



**VILLAGE OF WELLINGTON, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FISCAL YEAR ENDED
SEPTEMBER 30, 2025**



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PREPARED BY THE DEPARTMENT OF FINANCIAL SERVICES

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Vision

A Great Hometown:

Great Neighborhoods

Great Schools

Great Parks

Mission

**To provide high quality services
that create economic, environmental
and social sustainability for residents**

Five Fundamentals

Neighborhood Renaissance

Economic Development

Protecting our Investment

Respecting the Environment

Responsive Government

VILLAGE OF WELLINGTON, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

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INTRODUCTORY SECTION

Council

Michael J. Napoleone, Mayor
Tanya Siskind, Vice Mayor
John T. McGovern, Councilman
Maria Antuña, Councilwoman
Amanda Silvestri, Councilwoman

Manager

Jim Barnes

March 3, 2026

The Honorable Mayor, Members of the Village Council, and Residents of the Village of Wellington, Florida

It is with pleasure that we submit to you the Annual Comprehensive Financial Report (ACFR) of the Village of Wellington (“Wellington”) for the fiscal year ended September 30, 2025. This report was prepared by the Office of Financial Management and Budget in accordance with the Wellington Charter, State Statutes and U.S. generally accepted accounting principles (GAAP) for governments. In addition to meeting legal requirements, this report reflects Wellington’s commitment to full financial disclosure. We encourage you to thoroughly read this report and some of the important items it addresses.

State law requires that a complete set of financial statements reporting Wellington’s financial position and results of activities be published within nine months of fiscal year end. This report is to be presented in conformance with GAAP as applicable to governmental entities and audited by an independent firm of certified public accountants in accordance with U.S. generally accepted auditing standards (GAAS).

CBIZ CPAs P.C., independent auditors, have issued an unmodified opinion on the Wellington’s financial statements for the fiscal year ended September 30, 2025. The independent auditors’ report is located at the front of the financial section of this report.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the data, as presented, is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of Wellington on a government-wide and fund basis. All disclosures necessary to enable the reader to gain an understanding of Wellington’s financial activities have been included.

We believe the report will assist in making economic, social and political decisions and in assessing accountability to the residents by:

- ❖ comparing actual financial results with the legally adopted budget, where appropriate;
- ❖ assessing financial condition and results of operations;
- ❖ assisting in determining compliance with fiscally-oriented laws, rules and regulations; and
- ❖ assisting in evaluating the efficiency and effectiveness of Wellington’s operations.

Management’s Discussion and Analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Wellington was incorporated on December 31, 1995, and municipal operations commenced on March 28, 1996. Concurrent with incorporation, the former local government – Acme Improvement District (“District”) – became a dependent district of Wellington.

The financial reporting entity includes all the funds of the primary government (the Village of Wellington, as legally defined), as well as all of its component units in accordance with Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, “Defining the Reporting Entity.” Component units are legally separate entities for which the primary government is financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause Wellington’s basic financial statements to be misleading or incomplete. The primary government is considered financially accountable if it appoints a voting majority of an organization’s governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of the authority of the organization’s governing board. Blended component units, although legally separate entities, are, in substance, part of the primary government’s operations and are included as part of the primary government. Accordingly, the District is reported in the governmental funds (special revenue) of the primary government as a blended component unit.

Wellington is a full-service municipality located within the boundaries of Palm Beach County. Wellington derives its government authority from a charter granted by the legislature of the State of Florida and operates under a Council-Manager form of government. The Mayor and Council Members are elected at large on a non-partisan basis for staggered four-year terms. The Wellington Council appoints the Village Manager who is the Chief Administrative Officer and who directs the business of Wellington and its various departments. The Wellington Council determines policy, adopts legislation, approves the budget, sets taxes and fees, and appoints the Attorney and members of various boards and committees.

Wellington provides a wide variety of community services including general government; planning, zoning and building; public safety (police protection); public works (construction and maintenance of roads, rights of way and other infrastructure; street lighting; and stormwater drainage); culture and recreation (parks maintenance, recreational activities, cultural events and related facilities); water and sewer utilities; and solid waste collection and recycling.

Wellington currently encompasses approximately 46 square miles in the east-central portion of Palm Beach County (County) and is the 3rd largest municipality in the County based on its land area. When the District was initially created in 1953, fewer than 100 individuals resided in the area. Today, Wellington is an affluent residential community with an estimated current permanent population of 61,836 and a median home value of \$557,100. Projections indicate that this population will approach 65,000 residents by the year 2028. Wellington offers tremendous diversity: the 10,000 acres north of Pierson Road consist of developments ranging from apartments to estate homes at the Polo Club and from town homes to the Aero Club where the residents have airplane hangars attached to their homes. The 10,000 acres south of Pierson Road contain one of the world’s premiere equestrian facilities, horse farms, agriculture, nurseries, and fully developed multi-million dollar 80-acre estates promoting equestrian activities. The primary sources of employment within Wellington are agriculture, retail sales, healthcare and governmental (schools and municipal).

ECONOMIC CONDITION AND OUTLOOK

The national and local economies are experiencing modest to low growth, with sales tax revenues stable from 2024 to 2025, while business tax receipts decreased by 2%. Wellington continued to experience annual increases in the average home value since 2010 and including in 2025. However, the longer-term effects of inflation and mortgage interest rates on local home prices may impact future years’ revenue changes. Wellington continues to strategically invest in its Neighborhood Renaissance & Economic Development Initiatives to help the local economy and property values. Home rehabilitation grants as well as outreach programs are funded and managed to support local residents and maintain home values. To better gauge the return on its investment, Wellington continues to carefully seek information from all available resources to make responsible and timely fiscal decisions. The overall Consumer Price Index (CPI) for South Florida has decreased from last year and is consistent with the national average. Consideration

of the impact of these economic indicators is critical as Wellington endeavors to develop its resources and facilities to meet the demand of its residents as well as to comply with regulatory requirements and provide fiscal stability.

As a primarily residential community, Wellington's economic base and future revenues are expanded with added residential development. A significant development project is the Lotis project, a 64-acre mixed-use development located on the west side of State Road 7 near the Wellington Regional Medical Center. The project is expected to add retail, office, and congregated living space, as well as 191 multi-family residential units and open space elements. The project is expected to take over 2 years to complete and will provide local employment opportunities and additional municipal revenues.

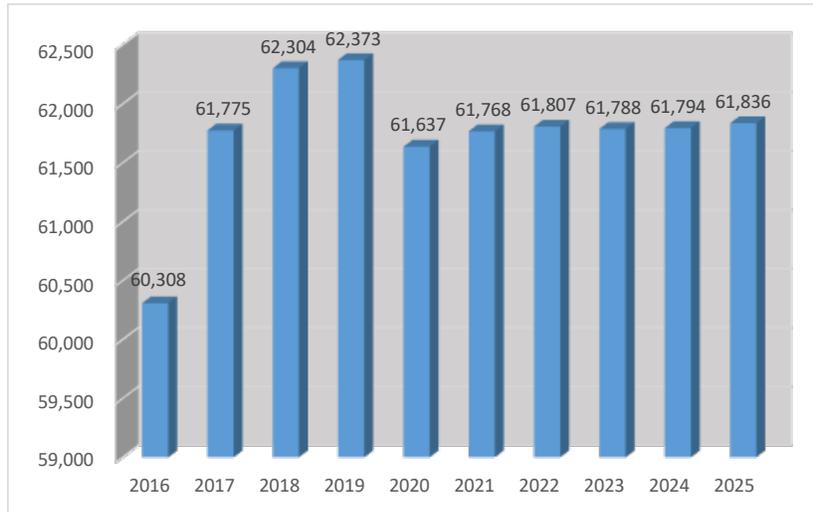
Two additional developments in the equestrian area are under consideration by the Village Council and committees. The Wellington North and South are proposed to add approximately 200 homes near Pierson Road.

One of the region's strongest employment bases is the healthcare industry, with the Wellington Regional Medical Center, a full-service acute care community hospital, at its core. Since its inception in 1986, the hospital has added many new services and programs. Medical Center staff has worked closely with Wellington leaders to address the medical issues associated with the pandemic and provide valuable information to residents. Wellington continues to work with the private sector to bring new businesses to Wellington and retain the current businesses, including the areas of biomedical research and education.

Another important business to the western communities is the equestrian industry. As part of Wellington's economic development efforts, a master plan was created focusing on the economic impact of the industry along with a plan on how to retain, strengthen and even further expand the equestrian element. Approximately two-thirds of Palm Beach County's equestrian industry is located in the region: including horse farms, tack stores, stables and feed stores. Wellington's equestrian venues include international polo events and the annual Winter Equestrian Festival, attracting a high level of competitive participants for dressage and show jumping.

Wellington's unemployment rate stands at 3.8%, below the national, state and county rates averaging around 4.0%. Wellington's population is anticipated to continue its slow expansion at around 1.5% annually. Population growth for Wellington based on information obtained from Palm Beach County, the U.S. Census Bureau, the Bureau of Economic and Business Research at the University of Florida is illustrated in the following Historical Population Chart.

Wellington's estimated 2025 permanent population of 61,836 (excluding seasonal residents) makes it the 5th largest municipality in Palm Beach County based on population.



Sources: US Census 2020 and Bureau of Economic & Business Research projections

Note: The 2020 decrease in population results from the US Census update in 2020. Previous years' population estimates were projections based on the 2010 census and are revised to reflect the decennial update.

MAJOR INITIATIVES

Long Range Financial Plan

A long-range financial plan is prepared annually to analyze financial operating results, market conditions and update forecasts of major fund revenues and expenditures. The Plan is presented to Council each year in the spring to coincide with Directions planning workshops to help guide the budget process and capital project planning.

Strategic Framework

Since incorporation, Wellington updated its Strategic Plan and the fundamentals of the plan have evolved, but the community vision has remained relatively the same. The Strategic Plan is the guide for the annual budget and the Village's projects, programs and initiatives and has evolved into the Strategic Framework.

The vision for Wellington was confirmed as "A Great Hometown" leading to the mission statement "To provide high quality services that create economic, environmental and social sustainability for residents." Or more simply put, to provide services that customers need, want and are willing to pay for. The Strategic Plan implements the Vision and Mission through the five fundamentals described below and provides the basis for the departmental business plans, capital improvement plans, and the financial and business plans for Wellington. The Strategic Framework is a countdown to sustainability and a strong position for the present and future beginning with the five fundamentals.

Five Fundamentals

Wellington's five fundamentals are the long-term financial and operational goals that provide the basis for annual departmental business plans which become the Budget and Capital Improvement Plan. Each fundamental has corresponding strategic initiatives for projects, programs, and key measures, all of which position Wellington for the future. Below is each fundamental designed to achieve Wellington's vision.

Protecting Our Investment – focusing on maintaining and improving Wellington's infrastructure – roads, drainage, water & sewer systems, parks and green space, and public buildings with the following initiatives:

- ❖ Utility Infrastructure Maintenance & Expansion Program
- ❖ Drainage and Flood Control Maintenance and Improvement Programs
- ❖ Road and Pathway Modification & Maintenance Programs
- ❖ Traffic Engineering
- ❖ Parks & Greenspace
- ❖ Park and Athletic Facility Maintenance Programs
- ❖ Public Facilities

- ❖ Public Schools
- ❖ Sales Surtax Projects

Neighborhood Renaissance – creating and encouraging safe neighborhoods, neighborhood revitalization and redevelopment, citizen involvement, and protecting and stabilizing property values with the following initiatives or programs:

- ❖ Community Services Family & Youth Programs
- ❖ Partnerships with Community Organizations
- ❖ Community Development Block Grant (CDBG)
- ❖ State Housing Initiatives Partnership (SHIP)
- ❖ Code Compliance

Responsive Government – ensuring local government is responsive, open and transparent to the public and pursuing policies that are accountable to residents and stakeholders. Wellington has implemented various initiatives including:

- ❖ Recreation & Community Programming
- ❖ Special Events
- ❖ Emergency Management
- ❖ Investment in Relevant Technology

Respecting the Environment – developing processes, which maintain and preserve green spaces and other natural areas and aim to provide affordable, clean, energy-saving alternatives for today's residences and businesses; continually looking for ways to reduce the environmental impact of operations and by seeking continuous improvement in our environmental management efforts, all with the goal of reducing Wellington's ecological footprint with the following initiatives:

- ❖ Green Programs
- ❖ Wi-Fi Coverage
- ❖ Bicycle, Pedestrian and Alternative Transportation Planning
- ❖ Complete Streets/Vision Zero Transportation Safety
- ❖ Equine Waste and Environmental Program
- ❖ Wellington Environmental Preserve Expansion

Economic Development – retaining and attracting new businesses, flexible business regulations, a business-friendly economic environment, business education, equestrian branding, and supporting core business services.

- ❖ Town Center – A 23-acre site anchoring Wellington's "Main Street" including a Gold LEED certified Village Hall, Community Center, Lakeside Promenade, Amphitheater and Event Areas.
- ❖ Equestrian Community Initiative – Designed to encourage and support this unique lifestyle
- ❖ Medical Arts District- Designed to cultivate an economic identity focused on medically-necessary development.
- ❖ Business-friendly initiatives – The business development strategy recognizes that in order to work in concert with the business community, local government must be viewed as a partner.

The two main funding objectives of Wellington’s strategic plan are (1) core business and (2) quality of life services. Core business is divided into “No Choice” and “Choice.” Choice services are further expanded into “Quality of Life” services. A fourth tier of funding is “Community Add-ons” which are premium selected services which exceed quality of life. Projects and programs are assigned to one of four service tiers, based on its relative priority as a municipal service and its fit with the Mission and Vision.

WELLINGTON SERVICE BUSINESS HIERARCHY FUNDING PRIORITIES



- ❖ No Choice Core Services – Services mandated by or affected by mandate of federal or state government
- ❖ Choice Core Services – Core services not required by law, but are a principal municipal function
- ❖ Quality of Life Services – Choice services which are provided to enhance the customer experience
- ❖ Community Add-ons – Premium selected services exceeding quality of life enhancements

The assignment of the programs and projects into these tiers serves to identify the hierarchy of Wellington’s services into essential core services or services which leaders make a choice to provide to improve customer experience. An essential element of the provision includes support services that are provided by many departmental divisions within Wellington.

Management and staff budget by priority within core and non-core services. This detail by division within the Service Business Hierarchy is the basis of Departmental Business Plans and allows for the prioritized allocation of personnel, equipment and operating resources in the annual budget process.

ACCOMPLISHMENTS AND FUTURE PROJECTS

The progress toward achievement of Wellington’s vision and mission is also measured by the completed multi-department projects and individual accomplishments of each of the Village departments and divisions.

