TOWN OF OCEAN RIDGE
TOWN COMMISSION REGULAR MEETING
AGENDA

August 3, 2026 at 6:00 PM
Town Hall - Meeting Chambers

TOWN COMMISSIONERS
Mayor Geoff Pugh
Vice Mayor Steve Coz
Commissioner Carolyn Cassidy
Commissioner Lanette Gustafson
Commissioner Ainar Aijala Jr.

ADMINISTRATION
Town Manager Michelle Heiser
Town Attorney Christy Goddeau
Town Clerk Kelly Avery
Chief of Police Scott McClure

To join the meeting, go to: https://www.youtube.com/@oceanridge9274

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

ADDITIONS, DELETIONS, MODIFICATIONS, AND APPROVAL OF AGENDA

PRESENTATIONS & PROCLAMATIONS

1. Swearing-in of Commissioner Lanette Gustafson
2. Audit Presentation for FY 25
3. Proclamation for Chief Scott McClure

ANNOUNCEMENTS

4. The meeting schedule for the next month is as follows: 1st Public Hearing for the Budget on Monday, September 14 at 5:05 pm; Regular Town Commission Meeting Monday, September 14 at 6:00 PM; Code Enforcement Hearing Tuesday, August 4th at 10:00 AM; All meetings are held in the Commission Chambers at Town Hall
5. The Primary Election will be held on Tuesday, August 18, 2026, in the Community Room.
6. Residents who wish to sign up to receive important Town notifications and news through Textmygov should sign up on the Town's website or call Town Hall for assistance.

PUBLIC COMMENT – (3-minute individual limit for items not on the agenda)

APPROVAL OF CONSENT AGENDA (Items that do not require discussion)

7. Adopt Minutes of the July 8, 2026, Regular Meeting
8. Preferred Governmental Insurance Trust - Insurance for the Town of Ocean Ridge

9. Preferred Governmental Insurance Trust - Workman's Compensation Insurance for the Town of Ocean Ridge

10. Town Hall & Garage - Lightening Protection System

11. June 2026 Financial Report

12. First Amendment to the executed PBC Radio Agreement R2021-1427

REGULAR AGENDA ITEMS

13. Approval of Ordinance on First Reading: Ordinance 2026-02: An Ordinance Of The Town Commission Of The Town Of Ocean Ridge, Florida, Amending Chapter 66, “Environmental Regulations”, Article IV, “Landscaping”, Division 2, “Water Efficient Landscape”, Section 66-142, “Artificial Turf/Synthetic Grass”, To Conform To The Requirements Of Section 125.572, Florida Statutes, And The Florida Department Of Environmental Protection’s Minimum Standards For Single Family Residential Properties Of One (1) Acre Or Less In Size; And Providing For Repeal Of Conflicting Ordinances, Severability, Codification, And An Effective Date

STAFF & COMMITTEE REPORTS

14. Town Manager

15. Town Attorney

16. Police Chief

TOWN COMMISSIONER COMMENTS

ADJOURNMENT

TOWN OF OCEAN RIDGE, FLORIDA

FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT THEREON

FISCAL YEAR ENDED SEPTEMBER 30, 2025

TOWN OF OCEAN RIDGE, FLORIDA
SEPTEMBER 30, 2025

TABLE OF CONTENTS

TOWN OF OCEAN RIDGE, FLORIDA
SEPTEMBER 30, 2025

TABLE OF CONTENTS

N|H
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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members of the Town Commission
Town of Ocean Ridge, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Town of Ocean Ridge, Florida as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Town of Ocean Ridge, Florida's basic financial statements listed in the table of contents.

In our opinion, the financial statements referred to above present fairly in all material respects, the respective financial position of the governmental activities and each major fund of the Town of Ocean Ridge, Florida, as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matters

As discussed in Note 16 to the financial statements, the beginning net position of the Governmental Activities has been restated to correct errors made in reporting subscription-based information technology arrangements and for the implementation of new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to these matters.

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 of Ocean Ridge, Florida's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Ocean Ridge, Florida's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Ocean Ridge, Florida's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 12, the budgetary comparison data on pages 64 and 65, the Schedule of Changes in Total OPEB Liability on page 66, and pension schedules on pages 67 through 70 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 6, 2026, on our consideration of the Town of Ocean Ridge, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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 of Ocean Ridge, Florida's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Ocean Ridge, Florida's internal control over financial reporting and compliance.

Nowlen, Holt & Miner, P.A.

West Palm Beach, Florida
July 6, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis (MD&A) is designed to provide an objective and easy to read analysis of the Town's financial activities based on currently known facts, decisions, and conditions. It is intended to provide a broad overview and short-term and long-term analysis of the Town's activities based on information presented in the financial statements. Specifically, this information is designed to assist the reader in focusing on significant financial issues, provide an overview of the Town's financial activity, identify changes in the Town's financial position, identify material deviations from the approved budget, and identify individual fund issues.

The information contained within this MD&A is only a component of the entire financial statement report. Readers should take time to read and evaluate all sections of the report, including the footnotes and the other Required Supplementary Information that is provided in addition to this MD&A.

FINANCIAL HIGHLIGHTS

Government-wide Financial Statements

- At the close of current fiscal year, the Town's assets plus deferred outflows of resources exceeded its liabilities plus deferred inflows of resources inflows by $23,713,359. Of this amount, $5,456,967 represents unrestricted net position, which may be used to meet the Town's ongoing obligations to residents and creditors.
- At the close of the current fiscal year, net position of the Governmental Activities was $23,713,359, an increase of $2,753,865 when compared with the prior year.
- The total revenues from all sources were $12,470,626, and the total cost of all Town programs was $9,716,761.
- The Town's total capital assets increased by $1,190,075 during the current fiscal year.
- The Town's long-term liabilities consist of loans payable, leases payable, SBITAs payable, a liability for compensated absences, a net pension liability, and an OPEB liability. Total long-term liabilities decreased by $1,244,978 during the current fiscal year.

Fund Financial Statements

- At the end of the current fiscal year, unassigned fund balance for the Town's governmental funds was $6,964,751, a decrease of $1,527,765 from the previous fiscal year.
- The fund balance in the Town's General Fund decreased by $85,433 or 0.8%.
- The unassigned fund balance in the Town's General Fund was $7,003,484, or 70.0% of total fund balance for the General Fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the 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, deferred outflows of resources, and deferred inflows 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. Other factors should be considered, however, such as the condition of the Town's capital assets to assess the overall health of the Town.

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 flows. 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 can be found on pages 13-14 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over financial 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 legal compliance with finance-related legal requirements. All the Town's funds are governmental funds.

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

The focus of governmental funds is narrower than that of the government-wide financial statements, so it is useful to compare the information presented for governmental funds with similar information presented for the Governmental Activities in the government-wide financial statements. By doing so, readers may better understand long-term impacts of near-term financing decisions. Reconciliations to facilitate the comparison between governmental funds and the Governmental Activities are also provided.

The Town reports two major governmental funds, as described below:

- The General Fund is the primary operating fund of the Town and is used to account for all financial resources applicable to the general operations of the Town, except for those required to be accounted for in another fund.

- The Capital Projects Fund accounts for the acquisition or construction of major capital assets

Notes to the Basic Financial Statements

The notes to the financial statements are provided to communicate additional information that is essential to obtaining a comprehensive understanding of the data contained in the government-wide and fund financial statements. The notes to the financial statements are located on pages 19-63 of this report.

Other Information

In addition to the basic financial statements and notes, this annual report also presents certain required supplementary information (RSI) which includes a budgetary comparison schedules for the General Fund and to schedules to demonstrate the Town's progress in funding of its obligation to provide pension benefits and other postemployment benefits to its employees. Required supplementary information can be found on pages 64-70 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets and deferred outflows exceeded liabilities and deferred deferred inflows by $23,713,359 at the close of the most recent fiscal year, an increase of $2,753,865 as compared with the prior year.

The following table provides a summary of net position for the Governmental Activities and the Business-type Activities as of September 30, 2024 and 2025.

Town of Ocean Ridge, Florida

Summary of Net Position

	Restated 2024	2025	Increase (Decrease)	Percent Change
Current assets	$ 10,442,504	$ 10,611,213	$ 168,709	1.6%
Capital assets, net	17,683,815	18,873,890	1,190,075	6.7%
Total assets	28,126,319	29,485,103	1,358,784	4.8%
Deferred Outflow of Resources	1,227,079	1,148,873	(78,206)	-6.4%
Current liabilities	1,010,704	517,569	(493,135)	-48.8%
Non-current liabilities	6,774,088	5,521,132	(1,252,956)	-18.5%
Total liabilities	7,784,792	6,038,701	(1,746,091)	-22.4%
Deferred Inflow of Resources	609,112	881,916	272,804	44.8%
Net Position:				
Net Investment in Capital Assets	15,406,131	17,954,057	2,547,926	16.5%
Restricted for debt service	115,649	-	(115,649)	-100.0%
Restricted for infrastructure	-	199,082	199,082	100.0%
Restricted for transportation	95,370	103,253	7,883	8.3%
Restricted for Town Hall beautification	32,658	-	(32,658)	-100.0%
Unrestricted	5,309,686	5,456,967	147,281	2.8%
Total net position	$ 20,959,494	$ 23,713,359	$ 2,753,865	13.1%

Net position was restated for the implementation of GASB Statement No, 101 and the correction of errors made in reporting subscription-based information technology arrangements in prior years. See Note 16 to the financial statements

The Town's investment in capital assets (e.g. land, buildings, improvements, machinery and equipment); less any related debt and deferred inflows and outflows related to those assets and represents 75.7% of total net position. The Town uses these capital assets to provide services to citizens; therefore 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. Another portion of net position has restrictions on its use that are externally imposed or imposed by enabling legislation, and represents 1.3% of total net position. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors and represents 23.0% of total net position.

The following table provides a summary of the changes in net position for the Governmental Activities and the Business-type Activities for the years ended September 30, 2024 and 2025.

Town of Ocean Ridge, Florida
Summary of Changes in Net Position

	Restated 2024	2025	Increase (Decrease)	Percent Change
Revenues:				
Program revenues:				
Charges for services	$ 1,396,652	$ 1,651,113	$ 254,461	18.2%
Operating grants & contributions	42,426	65,320	22,894	54.0%
Capital grants & contributions	-	142,549	142,549	100.0%
General revenues:				
Property taxes	7,952,553	8,715,080	762,527	9.6%
Infrastructure surtax	183,071	199,082	16,011	8.7%
Utility service taxes	526,001	566,873	40,872	7.8%
Franchise fees	236,940	242,155	5,215	2.2%
Gasoline taxes	55,198	59,583	4,385	7.9%
State shared revenues - unrestricted	244,669	254,241	9,572	3.9%
Local shared revenues - unrestricted	7,506	3,608	(3,898)	-51.9%
Unrestricted investment income	452,606	544,008	91,402	20.2%
Gain on disposal of capital assets	-	23,660	23,660	100.0%
Miscellaneous	949	3,354	2,405	253.4%
Total revenues	11,098,571	12,470,626	1,372,055	12.4%
Expenses:				
Government Activities:				
General government	1,613,256	1,939,800	326,544	20.2%
Public safety	5,416,597	6,065,180	648,583	12.0%
Public works	908,731	881,515	(27,216)	-3.0%
Physical environment	651,975	777,886	125,911	19.3%
Interest on long-term debt	90,615	52,380	(38,235)	-42.2%
Total expenses	8,681,174	9,716,761	1,035,587	11.9%
Change in Net Position	2,417,397	2,753,865	336,468	13.9%
Net position, beginning as restated	18,542,097	20,959,494	2,417,397	13.0%
Net position, ending	$ 20,959,494	$ 23,713,359	$ 2,753,865	13.1%

Net position was restated for the implementation of GASB Statement No, 101 and the correction of errors made in reporting subscription-based information technology arrangements in prior years. See Note 16 to the financial statements.

Governmental Activities

Governmental Activities increased the Town's net position by $2,753,865. This is an increase of 13.9% when compared to the prior fiscal year. Total revenues increased by $1,372,055 or 12.4%. Key elements of this increase are as follows:

- Property taxes increased by $762,527 or 9.6% due to an increase in property values.

- Unrestricted investment income increased by $91,402 or 20.2% due to an increase in interest rates.

- Charges for services increased by $254,461 or 18.2% due to an increase in construction activity resulting in higher building permit fees.

Total expenses increased by $1,035,587 or 11.9% when compared to the prior fiscal year. Key elements of this increase are as follows:

- General government expenses increased by $326,544 or 20.2% due to increases in salaries, pension contributions, and contingency expenses.

- Public safety expenses increased by $648,583 or 12.0% due to increases in salaries, pension contributions, and professional fees related to protective inspections.

- Public works expenses decreased $27,216 or 3.0% due to a decrease in repairs and maintenance costs.

- Physical environment expenses increased by $125,911 or 19.3% due to increased professional fees and repairs and maintenance costs.

- Interest on the Town's long-term debt decreased $38,235 or 42.2% due to a decrease in the debt outstanding. The Revolving Fund Loan was paid off in July 2025.

The Town's programs include general government, public safety, public works, and physical environment. General government includes the legislative, executive, financial, and other general operations of the Town. Public safety includes police services and protective inspections. Physical environment includes sanitation and environmental services. Public works operations include utilities and transportation services. Below is a schedule presenting the net cost of each program (total cost, less revenues generated by the activities). The net cost shows the extent to which the Town's general revenues support each of the Town's programs.

	Total Cost of Services	Total Program Revenues	Net Revenue (Expense)
General Government	$ 1,939,800	$ 1,016,567	$ (923,233)
Public Safety	6,065,180	463,256	(5,601,924)
Public Works	881,515	18,966	(862,549)
Physical Environment	777,886	360,193	(417,693)
Interest on long-term debt	52,380	-	(52,380)
	$ 9,716,761	$ 1,858,982	$ (7,857,779)

The total cost of all Governmental Activities this year was $9,716,761. The schedule above shows that $1,858,982 of the cost of services was paid by those who directly benefited from the programs and $7,857,779 was financed through general revenues.

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

Governmental Funds

The governmental funds report on the same functions as the Governmental Activities in the government-wide statements but the focus of the governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources available at fiscal year-end. This information is useful in evaluating the Town's financing requirements. The unassigned. fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $9,961,219 an increase of $513,988 in comparison with the prior year. Of this amount, $6,964,751 or 69.9% is unassigned fund balance, which is available for spending at the Town’s discretion. The remaining $2,996,468 is non-spendable, restricted or assigned. Of this amount, $58,644 is non-spendable, $302,335 is restricted for specific purposes and $2,635,489 is assigned for specific purposes.

The primary operating fund for the Town is the General Fund. At the end of the current fiscal year, total fund balance was $9,999,952. As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 71.5% of total General Fund expenditures.

Town of Ocean Ridge, Florida

General Fund Balance Sheet Summary

	Fiscal Year		Increase	Percent
	2024	2025	(Decrease)	Change
Total assets	$ 10,441,293	$ 10,610,946	$ 169,653	1.6%
Total liabilities	$ 355,908	$ 468,445	$ 112,537	31.6%
Total deferred inflows	-	142,549	142,549	100.0%
Total fund balance	10,085,385	9,999,952	(85,433)	-0.8%
Total liabilities, deferred inflows, and fund balance	$ 10,441,293	$ 10,610,946	$ 169,653	1.6%

General Fund Revenues & Expenditures Summary

	Fiscal Year		Increase	Percent
	2024	2025	(Decrease)	Change
Total revenues	$ 11,103,379	$ 12,304,417	$ 1,201,038	10.8%
Total expenditures	8,385,272	9,790,500	1,405,228	16.8%
Excess of revenues over expenditures	2,718,107	2,513,917	(204,190)	-7.5%
Transfers in (out)	(1,748,071)	(2,654,451)	(906,380)	51.9%
Proceeds from sale of capital assets	-	55,101	55,101	100.0%
Change in fund balance	$ 970,036	$ (85,433)	$ (1,055,469)	-108.8%

As previously discussed, the Town reports two major funds. In addition to the General Fund, the Town reports the Capital Projects Fund as major funds. The following tables summarize the assets liabilities, fund balance, revenues, and expenditures of the major funds for fiscal years 2024 and 2025.

Town of Ocean Ridge, Florida

Capital Projects Fund Balance Sheet Summary

	Fiscal Year		Increase	Percent
	2024	2025	(Decrease)	Change
Total assets	$ 1,211	$ 26,664	$ 25,453	2101.8%
Total liabilities	$ 639,365	$ 65,397	$ (573,968)	-89.8%
Total fund balance	(638,154)	(38,733)	599,421	-93.9%
Total liabilities and fund balance	$ 1,211	$ 26,664	$ 25,453	2101.8%

Capital Projects Fund Revenues & Expenditures Summary

	Fiscal Year		Increase	Percent
	2024	2025	(Decrease)	Change
Total revenues	$ -	$ -	$ -	0.0%
Total expenditures	2,711,800	2,220,048	(491,752)	-18.1%
Excess (deficit) of revenues over (under) expenditures	(2,711,800)	(2,220,048)	491,752	-18.1%
Transfers in (out)	1,748,071	2,654,451	906,380	51.9%
Issuance of debt	-	165,018	165,018	100.0%
Change in fund balance	$ (963,729)	$ 599,421	$ 1,563,150	260.8%

FUND BUDGETARY HIGHLIGHTS

The Town adopts budgets for all funds annually. General Fund revenues were $1,138,079 less than budgeted primarily due to less than anticipated property taxes and grant revenues. Utility taxes, sales tax , infrastructure surtax and investment income were more than anticipated.

General Fund expenditures were $986,600 less than budgeted. Expenditures for all departments except town clerk/finance, other general government, and protective inspections were less than budgeted. Law enforcement, other physical environment, public works, and contingency expenditures were significantly less than budgeted.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Town of Ocean Ridge's investment in capital assets for as of September 30, 2025, totaled $18,873,890 (net of accumulated depreciation and amortization). The investment in capital assets includes land, construction in progress, buildings, infrastructure, equipment, and intangible assets The total investment in capital assets increased $1,190,075 or 6.7% during the current fiscal year. The increase was primarily due to water main improvements.

The following table summarizes the Town's capital assets as of September 30, 2024 and 2025.

Town of Ocean Ridge, Florida
Capital Assets, Net of Depreciation

Net Capital Assets	Restated 2024	2025	Increase (Decrease)	Percent Change
Land	$ 2,302,564	$ 2,586,813	$ 284,249	12.3%
Construction in progress	2,380,532	366,735	(2,013,797)	-84.6%
Buildings	2,498,113	2,325,308	(172,805)	-6.9%
Infrastructure	9,549,090	12,440,875	2,891,785	30.3%
Equipment	656,412	813,290	156,878	23.9%
Intangible assets - Leases	162,065	97,974	(64,091)	-39.5%
Intangible assets - SBITA	135,039	242,895	107,856	79.9%
Total	$ 17,683,815	$ 18,873,890	$ 1,190,075	6.7%

Depreciation and amortization on capital assets is recognized in the Statement of Activities. Annual depreciation and amortization totaled $963,874 for the year ended September 30, 2025. Additional information on the Town's capital assets can be found in Note 5, beginning on page 34 of this report.

Long-Term Liabilities

Long-term liabilities consist of loans payable, leases payable, subscription-based information technology arrangements payable, a net pension liability, a liability for other postemployment benefits, and a liability for compensated absences. Total long-term liabilities as of September 30, 2025, were $5,513,603. This is a decrease of $1,244,978 when compared with the prior year. Additional information on the Town's long-term liabilities can be found in Note 6, beginning on page 35 of this report.

The following table summarizes the Town's long-term liabilities as of September 30, 2024 and 2025.

Town of Ocean Ridge, Florida
Long-Term Liabilities

	Restated 2024	2025	Increase (Decrease)	Percent Change
Bank of America Loan	$ 458,257	$ -	$ (458,257)	-100.0%
Revolving Fund Loan	911,836	592,769	(319,067)	-35.0%
Lease payable	145,381	100,288	(45,093)	-31.0%
SBITA payable	127,046	226,776	99,730	78.5%
Net pension liability	4,526,268	3,884,696	(641,572)	-14.2%
OPEB liability	111,857	118,559	6,702	6.0%
Compensated Absences	477,936	590,515	112,579	23.6%
Total	$ 6,758,581	$ 5,513,603	$ (1,244,978)	-18.4%

Information on the Town's long-term liabilities can be found in Note 6, beginning on page 35 of this report.

NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

Ad valorem taxes are the single most significant governmental revenue source for the Town of Ocean Ridge representing 69.9% of total revenues of the Governmental Activities for the current fiscal year. These revenues are generated by a millage rate set annually by the Town Council with a legal limit of 10 mills or $10.00 per $1,000 of taxable property value. The current fiscal year millage rate is $5.4000 per $1,000 of taxable value, and the rate is unchanged for the fiscal year ending September 30, 2026.

Each budget year the Town examines the impact of construction activity along with other economic and social factors that place a demand on the capacity to provide services. All these factors are considered in the preparation of the Town’s budget. The Town has been able to adopt a budget that provides the funding necessary to maintain the existing service levels. The 2025-2026 budget anticipates continued work on the water main improvements.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. Please address questions concerning the information provided in this report or requests for additional financial information to the following:

Town Manager
Town of Ocean Ridge
6450 North Ocean Boulevard
Ocean Ridge, Florida 33435
561-732-2635

TOWN OF OCEAN RIDGE, FLORIDA
Statement of Net Position
September 30, 2025

	Governmental Activities
ASSETS	
Cash and cash equivalents	$ 222,808
Investments	9,985,616
Receivables (net)	344,145
Prepaids	58,644
Capital assets	
Non-depreciable	2,953,548
Depreciable, net	15,579,473
Amortized, net	340,869
Total assets	29,485,103
DEFERRED OUTFLOWS OF RESOURCES	
Pension related items	1,141,344
Accumulated decrease in fair value - interest rate swap	7,529
Total deferred outflows of resources	1,148,873
LIABILITIES	
Current liabilities	
Accounts payable	280,713
Accrued payroll	181,309
Unearned revenue	45,423
Accrued interest payable	10,124
Non-current liabilities	
Interest rate swap	7,529
Due within one year	657,924
Due in more than one year	4,855,679
Total liabilities	6,038,701
DEFERRED INFOWS OF RESOURCES	
Pension related items	881,916
Total deferred inflows of resources	881,916
NET POSITION	
Net investment in capital assets	17,954,057
Restricted for infrastructure	199,082
Restricted for transportation	103,253
Unrestricted	5,456,967
Total net position	$ 23,713,359

See notes to the financial statements

TOWN OF OCEAN RIDGE, FLORIDA
Statement of Activities
For the Year Ended September 30, 2025

Function / Program Activities	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental activities					
General government	$ 1,939,800	$ 827,664	$ 46,354	$ 142,549	$ (923,233)
Public safety	6,065,180	463,256			(5,601,924)
Public works	881,515		18,966		(862,549)
Physical environment	777,886	360,193			(417,693)
Interest on long term debt	52,380				(52,380)
Total governmental activities	$ 9,716,761	$ 1,651,113	$ 65,320	$ 142,549	(7,857,779)

General revenues	
Property taxes	8,715,080
Infrastructure surtax	199,082
Utility servcie taxes	566,873
Franchise taxes	242,155
Gasoline taxes	59,583
State shared revenues - unrestricted	254,241
Local shared revenues - unrestricted	3,608
Unrestricted investment income	544,008
Gain on disposal of capital assets	23,660
Miscellaneous	3,354
Total general revenues	10,611,644
Change in net position	2,753,865
Net position, beginning of year - as reported	21,190,525
Restatement - Note 16	(231,031)
Net position, beginning of year - as restated	20,959,494
Net position, end of year	$ 23,713,359

See notes to the financial statements

TOWN OF OCEAN RIDGE, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2025

	General	Capital Projects Fund	Total
ASSETS			
Cash and cash equivalents	$ 222,541	$ 267	$ 222,808
Investments	9,985,616		9,985,616
Receivables (net)	344,145		344,145
Due from other funds		26,397	26,397
Prepaid items	58,644		58,644
Total assets	$ 10,610,946	$ 26,664	$ 10,637,610
LIABILITIES			
Accounts payable	$ 215,316	65,397	$ 280,713
Accrued payroll	181,309		181,309
Unearned revenue	45,423		45,423
Due to other funds	26,397		26,397
Total liabilities	468,445	65,397	533,842
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	142,549		142,549
Total deferred inflows of resources	142,549		142,549
FUND BALANCES			
Non-Spendable:			
Prepaids	58,644		58,644
Restricted for:			
Infrastructure	199,082		199,082
Transportation	103,253		103,253
Assigned to:			
Self insurance	160,000		160,000
Drainage	370,000		370,000
Beautification	115,000		115,000
Subsequent year budget	1,990,489		1,990,489
Unassigned	7,003,484	(38,733)	6,964,751
Total fund balances	9,999,952	(38,733)	9,961,219
Total liabilities, deferred inflows of resources, and fund balances	$ 10,610,946	$ 26,664	$ 10,637,610

See notes to the financial statements

TOWN OF OCEAN RIDGE, FLORIDA
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Position
September 30, 2025

Fund balances total governmental funds		$ 9,961,219
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and are not reported in governmental funds.		
Governmental capital assets	$ 33,300,700	
Less accumulated depreciation and amortization	(14,426,810)	18,873,890
Revenues earned but not collected within 60 days are not current financial resources and are not reported in governmental funds.		
Unavailable revenue		142,549
Long-term liabilities are not due and payable in the current period and are not reported in governmental funds.		
Compensated absences	(590,515)	
Loans payable	(592,769)	
Lease payable	(100,288)	
SBITA payable	(226,776)	
Net pension liability	(3,884,696)	
Total other postemployment benefits liability	(118,559)	
Accrued interest on long-term debt	(10,124)	(5,523,727)
Deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans are applicable to future periods and are not reported in governmental funds.		
Pension related deferred outflows	1,141,344	
Pension related deferred inflows	(881,916)	259,428
Net position of governmental activities		$ 23,713,359

See notes to the financial statements

TOWN OF OCEAN RIDGE, FLORIDA
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
For the Year Ended September 30, 2025

	General	Capital Projects Fund	Total
REVENUES			
Property taxes	$ 8,715,080	$	$ 8,715,080
Utility service taxes	566,873		566,873
Gasoline taxes	59,583		59,583
1/2 Cent sales tax	191,528		191,528
Infrastructure surtax	199,082		199,082
Local business tax	1,158		1,158
Electric franchise fee	242,155		242,155
State shared revenues	62,713		62,713
Local shared revenues	3,608		3,608
Licenses and permits	768,898		768,898
Fines and forfeitures	183,511		183,511
Charges for services	697,546		697,546
Interest income	544,008		544,008
Contributions	46,354		46,354
Miscellaneous	22,320		22,320
Total revenues	12,304,417		12,304,417
EXPENDITURES			
Current			
General government	1,795,197	6,436	1,801,633
Public safety	5,973,959		5,973,959
Public works	326,006		326,006
Physical environment	778,166		778,166
Debt service			
Principal	852,335	35,370	887,705
Interest	57,687		57,687
Capital outlay	7,150	2,178,242	2,185,392
Total expenditures	9,790,500	2,220,048	12,010,548
Excess (deficiency) of revenues over expenditures	2,513,917	(2,220,048)	293,869
OTHER FINANCIANG SOURCES (USES)			
Transfers in		2,654,451	2,654,451
Transfers out	(2,654,451)		(2,654,451)
Proceeds from issuance of debt - SBITA		165,018	165,018
Proceeds from sale of capital assets	55,101		55,101
Total other financing sources (uses)	(2,599,350)	2,819,469	220,119
Net change in fund balances	(85,433)	599,421	513,988
Fund balances, beginning of year	10,085,385	(638,154)	9,447,231
Fund balances, end of year	$ 9,999,952	$ (38,733)	$ 9,961,219

See notes to the financial statements

TOWN OF OCEAN RIDGE, FLORIDA
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2025

Net change in fund balances - total governmental funds		$ 513,988
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of capital assets is allocated over their estimated useful lives and reported as depreciation or amortization expense.		
Expenditures for capital assets	$ 2,185,392	
Less: current year depreciation and amortization	(963,874)	1,221,518
The issuance of long-term debt provides current financial resources togovernmental funds, while repayment of principal of long-term debt is an expenditures in governmental funds. Interest payable is not accrued in governmental funds.		
Debt issuance	(165,018)	
Principal payments on debt	887,705	
Decrease in accrued interest payable	5,307	727,994
Gains and losses on the disposal of fixed assets are not reported in the governmental funds but are reported in the statement of activites		
Net book value of fixed asset disposals		(31,441)
Governmental funds report revenues when earned and available. However, in the Statement of Activities, revenues are recognized when earned, regardless of availability		
Change in unavailable revenue		142,549
Some expenses reported in the Statement of Activities do not requires the use of current financial resources, and therefore are not reported as expenditures in governmental funds.		
Increase in compensated absences payable	(112,579)	
Decrease in other postemployment benefits	(6,702)	
Change in net pension liability and related deferred amounts	298,538	179,257
Change in net position		$ 2,753,865

See notes to the financial statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Ocean Ridge, Florida (the "Town") have been prepared in conformity with generally accepted accounting principles (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. The Town's significant accounting policies are described below.

Reporting Entity

The Town of Ocean Ridge, Florida is a municipal corporation organized pursuant to Chapter 15088, 1931 Laws of Florida, and governed by an elected five-member Commission. The Town Commission is responsible for the establishment and adoption of policy. The Commission appoints a Town Manager who is responsible for the execution of policy. The Town's major operations include law enforcement and fire control, protective inspections, sanitation, environmental, public works, civil defense, and general and administrative services.

As required by generally accepted accounting principles, these financial statements include the Town (the primary government) and its component units. Component units are legally separate entities for which the Town is financially accountable. The Town is financially accountable if:

a) the Town appoints a voting majority of the organization's governing board and (1) the Town is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Town, or

b) the organization is fiscally dependent on the Town and (1) there is a potential for the organization to provide specific financial benefits to the Town or (2) impose specific financial burdens on the Town.

Organizations for which the Town is not financially accountable are also included when doing so is necessary in order to prevent the Town's financial statements from being misleading.

Based upon application of the above criteria, management of the Town has determined that no component units exist which would require inclusion in this report. Further, the Town is not aware of any entity that would consider the Town to be a component unit.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as general revenues.

