</u> | | |
| d. Employer Normal Cost | \$1,926,827 | | |
| 4. Valuation Payroll | \$10,324,899 | \$10,666,191 | \$10,666,191 |



Unfunded Accrued Liability

Unfunded Accrued Liability as of October 1,

| | 2025 |
|--------------------------------|--------------------|
| 1. Actuarial Accrued Liability | \$129,119,996 |
| 2. Actuarial Value of Assets | <u>115,623,719</u> |
| 3. Unfunded Accrued Liability | \$13,496,277 |

Determination of Expected Unfunded Accrued Liability

| | |
|---|--------------------|
| 1. Unfunded Accrued Liability as of prior year | \$11,498,974 |
| 2. Employer Normal Cost (including administrative expense) | 1,926,827 |
| 3. Interest for a full year on (1) and (2) | 939,806 |
| 4. Contributions from Town and State | |
| a. Town | (3,084,324) |
| b. State | <u>(1,139,336)</u> |
| c. Total | (4,223,660) |
| 5. Interest on contribution for time on deposit | (107,951) |
| 6. Change in plan, methods or assumptions | <u>2,991,063</u> |
| 7. Expected Unfunded Accrued Liability | \$13,025,059 |

Calculation of (Gain) or Loss

| | |
|--|-------------------|
| 1. Actual Unfunded Accrued Liability | \$13,496,277 |
| 2. Expected Unfunded Accrued Liability | <u>13,025,059</u> |
| 3. Total (gain) or loss | \$471,218 |
| 4. Breakdown of (gain) or loss | |
| a. Due to investments | \$(644,915) |
| b. Due to demographics | <u>1,116,133</u> |
| c. Total | \$471,218 |

Determination of Actuarial Value of Assets Gain (Loss)

| | |
|--|------------------|
| 1. Actuarial Value of Assets - beginning of year | \$111,040,926 |
| 2. Contributions | 5,505,968 |
| 3. Benefit payments + administrative expense | (9,172,741) |
| 4. Expected interest | <u>7,604,651</u> |
| 5. Expected Actuarial Value of Assets | \$114,978,804 |
| 6. Actuarial Value of Assets - end of year | \$115,623,719 |
| 7. Gain (loss) = (6) - (5) | \$644,915 |



Amortization of Unfunded Accrued Liability

The Unfunded Accrued Liability is being amortized as a level dollar amount based on the net assumed investment return assumption effective October 1, 2018.

Effective October 1, 2014 a fresh start was implemented on the Unfunded Accrued Liability over 20 years. Future changes in the Unfunded Accrued Liability due to plan changes, assumption changes, method changes, or gains and losses are all amortized over a 20-year period.

The required contributions calculated each year include a payment for the amortization of the unfunded actuarial accrued liability. This payment is designed to reduce the unfunded actuarial accrued liability in an orderly fashion over the next 20 years.

Amortization Bases

| | Date of Origin 10/1 | Source | Original Balance | Remaining Balance Before Adjustment | Remaining Balance | Years Remain | Level \$ Amort. |
|-----|------------------------|----------------------|------------------|-------------------------------------|-------------------|--------------|-----------------|
| 1. | 2014 | Fresh Start | \$9,196,545 | \$3,026,651 | \$2,901,211 | 9 | \$416,165 |
| 2. | 2015 | Assumption Change | (428,678) | (157,246) | (150,729) | 10 | (20,056) |
| 3. | 2015 | Actuarial Loss | 57,157 | 20,967 | 20,098 | 10 | 2,674 |
| 4. | 2016 | Actuarial Loss | 1,403,291 | 576,411 | 552,522 | 11 | 68,862 |
| 5. | 2017 | Actuarial Gain | (986,090) | (433,320) | (415,361) | 12 | (48,874) |
| 6. | 2017 | Assumption Change | 44,485 | 19,547 | 18,737 | 12 | 2,205 |
| 7. | 2018 | Actuarial Gain | (397,338) | (197,840) | (189,641) | 13 | (21,206) |
| 8. | 2018 | Assumption Change | 850,361 | 423,405 | 405,857 | 13 | 45,384 |
| 9. | 2019 | Actuarial Loss | 1,965,484 | 1,119,424 | 1,073,030 | 14 | 114,669 |
| 10. | 2019 | Assumption Change | 885,877 | 504,544 | 483,633 | 14 | 51,683 |
| 11. | 2020 | Actuarial Gain | (769,528) | (469,225) | (449,778) | 15 | (46,153) |
| 12. | 2020 | Assumption Change | (430,685) | (262,612) | (251,728) | 15 | (25,830) |
| 13. | 2021 | Actuarial Gain | (3,075,513) | (2,129,703) | (2,041,438) | 16 | (201,964) |
| 14. | 2021 | Assumption Change | 1,971,172 | 1,364,980 | 1,308,409 | 16 | 129,444 |
| 15. | 2022 | Actuarial Loss | 3,096,479 | 2,666,046 | 2,555,553 | 17 | 244,629 |
| 16. | 2023 | Actuarial Loss | 4,852,206 | 4,574,705 | 4,385,108 | 18 | 407,416 |
| 17. | 2024 | Actuarial Loss | 381,324 | 372,022 | 356,604 | 19 | 32,245 |
| 18. | 2025 | Actuarial Loss | 471,218 | 471,218 | 471,218 | 20 | 41,570 |
| 19. | 2025 | Assumption Change | 2,462,972 | 2,462,972 | 2,462,972 | 20 | 217,278 |
| | | Amortization Payment | | | | | \$1,410,141 |
| | | Outstanding Bases | | \$13,952,946 | \$13,496,277 | | |