- ❖ Below are some selected accomplishments over the last twelve to twenty-four months:
- ❖ Money Magazine's list of Best Places to Live
- ❖ Top 10 Safest Cities in Florida, Wellington Ranked #8
- ❖ Ranked in Fortune's 50 Best Places to Live for Families
- ❖ Ranked one of the Top Ten Safest Cities in Florida (SafeWise.com)
- ❖ Parks & Recreation CAPRA Accreditation
- ❖ Florida Green Building Coalition Gold Standard Green Local Government certification
- ❖ FRPA Facility Showcase Award
- ❖ 6 Sensational Awards from the Florida Festivals and Events Association
- ❖ Accreditation with the American Public Works Association
- ❖ Recertification for Tree City USA & Growth Award
- ❖ GFOA Triple Crown Award for earning all three of the Government Finance Officers Association’s top awards in the same year: (1) Certificate of Achievement for Excellence in Financial Reporting, (2) Distinguished Budget Presentation Award, & (3) Popular Annual Financial Reporting (PAFR) Award.
- ❖ Outstanding Study/Plan award from the Florida Planning and Zoning Association for the Wellington Mall Design Guidelines

- ❖ American Association of Retired Persons certification as a member of The AARP Network of Age-Friendly States and Communities
- ❖ Florida Association of Public Procurement Officials (FAPPO) Award for Excellence in Public Procurement
- ❖ Received the National Procurement Institute (NPI) Achievement of Excellence in Procurement Award
- ❖ Safety Council of Palm Beach County Safety Award for Worker Safety Excellence
- ❖ Safety Council of Palm Beach County Vehicle Safety Award
- ❖ Annual Traffic Safety Award for District 8 Traffic, Motor, Commercial Vehicle and Policing Unit 2025
- ❖ 50,000 cubic yards of debris collected in EF-3 Tornado Response and Recovery
- ❖ 2025 Gold Wellness Workdays (in collaboration with Harvard Medical School), Best Wellness Employer
- ❖ 2024 Platinum Bell Seal, Workplace Mental Health
- ❖ 2024 Cigna, Healthy Workforce Designation
- ❖ 2024 Bronze American Heart Association, Healthy Work Culture
- ❖ Certified Autism Center (International Board of Credentialing and Continuing Education Standards)
- ❖ KultureCity Sensory Inclusive Certified Venue
- ❖ Let's Move Physical Activity Challenge, First Place Winner
- ❖ Read for the Record- 1st place in municipality size
- ❖ Maintained 100% water quality compliance
- ❖ Building department reaccreditation with International Accreditation Association (IAS)
- ❖ Received over \$4 million in grant funds
- ❖ FDEP Plant Excellence Awards for Water Treatment Plant & Water Reclamation Facilities
- ❖ Repaired approximately 65,000 square feet of sidewalks
- ❖ Resurfaced approximately 13.5 lane miles of roadway

Completed the following projects during 2025:

- ❖ Wellington Environmental Preserve expansion
- ❖ National Community Survey and benchmarks
- ❖ South Shore Community Park improvements
- ❖ Greenbriar Pickleball Courts
- ❖ Field of Dreams Park improvements with grant funding
- ❖ Peaceful Waters Sanctuary rehabilitation
- ❖ Water Treatment and Reclamation Facilities improvements

The following capital projects are planned for the next fiscal year:

- ❖ Aquatics Center Relocation
- ❖ Wellington Sports Academy construction
- ❖ Stormwater Pump Station Improvement Program
- ❖ Lake Worth Road & 120th Avenue Intersection improvement
- ❖ Aquatics Center Replacement
- ❖ Pump Station #2 renovations
- ❖ Primrose Park improvements
- ❖ Big Blue Trace landscaping and traffic calming

FINANCIAL INFORMATION & RELEVANT FINANCIAL POLICIES

Accounting and Administrative Controls

Wellington's internal control structure is designed to ensure that Wellington's assets are protected against loss from theft, unauthorized use, or disposition and to ensure that adequate and reliable financial records are available for preparing financial statements in conformity with U.S. generally accepted accounting principles. The internal controls provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of the control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework and it is our belief that Wellington's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

Budgetary Control

Wellington adopts fiscal year budgets for all funds and maintains budgetary controls with the objective being to ensure compliance with legal provisions contained in the annual appropriated budget approved by the Council. The level of budgetary control is established at the department level. The Wellington Manager or designee is authorized to transfer budgeted amounts within departments of any fund, while revisions that alter the budgeted totals of any fund require approval of the Council. Monthly budget reports are prepared in detail for each department, with actual revenues and expenditures being compared with appropriated revenues and estimated expenditures. Corrective actions are initiated as necessary to maintain budgetary compliance.

As demonstrated by the budgetary comparison schedules included in the required supplementary information and other supplementary information sections of this ACFR, Wellington continues to meet its responsibility for sound financial management practices.

Capital Financing

In conjunction with the operating budget, the Manager annually presents a program to provide for improvements to Wellington's public facilities for the ensuing fiscal year and next four years, along with proposals for the financing of these improvements. This five-year plan is called the Capital Improvement Program. The first year of the program constitutes the capital budget for the upcoming fiscal year; the remaining years are used as a planning guide. The program allocates and projects funding over five years for Wellington's roads, park development, public works projects, and new equipment. Wellington's Capital Improvement Program for fiscal years 2026 through 2030 scheduled expenditures/expenses approximating \$49.7 million in the governmental funds and approximately \$93.7 million in the enterprise funds.

Reserves and Surplus

One of the primary reasons the Council and staff feels they were able to and will continue to respond effectively to potential future financial obstacles, which may include additional legislative reform, decreasing revenues and declining property values despite increased cost for products and services, is the strong financial position of Wellington.

Wellington has decided to use some of its past surplus and reserves as follows:

- ❖ To fund capital projects on a pay-as-you-go basis.
- ❖ To reserve up to \$3 million for possible future storm event expenditures.
- ❖ To reserve up to \$6 million is intended to provide financial resources for initiatives that enhance environmental sustainability, improve community resilience to climate and environmental risks, expand and preserve open space, and support related infrastructure investments.
- ❖ To fund a facility and infrastructure reserve.
- ❖ To fund a millage rate stabilization account to offset the need for future rate increases.
- ❖ To supply funds for renewal and replacement of capital projects and equipment.
- ❖ To fund an insurance reserve for future rate increases.
- ❖ To reduce/pay off debt for future debt service savings.
- ❖ To fully fund Other Postemployment Benefits (OPEB).

The Council has set a target for unassigned fund balance between 25% and 30% of the subsequent year expenditure budget. The unassigned fund balances are generally considered a necessary function of sound fiscal management for a variety of reasons:

- ❖ A time lag in the first quarter in the collection of property taxes (including assessments) in each year.
- ❖ Unforeseen activities and regulatory mandates during the course of the year.
- ❖ Natural disasters, such as hurricanes; these can not only affect spending, but tend to impact the local and even national economy, thereby affecting revenues.
- ❖ Increases in expenditures: there exists a potential for increases to anticipated expenditures based on bid results, litigation, contract renewals, additional services, etc.
- ❖ Gap in the timing of the receipts of borrowed funds, intergovernmental revenues, and other sources of funds.

Debt Service Administration

In Florida, there is no legal debt limit. All general obligation debt pledging payment from ad valorem taxes must be approved by referendum, unless it is to refund outstanding debt. Article VII, Section 12, of the Florida State Constitution states “Counties, school districts, municipalities, special districts, and local governmental bodies with taxing powers may issue bonds, certificates of indebtedness, or any form of tax anticipation certificates payable from ad valorem taxes and maturing more than twelve months after issuance only to finance or refinance capital projects authorized by law and only when approved by vote of the electors ...” Wellington has no general obligation debt outstanding.

All applicable debt covenants such as ratios of net income to debt service, sinking funds and insurance coverage have been met or exceeded. Wellington has an underlying bond rating of Aaa from Moody’s Investors Services and AA+ from Fitch based on the financial stability of Wellington.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Wellington, Florida, for its ACFR for the fiscal year ended September 30, 2024. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. Such ACFR must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The Village of Wellington has received the Certificate of Achievement for the last twenty-nine consecutive years (1996-2024). We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to the GFOA.

The GFOA has also given an award for Outstanding Achievement in Popular Annual Financial Reporting to Wellington for its Popular Annual Financial Report (PAFR) for the fiscal year ended September 30, 2024. This award is a prestigious national award recognizing conformance with the highest standards for preparation of state and local governmental popular reports. In order to receive this award, a government must publish a PAFR, whose contents conform to program standards of creativity, presentation, understandability and reader appeal. An Award for Outstanding Achievement in Popular Financial Reporting is valid for a period of one year only. This is the fifteenth year this award has been received by Wellington.

Preparation of this report could not have been accomplished without the dedicated efforts of the entire staff of Financial Management and Budget. Their technical expertise and concerted efforts were truly evident in the audit process. Their assistance and cooperation have allowed us to prepare, on a timely basis, a report which gives its readers a comprehensive view of Wellington’s financial and economic position.

We also extend our sincere appreciation to the independent certified public accounting firm of CBIZ CPAs P.C. for the professionalism and cooperation shown during the performance of the engagement and the expertise shown in financial reporting for government entities. We believe that this report reflects the sound financial position of Wellington.

We would like to thank the Mayor, the Council, and the residents of Wellington for their interest and support toward the planning and administration of the financial operations of Wellington in a responsible, progressive manner. With this support, we have been able to maintain a high degree of fiscal health and responsibility for Wellington in our challenging environment.

Respectfully submitted,

A handwritten signature in blue ink that reads "Ana Acevedo". The signature is written in a cursive, flowing style.

Ana A. Acevedo, CPA
Director of Financial and Administrative Services

Elected Officials



Michael J. Napoleone

Mayor

Tanya Siskind

Vice-Mayor

John T. McGovern

Councilman

Maria Antuña

Councilwoman

Amanda Silvestri

Councilwoman

Leadership Team

Village Manager

Jim Barnes, AICP, ICMA-CM

Village Attorney

Laurie Cohen, Esq.

Deputy Village Manager

Tanya Quickel

Assistant Village Manager

Ed De la Vega

Village Clerk

Chevelle D. Hall, MMC

Key Personnel

Chief Information Officer

William Silliman

Village Engineer

Jonathan Reinsvold, P.E.

Utilities Director

Anjuli Panse, P.E.

Parks and Recreation Director

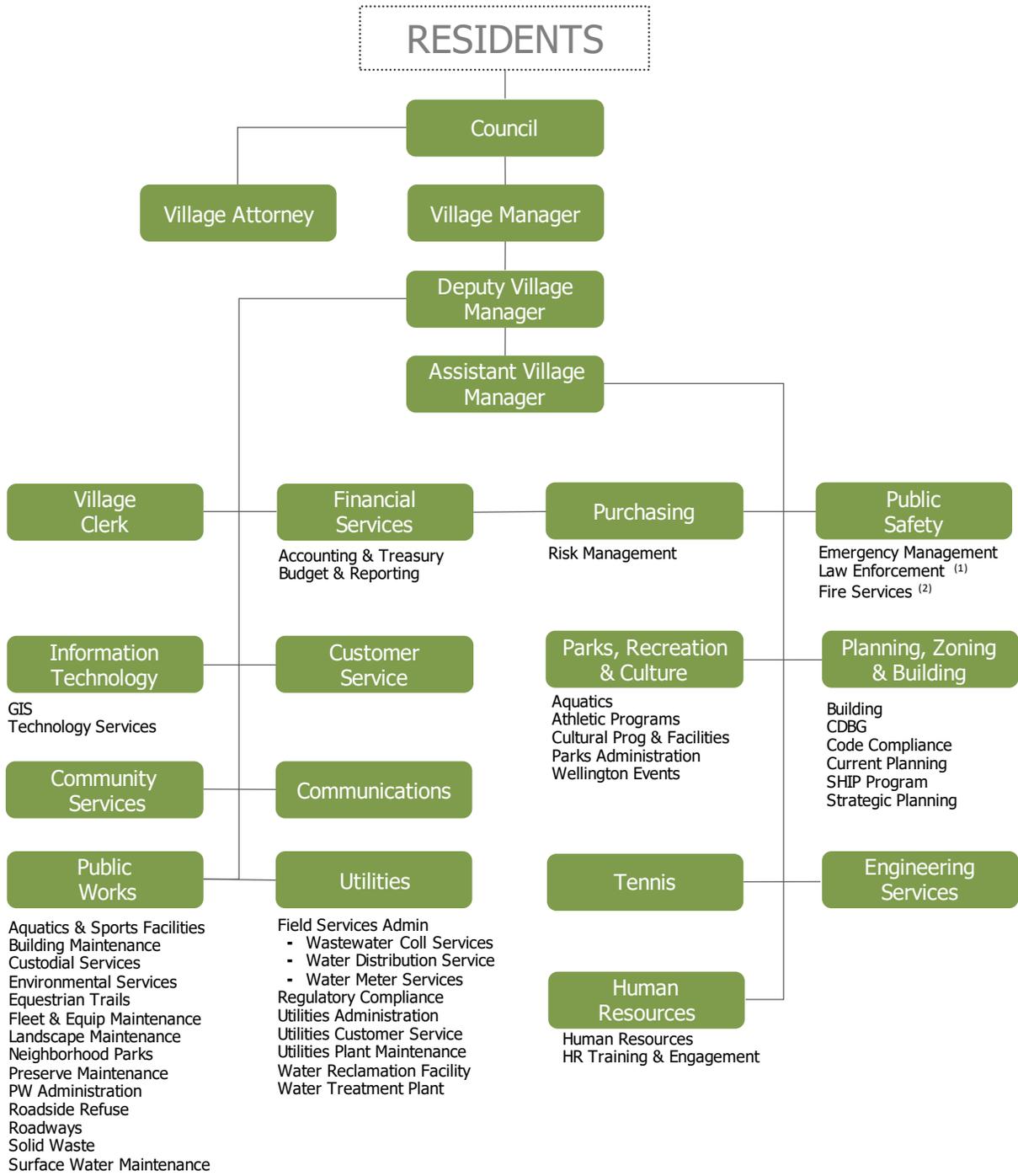
Eric Juckett, CPRP, CDM

Public Works Director

Bruce Wagner

Administrative & Financial Services Director

Ana Acevedo, C.P.A.



¹ Law Enforcement contracted with PBSO
² Fire Services provided by PBCFR via MSTU



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Wellington
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

Independent Auditors' Report

To the Honorable Mayor and Village Council
Village of Wellington, Florida

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village'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 Village'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 20 through 32, and the budgetary comparison schedules and related notes, the information of the pensions and OPEB, and the condition rating of the street system on pages 83 through 92, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 2, 2026 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village'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 Village's internal control over financial reporting and compliance.

CBIZ CPAs P.C.

Boca Raton, Florida
March 2, 2026



MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2025

The Management's Discussion and Analysis (MD&A) is designed to provide an objective and easy to read analysis of 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 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 financial activity, identify changes in financial position (the ability to address subsequent years' challenges), 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

- ❖ The assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$499 million (net position). Of this amount, \$74.6 million is in unrestricted net position, which is available to meet the ongoing commitments to citizens and creditors.
- ❖ The Village's net position increased by \$39.2 million, or 8.5%, from the prior year. The net increase was a result of an increase in governmental activities of \$29.2 million and an increase in business-type activities of \$10 million.
- ❖ Government-wide revenues were \$149.1 million, while government-wide expenses were \$109.9 million. Revenues increased 8.9% or \$12.2 million while expenses increased by less than 1% or \$1 million.
- ❖ Governmental activities generated \$102 million in revenue with \$71.9 million in expenses.
- ❖ Business-type activities generated \$47.2 million in revenue with \$38.1 million in expenses.
- ❖ At the end of the current fiscal year, the fund balance for the General Fund was \$54 million, an increase of \$10.1 million or 23%. Of this balance, \$31.7 million, or 59% is unassigned. The increase is primarily due to a code case settlement of \$9.5 million.
- ❖ Governmental funds ended the year with a combined fund balance of \$131.3 million, which is a decrease of 15% or \$22.8 million from the prior year. Of that amount, the unassigned portion is \$31.7 million, relatively the same as last year.

OVERVIEW OF THE FINANCIAL STATEMENTS

In addition to this discussion and analysis, the financial section of this annual report contains the basic financial statements, required supplementary information, and other supplementary information including combining statements and schedules of non-major funds. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to these basic financial statements, this report also contains other supplementary information.

Government-Wide Financial Statements

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

The Statement of Net Position presents information on all assets, deferred outflows of resources, liabilities 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 is improving or deteriorating. Other factors should be considered, however, such as the condition of capital assets (roads, utility infrastructure, buildings, etc.) to assess Wellington's financial health.

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.

Wellington's government-wide financial statements are divided into two categories:

- ❖ Governmental activities—Most of Wellington's basic services are included here, such as public works, public safety, parks and recreation, drainage and flood control, and general administration. Property taxes, charges for services, and operating and capital grants fund most of these activities.
- ❖ Business-type activities—Wellington charges fees to customers to help cover the costs of certain services it provides. Wellington's utility system (water and wastewater services), solid waste services are included here

The government-wide financial statements can be found on pages 33-34 of this report.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not Wellington as a whole. Wellington, like other state and local governments, uses fund accounting to ensure and demonstrate legal compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Wellington's funds can be divided into the following categories, which use different accounting approaches:

Governmental funds: Used to report basic services. These funds focus on near-term inflows and outflows of spendable resources and the balances of spendable resources available at year-end. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

Six major funds are reported individually in the governmental funds balance sheet and statement of revenues, expenditures and changes in fund balances. The remaining governmental funds are reported as a combined total. Major governmental funds for the year ended September 30, 2025 are:

- ❖ General Fund
- ❖ Building Special Revenue Fund
- ❖ Acme Improvement Special Revenue Fund
- ❖ Capital Projects Fund
- ❖ Debt Service Fund
- ❖ Surtax Fund

The basic governmental fund financial statements can be found on pages 35-39 of this report.