Fund financial statements are provided for governmental funds. The Town has no fund types other than governmental funds. Major individual governmental funds are reported in separate columns in the fund financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the timing of related cash flows. The Town does not accrue property tax revenues since the collection of these taxes coincides with the fiscal year in which levied, and since the Town consistently has no material uncollected property taxes at year end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough afterwards to pay liabilities of the current period. The Town considers revenues collected within 60 days of the year end to be available to pay liabilities of the current period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures relating to compensated absences and claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds (Continued)

Issuance of long-term debt, acquisitions under capital leases, and acquisition sunder subscription based information technology arrangements are reported as other financing sources.

Fines and permit revenues are not susceptible to accrual because generally, they are not measurable until received in cash. Property taxes, franchise taxes, licenses, interest revenue, intergovernmental revenues, and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

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

The Town reports the General Fund and the Capital Projects Fund as major governmental funds The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The Capital Projects Fund accounts for the financial resources for the acquisition or construction of major capital facilities.

Cash and Cash Equivalents

Cash and cash equivalents include amounts on deposit in demand accounts.

Investments

Investments are stated at fair value. Fair value is defined as 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. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of fair value measurement in both cases is the same, that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability. The Town categorizes investments reported at fair value in accordance with the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application.*

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Accounts receivable of the General Fund consists of billed and unbilled receivables. The Town has not established an allowance for doubtful accounts because the Town considers all receivables to be collectible.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. In the governmental funds, prepaid items are recorded using the consumption method and are offset by the nonspendable fund balance component which indicates they do not constitute available spendable resources, even though they are a component of current assets.

Capital Assets

Capital assets are defined by the Town as assets with an estimated useful life in excess of one year and a value at the date of acquisition in excess of $5,000. Effective October 1, 2016, the Town increased the capitalization threshold from $500 to $5,000 for all classes of capital assets. Capital assets are reported in the government-wide Statement of Net Position and include plant, property, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar assets). Purchased capital assets are recorded at cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. Depreciation is computed using the straight-line method over the estimated useful lives for all reported capital assets, except land and construction in progress. The estimated useful lives are as follows:

Buildings	30 years
Roadways	30 years
Water distribution and drainage systems	40 years
Police and fire equipment	7 - 10 years
Furniture and other equipment	3 - 7 years

Leases

Lease contracts that provide the Town with control of a non-financial asset, such as land, buildings, or equipment, for a period of time in excess of twelve months are reported as an intangible right-to-use lease asset with a related lease liability. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible right-to-use leased asset is recorded for

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Leased assets are amortized over the shorter of the useful life of the asset or the lease term. The lease liability is reduced for lease payments made, less the interest portion of the lease payment.

Lease contracts that provide an external entity with control of the Town's non-financial asset, such as land, buildings, or equipment, for a period of time in excess of twelve months are reported as a leased receivable with a related lease deferred inflow of resources. The lease receivable is recorded at the present value of future lease payments expected to be received during the lease term, reduced by any provision for estimated uncollectible amounts. The lease deferred inflow of resources is recorded for the same amount as the related lease receivable less any lease incentives. Leased deferred inflow of resources are amortized over the lease term. The lease receivable is reduced for lease payments made, less the interest portion of the lease payment.

Subscription-Based Information Technology Arrangements

A contract that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction is a subscription-based information technology arrangement (SBITA). At the commencement of the subscription term the Town recognizes a subscription liability and an intangible right-to-use asset. Subscription liabilities are initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate the SBITA vendor charges the Town or the Town's incremental borrowing rate if the interest rate is not readily determinable. Amortization of the discount on the subscription liability is recognized as an outflow of resources (for example, interest expense). 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. The SBITA assets are amortized on a straight-line basis over the life of the related contract. The costs of normal maintenance and repairs that do not add to the values of the assets or materially 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 SBITAs 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 lease liabilities are reported with long-term liabilities on the statement of net position.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation and sick leave. A liability for compensated absences that is attributable to services already rendered and that is not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place. All vacation and sick leave are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Town employees who are union members may accumulate up to 84 hours of vacation leave and other employees may accumulate up to 80 hours. Town employees hired on or after May 7, 1991 may accumulate up to 20 days of sick leave. Employees hired prior to May 7, 1991 shall not be subject to the 20 days of sick leave maximum. Accumulated vacation is payable to employees upon termination or retirement at the rate of pay on that date. Sick leave can be used for paid time off or paid to employees upon termination or retirement for one-fourth of the days of unused sick leave at the rate of pay on that date.

Interest Rate Swaps

The Town enters into interest rate swap agreements to modify interest rates on outstanding debt.

Interest Cost

Interest costs in governmental funds are charged to expenditures as incurred. Construction period interest incurred in governmental funds is not capitalized.

Unearned Revenue

The government reports unearned revenue on its government wide Statement of Net Position and governmental funds balance sheet. Unearned revenue arises when resources are obtained prior to revenue recognition. In subsequent periods, when revenue recognition criteria are met the unearned revenue is removed and revenue is recognized.

Unavailable Revenue

The government reports unavailable revenue on its governmental funds balance sheet for resource inflows that do not qualify for recognition as revenue in a governmental fund because they are not yet considered available.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances

Encumbrance accounting is used for purposes of budgetary control and contract compliance. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded to earmark that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Because appropriations expire at year end, the Town's policy is to automatically add encumbered amounts at year end to the subsequent year budget.

Deferred Outflows of Resources

The government-wide Statement of Net Position and the Governmental Funds Balance Sheet will sometimes include a separate section for deferred outflows of resources. This financial statement element represents a consumption of net assets applicable to future periods and will not be recognized as expenditures until the future period(s). The Town has two items that qualify for reporting in this category. They are pension related items and the accumulated decrease in fair value of an interest rate swap.

Deferred Inflows of Resources

The government-wide Statement of Net Position and the Governmental Funds Balance Sheet will sometimes include a separate section for deferred inflows of resources. This financial statement element represents the acquisition of net assets applicable to future periods and will not be recognized as revenue until the future period(s). The Town has two types of items that qualify for reporting in this category. They are pension related items which are reported only in the statement of net position and unavailable revenue, which occurs only under the modified accrual basis of accounting, which are reported only in the governmental funds balance sheet.

Interfund Transactions

Transactions between funds consist of loans, services provided, reimbursements, or transfers. Interfund loans are reported as Due From Other Funds and Due To Other Funds as appropriate and are subject to elimination in the government-wide financial statements. Services deemed to be reasonably equivalent in value are treated as revenues and expenditures. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost. All other interfund transactions are presented as transfers.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances

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 bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balance is reported under the following categories:

1. Nonspendable fund balances – Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale. However, if the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned, then they should be included in the appropriate fund balance classification (restricted, committed, or assigned), rather than the nonspendable fund balance. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

2. Restricted fund balance – Includes amounts that are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

3. Committed fund balance – Includes amounts that can be used only for specific purposes pursuant to constraints imposed by an ordinance, the Town's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same type of action employed to previously commit those amounts.

4. Assigned fund balance – Includes amounts intended to be used by the Town for specific purposes, but are neither restricted nor committed. In accordance with the Town's fund balance policy, assignments may be made by formal action of the Town Commission or authority may be delegated to the Town Manager.

5. Unassigned fund balance – Includes the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances (Continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the Town's policy to reduce restricted amounts first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the Town's policy to reduce committed amounts first, followed by assigned amounts, then unassigned amounts.

Net Position

Net position is the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets plus deferred outflows of resources and (b) liabilities and deferred inflows of resources. Net position is displayed in the following three components:

1. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

2. Restricted net position – Consists of net position with constraints placed on the use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions of enabling legislation.

3. Unrestricted net position – All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Budgetary Data

Formal budgetary integration is employed as a management control device during the year for the General Fund and the Capital Projects Fund. All budgets are legally enacted. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted, or as amended by appropriate action.

Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes (Continued)

The tax levy of the Town is established by the Town Commission prior to October 1 of each year, and the Palm Beach County Property Appraiser incorporates the Town's millage into the total tax levy, which includes Palm Beach County and Palm Beach County School Board tax requirements. The millage rate assessed by the Town for the year ended September 30, 2025 was 5.4000 ($5.4000 for each $1,000 of assessed valuation).

All property is reassessed according to its fair market value January 1 of each year, which is also the lien date. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all the appropriate requirements of state statutes.

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without discount.

Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. After the sale, tax certificates bear interest of 18% per year or any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property or by the five year statute of limitations.

Use of Estimates

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the period reported. These estimates include assessing the collectability of accounts receivable, the use and recoverability of inventory, and useful lives and impairment of tangible and intangible assets, among others. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from the estimates.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Implementation of Accounting Pronouncements

The Town implemented the following Governmental Accounting Standards Board Statements during the current fiscal year.

GASB Statement No. 101, *Compensated Absences*. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absences and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. See Note 16.

GASB Statement No. 102, *Certain Risk Disclosures.* The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations and constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government's financial condition. Implementation of this Statement did not impact the District's financial; statements.

Recently Issued Accounting Pronouncements

A brief description of new accounting pronouncements that might have a significant impact on the Town's financial statements is presented below. Management is currently evaluating the impact of adoption of these statements in the Town's financial statements.

In April 2024 the Governmental Accounting Standards Board issued Statement No. 103, *Financial Reporting Model Improvements.* This statement will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement is effective for the fiscal year ending September 30, 2026.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments, This Statement is effective for the fiscal year ending September 30, 2026.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (Continued)

In December 2025, the GASB issued Statement No. 105, *Subsequent Events*. The requirements of this Statement will improve financial reporting related to subsequent events by (1) clarifying the subsequent events time frame and the subsequent events that constitute recognized and nonrecognized events and (2) specifying the information items that are required to be disclosed about subsequent events. Those improvements will assist preparers and auditors in applying the requirements more consistently, thereby reducing diversity in practice and providing information that better meets the needs of financial statement users. This Statement is effective for the fiscal year ending September 30, 2027.

NOTE 2 – BUDGETARY INFORMATION

The Town Manager submits an annual budget to the Town Commission in accordance with the Town Charter and the Florida Budget Act. The budget is presented to the Town Commission for review, and public hearings are held to address priorities and the allocation of resources. In September, the Town Commission adopts the annual fiscal year appropriated budgets for the Town funds. Once approved, the Town Commission may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

The General Fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department, which constitutes the legal level of control. Expenditures may not exceed appropriations at this level. Budget revisions at this level are subject to final review by the Town Commission. Within these control levels, the Town Manager may transfer appropriations between line items.

The budget for the General Fund is prepared in accordance with generally accepted accounting principles in the United States of America. The budget and actual financial statements are also reported on this basis. Unencumbered appropriations for annually budgeted funds lapse at fiscal year-end.

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits

Deposits are either covered by insurance provided by the Federal Depository Insurance Corporation or are held in banking institutions approved by the Treasurer of the State of Florida. Under Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act,* the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or other banking institution eligible collateral. In the event of failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. The Town's deposits

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Deposits (Continued)

at year end are considered insured for custodial credit risk purposes. As of September 30, 2025, the bank balance of the Town's deposits was $210,373 and the carrying amount was $222,658. The Town also had $150 in petty cash for a total carrying amount of $222,808..

Investments

GASB Statement No. 72, *Fair Value Measurement and Application,* requires governments to disclose the fair value hierarchy for each type of asset or liability measured at fair value in the notes to the financial statements. The standard also requires governments to disclose a description of the valuation techniques used in the fair value measurement and any significant changes in valuation techniques. GASB 72 establishes a three-tier fair value hierarchy. The level in which an asset is assigned is not indicative of its quality but an indication of the source of valuation inputs. The hierarchy is based on valuation inputs used to measure the fair value as follows:

Level 1: Inputs are directly observable, quoted prices in active markets for identical assets or liabilities.
Level 2: Inputs are other than quoted prices included within Level 1 that are for the asset or liability, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation or by other means.
Level 3: Inputs are unobservable inputs used only when relevant Level 1 and Level 2 inputs are unavailable.

In January 2023, the Town adopted an investment policy to govern the investment of surplus funds. The policy authorizes the Town to invest surplus funds in the following investment types:

- United States Government Securities
- United States Government Agencies
- Federal Instrumentalities (U.S. Government Sponsored Agencies)
- Interest Bearing Time Deposits or Savings Accounts
- Repurchase Agreements
- Florida Prime Investment Pool
- Money Market Accounts
- Mutual Funds Registered Investment Companies
- Intergovernmental Investment Pools as provided in Section 163.01, Florida Statutes
- Florida Municipal Investment Trust (Short Term Bond Portfolio and/or Intermediate Term Bond Portfolio)
- Foreign Obligations of the State of Israel

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The investment policy places limits on the maximum allocation for each investment type, individual issuers, and the maximum maturity at the time of purchase.

The Florida Cooperative Liquid Assets Securities System Trust ("FLCLASS") is a common law trust established, created, and authorized by an Interlocal Agreement by and among participating Florida public agencies. FLCLASS is an authorized investment pool under Section 218.415(16)(a), Florida Statutes, and was established for participating Florida agencies on April 1, 2015, under the Interlocal Agreement and commenced operations on July 15, 2015 (inception). The most recently amended and restated Interlocal Agreement is dated as of March 4, 2021. FLCLASS is available for investment by any unit of local government within the State of Florida. The purpose of FLCLASS is to enable such units to cooperate in the investment of their available funds. FLCLASS presently offers shares in three portfolios, FLCLASS, FLCLASS Enhanced Cash, and FLCLASS Term Series. FLCLASS operates like a money market mutual fund with each share valued at $1.00. FLCLASS Enhanced Cash is an enhanced cash, variable net asset value ("NAV") fund that offers next-day liquidity. FLCLASS Term Series is made up of one or more term series investments, each of which has a fixed rate and duration and is designed for participants who will not need access to their investment prior to the termination date of the individual series. Distributions from net investment income are declared and posted to participant accounts daily for FLCLASS.

FLCLASS measures its investments at fair value and participants in the investment pool are not required to be categorized within the GASB Statement No. 72 fair value hierarchy.

With the consent of the Board, the FLCLASS Administrator shall determine when an event occurs that entitles the Custodian to temporarily suspend or postpone a Participant's right to withdrawals that may be for the whole or any part of any period (i) during which trading in securities generally on the New York Stock Exchange or the American Stock Exchange or over-the-counter market shall have been suspended or minimum prices or maximum daily charges shall have been established on such exchange or market, (ii) a general banking moratorium shall have been declared by Federal, state, or the state of New York authorities, or (iii) there shall have occurred any outbreak, material escalation of hostilities, other calamity, or crisis, the effect of which on the financial markets of the United States is such as to make it impracticable (a) to dispose of the investment property because of the substantial losses that might be incurred or (b) to determine the investment property value in accordance with the valuation procedures.

Credit Risk

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The Town's investment policies limit its investments to high quality investments to control credit risk. As of September 30, 2025, FLCLASS is rated AAAm by S&P Global Ratings

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town's investment policy limits the maximum maturity of investments at the time of purchase as a means of managing exposure to fair value losses arising from increasing interest rates. As of September 30, 2025, the weighted average days to maturity for FLCLASS is 42 days.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments that are in the possession of an outside party. FLCLASS is an external investment pool and is not subject to custodial credit risk.

As of September 30, 2025, the weighted average maturity and the credit rating for the Town's investment was as follows.

Investments	Balance	Weighted Average Maturity	Credit Rating
FLCLASS Investment Pool	$ 9,985,616	42 days	AAAm Standard & Poor's

NOTE 4 – RECEIVABLES

The Town's receivables as of September 30, 2025, are as follows:

	General Fund
Due from other governments	$ 251,935
Franchise fees	47,615
Utility service taxes	37,455
Accounts receivable - billed	7,140
Total receivables	344,145
Less allownce for uncollectible accounts	
Net receivables	$ 344,145

NOTE 5 – CAPITAL ASSETS

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

Governmental Activities	Restated Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	$ 2,302,564	284,249	$	$ 2,586,813
Construction in Progress	2,380,532	1,379,092	(3,392,889)	366,735
Total Assets Not Being Depreciated	4,683,096	1,663,341	(3,392,889)	2,953,548
Capital Assets Being Depreciated				
Buildings	5,410,266	7,150		5,417,416
Infrastructure	19,398,300	3,392,889		22,791,189
Equipment	1,814,204	349,881	(562,552)	1,601,533
Total Assets Being Depreciated	26,622,770	3,749,920	(562,552)	29,810,138
Less Accumulated Depreciation For				
Buildings	(2,912,153)	(179,955)		(3,092,108)
Infrastructure	(9,849,210)	(501,104)		(10,350,314)
Equipment	(1,157,792)	(177,585)	547,134	(788,243)
Total Accumulated Depreciation	(13,919,155)	(858,644)	547,134	(14,230,665)
Total Capital Assets Being Depreciated, Net	12,703,615	2,891,276	(15,418)	15,579,473
Capital Assets Being Amortized				
Intangible assets - Leases	243,101		(33,151)	209,950
Intangible assets - SBITA	187,166	165,018	(25,120)	327,064
Total Assets Being Amortized	430,267	165,018	(58,271)	537,014
Less Accumulated Amortization For				
Intangible assets - Leases	(81,036)	(48,068)	17,128	(111,976)
Intangible assets - SBITA	(52,127)	(57,162)	25,120	(84,169)
Total Accumulated Amortization	(133,163)	(105,230)	42,248	(196,145)
Total Capital Assets Being Amortized, Net	297,104	59,788	(16,023)	340,869
Capital Assets, Net	$ 17,683,815	$ 4,614,405	$ (3,424,330)	$ 18,873,890

The beginning balances were restated to correct errors made in reporting SBITAs in prior years. See Note 16.

NOTE 5 – CAPITAL ASSETS (Continued)

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

Governmental Activities	Depreciation	Amortization	Total
General government	$ 204,243	$	$ 204,243
Public safety	96,132	105,230	201,362
Public works	558,269		558,269
	$ 858,644	$ 105,230	$ 963,874

NOTE 6 – LONG-TERM LIABILITIES

During the year ended September 30, 2025, the following changes occurred in long-term liabilities:

Governmental Activities	Restated Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Direct Borrowings					
Revolving Fund Loan	$ 458,257	$	$ (458,257)	$	$
Bank of America Loan	911,836		(319,067)	592,769	289,937
Total Direct Borrowings	1,370,093		(777,324)	592,769	289,937
Lease payable	145,381		(45,093)	100,288	48,380
SBITA payable	127,046	165,018	(65,288)	226,776	62,607
Net pension liability	4,526,268		(641,572)	3,884,696	
OPEB	111,857	15,021	(8,319)	118,559	8,000
Compensated absences	477,936	112,579		590,515	249,000
	5,388,488	292,618	(760,272)	4,920,834	367,987
	$6,758,581	$ 292,618	$ (1,537,596)	$ 5,513,603	$ 657,924

The beginning balances were restated for the implementation of GASB Statement No. 101 and for the correction of errors in prior years. See Note 16. The change in compensated absences is presented as a net change.

Interest Expense

Total interest costs incurred and paid on all Town debt for the year ended September 30, 2025 were $52,380 and $57,687, respectively.

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Clean Water State Revolving Fund Loan

The Town has entered into a Clean Water State Revolving Fund Loan Agreement with The State of Florida Department of Environmental Protection (the "Department"). The loan was initially obtained by the Town in 2002 in the amount of $439,398 for planning and design for major drainage improvements. The loan was amended in 2004 to include an additional $3,988,000 for construction, amended again in 2005 for additional construction funds of $1,679,076 and amended again in 2006 for additional construction funds of $900,343. The loan is payable from and secured by the Local Government Half-Cent Sales Tax revenue, Florida Power and Light Franchise Tax revenue, Communications Service Tax revenue, and Utility Service Tax revenues received yearly. The loan bears interest of approximately 3%.

The loan agreement contains a provision that upon the occurrence of any event of default the Department may enforce its rights by certifying to the Florida Auditor General and the Florida Comptroller delinquency on loan repayments. The Department may intercept the delinquent amounts plus a penalty from any unobligated funds due to the Town under any revenue or tax sharing fund established by the State, except as otherwise provided by the State Constitution. The Department may impose a penalty in an amount not to exceed the interest rate of 18 percent per annum on the amount due in addition to charging the cost to handle and process the debt. The Department may also enforce its rights by accelerating the repayment schedule or increasing the interest rate on the unpaid principal of the loan to as much as 3.333 times the loan interest rate.

Principal and interest paid for the current fiscal year was $467,944 and total pledged revenues were $1,000,555. The loan was paid off in July 2025.

Bank of America Town Hall Promissory Note

On August 27, 2007, the Town issued its $4,000,000 Bank of America Promissory Note for the purpose of constructing a new town hall. The Town covenants that, so long as the Note shall remain unpaid or any other amounts are owed by the Town under the Loan Agreement, Note, or the Hedge, it will appropriate in its annual budget, by amendment if required, from non-ad valorem revenues, amounts sufficient to pay principal and interest on the Note and other amounts owed under the Loan Agreement and the Hedge as they become due. Non-ad valorem revenues means all revenues of the Town not derived from ad valorem taxation and which are lawfully available to pay debt service on the Note, but only after provision has been made by the Town for the payment of services and programs which are for essential public purposes affecting the health, welfare, and safety of the inhabitants of the Town or which are legally mandated by applicable law.

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Bank of America Town Hall Promissory Note (Continued)

Interest only is due for the first twelve months in quarterly payments beginning November, 2007. Thereafter, interest and principal are due in quarterly payments through August 2027. The interest rate will be a variable rate calculated at the beginning of each month. The variable rate was originally based upon the London Interbank Offer Rate ("LIBOR"), which ceased to exist after June 30, 2023, making it necessary to amend the Note to incorporate a different index rate. In April 2023, the Town and the Bank entered into an agreement that the replacement index will be the Secured Overnight Financing Rate ("SOFR"). Effective April 2023, the variable rate is equal to the sum of 63.7% of the Daily SOFR plus 0.80%. The Daily SOFR means the rate per annum equal to the sum of the SOFR determined for any day plus 0.11448%. As of September 30, 2025, the interest rate was 3.57380%.

The loan agreement includes a provision that upon the occurrence of any event of default, the bank may declare all obligations of the Town under the Loan Agreement and the Note to be immediately due and payable without further action of any kind and upon such declaration the Note and the interest accrued thereon shall become immediately due and payable.

Interest Rate Swap

Terms and Objectives: In an effort to lower its borrowing costs when compared against fixed rate loans at the time of issuance, the Town issued the $4,000,000 variable rate Bank of America Promissory Note and entered into a corresponding pay fixed rate swap agreement. The objective of the swap is to change the Town's variable rate loan into a synthetic fixed rate instrument. Based on the swap agreement, the Town pays a fixed rate of 4.315% to the counterparty of the swap, based on the notational amount. In return, the counterparty pays interest based on an applicable rate that is equal to 63.7% of the Daily SOFR plus 0.80%. The loan principal is not exchanged; it is only the basis on which the interest payments are calculated. The effective date of the swap was September 1, 2007 and the termination date is August 1, 2027. The notational amount of the swap is the same as the principal amount of the loan. The notational amount was $4,000,000 at the effective date of the swap and $592,769 as of September 30, 2025.

The interest rate swap is a derivative instrument as defined in GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. The primary objective of this derivative instrument is to function as a hedging instrument. The interest rate swap is classified as a discrete cash flow hedge. As a derivative instrument associated with a hedgeable item, this interest rate swap is effective by significantly reducing an identified financial risk by substantially offsetting changes in the cash flows of the Bank of America Promissory Note. The Town used the synthetic instrument method to evaluate hedge effectiveness for the swap.

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Interest Rate Swap (Continued)

Basis Risk: The Town is not exposed to basis risk because the variable payment received from the counterparty is determined on the same basis as that used to calculate the promissory note variable rate. The promissory note and counterparty interest rates are both equal to 63.7% of the Daily SOFR one month rate plus 0.80%.

Fair Value: As of September 30, 2025, the swap had a negative fair value of $7,529 because interest rates have declined since the execution of the swap. The fair value increased $7,978 during the fiscal year ended September 30, 2025 from a negative fair value of $15,507 at September 30, 2024. The fair values are estimated using a proprietary valuation model developed by the counterparty. This valuation method estimates future cash flows by projecting forward rates, and then discounts those cash flows to their present value. The valuation inputs used to measure the fair value of the swap are significant other observable inputs including quoted prices for similar assets in active and non-active markets. The swap's fair value is categorized as level 2 in the fair value hierarchy in accordance with GASB Statement No. 72.

Credit Risk: As of September 30, 2025, the Town was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap become positive, the Town would be exposed to credit risk in the amount of the derivative instrument's fair value. As of September 30, 2025 the long-term senior unsecured debt of Bank of America, N.A., the swap's counterparty, was rated AA- by Fitch Ratings, A+ by Standard & Poor's, and Aa2 by Moody's Investors Service.

Termination Risk: The Town's derivative instrument contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, such as failure to pay and bankruptcy. The Town or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If at the time of termination, the swap has a negative fair value, the Town would be liable to the counterparty for a payment equal to the swap's fair value.

Rollover Risk: The Town is not exposed to rollover risk because the maturity date for the hedged Bank of America Promissory Note is the same as the termination date for the interest rate swap.

Foreign Currency Risk: The Town is not exposed to foreign currency risk on the interest rate swap.

Swap Payments and Associated Debt: The interest rate swap agreement does not affect the Town's obligation to repay the principal and variable rate interest on the Bank of America Promissory Note under the terms of the loan agreement. The following table presents debt service payments on the variable rate loan, net of associated swap payments. The calculations are based on the assumption that the rates as of September 30, 2025 remain constant over the life of the loan.

NOTE 6 – LONG-TERM LIABILITIES (Continued)

Interest Rate Swap (Continued)

Year Ended September 30	Principal	Interest	Total	Interest Rate Swaps Net	Net Cash Flows
2026	$ 289,937	$ 17,587	$ 307,524	$ 3,647	$ 311,171
2027	302,832	6,907	309,739	1,432	311,171
	$ 592,769	$ 24,494	$ 617,263	$ 5,079	$ 622,342

NOTE 7 – FLORIDA RETIREMENT SYSTEM

General Information

All full-time employees participate in the Florida Retirement System (FRS). The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the Florida Retirement System Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost sharing multiple-employer defined benefit pension plan, to assist retired members of any state administered retirement system in paying the costs of health insurance.

Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000 or calling toll free at 877-377-1737. The report is also available at the Florida Department of Management Services web site www.dms.myflorida.com.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan (FRSP) and the Florida Retirement System Health Insurance Subsidy Program and additions to/deduction from the FRSP and HIS fiduciary net position have been determined on the same basis as they are reported by FRSP and HIS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Pension Plan

Plan Description

The FRS Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- Regular Class
- Special Risk Class
- Elected Officials Class
- Senior Management Service Class
- DROP

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service.

Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 96 months after electing to participate, During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Pension Plan (Continued)

Benefits Provided

Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

The following table shows the percentage value for each year of service credit earned:

Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60%
Retirement at age 63 or with 31 years of service	1.63%
Retirement at age 64 or with 32 years of service	1.65%
Retirement at age 65 or with 33 or more years of service	1.68%
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60%
Retirement at age 66 or with 34 years of service	1.63%
Retirement at age 67 or with 35 years of service	1.65%
Retirement at age 68 or with 36 or more years of service	1.68%
Special Risk Class	
Service from December 1, 1970 through September 30, 1974	2.00%
Service on or after October 1, 1974	3.00%
Elected Officials Class	3.00%
Senior Management Service Class	2.00%

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

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Pension Plan (Continued)

Contributions

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the fiscal year ended September 30, 2025 were as follows:

Class	10/01/24 through 06/30/25	07/01/25 through 09/30/25
Regular Class	13.63%	14.03%
Senior Management Service Class	34.52%	33.24%
Special Risk Class	32.79%	35.19%
Elected Official Class	58.68%	54.57%
DROP	21.13%	22.02%

The employer contribution rates include a 2.00% HIS Plan subsidy for the period from October 1, 2024 through September 30, 2025. Except for the DROP, the rates also include 0.06% for administrative costs of the Public Employee Optional Retirement Program.

For the fiscal year ended September 30, 2025 the Town made contributions of $624,629 to the Pension Plan and the Town’s employees made contributions of $70,620, for total contributions of $695,249.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of September 30, 2025, the Town reported a liability of $3,105,045 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The Town's proportionate share of the net pension liability was based on the Town's 2024-2025 fiscal year contributions relative to the 2024-2025 fiscal year contributions of all participating members. As of June 30, 2025, the Town's proportionate share was 0.010004936%, which was an increase of 0.000607748% from its proportionate share measured as of June 30, 2024

For the fiscal year ended September 30, 2025, the Town recognized pension expense of $380,298 related to the Plan. In addition the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 331,652	$
Changes of assumptions	360,576	
Net difference between projected and actual earnings on investments		518,417
Change in proportion and differences between Town contributions and proportionate share of contributions	193,732	96,470
Town Pension Plan contributions subsequent to the measurement date	177,541	
Total	$ 1,063,501	$ 614,887

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The deferred outflows of resources related to the Pension Plan, totaling $177,541 resulting from Town contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Net Amortization
2026	$ 502,351
2027	(55,142)
2028	(96,304)
2029	(79,832)
2030	
Thereafter	
	$ 271,073

Actuarial Assumptions

The total pension liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	July 1, 2025
Measurement date	June 30, 2025
Inflation	2.40 %
Salary increases	3.50%, average, including inflation
Investment rate of return	6.70%, net of pension plan investment expense, including inflation
Mortality	Generational PUB-2010 with Projection Scale MP-2021
Actuarial cost method	Individual Entry Age

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Pension Plan (Continued)

Actuarial Assumptions (Continued)

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 through June 30, 2023.

The long-term expected rate of return assumption of 6.7% used in GASB discount rate calculations consists of two building block components: 1) a long-term average annual inflation assumption of 2.4% as most recently adopted in October 2025 by the FRS Actuarial Assumption Conference; 2) an inferred real (in excess of inflation) return of 4.2%. Geometrically combining those building blocks generates an expected nominal return of 6.7%. In the opinion of the FRS consulting actuary, both building block components and the overall 6.70% return assumption were determined to be reasonable and appropriate per Actuarial Standards of Practice.