Projected Unfunded Accrued Liability and Amortization Payments

| Plan Year Beginning October 1, | Outstanding Bases | Amortization Payment |
|--------------------------------------|----------------------|-------------------------|
| 2025 | \$13,496,277 | \$1,410,141 |
| 2026 | 12,932,166 | 1,410,141 |
| 2027 | 12,328,566 | 1,410,141 |
| 2028 | 11,682,715 | 1,410,141 |
| 2029 | 10,991,654 | 1,410,141 |
| 2030 | 10,252,219 | 1,410,141 |
| 2031 | 9,461,024 | 1,410,141 |
| 2032 | 8,614,444 | 1,410,141 |
| 2033 | 7,708,605 | 1,410,142 |
| 2034 | 6,739,355 | 993,974 |
| 2035 | 6,147,558 | 1,011,362 |
| 2036 | 5,495,729 | 942,497 |
| 2037 | 4,871,958 | 989,164 |
| 2038 | 4,154,590 | 964,985 |
| 2039 | 3,412,877 | 798,640 |
| 2040 | 2,797,234 | 870,610 |
| 2041 | 2,061,488 | 943,137 |
| 2042 | 1,196,635 | 698,505 |
| 2043 | 532,999 | 291,106 |
| 2044 | 258,826 | 258,826 |



Minimum Funding Requirements

| Valuation as of October 1, Funding for FY Ending September 30, | 2024 2026 | 2025 2027 Before Assumption Change | 2025 2027 After Assumption Change |
|---|--------------------|--|---|
| 1. Minimum Required Contribution | | | |
| a. Total Normal Cost | \$3,200,255 | \$3,243,320 | \$3,309,040 |
| b. UAL amortization | 1,201,073 | 1,192,863 | 1,410,141 |
| c. Interest to next fiscal year | 308,093 | 310,533 | 330,343 |
| d. Interest for periodic payment | <u>186,223</u> | <u>187,529</u> | <u>198,127</u> |
| e. Total | \$4,895,644 | \$4,934,245 | \$5,247,651 |
| 2. Minimum Required Contribution By Source and as a Percent of Payroll | | | |
| a. Net Amount Payable by Town | \$3,263,252 | \$3,273,415 | \$3,586,821 |
| b. Expected Employee Contributions | 1,021,147 | 1,049,585 | 1,049,585 |
| c. Recognized State Contribution | <u>611,245</u> | <u>611,245</u> | <u>611,245</u> |
| d. Total Required Contribution | \$4,895,644 | \$4,934,245 | \$5,247,651 |
| e. Net Amount Payable by Town | 31.95% | 31.19% | 34.18% |
| f. Expected Employee Contributions | 10.00% | 10.00% | 10.00% |
| g. Recognized State Contribution | <u>5.99%</u> | <u>5.82%</u> | <u>5.82%</u> |
| h. Total Required Contribution | 47.94% | 47.01% | 50.00% |
| 3. Valuation Payroll | | | |
| a. Year Beginning on Valuation Date | \$10,324,899 | \$10,666,191 | \$10,666,191 |
| b. Year Ending in Funding Year | 10,211,468 | 10,495,845 | 10,495,845 |



Reconciliations

Change of Funded Status

| | Unfunded Accrued Liability | Funded Percent | Change in Unfunded Accrued Liability | Change in Funded Percent |
|------------------------------|----------------------------------|-------------------|---|--------------------------------|
| As of October 1, 2024 | \$11,498,974 | 90.62% | | |
| Normal operation of Plan | 10,033,996 | 91.97% | \$(1,464,978) | 1.35% |
| Investment experience | 9,389,081 | 92.49% | (644,915) | 0.52% |
| Demographic experience | 10,505,214 | 91.67% | 1,116,133 | (0.82%) |
| Effect of Share Plan | 11,033,305 | 91.29% | 528,091 | (0.38%) |
| Assumption Change | 13,496,277 | 89.55% | <u>2,462,972</u> | <u>(1.74%)</u> |
| Total | | | \$1,997,303 | (1.07%) |
| As of October 1, 2025 | \$13,496,277 | 89.55% | | |

Reconciliation of Town Minimum Funding Requirement

| | Dollar | % of Pay |
|---------------------------------------|----------------|---------------|
| Projected \$ Funding for FY 26 | \$3,263,252 | 31.95 % |
| Changes in Contribution due to: | | |
| Normal operation of Plan | \$0 | 0.00 % |
| Actuarial investment experience | (63,006) | (0.61)% |
| Demographic experience | 73,169 | (0.15)% |
| Assumption change | <u>313,406</u> | <u>2.99 %</u> |
| Total | \$323,569 | 2.23 % |
| Projected \$ Funding for FY 27 | \$3,586,821 | 34.18 % |



SECTION 3

ACCOUNTING INFORMATION

SECTION 3 - ACCOUNTING INFORMATION

Information Required by GASB 67/68

A supplemental report provides information under the Governmental Accounting Standards Board No. 67/68.



Statement of Accumulated Plan Benefits

The present value of accrued benefits is an estimate of the liability for all benefits accrued to date.

| Valuation as of October 1, | 2024 | 2025 |
|--|-------------------|-------------------|
| 1. Actuarial present value of accumulated plan benefits | | |
| a. Participants currently receiving benefits | \$82,395,622 | \$86,920,533 |
| b. Other participants | <u>28,216,064</u> | <u>30,059,478</u> |
| c. Total vested plan benefits | \$110,611,686 | \$116,980,011 |
| d. Total non-vested plan benefits | <u>5,222,988</u> | <u>5,129,205</u> |
| e. Total accumulated plan benefits | \$115,834,674 | \$122,109,216 |
| 2. Change in accumulated plan benefits | | |
| a. Accumulated plan benefits beginning of year | | \$115,834,674 |
| b. Increase (decrease) during year attributable to: | | |
| i. Plan amendment | | \$528,091 |
| ii. Change in assumptions or methods | | 2,266,349 |
| iii. Increase for interest and probability of payment due to decrease in discount period and benefits accrued | | 12,484,207 |
| iv. Benefits paid | | (9,004,105) |
| v. Other changes | | <u>0</u> |
| vi. Net increase (decrease) | | \$6,274,542 |
| c. Accumulated plan benefits end of year | | \$122,109,216 |