Proprietary funds: Used to account for revenues and expenses from services provided on a user-charge basis to the public. Proprietary fund activities provide the same type of information as the government-wide financial statements, only in more detail. This is similar to that found in the private sector and provides a periodic measurement of net income. Proprietary activities are accounted for in enterprise funds for water and wastewater operations, solid waste collection and recycling and the Lake Wellington Professional Centre operations. The Utility System fund and Solid Waste fund were the only Major enterprise fund for the year ended September 30, 2025.

The basic proprietary fund financial statements can be found on pages 40-44 of this report.

Fiduciary funds: Used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support Wellington's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 45-46 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government- wide and fund financial statements.

The notes to the financial statements can be found beginning on page 47 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This information includes budgetary comparisons for the general fund and major special revenue funds; pension schedules; schedule of funding progress for Other Post-Employment Benefits; as well as statistical information on the assessed condition of the road system and on budgeted road maintenance expenses.

Required supplementary information begins on page 83 of this report.

Supplementary Information

The budgetary comparison schedule for the major capital project fund, major debt service fund and the nonmajor governmental funds along with the combining statements are presented immediately following the required supplementary information.

These statements and schedules begin on page 93 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Summary Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Wellington, net position totaled \$499 million at the close of the most recent year.

Wellington's Net Position						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 190,337,363	\$ 173,641,947	\$ 52,589,875	\$ 46,595,756	\$ 242,927,238	\$ 220,237,703
Capital assets, net	228,256,869	179,238,257	161,852,987	159,464,628	390,109,856	338,702,885
Total Assets	418,594,232	352,880,204	214,442,862	206,060,384	633,037,094	558,940,588
Other postemployment benefit	317,774	525,275	76,279	134,804	394,053	660,079
Pension	3,659,049	4,925,739	671,939	969,643	4,330,988	5,895,382
Total Deferred Outflows of Resources	3,976,823	5,451,014	748,218	1,104,447	4,725,041	6,555,461
Noncurrent liabilities	57,220,694	62,310,857	16,588,927	18,869,624	73,809,621	81,180,481
Other liabilities	17,217,829	15,141,164	4,293,316	4,329,776	21,511,145	19,470,940
Total Liabilities	74,438,523	77,452,021	20,882,243	23,199,400	95,320,766	100,651,421
Pension	4,883,068	3,329,065	1,017,826	652,596	5,900,894	3,981,661
Other postemployment benefit	188,266	348,289	49,633	94,767	237,899	443,056
Leases	564,595	648,281	-	-	564,595	648,281
Public Private Partnership (PPP)	36,747,832	-	-	-	36,747,832	-
Total Deferred Inflows of Resources	42,383,761	4,325,635	1,067,459	747,363	43,451,220	5,072,998
Net Position:						
Net investment in capital assets	202,512,927	175,743,390	149,292,653	145,586,989	351,805,580	321,330,379
Restricted	47,982,603	59,291,718	24,638,412	27,030,536	72,621,015	86,322,254
Unrestricted	55,253,241	41,518,454	19,310,313	10,600,543	74,563,554	52,118,997
Total Net Position	\$ 305,748,771	\$ 276,553,562	\$ 193,241,378	\$ 183,218,068	\$ 498,990,149	\$ 459,771,630

For governmental activities current and other assets increased by \$16.7 million primarily due:

- ❖ An increase in Wellington Athletics Public-Private and Public-Public Partnership (PPP) receivable of \$37 million
- ❖ A decrease of \$20.5 million for drawdown of Wellington Athletics investment balance

Capital Assets had an increase of \$49 million due to major CIP projects such as:

- ❖ Wellington Athletics Center
- ❖ Aquatics Center Replacement
- ❖ Section 24 Preserve Expansion
- ❖ Public Works Facility Improvements

A decrease in net pension liability led to a reduction of noncurrent liabilities. The increase in other liabilities attributable to higher accounts and contracts payable balances for capital projects. Deferred inflows increased due to the Wellington Athletics Public-Private and Public-Public Partnership (PPP) of \$36.8 million.

For business-type activities, current assets increased primarily due to receipt of PFAS settlement funds. Capital assets increases are related to capital projects (CIP). Major CIP projects include:

- ❖ South Shore Forcemain Improvements
- ❖ Generator Replacement
- ❖ Chemical Improvements

A decrease in loans payable and net pension liability led to a reduction in noncurrent liabilities.

The largest portion of net position (71%) reflects its net investment in capital assets. Wellington uses capital assets to provide services to citizens; accordingly, these assets are not available for future spending. Increase from prior year is due to higher spending related to capital projects.

Restricted net position of \$72.6 million is reported for both the governmental and business-type activities. These restricted amounts have limits on their use that are externally imposed (gas tax, impact fees, OPEB and bond covenants) and imposed by enabling legislation (building and surtax activities). These resources can be used only for future construction; building activities; OPEB; road capital and maintenance; or debt service activities. The remaining unrestricted net position may be used to meet the government's ongoing operations.

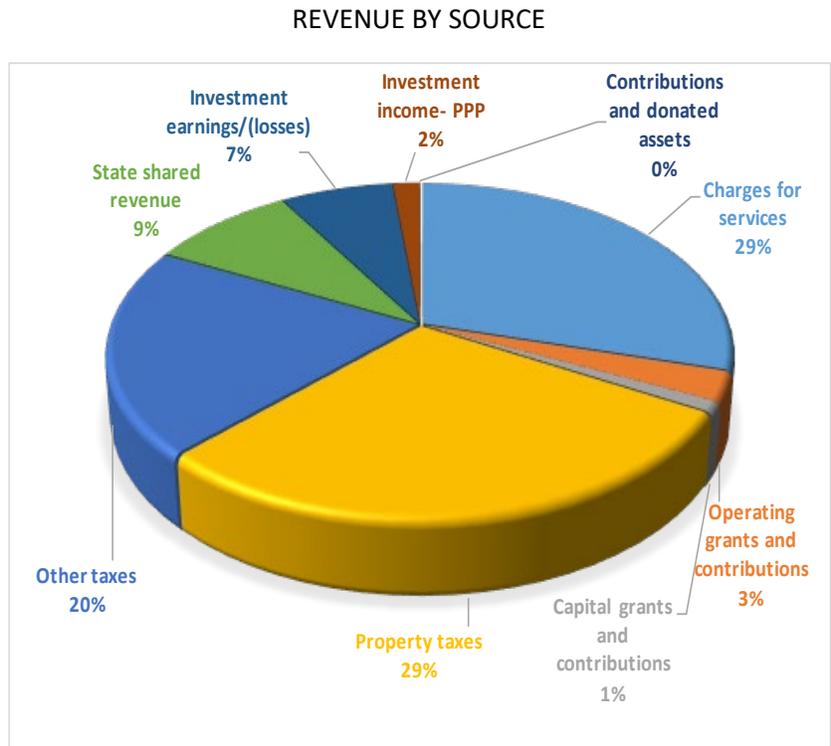
Overall, the Village's net position increased from prior fiscal year. The reasons for this change are explained in the next section.

Summary Change In Net Position

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues:						
Charges for services	\$ 29,774,189	\$ 23,553,244	\$ 38,823,040	\$ 35,100,572	\$ 68,597,229	\$ 58,653,816
Operating grants and contributions	2,839,708	2,973,606	-	2,911	2,839,708	2,976,517
Capital grants and contributions	1,018,038	1,116,886	2,463,566	3,240,223	3,481,604	4,357,109
General revenues:						
Property taxes	29,575,122	27,425,030	-	-	29,575,122	27,425,030
Other taxes	20,411,905	19,314,340	-	-	20,411,905	19,314,340
State shared revenue	8,985,853	9,048,893	-	-	8,985,853	9,048,893
Investment earnings/(losses)	6,930,073	9,859,203	1,405,354	2,382,073	8,335,427	12,241,276
Investment income- PPP	1,673,673	-	-	-	1,673,673	-
Gain on sale of capital assets	75,058	-	-	-	75,058	-
Other	626,110	650,413	4,521,587	257,748	5,147,697	908,161
Contributions and donated assets	9,800	1,988,562	-	-	9,800	1,988,562
Total Revenues	101,919,529	95,930,177	47,213,547	40,983,527	149,133,076	136,913,704
Program expenses including indirect expenses:						
General government	17,694,682	19,307,685	-	-	17,694,682	19,307,685
Public safety	17,541,210	17,335,521	-	-	17,541,210	17,335,521
Physical environment	8,477,418	8,190,611	-	-	8,477,418	8,190,611
Economic environment	2,456,646	2,103,462	-	-	2,456,646	2,103,462
Transportation	6,637,456	5,958,439	-	-	6,637,456	5,958,439
Culture and recreation	17,175,441	15,793,924	-	-	17,175,441	15,793,924
Interest on debt	1,873,467	1,845,306	-	-	1,873,467	1,845,306
Water and wastewater	-	-	30,204,078	28,844,979	30,204,078	28,844,979
Solid waste	-	-	7,854,159	6,855,544	7,854,159	6,855,544
Lake Wellington Professional Centre	-	-	-	2,699,089	-	2,699,089
Total expenses	71,856,320	70,534,948	38,058,237	38,399,612	109,914,557	108,934,560
Change in net position before transfers	30,063,209	25,395,229	9,155,310	2,583,915	39,218,519	27,979,144
Transfers in (out)	(868,000)	1,272,464	868,000	(1,272,464)	-	-
Change in net position	29,195,209	26,667,693	10,023,310	1,311,451	39,218,519	27,979,144
Beginning net position	276,553,562	249,885,869	183,218,068	181,906,617	459,771,630	431,792,486
Ending net position	\$ 305,748,771	\$ 276,553,562	\$ 193,241,378	\$ 183,218,068	\$ 498,990,149	\$ 459,771,630

Governmental Activities

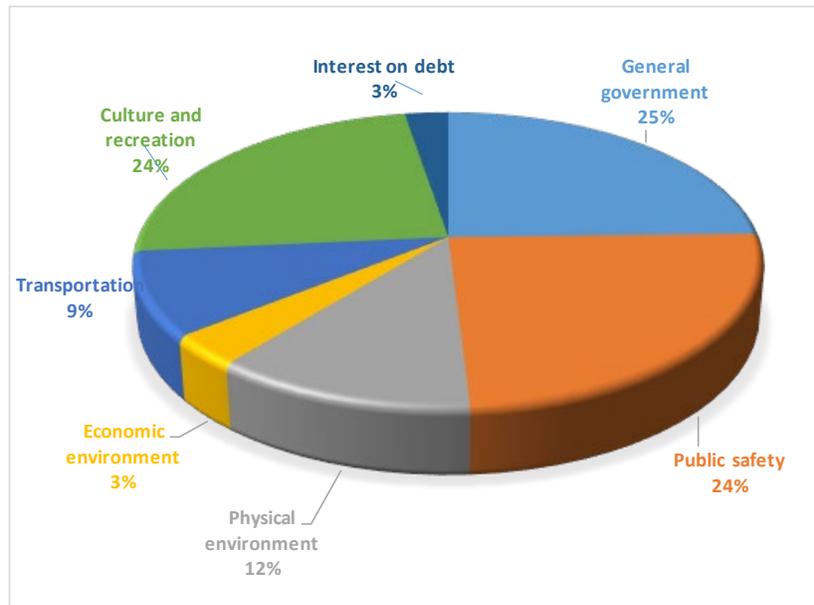
During the current fiscal year, net position for governmental activities increased \$29.2 million from the prior fiscal year for an ending balance of \$ 305.7 million.



Revenues increased from prior year by \$6 million or 6%. Key elements of this increase are as follows:

- ❖ Charges for services increased \$6 million primarily due to a legal settlement related to a code case fine.
- ❖ Higher property values led to an increase in property taxes of \$2.1 million.
- ❖ Investment earnings decreased by \$2.9 million, primarily due to a reduction in invested bond proceeds.
- ❖ An Increase of \$1.7 million in interest income for Wellington Athletics Public-Private and Public-Public Partnership (PPP).
- ❖ Decrease in contributions of \$2 million from the prior year contribution for Wellington Athletics.

EXPENSES BY SOURCE



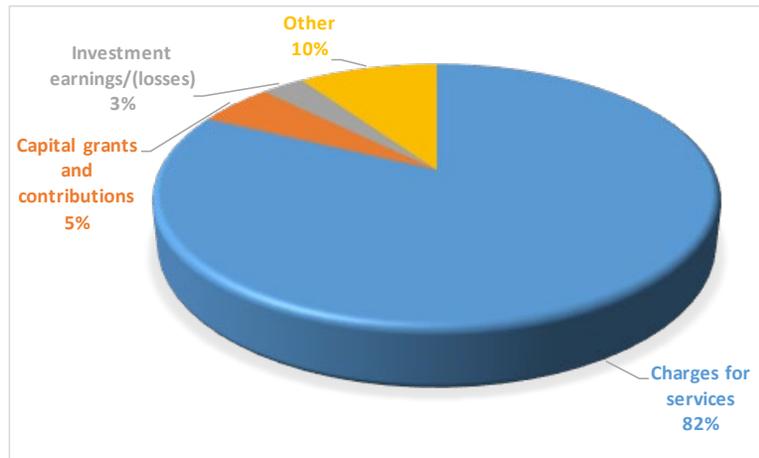
Expenses increased by \$1.3 million or approximately 2%. Key elements of this increase are as follows:

- ❖ Physical Environment expenditures increased by \$300,000. Primarily due to approximately \$325,000 in salaries and benefits, and \$228,000 in engineering services and major maintenance for surface water infrastructure. It also had a decrease in capital outlay expenses (\$152,000), and a decrease of \$156,000 in net pension expense, which partially offset the increases.
- ❖ Cultural and Recreation increased by \$1.4 million, primarily attributable to sod replenishment at Village parks, replacement of pump station at Village Park, and lighting upgrades at Tiger Shark Park.
- ❖ General Government experienced a decrease of \$1.6 million, which partially offset the increases noted above, primarily due to, lower compensated absences expenditures, and a higher portion of capital outlay being capitalized as assets, thereby reducing the amount reported as current-period expenses.

Business-type Activities

The net position for Business-type activities increased \$10 million from the prior fiscal year for an ending balance of \$193.2 million.

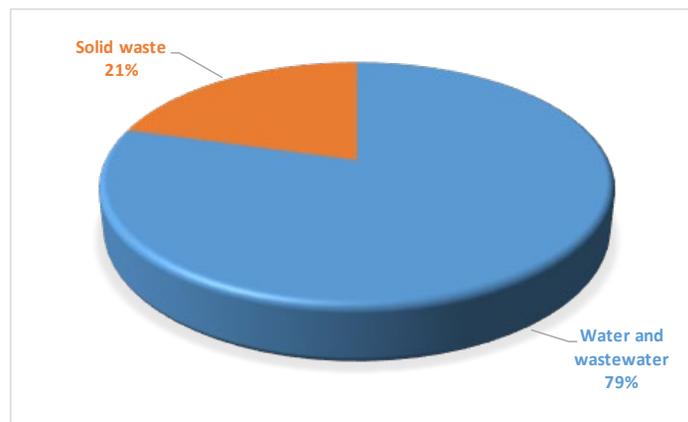
REVENUE BY SOURCE



Revenues increased by approximately \$6.2 million or 15% over the prior year. Key elements of this increase are as follows:

- ❖ Charges for services increased \$3.7 million primarily due to indexing of 10% in utilities and an increase to the solid waste assessment rates from \$290 to \$310 for curbside collection.
- ❖ Other miscellaneous revenues increased by \$4.2 million due to PFAS legal settlements.
- ❖ Capital grants and contributions decreased by \$777,000 due to lower capacity fee collections.
- ❖ Investment earnings saw a decrease of \$977,000 due to lower unrealized gains compared to the previous year.

EXPENSES BY SOURCE



Total Expenses decreased by \$341,000 thousand or approximately 1%. The decrease was offset by the following increase and decrease:

- ❖ Water and Wastewater saw an increase of \$1.4 million primarily due to multiple lift station rehabilitation, hydrant replacement and maintenance activities and higher water and sewer cost resulting from the 10% indexing, (\$773,000). Capital Outlay increase by approximately \$580,000, largely attributable to design cost associated with multiple projects and the rehabilitation of the wetland.
- ❖ Due to the closure of LWPC in FY24, expenses decreased by \$2.7 million.

GOVERNMENT FUNDS FINANCIAL ANALYSIS

The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unassigned fund balance may serve as a useful measure of the net resources available for spending at the end of the fiscal year.

At September 30, 2025, Wellington's governmental funds reported combined ending fund balances of \$131.3 million, a decrease of \$22.8 million from prior year. This decrease was primarily attributable to the construction of the Wellington Athletics Complex.