For reference, the table below contains a summary of return assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. Each asset class assumption is based on a consistent set of underlying assumptions from the actuary's model combined with the FRS Actuarial Assumption Conference 2.4% inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	(1) Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.2%	32.0%	1.1%
Fixed Income	29.0%	5.5%	5.4%	4.0%
Global Equity	45.0%	8.5%	6.9%	18.3%
Real Estate	12.0%	8.4%	7.1%	16.8%
Private Equity	11.0%	12.4%	8.8%	28.4%
Strategic Investments	2.0%	6.5%	6.1%	8.7%
	100.0%			
Assumed Inflaion - Mean			2.4%	1.5%

(1) As outlined in the Plan's investment policy

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2025 was 6.70%, which is the same as the rate as of June 30, 2024. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculation the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the Town's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
Town's proportionate share of the net pension liability	$ 6,092,276	$ 3,105,045	$ 600,594

Pension Plan Fiduciary Net Position

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

Payables to the Pension Plan

At September 30, 2025, the Town reported a payable in the amount of $79,764 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2025.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy (HIS) Program

Plan Description

The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided

For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

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

The Town’s contributions to the HIS Plan totaled $60,736 for the fiscal year ended September 30, 2025.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy (HIS) Program (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of September 30, 2025, the Town reported a liability of $779,651 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The Town's proportionate share of the net pension liability was based on the Town's 2024-2025 fiscal year contributions relative to the 2024-2025 fiscal year contributions of all participating members. As of June 30, 2025, the Town's proportionate share was 0.006082737%, which was an increase of 0.003143167% from its proportionate share measured as of June 30, 2024

For the fiscal year ended September 30, 2025, the Town recognized pension expense of $25,773. In addition the Town reported deferred outflows of resources and deferred in flows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 4,654	$ 1,237
Changes of assumptions	6,901	188,577
Net difference between projected and actual earnings on investments		649
Change in proportion and differences Town contributions and proportionate share of contributions	51,828	76,566
Town HIS Plan contributions subsequent to the measurement date	14,460	
Total	$ 77,843	$ 267,029

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy (HIS) Program (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The deferred outflows of resources related to the HIS Plan, totaling $14,460 resulting from Town contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Net Amortization	
2026	$	(35,605)
2027		(54,343)
2028		(48,756)
2029		(42,782)
2030		(22,160)
Thereafter		
	$	(203,646)

Actuarial Assumptions

The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions:

Valuation date	July 1, 2024
Measurement date	June 30, 2025
Inflation	2.40 %
Salary increases	3.50%, average, including inflation
Municipal bond rate	5.20%
Investment rate of return	N/A
Mortality	Generational PUB-2010 with Projection Scale MP-2021
Actuarial cost method	Individual Entry Age

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 through June 30, 2023.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy (HIS) Program (Continued)

Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2025 was 5.20%, which increased from the discount rate of 3.93% as of June 30, 2024. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Town's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following represents the Town's proportionate share of the net pension liability calculated using the discount rate of 5.20%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.20) or one percentage point higher (6.20%) than the current rate:

	1% Decrease 4.20%	Current Discount Rate 5.20%	1% Decrease 6.20%
Town's proportionate share of the net pension liability	$ 879,182	$ 779,651	$ 696,176

Pension Plan Fiduciary Net Position

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

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Retiree Health Insurance Subsidy (HIS) Program (Continued)

Payables to the Pension Plan

At September 30, 2025, the Town reported a payable in the amount of $6,405 for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2025.

Summary Data

The following table provides a summary of significant information related to the Florida Retirement System defined benefit plans for the year ended September 30, 2025.

Description	Pension Plan	HIS Program	Total
Total pension liability	$ 24,374,071	$ 832,587	$ 25,206,658
Plan fiduciary net position	21,269,026	52,936	21,321,962
Net pension liability (asset)	3,105,045	779,651	3,884,696
Deferred outflows of resources	1,063,501	77,843	1,141,344
Deferred inflows of resources	641,887	267,029	908,916
Pension expense (revenue)	380,298	25,773	406,071

Investment Plan

Plan Description

The Florida Retirement System Investment Plan is a defined contribution retirement plan qualified under Section 401(a) of the Internal Revenue Code. The Florida Legislature enacted the Plan during the 2000 legislative session, and amendments to the Plan can only be made by an act of the Florida Legislature. The Plan is administered by the State Board of Administration of Florida. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Town employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature.

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Investment Plan (Continued)

Funding Policy

The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

Participating employers are required to make contributions based upon statewide contributions rates. The contribution rates by job class for the Town's employees for the fiscal year ended September 30, 2025, are as follows:

Class	10/01/24 through 06/30/25	07/01/25 through 09/30/25
Regular Class	13.63%	14.03%
Senior Management Service Class	34.52%	33.24%
Special Risk Class	32.79%	35.19%
Elected Officials Class	58.68%	54.57%
DROP	21.13%	22.02%

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

NOTE 7 – FLORIDA RETIREMENT SYSTEM (Continued)

Investment Plan (Continued)

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

The Town's Investment Plan pension expense totaled $137,062 for the fiscal year ended September 30, 2025.

NOTE 8 – DEFERRED COMPENSATION PLAN

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Town employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Assets of the plan are invested in either mutual funds or insurance contracts. In 1998, the Plan was amended to conform to changes in the Internal Revenue Code brought about by the Small Business Job Protection Act of 1996 (the "Act"). The Act requires that eligible deferred compensation plans established and maintained by governmental employers be amended to provide that all assets of the plan be held in trust, or under one or more appropriate annuity contracts or custodial accounts, for the exclusive benefit of plan participants and their beneficiaries. As a result of this change, plan assets are no longer subject to the claims of the Town's general creditors.

Because the Town has little administrative involvement and does not perform the investing function for funds in the Plan, the Town's activities do not meet the criteria for inclusion in the fiduciary funds of a government.

NOTE 9 – INTERLOCAL AGREEMENTS

Interlocal Fire and EMS Service Agreement with the City of Boynton Beach

On October 1, 2016, the Town entered into a new agreement with the City of Boynton Beach to continue the provision of fire rescue and emergency medical service. The term of the agreement is for 12 years commencing on October 1, 2016 and ending September 30, 2028. For the year ended September 30, 2025, the Town paid $1,480,420 pursuant to the agreement.

The parties agree to negotiate in good faith an adjustment to the annual fee which may be necessary to offset any increased costs incurred by the City for providing the services and programs due to unfunded mandates specifically directed toward the provision of fire rescue services, of the Federal, State, or County government and to address any unforeseen events or contingencies. The parties agree that the Town shall not be charged an amount greater than 5% of the annual fee on an annual basis due to any unfunded mandates. The parties further agree that in no event shall any increases due to unfunded mandates exceed 10% in a three year period.

In addition to the adjustments due to unfunded mandates, the annual fee for each succeeding year of the agreement shall be determined by incorporating the May All Urban Consumer Price Index for the Miami-Ft. Lauderdale region or an increase of 4%, whichever is greater.

Interlocal Law Enforcement Services Agreement with the Town of Briny Breezes

On October 1, 2019, the Town entered into an agreement with the Town of Briny Breezes to provide professional law enforcement services within the territorial boundaries of the municipality of Briny Breezes in substantially the same manner and form as that provided by the Town for its own citizens. The term of the agreement is for 3 years commencing on October 1, 2019 and ending September 30, 2022. The agreement can be extended for an additional term or terms based on an agreement between the parties. The Town of Briny Breezes may terminate this agreement without cause upon providing written notice to the Town of Ocean Ridge at least 6 months prior to the effective date of the termination.

In June 2022, the agreement was extended for a three-year period commencing on October 1, 2022 and ending September 30, 2025. Briny Breezes shall pay compensation in the amounts of $196,691, $202,591, and $208,668 for the years ending September 30, 2023, 2024, and 2025, respectively. Compensation shall be paid in twelve equal installments on the first day of each month throughout the term of the agreement.

In December 2022, the agreement was amended to provide professional law enforcement services as well as citation method code enforcement services within the territorial boundaries of the municipality of Briny Breezes in substantially the same manner and form as that provided by Ocean Ridge for its own citizens.

NOTE 9 – INTERLOCAL AGREEMENTS (Continued)

Interlocal Agreement for Climate Change Vulnerability Assessment

On December 17, 2019, the Town entered into an interlocal agreement with the City of Boca Raton, the City of Boynton Beach, the City of Delray Beach, the Town of Highland Beach, the City of Lake Worth Beach, the Town of Lantana, and Palm Beach County to obtain a Climate Change Vulnerability Assessment of certain geographic areas within the municipalities. The total project budget is $366,797, and the share of the cost to be provided by the Town of Ocean Ridge is $22,636.

Interlocal Agreement for Radio Maintenance Services

On October 5, 2021, the Town entered into an interlocal agreement with Palm Beach County for Radio Maintenance Services to be provided to the Town. The initial term of the agreement is for five years commencing on November 1, 2021. The agreement may be renewed for two additional terms of five years each upon the approval of both parties. The agreement may be terminated by either party with or without cause. Any termination shall be effective only on October1st of any year and shall be with a minimum of three months notice.

Under the terms of the agreement, the Town will pay the County an annual maintenance charge based on hourly rates for labor plus the cost of parts. For the year ended September 30, 2025, the Town made payments in the amount of $26,408 pursuant to the agreement.

NOTE 10 – INTERFUND TRANSACTIONS

The following is a summary of interfund transactions for the year ended September 30, 2025:

Fund	Transfers In	Transfers Out
General Fund	$	$ 2,654,451
Capital Projects Fund	2,654,451	
	$ 2,654,451	$ 2,654,451

The transfer from the General Fund to the Capital Porjects Fund was to pay the costs of various capital projects.

NOTE 11 – 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 for which the Town carries commercial insurance. Retention of risks is limited to those risks that are uninsurable and deductibles. The Town has not significantly reduced insurance coverage from the prior year, and there were no settled claims which exceeded insurance coverage during the past three fiscal years.

Florida Statues limit the Town's maximum loss for most liability claims to $200,000 per person and $300,000 per occurrence under the Doctrine of Sovereign Immunity. However, under certain circumstances, a plaintiff can seek to recover damages in excess of statutory limits by introducing a claims bill to the Florida Legislature. The limits addressed in Florida Statutes do not apply to claims filed in Federal courts.

The Town is involved in various litigation and claims arising in the ordinary course of operations, the ultimate outcomes of which cannot be presently determined. It is the opinion of management, in consultation with legal counsel, that any final settlement in these matters will not result in a material adverse effect on the financial position of the Town.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Inspection Services

On August 1, 2012, the Town entered into an agreement with Hy-Byrd Incorporated to perform the services of building official and/or inspection services. The agreement was for a three year term and expired on August 1, 2015. The agreement was renewed for an additional three year term that expired on August 1, 2018. The agreement was renewed for an additional one year term that expires on August 1, 2019. In September 2019, the Town renewed the agreement for an additional one year term ending August 1, 2020. On July 6, 2020, the Town renewed the agreement for an additional one year term that expired August 1, 2021. In August 2021, the Town entered into a new agreement with Hy-Byrd for a three year term ending August 1, 2024, with an option to renew. On July 1, 2024, the agreement was amended to extend the term for two years. The agreement may be terminated by either party with thirty days written notice. Under the terms of the agreement, the Town pays Hy-Byrd a specified fee for plan review and building inspection services. Other standard building official services are paid based on an hourly rate. The Town is invoiced monthly for services performed. For the year ended September 30, 2025, the Town incurred costs of $257,708 for inspection services pursuant to the agreement.

NOTE 12 – COMMITMENTS AND CONTINGENCIES (Continued)

Solid Waste and Recycling Collection Services

Effective October 1, 2009, the Town entered into an agreement with Republic Services of Florida, Limited Partnership (Republic) for solid waste and recycling collection services. The agreement is for a five year term ending September 30, 2014, with an option to renew for an additional five years. In June 2014, the Town exercised the option to renew the agreement for an additional five year term ending September 30, 2019. In September 2019, the Town renewed the agreement for an additional five year term ending September 30, 2024. The agreement was assigned to Waste Pro of Florida, Inc. (Waste Pro) effective November 15, 2019. Under the terms of the agreement, the Town pays an established rate per month per unit picked up curbside or containerized. Waste Pro bills the Town monthly for services provided. On July 8, 2024, the agreement was amended to extend the term of the agreement from October 1, 2024 through September 30, 2029. The amendment also amended the established rate schedule commencing October 1, 2024. After October 1, 2024, the rates may be increased on an annual basis for each October 1, in an amount set forth by the local All Urban Consumer CPI bust shall not exceed 5% per year. For the year ended September 30, 2025, the Town made payments of $302,356 pursuant to the agreement.

Storm Debris Management

The Town participates in a coordinated regional disaster debris management program through piggy-back agreements with competitively procured contracts administered by the Palm Beach County Solid Waste Authority (SWA). These agreements provide the Town with access to multiple qualified contractors for debris removal and debris management services following a declared natural disaster.

In 2025, following the SWA's exercise of its option to extend the underlying contracts through May 8, 2028, the Town Commission approved corresponding extensions of the Town's piggy-back agreements with AshBritt, Thompson Consulting Services, CrowderGulf Joint Venture, and Phillips & Jordan. These agreements ensure the Town maintains access to pre-qualified debris removal, monitoring, and management services to support timely disaster response and recovery operations.

Law Enforcement Services Agreement Gulf Stream Views Condominium Association

In June 2023 the Town entered into an agreement with the Gulf Stream Views Condominium Association (“GSVC”) to provide law enforcement services to GSVC in substantially the same manner and form as provided to the Towns of Ocean Ridge and Briny Breezes. The term of the agreement is for a period of three years commencing in August 2023. The Town and GSVC may agree to extend the term of the agreement by written amendment signed by both parties. Either party may terminate the agreement at any time with or without cause by giving not less than thirty days written notice of termination. GSVC shall pay compensation in the amount of $25,000 annually. For the year ended September 30, 2025, compensation pursuant to the agreement was $25,879.

NOTE 12 – COMMITMENTS AND CONTINGENCIES (Continued)

Construction Commitments

As of September 30, 2025, the Town had the following significant construction commitments:

Project	Contract Amount	Amount Completed	Amount to Complete
Water Main Improvements	$ 1,668,700	$ -	$ 1,668,700
Tropicla Pump Station Generator	177,675	88,838	88,837
	$ 1,846,375	$ 88,838	$ 1,757,537

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The Town provides a single employer defined benefit health care plan to all of its employees. The plan allows its employees and their beneficiaries to continue to obtain health benefits upon retirement. The benefits of the plan are in accordance with Florida Statutes, which are the legal authority for the plan. A trust has not been established to fund the plan. The plan has no assets and does not issue a separate financial report.

Contributions

The Town does not directly make a contribution to the plan on behalf of retirees. Retirees and their beneficiaries pay the same group rates as are charged to the Town for active employees by its healthcare provider. However, the Town's actuaries in their actuarial valuation, calculate an offset to the cost of these benefits as an Employer Contribution, based upon an implicit rate subsidy. This offset equals the total age-adjusted costs paid by the Town or its active employees for coverage of the retirees and their dependents for the year net of the retiree's own payments for the year.

Plan Membership

The following table provides a summary of the participants in the plan as of September 30, 2023, the latest valuation date:

Active plan members	26
Inactive plan members or beneficiaries currently receiving benefits	
Inactive plan members or beneficiaries entitled to but not yet receiving benefits	
	26

NOTE 13 – OTHER POST EMPLOYEMENT BENEFITS (Continued)

Discount Rate

The Town does not have a dedicated trust to pay retiree healthcare benefits. For plans that do not have assets held in a dedicated trust, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. As of the measurement date of September 30, 2025, the rate was 4.50% based on the high-quality municipal bond rate based on the week closest to but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corporation's AA rating.

Total OPEB Liability

The components of the total OPEB liability as of September 30, 2025 were as follows:

Description	Total OPEB Liability
Balance September 30, 2024	$ 111,857
Changes for the year:	
Service cost	10,122
Interest	4,899
Changes of assumptions	(5,706)
Benefit payments	(2,613)
Net change	6,702
Balance September 30, 2025	$ 118,559
Covered-employee payroll	$ 2,277,768
Total OPEB liability as a percentage of covered-employee payroll	5.21%

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (Continued)

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

As of September 30, 2025, the Town reported a total OPEB liability of $118,559. For the fiscal year ended September 30, 2025, the Town recognized OPEB expense of $11,040. As of September 30, 2025, the Town did not report any deferred outflows of resources or deferred in flows of resources related to OPEB.

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 single discount rate of 4.50% as well as what the Town's total OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current rate.

Discount Rate Sensitivity	1% Decrease 3.50%	Discount Rate 4.50%	1% Increase 5.50%
Total OPEB Liability	$ 132,136	$ 118,559	$ 106,945

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rates

The following table presents the total OPEB liability of the Town calculated using the assumed trend rates (7.00% decreasing to 4.00%) as well as what the Town's total OPEB liability would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher than the assumed trend rates.

Healthcare Trend Rates Sensitivity	1% Decrease 3.00% - 6.00%	Healthcare Cost Trend Rates 4.00% - 7.00%	1% Decrease 5.00% - 8.00%
Total OPEB Liability	$ 103,401	$ 118,559	$ 136,830

NOTE 13 – OTHER POST EMPLOYEMENT BENEFITS (Continued)

Actuarial Methods and Assumptions

The total OPEB liability was calculated using the Alternative Measurement Method in accordance with the GASB No. 75 methodology.

Significant methods and assumptions were as follows:

Valuation date	September 30, 2023
Measurement date	September 30, 2025
Actuarial cost method	Entry Age Cost Method
Inflation	2.50%
Discount rate	4.50%
Retirement rates	100% at age 60
Mortality tables	PubG-2010 Mortality Tables projected to the valuation date using Projection Scale MP-2019
Healthcare cost trend rates	Initially 7.50% trending to 4.00% in 55 years
Marital status	100% married with male spouses 3 years older than female spouses
Healthcare participation	20% participation with 50% electing spouse coverage

Changes in Assumptions

The discount rate was changed from 4.06% as of the beginning of the measurement period to 4.50% as of September 30, 2025. This change is reflected in the schedule of changes in total OPEB liability.

NOTE 14 – LEASES

In February 2023, the Town entered into a non-cancellable lease agreement with Ford Motor Credit LLC (“Lessor”) to obtain the right-to-use six vehicles. The lease is for a term of 5 years. The Town has an option to purchase the vehicles on the last day of the lease term, as well as at any time upon at least 30 days prior written notice to Lessor at a price equal to the sum of (a) the Concluding Payment for the immediately preceding lease payment date, (b) the accrued interest portion of the next lease payment date, and (c) any other amounts then due under the lease. The annual rent is $55,691.

NOTE 14 – LEASES (Continued)

During the current fiscal year the Town purchased one of the vehicles at a cost of $14,230 in accordance with the lease agreement.

At September 30, 2025, the Town reported a lease liability of $100,288 for the vehicles. The discount rate is 7.29%. The following is a schedule of the future minimum lease payments as of September 30, 2025:

Year Ended September 30	Principal	Interest	Annual Payment	Concluding Payment
2026	$ 48,380	$ 7,311	$ 55,691	$ 51,908
2027	51,908	3,783	55,691	1
	$ 100,288	$ 11,094	$ 111,382	

NOTE 15 – SBITAS

The Town has recorded two multi-year subscription-based information technology arrangements totaling $327,064. The Town discounted the future minimum payments using its estimated incremental borrowing rate of 4.0%.

The SBITAs are body cameras and an automatic license plate detection system for the Police Department. The annual payments are $35,370 and $35,000, respectively. The future minimum payments and the present value of the future minimum payments as of September 30, 2025 are as follows:

Year Ended September 30	Principal	Interest	Annual Payment
2026	$ 62,607	$ 7,763	$ 70,370
2027	63,803	6,567	70,370
2028	66,356	4,014	70,370
2029	34,010	1,360	35,370
	$ 226,776	$ 19,704	$ 246,480

NOTE 16 – RESTATEMENT OF BEGINNING NET POSITION

As discussed in Note 1, the Town implemented the provisions of GASB Statement No. 101, *Compensated Absences* during the current fiscal year. Implementation of this Statement resulted in the restatement of the beginning net position of the Governmental Activities. See the table below for details.

In prior years the assets and liabilities related to subscription-based information technology arrangements were incorrectly reported. The cumulative effect of applying prior period adjustments to correct these accounting errors has been reported as a restatement of the beginning net position of the Governmental Activities See the table below for details.

	Governmental Activities Net Position
Balance at September 30, 2024 - as reported	$ 21,190,525
Adjustment for implementation of GASB 101	(250,776)
Error correction - SBITA asset	91,289
Error correction - SBITA liability	(71,544)
Balance at September 30, 2024 - as restated	$ 20,959,494

NOTE 17 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 6, 2026, the date that the financial statements were available to be issued and determined there were no events that occurred that require disclosure. No subsequent events after this date have been evaluated for inclusion in these financial statements.

TOWN OF OCEAN RIDGE, FLORIDA
Required Supplementary Information (RSI)
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended September 30, 2025

	Original Adopted Budget	Final Revised Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Property taxes	$ 9,085,029	$ 9,085,029	$ 8,715,080	$ (369,949)
Utility service taxes	486,000	486,000	566,873	80,873
Gasoline taxes	54,500	54,500	59,583	5,083
1/2 Cent sales tax	165,000	165,000	191,528	26,528
Infrastructure surtax	150,000	150,000	199,082	49,082
Local business tax	1,300	1,300	1,158	(142)
Electric franchise fee	225,000	225,000	242,155	17,155
State shared revenues	52,140	52,140	62,713	10,573
Local shared revenues	9,150	9,150	3,608	(5,542)
Licenses and permits	704,300	704,300	768,898	64,598
Fines and forfeitures	27,250	27,250	183,511	156,261
Charges for services	694,200	694,200	697,546	3,346
Interest	508,000	508,000	544,008	36,008
Grants	1,261,929	1,261,929		(1,261,929)
Contributions	500	500	46,354	45,854
Miscellaneous revenues	18,198	18,198	22,320	4,122
Total revenues	13,442,496	13,442,496	12,304,417	(1,138,079)
Expenditures				
Town commission	45,398	45,398	20,770	24,628
Town manager	263,432	384,132	367,094	17,038
Town clerk/finance	461,774	449,611	458,068	(8,457)
Legal	277,500	207,500	156,657	50,843
Appointed boards	3,014	3,014	1,171	1,843
Other general government	1,275,760	1,247,760	1,266,531	(18,771)
Law enforcement	5,855,473	5,822,003	5,443,729	378,274
Protective inspections	585,807	585,807	628,070	(42,263)
Solid waste & recycling	327,340	327,340	302,356	24,984
Other physical environment	727,220	724,146	475,810	248,336
Public works	454,382	451,919	326,005	125,914
Contingency	500,000	528,470	344,239	184,231
Total expenditures	10,777,100	10,777,100	9,790,500	986,600
Excess (deficiency) of revenues over (under) expenditures	2,665,396	2,665,396	2,513,917	(151,479)
Other financing sources (uses)				
Insurance proceeds	5,000	5,000		(5,000)
Proceeds from sale of capital assets			55,101	55,101
Transfers out	(2,729,309)	(2,729,309)	(2,654,451)	74,858
Total other financing sources (uses)	(2,724,309)	(2,724,309)	(2,599,350)	124,959
Net change in fund balances	$ (58,913)	$ (58,913)	(85,433)	$ (26,520)
Fund balance, beginning of year			10,085,385	
Fund balance, end of year			$ 9,999,952	

See notes to the budgetary comparison schedule

TOWN OF OCEAN RIDGE, FLORIDA
Notes to the Budgetary Comparison Schedule
Required Supplementary Information (RSI)
General Fund
September 30, 2025

Note 1 - Basis of Accounting

A budgetary comparison schedule is presented for the General Fund, as required by generally accepted accounting principles. The budgetary process is described in Note 2 to the financial statements on page 28. Budgets are adopted on a basis consistent with generally accepted accounting principles.

Note 2 - Stewardship, Compliance, and Accountability

Formal budgetary integration is employed within the accounting system as a management control device. Appropriations are legally controlled at the departmental level, and expenditures may not legally exceed budgeted appropriations at that level. For the year ended September 30, 2025, the following department had expenditures in excess of appropriations:

Town clerk/finance	$ 8,457
Other general government	18,771
Protective inspections	42,263

TOWN OF OCEAN RIDGE, FLORIDA
Required Supplementary Information
Schedule of Changes in Total Other Postemployment Benefits (OPEB) Liability
For the Fiscal Year Year Ended September 30, 2025

Actuarial Valaution Date	09/30/2017	09/30/2019	09/30/2019	09/30/2019	09/30/2021
Measurement Date	09/30/2018	09/30/2019	09/30/2020	09/30/2021	09/30/2022
Employer's Reporting Date	09/30/2018	09/30/2019	09/30/2020	09/30/2021	09/30/2022
	2018	2019	2020	2021	2022
Total OPEB liability - beginning	$ 106,303	$ 112,671	$ 131,394	$ 136,542	$ 148,912
Changes for the year:					
Service cost	11,521	11,024	13,922	15,200	13,065
Interest	4,220	5,087	4,620	3,232	3,430
Difference between expected and actual experience			(15,529)		(19,564)
Changes of assumptions	(5,630)	6,683	3,597	(4,646)	(30,743)
Benefit payments	(3,743)	(4,071)	(1,462)	(1,416)	(2,525)
Net change in total OPEB liability	6,368	18,723	5,148	12,370	(36,337)
Total OPEB liability - ending	$ 112,671	$ 131,394	$ 136,542	$ 148,912	$ 112,575
Covered-employee payroll	$ 1,789,573	$ 1,764,029	$ 2,017,278	$ 2,067,710	$2,097,570
Total OPEB liability as a percentage of covered-employee payroll	6.30%	7.45%	6.77%	7.20%	5.37%

Actuarial Valaution Date	09/30/2021	09/30/2023	09/30/2023
Measurement Date	09/30/2023	09/30/2024	09/30/2025
Employer's Reporting Date	09/30/2023	09/30/2024	09/30/2025
	2023	2024	2025
Total OPEB liability - beginning	$ 112,575	$ 124,307	$ 111,857
Changes for the year:			
Service cost	10,085	10,486	10,122
Interest	5,787	5,694	4,899
Difference between expected and actual experienc		(16,443)	
Changes of assumptions	(1,442)	(9,293)	(5,706)
Benefit payments	(2,698)	(2,894)	(2,613)
Net change in total OPEB liability	11,732	(12,450)	6,702
Total OPEB liability - ending	$ 124,307	$ 111,857	$ 118,559
Covered-employee payroll	$ 2,150,009	$ 2,222,213	$ 2,277,768
Total OPEB liability as a percentage of covered-employee payroll	5.78%	5.03%	5.21%

There are no assets accumulated in a trust that meets the criteria of GASB Codification P22.101 or P52.101 to pay related benefits.

Changes in Assumptions

The discount rate changed as follows:

September 30, 2017 measurement date	3.64%
September 30, 2018 measurement date	4.18%
September 30, 2019 measurement date	3.58%
September 30, 2020 measurement date	2.14%
September 30, 2021 measurement date	2.43%
September 30, 2022 measurement date	4.77%
September 30, 2023 measurement date	4.87%
September 30, 2024 measurement date	4.06%
September 30, 2025 measurement date	4.50%

For the September 30, 2019 valuation date, the mortality assumption changed from RP-2000 Combined Healthy Mortality Tables projected to the valuaiton date using Projection Scale AA to PubG-2010 Mortality Tables projected to the valuation date using Projection Scale MP-2019. Health care costs, premiums, and cost trends were updated for the 2019, 2021, amd 2023 valuation dates.

This schedule is intended to show information for 10 years. However, until a full 10-year trend is compiled, information will be presented for those years for which information is available. No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4, to pay related benefits.

TOWN OF OCEAN RIDGE, FLORIDA
Required Supplementary Information
Schedule of Employer Contributions
Florida Retirement System
Pension Plan
Last Ten Fiscal Years

Fiscal Year Ended September 30	Town's Contractually Required Contribution	Town's Contributions In Relation to the Contractually Required Contribution	Contribution Excess (Deficiency)	Town's Covered Payroll	Town's Contributions As a Percent of Covered Payroll
2016	$ 196,937	$ 196,937	$	$ 1,581,927	12.45%
2017	$ 196,279	$ 196,279	$	$ 1,469,652	13.36%
2018	$ 205,927	$ 205,927	$	$ 1,428,799	14.41%
2019	$ 256,408	$ 256,408	$	$ 1,686,211	15.21%
2020	$ 316,275	$ 316,275	$	$ 1,733,960	18.24%
2021	$ 337,749	$ 337,749	$	$ 1,778,136	18.99%
2022	$ 351,679	$ 351,679	$	$ 1,770,634	19.86%
2023	$ 409,036	$ 409,036	$	$ 1,873,049	21.84%
2024	$ 504,246	$ 504,246	$	$ 2,117,018	23.82%
2025	$ 624,629	$ 624,629	$	$ 2,478,686	25.20%

TOWN OF OCEAN RIDGE, FLORIDA
Required Supplementary Information
Schedule of Employer Contributions
Florida Retirement System
Pension Plan
Last Ten Fiscal Years

Fiscal Year Ended September 30	Town's Proportion of the Net Pension Liability	Town's Proportionate Share of the Net Pension Liability	Town's Covered Payroll	Town's Proportionate Share of the Net Pension Liability As a Percent of Covered Payroll	Plan Fiduciary Net Position As a Percent of the Total Pension Liability
2016	0.008331117%	$ 2,103,614	$ 1,516,677	138.70%	84.88%
2017	0.007999939%	$ 2,366,328	$ 1,470,021	160.97%	83.89%
2018	0.008260829%	$ 2,488,205	$ 1,426,675	174.41%	84.26%
2019	0.008809258%	$ 3,033,703	$ 1,593,397	190.39%	82.61%
2020	0.010348841%	$ 4,485,340	$ 1,749,885	256.32%	78.85%
2021	0.009845397%	$ 743,708	$ 1,790,293	41.54%	96.40%
2022	0.009223695%	$ 3,431,956	$ 1,743,139	196.88%	82.89%
2023	0.009551587%	$ 3,806,005	$ 1,919,942	198.24%	82.38%
2024	0.009397188%	$ 3,635,274	$ 2,077,246	175.00%	83.70%
2025	0.010004936%	$ 3,105,045	$ 2,336,028	132.92%	87.26%

Changes in Assumptions

The discount rate changed as follows:

2016	7.60%
2017	7.10%
2018	7.00%
2019	6.90%
2020	6.80%
2021	6.80%
2022	6.70%
2023	6.70%
2024	6.70%
2025	6.70%

For 2019, the mortality assumption changed from Generational RP-2000 with Projection Scale BB to PUB-2010 base table projected generationally with Scale MP-2018.

The amounts presented for each fiscal year were determined as of the June 30 measurement date. The Plan's fiduciary net position as a percentage of the total pension liability is published in the Plan's Annual Comprehensive Financial Report.