Other Disclosures Required by the State of Florida

| Valuation as of October 1, | 2024 | 2025 |
|--|--------------|--------------|
| Other Disclosures Where Applicable | | |
| Present value of active member: | | |
| Future salaries (attained age) | \$92,871,447 | \$98,318,791 |
| Future contributions (attained age) | \$9,287,145 | \$9,831,879 |
| Active Members' Accumulated Contributions with Interest | \$8,648,457 | \$8,695,406 |



Required Disclosure Under F.S. 112.664(1)

As required under F.S. Section 112.664(1) we have produced the following information:

- (a) Total pension liability calculated based on mortality used in one of the last two Florida Retirement System (FRS) valuations.
- (b) Total pension liability calculated using an assumed interest rate that is 200 basis points lower than that assumed in the valuation of the Plan.
- (c) Determination of the number of months or years for which the current market value of assets is adequate to sustain the payment of expected retirement benefits.
- (d) Recommended contribution to the Plan using the most recent valuation and the contributions necessary prepared pursuant to (a) and (b) stated as a dollar amount and % of payroll.

| | 2% Decrease (5.0%) | Current Discount Rate (7.0%) | 2% Increase (9.0%) |
|--|-----------------------|------------------------------------|-----------------------|
| Total pension liability | \$160,244,525 | \$129,119,996 | \$107,797,279 |
| Plan fiduciary net position | <u>(121,341,553)</u> | <u>(121,341,553)</u> | <u>(121,341,553)</u> |
| Net pension liability | \$38,902,972 | \$7,778,443 | \$(13,544,274) |
| Plan fiduciary net position as a percentage of the total pension liability | 75.72% | 93.98% | 112.56% |
| Years of benefit payments: | | | |
| Expected for current members: | 100 | 100 | 100 |
| Paid for with current assets: | 22.41 | 100.00 | 100.00 |
| Town Plus State Contribution Requirement, Plus Expected Employee Contributions | | | |
| Dollar Amount | \$9,299,866 | \$5,247,651 | \$2,642,648 |
| Percent of Payroll | 88.61% | 50.00% | 25.18% |
| Increase (Decrease) | \$4,052,215 | | \$(2,605,003) |



Required Disclosure Under F.S. 112.664(2)(b)2.

F.S. Section 112.664(2)(b)2. - For the previous five years, beginning with 2013, a side-by-side comparison of the plan's assumed rate of return compared to the actual rate of return, as well as the percentages of cash, equity, bond and alternative investments in the plan portfolio.

| Year Ending September 30, | 2025 | 2024 | 2023 | 2022 | 2021 |
|----------------------------|-----------|-----------|-----------|------------|-----------|
| Net assumed rate of return | 7.00% | 7.00% | 7.00% | 7.00% | 7.20% |
| Actual rate of return | 9.79% | 21.30% | 9.15% | (18.82%) | 20.07% |
| Percentages of assets in: | | | | | |
| Cash | 4% | 5% | 6% | 7% | 3% |
| Equity | 65% | 58% | 61% | 61% | 65% |
| Bond | 27% | 31% | 24% | 20% | 23% |
| Alternative | <u>4%</u> | <u>6%</u> | <u>9%</u> | <u>12%</u> | <u>9%</u> |
| Total | 100% | 100% | 100% | 100% | 100% |



SECTION 4

SUPPLEMENTARY INFORMATION

SECTION 4 - SUPPLEMENTARY INFORMATION

Summary of Participant Data

Member Statistics

| Valuation as of October 1, | 2024 | 2025 |
|---|--------------|--------------|
| Active Participants | | |
| Number | 93 | 93 |
| Average Age | 37.2 | 37.0 |
| Average Service | 9.6 | 9.3 |
| Percent Male | 86.0 | 85.0 |
| Average Pay | \$107,110 | \$112,684 |
| Annualized Pay Ending on Valuation Date | \$9,961,217 | \$10,479,587 |
| Valuation Payroll | \$10,324,899 | \$10,666,191 |
| Actual Pay for 12-Months Prior* | \$12,432,415 | \$12,823,064 |

*Includes pay for DROP members who are paying contributions to the Plan.

Terminated With Rights to Deferred Benefits

| | | |
|-------------------------|----------|----------|
| Number | 1 | 1 |
| Average Age | 54.9 | 40.0 |
| Percent Male | 0.0 | 100.0 |
| Average Monthly Benefit | \$2,109 | \$4,368 |
| Total Benefits | \$25,313 | \$52,412 |

DROP Participants

| | | |
|---|-------------|-------------|
| Number | 24 | 23 |
| Average Age | 52.1 | 52.5 |
| Percent Male | 79.2 | 87.0 |
| Average Monthly Benefit - At Retirement | \$6,294 | \$6,473 |
| Total Benefits - At Retirement | \$1,812,595 | \$1,786,530 |
| Total of DROP Account Balances | \$7,171,532 | \$7,963,608 |



Valuation as of October 1,**2024****2025****Service Retirements**

| | | |
|--------------------------------|-------------|-------------|
| Number | 55 | 60 |
| Average Age | 62.3 | 62.4 |
| Percent Male | 90.9 | 85.0 |
| Average Monthly Benefit | \$4,609 | \$4,642 |
| Total Benefits | \$3,042,164 | \$3,342,446 |
| Total of DROP Account Balances | \$4,766,775 | \$1,989,765 |

Beneficiaries

| | | |
|--------------------------------|-----------|-----------|
| Number | 9 | 9 |
| Average Age | 72.1 | 73.1 |
| Percent Male | 0.0 | 0.0 |
| Average Monthly Benefit | \$3,154 | \$3,154 |
| Total Benefits | \$340,683 | \$340,683 |
| Total of DROP Account Balances | \$96,585 | \$102,380 |