The unassigned fund balance of \$31.7 million is available for spending at Wellington's discretion. The remainder of fund balance of \$99.3 million is either nonspendable (\$1.5 million), has already been assigned to liquidate contracts, capital projects, purchase orders (\$36.1 million), restricted for capital improvements or surface water management (\$46.7 million), or committed for future emergencies, insurance reserves, infrastructure, capital reserve or rate stabilization (\$15.2 million).

The General fund is the main operating fund. At the end of the current fiscal year, the fund balance in the General Fund was \$54 million, while unassigned fund balance was \$31.7 million or 59%. As a measure of the general fund's liquidity, it is useful to compare unassigned fund balance to total general fund expenditures, including transfers. Unassigned fund balance represents approximately 43% of next fiscal year's general fund budgeted expenditures.

Revenues in the General fund total \$74.5 million, which represents an increase of \$9.8 million from the prior year. The increase in revenue is attributable to property taxes (8% taxable value increase), and a code case settlement.

Expenditures in the General fund total \$49.4 million, which represents an increase of \$2.2 million. The increase is mainly attributable to operating expense increases of \$1.4 million due to major maintenance at Village Park, such as new sod for the fields, new roof at the gym and a replacement of pump station. Salaries and benefits of \$1.4 million (public works, engineering, code compliance and tennis). The law enforcement contract renewal also had an increase of 4% or approximately \$435,000.

The Building fund is used to account for the building, permitting and inspection activities. At the end of the current fiscal year, \$10.6 million was restricted for future building department expenditures. Building permit fees may only be used for expenditures related to building and inspection services. Revenues for the fund were \$5.6 million, a decrease of \$2 million from prior year. The decline in revenue was mainly driven by a policy change whereby the Village no longer records permit revenue for its own projects. Expenditures were \$5.5 million, which represents a slight decrease of 2% from the prior year.

The Acme Improvement fund accounts for the operations of the Acme Improvement District, a dependent special district of Wellington, related to surface water management facilities. At the end of the fiscal year total fund balance was \$3.7 million, which is restricted for future expenditures. Total revenues saw a slight decrease of 4% primarily due to lower unrealized gains than the prior year. Expenses also saw a decrease of 5% mainly as a result of reduced capital asset purchases compared the prior year.

The Surtax fund accounts for the voter approved one-cent sales surtax program. At the end of the fiscal year total fund balance was \$16.4 million, which is restricted for capital projects that meet the criteria set by the surtax program. Revenues totaled \$7.6 million, representing a 4% increase compared to the prior year. The increase was primarily attributable to higher investment income resulting from investment balances and slight growth in sales surtax collections. Expenditures totaled \$22 million directly related to the capital construction of the new Aquatic Center.

The Capital Project fund accounts for financial activity related to governmental capital expenditures. At the end of the fiscal year total fund balance was \$30.6 million, which is restricted for capital projects. Revenues for the fund were \$3.1 million last year compared to \$2.4 million this year. Investment income decreased by \$1.2 million due to a reduction in investment balances. Capital expenditures are funded through transfers, grant and bond proceeds. The Wellington Athletics Sports Complex and the new Public Works storage facility led to the increase in expenditures from \$9.5 million in fiscal year 2024 to \$32.4 million in the current year.

The Debt Service fund accounts for the payment of interest and principal on long-term debt. Revenue and remained relatively the same in both years. Expenditures increased 4% due to the interest on the Wellington Athletics bond.

Proprietary Funds

Wellington's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position for business-type funds was approximately \$19.3 million; \$17.5 million for the Utility System and \$1.8 million for Solid Waste. Total net position for these funds were \$193.2 million, representing an increase of \$10 million, or 5%. Additional information is provided in the previous section (explanation of changes in Net Position).

General Fund Budgetary Highlights

Differences between the original expenditure budget and the final amended expenditure budget is approximately \$2.1 million, excluding transfers, and are primarily comprised of approximately \$792,000 in carryforwards and \$1.3 million in budget amendments for Hurricane Milton Emergency cost and recreation contracts.

The major differences between final budget and actual results were as follows:

<u>Revenue source</u>	<u>Budgeted revenues</u>	<u>Actual revenues</u>	<u>Difference</u>
Ad valorem taxes	\$ 29,416,786	\$ 29,575,122	\$ 158,336
Utility services taxes	6,302,280	6,780,565	478,285
Charges for services	5,763,060	4,912,530	(850,530)
Investment income (net)	1,254,000	2,360,768	1,106,768
Interest income- PPP	-	1,673,673	1,673,673
Total revenues	\$ 71,808,381	\$ 74,519,393	\$ 2,711,012
<u>Expenditures</u>	<u>Budgeted expenditures</u>	<u>Actual expenditures</u>	<u>Difference</u>
General government	\$ 20,447,951	\$ 16,942,498	\$ (3,505,453)
Culture and recreation	15,059,303	14,257,667	(801,636)
Capital outlay	1,192,977	1,776,031	583,054
Total expenditures	\$ 52,498,276	\$ 49,379,192	\$ 3,119,084
Other financing sources (uses):			
Initiation of SBITA's	-	632,735	(632,735)
Proceeds from sale of capital assets	-	89,084	(89,084)

Revenue budgets are estimated conservatively utilizing trending, department estimates and available economic data.

- ❖ Utility Service Tax revenues exceeded the budget because the forecast anticipated a reduction in utility service prices that did not occur as significantly as expected.
- ❖ Charges for Services revenues were under budget by approximately \$850,000 for the fiscal year. The variance is primarily attributable to Recreation License Fees, which were \$1.4 million below budget. This variance is not operational in nature, but rather the result of classification.
- ❖ During the fiscal year, \$1.6 million related to the Wellington Athletics Public-Private and Public-Public Partnership (PPP) was recorded as Interest Income – PPP instead of Recreation License Fees as originally budgeted. As a result, Charges for Services reflects a shortfall, while Interest Income exceeded budget by a corresponding amount.

- ❖ This variance was partially offset by higher-than-expected activity in various cultural and recreational programs totaling approximately \$522,000, reflecting strong participation in athletic programs, special events, rentals, and program contracts.
- ❖ Investment income is budgeted conservatively and exceeded expectations.

General Fund expenditures were under budget due to staff vacancies and projects not completed due to pricing and commodity or service availability.

General Government actual expenditures were under budget due to the following:

- ❖ Technology Services – favorable variance of approximately \$1.3 million, largely attributable to SBITAs \$638,000 and technology services not needed.
- ❖ Geographic Information Systems (GIS) – favorable variance of approximately \$367,000, primarily due to SBITAs and contractual service costs not needed.
- ❖ Financial Services- personnel vacancies, including health and retirement benefits, as well as various operating expense (\$272,000).
- ❖ Risk Management – favorable variance of approximately \$200,000 primarily due to lower insurance-related costs and unspent operating expenditures.

Culture and Recreation actual expenditures were under budget by approximately \$826,000, primarily driven by the following functions:

- ❖ Aquatics & Sports Facilities – favorable variance of \$361,000, largely attributable to personnel vacancies and related benefit savings, including health insurance, as well as lower-than-anticipated expenditures for repairs, maintenance, and grounds and field services.
- ❖ Community Center Services – favorable variance of \$183,000, mainly due to personnel vacancies and security services not used.
- ❖ Neighborhood Parks had a favorable variance of \$135,000, due to lower-than-anticipated expenditures in major maintenance, and personnel expenditures such as overtime and part time.

Public Safety actual expenditures were under budget by approximately \$118,000, primarily driven by the following functions:

- ❖ Code Compliance – had a favorable variance of \$145,000 due to lower- than- anticipated expenditures for salaries, health insurance, and retirement cost, as well as contracted services not needed.

Capital outlay was higher than budgeted primarily for year-end SBITA transactions related to GASB 96 (\$583,000)

Debt expenditures were higher than budgeted for year-end SBITA transactions related to GASB 96 (\$830,000).

Additional information on budgetary comparisons can be found on page 83 of this report.

Capital Asset Activity

Wellington's investment in a variety of capital assets for its governmental and business-type activities as of September 30, 2025, amounts to \$390.1 million. This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, lease assets, subscription assets, and construction in progress.

Wellington's Capital Assets						
(net of accumulated depreciation/amortization)						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
Land	\$ 25,159,917	\$ 25,159,917	\$ 8,996,705	\$ 8,996,705	\$ 34,156,622	\$ 34,156,622
Buildings	24,623,339	22,002,585	2,314,099	2,481,257	26,937,438	24,483,842
Improvements	28,088,873	28,107,232	6,013,166	7,013,036	34,102,039	35,120,268
Machinery and equipment	6,725,159	6,050,113	5,943,124	5,902,793	12,668,283	11,952,906
Water and wastewater plant	-	-	73,003,527	76,849,755	73,003,527	76,849,755
Infrastructure	79,610,385	79,404,283	49,883,889	44,648,710	129,494,274	124,052,993
Right-to-use lease assets	4,344	14,768	-	9,911	4,344	24,679
Software Subscriptions	1,244,286	1,626,193	38,534	74,315	1,282,820	1,700,508
Construction in progress	62,800,566	16,873,166	15,659,943	13,488,146	78,460,509	30,361,312
Total	\$ 228,256,869	\$ 179,238,257	\$ 161,852,987	\$ 159,464,628	\$ 390,109,856	\$ 338,702,885

Major capital projects completed during the current fiscal year included the following:

- ❖ Water Reclamation Facility (WRF) Anaerobic Selector
- ❖ Public Works Facility Storage
- ❖ South Shore Community Park
- ❖ C9 Canal Retention Expansion

Additional information on capital assets can be found on page 63 and in Note 5 of this report.

Long-Term Debt Activity

At the end of the current fiscal year, Wellington had total long-term debt outstanding of \$73.8 million, a decrease of \$7.8 million or 9%. Governmental activities debt of \$57.2 million decreased by \$5.1 million or 8%. Business-Type activities debt of \$16.6 million decreased \$2.3 million or 12%. Additional information on long-term debt can be found in Note 8 of this report.

Wellington's Outstanding Debt						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2025	2024	2025	2024	2025	2024
Bonds and Notes	\$ 35,015,000	\$ 35,230,000	\$ 12,183,801	\$ 13,453,831	\$ 47,198,801	\$ 48,683,831
Obligations under Leases	4,609	15,288	-	-	4,609	15,288
Subscriptions Payable	1,013,292	1,309,428	37,319	36,369	1,050,611	1,345,797
Compensated absences	3,463,579	3,592,734	748,640	716,934	4,212,219	4,309,668
Net pension liability	17,724,214	22,163,407	3,619,167	4,662,490	21,343,381	26,825,897
Total	\$ 57,220,694	\$ 62,310,857	\$ 16,588,927	\$ 18,869,624	\$ 73,809,621	\$ 81,180,481

Economic Factors

The State of Florida, by constitution, does not have a personal income tax and therefore the State operates primarily using sales, gasoline and corporate income taxes. Local governments primarily rely on property taxes and fees to fund their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring grants. As a predominantly residential community, the economic environment of Wellington is dependent upon that of South Florida and particularly Palm Beach County.

The major economic influences in this area are the cost of housing (including housing values, foreclosure rates, insurance, taxes and interest rates), the regional job market, new construction, weather events and retail activity. Consideration of the impact of these economic indicators is critical as Wellington endeavors to develop its resources and facilities to meet the demand of its residents as well as to comply with regulatory requirements.

Additional economic factors that can have a significant impact on Wellington include inflation, weak economic growth, natural disasters, commodities prices and increasing property insurance rates.

While property taxes are important, they represent only 29% of governmental funds revenue, excluding other financing sources and uses. Another 31% comes from local option taxes, utility service taxes, communication services taxes, franchise fees and state revenue sharing. Impact fees, local business tax receipts, permits and fees, charges for services, fines and forfeitures, investment income and miscellaneous income total 30%. Additionally, special assessments levied total approximately 7% and grants total another 2%. Wellington monitors all of its resources and determines the need for program adjustments or fee increases accordingly.

Next Year's Budget and Rates

The operating millage rate of 2.47 mills for fiscal year 2026 remained the same as the prior fiscal year. This millage resulted in a total property tax budget of approximately \$31.2 million, an increase of \$1.8 million or 6% from the property tax budget for the prior year. The Surface Water Management Assessment rate increased \$20 per unit to \$275 per unit. The Solid Waste Assessment increased to \$320 per curbside unit and \$235 per containerized unit. Additional information regarding the adoption of the annual budget can be found on page 86 of this report.

This financial report is designed to provide a general overview of Wellington's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to:

Office of Financial Management and Budget

12300 Forest Hill Boulevard

Wellington, FL 33414

561-791-4000

www.wellingtonfl.gov

VILLAGE OF WELLINGTON, FLORIDA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2025

	Primary Government		
	Governmental	Business-type	Total
	Activities	Activities	
ASSETS			
Cash	\$ 7,036,575	\$ 2,465,048	\$ 9,501,623
Investments	134,463,535	39,512,367	173,975,902
Receivables (net)	2,221,635	3,548,250	5,769,885
Due from other governments	4,886,651	207,182	5,093,833
Prepaid expenses	677,917	174,190	852,107
Inventories	7,262	95,240	102,502
Deposits	465,626	24,192	489,818
Restricted assets:			
Cash	-	5,584,462	5,584,462
Investments	-	610,731	610,731
Net other postemployment benefit asset	1,604,750	368,213	1,972,963
Assessment receivable	1,294,000	-	1,294,000
Lease receivable	640,749	-	640,749
PPP receivable	37,038,663	-	37,038,663
Capital assets:			
Capital assets not being depreciated	167,570,868	24,656,648	192,227,516
Capital assets being depreciated, net	<u>60,686,001</u>	<u>137,196,339</u>	<u>197,882,340</u>
Total assets	<u>418,594,232</u>	<u>214,442,862</u>	<u>633,037,094</u>
DEFERRED OUTFLOWS OF RESOURCES			
Other postemployment benefit	317,774	76,279	394,053
Pension	<u>3,659,049</u>	<u>671,939</u>	<u>4,330,988</u>
Total deferred outflows of resources	<u>3,976,823</u>	<u>748,218</u>	<u>4,725,041</u>
LIABILITIES			
Accounts payable and accrued liabilities	10,829,205	3,310,072	14,139,277
Escrows and deposits	1,449,438	-	1,449,438
Contracts and retainage payable	1,782,886	339,214	2,122,100
Due to other governments	60,064	-	60,064
Deposits payable from restricted assets	-	610,731	610,731
Unearned revenue	2,610,892	-	2,610,892
Accrued interest payable	485,344	33,299	518,643
Noncurrent liabilities:			
Due within one year:			
Bonds payable	765,000	-	765,000
Loans payable	-	1,309,768	1,309,768
Compensated absences payable	1,362,280	326,723	1,689,003
Obligations under Leases	4,609	-	4,609
Obligations under SBITA's	692,236	37,319	729,555
Due in more than one year:			
Bonds payable	34,250,000	-	34,250,000
Compensated absences payable	2,101,299	421,917	2,523,216
Loans payable	-	10,874,033	10,874,033
Obligations under SBITA's	321,056	-	321,056
Net pension liability	<u>17,724,214</u>	<u>3,619,167</u>	<u>21,343,381</u>
Total liabilities	<u>74,438,523</u>	<u>20,882,243</u>	<u>95,320,766</u>
DEFERRED INFLOWS OF RESOURCES			
Pension	4,883,068	1,017,826	5,900,894
Other postemployment benefit	188,266	49,633	237,899
Leases	564,595	-	564,595
PPP	<u>36,747,832</u>	-	<u>36,747,832</u>
Total deferred inflows of resources	<u>42,383,761</u>	<u>1,067,459</u>	<u>43,451,220</u>
NET POSITION			
Net investment in capital assets	202,512,927	149,292,653	351,805,580
Restricted for:			
Net other postemployment asset	1,604,750	368,213	1,972,963
Building department	10,564,019	-	10,564,019
Surfacewater management	3,660,317	-	3,660,317
Road capital and maintenance	4,850,872	-	4,850,872
Capital projects	27,126,213	24,270,199	51,396,412
Economic development	176,432	-	176,432
Unrestricted	<u>55,253,241</u>	<u>19,310,313</u>	<u>74,563,554</u>
Total net position	<u>\$ 305,748,771</u>	<u>\$ 193,241,378</u>	<u>\$ 498,990,149</u>