TOWN OF OCEAN RIDGE, FLORIDA
Required Supplementary Information
Schedule of Employer Contributions
Florida Retirement System
Retiree Health Insurance Subsidy Program
Last Ten Fiscal Years

Fiscal Year Ended September 30	Town's Contractually Required Contribution	Town's Contributions In Relation to the Contractually Required Contribution	Contribution Excess (Deficiency)	Town's Covered Payroll	Town's Contributions As a Percent of Covered Payroll
2016	$ 27,780	$ 27,780	$	$ 1,786,534	1.55%
2017	$ 26,867	$ 26,867	$	$ 1,726,149	1.56%
2018	$ 27,708	$ 27,708	$	$ 1,772,868	1.56%
2019	$ 33,533	$ 33,533	$	$ 2,080,649	1.61%
2020	$ 35,825	$ 35,825	$	$ 2,158,143	1.66%
2021	$ 37,969	$ 37,969	$	$ 2,287,293	1.66%
2022	$ 38,861	$ 38,861	$	$ 2,341,039	1.66%
2023	$ 43,311	$ 43,311	$	$ 2,494,720	1.74%
2024	$ 50,902	$ 50,902	$	$ 2,545,076	2.00%
2025	$ 60,736	$ 60,736	$	$ 3,036,814	2.00%

TOWN OF OCEAN RIDGE, FLORIDA
Required Supplementary Information
Schedule of Employer Contributions
Florida Retirement System
Retiree Health Insurance Subsidy Program
Last Ten Fiscal Years

Fiscal Year Ended September 30	Town's Proportion of the Net Pension Liability	Town's Proportionate Share of the Net Pension Liability	Town's Covered Payroll	Town's Proportionate Share of the Net Pension Liability As a Percent of Covered Payroll	Plan Fiduciary Net Position As a Percent of the Total Pension Liability
2016	0.005174263%	$ 603,039	$ 1,704,977	35.37%	0.97%
2017	0.000049353%	$ 527,700	$ 1,676,168	31.48%	1.64%
2018	0.005112213%	$ 541,082	$ 1,777,367	30.44%	2.15%
2019	0.005641696%	$ 631,249	$ 1,976,174	31.94%	2.63%
2020	0.006194184%	$ 756,300	$ 2,149,826	35.18%	3.00%
2021	0.006470019%	$ 793,645	$ 2,290,521	34.65%	3.56%
2022	0.006313481%	$ 668,698	$ 2,300,835	29.06%	4.81%
2023	0.006554971%	$ 1,041,017	$ 2,591,404	40.17%	4.12%
2024	0.002939570%	$ 890,994	$ 2,513,695	35.45%	4.80%
2025	0.006082737%	$ 779,651	$ 2,777,952	28.07%	6.36%

Changes in Assumptions

The discount rate changed as follows:

2016	2.85%
2017	3.58%
2018	3.87%
2019	3.50%
2020	2.21%
2021	2.16%
2022	3.54%
2023	3.65%
2024	3.93%
2025	5.20%

The amounts presented for each fiscal year were determined as of the June 30 measurement date. The Plan's fiduciary net position as a percentage of the total pension liability is published in the Plan's Annual Comprehensive Financial Report.

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

The Honorable Mayor and Members of the Town Commission
Town of Ocean Ridge, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Town of Ocean Ridge, Florida, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Town of Ocean Ridge, Florida’s basic financial statements and have issued our report thereon dated July 6, 2026.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified three deficiencies in internal control that we consider to be material weaknesses.

Finding 2024-1 Reconcile Bank Accounts on a Timely Basis

***Condition*:** We noted that, in certain instances, bank statements were accumulated over several months before being reconciled to the appropriate general ledger accounts.

***Criteria*:** Bank statements should be reconciled to the appropriate general ledger accounts on a monthly basis.

***Effect*:** Failure to reconcile accounts on a monthly basis increases the risk that errors or other issues may go undetected and unresolved in a timely manner. Additionally, performing reconciliations promptly is generally more efficient, as transactions are more likely to be accurately recalled and understood when they are still recent.

***Recommendation*:** We recommend that all bank accounts be reconciled each month prior to preparation of the monthly financial statements.

***Management Response*:** The Town understands the importance of reconciling bank statements on a timely basis and has made changes in the monthly process to ensure all bank accounts are reconciled in a timely manner.

Finding 2024-2 Adjusting Journal Entries

Condition: During the audit, it was necessary to propose numerous journal entries to correct the Town's account balances. Several transactions required reclassification to ensure they were reported in the appropriate accounts.

***Criteria*:** Transactions should be reported accurately and on a timely basis in the accounting records.

***Effect*:** Accurate financial information was not available on a timely basis.

***Recommendation*:** We recommend that the Town review the accounting procedures and implement changes to ensure that accurate financial information is available on a timely basis.

***Management Response*:** The Town experienced a turnover in the Town Manager/Finance Director and Treasurer positions during the audit timeline. Outside accounting consultants were contracted with to review the accounting records of the Town. Several entries were provided to the auditor including several reclassifications mentioned above. The Town does recognize these balances were not reconciled in a timely manner and will make certain changes in monthly and yearly closing procedures to eliminate or minimize any audit adjusting entries in future audits.

Finding 2025-1 Implementation of Governmental Accounting Standards

***Condition*:** During the audit, it was necessary to propose journal entries to correct the Town's account balances because recently issued accounting standards were not properly implemented.

***Criteria*:** Transactions should be recorded in accordance with currently applicable accounting standards promulgated by the Governmental Accounting Standards Board (GASB), the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Effect**:** Accurate financial information was not available on a timely basis.

Recommendation**:** We recommend that the Town's accounting personnel stay current with new accounting standards as they are issued. One way of doing this would be to join the Florida Government Finance Officers Association (FGFOA) and participate in the training programs and networking opportunities provided by the organization. The FGFOA also provides a mentoring program to enhance the skills of government finance professionals. Participants are paired with an experienced government finance professional whom they can communicate with in order to seek advice and obtain support.

Management Response**:** During the first seven (7) months of Fiscal Year 2025, the former Town Manager also served as the Town's Finance Director. During this same period, the Town evaluated proposals from certified public accounting firms specializing in governmental financial management and accounting support; however, no contracts were approved for execution.

Although the Town maintained a Treasurer position, the role was primarily administrative and transactional in nature and did not include responsibility for monitoring, evaluating, or implementing newly issued Governmental Accounting Standards Board (GASB) pronouncements. Those responsibilities primarily rested with the Town Manager in the capacity of Finance Director. Together, the Town Manager/Finance Director and the Treasurer comprised the Town's accounting function during this period, limiting the organization's capacity to proactively research and implement new accounting standards while simultaneously managing day-to-day financial operations.

As part of the Town's ongoing efforts to strengthen its financial management practices, the organizational structure has been enhanced with increased segregation of duties, expanded financial oversight, and the engagement of outside governmental finance consultants, on an hourly basis, to provide technical expertise and staff training as needed.

Going forward, the Town will evaluate opportunities to fill the Treasurer position with an individual possessing FGFOA certification or comparable governmental finance training and experience, and/or continue utilizing qualified governmental finance consultants to assist with implementation of new accounting standards and compliance with evolving GASB requirements. These measures are intended to ensure that new accounting pronouncements are identified, evaluated, and implemented in a timely manner.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Ocean Ridge, Florida's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described below.

Finding 2025-2 Florida Retirement System Contributions

Condition**:** During the audit we noted that the Town makes contributions to the Florida Retirement System based on the pay date for payroll. Contributions should be made based on the date the payroll period ended.

***Criteria*:** GASB Codification Section P20.225 states in part that payables to a defined benefit pension plan are normally expected to be liquidated with expendable available financial resources to the extent that amounts are due and payable pursuant to contractual or legal requirements. The legal requirement is found in Chapter 121.071(5), Florida Statues which states that contributions and accompanying payroll data are due and payable "no later than the 5th working day of the month during which the payroll period ended". This emphasizes the end of the pay period, not the pay date itself.

***Effect*:** Some contributions to the Florida Retirement System are being made late and the Town's liability for pension contributions is understated.

***Recommendation*:** We recommend that the Town revise the procedure for reporting and paying pension contributions to comply with applicable accounting and legal requirements.

***Management Response*:** Following the departure of the Treasurer in July 2025, the Town engaged a governmental financial consultant to ensure continuity of payroll and financial operations. During this transition, the consultant initially continued the existing payroll reporting and contribution process that had been in place in order to maintain uninterrupted operations.

The audit identified that Florida Retirement System (FRS) contributions should be reported and remitted based on the payroll period end date, rather than the payroll pay date, to comply with Chapter 121, Florida Statutes, and applicable accounting guidance.

The Town has reviewed this finding with its financial consultants and internal payroll processors and will revise its payroll reporting procedures to ensure FRS contributions are calculated, reported, and remitted based on the payroll period end date going forward. Internal procedures and review processes will also be updated to verify ongoing compliance with statutory reporting requirements.

Town's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town of Ocean Ridge, Florida's response to the findings identified in our audit and described above. The Town of Ocean Ridge, Florida's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Nowlen, Holt & Miner, P.A.

West Palm Beach, Florida
July 6, 2026

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MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Honorable Mayor and Member of the Town Commission
Town of Ocean Ridge, Florida

Report on the Financial Statements

We have audited the financial statements of the Town of Ocean Ridge, Florida, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated July 6, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated July 6, 2026 should be considered in conjunction with this Management Letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address Recommendation 2023-1 and Recommendation 2024-1 made in the preceding financial audit report and they no longer apply. Finding 2024-1 and Finding 2024-2 made in the preceding financial audit report still apply.

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 was disclosed in Note 1 to the financial statements. There are no component units included in the Town of Ocean Ridge, Florida's financial statements.

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 of Ocean Ridge, Florida met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Town of Ocean Ridge, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Town of Ocean Ridge, Florida. It is management's responsibility to monitor the Town of Ocean Ridge, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. Our assessment was done as of the fiscal year end. The results of our procedures did not disclose any matters that are required to be reported.

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

Property Assessed Clean Energy (PACE) Programs

A PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the Town of Ocean Ridge, Florida's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c, Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(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 has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we identified the following finding.

Finding: 2025-3 Annual Financial Report

Condition: We noted that the audit report and the Annual Financial Report filed with the Florida Department of Financial Services were not filed by the due date.

Criteria: Florida Statutes require audit reports for local governmental entities and the Annual Financial Report to be filed within nine months of the fiscal year end. The Town's reports were due June 30, 2025.

Effect: Noncompliance with reporting requirements.

Recommendation: We recommend that the Town review the financial reporting process and make any changes required to facilitate the timely preparation of financial reports.

Management Response: During the preparation of the Fiscal Year 2025 financial statements, a number of accounting corrections and adjustments identified during the audit required additional time to research, reconcile, and accurately incorporate into the Town's financial records. As a result, the audit report and Annual Financial Report were submitted approximately one work-week after the statutory filing deadline.

The Town's goal was quality and accuracy in reporting, and to expedite the completion of the financial reporting process. To this end, the Town engaged an additional governmental financial consultant to assist with the preparation and review of the financial statements and required reporting.

Moving forward, the Town will continue utilizing qualified financial resources as needed, strengthen its year-end closing and review procedures, and begin the financial reporting process earlier to help ensure future reports are completed and submitted within the statutory deadlines while maintaining the accuracy and integrity of the Town's financial reporting.

Single Audits

The Town of Ocean Ridge, Florida expended less than $1,000,000 of federal awards and less than $750,000 of state financial assistance for the fiscal year ended September 30, 2025 and was not required to have a federal single audit or a state single audit.

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 Town Commission, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Nowlen, Holt & Miner, P.A.

West Palm Beach, Florida
July 6, 2026

NOWLEN, HOLT & MINER, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

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NORTHBRIDGE CENTRE
515 N. FLAGLER DRIVE, SUITE 1700
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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Mayor and Members of the Town Commission
Town of Ocean Ridge, Florida

We have examined the Town of Ocean Ridge, Florida's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2025. Management of the Town of Ocean Ridge, Florida is responsible for the Town of Ocean Ridge, Florida's compliance with the specified requirements. Our responsibility is to express an opinion on the Town of Ocean Ridge, Florida's compliance with the specified requirements 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 of Ocean Ridge, Florida complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town of Ocean Ridge, Florida complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence 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 of Ocean Ridge, Florida's compliance with the specified requirements.

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

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

Nowlen, Holt & Miner, P.A.

West Palm Beach, Florida
July 6, 2026

TOWN OF OCEAN RIDGE, FLORIDA

PROCLAMATION IN RECOGNITION OF 10 YEARS OF SERVICE FOR CHIEF SCOTT MCCLURE

WHEREAS, Chief Scott McClure has faithfully served the residents, businesses, and visitors of the Town of Ocean Ridge for ten years, demonstrating an unwavering commitment to public safety, professionalism, and community service; and

WHEREAS, throughout his tenure, Chief McClure has exemplified integrity, leadership, accountability, and dedication to the highest standards of law enforcement, earning the trust and respect of the community and his peers; and

WHEREAS, under his leadership, the Ocean Ridge Police Department has strengthened its commitment to community engagement, proactive policing, traffic safety, emergency preparedness, and regional cooperation while maintaining the Town's reputation as one of the safest communities in South Florida; and

WHEREAS, Chief McClure has fostered a culture of professionalism, training, teamwork, and service excellence within the Ocean Ridge Police Department, helping to develop and support the officers and civilian personnel who serve the Town each day; and

WHEREAS, his leadership and professional contributions extend beyond the boundaries of Ocean Ridge through his active involvement in regional law enforcement initiatives and organizations, including his current service as Vice President of the Palm Beach County Association of Chiefs of Police, where he has distinguished himself as a respected leader among law enforcement professionals and is expected to assume the role of President in the coming year; and

WHEREAS, Chief McClure further serves the neighboring community of Briny Breezes as Town Marshal, demonstrating an extraordinary commitment to public service, intergovernmental cooperation, and the protection of residents throughout the region; and

WHEREAS, his steady leadership, sound judgment, dedication to public safety, and commitment to serving others have made a lasting and positive impact on the Town of Ocean Ridge, the law enforcement profession, and the communities he serves;

NOW, THEREFORE, BE IT RESOLVED, that the Town Commission of the Town of Ocean Ridge hereby recognizes and commends Chief Scott McClure upon the occasion of his Ten-Year Service Anniversary, expresses its sincere gratitude for his outstanding service, leadership, and contributions to the community, and extends its best wishes for his continued success and future accomplishments.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the official seal of the Town of Ocean Ridge to be affixed this 3rd day of August 2026.

ATTEST:

____________________________ ____________________________

Kelly Avery, CMC, Town Clerk Geoff Pugh, Mayor

REGULAR TOWN COMMISSION MEETING MINUTES
JULY 8, 2026

CALL TO ORDER
The meeting was called to order by Mayor Pugh at 6:00 p.m.

ROLL CALL
Town Clerk Avery led the roll call, which was answered by the following:

Mayor Pugh	Present
Vice Mayor Coz	Present
Commissioner Aijala Jr.	Present
Commissioner Cassidy	Present

PLEDGE OF ALLEGIANCE
Mayor Pugh led the pledge of allegiance.

ADDITIONS, DELETIONS, MODIFICATIONS, AND APPROVAL OF AGENDA

Commissioner Cassidy requested the addition of a brief announcement under Announcements and a Commissioner Comment, designated as Item 7a. Town Manager Michelle Heiser requested two additions: Item 19, a temporary construction easement related to the Phase 4 water main replacement; and Item 20, a task order associated with the Harbour Drive North project.

Vice Mayor Coz moved to approve the agenda as amended; seconded by Commissioner Aijala. Motion carried.4-0 (3:35)

PRESENTATIONS & PROCLAMATIONS
1. **Presentation on PBC Library System by Douglas Crane, Director of PBC Library System**

Library System Director Douglas Crane provided an overview of the Palm Beach County Library System, including services, funding, and future initiatives. He discussed potential November ballot measures affecting library funding, announced plans for a new Hypoluxo branch library, and offered bookmobile services for Ocean Ridge community events.

Mayor Pugh requested information regarding Ocean Ridge residents' usage of the library system, which Mr. Crane agreed to provide through the Town Manager.

2. **Presentation by Rhonda Giger, General Counsel of the PBC Commission on Ethics**

Rhonda Giger, General Counsel for the Palm Beach County Commission on Ethics, reported increased inquiries and fewer formal complaints. She briefly reviewed the standard for misuse of public office and noted that updated ethics training will be available in the coming months.

3. **Recognition/Commendation – Sgt Jimmy Pilon**

Chief of Police Scott McClure recognized Sergeant Jimmy Pilon for exemplary police work and presented him with a commendation certificate for his outstanding service. A group photograph was taken with staff and family members following the presentation.

4. **Recognition/Commendation – Officers Mario Galluscio and William Ranta**

Chief McClure recognized Officers Mario Galluscio and William Ranta for their lifesaving response to a medical emergency and presented them with commendation certificates. A photograph was taken with the officers and their families following the presentation.

5. Recognition/Commendation – Officer Matthew Powers

Chief McClure recognized Officer Matthew Powers for receiving a Palm Beach County Traffic Safety Award for outstanding traffic enforcement efforts and presented him with an award plaque in recognition of his achievement.

ANNOUNCEMENTS

6. The meeting schedule for next month is as follows: Town Commission Budget Workshop Meeting Monday, August 3rd at 2:00 PM; Regular Town Commission Meeting Monday. August 3rd at 6:00 PM; Code Enforcement Hearing Tuesday, August 4th at 10:00 AM; Planning & Zoning Board Meeting Tuesday, August 21st at 9:00 AM. All meetings are held in the Commission Chambers at Town Hall.

7. Residents who wish to sign up to receive important Town notifications and news through Civic Ready should sign up on the Town's website or call Town Hall for assistance.

Town Clerk Avery read the announcements into the record.

7a. Commissioner Cassidy (*Added to the agenda)*

Commissioner Cassidy announced that the Town received a state appropriation for the water main replacement project and expressed appreciation to Senator Lori Berman, Representative Anne Gerwig, and the Town's lobbyists for their assistance in securing the funding. She noted that letters of appreciation would be prepared for the Commission's signatures.

PUBLIC COMMENT

Mayor Pugh opened the floor for public comment.

The following spoke: Terry Brown and Betty Bingham

Town Clerk Avery read into the record a letter submitted by Stella Kolb.

Mayor Pugh closed the floor for public comment.

APPROVAL OF CONSENT AGENDA

8. Adopt Minutes of the June 1, 2026 Special Town Commission Meeting
9. Adopt Minutes of the June 1, 2026 Regular Town Commission Meeting
10. Adopt Minutes of the June 22, 2026, Special Town Commission Meeting
11. May 2026 Financial Report

Commissioner Cassidy moved to approve the agenda; seconded by Commissioner Aijala. Motion carried.4-0 (46:24)

PUBLIC HEARING FOR FISCAL YEAR 2027 BUDGET

12. Discuss and Approve Maximum Milage Rate for Fiscal Year 2027

Mayor Pugh opened the floor for public comment. Hearing none, he closed the floor for public comment.

Town Manager Heiser presented an overview of the proposed FY 2027 budget, including projected revenues, expenditures, and the proposed millage rate of 5.4 mills. She reviewed the TRIM process, the rollback rate, and potential impacts of a proposed November property tax amendment on future Town revenues.

Vice Mayor Coz expressed concerns about establishing the 5.4 millage rate due to ongoing legislative uncertainty and potential impacts from Tallahassee, suggesting considering a slightly higher maximum rate to maintain flexibility.

The remaining Commissioners expressed support for maintaining the proposed 5.4 millage rate, citing fiscal responsibility and the importance of exercising budgetary restraint on behalf of the Town's residents.

Vice Mayor Coz subsequently indicated his support for the proposed rate to achieve the required supermajority approval.

Commissioner Cassidy moved to approve a maximum operating millage rate of 5.4 mills for Fiscal Year 2027 to be included on the TRIM notice as required by Florida Statutes; seconded by Commissioner Aijala. Motion carried 4-0. (55.29)

The Commission then discussed the date for the first public hearing on the tentative budget. They explained that the state requires this hearing to occur between the beginning of September and September 18th, with the final hearing between September 19th and 30th. September 14th was proposed.

Vice Mayor Coz moved to approve September 14, 2026, as the date for the Town's first public hearing on the FY 2027 tentative budget; seconded by Commissioner Cassidy. Motion carried 4-0. (1:00)

Manager Heiser emphasized that if fewer than four Commissioners are present on September 14th, the Commission would be limited to adopting only the rollback rate. There was a brief discussion regarding the Town Commission's availability and scheduling considerations for the hearing.

REGULAR AGENDA ITEMS

13. Direction on Revisions to Town's Regulations on Accessory Uses, Buildings, and Structures

Town Attorney Goddeau reviewed the item and explained that the Commission had previously directed the Planning and Zoning Board (P&Z) to evaluate potential amendments to the accessory building regulations to allow structures such as pergolas and gazebos. She reported that P&Z recommended no changes to the existing setback requirements.

Mayor Pugh expressed concern that the twenty-five-foot rear setback requirement for waterfront properties limits the ability to install shade structures and questioned whether additional flexibility could be considered for such improvements.

Commissioner Cassidy emphasized the need to distinguish between pergolas and gazebos and suggested that ordinance language could be drafted to permit certain open-air structures while restricting others.

Vice Mayor Coz expressed concerns regarding potential impacts on neighboring waterfront views but indicated support for considering different setback standards for waterfront and non-waterfront properties.

Mayor Pugh opened the floor for public comment.

The following spoke: Kristine de Haseth, Joe Belmonte, Terry Brown, and Betty Bingham

Mayor Pugh closed the floor for public comment.

Town Manager Heiser advised that P&Z serves in an advisory capacity and outlined the Commission's options for further consideration of the matter.

The Commission gave consensus to refer the item back to P&Z with direction to develop proposed amendments allowing greater flexibility for open-air accessory structures, including separate standards for waterfront and non-waterfront properties and provisions addressing size, height, materials, and prohibitions on enclosure.

14. Approval of Ordinance on Second 0. ((ding: Ordinance 2026-03: An Ordinance Of The Town Commission Of The Town Of Ocean Ridge, Florida, Amending Chapter 67, "Building And Building Regulations," Article VII, "Building Standards," Division 3, "Occupancy Limitations," Section 67-206, "Reasonable Accommodation Procedures" To Include Certified Recovery Residences To Comply With Section 397,487, Florida Statutes (2025) And To Update The Procedures, Providing For Repeal Of Conflicting Ordinance, Codification, And An Effective Date

Town Clerk Avery read the ordinance into the record by title only.

Town Attorney Goddeau presented the ordinance on second reading, noting that the ordinance amends Section 67-206 of the Town Code to incorporate certified recovery residences into the Town's reasonable Accommodation procedures in accordance with the state law.

Mayor Pugh opened the floor for public comment. Hearing none, he closed the floor for public comment.

Vice Mayor Coz moved to approve Ordinance 2026-03 on second reading; seconded by Commissioner Cassidy. Motion carried 4-0. (1:22)

15. Direction on Revisions to Towns's Duration of Construction due to Statue Mandate on Permit Duration for Single-Family Dwelling

Town Attorney Goddeau explained that recent state legislation preempts local permit duration regulations for single-family dwellings, requiring permits to remain valid for at least one year and potentially up to three years, while noting the Town's current code provisions.

Vice Mayor Coz stated that completing a new home within one year is impractical given current construction timelines and suggested incorporating a six-month extension into permit durations.

Mayor Pugh agreed that unnecessarily short permit periods create avoidable administrative burdens.

Commissioner Cassidy inquired about the applicability of the three-year duration under the next building code cycle.

The Commission gave consensus to refer the matter to Planning and Zoning for review and recommendations to align the Town Code with state requirements and evaluate longer permit durations for single-family construction, while considering separate standards for other types of development.

16. Approval Resolution 2026-06: A Resolution Of The Town Commission Of The Town Of Ocean Ridge, Florida, Amending The Adopted Schedule Of Fees For Various Services; And, Providing For Repeal Of Conflicting Resolutions And An Effective Date

Mayor Pugh read the resolution into the record by title only.

Town Manager Heiser reported that staff collaborated on updates to the Town's building permit fee schedule. She explained that revisions establish flat fees, reduce approved private provider application fees, formalize technology charges, clarify inspection and penalty fees, and remove certain outdated fees.

Town Clerk Avery explained that the revised fee structure requires applicants to pay a base building fee at submission, with individual reviewers entering their respective contracted fees into the permitting software, ensuring transparency for applicants.

Mayor Pugh opened the floor for public comment. Hearing none, he closed the floor for public comment.

Vice Mayor Coz moved to adopt Resolution 2026-06 as presented; seconded by Commissioner Cassidy. Motion carried 4-0. (1:33)

17. Discussion of Possible Candidates for Town Commission Vacancy

Commissioner Cassidy nominated Lanette Gustafson to fill the vacant Town Commission seat, citing her experience as a capital market professional, over Twenty (20) years of Ocean Ridge residency, and service on the Planning and Zoning Commission. Mayor Pugh supported the nomination, and Vice Mayor Coz expressed support following confirmation of Ms. Gustafson's availability during the summer months.

Ms. Gustafson addressed the Commission, noting her long-standing residency in Ocean Ridge, service on the Planning and Zoning Commission, and commitment to remaining in the community long-term.

Mayor Pugh opened the floor for public comment. Hearing none, he closed the floor for public comment.

Commissioner Cassidy moved to appoint Lanette Gustafson to the town vacant Town Commission seat; seconded by Commissioner Aijala. Motion carried 4-0. (1:38)

18. Approval to Award Contract for ITB26-002: Harbour Drive N Drainage

Town Manager Heiser reported that bids were received for the Harbor Drive North Drainage Project, with Heavy Civil Incorporated identified as the lowest responsive bidder. She requested authorization to execute the contract and proceed with the next-ranked bidder if necessary to avoid project delays.

Mayor Pugh opened the floor for public comment.

The following spoke: Terry Brown

Mayor Pugh closed the floor for public comment.

Commissioner Cassidy moved to award the contract for ITB26-002 Harbour Drive North Drainage to Heavy Civil Incorporated; seconded by Vice Mayor Coz. Motion carried 5-0. (1:42)

19. Temporary construction easement related to the Phase 4 water main replacement *(Added to agenda)*

Town Manager Heiser requested approval of a temporary construction easement to provide necessary access with Palm Beach County for the Phase 4 water main replacement project.

Mayor Pugh opened the floor for public comment. Hearing none, he closed the floor for public comment.

Commissioner Cassidy moved to approve the temporary construction easement with Palm Beach County for the Phase 4 water main replacement project; seconded by Vice Mayor Coz. Motion carried 5-0. (1:45)

20. Task order associated with the Harbour Drive North project *(Added to agenda)*

Town Manager Heiser presented a task order with Craig A. Smith & Associates for Construction Engineering and Inspection (CEI) services for the Harbour Drive North project.

Town Engineer Rubio explained that services include construction oversight and field representation, with Engenuity continuing design-related reviews and Craig A. Smith & Associates providing construction certification. The not-to-exceed amount was corrected and revised to $62,400.

Mayor Pugh opened the floor for public comment. Hearing none, he closed the floor for public comment.

Commissioner Cassidy moved to approve the task order with Craig A. Smith & Associates for CEI services on the Harbour Drive project, not to exceed the amount of $62,400; seconded by Vice Mayor Coz. Motion carried 5-0. (1:51)

STAFF & COMMITTEE REPORTS

21. Town Manager (Renumbered from #19)

Manager Heiser reported that FPL will remove palm trees at Town Hall, the Town Hall roof project is complete, the FY 2025 audit is complete and will be presented in August, and a reception honoring Chief McClure's 10th anniversary will be held before the August meeting.

22. Town Attorney (Renumbered from #20)

Town Attorney Goddeau had no report.

23. Police Chief (Renumbered from #21)

Chief McClure stated that his report was included in the meeting backup. He also provided an update on the Ocean View Drive speed study, noting that the radar counter recorded minimal speeding violations. He also mentioned that he would follow up with the resident who submitted the concern.

TOWN COMMISSIONER COMMENTS

Commissioner Cassidy provided updates on a potential land acquisition grant, noting community support and clarification that public access is not required. She also recognized Town Manager Heiser for successfully managing grant compliance requirements for the Mansfield property and Town Hall hardening project.

ADJOURNMENT

Meeting Adjourned at 8:00 p.m.

Minutes prepared by Deputy Town Clerk Pinder and adopted by the Town Commission on August 03, 2026.

____

Geoff Pugh, Mayor

ATTEST:

____

Kelly Avery, Town Clerk

Agenda: Monday, August 3, 2026
Memo: Item #8.

Town of Ocean Ridge, Florida

Town Commission Agenda Memorandum

Subject: Preferred Governmental Insurance Trust - Insurance for the Town of Ocean Ridge

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Staff recommends...

Suggested Motion: I move to...

Respectfully,

Agenda: Monday, August 3, 2026
Memo: Item #9.

Town of Ocean Ridge, Florida

Town Commission Agenda Memorandum

Subject: Preferred Governmental Insurance Trust - Workman's Compensation Insurance for the Town of Ocean Ridge

---

Staff recommends...

Suggested Motion: I move to...

Respectfully,

Agenda: Monday, August 3, 2026
Memo: Item #10.

Town of Ocean Ridge, Florida

Town Commission Agenda Memorandum

Michelle Heiser, Town Manager

Subject: Town Hall & Garage - Lightening Protection System

This is a best interest of the Town contract, to expand and replace an old system which protects the campus from lightening strikes. This company also provided the inspections on our new roof, so they are appropriately aware of the needs and can provide in a timely manner.

Staff recommends approval.

Suggested Motion: I move to approve.