Disability Retirements

| | | |
|-------------------------|-----------|-----------|
| Number | 16 | 18 |
| Average Age | 62.5 | 61.2 |
| Percent Male | 87.5 | 88.9 |
| Average Monthly Benefit | \$3,594 | \$3,906 |
| Total Benefits | \$689,990 | \$843,793 |

Total In Payment Status

| | | |
|-------------------------|-------------|-------------|
| Number | 80 | 87 |
| Average Age | 63.5 | 63.3 |
| Percent Male | 80.0 | 77.0 |
| Average Monthly Benefit | \$4,243 | \$4,336 |
| Total Benefits | \$4,072,837 | \$4,526,922 |



Number of Active Members by Age and Service as of October 1, 2025

| Age | Service | | | | | | Total |
|-------|---------|----|-----|-----|-----|-----|-------|
| | <1 | <5 | <10 | <15 | <20 | <25 | |
| <25 | 3 | 4 | | | | | 7 |
| <30 | 4 | 7 | 2 | | | | 13 |
| <35 | 4 | 4 | 10 | 1 | | | 19 |
| <40 | 2 | 3 | 6 | 9 | 2 | | 22 |
| <45 | | 1 | 4 | 2 | 7 | | 14 |
| <50 | | 1 | 1 | | 7 | 2 | 11 |
| <55 | | | | | 1 | 4 | 5 |
| <60 | | | | | 1 | 1 | 2 |
| 60+ | | | | | | | |
| Total | 13 | 20 | 23 | 12 | 18 | 7 | 93 |

Average Active Valuation Pay by Age and Service as of October 1, 2025

| Age | Service | | | | | | Total |
|-------|---------|--------|---------|---------|---------|---------|---------|
| | <1 | <5 | <10 | <15 | <20 | <25 | |
| <25 | 64,584 | 80,026 | | | | | 73,408 |
| <30 | 72,108 | 86,977 | 95,812 | | | | 83,761 |
| <35 | 66,071 | 79,983 | 112,123 | 116,638 | | | 95,899 |
| <40 | 112,081 | 90,061 | 103,876 | 128,944 | 163,005 | | 118,368 |
| <45 | | 87,330 | 102,839 | 159,405 | 153,484 | | 135,135 |
| <50 | | 87,096 | 112,763 | | 151,575 | 154,816 | 142,774 |
| <55 | | | | | 133,181 | 146,757 | 144,042 |
| <60 | | | | | 120,145 | 147,885 | 134,015 |
| 60+ | | | | | | | |
| Total | 74,664 | 84,674 | 106,967 | 132,995 | 150,819 | 149,221 | 112,684 |



DROP Balance Roll Forward

| Year Ending September 30, | 2024 | 2025 |
|---------------------------------------|-------------------|---------------------|
| DROP Balances as of beginning of year | \$10,408,678.05 | \$12,034,892.94 |
| Additions | 1,810,744.51 | 1,836,133.41 |
| Investment return | 537,902.94 | 642,707.53 |
| Distributions | <u>722,432.56</u> | <u>4,457,980.18</u> |
| DROP Balances as of end of year | \$12,034,892.94 | \$10,055,753.70 |

Share Balance Roll Forward

| Year Ending September 30, | 2024 | 2025 |
|--|------------------|-------------------|
| Share Balances as of beginning of year | \$1,428,694.81 | \$1,932,294.73 |
| Additions | 452,285.73 | 528,089.94 |
| Investment return | 83,774.31 | 106,290.59 |
| Distributions | <u>32,460.12</u> | <u>125,510.54</u> |
| Share Balances as of end of year | \$1,932,294.73 | \$2,441,164.72 |



Reconciliation of Plan Participants

| | Active | Vested Term. | DROP | Retired | Survivor | Disabled | Totals |
|------------------------|--------|-----------------|------|---------|----------|----------|--------|
| October 1, 2024 | 93 | 1 | 24 | 55 | 9 | 16 | 198 |
| Retired | (1) | (1) | (3) | 5 | | | 0 |
| DROP | (2) | | 2 | | | | 0 |
| Disabled | (2) | | | | | 2 | 0 |
| Vested Termination | (1) | 1 | | | | | 0 |
| Nonvested Termination | (7) | | | | | | (7) |
| New Hires | 13 | | | | | | 13 |
| October 1, 2025 | 93 | 1 | 23 | 60 | 9 | 18 | 204 |



Outline of Plan Provisions

Plan Type: Single-employer Defined Benefit Pension Plan

Legal Authority: The Plan was established and is amended by local ordinance.

Effective Date: February 1, 1972. Plan amended May 17, 1977. Plan provisions have been amended more recently as noted in the following table.

| <u>Ordinance</u> | <u>Effective</u> | <u>Adopted</u> | <u>Ordinance</u> | <u>Effective</u> | <u>Adopted</u> |
|------------------|------------------|----------------|------------------|------------------|----------------|
| 07-21 | 03/22/2021 | 03/22/2021 | 25-09 | 10/01/2005 | 07/21/2009 |
| 22-20 | 01/21/2021 | 01/21/2021 | 12-09 | 04/07/2009 | 04/07/2009 |
| 13-15 | 05/05/2015 | 05/05/2015 | 36-06 | 10/01/2005 | 07/05/2006 |
| 30-14 | 07/01/2014 | 07/01/2014 | 83-04 | 12/21/2004 | 12/21/2004 |
| 19-14 | 04/22/2014 | 04/22/2014 | 52-03 | 08/19/2003 | 08/19/2003 |
| 51-13 | 01/07/2014 | 01/07/2014 | 50-03 | 08/19/2003 | 08/19/2003 |
| 46-11 | 03/06/2012 | 03/06/2012 | 49-03 | 09/30/2002 | 08/19/2003 |
| 20-11 | 10/01/2010 | 05/03/2011 | 41-02 | 10/01/2001 | 06/04/2002 |
| 43-10 | 08/17/2010 | 08/17/2010 | 19-01 | 05/15/2001 | 05/15/2001 |
| 45-10 | 04/01/2007 | 08/17/2010 | 69-00 | 03/01/2001 | 02/20/2001 |
| 46-10 | 08/17/2010 | 08/17/2010 | 34-00 | 12/31/1999 | 06/20/2000 |

Plan Administrator: The Board of Trustees

Board Composition: Two members are elected from among the police employees of the Town, who are members of the plan, two Town residents appointed by the Commission and one person is chosen by a majority of the previous four members.