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

VILLAGE OF WELLINGTON, FLORIDA

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Function/Program Activities	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 17,694,682	\$ 977,673	\$ 63,750	\$ -	\$ (16,653,259)	\$ -	\$ (16,653,259)
Public safety	17,541,210	16,328,526	-	3,828	(1,208,856)	-	(1,208,856)
Physical environment	8,477,418	6,770,835	20,152	-	(1,686,431)	-	(1,686,431)
Economic environment	2,456,646	-	903,347	-	(1,553,299)	-	(1,553,299)
Transportation	6,637,456	266,476	1,852,459	-	(4,518,521)	-	(4,518,521)
Culture and recreation	17,175,441	5,430,679	-	1,014,210	(10,730,552)	-	(10,730,552)
Interest on long-term debt	<u>1,873,467</u>	-	-	-	<u>(1,873,467)</u>	-	<u>(1,873,467)</u>
Total governmental activities	<u>71,856,320</u>	<u>29,774,189</u>	<u>2,839,708</u>	<u>1,018,038</u>	<u>(38,224,385)</u>	-	<u>(38,224,385)</u>
Business-type activities:							
Utility system	30,204,078	31,104,459	-	2,463,566	-	3,363,947	3,363,947
Solid waste	<u>7,854,159</u>	<u>7,718,581</u>	-	-	-	<u>(135,578)</u>	<u>(135,578)</u>
Total business-type activities	<u>38,058,237</u>	<u>38,823,040</u>	-	<u>2,463,566</u>	-	<u>3,228,369</u>	<u>3,228,369</u>
Total primary government	<u>\$109,914,557</u>	<u>\$ 68,597,229</u>	<u>\$ 2,839,708</u>	<u>\$ 3,481,604</u>	<u>(38,224,385)</u>	<u>3,228,369</u>	<u>(34,996,016)</u>
General revenues:							
Property taxes					29,575,122	-	29,575,122
Franchise fees on gross receipts					5,154,377	-	5,154,377
Communication services taxes					2,142,711	-	2,142,711
Discretionary tax					6,334,252	-	6,334,252
Utility service taxes					6,780,565	-	6,780,565
State shared revenue					8,985,853	-	8,985,853
Investment earnings					6,930,073	1,405,354	8,335,427
Gain on sale of capital assets					75,058	-	75,058
Interest income (PPP)					1,673,673	-	1,673,673
Other					626,110	4,521,587	5,147,697
Contributions and donated assets, unrestricted					9,800	-	9,800
Transfers					<u>(868,000)</u>	<u>868,000</u>	<u>-</u>
Total general revenues and transfers					<u>67,419,594</u>	<u>6,794,941</u>	<u>74,214,535</u>
Change in net position					29,195,209	10,023,310	39,218,519
Net position, beginning of year					<u>276,553,562</u>	<u>183,218,068</u>	<u>459,771,630</u>
Net position, end of year					<u>\$ 305,748,771</u>	<u>\$ 193,241,378</u>	<u>\$ 498,990,149</u>

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

VILLAGE OF WELLINGTON, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General	Building	Acme Improvement	Capital Projects	Surtax Fund	Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash	\$ 206,264	\$ 2,412	\$ 3,799	\$ 1,939,494	\$ 29,857	\$ 319,641	\$ 4,535,108	\$ 7,036,575
Investments	55,423,199	10,785,435	4,008,088	32,366,246	18,966,561	-	12,914,006	134,463,535
Current receivables:								
Utility taxes	699,206	-	-	-	-	-	-	699,206
Franchise fees	553,065	-	-	-	-	-	-	553,065
Accounts	268,757	-	-	-	-	-	-	268,757
Interest	273,420	56,251	24,492	112,779	163,864	-	69,801	700,607
Due from other governments	1,400,570	-	150,003	1,751,633	1,038,441	1,759	544,245	4,886,651
Prepaid expenditures	645,889	19,919	7,214	-	-	-	4,895	677,917
Inventory	7,262	-	-	-	-	-	-	7,262
Deposits	465,626	-	-	-	-	-	-	465,626
Lease and assessment receivables	640,749	-	-	-	-	1,294,000	-	1,934,749
PPP installment receivable	<u>37,038,663</u>	-	-	-	-	-	-	<u>37,038,663</u>
Total assets	<u>\$97,622,670</u>	<u>\$10,864,017</u>	<u>\$ 4,193,596</u>	<u>\$36,170,152</u>	<u>\$20,198,723</u>	<u>\$ 1,615,400</u>	<u>\$18,068,055</u>	<u>\$ 188,732,613</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable and accrued liabilities	\$ 3,660,560	\$ 252,862	\$ 414,475	2,912,344	\$ 2,961,412	\$ -	\$ 627,552	\$ 10,829,205
Escrows and deposits	1,449,438	-	-	-	-	-	-	1,449,438
Contracts and retainage payable	-	-	-	907,949	871,051	-	3,886	1,782,886
Due to other governments	12,928	47,136	-	-	-	-	-	60,064
Unearned revenue	<u>1,203,131</u>	-	<u>10,000</u>	<u>25,908</u>	-	-	<u>1,371,853</u>	<u>2,610,892</u>
Total liabilities	<u>6,326,057</u>	<u>299,998</u>	<u>424,475</u>	<u>3,846,201</u>	<u>3,832,463</u>	-	<u>2,003,291</u>	<u>16,732,485</u>
Deferred inflows of resources:								
Unavailable revenue	-	-	108,804	1,751,633	-	1,294,000	277,507	3,431,944
Leases	564,595	-	-	-	-	-	-	564,595
PPP	<u>36,747,832</u>	-	-	-	-	-	-	<u>36,747,832</u>
Total deferred inflow of resources	<u>37,312,427</u>	-	<u>108,804</u>	<u>1,751,633</u>	-	<u>1,294,000</u>	<u>277,507</u>	<u>40,744,371</u>
Fund balances:								
Nonspendable:								
Prepaid expenditures	645,889	19,919	7,214	-	-	-	4,895	677,917
Inventory	7,262	-	-	-	-	-	-	7,262
Deposits	465,626	-	-	-	-	-	-	465,626
Leases	76,154	-	-	-	-	-	-	76,154
PPP	290,831	-	-	-	-	-	-	290,831
Restricted for:								
Capital projects	-	-	-	-	16,366,260	-	10,759,953	27,126,213
Building	-	10,544,100	-	-	-	-	-	10,544,100
Surface Water Management	-	-	3,653,103	-	-	-	-	3,653,103
Road capital and maintenance	-	-	-	-	-	-	4,845,977	4,845,977
Economic development	-	-	-	-	-	-	176,432	176,432
Debt service	-	-	-	-	-	321,400	-	321,400
Committed for:								
Rate stabilization	2,785,000	-	-	-	-	-	-	2,785,000
Insurance	1,530,000	-	-	-	-	-	-	1,530,000
Facility and Infrastructure	2,132,000	-	-	-	-	-	-	2,132,000
Emergency	2,799,554	-	-	-	-	-	-	2,799,554
Resilience	6,000,000	-	-	-	-	-	-	6,000,000
Assigned for:								
Contracts	467,840	-	-	8,981,653	-	-	-	9,449,493
Capital projects	2,798,613	-	-	21,590,665	-	-	-	24,389,278
Subsequent year's budget:								
appropriation of fund balance	2,303,863	-	-	-	-	-	-	2,303,863
Unassigned	<u>31,681,554</u>	-	-	-	-	-	-	<u>31,681,554</u>
Total fund balances	<u>53,984,186</u>	<u>10,564,019</u>	<u>3,660,317</u>	<u>30,572,318</u>	<u>16,366,260</u>	<u>321,400</u>	<u>15,787,257</u>	<u>131,255,757</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$97,622,670</u>	<u>\$10,864,017</u>	<u>\$ 4,193,596</u>	<u>36,170,152</u>	<u>\$20,198,723</u>	<u>\$ 1,615,400</u>	<u>\$18,068,055</u>	<u>\$ 188,732,613</u>

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

VILLAGE OF WELLINGTON, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Ending fund balance - governmental funds	\$ 131,255,757
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Governmental capital assets	\$372,643,588
Less accumulated depreciation and amortization	<u>(144,386,719)</u>
Net capital assets	228,256,869
Net other postemployment benefit (OPEB) asset created through funding of the OPEB plan as employer contribution to the defined benefit OPEB plan is not recognized in the funds	1,604,750
Assets that are not available to pay for current period expenditures are unavailable revenue in the fund statements	3,431,944
Deferred outflows of resources related to pensions are recorded in the statement of net position	3,659,049
Deferred outflows of resources related to OPEB are recorded in the statement of net position	317,774
Deferred inflows of resources related to pensions are recorded in the statement of net position	(4,883,068)
Deferred inflows of resources related to OPEB are recorded in the statement of net position	(188,266)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Bonds payable	(35,015,000)
Accrued interest	(485,344)
Leases	(4,609)
SBITA's	(1,013,292)
Compensated absences	(3,463,579)
Net pension liability	<u>(17,724,214)</u>
Net position of governmental activities	<u>\$ 305,748,771</u>

VILLAGE OF WELLINGTON, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>General</u>	<u>Building</u>	<u>Acme Improvement</u>	<u>Capital Projects</u>	<u>Surtax Fund</u>	<u>Debt Service</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:								
Ad valorem taxes	\$ 29,575,122	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,575,122
Local option taxes	-	-	-	-	6,334,252	-	1,653,373	7,987,625
Utility services taxes	6,780,565	-	-	-	-	-	-	6,780,565
Special assessments	-	-	6,498,929	-	-	271,906	-	6,770,835
Impact fees	-	-	-	-	-	-	459,073	459,073
Communication services taxes	2,142,711	-	-	-	-	-	-	2,142,711
Local business tax receipts	977,673	-	-	-	-	-	-	977,673
Permits and fees	1,506,880	5,051,057	-	-	-	-	-	6,557,937
Franchise fees	5,154,377	-	-	-	-	-	-	5,154,377
Grants	708,859	-	-	470,152	-	-	471,808	1,650,819
State revenue sharing	8,463,648	-	-	-	-	-	522,205	8,985,853
Charges for services	4,912,530	-	290,266	-	-	-	35,286	5,238,082
Fines and forfeitures	9,770,589	-	-	-	-	-	-	9,770,589
Investment income (net)	2,360,768	475,002	204,655	1,919,779	1,301,443	238	668,188	6,930,073
Interest income-PPP	1,673,673	-	-	-	-	-	-	1,673,673
Contributions	9,800	-	-	-	-	-	-	9,800
Miscellaneous	482,198	46,728	48,862	-	-	-	31,033	608,821
Total revenues	<u>\$ 74,519,393</u>	<u>\$ 5,572,787</u>	<u>\$ 7,042,712</u>	<u>\$ 2,389,931</u>	<u>\$ 7,635,695</u>	<u>\$ 272,144</u>	<u>\$ 3,840,966</u>	<u>\$ 101,273,628</u>

(Continued)

VILLAGE OF WELLINGTON, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Continued)

GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>General</u>	<u>Building</u>	<u>Acme Improvement</u>	<u>Capital Projects</u>	<u>Surtax Fund</u>	<u>Debt Service</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Expenditures:								
Current:								
General government	\$ 16,942,498	\$ -	\$ 53,111	\$ -	\$ -	\$ 587	\$ -	\$ 16,996,196
Public safety	12,710,489	4,929,166	-	-	-	-	-	17,639,655
Physical environment	1,541,395	-	4,094,404	-	-	-	151,208	5,787,007
Economic environment	1,321,591	-	-	-	-	-	1,138,997	2,460,588
Transportation	-	-	-	-	-	-	5,346,542	5,346,542
Culture and recreation	14,257,667	-	526,127	-	-	-	-	14,783,794
Capital outlay	1,776,031	237,852	98,837	32,379,754	22,439,811	-	953,914	57,886,199
Debt service:								
Principal	804,107	295,449	11,351	-	-	215,000	-	1,325,907
Interest and other fiscal charges	25,414	12,908	151	-	-	1,843,439	-	1,881,912
Total expenditures	<u>49,379,192</u>	<u>5,475,375</u>	<u>4,783,981</u>	<u>32,379,754</u>	<u>22,439,811</u>	<u>2,059,026</u>	<u>7,590,661</u>	<u>124,107,800</u>
Excess (deficiency) of revenues over (under) expenditures	<u>25,140,201</u>	<u>97,412</u>	<u>2,258,731</u>	<u>(29,989,823)</u>	<u>(14,804,116)</u>	<u>(1,786,882)</u>	<u>(3,749,695)</u>	<u>(22,834,172)</u>
Other financing sources (uses):								
Transfers in	-	-	-	8,057,000	-	1,790,739	7,570,353	17,418,092
Transfers out	(15,736,092)	-	(2,250,000)	-	(300,000)	-	-	(18,286,092)
Proceeds from sale of capital assets	89,084	-	-	-	-	-	14,031	103,115
Initiation of SBITA's	<u>632,735</u>	<u>159,932</u>	<u>11,424</u>	-	-	-	-	<u>804,091</u>
Total other financing sources (uses)	<u>(15,014,273)</u>	<u>159,932</u>	<u>(2,238,576)</u>	<u>8,057,000</u>	<u>(300,000)</u>	<u>1,790,739</u>	<u>7,584,384</u>	<u>39,206</u>
Net change in fund balances	10,125,928	257,344	20,155	(21,932,823)	(15,104,116)	3,857	3,834,689	(22,794,966)
Fund balances, beginning of year	<u>43,858,258</u>	<u>10,306,675</u>	<u>3,640,162</u>	<u>52,505,141</u>	<u>31,470,376</u>	<u>317,543</u>	<u>11,952,568</u>	<u>154,050,723</u>
Fund balances, end of year	<u>\$ 53,984,186</u>	<u>\$ 10,564,019</u>	<u>\$ 3,660,317</u>	<u>\$ 30,572,318</u>	<u>\$ 16,366,260</u>	<u>\$ 321,400</u>	<u>\$ 15,787,257</u>	<u>\$ 131,255,757</u>

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

VILLAGE OF WELLINGTON, FLORIDA

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

Net change in fund balances - total governmental funds	\$ (22,794,966)
Governmental funds report capital outlays as expenditures, however, the cost of capital assets is eliminated in the statement of activities and capitalized in the statement of net position.	57,641,228
Depreciation of capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	(8,594,559)
In the statement of activities, only the gain (loss) on the sale of capital assets is reported	
Net book value of asset disposals	(28,058)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position:	
Principal payments on debt	1,325,907
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental fund financial statements.	3,431,944
Certain revenues were unavailable for the fund financial statements in the prior fiscal year. In the current fiscal year, these revenues were recorded in the governmental fund financial statements.	(2,861,101)
Governmental funds report the face amount of bonds issued as financial resources when the debt is first issued, whereas these amounts are eliminated in the statement of activities and recognized as long-term liabilities in the statement of net position.	
Initiation of SBITA's	(804,091)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Change in accrued interest	8,446
Change in compensated absences	129,155
Other postemployment benefit expense (income)	122,804
Pension expense (income)	<u>1,618,500</u>
Change in net position of governmental activities	<u>\$ 29,195,209</u>