Respectfully,
Michelle Heiser, Town Manager

Florida State Roof Systems Inc.
140 Private Place
West Palm Beach FL 33413
561-964-9335/561-891-3333
CCC1329823

Town of Ocean Ridge

6450 N Ocean Ridge

Ocean Ridge FL 33435

Attn: Michelle Heiser

RE: Lightning Protection System

Main building where existing Lightning Protection exists: $16,900.00
Attached Garage Add New Lightning Protection System: $9,620.00
Additional Roof work needed: $4,500.00

Scope of Proposal

1. Price includes removing & replacing existing lightning protection system and tying into the existing ground system
2. Proposal includes all labor, materials, shipping, and shop drawings
3. Above listed price is based on reusing the existing ground system, consisting of down leads and ground ropes. Any additional repairs needed to these will result in an additional change order
4. The Lightning Protection System will be installed as per UL96A, LPI 174 and NFPA 780 lightning protection standards

Exclusions

1. ***Please be aware that scheduling of installation on existing structures is approximately (2) months from date of signed contract. We will make every effort to be there sooner if possible***
2. Any repairs to existing grounding system are not included in the contract price
3. Please note that the lightning protection system must meet the current UL96A, LPI 175 & NFPA 780 lightning protection standards in order to certify the entire lightning protection system
4. FSRS to furnish and install all flashings & sealing for any & all roof penetrations needed for install of the lightning protection system
5. Surge Protection is excluded

Alternate Notes

1. Price includes adding Lightning Protection garage building that attaches to the main building. Also includes additional roof work needed for the install of Lightning Protection install. This will ensure full lightning protection system certification

2. Timing for actual install is based upon actual signing of contract and receiving deposit.

Project Cost: $31,020.00

Payments as Follows:

$15,000.00 signing
$8,010.00 job start
$8,010.00 at completion

Accepted By: ________________________

FSRS Representative: ____________________

Date of Acceptance: _______________________

CONTRACT FOR MINOR CONSTRUCTION
(Not To Exceed $200,000)

THIS CONTRACT FOR MINOR CONSTRUCTION ("Contract") is entered on this ___ day of ______________, 2026, by and between the **Town of Ocean Ridge**, a Florida municipal corporation with its primary office located at 6450 N. Ocean Blvd., Ocean Ridge, FL 33435 ("Town"), and **Florida State Roof Systems, Inc**., a Florida corporation with its primary office located at 140 Private Place, West Palm Beach, FL 33413 ("Contractor").

WHEREAS, the Town is a municipal corporation organized and existing pursuant to the Charter and the Constitution of the State of Florida; and

WHEREAS, the Town is in need of certain upgrades and work needed at Town Hall for lightning protection systems and related additional roof work; and

WHEREAS, the Contractor submitted a quote for the needed lightning protection systems and related additional roof work at Town Hall ("**Project**"); and

WHEREAS, Town staff has reviewed the Contractor's quote and determined the price proposed is fair and reasonable; and

WHEREAS, the Contractor further warrants that it is experienced and capable of completing the Project required herein in a professional and competent manner; and

WHEREAS, the Town finds entering this Contract with the Contractor to complete the Project as described herein serves a valid public purpose.

NOW THEREFORE, the Town hereby engages the Contractor, and in consideration of the mutual promises herein contained, the sufficient of which is hereby acknowledged by both parties, the parties agree as follows:

Article 1. DEFINITIONS.

1.1 Contract Documents. The Contract Documents are incorporated herein by reference as if originally set forth in this Contract, and comprise the entire agreement between the Town and Contractor. The Contract Documents consist of this Contract, the Contractor's quote (which is attached hereto as **Exhibit "A"**); and any duly executed and issued Change Orders and amendments relating thereto. If, during the performance of the work, the Contractor finds an ambiguity, error or discrepancy in the Contract Documents, the Contractor shall so notify the Town, in writing, within five (5) business days and before proceeding shall obtain a written interpretation or clarification. Failure to obtain a written interpretation or clarification will be deemed a waiver of the ambiguity, error or discrepancy by the Contractor. The Town will not be responsible for any oral instructions, clarifications, or other communications except those provided in writing in response to Contractor's request for clarification of an ambiguity, discrepancy or error.

In resolving conflicts in any of the Contract Documents, the order of precedence shall be as follows:

First Priority:	Duly executed Change Orders
Second Priority:	This Contract
Third Priority:	Contractor's proposal (Exhibit "A")

1.2 Contract Administrator. Whenever the term Contract Administrator is used herein, it is intended to mean **<u>the Town Manager or designee, Town of Ocean Ridge, Florida</u>**. In the administration of this Contract, all parties may rely upon instructions or determinations made by the Contract Administrator except that all determinations that result in an increase in Contract Time and/or an increase in the Contract Price, shall require a formal Change Order executed by the Town Manager or the Town Commission (depending on the authority set forth in the Town's Procurement Code).

1.3 Contract Price. The total Contract Price is **$31,020.00 (Thirty-One Thousand Twenty Dollars).** The Town shall not reimburse the Contractor for any additional costs incurred as a direct or indirect result of the Contractor performing the work under this Contract unless the Contractor receives prior written approval from the Town's Contract Administrator. The Contract price shall be payable in accordance with paragraph 3 of this Contract.

1.4 Work. The Work under the Contract Documents shall consist of all goods and services set forth in the Contractor's quote (Exhibit "A"). **The Contractor shall be responsible for obtaining all building permits necessary for the Work; however, the cost of the permits will be paid for by the Town directly to the Town in its regulatory capacity**.

<u>Article 2. CONTRACT TIME; PUNCH-LIST; LIQUIDATED DAMAGES.</u>

2.1 Substantial completion of the Work shall be within _75__ **calendar days** from the notice to proceed or Town issued purchase order. Final completion of all Work and all punch-list items (if any) shall be within _90_ **calendar days** from the notice to proceed or Town issued purchase order.

2.2 At least ten (10) days prior to reaching substantial completion, the Contractor shall create a proposed punch-list of items that must be completed by the Contractor prior to submitting its final payment request. The Contractor's proposed punch-list must include all items of Work which remain to be completed and the estimated cost to complete each Work item on the list. Upon receipt of the Contractor's proposed punch-list, the Town will have ten (10) days to review, make modifications, or agree to the proposed punch-list. If the Town does not make any modifications to the Contractor's proposed punch-list within ten (10) days of receipt, the proposed punch-list will be deemed accepted by the Town. The Town's Contract Administrator or designee will resolve any disputes in the punch-list and determine the final punch-list for the parties no later than 20-days from the date the Contractor is determined to have reached substantial completion. Once the punch-list is accepted by the Town and finalized by the Town's Contract Administrator or designee, the final punch-list will be delivered to the Contractor. Thereafter, the Contractor will have twenty (20) days to complete all items on the finalized punch-list and all Work (unless additional time is provided in accordance with the Contract Documents for final completion). The failure of either party to include any corrective work or pending items on the finalized punch-list does not alter the responsibility of the Contractor to complete all construction services in accordance with the Contract Documents (or applicable work order). The Contractor's proposed punch-list and responses by the Town may be by informal written notice by: (1) email (with delivery receipt requested and received); (2) hand-delivery (with proof of hand-delivery); (3) by certified mail (RRR); or, (4) by national overnight courier utilizing the contact information set forth above in this Agreement. Proof of delivery shall be kept by the party providing the informal written notice to the other party.

2.3 **Liquidated Damages. The Town and Contractor recognize that time is of the essence of this Contract and that the Town will suffer financial loss if the Work described in the**

Contract Documents is not completed within the times specified in paragraph 2.1 above. The Town and Contractor recognize, agree and acknowledge that it would be impractical and extremely difficult to ascertain and fix the actual damages that the Town would suffer in the event Contractor neglects, refuses, or otherwise fails to complete the Work within the time specified. Accordingly, instead of requiring any such proof, the Town and Contractor agree that as liquidated damages for delay (but not as a penalty) Contractor shall pay the Town FIFTY Dollars ($50.00) for each day that expires after the times specified in paragraph 2.1 above.

Article 3. PAYMENT PROCEDURES

3.1 Generally. The Contractor shall submit invoices consistent with the Contractor's quote (see Exhibit "A"). The Contractor's invoices shall be submitted to:

Town of Ocean Ridge
Attn: Town Manager
mheiser@oceanridge.gov
kavery@oceanridge.gov

The Town's Contract Administrator or designee will review each invoice submitted by the Contractor. If approved by the Town's Contract Administrator or designee, the Town will make payment in accordance with Florida's Prompt Payment Act (for construction services), section 218.735, Florida Statutes (2026). If not approved, the Town will notify the Contractor within twenty (20) business days of the Town's receipt and identify the action necessary to correct the invoice or a deficiency.

3.2 The Town shall not retain any retainage from payment to the Contractor; instead, the Town shall pay the Contractor the amounts set forth in the Contractor's quote attached as Exhibit "A" upon receipt and approval of the Contractor's invoices. The first invoice shall not be submitted until this Contract has been executed by the Town. All goods and materials paid for in whole or in part by the Town shall become property of the Town and the Contractor shall have no security interest or other possessory interest in any goods or materials paid for in whole or in part by the Town.

3.3 **CHANGE ORDER FOR CHANGE IN CONTRACT PRICE (REQUESTED BY THE TOWN).**

3.3.1 Pursuant to section 218.755, Florida Statutes (2025), for any Change Order(s) where there is an addition and/or revision in the Work that increases the Contract Price and said addition and/or revision is requested by the Town, the Contractor shall complete the Change Order form (attached as **Exhibit "B"** hereto and incorporated by reference), execute the form, and submit the form to the Town's Contract Administrator with all supporting documentation attached. The supporting documentation shall include any price quote(s) or other documentation establishing the increase in the Contract Price (and any related extension of the Contract Time), the cost of the additional Work and/or revised Work, the Contractor's Fee (if applicable), and all necessary documents for permitting including, but not limited to, engineered drawings, specifications, and product approvals.

3.3.2 Upon receipt of the completed and executed Change Order form from the Contractor with the supporting documentation, the Town's Contract Administrator or designee will review the same and either deny the Change Order or process the Change Order for approval. **The Town will send a written notice to the Contractor as soon as possible but not later than thirty-five (35) days after receipt of the properly completed and executed Change Order form as to whether the same has been approved or denied.**

3.3.3 If the Change Order is denied, the Town will specify in the written notice to the Contractor any alleged deficiencies in the Change Order and the actions necessary for the Contractor to remedy the same. If the Town timely notifies the Contractor that a Change Order is denied (or the Change Order form submitted by the Contractor otherwise fails to conform to all statutory requirements or the requirements set forth herein), the Contractor may resubmit the completed and executed Change Order form after all deficiencies have been corrected and the timeframe set forth herein for the Town's written notice of approval or denial will start anew.

3.3.4 If the Change Order is approved, the Contractor shall include the additional and/or revised Work covered by the Change Order in the appropriate pay application for payment consistent with this Agreement.

3.3.5 If the Town fails to provide a timely written notice to the Contractor as set forth in this paragraph and the Change Order form is properly submitted, completed, and executed by the Contractor as required by this Agreement, the Change Order will be deemed approved and the Contractor shall be paid for the additional and/or revised Work covered by the Change Order once the additional and/or revised Work is completed.

3.3.6 The Contractor shall submit the completed and executed Change Order form to the Town's Contract Administrator or designee by: (1) email (with delivery receipt requested and received); (2) hand-delivery (with proof of hand-delivery); (3) by certified mail (RRR); or, (4) by national overnight courier utilizing the contact information set forth above in this Agreement.

3.3.7 The Town shall send the Town's written notice required in this paragraph to the Contractor by: (1) email (with delivery receipt requested and receipt received); (2) by hand-delivery (with proof of hand-delivery); (3) by certified mail (RRR); or, (4) by national overnight courier utilizing the contact information set forth above in this Agreement.

3.3.8 All Contractor proposed Change Orders or Change Orders for only an increase in the Contract Time shall be handled as agreed upon between the Town's Contract Administrator or designee and the Contractor. However, all Change Orders shall include the following language:

The Contractor and the Town agree that this CHANGE ORDER represents the complete agreement of the parties with respect to the Work as modified herein as of the date of this CHANGE ORDER.

By approving this Change Order, the Contractor releases any and all claims that it may have against the Town under the subject Contract Documents including, but not limited to claims for equitable adjustments, which occurred or accrued prior to the effective date of this CHANGE ORDER except those claims made in writing to the Town prior to the effective date of this CHANGE ORDER.

3.4 Final Payment. Upon final completion and acceptance of all of the Work in accordance with the Contract Documents (including all punch-list items) and final inspection by the Town, the

Contractor shall submit a "final invoice" to the Town. In order for both parties to close their books and records, the Contractor will clearly state "FINAL" on the Contractor's final invoice. This certifies that all Work and the Project have been properly completed and all charges have been invoiced to the Town. The FINAL invoice shall include a request for payment of all retainage. Since this account will thereupon be closed, any and other further charges if not properly included in this final invoice are waived by the Contractor. If the Contractor's Final Invoice is approved as set forth above, the Town shall pay the remainder of the Contract Price including any amount held as retainage.

3.5 Notwithstanding the foregoing, the Town shall not be required to pay the Contractor or release any amount of retainage to the Contractor that is subject of a good faith dispute, the subject of any claim by the Contractor or anyone employed by or utilized by the Contractor for the Project, or otherwise the subject of a claim or demand by the Town.

3.6 Acceptance of final payment by the Contractor shall constitute a waiver of claims by that payee except those previously made in writing and identified by that payee as unsettled at the time of final invoice.

Article 4. SUBCONTRACTS AND INDEPENDENT CONTRACTOR.

There are no identified subcontractors for the Project. The Contractor represents that it has, or will secure at its own expense, all necessary personnel required to perform the work under this Contract. Such personnel shall not be employees of or have any contractual relationship with the Town. All of the work required hereunder shall be performed by the Contractor or under its supervision, and all personnel engaged in performing the work shall be fully qualified and authorized or permitted under federal, state and local law to perform such work.

Article 5. CONTRACTOR'S REPRESENTATIONS

In order to induce the Town to enter into this Contract, the Contractor makes the following representations:

5.1 Contractor has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions and Laws and Regulations that in any manner may affect cost, progress, performance or furnishing of the work.

5.2 Contractor has obtained at his/her own expense and carefully studied, or assumes responsibility for obtaining and carefully studying, soil investigations, explorations, and test reports which pertain to the subsurface conditions at or contiguous to the site or otherwise may affect the cost, progress, performance or furnishing of the work as Contractor considers necessary for the performance or furnishing of the work at the Contract Price, within the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents; and no additional examinations, investigations, explorations, tests, reports, studies or similar information or data are or is deemed necessary by Contractor for such purposes.

5.3 Contractor has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground Facilities at or contiguous to the site and assumes responsibility for the accurate location of said Underground Facilities. No additional examinations, investigations, explorations, tests, reports, studies or similar information or data in respect of said Underground Facilities are or is deemed necessary by the Contractor in order to perform and furnish the work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents.

5.4 Contractor has correlated the results of all such observations, examinations, investigations, explorations, tests, reports and studies with the terms and conditions of the Contract Documents.

5.5 If applicable, the Contractor has given the Town Contract Administrator written notice of all conflicts, errors or discrepancies that the Contractor has discovered in the Contract Documents and the written resolution thereof (if any) by the Town is acceptable to the Contractor.

Article 6. INDEMNITY, INSURANCE AND WARRANTY.

6.1 Notwithstanding any provision in the Contractor's proposal attached hereto as Exhibit "A", the Contractor agrees to assume liability for and indemnify, hold harmless, and defend the Town, its commissioners, mayor, officers, employees, agents, and attorneys of, from, and against all liability and expense, including reasonable attorney's fees, in connection with any and all claims, demands, damages, actions, causes of action, and suits in equity of whatever kind or nature, including claims for personal injury, property damage, equitable relief, or loss of use, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of the Contractor, its agents, officers, Contractors, subcontractors, employees, or anyone else utilized by the Contractor in the performance of this Contract. The Contractor's liability hereunder shall include all attorney's fees and costs incurred by the Town in the enforcement of this indemnification provision. This includes claims made by the employees of the Contractor against the Town and the Contractor hereby waives its entitlement, if any, to immunity under Section 440.11, Florida Statutes. The obligations contained in this provision shall survive termination of this Contract and shall not be limited by the amount of any insurance required to be obtained or maintained under this Contract.

Subject to the limitations set forth in this Section, Contractor shall assume control of the defense of any claim asserted by a third party against the Town and, in connection with such defense, shall appoint lead counsel, in each case at the Contractor's expense. The Town shall have the right, at its option, to participate in the defense of any third party claim, without relieving Contractor of any of its obligations hereunder. If the Contractor assumes control of the defense of any third party claim in accordance with this paragraph, the Contractor shall obtain the prior written consent of the Town before entering into any settlement of such claim. Notwithstanding anything to the contrary in this Section, the Contractor shall not assume or maintain control of the defense of any third party claim, but shall pay the fees of counsel retained by the Town and all expenses, including experts' fees, if (i) an adverse determination with respect to the third party claim would, in the good faith judgment of the Town, be detrimental in any material respect to the Town's reputation; (ii) the third party claim seeks an injunction or equitable relief against the Town; or (iii) the Contractor has failed or is failing to prosecute or defend vigorously the third party claim. Each party shall cooperate, and cause its agents to cooperate, in the defense or prosecution of any third party claim and shall furnish or cause to be furnished such records and information, and attend such conferences, discovery proceedings, hearings, trials, or appeals, as may be reasonably requested in connection therewith.

It is the specific intent of the parties hereto that the foregoing indemnification complies with Section 725.06, Florida Statutes, as amended. Contractor expressly agrees that it will not claim, and waives any claim, that this indemnification violates Section 725.06, Florida Statues. Nothing contained in the foregoing indemnification shall be construed as a waiver of any immunity or limitation of liability the Town may have under the doctrine of sovereign immunity or Section 768.28, Florida Statutes.

6.2 In addition, the Contractor will indemnify, defend, and hold harmless the Town and settle at its expense any claim or suit brought by a third party against the Town arising out of a claim asserting that the work, services, software, repair, materials or other deliverables ("deliverables" hereafter) provided by the Contractor under the Contract Documents infringes any U.S. copyright or any U.S. patent or misappropriates a trade secret. The Contractor will indemnify and hold harmless the Town against and from damages, costs, and reasonable attorneys' fees, if any and at all levels of trial and appeal or mediation or arbitration, finally awarded in such suit or the amount of the settlement thereof; provided that (i) the Contractor is promptly notified in writing of such claim or suit after the Town receives written notice of the same, (ii) the Contractor will have the sole control of the defense and settlement thereof, and (iii) the Town furnishes the Contractor, on reasonable request, information available to the Town for such defense. The Town will not admit any such claim without prior consent of the Contractor.

6.2.1 In the event of a claim of infringement, the Contractor shall, at its option:

(a) procure for the Town the right to continue using the deliverables provided under this Contract and Contract Documents; or
(b) replace or modify the deliverables so that the same becomes non-infringing but substantially equivalent in functionality and performance.

If neither of the above actions is reasonably feasible, the Contractor will refund to the Town the fee actually paid by Town under the Contract and Contract Documents (as amortized on a straight-line basis over the time in which the Town was able to use the deliverables).

6.2.2 The Contractor will have no obligation under this section for infringement if and to the extent that such claim arises from:

(a) modification of the deliverables other than by the Contractor or by its recommendation; or
(b) combination of the deliverables with products other than those supplied by the Contractor;
(c) the alleged infringement or misappropriation relates to such modification or combination; and/or the specifications or written direction of the Town directs the Contractor to construct, fabricate or otherwise provide the infringing deliverables, design, apparatus or, article, with Contractor's products, services, or work product.

6.2.3 The Contractor will also not have any indemnification obligation with respect to a claim: (i) if it has provided the Town with reasonable changes that would have avoided the problem and the reasonable changes are not fully implemented by the Town within a reasonable time or (ii) arising out use of the deliverables not in accordance with this Contract or the Contract Documents.

6.3 The Contractor's obligation to indemnify, defend, and hold harmless as set forth herein shall remain in effect and shall be binding upon the Contractor whether such injury or damage shall accrue, or may be discovered, before or after termination or expiration of this Contract or the Contract Documents.

6.4 Prior to commencing any work, the Contractor shall provide proof of insurance coverage as required hereunder. Such insurance policy(s) shall be issued by the United States Treasury or insurance carriers approved and authorized to do business in the State of Florida, and who must have a rating of no less than "excellent" by A.M. Best or as mutually agreed upon by the Town and the Contractor. All such insurance policies may not be modified or terminated without the express written authorization of the Town.

Type of Coverage	Amount of Coverage
Commercial general liability (Products/completed operations Contractual, insurance broad form property,	$1, 000,000 per occurrence
Independent Consultant, personal injury)	$2,000,000 annual aggregate
Automobile (owned, non-owned, & hired)	$ 1,000,000 single limits
Worker's Compensation	$ statutory limits

The commercial general liability and automobile policies will name the Town as an additional insured on primary, non-contributory basis and proof of all insurance coverage shall be furnished to the Town by way of an endorsement to same or certificate of insurance prior to the provision of services. The certificates shall clearly indicate that the Contractor has obtained insurance of the type, amount, and classification as required for strict compliance with this section. Failure to comply with the foregoing requirements shall not relieve Contractor of its liability and obligations under this Contract.

6.5 Contractor hereby waives any and all rights to subrogation against the Town, its officers, employees and agents for each required policy. When required by the insurer, or should a policy condition not permit an insured to enter into a pre-loss agreement to waive subrogation without an endorsement, then Contractor shall agree to notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, which a condition to the policy specifically prohibits such an endorsement, or voids coverage should Contractor enter into such an agreement on a pre-loss basis.

6.6 Unless the Contractor's proposal or the applicable manufacturer provides a longer warranty period, the Contractor warrants and guarantees to the Town that all Work provided under the Contract Documents and all materials and parts supplied under the Contract Documents shall be free from all defects for one (1) year from the final completion of the Work. The Contractor shall provide the Town any and all manufacturers' warranties for the goods and services being provided under the Contract Documents. The Contractor agrees to pay for all transportation and handling costs of returned materials, if required, for repair or replacement.

Article 7. INDEPENDENT CONTRACTOR.

No relationship of employer or employee is created by this Agreement, it being understood that Contractor will act hereunder as an independent contractor and none of the Contractor's, officers, directors, employees, independent contractors, representatives or agents performing services for Contractor shall have any claim under the Contract Documents or otherwise against the Town for compensation of any kind. The relationship between the Town and Contractor is that of independent contractors, and neither shall be considered a joint venturer, partner, employee, agent, representative or other relationship of the other for any purpose expressly or by implication.

Article 8. FORCE MAJEURE.

Neither party hereto shall be liable for its failure to perform hereunder due to any circumstances beyond its reasonable control, such as acts of God, wars, riots, national emergencies, sabotage, epidemics, strikes, labor disputes, accidents, and governmental laws, ordinances, rules, or regulations. The Contractor or the Town may suspend its performance under this Contract as a result of a force majeure without being in default of this Contract, but upon the removal of such force majeure, the Contractor or Town shall resume its performance as soon as is reasonably possible. Upon the Contractor's request, the Town shall consider the facts and extent of any failure to perform the work and, if the Contractor's failure to perform was without its fault or negligence, the schedule may be revised accordingly, subject to the Town's rights to change, terminate, or stop any or all of the work at any time. No extension shall be made for delay occurring more than five (5) days before a notice of delay or claim therefore is made in writing to the Town. In the case of continuing cause of delay, only one (1) notice of delay or claim is necessary. Failure to timely provide notice of any delay shall waive the delay until notice is properly provided in accordance with this provision and the Contract.

Article 9. TERMINATION.

9.1 **TERMINATION BY TOWN:** The Town may terminate the Contract and the Contract Documents if the Contractor:

- **(a)** refuses or fails to supply enough properly skilled workers or proper materials;
- **(b)** fails to timely prosecute the work or any portion thereof;
- **(c)** disregards or takes action contrary to any laws, ordinances, or rules, regulations or orders of a public authority having jurisdiction;
- **(d)** takes action, short of declaring bankruptcy, evidencing insolvency;
- **(e)** fails or refuses to provide and/or maintain insurance or proof of insurance as required by the Contract Documents; or,
- **(f)** otherwise is in breach of a provision of the Contract Documents.

If any of the above exist, the Town, may without prejudice to any other rights or remedies of the Town and after giving the Contractor three (3) days' written notice, and five (5) days to cure, terminate the Contract and Contract Documents and may:

- **(a)** take possession of the site and of all materials, equipment, tools, and construction equipment and machinery thereon owned by or paid for by the Town; and,
- **(b)** finish the Work by whatever reasonable method the Town may deem expedient.

The Contractor shall be liable for any damage to the Town, including additional attorney and engineering/architectural fees, resulting from the Contractor's termination under this provision by the Town, including but not limited to, and any increased costs incurred by the Town in completing the work.

When the Town terminates the Contract for one of the reasons stated above, the Contractor shall not be entitled to receive further payment, if any, until the work is finished.

Should it be determined by a mediator or a court of competent jurisdiction that the Town wrongfully terminated the Contract, then the Contractor agrees to treat such termination as a termination for convenience.

9.2 **TERMINATION BY THE TOWN FOR CONVENIENCE**

The Town may, at any time, terminate the Contract and Contract Documents for the Town's convenience and without cause. Upon receipt of written notice from the Town of such termination for the Town's convenience, the Contractor shall:

(a) cease operations as directed by the Town in the notice;
(b) take actions necessary, or that the Town may direct, for the protection and preservation of the Work; and
(c) except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing orders and enter into no further orders.

In case of such termination for the Town's convenience, the Contractor shall be entitled to receive payment for all Work executed and materials in place and reasonable demobilization costs (if any). The Town shall not be liable to the Contractor for any loss of profit, liquidated damages, penalties, or any other indirect or consequential costs or damages.

9.3 EXCEPT AS SPECIFICALLY PROVIDED IN SECTION 9.2, IN NO EVENT SHALL THE TOWN BE LIABLE TO THE CONTRACTOR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, LIQUIDATED, OR PUNITIVE DAMAGES, NOR FOR LOST REVENUES, SALES, OR PROFITS, OR DAMAGES FOR BUSINESS INTERRUPTION REGARDLESS OF THE CONTRACTOR'S THEORY OF LIABILITY.

Article 10. MISCELLANEOUS.

10.1 The Town and Contractor each binds itself, its partners, its successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect of all covenants, agreements and obligations contained in the Contract Documents.

10.2 Additional work, changes to the Contract Price, or Contract Time, is subject to the Town's prior written approval. The Contractor has no authority to approve such changes and has no authority to waive the requirement of prior written authorization for extra work, changes in the Contract Time, Contract Time, or change orders

10.3 Headings and References & Exhibits: The headings contained in this Contract are inserted for convenience of reference only and shall not be a part or control or affect the meaning hereof. All references herein to Articles are to the Articles of this Contract. All references herein to Exhibits are to the exhibits hereto, each of which shall be incorporated into and deemed to be a part of this Contract.

10.4 Counterparts: This Contract may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall be deemed to be an original, but each of which together shall constitute one and the same instrument.

10.5 Entire Contract; Amendment and Waiver: This Contract (together with the other Contract Documents) supersedes any and all prior negotiations and oral or written agreements heretofore made relating to the subject matter hereof and, except for written agreements, if any, executed and delivered simultaneously with or subsequent to the date of this Contract, constitutes the entire agreement of the parties relating to the subject matter hereof. This Contract may not be altered or amended except by a writing signed by the parties hereto. No waiver of any of the terms or conditions of this Contract shall be effective unless in writing and executed by the party to be changed therewith. No waiver of any condition or of the breach of any term, covenant, representation, warranty or other provision hereof shall be deemed to be construed as a further or continuing waiver of any such condition or breach or a waiver of any other condition or of any breach of any other term, covenant, representation, warranty or other provision contained in this Contract.

10.6 Successors and Assigns: This Contract shall be binding upon, and shall inure to the benefit of the parties hereto and their respective successors and assigns.

10.7 Governing Law; Consent to Jurisdiction: This Contract shall be governed by and construed and interpreted in accordance with the laws of the State of Florida. Each of the parties hereto (a) irrevocably submit itself to the exclusive jurisdiction of the Fifteenth Judicial Circuit Court in and for Palm Beach County, Florida for state actions and jurisdiction of the United States District Court for the Southern District of Florida, Palm Beach Division, for the purposes of any suit, action or other proceeding arising out of, or relating to, this Contract; (b) waives and agrees not to assert against any party hereto, by way of motion, as a defense of otherwise, in any suit, action or other proceeding, any claim that it is not personally subject to the jurisdiction of the above-named courts for any reason whatsoever; and (ii) to the extent permitted by applicable law, any claim that such suit, action or proceeding by any part hereto is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper or that this Contract or the subject matter hereof may not be enforced in or by such courts.

10.8 Third Party Beneficiary rights: This Contract shall create no rights or claims whatsoever in any person other than a party herein.

10.9 Severability: If any one or more of the provisions of the Contract shall be held to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

10.10 Effective date: The effective date of this Contract is the date the Contract is approved by the Town Commission.

10.11 Public Records**:** The Contractor shall comply with Florida's Public Records Act, Chapter 119, Florida Statutes, and, if determined to be acting on behalf of the Town as provided under section 119.011(2), Florida Statutes, specifically agrees to:

(a) Keep and maintain public records required by the Town to perform the service.

(b) Upon request from the Town's custodian of public records or designee, provide the Town with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.

(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Contract and following completion of this Contract if the Contractor does not transfer the records to the Town.

(d) Upon completion of this Contract, transfer, at no cost, to the Town all public records in possession of the Contractor or keep and maintain public records required by the Town to perform the service. If the Contractor transfers all public records to the Town upon completion of the Contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Town, upon request from the Town's custodian of public records or designee, in a format that is compatible with the information technology systems of the Town.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, PLEASE CONTACT THE TOWN OF OCEAN RIDGE, ATTN: TOWN CUSTODIAN OF PUBLIC RECORDS AT (561) 732-2635, KAVERY@OCEANRIDGE.GOV, 6450 N. OCEAN BLVD., OCEAN RIDGE, FL 33435.

10.12 Preparation & Remedies: This Contract shall not be construed more strongly against either party regardless of who was more responsible for its preparation. No remedy herein conferred upon any party or is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. Each party reserves to itself all remedies available under applicable law and there shall be no limitation on actions except as provided under Florida law.

10.13 PALM BEACH COUNTY IG: In accordance with Palm Beach County ordinance number 2011-009, the Contractor acknowledges that this Agreement may be subject to investigation and/or audit by the Palm Beach County Inspector General. The Contractor has reviewed Palm Beach County ordinance number 2011-009 and is aware of its rights and/or obligations under such ordinance.

10.14 Except where specifically provided for in the Contract Documents, the Contractor shall not be entitled to an increase in the Contract Price or payment or compensation of any kind from the Town for direct, indirect, consequential, impact or other costs, expenses or damages, including, but not limited to, costs of acceleration or inefficiency, arising because of delay, disruption, interference or hindrance from any cause whatsoever. Provided, however, and subject to sovereign immunity under section 768.28, Florida Statutes, that this provision shall not preclude recovery or damages by the Contractor for hindrances or delays due solely to fraud, bad faith or active interference on the part of the Town. Otherwise, the Contractor shall be entitled only to extensions of the Contract Times as the sole and exclusive remedy for such resulting delay, in accordance with and to the extent specifically provided above.