Funding Requirements: Employer contributions are actuarially determined and subject to State statute. Employee contributions are as described below and may be amended by ordinance.

Plan Year: The 12-month period from October 1st to the following September 30th.

Member: Any person who enters the employment of the Town as a full-time police officer on or after April 1, 1995 becomes a Member of the Plan immediately upon hire. Police officers hired prior to April 1, 1995 were provided with an opportunity in their first 12 months of employment to elect to not participate in the Plan. Effective retroactively to October 1, 2005, the Chief of Police may “opt-out” of membership in the Plan.

Members hired on and after March 6, 2012 are part of “Tier Two.” Members hired prior to March 6, 2012 are part of “Tier One.”

Actuarial Equivalence: Actuarial Equivalence is determined using an interest rate of 7% and the 1983 Group Annuity Mortality Table for males, with ages set ahead five years for disability. Different interest assumptions apply to the calculation of a lump sum distribution.

Credited Service: Period of employment with the Town as a police officer from the date of employment to the date of termination of service or retirement during which a person contributes to the Plan. Credited Service also includes certain military service. Additional Credited Service may be purchased.

Vesting: 100% upon earning ten years of service. Service purchased does not count toward vesting.



Salary: Prior to October 1, 2005, Salary was defined as base gross monetary salary. Effective October 1, 2005, Salary is defined as total cash compensation including overtime paid for services rendered to the Town but not including any payments for extra duty or a special detail work performed on behalf of another employer. Effective October 1, 2012, accumulated sick leave does not exceed 50% of the amount accumulated as of April 1, 2011 and accumulated vacation leave does not exceed the amount accumulated as of October 1, 2012. Overtime is limited to 300 hours after October 1, 2012.

Employee Contributions: For Tier One, employee contributions are increased from 7.56% of Salary to 8.78% of Salary effective October 1, 2012, 9.25% effective October 1, 2014, and 10.0% effective October 1, 2015. For Tier Two, employee contributions are 10.0% of Salary. See further information regarding employee contributions in the description of DROP benefits.

A Member who terminates non-vested is entitled to refund of accumulated Employee Contributions with interest not more than 4%. Contributions may be repaid with interest upon reentry into the Plan due to rehire.

Vested Members who terminate employment prior to being eligible to receive an annuity may leave their accrued contributions in the fund, and upon as early as age 50 begin commencement of the Accrued Benefit as defined under Early Retirement or to commence monthly benefits at age 55.

Average Salary: For Tier One members, the average of Salary for the three highest years out of the last 10 years of service. For Tier Two members, the average of Salary for the highest five consecutive years out of the last 10 years of service.

Normal Retirement Date: The Tier One Normal Retirement Date is the first day of the month coincident with or next following the earlier of (i) age plus Credited Service (each computed in full months) of at least 780 months (65 points), or (ii) age 55 with 10 years Credited Service.

The Tier Two Normal Retirement Date is the first day of the month coincident with or next following the earlier of (i) age plus Credited Service (each computed in full months) of at least 840 months (70 points) and 25 years of Credited Service, or (ii) age 55 with 10 years of Credited Service.

Normal Retirement is not earlier than 10 years from the original date of hire for members who purchase Credited Service.

Normal Retirement Benefit: The Accrued Benefit plus the Supplemental Benefit.

Tier One Accrued Benefit: Payable as a 10 year certain and continuous annuity:

$$3\% \times \text{Tier One Average Salary} \times \text{Credited Service}$$

Tier Two Accrued Benefit: Payable as a 10 year certain and continuous annuity:

$$2.75\% \times \text{Tier Two Average Salary} \times \text{Credited Service Limited to 25 Years}$$

Supplemental Benefit: Intended to be available for healthcare, equals \$100 per month plus, for Members who retire on or after October 1, 2001, a monthly benefit equal to the lesser of (i) \$150 and (ii) the greater of (a) \$30 and (b) \$5 x Credited Service. Members in the DROP are not eligible to receive Supplemental Benefits until their DROP participation ends.

Early Retirement Date: The first day of the month coincident with or next following the date the Member earns 10 years of service and attains age 50.

Tier One Early Retirement Benefit: Effective October 1, 2005, the Tier One Accrued Benefit, reduced actuarially from age 55 (but in no event to be more than 3% annually), plus the Supplemental Benefit.



Prior to October 1, 2005, the Accrued Benefit, reduced actuarially for each year the Member is younger than age 60, plus the Supplemental Benefit.

Tier Two Early Retirement Benefit: The Tier Two Accrued Benefit reduced 3% for every two points Early Retirement occurs prior to 70 points, plus the Supplemental Benefit. However, no reduction is applied for Tier Two members who enter the DROP with at least 22 years of Credited Service.

Disability Retirement: Members become eligible for Disability Retirement if, prior to the Normal Retirement Date, a Member becomes totally and permanently disabled as a result of injuries or disease. Effective March 6, 2012, Members with disability incurred not in the line of duty are eligible for Disability Retirement benefits after completion of 10 years of service. The benefit payable is (a) the greater of (i) 60% of Salary at the time of disability, payable as a 10 year certain and continuous annuity, and (ii) the Accrued Benefit reduced actuarially from the Normal Retirement Date, plus (b) the Supplemental Benefit.