VILLAGE OF WELLINGTON, FLORIDA

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

SEPTEMBER 30, 2025

	Major		
	Utility System	Solid Waste	Total
ASSETS			
Current assets:			
Cash	\$ 2,445,223	\$ 19,825	\$ 2,465,048
Investments	37,173,557	2,338,810	39,512,367
Receivables:			
Accounts, net of allowance for uncollectible amounts	3,298,871	85,741	3,384,612
Interest	149,466	14,172	163,638
Due from other governments	161,421	45,761	207,182
Inventories	95,240	-	95,240
Prepaid expenses	173,932	258	174,190
Deposits	24,192	-	24,192
Restricted investments	610,731	-	610,731
Total current assets	44,132,633	2,504,567	46,637,200
Noncurrent assets:			
Restricted cash	5,584,462	-	5,584,462
Net other postemployment benefit asset	349,917	18,296	368,213
Capital assets (not being depreciated)	24,656,648	-	24,656,648
Capital assets (net of accumulated depreciation/amortization)	137,193,375	2,964	137,196,339
Total noncurrent assets	167,784,402	21,260	167,805,662
Total assets	\$ 211,917,035	\$ 2,525,827	\$ 214,442,862
DEFERRED OUTFLOW OF RESOURCES			
Other postemployment benefit Pension	\$ 72,339	\$ 3,940	\$ 76,279
	632,170	39,769	671,939
Total deferred outflows of resources	\$ 704,509	\$ 43,709	\$ 748,218
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 2,817,621	\$ 492,451	\$ 3,310,072
Contracts and retainage payable	339,214	-	339,214
Deposits, payable from restricted assets	610,731	-	610,731
Accrued interest	33,147	152	33,299
Compensated absences payable	318,708	8,015	326,723
Loans payable	1,309,768	-	1,309,768
Obligations under SBITA's	34,448	2,871	37,319
Total current liabilities	5,463,637	503,489	5,967,126
Noncurrent liabilities:			
Loans payable	10,874,033	-	10,874,033
Compensated absences payable	400,115	21,802	421,917
Net pension liability	3,424,873	194,294	3,619,167
Total noncurrent liabilities	14,699,021	216,096	14,915,117
Total liabilities	20,162,658	719,585	20,882,243
DEFERRED INFLOW OF RESOURCES			
Pension	982,453	35,373	1,017,826
Other postemployment benefit	47,254	2,379	49,633
Total deferred inflow of resources	1,029,707	37,752	1,067,459
NET POSITION			
Net investment in capital assets	149,292,560	93	149,292,653
Restricted for capital improvements - capacity fees	5,584,462	-	5,584,462
Restricted for net other postemployment asset	349,917	18,296	368,213
Restricted for renewal and replacement of capital assets	18,685,737	-	18,685,737
Unrestricted	17,516,503	1,793,810	19,310,313
Total net position	\$ 191,429,179	\$ 1,812,199	\$ 193,241,378

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

VILLAGE OF WELLINGTON, FLORIDA

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

	Major		
	Utility System	Solid Waste	Total
Operating revenues:			
Charges for services	\$ 31,066,544	\$ 2,039	\$ 31,068,583
Special assessments	-	7,185,300	7,185,300
Licenses and permits	37,915	-	37,915
Franchise fees	-	531,242	531,242
Other	4,467,445	-	4,467,445
Total operating revenues	<u>35,571,904</u>	<u>7,718,581</u>	<u>43,290,485</u>
Operating expenses:			
Utilities administration	3,700,093	-	3,700,093
Water treatment plant	4,378,569	-	4,378,569
Field services	518,396	-	518,396
Water meter services	531,409	-	531,409
Water distribution services	1,569,349	-	1,569,349
Utility plant maintenance	1,247,091	-	1,247,091
Water reclamation facilities	3,338,575	-	3,338,575
Wastewater collection services	1,737,756	-	1,737,756
Utilities customer service	1,566,485	-	1,566,485
Regulatory compliance	401,323	-	401,323
Other-non-departmental and maintenance	2,297,867	-	2,297,867
Solid waste	-	7,838,518	7,838,518
Depreciation/amortization	8,521,149	15,467	8,536,616
Total operating expenses	<u>29,808,062</u>	<u>7,853,985</u>	<u>37,662,047</u>
Income/(loss) from operations	<u>5,763,842</u>	<u>(135,404)</u>	<u>5,628,438</u>
Nonoperating revenues (expenses):			
Investment income (net)	1,289,859	115,495	1,405,354
Net gain (loss) on sale or disposition of capital assets	97,005	(42,863)	54,142
Interest expense and debt service costs	(396,016)	(174)	(396,190)
Total nonoperating revenues (expenses)	<u>990,848</u>	<u>72,458</u>	<u>1,063,306</u>
Income/(loss) before contributions and transfers	<u>6,754,690</u>	<u>(62,946)</u>	<u>6,691,744</u>
Capital contributions:			
Grants	161,421	-	161,421
Capacity charges	283,310	-	283,310
Distribution lines	1,991,736	-	1,991,736
Meters	27,099	-	27,099
Transfer in	-	868,000	868,000
Change in net position	<u>9,218,256</u>	<u>805,054</u>	<u>10,023,310</u>
Net position - beginning	<u>182,210,923</u>	<u>1,007,145</u>	<u>183,218,068</u>
Net position - end of year	<u>\$ 191,429,179</u>	<u>\$ 1,812,199</u>	<u>\$ 193,241,378</u>

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



VILLAGE OF WELLINGTON, FLORIDA

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Major		
	Utility System	Solid Waste	Total
Cash flows from operating activities:			
Receipts from customers	\$ 30,906,572	\$ 7,673,664	\$ 38,580,236
Payments to suppliers for goods and services	(13,967,507)	(7,686,885)	(21,654,392)
Payments to employees for services	(7,769,048)	(166,414)	(7,935,462)
Other operating revenues	4,449,989	-	4,449,989
Net cash provided (used) by operating activities	<u>13,620,006</u>	<u>(179,635)</u>	<u>13,440,371</u>
Cash flows from noncapital financing activities:			
Transfers to/(from) other funds	-	868,000	868,000
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>868,000</u>	<u>868,000</u>
Cash flows from capital and related financing activities:			
Capital contributions	310,409	-	310,409
Sale proceeds of capital assets	79,737	-	79,737
Acquisition of property, plant and equipment	(8,858,549)	-	(8,858,549)
Principal paid on capital debt	(1,406,238)	(11,351)	(1,417,589)
Interest paid on indebtedness	(399,002)	(150)	(399,152)
Net cash provided (used) by capital and related financing activities	<u>(10,273,643)</u>	<u>(11,501)</u>	<u>(10,285,144)</u>
Cash flows from investing activities:			
Interest received	1,276,964	109,039	1,386,003
Sale of investments	6,748,167	331,969	7,080,136
Purchase of Investments	(13,900,000)	(1,100,000)	(15,000,000)
Net cash provided (used) by investing activities	<u>(5,874,869)</u>	<u>(658,992)</u>	<u>(6,533,861)</u>
Net increase (decrease) in cash	(2,528,506)	17,872	(2,510,634)
Cash, beginning of year	<u>10,558,191</u>	<u>1,953</u>	<u>10,560,144</u>
Total cash, end of year	<u>\$ 8,029,685</u>	<u>\$ 19,825</u>	<u>\$ 8,049,510</u>
Cash			
Unrestricted	\$ 2,445,223	\$ 19,825	\$ 2,465,048
Restricted	5,584,462	-	5,584,462
Total cash	<u>\$ 8,029,685</u>	<u>\$ 19,825</u>	<u>\$ 8,049,510</u>

(Continued)

VILLAGE OF WELLINGTON, FLORIDA

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS (Continued)

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Major		
	Utility System	Solid Waste	Total
Reconciliation of operating income to net cash provided by operating activities:			
Operating income(loss)	\$ 5,763,842	\$ (135,404)	\$ 5,628,438
Adjustments to reconcile operating income(loss) to net cash provided (used) by operating activities:			
Depreciation/amortization expense	8,521,149	15,467	8,536,616
(Increase) decrease in assets and deferred outflows:			
Accounts receivable	(238,364)	(43,479)	(281,843)
Due from other governments	-	(1,438)	(1,438)
Inventories	(6,852)	-	(6,852)
Deposits	(3,725)	-	(3,725)
Prepaid expenses	(61,974)	(258)	(62,232)
OPEB	(45,845)	(2,183)	(48,028)
Deferred outflows-OPEB	55,865	2,660	58,525
Deferred outflows-Pension	291,603	6,101	297,704
Increase (decrease) in liabilities and deferred inflows:			
Accounts payable and accrued liabilities	9,837	(18,131)	(8,294)
Due to other governments	(17,456)	-	(17,456)
Deposits	40,477	-	40,477
Net pension liability	(1,021,941)	(21,382)	(1,043,323)
Compensated absences payable	18,728	12,978	31,706
Deferred inflows-OPEB	(43,083)	(2,051)	(45,134)
Deferred intflows-Pension	357,745	7,485	365,230
Total adjustments	7,856,164	(44,231)	7,811,933
Net cash provided (used) by operating activities	\$ 13,620,006	\$ (179,635)	\$ 13,440,371
Noncash investing, capital, and financing activities:			
Developer contributed distribution lines	\$ 1,991,736	\$ -	\$ 1,991,736
Unrealized gains/(losses) on investments	37,630	(1,290)	36,340
Gains/(losses) on disposal of assets	17,268	(42,863)	(25,595)
SBITA obligations	137,085	11,424	148,509
Contracts and retainage payable	(48,225)	-	(48,225)

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

VILLAGE OF WELLINGTON, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUND

SEPTEMBER 30, 2025

	Employee Retirement Healthcare Trust
ASSETS	
Investments:	
Florida Municipal Pension Trust Funds	<u>\$ 2,750,104</u>
NET POSITION	
Net position restricted for other postemployment benefits	<u>\$ 2,750,104</u>

VILLAGE OF WELLINGTON, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Employee Retirement Healthcare Trust</u>
Additions:	
Investment income	\$ 230,872
Deductions:	
Administrative expenses	<u>(12,040)</u>
Change in net position	218,832
Net position held in trust for other postemployment benefits, beginning of year	<u>2,531,272</u>
Net position restricted for OPEB, end of year	<u><u>\$ 2,750,104</u></u>

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Village of Wellington (“The Village”) was incorporated December 31, 1995, pursuant to Chapter 95-496, Laws of Florida, and commenced operations on March 28, 1996. Wellington operates under the Council-Manager form of government and provides a wide range of community services including general government; planning, zoning and building; public safety (police protection); public works (construction and maintenance of roads, rights of way, and other infrastructure; street lighting; and storm water drainage); culture and recreation (parks maintenance, recreational activities, cultural events, and related facilities); water and sewer utilities; and solid waste collection and recycling. Wellington’s Council (“Council”) is responsible for legislative and fiscal control of Wellington.

As required by U.S. generally accepted accounting principles (GAAP), these basic financial statements present the government and its component units. Component units are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause Wellington’s basic financial statements to be misleading or incomplete. The primary government is considered financially accountable if it appoints a voting majority of an organization’s governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government, regardless of the authority of the organization’s governing board. Blended component units, although legally separate entities, are, in substance, part of the primary government’s operations and are included as part of the primary government.

Blended Component Units

Based on the application of the criteria set forth by the Governmental Accounting Standards Board (GASB), management has included Acme Improvement District (District) in Wellington’s reporting entity. Prior to incorporation, the District was an independent special taxing district created in 1953, which served as the local government providing the majority of community services and facilities for the area including water and sewer, stormwater drainage, transportation, street lighting, and parks and recreation. As a result of incorporation, Wellington now provides those municipal services and the District has become a dependent district of Wellington. Because of the breadth of the services it already provided to residents, the District formed the backbone of Wellington. Although the District is legally separate from Wellington, it is reported as if it were part of the primary government as a blended component unit of Wellington because the District is governed by a five-member board of supervisors that is the same as the governing body of Wellington and management of the Village has operational responsibility for the District. The District does not issue separate financial statements and is presented as a special revenue fund type – Acme Improvement Fund.

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 of the activities of Wellington and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses for centralized services and administrative overhead are allocated among the programs, functions, and segments using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, although the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining nonmajor governmental funds are aggregated and reported as nonmajor funds.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

Property taxes, franchise fees, assessments, intergovernmental revenue and licenses, associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items reported in the governmental funds are considered to be measurable and available only when cash is received by Wellington.

Wellington reports the following major governmental funds:

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

Building – This special revenue fund accounts for revenues and expenditures applicable to the building function. The purpose of the fund is to segregate permitting services pertaining to building activities and to ensure that the fee structure for such activities is accurate. The revenues received are from the issuance of licenses and permits.

Acme Improvement – This special revenue fund accounts for all financial resources and expenditures applicable to the operations of the Acme Improvement District, a dependent special district of Wellington, related solely to the water management facilities in accordance with the Plan of Reclamation and existing operations, construction of capital facilities, and maintenance of the same. The funding source are non-ad valorem special assessments against all taxable units within the District and charges for services.

Debt Service– This fund is maintained to account for the payment of interest and principal requirements on long-term debt. Wellington maintains one debt service fund for the repayment of revenue and special assessment bonds.

Surtax Fund – This fund is used to segregate all financial activity applicable to the one-cent infrastructure sales surtax that was approved by county voters in November 2016.

Capital Projects – This fund is used to segregate all financial activity applicable to the governmental capital

expenditures from governmental operating expenditures. These expenditures are funded through transfers and grant proceeds.

Wellington reports the following major proprietary funds:

Utility System – This fund accounts for the activities related to the sewage treatment plant, sewage pumping stations and collection systems, and the water distribution system.

Solid Waste – This fund accounts for the activities related to solid waste removal and recycling.

Additionally, Wellington reports the following fiduciary fund:

Employee Retirement Healthcare Trust Fund – This fund accounts for the trust fund established to receive and invest Village healthcare contributions in a defined benefit other postemployment benefit plan and to disburse these monies to cover retirees' health insurance in accordance with the trust document. Since these assets are held for the benefit of third parties and cannot be used to finance activities or obligations of Wellington, they are not included in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer function as well as the solid waste function and various other functions of Wellington. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the utility system enterprise fund are charges to customers for sales and services. The principal operating revenues of the solid waste collection and recycling enterprise fund are special assessments. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

Deposits and Investments

Cash and investments of each fund, except certain investments in the debt service and enterprise funds, are accounted for in pooled cash and investment accounts with each fund maintaining its proportionate equity in the pooled accounts. The use of a pooled cash and investment account enables Wellington to invest idle cash for short periods of time, thereby maximizing earnings potential. Income earned from this pooling is allocated to the respective funds based upon average monthly proportionate balances. Investments are stated at fair value.

Wellington considers cash on hand, demand deposits, and all other short-term investments that are highly liquid to be cash equivalents. Highly liquid short-term investments are those readily convertible to a known amount of cash, that at the day of purchase, have a maturity date not longer than three months.

All cash deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act", and are collateralized with eligible securities having a fair value equal to a percentage of the average daily or monthly balance of all public deposits. Wellington's investment practices are governed by Chapter 218.415 of the Florida Statutes and the requirements of outstanding bond issues.

Receivables

Receivables include amounts due from other governments and others for services provided by Wellington. Receivables are recorded and revenues are recognized as earned or as specific program expenditures/expenses are incurred. Allowances for uncollectible receivables are based on historical trends and the periodic aging of receivables.

Inventories and Prepaid Items

Inventories are valued at the lower of cost (first-in, first-out) or market. Wellington uses the consumption method wherein all inventories are maintained by perpetual records, expensed when used and adjusted by physical count.

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 using the consumption method. Expenditures for services extending over more than one accounting period are accounted for as expenditures of the period of use.

Restricted Assets

These assets represent cash and investments set aside pursuant to debt covenants or other contractual restrictions.

Capital Assets and Depreciation/Amortization

Capital assets, which include property, plant, equipment, leases (right-to-use assets), subscriptions, and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by Wellington as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year except for right-to-use assets.

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are Wellington's assets as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized as assets in the government-wide statement of net position. General capital assets are carried at historical cost. Where cost cannot be determined from available records, estimated historical cost has been used to record the estimated value of the assets. Assets acquired by gift or bequest are recorded at their acquisition value at the date of donation. The road network was valued based on current construction costs discounted by consumer price indices for highway construction.

Capital assets of the enterprise funds are capitalized in the fund in which they are utilized. The valuation basis for enterprise fund capital assets are the same as those used for general capital assets. Accounting for interest cost incurred before the end of a construction period is handled in accordance with GASB Statement No. 89. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

Additions, improvements, and other capital outlay that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation/Amortization has been provided over the estimated useful lives using the straight-line method of depreciation/amortization. The estimated lives for each major class of depreciable capital assets are as follows:

Buildings	30 years
Furniture and Fixtures	15 years
Improvements other than Buildings	10-20 years
Computer Equipment	3-20 years
Vehicles	5-10 years
General Equipment	5-10 years
Major Machinery and Equipment	15 years
Wells	20 years
Infrastructure	40 years
Water Treatment Plant & Waste Water Plant	30 years
Right-to-use / Subscription Assets	Shorter of lease term or useful life

The street network is not depreciated. Wellington has elected to use the modified approach in accounting for its streets. The modified approach allows governments to report as expenses in lieu of depreciation, infrastructure expenditures which maintain the asset but do not add to or improve the asset. Additions and improvements to the street network are capitalized. Wellington uses an asset management system to rate street condition and to quantify the results of maintenance efforts.

Leases

Lessee. The Village is a lessee for noncancelable leases of equipment. The Village recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The Village recognizes lease assets with an initial value of \$25,000 or more.