10.15 If any legal action or other proceeding is brought for the enforcement of this Contract or the Contract Documents, or because of an alleged dispute, breach, default or misrepresentation in connection with any provisions of this Contract or the Contract Documents, each party shall be responsible for their own attorney's fees at all levels. **EACH PARTY ALSO AGREES AND VOLUNTARILY WAIVES ANY RIGHT TO A JURY TRIAL ARISING OUT OF ALLEGED DISPUTE, BREACH, DEFAULT, MISREPRESENTATION OR ANY OTHER CLAIM IN CONNECTION WITH OR ARISING FROM ANY PROVISION OF THIS CONTRACT OR THE CONTRACT DOCUMENTS INCLUDING BUT NOT LIMITED TO ANY COUNTERCLAIMS.**

10.16 Each of the parties agrees to perform its obligations under the Contract Documents in conformance with all laws, regulations and administrative instructions that relate to the parties' performance of the Work and under the Contract Documents.

10.17 All documents, including but not limited to drawings, specifications, plans, reports, other items and data or programs stored in hard-copy, electronically or otherwise (collectively referred to as "Documents" hereafter), prepared by the Contractor under this Contract shall be considered a "Work for Hire" and the exclusive property of the Town. To the extent such Documents may not be deemed a "Work for Hire" under applicable law, Contractor will assign to the Town all right, title and interest in and to Contractor's copyright(s) for such Documents. Contractor shall execute and deliver to Town such instruments of transfer and take such other action that Town may request, including, without limitation, executing and filing, at Town's expense, copyright applications, assignments and other documents required for the protection of Town's right to such Documents. The Contractor shall retain copies of the Documents for a period of three (3) years from the date of completion of the Project. The Town grants to the Contractor the right and/or limited license to use a portion of the Documents prepared by the Contractor in future projects of the Contractor with said right and/or limited license to use a portion at Contractor's own risk and without any liability to Town. Any modifications made by the Town to any of the Contractor's Documents, or any use, partial use or reuse of the Documents without written authorization or adaptation by the Contractor will be at the Town's sole risk and without liability to the Contractor.

10.18 COMPLIANCE WITH SECTION 787.06**.** By executing this Contract before a notary public and taking an oath under the penalty of perjury, the Contractor attests and warrants that the Contractor does not use coercion for labor or services as defined in section 787.06, Florida Statutes (2025).

10.19 Any provision of this Contract which is of a continuing nature or imposes an obligation which extends beyond the term of this Contract shall survive its expiration or earlier termination.

10.20 As provided in Sections 287.132-133, Florida Statutes, as amended from time to time, by entering into the Contract Documents, the Contractor certifies that it and its affiliates who will perform hereunder have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the date hereof.

10.21 As provided in Section 287.135, Florida Statutes, as amended from time to time, by entering into the Contract Documents, the Contractor certifies that it is not participating in a boycott of Israel. Town and Contractor agree that the Town will have the right to terminate the Contract Documents if Contractor is found to have been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

10.22 Pursuant to Section 448.095(2), Florida Statutes, the Contractor shall register with and use the E-Verify system to verify the work authorization status of all newly hired employees and require all subcontractors (receiving funding under this Contract) to register with and use the E-Verify system to verify the work authorization status of all the subcontractors' newly hired employees.

10.23 Except as otherwise provided herein, any formal notice required to be given under the Contract Documents shall be sent by certified mail (return receipt requested) or by nationally recognized overnight courier as to the parties' primary office location provided at the outset of this Contract. Either party may amend this notice provision by written notice to the other party.

10.24 By executing this Contract, on behalf of the Contractor, the undersigned hereby warrants and represents to the Town that he or she has the authority and full legal power to execute this

Contract and any and all documents necessary to effectuate and implement the terms of this Contract on behalf of the Contractor for whom he or she is signing and to bind and obligate such party with respect to all provisions contained in this Contract.

10.25 CONFIDENTIAL AND PROPRIETARY INFORMATION. Each party (the "Receiving Party") will keep confidential and not disclose to any other person or entity or use (except as expressly and unambiguously authorized by this Agreement) information, technology or software ("Confidential Information") obtained from the other party ("Disclosing Party"); provided, however, that the Receiving Party will not be prohibited from disclosing or using information (i) that at the time of disclosure is publicly available or becomes publicly available through no act or omission of the Receiving Party, (ii) that is or has been disclosed to the Receiving Party by a third party who is not under, and to whom the Receiving Party does not owe, an obligation of confidentiality with respect thereto, (iii) that is or has been independently acquired or developed by the Receiving Party without access to the Disclosing Party's Confidential Information, (iv) that is already in the Receiving Party's possession at the time of disclosure, or (v) that is required to be released by law.

IN WITNESS WHEREOF, the Town and Contractor have caused this Contract for Minor Construction to be executed the day and year shown above.

TOWN OF OCEAN RIDGE, FLORIDA

ATTEST:

By: ___________________________________
Geoff Pugh, Mayor

____
Kelly Avery, Town Clerk

Approved as to form and legal sufficiency:

____
Christy Goddeau, Town Attorney

CONTRACTOR: **FLORIDA STATE ROOF SYSTEMS, INC.**

By: _________________________________
Print Name: ________________________
Title: ______________________

[Corporate Seal]

STATE OF __________________)
COUNTY OF ___________________)

THE FOREGOING instrument was acknowledged before me by means of physical presence or online notarization on this ____ day of ______________ 2025, by _________________________, as the _________________________ [title] of FLORIDA STATE ROOF SYSTEMS, INC., a Florida corporation, who is personally known to me or who has produced__________________________ as identification, and who did take an oath under penalty of perjury that the facts stated with regard to section 787.06, Florida Statutes, are true and correct, and that he or she is duly authorized to execute the foregoing instrument and bind FLORIDA STATE ROOF SYSTEMS, INC., to the same.

____

Notary Public Signature

[Notary Seal]

EXHIBIT "A"
(Contractor's Quote – two (2) pages)

EXHIBIT “B”

CHANGE ORDER FORM
(Addition or Revision to Work Requested by Town that increases Contract Price)

Project Number: _____________ **Contractor:** ______________________________

Contractor’s Project Representative’s E-Mail: ________________________________

Contractor’s Project Representative’s Phone Number: ________________________

Project Name: ____

Contract Effective Date: _______________________

Change Order Number: __________________

Change Order Effective Date: _________________ [*TO BE COMPLETED BY TOWN]*

Change Order Type: **INCREASE IN CONTRACT PRICE**

Associated Change in Contract Time: _______________________ (work days)

Existing Purchase Order / Work Order Number: __________________ (if applicable)

Description of Change as requested by Owner:
____
____
____
____
____.

Price of Original Contract: $____

Current Price of Contract (including prior Change Orders): $_____________________________

Price of Current Change Order: $__________________

New Contract Price: $____________________________

Basis of Price Change: ___ Unit Price ___ Time & Material ___ Lump Sum

Contract Time Change: ___ No Change ___ Extended ____ Decreased by ____ work days

**** Contractor shall attach all supporting documentation, which will be incorporated herein by reference.***

(*Increases in Unit Prices should be identified in the table below*).

1	2	3	4	5	6
Item No.	**Description**	**Qty**	**Unit**	**Unit Price**	**Increase In Contract Price**
1					
2					
3					
4					
5					

The Contractor and the Town agree that this CHANGE ORDER represents the complete agreement of the parties with respect to the Work as modified herein as of the date of this CHANGE ORDER.

By approving this Change Order, the Contractor releases any and all claims that it may have against the Town under the subject Contract Documents including, but not limited to claims for equitable adjustments, which occurred or accrued prior to the effective date of this CHANGE ORDER except those claims made in writing to the Town prior to the effective date of this CHANGE ORDER.

This Change Order may be executed in counterparts and is not effective until approved by either the Town Manager or Town Commission (as designated on the last page of this Change Order).

Reviewed and Accepted by Contractor : ______________________________________
(Contractor Name)

_________________________ _________________ _________________

Contractor Representative (Signature) Title Date

TOWN: Based on the foregoing and the attached supporting documentation, the Owner's Contract Administrator recommends the proposed Change Order for submission to the Town Commission or Town Manager.

Recommended for approval by: ___________________________ _________________

___________________, Director Date

IN WITNESS WHEREOF, the Town of Ocean Ridge has approved this Change Order No. ____ to the ____________________ Project on _____________, 20__.

TOWN OF OCEAN RIDGE, FLORIDA

By: ______________________________
Michelle Heiser, Town Manager*

ATTEST:

By: ____________________________
Kelly Avery, Town Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

By: ___________________
Christy Goddeau, Town Attorney

**The Town Manager may be authorized to execute a Change Order(s) under the Town's Purchasing Code.*

Attachments: (*Contractor shall attach all supporting documentation*)

Agenda: Monday, Augst 3, 2026
Town of Ocean Ridge, Florida
Town Commission Agenda Memorandum
Michelle Heiser, Town Manager

Subject: Monthly Financial Report

<u>Balance Sheets</u>
The total General Fund assets as of June 30, 2026, are $15.0 million. The FLCLASS investment account balance at the end of June was $13.6 million.

<u>Revenue and Expenditure Statements</u>

The total General Fund budgeted revenue is $12,817,860 along with utilizing $1,990,489 of unassigned reserves. Based on current spending, the 2026 utilization of reserves will be deferred until fiscal year 2027. At the end of June, the Town received $12,416,029.

The total expenditures through June 2026 are $7,917,779. This includes $242,659 spending on capital items.

Expense type	Budget	Actual	Remaining	% Spent
Salaries and Benefits	$4,838,292	$3,683,573	$1,154,719	76.13%
Operating	5,568,056	3,758,179	$1,809,877	67.50%
Capital	4,072,000	242,659	$3,829,341	5.96%
Debt	330,000	233,368	$96,632	70.72%
Total	$14,808,348	$7,917,779	$6,890,569	53.47%

BALANCE SHEET REPORT FOR TOWN OF OCEAN RIDGE
Balance As Of 06/30/2026

GL Number	Description	YTD Balance 06/30/2026 Normal (Abnormal)
Fund: 001 GENERAL FUND		
*** Assets ***		
001-000.000-101.269	TD GEN OPERATING	459,039.13
001-000.000-101.270	SEACOAST OPERATING	557,619.45
001-000.000-102.000	PETTY CASH	150.00
001-000.000-115.200	GARBAGE FEES RECEIVABLE	6,210.00
001-000.000-115.500	ALARM MONITORING RECEIVABLE	1,400.00
001-000.000-115.900	MISC RECEIVABLES	91,594.60
001-000.000-133.000	DUE FROM OTHER GOVERNMENTS	251,934.86
001-000.000-151.356	FLCLASS INVESTMENT FUND	13,630,149.83
001-000.000-155.100	PREPAID EXPENSES MISC	14,229.93
Total Assets		15,012,327.80
*** Liabilities ***		
001-000.000-202.000	ACCOUNTS PAYABLE	68,566.95
001-000.000-208.100	DUE BLDG INSP CERT PROGRAM	10,771.35
001-000.000-208.400	DUE FLORIDA ELECTIONS COMM	108.00
001-000.000-216.100	ACCRUED WAGES PAYABLE	132,967.02
001-000.000-218.100	FICA TAXES PAYABLE	10,161.19
001-000.000-218.300	GROUP HOSP INSURANCE WITHHELD	37,796.22
001-000.000-218.500	DEFERRED COMPENSATION	3,138.68
001-000.000-218.700	RETIREMENT	96,974.10
001-000.000-218.800	EMPLOYEE DEDUCTIONS	1,806.57
001-000.000-220.000	DEPOSITS	81.00
001-000.000-223.000	DEFERRED REVENUE	45,422.82
001-000.000-290.100	DEFERRED INFLOW	142,549.32
Total Liabilities		550,343.22
*** Fund Equity ***		
001-000.000-247.100	RESERVE FOR TOWN HALL CAP PROJ	370,550.05
001-000.000-247.200	RESERVE FOR INSURANCE	160,000.00
001-000.000-247.400	BEAUTIFICATION RESERVE ACCT	115,267.48
001-000.000-271.100	FUND BALANCE	9,204,490.98
001-000.000-281.100	RESTRICTED FOR DEBT SERVICE	116,985.93
001-000.000-281.400	RESTRICTED TOWN HALL BEAUTIFICATIOIN	32,657.84
Total Fund Equity		9,999,952.28
Total Fund 001:		
TOTAL ASSETS		15,012,327.80
BEG. FUND BALANCE		9,999,952.28
+ NET OF REVENUES & EXPENDITURES		4,462,734.11
= ENDING FUND BALANCE		14,462,686.39
+ LIABILITIES		550,343.22
= TOTAL LIABILITIES AND FUND BALANCE		15,013,029.61

GL Number	Description	25-26 Amended Budget	YTD Balance 06/30/2026 Normal (Abnormal)	Available Balance 06/30/2026 Normal (Abnormal)	% Bdgt Used	Encumbrance 06/30/2026 Increase (Decrease)
Fund: 001 GENERAL FUND						
Account Category: Revenues						
Department: 310.000 TAXES						
001-310.000-311.000	AD VALOREM TAXES	9,547,100.00	9,462,643.21	84,456.79	99.12	0.00
001-310.000-312.410	LOCAL OPTION 6 CENT GAS TAX	37,000.00	30,778.77	6,221.23	83.19	0.00
001-310.000-312.420	SECOND LOCAL OPTION FUEL TAX	18,000.00	14,049.11	3,950.89	78.05	0.00
001-310.000-313.100	ELECTRIC FRANCHISE TAX	240,000.00	182,157.56	57,842.44	75.90	0.00
001-310.000-314.100	UTILITY SERVICE TAX ELECTRIC	330,000.00	265,136.54	64,863.46	80.34	0.00
001-310.000-314.800	UTILITY SERVICE TAX PROPANE	55,000.00	30,264.65	24,735.35	55.03	0.00
001-310.000-314.900	UTILITY SERVICE TAX WATER	100,000.00	62,252.15	37,747.85	62.25	0.00
001-310.000-315.000	COMMUNICATION SERVICES TAX	39,000.00	34,420.29	4,579.71	88.26	0.00
001-310.000-335.200	LOCAL GOVT 1 CENT SALES TAX	39,000.00	76,693.42	(37,693.42)	196.65	0.00
	Total Dept 310.000 - TAXES	10,405,100.00	10,158,395.70	246,704.30	97.63	0.00
Department: 320.000 LICENSES & PERMITS						
001-320.000-322.100	BUILDING PERMITS	700,000.00	761,552.60	(61,552.60)	108.79	0.00
001-320.000-329.100	SIGN PERMITS	300.00	335.00	(35.00)	111.67	0.00
001-320.000-329.200	ALARM USER PERMITS	1,800.00	820.00	980.00	45.56	0.00
001-320.000-329.600	RENTAL REGISTRATIONS	1,800.00	1,855.00	(55.00)	103.06	0.00
	Total Dept 320.000 - LICENSES & PERMITS	703,900.00	764,562.60	(60,662.60)	108.62	0.00
Department: 330.000 INTERGOVERNMENTAL REVENUE						
001-330.000-331.300	JAG GRANT MONIES	0.00	115,000.00	(115,000.00)	100.00	0.00
001-330.000-334.100	STATE GRANT REVENUES	250,000.00	0.00	250,000.00	0.00	0.00
001-330.000-335.110	OPIOD SETTLEMENT	0.00	395.84	(395.84)	100.00	0.00
001-330.000-335.120	STATE REVENUE SHARING PROCEEDS	62,120.00	47,469.30	14,650.70	76.42	0.00
001-330.000-335.150	ALCOHOLIC BEVERAGE LICENSES	0.00	139.84	(139.84)	100.00	0.00
001-330.000-335.181	LOCAL GOVT 1/2 CENT SALES TAX	178,140.00	132,764.77	45,375.23	74.53	0.00
001-330.000-335.490	REBATE ON MUNICIPAL VEHICLES	1,000.00	0.00	1,000.00	0.00	0.00
001-330.000-335.900	ST LIGHT MAINTENANCE REIMBURSE	15,000.00	0.00	15,000.00	0.00	0.00
001-330.000-338.000	PB COUNTY & CTY WIDE OCC LIC	6,000.00	2,882.36	3,117.64	48.04	0.00
001-330.000-338.100	PROPORTION 911 CALL TAKER REV	0.00	1,621.68	(1,621.68)	100.00	0.00
	Total Dept 330.000 - INTERGOVERNMENTAL REVENUE	512,260.00	300,273.79	211,986.21	58.62	0.00
Department: 340.000 CHARGES FOR SERVICES						
001-340.000-341.200	ZONING FEES	25,000.00	21,702.50	3,297.50	86.81	0.00
001-340.000-341.400	CERT COPYING RECORD SEARCH ETC	5,000.00	10,250.00	(5,250.00)	205.00	0.00
001-340.000-341.900	OTHER GEN GOVT CHARGES & FEES	20,000.00	166,559.92	(146,559.92)	832.80	0.00
001-340.000-342.100	LAW ENFORCEMENT/FIRE SERVICE	220,000.00	181,087.85	38,912.15	82.31	0.00
001-340.000-342.300	ALARM MONITORING	35,000.00	28,525.00	6,475.00	81.50	0.00
001-340.000-342.800	SPECIAL DETAIL SERVICES	20,000.00	78,580.00	(58,580.00)	392.90	0.00
001-340.000-342.900	OTHER PUB SAFETY CHARGES &FEES	1,500.00	149.00	1,351.00	9.93	0.00
001-340.000-343.400	GARBAGE AND TRASH REVENUE	350,000.00	226,963.50	123,036.50	64.85	0.00
001-340.000-343.900	LOT MOWING AND CLEARING	0.00	75.00	(75.00)	100.00	0.00
001-340.000-347.500	RENTALS	0.00	35.00	(35.00)	100.00	0.00
	Total Dept 340.000 - CHARGES FOR SERVICES	676,500.00	713,927.77	(37,427.77)	105.53	0.00
Department: 350.000 FINES & FORFEITURES						
001-350.000-351.100	COURT FINES - COURT CASES	6,000.00	17,355.03	(11,355.03)	289.25	0.00
001-350.000-351.300	POLICE EDUCATION $2.00	600.00	0.00	600.00	0.00	0.00
001-350.000-354.000	VIOLATIONS OF LOCAL ORDINANCES	25,000.00	39,674.46	(14,674.46)	158.70	0.00
	Total Dept 350.000 - FINES & FORFEITURES	31,600.00	57,029.49	(25,429.49)	180.47	0.00

GL Number	Description	25-26 Amended Budget	YTD Balance 06/30/2026 Normal (Abnormal)	Available Balance 06/30/2026 Normal (Abnormal)	% Bdgt Used	Encumbrance 06/30/2026 Increase (Decrease)
Fund: 001 GENERAL FUND						
Account Category: Revenues						
Department: 360.000 MISCELLANEOUS REVENUES						
001-360.000-361.100	INTEREST EARNED	480,000.00	389,483.91	90,516.09	81.14	0.00
001-360.000-361.320	INTEREST EARNED-PB CO TAX COLL	7,000.00	0.00	7,000.00	0.00	0.00
001-360.000-361.390	INTEREST OTHER (LIENS, ETC.)	1,500.00	488.60	1,011.40	32.57	0.00
001-360.000-366.900	MISC CONTRIB PRIVATE SOURCES	0.00	13,900.00	(13,900.00)	100.00	0.00
001-360.000-369.900	MISCELLANEOUS REVENUE	0.00	17,966.84	(17,966.84)	100.00	0.00
Total Dept 360.000 - MISCELLANEOUS REVENUES		488,500.00	421,839.35	66,660.65	86.35	0.00
Department: 380.000 NON - REVENUES						
001-380.000-380.100	FUND BALANCE UNAPPROPRIATED	1,990,489.00	0.00	1,990,489.00	0.00	0.00
Total Dept 380.000 - NON - REVENUES		1,990,489.00	0.00	1,990,489.00	0.00	0.00
Revenues		14,808,349.00	12,416,028.70	2,392,320.30	83.84	0.00
Fund 001 - GENERAL FUND:						
TOTAL REVENUES		14,808,349.00	12,416,028.70	2,392,320.30	83.84	0.00

GL Number	Description	25-26 Amended Budget	YTD Balance 06/30/2026 Normal (Abnormal)	Available Balance 06/30/2026 Normal (Abnormal)	% Bdgt Used	Increase	Encumbrance 06/30/2026 (Decrease)
Fund: 001 GENERAL FUND							
Account Category: Expenditures							
Department: 511.101 TOWN COMMISSION							
001-511.101-501.100	EXECUTIVE SALARIES	6,000.00	4,400.00	1,600.00	73.33		0.00
001-511.101-502.100	FICA TAXES	459.00	336.60	122.40	73.33		0.00
001-511.101-502.200	RETIREMENT CONTRIBUTIONS	815.00	617.32	197.68	75.74		0.00
001-511.101-502.400	WORKERS' COMPENSATION	50.00	68.02	(18.02)	136.04		0.00
001-511.101-504.000	TRAVEL & PER DIEM	7,500.00	1,100.13	6,399.87	14.67		0.00
001-511.101-504.100	COMMUNICATIONS SERV PHONE ETC	3,000.00	755.40	2,244.60	25.18		0.00
001-511.101-504.500	INSURANCE LIAB, HAZARD, DAMAGE	29,900.00	30,152.50	(252.50)	100.84		0.00
001-511.101-504.900	OTHER CURRENT CHARGES	500.00	0.00	500.00	0.00		0.00
001-511.101-505.400	SUBSC, MEMBERSHIPS, EDUCATION	2,800.00	1,250.00	1,550.00	44.64		0.00
Total Dept 511.101 - TOWN COMMISSION		51,024.00	38,679.97	12,344.03	75.81		0.00
Department: 512.102 TOWN MANAGER							
001-512.102-501.100	EXECUTIVE SALARIES	225,000.00	134,819.83	90,180.17	59.92		0.00
001-512.102-502.100	FICA TAXES	14,180.70	14,132.24	48.46	99.66		0.00
001-512.102-502.200	RETIREMENT CONTRIBUTIONS	31,567.50	60,103.95	(28,536.45)	190.40		0.00
001-512.102-502.300	HEALTH AND DENTAL INSURANCE	12,906.00	1,180.66	11,725.34	9.15		0.00
001-512.102-502.400	WORKERS' COMPENSATION	100.00	177.77	(77.77)	177.77		0.00
001-512.102-504.000	TRAVEL & PER DIEM	4,950.00	88.00	4,862.00	1.78		0.00
001-512.102-504.100	COMMUNICATIONS SERV PHONE ETC	600.00	1,165.68	(565.68)	194.28		0.00
001-512.102-504.500	INSURANCE LIAB, HAZARD, DAMAGE	2,400.00	2,652.00	(252.00)	110.50		0.00
001-512.102-505.400	SUBSC, MEMBERSHIPS, EDUCATION	4,175.00	0.00	4,175.00	0.00		0.00
Total Dept 512.102 - TOWN MANAGER		295,879.20	214,320.13	81,559.07	72.44		0.00
Department: 513.103 TOWN CLERK/FINANCE							
001-513.103-501.100	EXECUTIVE SALARIES	98,425.32	42,921.89	55,503.43	43.61		0.00
001-513.103-501.200	REGULAR SALARIES AND WAGES	119,031.13	72,746.09	46,285.04	61.12		0.00
001-513.103-501.400	OVERTIME	1,000.00	775.68	224.32	77.57		0.00
001-513.103-501.410	VACATION PAY	3,000.00	0.00	3,000.00	0.00		0.00
001-513.103-502.100	FICA TAXES	16,635.42	13,077.35	3,558.07	78.61		0.00
001-513.103-502.200	RETIREMENT CONTRIBUTIONS	30,509.14	23,983.44	6,525.70	78.61		0.00
001-513.103-502.300	HEALTH AND DENTAL INSURANCE	42,856.80	34,757.78	8,099.02	81.10		0.00
001-513.103-502.310	LTD/STD DISABILITY AND LIFE	783.12	356.74	426.38	45.55		0.00
001-513.103-502.400	WORKERS' COMPENSATION	300.00	408.30	(108.30)	136.10		0.00
001-513.103-503.100	PROFESSIONAL SERVICES	500.00	500.00	0.00	100.00		0.00
001-513.103-503.200	ACCOUNTING & AUDITING	50,500.00	13,755.00	36,745.00	27.24		0.00
001-513.103-503.400	OTHER CONTRACTUAL SERVICES	20,300.00	6,854.25	13,445.75	33.76		0.00
001-513.103-504.000	TRAVEL & PER DIEM	4,925.00	1,596.47	3,328.53	32.42		0.00
001-513.103-504.500	INSURANCE LIAB, HAZARD, DAMAGE	2,400.00	2,652.50	(252.50)	110.52		0.00
001-513.103-504.610	REPAIR & MAINTENANCE	1,250.00	375.00	875.00	30.00		0.00
001-513.103-504.900	OTHER CURRENT CHARGES	5,800.00	6,087.50	(287.50)	104.96		0.00
001-513.103-505.400	SUBSC, MEMBERSHIPS, EDUCATION	2,575.00	500.00	2,075.00	19.42		0.00
Total Dept 513.103 - TOWN CLERK/FINANCE		400,790.93	221,347.99	179,442.94	55.23		0.00
Department: 514.104 LEGAL							
001-514.104-503.100	PROFESSIONAL SERVICES	150,000.00	50,040.13	99,959.87	33.36		0.00
001-514.104-503.110	LEGAL SPECIAL COUNSEL	20,000.00	2,687.50	17,312.50	13.44		0.00
001-514.104-504.700	PRINTING	4,000.00	0.00	4,000.00	0.00		0.00
Total Dept 514.104 - LEGAL		174,000.00	52,727.63	121,272.37	30.30		0.00
Department: 515.105 APPOINTED BOARDS							

GL Number	Description	25-26 Amended Budget	YTD Balance 06/30/2026 Normal (Abnormal)	Available Balance 06/30/2026 Normal (Abnormal)	% Bdgt Used	Increase	Encumbrance 06/30/2026 (Decrease)
Fund: 001 GENERAL FUND							
Account Category: Expenditures							
Department: 515.105 APPOINTED BOARDS							
001-515.105-504.500	INSURANCE LIAB, HAZARD, DAMAGE	2,400.00	2,652.50	(252.50)	110.52		0.00
Total Dept 515.105 - APPOINTED BOARDS		2,400.00	2,652.50	(252.50)	110.52		0.00
Department: 519.106 OTHER GENERAL GOVERNMENT							
001-519.106-503.100	PROFESSIONAL SERVICES	63,000.00	71,634.90	(8,634.90)	113.71		0.00
001-519.106-503.400	OTHER CONTRACTUAL SERVICES	45,785.00	48,604.96	(2,819.96)	106.16		0.00
001-519.106-504.100	COMMUNICATIONS SERV PHONE ETC	16,850.00	5,189.61	11,660.39	30.80		0.00
001-519.106-504.200	POSTAGE & FREIGHT	3,275.00	1,084.63	2,190.37	33.12		0.00
001-519.106-504.300	UTILITY SERVICE - ELEC & WATER	10,000.00	3,088.98	6,911.02	30.89		0.00
001-519.106-504.400	RENTALS & LEASES	3,300.00	3,015.68	284.32	91.38		0.00
001-519.106-504.500	INSURANCE LIAB, HAZARD, DAMAGE	171,900.00	185,763.50	(13,863.50)	108.06		0.00
001-519.106-504.610	REPAIR & MAINTENANCE	224,150.00	206,892.76	(2,242.76)	101.00		19,500.00
001-519.106-504.700	PRINTING	1,500.00	0.00	1,500.00	0.00		0.00
001-519.106-504.900	OTHER CURRENT CHARGES	6,075.00	4,661.36	1,413.64	76.73		0.00
001-519.106-504.910	ELECTION EXPENSES	16,450.00	24.00	16,426.00	0.15		0.00
001-519.106-505.100	OFFICE SUPPLIES	3,000.00	1,336.18	1,663.82	44.54		0.00
001-519.106-505.200	OPERATING SUPPLIES	5,600.00	1,403.93	4,196.07	25.07		0.00
001-519.106-505.220	OPERATING SUPPLIES UNIFORM/EMB	500.00	0.00	500.00	0.00		0.00
001-519.106-505.400	SUBSC, MEMBERSHIPS, EDUCATION	570.00	520.00	50.00	91.23		0.00
001-519.106-507.010	COVENANTS FROM TH LOAN	240,000.00	223,045.59	16,954.41	92.94		0.00
001-519.106-507.200	DEBT SERVICE - INTEREST	90,000.00	10,322.34	79,677.66	11.47		0.00
Total Dept 519.106 - OTHER GENERAL GOVERNMENT		901,955.00	766,588.42	115,866.58	87.15		19,500.00
Department: 521.107 LAW ENFORCEMENT & FIRE CONTROL							
001-521.107-501.100	EXECUTIVE SALARIES	160,800.00	190,595.99	(29,795.99)	118.53		0.00
001-521.107-501.200	REGULAR SALARIES AND WAGES	2,154,861.81	1,618,818.69	536,043.12	75.12		0.00
001-521.107-501.210	ONE TIME LUMP SUM INCREASE	1,000.00	0.00	1,000.00	0.00		0.00
001-521.107-501.400	OVERTIME	125,000.00	41,265.99	83,734.01	33.01		0.00
001-521.107-501.410	VACATION PAY	12,500.00	0.00	12,500.00	0.00		0.00
001-521.107-501.500	SPECIAL PAY INCENTIVE	20,000.00	1,220.00	18,780.00	6.10		0.00
001-521.107-501.510	SPECIAL DETAIL PAY	15,000.00	0.00	15,000.00	0.00		0.00
001-521.107-501.600	HOLIDAY PAY	100,000.00	0.00	100,000.00	0.00		0.00
001-521.107-502.100	FICA TAXES	177,148.14	141,670.26	35,477.88	79.97		0.00
001-521.107-502.200	RETIREMENT CONTRIBUTIONS	728,392.70	573,609.80	154,782.90	78.75		0.00
001-521.107-502.300	HEALTH AND DENTAL INSURANCE	327,511.20	257,947.98	69,563.22	78.76		0.00
001-521.107-502.310	LTD/STD DISABILITY AND LIFE	10,433.76	3,372.01	7,061.75	32.32		0.00
001-521.107-502.400	WORKERS' COMPENSATION	52,000.00	45,840.80	6,159.20	88.16		0.00
001-521.107-503.100	PROFESSIONAL SERVICES	98,870.00	29,206.97	69,663.03	29.54		0.00
001-521.107-503.400	OTHER CONTRACTUAL SERVICES	1,599,425.00	1,545,507.88	53,917.12	96.63		0.00
001-521.107-504.000	TRAVEL & PER DIEM	111,850.00	1,815.00	110,035.00	1.62		0.00
001-521.107-504.100	COMMUNICATIONS SERV PHONE ETC	28,300.00	10,538.98	17,761.02	37.24		0.00
001-521.107-504.200	POSTAGE & FREIGHT	2,000.00	120.99	1,879.01	6.05		0.00
001-521.107-504.300	UTILITY SERVICE - ELEC & WATER	13,000.00	3,288.95	9,711.05	25.30		0.00
001-521.107-504.400	RENTALS & LEASES	3,100.00	1,510.57	1,589.43	48.73		0.00
001-521.107-504.410	VEHICLE LEASES	61,000.00	0.00	61,000.00	0.00		0.00
001-521.107-504.500	INSURANCE LIAB, HAZARD, DAMAGE	62,900.00	72,140.88	(9,240.88)	114.69		0.00
001-521.107-504.610	REPAIR & MAINTENANCE	95,021.00	57,947.74	37,073.26	60.98		0.00
001-521.107-504.620	REPAIR & MAINTENANCE VEHICLE	32,500.00	12,851.22	19,648.78	39.54		0.00
001-521.107-504.630	REPAIR & MAINTENANCE DISPATCH	34,000.00	37,802.41	(3,802.41)	111.18		0.00