Death Benefits: In the event the officer dies in the line of duty, (a) the greater of (i) 60% of Average Salary and (ii) the Accrued Benefit, plus (b) the Supplemental Benefit, is payable to the surviving spouse for their life, or until all the police officer's minor children reach age 18, whichever is later. If there is no spouse or surviving children, the benefit is payable to the police officer's estate for 120 monthly payments.

In the event the officer dies not in the line of duty prior to vesting, the police officer's contributions with interest, not more than 4%, is payable. If the police officer is vested, the amount of the monthly income payable is the Accrued Benefit plus the Supplemental Benefit at the date of death.

Optional Forms of Benefit: Pension benefits described above are payable in the form of a 10 year certain and continuous annuity. Members may optionally choose an actuarially equivalent single life annuity, joint and last survivor annuity (with 50%, 66 2/3, or 100% continuance), joint and survivor annuity (with 50%, 75%, or 100% continuance), or the joint and survivor annuity with pop up to the original life annuity optional form.

Deferred Retirement Option Program (DROP): Tier One Members are eligible to enter the DROP at the Tier One Normal Retirement Date. Tier Two Members are eligible to enter the DROP the first of the month coincident with or next following the earlier of (i) 70 points with 25 years of Credited Service and (ii) 22 years of Credited Service regardless of age with no reduction in the Tier Two Accrued Benefit for DROP entry prior to 70 points.

The Accrued Benefit is frozen at DROP entry and accumulates in the DROP. DROP participants are not eligible for death or disability benefits. The Supplemental Benefit is not payable while a Member is in the DROP.

The maximum DROP participation duration is extended from 5 years to 8 years effective March 6, 2012.

- Members in the DROP on March 6, 2012 were allowed to elect the 8 year DROP by agreeing to pay contributions at the employee contribution rate in effect at DROP entry for the remainder of the initial 5 years of DROP participation with 1/3 of these contributions credited to the members' DROP account. However, none exercised this option.
- For Tier One members who enter the DROP after March 6, 2012, employee contributions continue at the rate in effect on the date of entry into the DROP for the first four years of DROP participation with 1/3 of these contributions credited to the members' DROP account.



- For Tier Two DROP entrants, employee contributions continue for all years of DROP participation with 1/4 of these contributions credited to the members' DROP account. Tier Two maximum DROP participation is as shown in the following table, provided however that each member shall be permitted a minimum of 5 years of DROP participation from the date of attainment of Normal Retirement Eligibility:

| Credited Service at DROP | Tier Two Maximum DROP Participation | Credited Service at DROP | Tier Two Maximum DROP Participation |
|-----------------------------|---|-----------------------------|---|
| 22 | 8 | 26 | 4 |
| 23 | 7 | 27 | 3 |
| 24 | 6 | 28 | 2 |
| 25 | 5 | 29 | 1 |
| | | 30 | 0 |

For Members who entered the DROP prior to March 6, 2012, the Accrued Benefit accumulates in the DROP with interest as adopted by the board until termination of employment. For the year beginning October 1, 2011, the actuarial valuation will track earnings, both positive and negative, for purpose of determining the DROP rate of earnings credit. The actual net investment income since October 1, 2011 is shown in the tables below.

While in the DROP:

For Members who entered the DROP after March 6, 2012, the Accrued Benefit accumulates in the DROP with interest credited at the lesser of Plan returns or 1% less than the assumed rate of return on Plan assets with a floor of 2%. Note, the assumed net rate of return is that used to compute actuarially determined contributions payable for that fiscal year end.

| Year Ending | Net Fund Return* | Net Investment Income* | Minimum Annual Crediting | Assumed Net Rate of Return | Maximum Annual Crediting | Annual Crediting Rate |
|----------------|---------------------|------------------------------|--------------------------------|----------------------------------|--------------------------------|-----------------------------|
| 09/30/2012 | 17.3 % | 6,287,694 | 2.0 % | 7.5 % | 6.5 % | 6.5 % |
| 09/30/2013 | 12.0 % | 5,288,934 | 2.0 % | 7.5 % | 6.5 % | 6.5 % |
| 09/30/2014 | 9.7 % | 4,769,815 | 2.0 % | 7.5 % | 6.5 % | 6.5 % |
| 09/30/2015 | (1.5)% | (1,126,145) | 2.0 % | 7.5 % | 6.5 % | 2.0 % |
| 09/30/2016 | 8.5% | 4,860,116 | 2.0 % | 7.5 % | 6.5 % | 6.5 % |
| 09/30/2017 | 9.9% | 6,163,642 | 2.0 % | 7.5 % | 6.5 % | 6.5 % |
| 09/30/2018 | 7.3% | 4,933,798 | 2.0 % | 7.5 % | 6.5 % | 6.5 % |
| 09/30/2019 | 6.1% | 4,629,836 | 2.0 % | 7.5 % | 6.5 % | 6.1 % |
| 09/30/2020 | 10.4 % | 8,387,386 | 2.0 % | 7.4 % | 6.4 % | 6.4 % |
| 09/30/2021 | 20.3 % | 18,039,655 | 2.0 % | 7.3 % | 6.3 % | 6.3 % |
| 09/30/2022 | (18.9)% | (20,244,276) | 2.0 % | 7.2 % | 6.2 % | 2.0 % |
| 09/30/2023 | 9.1 % | 7,907,463 | 2.0 % | 7.0 % | 6.0 % | 6.0 % |
| 09/30/2024 | 21.3 % | 19,952,752 | 2.0 % | 7.0 % | 6.0 % | 6.0 % |
| 09/30/2025 | 10.1 % | 10,931,894 | 2.0 % | 7.0 % | 6.0 % | 6.0 % |