At the commencement of the lease, the Village measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of lease liability, adjusted for any payments made at or before the lease commencement date, plus certain initial direct costs. The lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Key estimates and judgements related to leases include how the Village determines: (1) the discount rate it uses to discount the expected lease payment to present value, (2) lease term, and (3) lease payments.

- ❖ The Village uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Village generally uses its estimated incremental borrowing rate as the discount rate for leases.
- ❖ The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Village is reasonably certain to exercise.

The Village monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor. The Village is a lessor for a noncancellable lease of a building or land. The Village recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Village initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgements included in how the Village determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- ❖ The Village uses its estimated incremental borrowing rate as the discount rate for leases.
- ❖ The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of variable payments from the lessee.

The Village monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements

The Village has recorded subscription-based information technology arrangement (SBITA) assets and liabilities in accordance with GASB Statement No. 96. The SBITA assets are initially measured at an amount equal to the initial measurement of the related SBITA liability plus any SBITA payments made prior to the subscription term, less SBITA incentives, plus any ancillary charges necessary to place the SBITA into service. 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 Village 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 debt on the statement of net position (see Notes 7 and 8).

Deferred Outflows/Inflows of Resources

The statement of net position reports, as applicable, a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. For example, the Village would record deferred outflows of resources related to debit amounts resulting from current and advance refunding resulting in the defeasance of debt (i.e. when there are differences between the reacquisition price and the net carrying amount of the old debt).

The statement of net position reports, as applicable, a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. For example, when an asset is recorded in the governmental fund financial statements, but the revenue is not available, the Village reports a deferred inflow of resources until such times as the revenue becomes available.

The Village reports pension and OPEB related deferred outflows of resources and deferred inflows of resources on its financial statements (see footnote 11 & 16 for additional information). In accordance with GASB 87, the Village reports a deferred inflows of resources related to its lessor activity (see footnote 3 for additional information).

Compensated Absences

Compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured. Compensated absences for governmental activities typically have been liquidated in the general fund. The Village provides paid time off (PTO) for eligible employees, which accrues at rates depending on an employee's years of service with a maximum carry forward from year to year of 400 hours. Additionally, eligible employees may cash out PTO each year with a maximum buyback between 120 and 160 hours depending on years of service.

Benefits for employees also include major illness leave. This benefit accrues at 4 hours per month. Employees may utilize this benefit for a major illness after they have used 3 workdays of paid time-off. Upon separation of service, and with 10 years of continuous service, any balance of these hours is valued at the current hourly pay rate and is paid into a Retirement Health Savings Plan or paid out. In this plan, monies are used by individuals to pay for qualified medical expenses, including premiums. For individuals that leave prior to 10 years of service, this time is forfeited.

Unavailable Revenue

Unavailable revenue (a deferred inflow of resources) is recorded for governmental fund receivables that are not both measurable and available. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

Unearned Revenue

Unearned revenue is recorded when resources are received by the Village before it has legal claim to them. In subsequent periods, when both revenue recognition criteria are met, the liability is removed, and revenue is recognized.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the Village's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

Fund Balance

The GASB issued statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes accounting and financial reporting requirements for all governmental funds and establishes criteria for classifying fund balances. Accordingly, the governmental fund financial statements report fund equity classifications that comprise a hierarchy based primarily on the extent to which Wellington is legally bound to honor the specific purposes for which amounts in fund balance may be spent. The fund balance classifications are summarized as follows:

Non-spendable – Non-spendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to remain intact.

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

Committed – Committed fund balances include amounts that can only be used for specific purposes pursuant to constraints imposed by ordinances of Wellington Council, Wellington’s highest level of decision-making authority, set in place prior to the end of the period. These amounts cannot be changed unless Council takes the same action to remove or change the constraint.

Assigned – Assigned fund balances include spendable amounts established by Wellington Council that are intended to be used for specific purposes, but are neither restricted nor committed. Assignments of fund balances are made through a motion by Wellington Council, are generally temporary and normally the same formal action need not be taken to remove the assignment.

Unassigned – Unassigned fund balances include amounts that are not assigned to other funds and have not been restricted, committed or assigned to specific purposes. The general fund is the only fund that reports a positive unassigned fund balance amount in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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

Wellington’s minimum fund balance policy mandates the General Fund Unassigned Fund Balance, at year end, will range, at a minimum, between 25% and 30% of the following year’s budgeted expenditures, including transfers. In any fiscal year where Wellington is unable to fund the minimum fund balance as required in this section, Wellington will not budget any amount of unassigned fund balance for the purpose of balancing the budget. This minimum is confirmed each year as part of the budget process by Council action.

Wellington Council has committed fund balance as follows:

Rate Stabilization Reserve – Wellington established reserves to offset future rate increases as approved by Wellington’s Council. This amount shall only be used in order to prevent increases to the millage rate to offset short-term economic conditions. Funds shall be released from the Rate Stabilization Reserve only upon Council Resolution. The amount in the Reserve is reviewed and approved annually as part of the budget process. On September 19, 2024, the Village adopted Resolution 2023-51 to set the reserve.

Insurance Reserve – An Insurance Reserve was established to offset future premium increases to be funded from this reserve upon Council action. The amount of this reserve is reviewed and established annually as part of the budget process. On September 19, 2024, the Village adopted Resolution 2023-51 to set the reserve.

Infrastructure Reserve – An Infrastructure Reserve was established to offset major unexpected facility and infrastructure rehabilitation. On September 19, 2024, the Village adopted Resolution 2023-51 to set the reserve.

Emergency Reserve – An Emergency Reserve was established to provide sufficient resources to ensure continued operations as well as to fund unplanned expenditures in the event of a hurricane, major storm, or other natural or man-made disaster. Funds will be authorized to be spent from the Disaster Contingency Fund upon Declaration of

Emergency and Wellington Council approval. On September 19, 2024, the Village adopted Resolution 2023-51 to set the reserve.

Resilience Reserve – the Village established the Resilience Reserve to provide a dedicated funding source for environmental sustainability, climate resilience, and open space initiatives. This Reserve is intended to provide financial resources for initiatives that enhance environmental sustainability, improve community resilience to climate and environmental risks, expand and preserve open space, and support related infrastructure investments. This includes the ability to leverage external funding sources such as federal, state, and local grants through the provision of required matching funds. On May 13, 2025, the Village adopted Resolution 2025-30 to set the reserve.

Interfund Transactions

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

GASB Statement No. 34, defines *interfund reimbursements* as “repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.” Transactions that constitute reimbursements are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the reimbursed fund. All other interfund transactions are treated as transfers. Transfers between governmental or propriety funds are netted as part of the reconciliation to the government-wide presentation.

Property Taxes

Under Florida law, the assessment of all properties and the collection of county, municipal, school board, and special district property taxes are consolidated with the county Property Appraiser and county Tax Collector, respectively. All property is reassessed according to its fair market value on January 1 of each year and each assessment roll is submitted to the State Department of Revenue for review to determine if the assessment roll meets all of the appropriate requirements of State law. Wellington's Charter permits it to levy property taxes at a rate of up to 5 mills.

The millage rate assessed by Wellington for 2025 was \$2.47 mills (for each \$1,000 of assessed valuation). This levy was based upon an assessed valuation of approximately \$12.1 billion.

Taxes may be paid less a 4% discount in November or at declining discounts each month through the month of February. All unpaid taxes become delinquent on April 1st following the year in which they are assessed. The Constitutional Tax Collector is required by law to hold an annual tax certificate sale to collect the preceding year's unpaid taxes and associated fees. The tax certificate sale must be held 60 days after the date of delinquency or June 1, whichever is later, per Florida Statute 197.402. A tax certificate is an enforceable first lien against the property for unpaid real estate property tax. The certificate holder is an independent investor who actually pays the tax for a property owner in exchange for a competitive bid rate of return on the investment. The tax certificate sale allows investors to purchase certificates by paying the tax debt. The sale is conducted online in a reverse-auction style with participants bidding downward on interest rates starting at 18%; the certificate is awarded to the lowest bidder who will pay the tax, interest and costs, and accept the lowest rate of interest. A tax certificate earns a minimum of 5% interest for the investor until the interest has accrued to greater than 5%, with the exception of “zero” interest bids, which always earn “zero” interest. At September 30, 2025, unpaid delinquent taxes are not material and have not been recorded.

During 2007 the Florida Legislature passed property tax reform legislation limiting the property tax levies of local governments. The maximum tax levy allowed by a majority vote of the governing body is based on a percentage reduction applied to the prior year property tax revenue. The percentage reduction is calculated based on the compound annual growth rate in the per capita property taxes levied. The law allows local governments to adopt a higher millage rate based on the following approval of the governing body: 1) a majority vote to adopt a rate equal to the prior year rolled-back millage rate, plus an adjustment for growth in per capita personal income; 2) a two-thirds vote to adopt a rate equal to the prior year adjusted millage rate plus 10%; or 3) any millage rate approved by unanimous vote or referendum. Future property tax growth is limited to the annual growth rate of per capita personal income, which is currently 3% to 4%, plus the value of new construction.

Impact of Newly Adopted Accounting Principles

GASB 102

The GASB issued Statement No. 102, *Certain Risk Disclosures*, which the Village implemented for the fiscal year ended September 30, 2025. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months on the date the financial statements are issued. This standard did not have a significant impact of the Village's financial statements.

Recent Accounting Pronouncements Issued

GASB 103

The GASB issued Statement No. 103, *Financial Reporting Model Improvements*, which will become effective for the fiscal year beginning after June 15, 2025. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.

GASB 104

The GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, which will become effective for the fiscal year beginning after June 15, 2025. The objective of this Statement is to provide users of government financial statements with essential information about certain types of 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.

GASB 105

The GASB issued Statement No. 105, *Subsequent Events*, which will become effective for fiscal years beginning after June 15, 2026. 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.

NOTE 2. DEPOSITS AND INVESTMENTS

Wellington is authorized to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, repurchase agreements, certificates of deposit, Florida PRIME (formerly known as the Local Government Investment Pool (LGIP)), any intergovernmental investment pools authorized pursuant to Chapter 163 of the Florida Statutes, SEC registered money market funds with the highest credit quality rating from a nationally recognized rating agency, commercial paper and money market and mutual funds that restrict its investments to obligations of the U.S. government.

Wellington's cash includes cash on hand, time and demand deposits, cash held with a fiscal agent and money market mutual funds. Wellington maintains a cash and investment pool that is available for use by all funds. Interest earned on pooled cash and investments is allocated to each of the funds based on the fund's average equity balance. Cash and equivalents at September 30, 2025 had a carrying value of \$15,086,083 and a bank balance of \$14,903,343.

All of Wellington's bank deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act". Under the Act, every qualified public depository shall deposit with the Treasurer eligible collateral of the depository to be held subject to his or her order. The Treasurer, by rule, shall establish minimum required collateral pledging levels. The pledging level may range from 25% to 125% of the average monthly balance of public deposits depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments

against other qualified public depositories of the same type as the depository in default. The money market mutual fund deposits are uninsured and uncollateralized.

The Florida Municipal Investment Trust (FMIvT) was created under the laws of the State of Florida to provide eligible units of local governments with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Florida League of Cities serves as the administrator, investment manager and secretary-treasurer of the Trust.

Fair Value Measurement – When applicable, the Village measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- ❖ Level 1: Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the Village has the ability to access;
- ❖ Level 2: Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- ❖ Level 3: Investments whose inputs are unobservable.

The following table details the Village's investments within the hierarchy at September 30, 2025:

Investment	Amortized Cost	Fair Value	Weighted Average Maturity	Credit Rating (S&P/Fitch)	Level	Percent Distribution
Fidelity Invest MM Treasury	\$ -	\$ 35,542,189	N/A	AAAm	1	18.74%
PTA Cash	116,259	-	N/A	AAA	N/A	0.06%
Total Investments at Amortized Cost	116,259	35,542,189				18.80%
U.S. Treasuries		87,902,958	1.78 years	AA+	2	46.34%
U.S. Treasuries (T-Bill)		17,287,217	.02 years	A-1+	2	9.11%
FMIVT- Intermediate High Quality Bond Fund		919,949	4.90 years	AAf/S3	2	0.49%
FMIVT- 1-3 Year High Quality Bond Fund		123,063	1.80 years	AAAf/S2	2	0.06%
FL PALM		2,090,477	42 days	AAAm	N/A	1.10%
FL Fixed Income Trust Fund		14,972,335	310 days	AAAf/S1	N/A	7.89%
FL Class		877,913	42 days	AAAm	N/A	0.46%
Municipal Bonds		7,498,923	.07 years	AA - AAA	2	3.95%
Federal Home Loan Bank		3,282,851		AA+	2	1.73%
Total Investments at Fair Value		138,928,185				73.25%
Total Cash Deposits	15,086,085					7.95%
Total Cash & Investments	\$ 15,202,344	\$ 174,470,374				100.00%

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Fixed income – Some of the underlying securities have observable level 1 quoted pricing inputs. However, while the underlying asset values may be based on quoted market prices, the net asset value of the portfolios is not publicly quoted. Additionally, some of the underlying securities employ matrix pricing. Accordingly, these investments have been reported as level 2.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. For external investment pools that qualify to be measured at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. Accordingly, those Village investments have been reported at amortized cost above, as applicable. Equities and Money Market Funds that are actively traded are classified as level 1.

Although the Florida Cooperative Liquid Assets Securities System ("FL CLASS"), Florida Public Assets for Liquidity Management ("FL PALM"), and Florida Fixed Income Trust ("FLFIT") are external investment pools, these pools do not meet the criteria as established by GASB Statement No. 79, Certain External Investment Pools and Pool Participants, to be reported at amortized cost. In particular, these pools are not operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Hence, the fair value of the Village's balance in these pools is determined by the fair value per share of each pool's underlying portfolio as permitted by GASB Statement No. 31. These pools maintain a \$1.00 net asset value.

The Florida Municipal Investment Trust (FMIvT) was created under the laws of the State of Florida to provide eligible units of local government with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Florida League of Cities serves as the administrator, investment manager and secretary-treasurer of the Trust. The following table details the underlying investments of the OPEB Trust (See note 16) as of September 30, 2025:

Investment	Fair Value	Weighted Average Maturity	Credit Rating (S&P/Fitch)	Level
FMIvT - Broad Market High Quality Bond Fund	\$ 266,760	7.10 years	AAf/S4	2
FMIvT - Diversified Large Cap Equity Portfolio	871,783	N/A	N/A	2
FMIvT - Diversified Small Cap Equity Portfolio	385,015	N/A	N/A	2
FMIvT - International Equity Portfolio	695,776	N/A	N/A	2
Total Investments at Fair Value	<u>2,219,334</u>			
<u>Investments Measured at NAV.</u>				
FMIvT - Core Plus Fixed Income Fund (1)	297,011			
FMIvT - Core Real Estate Portfolio (2)	233,759			
Total OPEB Trust Investments	<u>\$ 2,750,104</u>			

(1) FMIvT - Core Plus Fixed Income Fund

This fund invests in a single underlying fund, the Amundi Institutional Multi-Sector Fixed Income Portfolio, LLC. Shares of the fund are not publicly quoted. The underlying fund invests in a variety of financial instruments, including equity investments, asset-backed securities, debt securities, swaps, forward exchange contracts, credit-linked notes, escrow accounts, litigation trusts for both U.S. and foreign companies and governments. Redemption frequency is monthly, and redemption notice period is 5 business days prior to valuation. There are no unfunded commitments.

(2) FMIvT - Core Real Estate Portfolio

This portfolio invests in a single underlying fund, the Morgan Stanley Prime Property Fund (Morgan Stanley Fund), shares of which are not publicly quoted. The Morgan Stanley Fund invests in core real estate in the U.S. The value of the Morgan Stanley Fund investments was determined based on quarterly real estate appraisals, which were calculated in accordance with generally accepted accounting principles. Redemption frequency is quarterly and redemption notice period is 90 business days prior to valuation. There are no unfunded commitments.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. Wellington’s investment policy matches its investments with anticipated cash flow requirements. Unless matched to a specific cash flow requirement or otherwise approved by Wellington’s Council, Wellington will not directly invest in securities maturing in more than 5 years.

Credit Risk

Wellington’s policy is to limit investments to the safest types of securities, pre-qualified financial institutions, broker/dealers, intermediaries, and advisors with which Wellington will do business, and diversify the investment portfolio to minimize potential losses on individual securities. As of the year end, the credit quality ratings investments are shown above.