GL Number	Description	25-26 Amended Budget	YTD Balance 06/30/2026 Normal (Abnormal)	Available Balance 06/30/2026 Normal (Abnormal)	% Bdgt Used	Increase	Encumbrance 06/30/2026 (Decrease)
Fund: 001 GENERAL FUND							
Account Category: Expenditures							
Department: 521.107 LAW ENFORCEMENT & FIRE CONTROL							
001-521.107-504.700	PRINTING	1,500.00	0.00	1,500.00	0.00		0.00
001-521.107-504.900	OTHER CURRENT CHARGES	4,000.00	329.94	3,670.06	8.25		0.00
001-521.107-505.100	OFFICE SUPPLIES	5,000.00	1,318.83	3,681.17	26.38		0.00
001-521.107-505.200	OPERATING SUPPLIES	31,150.00	11,964.42	19,185.58	38.41		0.00
001-521.107-505.210	OPERATING SUPPLIES GAS & OIL	51,000.00	31,404.49	19,595.51	61.58		0.00
001-521.107-505.220	OPERATING SUPPLIES UNIFORM/EMB	26,280.00	8,248.29	18,031.71	31.39		0.00
001-521.107-505.400	SUBSC, MEMBERSHIPS, EDUCATION	19,665.00	11,364.89	8,300.11	57.79		0.00
Total Dept 521.107 - LAW ENFORCEMENT & FIRE CONTROL		6,165,208.61	4,711,703.97	1,453,504.64	76.42		0.00
Department: 524.108 INSPECTIONS							
001-524.108-501.200	REGULAR SALARIES AND WAGES	60,938.45	170,914.91	(109,976.46)	280.47		0.00
001-524.108-501.400	OVERTIME	500.00	0.00	500.00	0.00		0.00
001-524.108-502.100	FICA TAXES	4,661.79	5,087.11	(425.32)	109.12		0.00
001-524.108-502.200	RETIREMENT CONTRIBUTIONS	8,549.66	9,329.79	(780.13)	109.12		0.00
001-524.108-502.300	HEALTH AND DENTAL INSURANCE	24,104.04	23,314.17	789.87	96.72		0.00
001-524.108-502.310	LTD/STD DISABILITY AND LIFE	304.56	152.28	152.28	50.00		0.00
001-524.108-502.400	WORKERS' COMPENSATION	1,200.00	1,303.30	(103.30)	108.61		0.00
001-524.108-503.100	PROFESSIONAL SERVICES	386,900.00	223,997.21	162,902.79	57.90		0.00
001-524.108-503.400	OTHER CONTRACTUAL SERVICES	30,000.00	15,967.50	14,032.50	53.23		0.00
001-524.108-504.000	TRAVEL & PER DIEM	250.00	0.00	250.00	0.00		0.00
001-524.108-504.200	POSTAGE & FREIGHT	1,550.00	0.00	1,550.00	0.00		0.00
001-524.108-504.400	RENTALS & LEASES	7,025.00	1,906.59	5,118.41	27.14		0.00
001-524.108-504.500	INSURANCE LIAB, HAZARD, DAMAGE	2,400.00	2,652.50	(252.50)	110.52		0.00
001-524.108-504.610	REPAIR & MAINTENANCE	1,000.00	1,197.50	(197.50)	119.75		0.00
001-524.108-504.620	REPAIR & MAINTENANCE VEHICLE	500.00	0.00	500.00	0.00		0.00
001-524.108-504.700	PRINTING	500.00	377.78	122.22	75.56		0.00
001-524.108-504.900	OTHER CURRENT CHARGES	6,200.00	325.00	5,875.00	5.24		0.00
001-524.108-505.100	OFFICE SUPPLIES	1,500.00	32.59	1,467.41	2.17		0.00
001-524.108-505.200	OPERATING SUPPLIES	3,000.00	744.26	2,255.74	24.81		0.00
001-524.108-505.210	OPERATING SUPPLIES GAS & OIL	0.00	1,813.45	(1,813.45)	100.00		0.00
001-524.108-505.220	OPERATING SUPPLIES UNIFORM/EMB	300.00	300.00	0.00	100.00		0.00
001-524.108-505.400	SUBSC, MEMBERSHIPS, EDUCATION	3,720.00	0.00	3,720.00	0.00		0.00
Total Dept 524.108 - INSPECTIONS		545,103.50	459,415.94	85,687.56	84.28		0.00
Department: 534.111 GARBAGE & SOLID WASTE							
001-534.111-503.400	OTHER CONTRACTUAL SERVICES	351,300.00	175,161.22	176,138.78	49.86		0.00
Total Dept 534.111 - GARBAGE & SOLID WASTE		351,300.00	175,161.22	176,138.78	49.86		0.00
Department: 539.112 OTHER PHYSICAL ENVIRONMENT							
001-539.112-503.120	TOWN ENGINEER	118,000.00	30,141.75	87,858.25	25.54		0.00
001-539.112-503.400	OTHER CONTRACTUAL SERVICES	340,720.00	160,873.45	173,946.55	48.95		5,900.00
001-539.112-504.610	REPAIR & MAINTENANCE	131,000.00	16,363.95	50,336.05	61.58		64,300.00
Total Dept 539.112 - OTHER PHYSICAL ENVIRONMENT		589,720.00	207,379.15	312,140.85	47.07		70,200.00
Department: 541.113 PUBLIC WORKS							
001-541.113-501.200	REGULAR SALARIES AND WAGES	155,911.63	125,953.40	29,958.23	80.79		0.00
001-541.113-501.400	OVERTIME	20,000.00	3,228.11	16,771.89	16.14		0.00
001-541.113-501.410	VACATION PAY	2,000.00	0.00	2,000.00	0.00		0.00
001-541.113-502.100	FICA TAXES	11,927.24	9,866.34	2,060.90	82.72		0.00
001-541.113-502.200	RETIREMENT CONTRIBUTIONS	21,874.40	18,094.65	3,779.75	82.72		0.00

REVENUE AND EXPENDITURE REPORT FOR TOWN OF OCEAN RIDGE

Balance As Of 06/30/2026
% Fiscal Year Completed: 74.79

GL Number	Description	25-26 Amended Budget	YTD Balance 06/30/2026 Normal (Abnormal)	Available Balance 06/30/2026 Normal (Abnormal)	% Bdgt Used	Encumbrance 06/30/2026 Increase (Decrease)
Fund: 001 GENERAL FUND						
Account Category: Expenditures						
Department: 541.113 PUBLIC WORKS						
001-541.113-502.300	HEALTH AND DENTAL INSURANCE	25,273.92	20,778.51	4,495.41	82.21	0.00
001-541.113-502.310	LTD/STD DISABILITY AND LIFE	780.12	260.04	520.08	33.33	0.00
001-541.113-502.400	WORKERS' COMPENSATION	12,000.00	16,085.67	(4,085.67)	134.05	0.00
001-541.113-503.100	PROFESSIONAL SERVICES	38,000.00	12,911.89	25,088.11	33.98	0.00
001-541.113-504.100	COMMUNICATIONS SERV PHONE ETC	1,100.00	1,334.29	(234.29)	121.30	0.00
001-541.113-504.300	UTILITY SERVICE - ELEC & WATER	61,500.00	23,156.80	38,343.20	37.65	0.00
001-541.113-504.500	INSURANCE LIAB, HAZARD, DAMAGE	2,400.00	2,652.50	(252.50)	110.52	0.00
001-541.113-504.610	REPAIR & MAINTENANCE	79,500.00	29,923.55	49,576.45	37.64	0.00
001-541.113-504.620	REPAIR & MAINTENANCE VEHICLE	2,000.00	158.57	1,841.43	7.93	0.00
001-541.113-505.200	OPERATING SUPPLIES	4,700.00	1,067.07	3,632.93	22.70	0.00
001-541.113-505.210	OPERATING SUPPLIES GAS & OIL	5,000.00	3,579.77	1,420.23	71.60	0.00
001-541.113-505.220	OPERATING SUPPLIES UNIFORM/EMB	1,200.00	0.00	1,200.00	0.00	0.00
001-541.113-505.230	OPERATING SUPPLIES SMALL TOOLS	3,000.00	33.99	2,966.01	1.13	0.00
001-541.113-505.300	ROAD MATERIALS & SUPPLIES	10,000.00	3,600.00	6,400.00	36.00	0.00
001-541.113-505.400	SUBSC, MEMBERSHIPS, EDUCATION	800.00	0.00	800.00	0.00	0.00
001-541.113-506.400	MACHINERY & EQUIPMENT	10,000.00	0.00	10,000.00	0.00	0.00
Total Dept 541.113 - PUBLIC WORKS		468,967.31	272,685.15	196,282.16	58.15	0.00
Department: 580.114 CONTINGENCY						
001-580.114-509.900	CONTINGENCY	500,000.00	136,775.00	363,225.00	27.36	0.00
Total Dept 580.114 - CONTINGENCY		500,000.00	136,775.00	363,225.00	27.36	0.00
Department: 590.100 TRANSFER TO CAPITAL PROJECTS						
001-590.100-509.110	TRANSFER TO CAPITAL PROJECTS	4,362,000.00	693,857.52	3,668,142.48	15.91	0.00
Total Dept 590.100 - TRANSFER TO CAPITAL PROJECTS		4,362,000.00	693,857.52	3,668,142.48	15.91	0.00
Expenditures		14,808,348.55	7,953,294.59	6,765,353.96	54.31	89,700.00
Fund 001 - GENERAL FUND:						
TOTAL EXPENDITURES		14,808,348.55	7,953,294.59	6,765,353.96	54.31	89,700.00

GL Number	Description	YTD Balance 06/30/2026 Normal (Abnormal)
Fund: 302 CAPITAL PROJECTS FUND		
*** Assets ***		
302-000.000-101.271	SEACOAST CAPITAL	377.50
Total Assets		377.50
*** Liabilities ***		
302-000.000-202.000	ACCOUNTS PAYABLE	3,595.00
Total Liabilities		3,595.00
*** Fund Equity ***		
302-000.000-271.100	FUND BALANCE	(38,732.78)
Total Fund Equity		(38,732.78)
Total Fund 302:		
TOTAL ASSETS		377.50
BEG. FUND BALANCE		(38,732.78)
+ NET OF REVENUES & EXPENDITURES		35,515.28
= ENDING FUND BALANCE		(3,217.50)
+ LIABILITIES		3,595.00
= TOTAL LIABILITIES AND FUND BALANCE		377.50

GL Number	Description	25-26 Amended Budget	YTD Balance 06/30/2026 Normal (Abnormal)	Available Balance 06/30/2026 Normal (Abnormal)	% Bdgt Used	Encumbrance 06/30/2026 Increase (Decrease)
Fund: 302 CAPITAL PROJECTS FUND						
Account Category: Revenues						
Department: 380.000 NON - REVENUES						
302-380.000-381.000	INTERFUND TRANSFER	4,362,000.00	693,857.52	3,668,142.48	15.91	0.00
Total Dept 380.000 - NON - REVENUES		4,362,000.00	693,857.52	3,668,142.48	15.91	0.00
Revenues		4,362,000.00	693,857.52	3,668,142.48	15.91	0.00
Fund 302 - CAPITAL PROJECTS FUND:						
TOTAL REVENUES		4,362,000.00	693,857.52	3,668,142.48	15.91	0.00
Report Totals:						
TOTAL REVENUES - ALL FUNDS		19,170,349.00	13,109,886.22	6,060,462.78	68.39	0.00

GL Number	Description	25-26 Amended Budget	YTD Balance 06/30/2026 Normal (Abnormal)	Available Balance 06/30/2026 Normal (Abnormal)	% Bdgt Used	Increase	Encumbrance 06/30/2026 (Decrease)
Fund: 302 CAPITAL PROJECTS FUND							
Account Category: Expenditures							
Department: 519.106 OTHER GENERAL GOVERNMENT							
302-519.106-503.100	PROFESSIONAL SERVICES	50,000.00	0.00	42,969.00	14.06		7,031.00
302-519.106-504.900	OTHER CURRENT CHARGES	250,000.00	396,683.00	(146,683.00)	158.67		0.00
Total Dept 519.106 - OTHER GENERAL GOVERNMENT		300,000.00	396,683.00	(103,714.00)	134.57		7,031.00
Department: 521.107 LAW ENFORCEMENT & FIRE CONTROL							
302-521.107-506.400	MACHINERY & EQUIPMENT	412,000.00	120,034.24	256,595.48	37.72		35,370.28
Total Dept 521.107 - LAW ENFORCEMENT & FIRE CONTROL		412,000.00	120,034.24	256,595.48	37.72		35,370.28
Department: 539.112 OTHER PHYSICAL ENVIRONMENT							
302-539.112-503.4002503	OTHER CONTRACTUAL SERVICES	0.00	19,000.00	(19,000.00)	100.00		0.00
302-539.112-506.300	IMPROVEMENTS NOT BUILDINGS	3,650,000.00	24,435.00	3,310,541.20	9.30		315,023.80
302-539.112-506.3002501	IMPROVEMENTS NOT BUILDINGS	0.00	92,617.50	(92,617.50)	100.00		0.00
302-539.112-506.3002503	IMPROVEMENTS NOT BUILDINGS	0.00	1,485.00	(1,485.00)	100.00		0.00
302-539.112-506.3002601	IMPROVEMENTS NOT BUILDINGS	0.00	4,087.50	(4,087.50)	100.00		0.00
Total Dept 539.112 - OTHER PHYSICAL ENVIRONMENT		3,650,000.00	141,625.00	3,193,351.20	12.51		315,023.80
Expenditures		4,362,000.00	658,342.24	3,346,232.68	23.29		357,425.08
Fund 302 - CAPITAL PROJECTS FUND:							
TOTAL EXPENDITURES		4,362,000.00	658,342.24	3,346,232.68	23.29		357,425.08
Report Totals:							
TOTAL EXPENDITURES - ALL FUNDS		19,170,348.55	8,611,636.83	10,111,586.64	47.25		447,125.08

Agenda: Monday, August 3, 2026
Memo: Item #12.

Town of Ocean Ridge, Florida

Town Commission Agenda Memorandum

Scott McClure, Police Chief

Subject: **First Amendment to the executed PBC Radio Agreement R2021-1427**

In October 2021, the Town of Ocean Ridge entered into an Interlocal Agreement with Palm Beach County for radio maintenance and repair services for the Town's public safety radio communication equipment. The agreement provides the Town with access to the County's specialized radio maintenance facility, certified technicians, emergency repair services, and annual maintenance support for the Town's radio system.

The original agreement established an initial five-year term beginning November 1, 2021, with two optional five-year renewal periods upon mutual agreement of the parties.

The proposed First Amendment exercises the first five-year renewal option, extending the agreement from **November 1, 2026, through October 31, 2031**.

In addition to extending the term, the amendment updates several administrative and legal provisions to reflect current Palm Beach County contracting standards. These updates include:

- Revising contact information and notice provisions.
- Updating the County's nondiscrimination language to conform to current County policy.
- Updating E-Verify requirements to reflect current Florida law.
- Adding required certifications regarding disclosure of foreign gifts and contracts with countries of concern.
- Adding digital accessibility requirements to ensure electronic documents and public-facing materials comply with current Americans with Disabilities Act (ADA) accessibility standards.

There is **no direct fiscal impact** associated with approval of this amendment. The amendment does not modify the existing fee schedule for radio maintenance services. Maintenance and repair services will continue to be billed in accordance with the rates established under the agreement and any annual updates provided by Palm Beach County as authorized by the original contract.

Staff recommends approval of the First Amendment to the Interlocal Agreement with Palm Beach County for radio maintenance services to ensure the continued maintenance and reliability of the Town's public safety radio communications system while incorporating the County's updated contractual requirements.

Suggested Motion: I move to approve.

Respectfully,
Scott McClure, Police Chief

FIRST AMENDMENT TO INTERLOCAL AGREEMENT

THIS FIRST AMENDMENT to Interlocal Agreement (R2021-1427) dated October 5, 2021, (Agreement) is made as of ______________________, by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida (County) and the **TOWN OF OCEAN RIDGE**, a municipal corporation of the State of Florida, (Town).

In consideration of the mutual promises contained herein, the County and Town agree as follows:

1. The term of the Agreement is renewed beginning on November 1, 2026, and continuing through October 31, 2031, pursuant to the exercise of the first five (5)-year renewal option.

2. **SECTION 13: NOTICES,** of the Agreement is deleted in its entirety and replaced with the following:

   Any notice given pursuant to the terms of this Agreement shall be in writing. The effective date of such notice shall be the date of receipt, as evidenced by a return receipt or email date. All notices shall be addressed to the following:

   County Administrator
   301 North Olive Avenue
   West Palm Beach, FL 33401

   Public Safety Department Director
   50 South Military Trail
   West Palm Beach, FL 33415

   With a copy to:

   Radio System Manager
   Palm Beach County
   Electronic Services & Security Division
   240 South Military Trail
   West Palm Beach, FL 33415

   County Attorney's Office
   301 North Olive Avenue
   West Palm Beach, FL 33401

   As to the Town:

   Mayor
   Town of Ocean Ridge
   6450 North Ocean Blvd

Ocean Ridge, FL 33435

With a copy to:

Town of Ocean Ridge Attorney
Torcivia, Donlon, Goddeau & Rubin, PA
701 Northpoint Pkwy #209
West Palm Beach, FL 33407

Chief of Police
Town of Ocean Ridge
6450 North Ocean Blvd
Ocean Ridge, FL 33435

Invoices to the Town shall be sent to:

Treasurer
Town of Ocean Ridge
6450 North Ocean Ridge Blvd
Ocean Ridge, FL 33435

3. **SECTION 19: NON-DISCRIMINATION** of the Agreement is deleted in its entirety and replaced with the following:

   The County is committed to assuring equal opportunity in the award of contracts and complies with all laws prohibiting discrimination. Pursuant to Palm Beach County Resolution R2025-0748, as may be amended, the Town warrants and represents that throughout the term of the Agreement, including any renewals thereof, if applicable, all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, or genetic information. Failure to meet this requirement shall be considered default of the Agreement.

4. **SECTION 24: E-VERIFY- EMPLOYMENT ELIGIBILITY** of the Agreement is deleted in its entirety and replaced with the following:

   24.01 Town warrants and represents that it is in compliance with section 448.095, Florida Statutes, as may be amended, and that it: (1) is registered with the E-Verify System (E-Verify.gov), and uses the E-Verify System to electronically verify the employment eligibility of all newly hired workers; and (2) has verified that all of the Participant's contractors and subcontractors performing any duties and obligations under this Agreement are registered with and use the E-Verify System to electronically verify the employment eligibility of all newly hired workers.

24.02 County shall terminate this Agreement if it has a good faith belief that Town has knowingly violated Section 448.09(1), Florida Statutes as may be amended.

5. This Agreement is hereby modified to add the following:

SECTION 25: DISCLOSURE OF FOREIGN GIFTS AND CONTRACTS WITH FOREIGN COUNTRIES OF CONCERN

Pursuant to F.S. 286.101, as may be amended, by entering into this Contract or performing any work in furtherance thereof, the Town certifies that it has disclosed any current or prior interest of, any contract with, or any grant or gift received from a foreign country of concern where such interest, contract, or grant or gift has a value of $50,000 or more and such interest existed at any time or such contract or grant or gift was received or in force at any time during the previous five (5) years.

6. This Agreement is hereby modified to add the following:

SECTION 26: DIGITAL ACCESSIBILITY COMPLIANCE

Town acknowledges that the County is a public entity subject to Title II of the Americans with Disabilities Act (ADA) and applicable federal accessibility regulations. Town represents and warrants that all websites, web-based applications, digital services, electronic documents, multimedia, and other electronic content created, developed, provided, submitted, maintained, or delivered under this Agreement that may be electronically displayed, accessed, distributed, or made available to the public by the County shall conform to the Web Content Accessibility Guidelines (WCAG) 2.1, Level AA, or any successor standard adopted by the U.S. Department of Justice.

All electronic documents submitted to the County, including but not limited to PDFs, reports, forms, presentations, and public-facing materials, shall be provided in an accessible format compliant with the applicable accessibility standard at the time of delivery.

Failure to comply with this subsection shall constitute a material breach of this Agreement.

7. Except as modified by this First Amendment, the Agreement remains unmodified and in full force and effect in accordance with the terms thereof, and the parties hereby ratify, confirm and adopt the Agreement, as amended.

The remainder of this page intentionally left blank

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed on the day and year first above written.

ATTEST:

MICHAEL A. CARUSO
CLERK AND COMPTROLLER

By: ______________________________
Deputy Clerk

PALM BEACH COUNTY, a political subdivision of the State of Florida

By: ______________________________
Sara Baxter, Mayor

APPROVED AS TO TERMS AND CONDITIONS:

By: ______________________________
Department Director

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: ______________________________
Assistant County Attorney

ATTEST:

TOWN OF OCEAN RIDGE, a municipal corporation of the State of Florida

By:___________________________
Kelly Avery, Town Clerk

By: _________________________
Geoff Pugh, Mayor

APPROVED AS TO
LEGAL SUFFICIENCY:

By:___________________________
Christy L. Goddeau, Town Attorney

R2021 1427

INTERLOCAL AGREEMENT

This Interlocal Agreement ("Agreement") is made and entered into this _____ day of OCT 0 5 2021 _____ by and between Palm Beach County, a political subdivision of the State of Florida ("County") and the Town of Ocean Ridge, a municipal corporation of the State of Florida ("Participant").

WITNESSETH

WHEREAS, the County and the Participant are continually identifying more effective service delivery methods which result in overall savings to the taxpayers of the County and the Participant; and

WHEREAS, the County and the Participant have determined it to be beneficial to both parties for the Participant to purchase radio repair services from the County; and

WHEREAS, Section 163.01, Florida Statutes, permits public agencies to enter into Agreements to jointly exercise any power, privilege or authority which such agencies share in common and which each might exercise separately.

NOW THEREFORE, in consideration of the mutual covenants, promises and representations contained herein, the parties hereto agree as follows:

SECTION 1: PURPOSE

The purpose of this Agreement is to provide the terms and conditions by which the County will provide comprehensive radio repair services to the Participant and the schedule and method of payment to the County for such services. Radio repair services generally include: 1) warranty and maintenance and corrective maintenance services on radio equipment, and 2) programming of radio communication equipment, and 3) installation of radio equipment to vehicles owned and operated by the Participant.

SECTION 2: RADIO MANAGEMENT FACILITY

The County operates a radio maintenance & repair facility. The facility is located at 2633 Vista Parkway, West Palm Beach, FL 33411-5610. The facility is staffed and operated 8:00 am to 5:00 pm for all repairs and administrative support, Monday through Friday, excluding County holidays. Upon execution of this Agreement, the County will provide the Participant with emergency numbers whereby County personnel can respond to emergencies.

SECTION 3: WARRANTY AND CORRECTIVE REPAIRS

3.01 Corrective Repairs. Corrective repairs will be billed according to the fee schedule identified in **Attachment 1** to this Agreement which is incorporated herein by reference.

3.02 Commercial Repairs. Commercial repairs will be billed according to **Attachment 1** to this Agreement. Any commercial repair to be completed by a vendor outside of the Palm Beach County area and other than the original equipment manufacturer will require the authorization of the Participant prior to commencement of the work.

3.03 Approval of Emergency Services. The Participant is to provide the County with a list of person/positions which are authorized to request emergency services. No emergency work will be undertaken by the County unless approved by a person/position contained on the list. Fees for emergency repair services are identified in **Attachment 1**.

3.04 Approval of Expedited/Overtime Services. The Participant may request services be expedited by requesting that certain work be performed on an overtime basis. Such work can be requested only by authorized Participant positions pursuant to **Section 3.03** and will be performed according to the fee schedule for emergency services.

3.05 Approval of Console Inclusion in County Service Agreement. The Participant may request in writing that its radio communication console be included in the County's Legacy Radio Service Agreement. Upon approval of the costs by the Participant, the County will include in its Service Agreement the Participant's radio console and associated console interface and RF equipment. Participant will be billed for the actual costs as a separate line item on the System Access Charges that are billed by the County in November of each year.

SECTION 4: BILLING SCHEDULE

The County will prepare and transmit a quarterly invoice to the Participant itemizing the costs. The Participant will immediately review the invoice and report any discrepancies to the County within ten (10) days of receipt. Payment will be due to the County within thirty (30) days of receipt of the invoice. Payments shall be sent to:

Board of County Commissioners
Special Receivables Section - Finance
P.O. Box 3977
West Palm Beach, FL 33402-3977

SECTION 5: ANNUAL RATE INFORMATION TO BE PROVIDED BY COUNTY

5.01 Notice of Annual Increases. The County will update **Attachment 1** and transmit same to the Participant prior to June 1st of each year for the fiscal year beginning the next October. Such updates are in the County's sole discretion; but the County agrees that the Participant's fee schedules shall not exceed the fee schedule applied to County departments. The updated Attachment will automatically become a part of this Agreement on October 1st each year.

5.02 Maintenance Information. The County will provide the Participant with quarterly detailed summaries of all maintenance charges during the months that maintenance was performed. At any time, the Participant may request information which it may require to assist in making fiscal or management decisions.

SECTION 6: ASSET INFORMATION TO BE PROVIDED BY PARTICIPANT

On the initial execution of this Agreement, the Participant will provide the County with the information necessary to code all radio and/or communication equipment into the County's automated management system and provide County with encryption codes as reasonably necessary for County to perform the services set forth in this Agreement. Any changes to the Participant's inventory or encryption codes shall be provided to the County as needed.

SECTION 7: COUNTY IMPLEMENTED QUALIFICATIONS, TRAINING AND SAFETY PROGRAMS

The County represents that all repairs will be performed by technicians holding certifications commonly available in the industry. If additional certification and/or training is required to repair new radio equipment models, the County will provide the technicians with the necessary training at no additional cost to the Participant.

SECTION 8: LIABILITY

Each party shall be liable for its own actions and negligence and, to the extent permitted by law, County shall indemnify, defend and hold harmless Participant against any actions, claims or damages arising out of County's negligence in connection with this Agreement, and Participant shall indemnify, defend and hold harmless County against any actions, claims, or damages arising out of Participant's negligence in connection with this Agreement. The foregoing indemnification shall not constitute a waiver of sovereign immunity beyond the limits set forth in Florida Statutes, Section 768.28, nor shall the same be construed to constitute agreement by either party to indemnify the other party for such other party's negligent, willful or intentional acts or omissions. The provisions of this section shall survive the termination or expiration of this Agreement.

SECTION 8A: INSURANCE

Without waiving the right to sovereign immunity as provided by section 768.28, Florida Statutes, (Statute), the Participant represents that it is self-insured with coverage subject to the limitations of the Statute, as may be amended.

If Participant is not self-insured, Participant shall, at its sole expense, purchase and maintain in full force and effect at all times during the life of this contract, insurance coverage at limits not less than those contained in the Statute.

Should Participant purchase excess liability coverage, Participant agrees to include Participant as an Additional Insured.

The Participant agrees to maintain or to be self-insured for Workers' Compensation insurance in accordance with Chapter 440, Florida Statutes.

Should Participant contract with a third-party (Contractor) to perform any service related to the Agreement, Participant shall require the Contractor to provide the following minimum insurance:

- Commercial General Liability insurance with minimum limits of $1,000,000 combined single limit for property damage and bodily injury per occurrence and $2,000,000 per aggregate. Such policy shall be endorsed to include Participant and County as Additional Insureds. Participant shall also require that the Contractor include a Waiver of Subrogation against County.
- Business Automobile Liability insurance with minimum limits of $1,000,000 combined single limits for property damage and bodily injury per occurrence.
- Workers' Compensation insurance in compliance with Chapter 440, Florida Statutes, and which shall include coverage for Employer's Liability with minimum limits of $1,000,000 each accident.

When requested, the Participant shall provide an affidavit or Certificate of Insurance evidencing insurance or self-insurance.

Compliance with the foregoing requirement shall not relieve the Participant of its liability and obligations under this Agreement.

SECTION 9: TERM OF AGREEMENT

9.01 Initial Term. The initial term of this Agreement is for five (5) years and shall commence on November 1, 2021.

9.02 Renewals. This Agreement may be renewed for two (2) additional terms of five (5) years each. At least eight (8) months prior to the expiration of this Agreement's term, the Participant shall provide the County with a request to renew this Agreement. If agreed upon by the parties, within two (2) months of the receipt of the request, the County shall process an Amendment to this Agreement which shall be executed by both the Participant and the County.

9.03 Direct Connect Agreement. Notwithstanding the above paragraphs, this Agreement shall terminate upon the termination or expiration of the Participant's Direct Connect Agreement with the County.

SECTION 10: AMENDMENTS TO THIS AGREEMENT

This Agreement may be amended from time to time via written amendment executed by both the County and the Participant. Annual updates to the Attachment 1 will not require Board of County Commissioners or Participant Council approval, but will be incorporated automatically each year on October 1st.

SECTION 11: TERMINATION

This Agreement can be terminated by either party, with or without cause. Any termination shall be with a minimum of three (3) months notice.

SECTION 12: ANNUAL BUDGET APPROPRIATIONS

Pursuant to State law, this Agreement is subject to the annual budget appropriations of the Participant and the County.