After separation of service:

Effective March 6, 2012, Members may leave their balances in the DROP after retirement until distribution becomes required by the IRS. After separation of service, interest is credited at the lesser of Plan returns or 1% less than the assumed rate of return on Plan assets with a floor of 2% provided that if Plan returns are negative the credit will be 0% and will remain 0% until Plan returns below 2% have been offset by positive earnings.

| Year Ending | Net Fund Return* | Net Investment Income* | Minimum Annual Crediting | Assumed Net Rate of Return | Maximum Annual Crediting | Annual Crediting Rate |
|----------------|---------------------|------------------------------|--------------------------------|----------------------------------|--------------------------------|-----------------------------|
| 09/30/2012 | 17.3 % | 6,287,694 | 2.0 % | 7.5 % | 6.5 % | 6.5 % |
| 09/30/2013 | 12.0 % | 5,288,934 | 2.0 % | 7.5 % | 6.5 % | 6.5 % |
| 09/30/2014 | 9.7 % | 4,769,815 | 2.0 % | 7.5 % | 6.5 % | 6.5 % |
| 09/30/2015 | (1.5)% | (1,126,145) | 2.0 % | 7.5 % | 6.5 % | 0.0 % |
| 09/30/2016 | 8.5% | 4,860,116 | 2.0 % | 7.5 % | 6.5 % | Varies |
| 09/30/2017 | 9.9% | 6,163,642 | 2.0 % | 7.5 % | 6.5 % | 6.5 % |
| 09/30/2018 | 7.3% | 4,933,798 | 2.0 % | 7.5 % | 6.5 % | 6.5 % |
| 09/30/2019 | 6.1% | 4,629,836 | 2.0 % | 7.5 % | 6.5 % | 6.1 % |
| 09/30/2020 | 10.4% | 8,387,386 | 2.0 % | 7.4 % | 6.4 % | 6.4 % |
| 09/30/2021 | 20.3% | 18,039,655 | 2.0 % | 7.3 % | 6.3 % | 6.3 % |
| 09/30/2022 | (18.9)% | (20,244,276) | 2.0 % | 7.2 % | 6.2 % | 0.0 % |
| 09/30/2023 | 9.1 % | 7,907,463 | 2.0 % | 7.0 % | 6.0 % | Varies |
| 09/30/2024 | 21.3 % | 19,952,752 | 2.0 % | 7.0 % | 6.0 % | Varies |
| 09/30/2025 | 10.1 % | 10,931,894 | 2.0 % | 7.0 % | 6.0 % | 6.0 % |

*The Net Fund Return is as supplied by the investment monitor. Net investment income is as provided by the auditor.

Share Account: Any sums in excess of the actuarially calculated amount in the year in which the stop-start occurs and all years thereafter shall be reserved for distribution to individual accounts of members as determined by the active membership of the Plan and administered by the Board of Trustees. As confirmed with the Board of Trustees on November 14, 2016, state premium tax dollars more than \$611,245 are allocated to share accounts. The Board, by administrative rule, shall establish share accounts for members, in a manner approved by a vote of the active members of the Plan.



Description of Assumptions and Methods

Net Assumed Rate of Investment Return: 7.0% annual return, net of investment expenses

Salary Increase – Individual: The salary increase assumption varies by year of service as follows:

| Assumed Salary Increase | | Assumed Salary Increase | | Assumed Salary Increase | | Assumed Salary Increase | |
|-------------------------|----------|-------------------------|----------|-------------------------|----------|-------------------------|----------|
| Service | Increase | Service | Increase | Service | Increase | Service | Increase |
| 0 | 12.2731% | 4 | 10.3336% | 8 | 8.3941% | 12 | 6.4546% |
| 1 | 11.7882% | 5 | 9.8487% | 9 | 7.9092% | 13 | 5.9697% |
| 2 | 11.3034% | 6 | 9.3639% | 10 | 7.4244% | 14 | 5.4849% |
| 3 | 10.8185% | 7 | 8.8790% | 11 | 6.9395% | >=15 | 5.0000% |

In addition, retirement benefits are increased 5% for Tier One overtime utilization increases near retirement plus a 5% increase for retirement and vested termination benefits for accumulated leave payouts. Retirement benefits are increased 2.8% for Tier Two overtime utilization increases near retirement plus a 1% increase for retirement and vested termination benefits for accumulated leave payouts.

Salary Increase – Total Payroll: 0% per year

To show fiscal year minimum funding requirements as a percentage of payroll, total payroll in the funding year is as determined by the decrements and individual salary increase assumption for the group of active members as of the valuation date.

Mortality: Mortality rates are those required by state statute. Mortality is as assumed in one of the last two valuations for the Florida Retirement System (FRS) for special risk employees, as follows:

The following is used in this October 1, 2025 actuarial valuation.

The following sex distinct tables are used with fully generational mortality improvements using sex distinct Scale MP-2021.

| | | |
|-------------------|---------|--|
| Active: | Male: | PubS-2010 male employee set forward 1 year |
| | Female: | PubS-2010 female employee |
| Healthy Retiree: | Male: | PubS-2010 male healthy retiree set forward 1 year |
| | Female: | PubS-2010 female healthy retiree |
| Beneficiaries: | Male: | PubG.H-2010 male healthy retiree set back 1 year |
| | Female: | PubG.H-2010 female healthy retiree |
| Disabled Retiree: | Male: | PubG.H-2010 male disabled retiree |
| | Female: | PubG.H-2010 female disabled retiree set forward 1 year |

The following was used in the prior actuarial valuation.