SECTION 13: NOTICES

Any notice given pursuant to the terms of this Agreement shall be in writing and done by Certified Mail, Return Receipt Requested. The effective date of such notice shall be the date of receipt, as evidenced by the Return Receipt. All notices shall be addressed to the following:

As to the County:

Director, Facilities Development & Operations
2633 Vista Parkway
West Palm Beach, FL 33411-5603

With a copy to:

Radio System Manager
2633 Vista Parkway
West Palm Beach, FL 33411-5610

County Attorney's Office
301 North Olive Avenue
West Palm Beach, FL 33401

As to the Participant:

Tracey Stevens, Town Administrator
Town of Ocean Ridge
6450 North Ocean Blvd
Ocean Ridge, FL 33435

With a copy to:

Christy Goddeau
Torcivia, Donlon, Goddeau & Rubin, PA
701 Northpoint Pkwy #209
West Palm Beach, FL 33407

Hal Hutchins, Chief of Police
Town of Ocean Ridge
6450 North Ocean Blvd
Ocean Ridge, FL 33435

Invoices to the Participant shall be sent to:

Jean Hallahan, Treasurer
Town of Ocean Ridge
6450 North Ocean Ridge Blvd
Ocean Ridge, FL 33435

SECTION 14: APPLICABLE LAW

This Agreement shall be governed by the laws of the State of Florida. Any legal action necessary to enforce the Agreement will be held in a court of competent jurisdiction located in Palm Beach County, Florida.

SECTION 15: FILING

A copy of this Agreement shall be filed with the Clerk of the Circuit Court in and for Palm Beach County.

SECTION 16: DELEGATION OF DUTY

Nothing contained herein shall be deemed to authorize the delegation of the Constitutional or Statutory duties of County or Participant.

SECTION 17: PALM BEACH COUNTY OFFICE OF THE INSPECTOR GENERAL AUDIT REQUIREMENTS

Palm Beach County has established the Office of the Inspector General in Palm Beach County Code, Section 2-421 - 2-440, as may be amended. The Inspector General is authorized with the power to review past, present and proposed County contracts, transactions, accounts and records. The Inspector General's authority includes, but is not limited to, the power to audit, investigate, monitor, and inspect the activities of entities contracting with the County, or anyone acting on their behalf, in order to ensure compliance with contract requirements and to detect corruption and fraud. Failure to cooperate with the Inspector General or interfering with or impeding any investigation shall be a violation of Palm Beach County Code, Section 2-421 - 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

SECTION 18: NO THIRD PARTY BENEFICIARY

No provision of this Agreement is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Agreement, including, but not limited to, any citizen or employees of the County and/or the Participant.

SECTION 19: NON-DISCRIMINATION

The County is committed to assuring equal opportunity in the award of contracts and complies with all laws prohibiting discrimination. Pursuant to Palm Beach County Resolution R2017-1770, as may be amended, the Participant warrants and represents that throughout the term of the Agreement, including any renewals thereof, if applicable, all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity or expression, or genetic information. Failure to meet this requirement shall be considered default of the Agreement.

SECTION 20: ASSIGNMENT

Participant may not assign, mortgage, pledge, or encumber this Agreement in whole or in part, without prior written consent of County, which may be granted or withheld at the County's absolute discretion. This provision shall be construed to include a prohibition against an assignment, mortgage, pledge, encumbrance or sublease, by operation of law, legal process, receivership, bankruptcy, or otherwise, whether voluntary or involuntary.

SECTION 21: SEVERABILITY

If any term of the Agreement or the application thereof to any person or circumstance shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement, or the application of such term to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term of the Agreement shall be valid and enforceable to the fullest extent permitted by law.

SECTION 22: COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

SECTION 23: EFFECTIVE DATE

This Agreement is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners and shall become effective only when signed by all Parties and approved by the Palm Beach County Board of County Commissioners.

SECTION 24: E-VERIFY – EMPLOYMENT ELIGIBILITY

24.01 Participant warrants and represents that it is in compliance with section 448.095, Florida Statutes, as may be amended, and that it: (1) is registered with the E-Verify System (E-Verify.gov), and beginning January 1, 2021, uses the E-Verify System to electronically verify the employment eligibility of all newly hired workers; and (2) has verified that all of the Participant's contractors and subcontractors performing any duties and obligations of this Agreement are registered with the E-Verify System, and beginning January, 1, 2021, use the E-Verify System to electronically verify the employment eligibility of all newly hired workers.

24.02 County shall terminate this Agreement if it has a good faith belief that Participant has knowingly violated Section 448.09(1), Florida Statutes as may be amended.

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and year first above written.

R2021-1427 OCT 05 2021

ATTEST:

JOSEPH ABRUZZO
CLERK OF THE CIRCUIT COURT & COMPTROLLER

By: ______________________
Deputy Clerk

PALM BEACH COUNTY, a political subdivision of the State of Florida

By: ______________________
Dave Kerner, Mayor

APPROVED AS TO LEGAL SUFFICIENCY:

By: ______________________
County Attorney

APPROVED AS TO TERMS AND CONDITIONS:

By: MB ______________________
Isamì Ayala-Collazo, Director
Facilities Development & Operations

ATTEST:

By: ______________________
Karla M. Armstrong, Town Clerk

TOWN OF OCEAN RIDGE, a municipal corporation of the State of Florida

By: ______________________
Kristine de Haseth, Mayor

APPROVED AS TO LEGAL SUFFICIENCY

By: ______________________
Christy Goddeau, Town Attorney

ATTACHMENT 1

PALM BEACH COUNTY
ELECTRONIC SERVICES & SECURITY

2633 Vista Parkway, West Palm Beach, FL.
Hours are 8:00 am to 5:00 pm
Monday through Friday, excluding County holidays

Business Hours Contact Phone (561) 233-0830
After Hours/Emergency Contact Phone (561) 712-6428

RADIO REPAIR & MAINTENANCE COSTS		
	Regular	**Emergency/Overtime**
Shop Labor	$65.00 per hour, per person	$97.50 per hour, per person
Contract Labor	$150.00 per hour, per person	$225.00 per hour, per person (Overtime and Saturday) $300.00 per hour, per person (Sunday and Holidays)
Procured Parts and/or Related Components	At County Procurement Cost + 5% Admin Fee	
Console Maintenance Costs (if requested)	Console Maintenance Costs will be provided under separate cover.	

Agenda: Monday, August 3, 2026
Memo: Item #13.

Town of Ocean Ridge, Florida

Town Commission Agenda Memorandum

Christy Goddeau, Town Attorney

Subject: Approval of Ordinance on First Reading: Ordinance 2026-02: An Ordinance Of The Town Commission Of The Town Of Ocean Ridge, Florida, Amending Chapter 66, "Environmental Regulations", Article IV, "Landscaping", Division 2, "Water Efficient Landscape", Section 66-142, "Artificial Turf/Synthetic Grass", To Conform To The Requirements Of Section 125.572, Florida Statutes, And The Florida Department Of Environmental Protection's Minimum Standards For Single Family Residential Properties Of One (1) Acre Or Less In Size; And Providing For Repeal Of Conflicting Ordinances, Severability, Codification, And An Effective Date

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As you know, the Town currently has regulations regarding the installation of artificial turf at section 66-142 of the Town's Land Development Code. Section 125.572, Florida Statutes, which the Legislature passed in 2025, requires the Florida Department of Environmental Protection (FDEP) to adopt minimum standards for the installation of artificial or synthetic turf on single-family residential properties of 1 acre or less in size. On May 19, 2026, FDEP adopted Rule 62-308.100, Florida Administrative Code, which established such minimum standards. A copy of Rule 62-308.100, F.A.C., is attached.

Based on section 125.572, Florida Statutes, and Rule 62-308.100, revisions to section 66-142 of the Town's Land Development Code are required and proposed for single-family residential properties of 1 acre or less in size. For all other properties in the Town, the Town's pre-existing standards for artificial turf are left the same.

There are two (2) areas in Rule 62-308.100 in which local governments are authorized to establish requirements: (1) to establish a quantifiable standard of permeability with a maximum of 10 inches per hour for all layers of the artificial turf installed; and (2) to require that existing irrigation heads be removed and pipe capped prior to installation of artificial turf. Both of these areas are added to the proposed Ordinance with the quantifiable standard being a maximum of 10 inches per hour per square yard for all layers (consistent with but less than the Town's current standard of 30 inches per hour per square yard).

The Planning and Zoning Commission considered the proposed ordinance. The Planning and

Zoning Commission recommended approval with a minor change to further clarify that the requirement for pre-existing irrigation to be removed and capped is for water conservation purposes and included to prevent and prohibit the unnecessary irrigation of artificial turf. The recommended change is highlighted in the proposed ordinance.

Should you have any questions regarding the above, please do not hesitate to contact me.

Staff recommends...approval of Ordinance 2026-02 on first reading.

Suggested Motion: I move to...approve Ordinance 2026-03 on first reading.

Respectfully,
Christy Goddeau, Town Attorney

62-308.100 Synthetic Turf.

(1) Scope.

(a) "Synthetic turf" is defined by s. 125.572(1), F.S.

(b) Pursuant to s. 125.572, F.S., this rule establishes minimum standards for the installation of synthetic turf on single-family residential properties of 1 acre or less in size. Pursuant to s. 125.572(3), F.S., local governments may not regulate synthetic turf in a manner inconsistent with these minimum standards. This rule does not establish nor require any new department-issued permit or authorization for the installation of synthetic turf,

(c) These standards do not modify the property rights of any entity, including any fee simple interests or any less-than-fee interests, such as easements or rights of way.

(2) Material type.

(a) Synthetic turf, including backing material and infill, must not contain heavy metals or intentionally added per- and polyfluoroalkyl substances.

(b) Synthetic turf, including backing materials and infill, must be disposable under normal conditions at any Chapter 62-701, F.A.C., Florida permitted landfill.

(c) Infill material, if used, shall only be clean silica sand, rock, shell, or other natural material, except that coated silica sand may be used provided that any coating used is non-toxic and meets the requirements described in paragraphs (2)(a) and (2)(b). Rubber or any other synthetic infill material is allowed only within the footprint of playground equipment and must also meet the requirements described in paragraphs (2)(a) and (2)(b). Installation shall be designed to prevent washing away of any infill material off the residential property.

(d) Subgrade shall be composed of natural materials, such as crushed rock, or crushed concrete that meets the permeability requirements of this rule. Subgrade materials shall be washed prior to installation to prevent fines from binding.

(3) Color. Green synthetic turf shall be allowed.

(4) Permeability.

(a) Synthetic turf must be permeable and affixed to permeable backing with a pervious subgrade. A local government may establish a quantifiable standard of a maximum of 10 inches per hour for all layers.

(b) Synthetic turf must be installed over a subgrade prepared for positive drainage and evenly graded porous material.

(c) Soil beneath installed subgrade shall not be compacted to the extent that it adversely impacts percolation through the soil.

(5) Stormwater management.

(a) Installation of synthetic turf must be designed and installed to prevent pooling or an increase in the stormwater runoff volume, direction, or rates to adjacent properties and, where possible, runoff shall be directed to on-site pervious areas.

(b) Installation of synthetic turf must not alter the permitted stormwater management system as designed and shall not be installed within a swale, ditch, stormwater pond, or a stormwater pond's littoral zone.

(6) Potable water conservation.

(a) In-ground irrigation systems cannot be used to irrigate synthetic turf areas.

(b) If any in-ground system is already installed, a local government may require that irrigation heads be removed and pipe capped.

(7) Water quality.

(a) Synthetic turf shall not cause or contribute to violations of state water quality standards.

(b) Buffer zones around natural or man-made waterbodies may be established to protect against erosion and reduce pollution provided that such buffer for synthetic turf is no greater or restrictive than what is applicable to natural turf. Where no buffer zone has been established, synthetic turf shall be installed no closer than 10 feet from a natural or man-made waterbody as measured from the applicable ordinary or mean high water line except where there is a physical barrier between the synthetic turf and the waterbody (such as, but not limited to, a seawall or bulkhead).

(8) Proximity to trees and other vegetation.

(a) Installation of synthetic turf cannot compromise the health of nearby trees, including damage to tree roots, other than those identified as a noxious weed as defined in Chapter 581, F.S.

(b) Synthetic turf shall not be installed inside tree drip lines, whether on the property or adjacent properties, unless the tree is a noxious weed as defined by Chapter 581, F.S., or unless a certified arborist, using site specific information and best professional judgment, certifies that installation within that drip line would not be harmful to the tree.

(9) Other factors impacting environmental conditions of adjacent properties.

(a) Synthetic turf shall be installed according to manufacturer's specifications.

(b) Synthetic turf shall be anchored at all edges and seams that, at a minimum, will withstand the effects of wind or flooding.

(c) If installed, synthetic turf must provide for access to the septic tank for routine pumpout.

(d) If installed, synthetic turf shall be installed landward of any dune system and shall not be used to replace any existing dune vegetation.

Rulemaking Authority 125.572 FS. Law Implemented 125.572 FS. History–New 5-19-26.

ORDINANCE NO. 2026-02

AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF OCEAN RIDGE, FLORIDA, AMENDING CHAPTER 66, “ENVIRONMENTAL REGULATIONS”, ARTICLE IV, “LANDSCAPING”, DIVISION 2, “WATER EFFICIENT LANDSCAPE”, SECTION 66-142, “ARTIFICIAL TURF/SYNTHETIC GRASS”, TO CONFORM TO THE REQUIREMENTS OF SECTION 125.572, FLORIDA STATUTES, AND THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION’S MINIMUM STANDARDS FOR SINGLE FAMILY RESIDENTIAL PROPERTIES OF ONE (1) ACRE OR LESS IN SIZE; AND PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

WHEREAS, the Town Commission, as the governing body of the Town of Ocean Ridge, Florida pursuant to authority in Chapter 163 and Chapter 166, Florida Statutes, and the Local Government Comprehensive Planning and Land Development Regulation Act, has adopted a Land Development Code which sets forth the Town’s Land Development Regulations in Chapter 63 through Chapter 70 of the Town’s Code of Ordinances; and

WHEREAS, the Town currently has regulations in section 66-142 of the Town’s Land Development Code regarding artificial turf; and

WHEREAS, in 2025, the Florida Legislature adopted section 125.572, Florida Statutes, to preempt regulation of artificial turf for single family residential properties of one (1) acre or less in size and directed the Florida Department of Environmental Protection (FDEP) to adopt minimum requirements for the installation of artificial turf for such single family residential properties of one (1) acre or less in size; and

WHEREAS, on May 19, 2026, FDEP adopted the minimum standards by final administrative rule as set forth in Rule 62-308.100 of the Florida Administrative Code; and

WHEREAS, the Planning and Zoning Commission, sitting as the Local Planning Agency, has considered this Ordinance to revise section 66-142 at its June 16, 2026 meeting, and submitted its recommendation for approval to the Town Commission; and

WHEREAS, the Town Commission has taken the recommendation of the Local Planning Agency and the comments from the public into consideration; and,

WHEREAS, the Town Commission finds that the revisions to section 66-142 as proposed in this Ordinance are consistent with the Town’s Comprehensive Plan, are in the best interests of the Town, do not create any provisions that are more burdensome or restrictive, and serve a valid public purpose.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMISSION OF THE TOWN OF OCEAN RIDGE THAT:

Section 1. Recitals: The recitals set forth above are hereby adopted as true and correct findings of the Town of Ocean Ridge and its Commission and are specifically made a part of this Ordinance as operative provisions.

Section 2. Amendment: Chapter 66, "Environmental Regulations", Article IV, "Landscaping", Division 2, "Water Efficient Landscape", Section 66-142, "Artificial Turf/Synthetic Grass", is hereby amended as follows (underline denotes new language and ~~strike-through~~ denotes deleted language):

Sec. 66-142. Artificial turf/synthetic grass.

(a) *Definition*. "Artificial turf" and "synthetic grass" as used in this section and elsewhere in the code shall mean "synthetic turf" as defined by section 125.572(1), Florida Statutes.

(b) *Minimum standards for single-family residential properties of 1 acre or less in size.* For all single-family residential properties of 1 acre or less in size, the minimum standards mandated by section 125.572, Florida Statutes, and set forth in Rule 62-308.100 of the Florida Administrative Code (as may be amended from time to time) shall be the minimum standards for the installation of artificial turf in the town. As authorized by Rule 62-308.100, F.A.C. the following conditions shall apply:

(1) All layers shall have a minimum permeability of 10 inches per hour per square yard.

(2) Consistent with Rule 62-308.100 and potable water conservation, in-ground irrigation systems cannot be used to irrigate artificial turf. Accordingly, if an in-ground irrigation system exists at the time of installation, all irrigation heads shall be removed and pipe capped to prevent irrigation of artificial turf.

(c) *Minimum standards for all other properties*. For all other properties not covered under subsection (b) above, the minimum standards set forth in subsection (b) shall apply along with the following standards:

(1) Artificial turf shall consist of green lifelike individual blades of grass that emulate natural turf in look and color, as approved by the town building official, and shall have a minimum pile height of one and one-half inches, unless otherwise approved by the town building official, and shall have a minimum tufted weight of 56 ounces per square yard.

(2) Artificial turf installations shall have a minimum permeability of 30 inches per hour per square yard.

(3) All artificial turf shall have a minimum eight-year manufacturer's warranty that protects against color fading and a decrease in pile height.

(4) Artificial turf shall be lead free.

(5) All materials must include test documentation which declares that the artificial turf yarn and backing materials are disposable under normal conditions, at any U.S. landfill station (Total Content Leach Protocol (TCLP) test).

(6) The use of indoor or outdoor plastic or nylon carpeting as a replacement for artificial turf or natural turf shall be prohibited.

(d) *Installation, maintenance and repair.*

(1) All artificial turf shall at a minimum, be installed according to the manufacturer's specifications.

(2) All artificial turf installations shall be anchored to ensure that the turf will withstand the effects of wind.

(3) All seams shall be nailed and glued, not sewn, and edges shall be trimmed to fit against all regular and irregular edges to resemble a natural look unless otherwise required by the manufacturer.

(4) If artificial turf is planned to be installed immediately adjacent to a seawall, the artificial turf shall be pinned or staked behind the seawall. No artificial turf or installation mechanism shall be attached directly to or placed on a seawall or seawall cap.

(5) Proper drainage shall be provided for all artificial turf installations to prevent excess runoff or pooling of water.

(6) Artificial turf shall be visually level, with the grain pointing in a single direction.

(7) An appropriate barrier device (e.g., concrete mow strip, bender board, brick pavers, river rock, landscaping) is required to separate artificial turf from soil and live vegetation.

(8) Precautions for installation around existing trees shall be monitored and may be restricted to ensure tree roots are not damaged with the installation of the base material and that the overall health of the tree will not be compromised unless a certified arborist certified in writing that the health of the tree is not and will not be compromised.

(9) All artificial turf shall be maintained in a green fadeless condition and shall be maintained free of dirt, mud, stains, weeds, debris, tears, holes, and impressions. Maintenance shall include, but not be limited to cleaning, brushing, debris removal; repairing of depressions and ruts to maintain a visually-level surface; elimination of any odors, flat or matted areas, weeds, and evasive roots; and all edges of the artificial turf shall not be loose and must be maintained with per manufacturer's standards at all times~~appropriate edging or stakes~~.

(10) All artificial turf must be replaced if it falls into disrepair with fading or holes or loose areas. Replacement and/or repairs shall be done with like for like materials from the same manufacturer, if possible, and done so in a manner that results in a repair that blends in with the existing artificial turf.

(11) An owner or applicant shall obtain a duly-authorized building permit from the town's building department prior to the installation of any artificial turf.

(12) The town or other public entity or utility company may remove artificial turf at any time and for any reason, including but not limited to, in order to provide underground access for utility work. The property owner shall bear and pay any and all costs to replace or reinstall the artificial turf.

(<u>e</u>) *Locations allowed.* Artificial turf/synthetic grass shall be allowed in rear and side yards, but not to exceed 25 percent of the total lot area (this area is defined as the total parcel area defined as a side or rear yard minus the area of the primary structure) of the rear and side yards. Artificial turf/synthetic grass shall not be allowed in any front yard areas or in any area visible from the public right-of-way (regardless of whether it is in the rear or side yard), unless it is placed in between paver blocks or similar items in a manner where the area for the artificial turf does not exceed four inches in width, provided that the synthetic turf area does not exceed 50 percent of the total area using the paver blocks. Screening, as approved by the building official, may be used in order to comply with the visibility requirement, further any turf/synthetic grass placed in between paver blocks shall not count toward the 25 percent maximum amount allowed. <u>The foregoing shall not apply to single-family residential properties of 1 acre or less.</u> No artificial turf shall be installed in the public right-of-way.

(<u>f</u>) *Existing artificial turf.* For those properties where artificial turf is currently installed that is not in compliance with this section, when the existing artificial turf is replaced or repaired, in an amount exceeding 50 percent, then compliance with this section shall be required. Further, all existing artificial turf, not in compliance with this section, must be replaced within ten years of the adoption of this ordinance [from which this section derives].

(g) *Pervious area.* Artificial turf shall be considered as 100-percent pervious area.

<u>SECTION 3</u>. Codification: This Ordinance shall be codified in the Code of Ordinances of the Town of Ocean Ridge, Florida.

<u>SECTION 4.</u> Repeal of Conflicting Ordinances: All ordinances, resolutions, or parts of ordinances and resolutions in conflict herewith are hereby repealed.

<u>SECTION 5.</u> Severability: If any word, clause, sentence, paragraph, section, or part thereof contained in this Ordinance is declared to be unconstitutional, unenforceable, void, or inoperative by a court of competent jurisdiction, such declaration shall not affect the validity of the remainder of this Ordinance.

<u>SECTION 6.</u> Effective Date: This Ordinance shall become effective immediately upon adoption.

Commissioner ________________________ offered the foregoing Ordinance and its adoption. The motion was seconded by Commissioner ____________________________ and upon being put to a vote, the vote was as follows:

	AYE	NAY
GEOFF PUGH, Mayor	____	____
STEVE COZ, Vice Mayor	____	____
CAROLYN CASSIDY, Commissioner	____	____
DAVID HUTCHINS, Commissioner	____	____
AINAR AIJALA JR., Commissioner	____	____

The Mayor thereupon declared this Ordinance approved and adopted by the Town Commission of the Town of Ocean Ridge, Florida, on this _________ day of _________, 2026.

TOWN OF OCEAN RIDGE, FLORIDA

BY:_______________________________
GEOFF PUGH, MAYOR

ATTEST:

BY:______________________________
KELLY AVERY, TOWN CLERK

Ocean Ridge Police Department

6450 N. Ocean Blvd., Ocean Ridge, FL 33435
Phone (561) 732-8331 • Fax (561) 732-8676
www.oceanridgeflorida.com

Scott McClure
Chief of Police

June 2026 Monthly Activity Report

Attachments;

1. *Monthly Law Enforcement Activity Report*
   (Please see detailed reports attached)

2. *Monthly Boynton Beach Fire/EMS Activity Report*
   (Please see detailed reports attached)

Ocean Ridge Police Department

Activity Report – June 2026

Traffic Enforcement

Type	Total
Traffic Stops	**388**
Citations	**263**
Written Warnings	**230**
Parking Tickets/Municipal	**1**

Arrests

Type	Total
Felony Arrest	**2**
Misdemeanor Arrest	**10**

Other Calls

Type	Total
Total Calls	**3034**
House Checks	**685**

Telephone Calls Handled by Dispatch

Category	June	Year to Date
9-1-1	52	**474**
Incoming / Non-Emergency	486	**2701**
Outgoing / Non-Emergency	303	**1551**
Total	841	**4726**

Walk-Ins Handled by Dispatch

Category	June	Year to Date
All	195	**1500**
After Business Hours	100	**804**

Administrative / Public Services

Service	June	Year to Date
Alarm Sign Issuance	0	**0**
Alarm Technician	14	**102**
AOD / Range Use	3	**14**
Burn Permit	0	**0**
Fingerprints	4	**16**
Keys	0	**10**
Pet Tag / Vehicle Decal	3	23
Report / Record Request	5	**55**
Vendors	41	**232**
Visitor for Chief	3	**27**
Visitor for Lt or Investigator	6	**28**
Visitor / Info	108	**908**
Gift/Food Delivery	0	**22**
Pick up Property/Evidence	5	**18**
Pill Drop	3	**45**

ACTIVITY SUMMARY BY SIGNALS

ALL UNITS **From** 06/01/2026 00:00 **Through** 06/30/2026 23:59

ACTIVITY SUMMARY BY SIGNALS — All Calls IN Signal Order

Signal	Description	Count
10108	10108 - ON FOOT W/PORTABLE	21
10109	10109 - VEHICLE MAINTENANCE	149
1040	1040 - MEAL BREAK	1
1050	1050 - TRAFFIC STOP	381
1058	1058 - AT STATION	3
1060	1060 - ASSIST TO MOTORIST	5
801	801 - VTC PERMITS (BUILDING)	1
805	805 - VTC SOLICIT W/O PERMIT (DOOR TO DOOR)	2
806	806 - VTC WORKING WHEN NOT PERMITTED	1
815	815 - VTC PARKING ON VACANT LOT	1
824	824 - VTC ALL OTHER	1
BCHK	BCHK - BEACH PATROL	195
DC	DC - DISTRICT CHECK	1369
HCKH	HCKH - HOUSE CHECK HAND	413
HCKV	HCKV - HOUSE CHECK VISUAL	272
LPR	LPR - LICENSE PLATE RECOGNITION ALERT	1
S03	S03 - HIT AND RUN ACCIDENT	1
S04	S04 - AUTO ACCIDENT	2
S12	S12 - RECKLESS DRIVER	3
S13	S13 - SUSPICIOUS INCIDENT	2
S13P	S13P - SUSPICIOUS PERSON	8
S14	S14 - INFORMATION	1
S15	S15 - SPECIAL DETAIL	61
S22	S22 - DISTURBANCE	1
S25	S25 - FIRE/FD ASSIST	1
S30	S30 - THEFT	1
S32A	S32A - SUICIDE ATTEMPT	1
S39	S39 - NEIGHBOR TROUBLE	1
S48G	S48G - OPEN GARAGE DOOR	2
S49	S49 - ALARM	38
S49F	S49F - FIRE ALARM	5
S53	S53 - EMBEZZLEMENT/FRAUD	3
S68	S68 - POLICE SERVICE CALL	25

ACTIVITY SUMMARY BY SIGNALS

ALL UNITS **From** 06/01/2026 00:00 **Through** 06/30/2026 23:59

ACTIVITY SUMMARY BY SIGNALS — All Calls IN Signal Order

Signal	Description	Count
S72	S72 - LOST/FOUND PROPERTY	1
S73	S73 - MEDICAL CALL	11
S76	S76 - ASSIST OTHER DEPARTMENT	17
S78	S78 - OBSCENE/HARASSING PHONE CALLS	1
S79	S79 - 911 PRANK/FALSE/ACCID CALL	15
S84	S84 - WELFARE CHECK	10
S86	S86 - LOUD NOISE/MUSIC	1
S89	S89 - ASSIST MOTORIST	1
S90	S90 - ILLEGAL PARKING	1
S92	S92 - TRAFFIC LIGHT PROBLEMS	1
S93	S93 - STREET OR TRAFFIC SIGNS	1
S95	S95 - TRAFFIC INCIDENT	1
S96	S96 - PROPERTY DAMAGE	1

TOTAL ACTIVITY: 3034

June 2026 BOYNTON BEACH FIRE RESCUE REPORT

Date	Full Incident Address	Incident City	Station	NERIS Primary Incident Type Level 1	NFIRS Incident Type Description	Total Response Time (Exposure 0)
6/16/2026	N Heron Dr Briny Breezes	Briny Breezes	Station 4	Medical		4.4
6/3/2026	Coconut Ln Ocean Ridge	Ocean Ridge	Station 1	Medical	Rescue, EMS incident, other	6.7
6/18/2026	N Ocean Blvd Ocean Ridge	Ocean Ridge	Station 1	Medical	Emergency medical service incident, other	5.8
6/6/2026	N Ocean Blvd Ocean Ridge	Ocean Ridge	Station 1	Medical	Emergency medical service incident, other	9.5
6/26/2026	Old Ocean Blvd N Ocean Ridge	Ocean Ridge	Station 4	Medical	Emergency medical service incident, other	4.6
6/29/2026	Sabal Island Dr Ocean Ridge	Ocean Ridge	Station 1	Medical	Emergency medical service incident, other	7.5
6/10/2026	Douglas Dr Ocean Ridge	Ocean Ridge	Station 4	Medical	Emergency medical service incident, other	5.0
6/10/2026	Spanish River Dr Ocean Ridge	Ocean Ridge	Station 4	Medical	Emergency medical service incident, other	6.8
6/23/2026	N Ocean Blvd Ocean Ridge	Ocean Ridge	Station 4	Medical	Emergency medical service incident, other	5.3
6/30/2026	Cardinal Dr Briny Breezes	Briny Breezes	Station 4	Medical	Emergency medical service incident, other	6.3
6/6/2026	N Ocean Blvd Ocean Ridge	Ocean Ridge	Station 1	Medical	EMS call, excluding vehicle accident with injury	7.0
6/8/2026	Hudson Ave Ocean Ridge	Ocean Ridge	Station 1	Medical	EMS call, excluding vehicle accident with injury	5.0
6/23/2026	Harbour Dr S Ocean Ridge	Ocean Ridge	Station 1	Public Service	Service Call, other	7.3
6/28/2026	Sabal Island Dr Ocean Ridge	Ocean Ridge	Station 1	Public Service	Service Call, other	8.9
6/18/2026	N Ocean Blvd Ocean Ridge	Ocean Ridge	Station 4	Public Service	Vicinity alarm (incident in other location)	6.6
6/2/2026	Old Ocean Blvd Ocean Ridge	Ocean Ridge	Station 1	Public Service	Vicinity alarm (incident in other location)	7.2
6/17/2026	N Ocean Blvd Ocean Ridge	Ocean Ridge	Station 1	No Emergency	System malfunction, other	6.6
6/29/2026	Island Dr S Ocean Ridge	Ocean Ridge	Station 1	No Emergency	System malfunction, other	8.3
6/1/2026	N Ocean Blvd Ocean Ridge	Ocean Ridge	Station 1	No Emergency	System malfunction, other	8.2
6/25/2026	N Ocean Blvd Ocean Ridge	Ocean Ridge	Station 1	No Emergency	Unintentional transmission of alarm, other	7.0

Ocean Ridge Summary		**Briny Breezes Summary**	
Medical Calls	**10**	Medical Calls	**2**
Fire/Other Calls	**8**	Fire/Other Calls	**0**
Total	**18**	**Total**	**2**

EMS Calls exceeding 10 minutes consist of (0)