The following sex distinct tables are used with fully generational mortality improvements using sex distinct Scale MP-2018.

| | | |
|---------|-------|---|
| Active: | Male: | PubS.H-2010(B) male employee set forward 1 year |
|---------|-------|---|



Female: PubS.H-2010 female employee set forward 1 year
 Healthy Retiree: Male: PubS.H-2010(B) male healthy retiree set forward 1 year
 Female: PubS.H-2010 female healthy retiree set forward 1 year

The following sex distinct tables are used with no mortality improvement projection.

Disabled Retiree: Male: 80% PubG.H-2010 male disabled retiree
 + 20% PubS.H-2010 male disabled retiree
 Female: 80% PubG.H-2010 female disabled retiree
 + 20% PubS.H-2010 female disabled retiree

Juvenile rates are used for ages 15-17.

The active tables reference the healthy retiree rates, above, at ages 80+.

The healthy retiree tables reference the active mortality rates, above, before age 44.

Retirement: Tier One unisex rates are as follows:

| | <u>Rate</u> |
|---|-------------|
| Each year member is eligible for early retirement | 5% |
| Year in which member attains normal retirement | 80% |
| Each of the four years following normal retirement date | 40% |
| Fifth year following normal retirement date | 100% |

Tier Two members are assumed to retire at a rate of 100% upon reaching unreduced benefit eligibility (the earlier of (1) age 55 with 10 years of service, (2) rule of 70, but not earlier than age 50, or (3) at 22 years of service for DROP entry).

DROP participants are assumed to retire on the valuation date such that no future employee contributions are expected.

Termination: Effective with the October 1, 2015 actuarial valuation of the Plan, termination was assumed using the following unisex rates.

| <u>Service</u> | <u>Rate</u> |
|----------------|-------------|
| 0 | 0.00% |
| 1-4 | 5.00% |
| 5-9 | 3.00% |
| 10-14 | 2.50% |
| >=15 | 2.00% |

Disability: Unisex rates, as follows:

| <u>Age</u> | <u>Rate</u> | <u>Age</u> | <u>Rate</u> | <u>Age</u> | <u>Rate</u> | <u>Age</u> | <u>Rate</u> |
|------------|-------------|------------|-------------|------------|-------------|------------|-------------|
| 15-21 | 0.14% | 35 | 0.23% | 44 | 0.44% | 53 | 1.31% |
| 22-25 | 0.15% | 36 | 0.24% | 45 | 0.51% | 54 | 1.43% |
| 26-27 | 0.16% | 37 | 0.25% | 46 | 0.59% | 55 | 1.55% |
| 28-29 | 0.17% | 38 | 0.26% | 47 | 0.70% | 56 | 1.68% |
| 30 | 0.18% | 39 | 0.28% | 48 | 0.79% | 57 | 1.81% |
| 31 | 0.19% | 40 | 0.30% | 49 | 0.90% | 58 | 1.95% |
| 32 | 0.20% | 41 | 0.32% | 50 | 1.00% | 59 | 2.09% |
| 33 | 0.21% | 42 | 0.35% | 51 | 1.10% | >=60 | 0.00% |
| 34 | 0.22% | 43 | 0.39% | 52 | 1.20% | | |



Post-Decrement Assumptions: 50% of disabilities are assumed to be service related and 50% of disabilities are assumed to be non-service related. 25% of deaths are assumed to be service related and 75% of deaths are assumed to be non-service related.

Marital Assumption: 100% of members are assumed married where males are assumed to be 3 years older than females.

Administrative Expenses: Prior year's actual administrative expense is added to Normal Cost.

Funding Method: Entry Age Normal (level percent of salary).

A description of the funding method is found on the next page entitled "Glossary of Actuarial Terms."



Glossary of Actuarial Terms

Present Value of Benefits (PVB): The present value, as of the valuation date, of all benefits that will become payable by the Plan for the current group of members in the census.

Normal Cost (NC): Under the Individual Entry Age Normal Cost Method, the annual normal cost for each individual active member is determined as the amount, from the date of employment to the date of retirement, sufficient to accumulate the value of the member's benefit at the time of retirement. The annual normal cost is a constant percentage of the member's projected covered pay.

Accrued Liability (AL): This is the portion of the PVB attributable to the past at the valuation date. For active members, AL is the annual NC accumulated from date of entry to the valuation date for each member. For retired and terminated members, the PVB and the AL are equal. The AL is the estimated liability owed by the pension fund at the valuation date.

Unfunded Accrued Liability (UAL): Any excess of the Accrued Liability over the fund assets. A negative UAL indicates fund assets are greater than the Accrued Liability, otherwise known as a surplus. Actuarial gains/(losses), as they occur, reduce (increase) the Unfunded Actuarial Accrued Liability.

Actuarial Value of Assets: The value of assets used in the actuarial valuation of the Plan which is compared to the AL to determine the UAL and minimum funding requirements. A method may be used to smooth out short term volatility in the fair market value of assets. In this valuation, the Actuarial Value of Assets has been calculated to smooth out unexpected fluctuations in the fair market value of assets over a 5-year period, less any reserve of State contributions.



TOWN OF JUPITER
FY2025 Infrastructure Surtax Annual Report



| | |
|----------------|--|
| DATE | April 21, 2026 |
| TO | Honorable Mayor and Members of Town Council |
| THRU | Scott Reynolds, Finance Director |
| FROM | Scott Reynolds, Finance Director |
| SUBJECT | FY2025 Infrastructure Surtax Annual Report Presentation. |

EXECUTIVE SUMMARY

FY2025 Infrastructure Surtax Annual Report Presentation by Finance Director, Scott Reynolds.

ANALYSIS

FY2025 Infrastructure Surtax Annual Report Presentation by Finance Director, Scott Reynolds.

STRATEGIC PRIORITY

ATTACHMENTS

1. FY2025 Infrastructure Surtax Annual Report

FUNDING SOURCE

Funding is not required.

For more information or copies of the attachments, please contact Scott Reynolds at scottr@jupiter.fl.us or 561-741-2327.

To be inserted by April 21, 2026