Custodial Credit Risk

Custodial credit risk is defined as the risk that Wellington may not recover the securities held by another party in the event of a financial failure. Wellington’s investment policy for custodial credit risk requires all investment securities to be held in Wellington’s name by a third-party safekeeping institution. The investments in the Florida Municipal Investment Trust are considered unclassified pursuant to the custodial credit risk categories of GASB Statement No. 31. All deposits with financial institutions and investments in U.S. Government Agency and Instrumentality securities are considered fully insured or collateralized pursuant to the custodial credit risk categories of GASB Statement No. 31.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investments in a single issuer. Wellington limits the amount that can be invested in any one issuer of Federal Agencies and Instrumentalities to 40% of the portfolio. Wellington was in compliance with this policy at year-end. The percentage of each investment type is shown in the preceding table.

NOTE 3. RECEIVABLES

Receivables for individual major funds and aggregate nonmajor funds are as follows:

	General	Building	Acme Imprv.	Capital Projects	Surtax	Nonmajor Governmental Funds	Utility System	Solid Waste	Total
Utility taxes	\$ 699,206	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 699,206
Franchise taxes	553,065	-	-	-	-	-	25,045	-	578,110
Accounts	268,757	-	-	-	-	-	3,324,498	85,741	3,678,996
Interest	273,420	56,251	24,492	112,779	163,864	69,801	149,466	14,172	864,245
Gross receivables	1,794,448	56,251	24,492	112,779	163,864	69,801	3,499,009	99,913	5,820,557
Less allowance for uncollectible accounts	-	-	-	-	-	-	(50,672)	-	(50,672)
	<u>\$ 1,794,448</u>	<u>\$ 56,251</u>	<u>\$ 24,492</u>	<u>\$ 112,779</u>	<u>\$ 163,864</u>	<u>\$ 69,801</u>	<u>\$ 3,448,337</u>	<u>\$ 99,913</u>	<u>\$ 5,769,885</u>

Special Assessment Receivable

In 2016, the Village issued special assessment debt in the amount of \$3,235,000 to finance capital improvements in the Saddle Trail Park Neighborhood. Principal and interest are payable from pledged revenues, which consist of special assessment proceeds on the property owners in the Saddle Trail Neighborhood. The Village has levied special assessments on the lots that benefit from the project. The benefited lots will be billed annually over the next 15 years. In the event that pledged funds are insufficient to make the debt service payments, the Village has committed to make an annual appropriation of available non-ad valorem revenues to make up any deficiencies. At September 30, 2025, the amount owed is \$1,294,000 and is reported as a long-term receivable and unavailable revenue on the fund financial statements.

On August 13, 2024, the Village adopted Resolution 2024-40 for special assessments due in the amount of \$282,668.

Cell Tower Lease Receivable

The Village leases its tower sites to Verizon and T-Mobile for the use of a portion of the real property. The terms of these noncancelable leases include the noncancelable period per the contract plus/minus any extension options or termination options the Village is reasonably certain to exercise. The Village recognized \$83,686 in lease revenue during the current fiscal year. As of September 30, 2025, the Village's receivable for lease payments was \$640,749. In addition, the Village has a deferred inflow of resources associated with the leases that will be recognized as revenue over the lease term. As of September 30, 2025, the balance of the deferred inflow of resources was \$564,594.

The following schedule represents the future principal and interest revenue to be received:

	Tower Leases					
	Verizon		T-Mobile		Total	Total
	Principal	Interest	Principal	Interest	Principal	Interest
Year Ending September 30:						
2026	18,747	12,013	51,748	20,024	70,495	32,037
2027	20,914	11,076	57,206	17,437	78,120	28,513
2028	23,240	10,030	63,053	14,577	86,293	24,607
2029	25,732	8,868	69,310	11,424	95,042	20,292
2030	28,403	7,581	76,005	7,958	104,408	15,539
2031-2034	123,227	14,643	83,164	4,158	206,391	18,801
	<u>\$ 240,263</u>	<u>\$ 64,211</u>	<u>\$ 400,486</u>	<u>\$ 75,578</u>	<u>\$ 640,749</u>	<u>\$ 139,789</u>

Public-Private and Public-Public Partnership (PPP)

During fiscal year 2023, the Village entered into a public-private partnership (PPP) arrangement whereby, as the transferor, the Village grants Wellington Athletics, LLC (the operator) the rights to operate a recreational facility. The facility is owned by the Village, and the Village retains ownership of the facility throughout the PPP arrangement. Construction costs for the facility are financed by the Public Improvement Bond, Series 2023 (see Note 8). The recreational facility is currently under construction and has not been completed as of September 30, 2025. The initial term of the PPP agreement is 30 years, with two optional twenty-five-year renewal periods. During the PPP term, the Village receives semiannual installment payments from the operator.

In accordance with GASB Statement No. 94, the Village has measured the PPP receivable and deferred inflow of resources at the present value of expected payments to be received during the PPP term, using an incremental borrowing rate of 4.5%. The PPP receivable is subsequently reduced by the principal portion of each payment received, while the deferred inflow of resources is recognized as revenue over the life of the PPP arrangement. The Village recognized principal payments of approximately \$ 183,000 and interest revenue of approximately \$1,674,000 related to the PPP during fiscal year ended September 30, 2025. The annual recognition of the deferred inflow of resources as revenue is approximately \$474,000 through 2103.

The following table reflects future installment payments related to the PPP receivable through maturity.

Year Ending September 30:	Principal		Total Installment
	Payments	Interest	Payments
2026	\$ 686,447	\$ 1,654,553	\$ 2,341,000
2027	716,684	1,623,316	2,340,000
2028	746,298	1,590,702	2,337,000
2029	786,259	1,556,741	2,343,000
2030	821,039	1,520,961	2,342,000
2031-2035	4,716,662	7,008,338	11,725,000
2036-2040	5,930,214	5,829,786	11,760,000
2041-2045	7,463,368	4,347,632	11,811,000
2046-2050	9,392,112	2,481,888	11,874,000
2051-2055	5,777,626	363,935	6,141,561
2056-2060	67	433	500
2061-2065	84	416	500
2066-2070	104	396	500
2071-2075	130	370	500
2076-2080	163	337	500
2081-2085	203	297	500
2086-2090	254	246	500
2091-2095	318	182	500
2096-2100	353	97	450
2100-2103	278	22	300
	\$ 37,038,663	\$ 27,980,648	\$ 65,019,311

NOTE 4. DUE FROM OTHER GOVERNMENTS

Amounts due from other governments for individual major funds and aggregate nonmajor funds are as follows:

	General	Acme Imprv.	Capital Projects	Surtax Fund	Debt Service	Nonmajor			Total
						Governmental Funds	Utility System	Solid Waste	
Grants	\$ 113,580	\$ 108,804	\$ 1,751,633	\$ -	\$ -	\$ 44,551	\$ 161,421	\$ -	\$ 2,179,989
Half cent sales tax	882,856	-	-	-	-	-	-	-	882,856
Sales Surtax	-	-	-	1,038,441	-	-	-	-	1,038,441
Communication services tax	355,970	-	-	-	-	-	-	-	355,970
Local option gas tax	-	-	-	-	-	263,034	-	-	263,034
Fuel tax refund	-	-	-	-	-	3,704	-	-	3,704
County shared revenues	36,989	-	-	-	-	-	-	-	36,989
Alarm revenue	11,175	-	-	-	-	-	-	-	11,175
Excess fees	-	41,199	-	-	1,759	-	-	45,761	88,719
Palm Beach County Schools	-	-	-	-	-	232,956	-	-	232,956
	<u>\$ 1,400,570</u>	<u>\$ 150,003</u>	<u>\$ 1,751,633</u>	<u>\$ 1,038,441</u>	<u>\$ 1,759</u>	<u>\$ 544,245</u>	<u>\$ 161,421</u>	<u>\$ 45,761</u>	<u>\$ 5,093,833</u>

NOTE 5. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Reclassifications	Transfers	Ending Balance
Governmental activities:						
Capital assets, not being depreciated:						
Land	\$ 25,159,917	\$ -	\$ -	\$ -	\$ -	\$ 25,159,917
Construction in progress	16,873,166	55,708,617	(244,971)	(9,536,246)	-	62,800,566
Infrastructure	79,404,283	-	-	206,102	-	79,610,385
Total capital assets, not being depreciated	121,437,366	55,708,617	(244,971)	(9,330,144)	-	167,570,868
Capital assets, being depreciated/amortized:						
Buildings	39,757,090	-	-	3,959,903	-	43,716,993
Right-to-use lease assets	31,273	-	-	-	-	31,273
Software Subscriptions	3,932,607	809,153	-	-	-	4,741,760
Improvements	129,717,595	-	-	4,779,165	-	134,496,760
Machinery and equipment	20,467,800	1,368,429	(354,211)	591,076	12,840	22,085,934
Total capital assets, being depreciated/amortized	193,906,365	2,177,582	(354,211)	9,330,144	12,840	205,072,720
Less accumulated depreciation/amortization for:						
Buildings	(17,754,505)	(1,339,149)	-	-	-	(19,093,654)
Improvements	(101,610,363)	(4,797,524)	-	-	-	(106,407,887)
Right-to-use lease assets	(16,505)	(10,424)	-	-	-	(26,929)
Software Subscriptions	(2,306,414)	(1,191,060)	-	-	-	(3,497,474)
Machinery and equipment	(14,417,687)	(1,256,402)	317,997	-	(4,683)	(15,360,775)
Total accumulated depreciation/amortization	(136,105,474)	(8,594,559)	317,997	-	(4,683)	(144,386,719)
Total capital assets, being depreciated/amortized, net	57,800,891	(6,416,977)	(36,214)	9,330,144	8,157	60,686,001
Governmental activities capital assets, net	\$ 179,238,257	\$ 49,291,640	\$ (281,185)	\$ -	\$ 8,157	\$ 228,256,869

	Beginning Balance	Increases	Decreases	Reclassifications	Transfers	Ending Balance
Business-type activities:						
Capital assets, not being depreciated:						
Land	\$ 8,996,705	-	-	-	-	\$ 8,996,705
Construction in progress	13,488,146	9,163,951	(706,453)	(6,285,701)	-	15,659,943
Total capital assets, not being depreciated	22,484,851	9,163,951	(706,453)	(6,285,701)	-	24,656,648
Capital assets, being depreciated/amortized:						
Buildings	5,214,480	-	-	-	-	5,214,480
Land improvements	13,957,596	-	-	-	-	13,957,596
Furniture, fixtures, equipment and vehicles	12,338,234	352,826	(225,283)	428,714	(12,840)	12,881,651
Infrastructure	121,252,306	1,991,736	-	5,856,987	-	129,101,029
Right-to-use lease assets	50,973	-	-	-	-	50,973
Software Subscriptions	668,822	148,509	-	-	-	817,331
Water treatment plant	66,383,910	-	-	-	-	66,383,910
Waste water plant	55,750,645	-	-	-	-	55,750,645
Total capital assets, being depreciated/amortized	275,616,966	2,493,071	(225,283)	6,285,701	(12,840)	284,157,615
Less accumulated depreciation/amortization for:						
Buildings	(2,733,223)	(167,158)	-	-	-	(2,900,381)
Land improvements	(6,944,560)	(999,870)	-	-	-	(7,944,430)
Furniture, fixtures, equipment and vehicles	(6,435,441)	(715,615)	207,846	-	4,683	(6,938,527)
Infrastructure	(76,603,596)	(2,613,544)	-	-	-	(79,217,140)
Right-to-use lease assets	(41,062)	(9,911)	-	-	-	(50,973)
Software Subscriptions	(594,507)	(184,290)	-	-	-	(778,797)
Water treatment plant	(25,083,381)	(2,004,837)	-	-	-	(27,088,218)
Waste water plant	(20,201,419)	(1,841,391)	-	-	-	(22,042,810)
Total accumulated depreciation/amortization	(138,637,189)	(8,536,616)	207,846	-	4,683	(146,961,276)
Total capital assets, being depreciated/amortized, net	136,979,777	(6,043,545)	(17,437)	6,285,701	(8,157)	137,196,339
Business-type activities capital assets, net	\$ 159,464,628	\$ 3,120,406	\$ (723,890)	\$ -	\$ (8,157)	\$ 161,852,987

Depreciation/amortization expense was charged to functions as follows:

Governmental activities:	
General government	\$ 1,617,094
Public Safety	221,706
Physical environment	2,844,671
Economic environment	46,658
Transportation	1,297,789
Culture and recreation	<u>2,566,641</u>
Total depreciation/amortization expense - governmental activities	<u>\$ 8,594,559</u>
Business-type activities:	
Utility System	\$ 8,521,149
Solid waste	<u>15,467</u>
Total depreciation/amortization expense - business-type activities	<u>\$ 8,536,616</u>

NOTE 6. LEASES

Right-to-use Lease Assets

The Village has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB Statement No. 87 and have been recorded at the present value of the future minimum payments of the date of inception. The lease liability is calculated using an implicit rate of 5%, which represents the Village's incremental borrowing rate. The lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payment made. The lease assets are amortized on a straight-line basis over the shorter of the life of the assets or the related lease and with a value of \$25,000 or more.

The classes and amounts of lease assets as of September 30, 2025:

Governmental Activities:

	<u>Asset Balances</u>	<u>Accumulated Amortization</u>
Equipment	\$ 31,273	\$ (26,929)
Total	<u>\$ 31,273</u>	<u>\$ (26,929)</u>

Business-Type Activities:

	<u>Asset Balances</u>	<u>Accumulated Amortization</u>
Equipment	\$ 50,973	\$ (50,973)
Total	<u>\$ 50,973</u>	<u>\$ (50,973)</u>

Future minimum lease payments as of September 30, 2025:

Governmental Activities:

Year Ending	Principal	Interest	Total
September 30:	Payments	Payments	Payments
2026	4,609	58	4,667
	<u>\$ 4,609</u>	<u>\$ 58</u>	<u>\$ 4,667</u>

NOTE 7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Village has recorded several multi-year subscription-based information technology arrangements (SBITAs) in accordance with GASB Statement No. 96. The Village has discounted the future minimum payments using its incremental borrowing rate. The SBITAs are amortized on a straight-line basis over the shorter of the life of the assets or the related agreement and with a value of \$25,000.

The classes and amounts of SBITAs as of September 30, 2025:

Governmental Activities:

	Asset	Accumulated
	Balances	Amortization
Software	\$ 4,741,760	\$ (3,497,474)
Total	<u>\$ 4,741,760</u>	<u>\$ (3,497,474)</u>

Business-Type Activities:

	Asset	Accumulated
	Balances	Amortization
Software	\$ 817,331	\$ (778,797)
Total	<u>\$ 817,331</u>	<u>\$ (778,797)</u>

Future minimum payments and present value of payments as of September 30, 2025:

Governmental Activities			
Fiscal Year	Principal	Interest	Total
	Payments	Payments	Payments
2026	692,236	24,516	716,752
2027	262,023	8,014	270,037
2028	59,033	1,626	60,659
	<u>\$ 1,013,292</u>	<u>\$ 34,156</u>	<u>\$ 1,047,448</u>

Business-Type Activities			
Fiscal Year	Principal	Interest	Total
	Payments	Payments	Payments
2026	\$ 37,319	\$ 302	37,621
	<u>\$ 37,319</u>	<u>\$ 302</u>	<u>\$ 37,621</u>

NOTE 8. NONCURRENT LIABILITIES

Changes in Noncurrent Liabilities

Noncurrent liability activity for the year ended September 30, 2025, was as follows:

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Bonds, Notes and Other Payables:					
Public Improvement Revenue Bonds, Series 2023	\$ 33,330,000	\$ -	\$ -	\$ 33,330,000	\$ 545,000
Special Assessment Bond, Series 2016	1,900,000	-	(215,000)	1,685,000	220,000
Leases Payable	15,288	-	(10,679)	4,609	4,609
Subscriptions Payable	1,309,428	804,091	(1,100,227)	1,013,292	692,236
Total Bonds, Notes and Other Payables	<u>36,554,716</u>	<u>804,091</u>	<u>(1,325,906)</u>	<u>36,032,901</u>	<u>1,461,845</u>
Other Liabilities:					
Compensated absences payable*	3,592,734	-	(129,155)	3,463,579	1,362,280
Net pension liability	22,163,407	6,732,405	(11,171,598)	17,724,214	-
Total Other Liabilities	<u>25,756,141</u>	<u>6,732,405</u>	<u>(11,300,753)</u>	<u>21,187,793</u>	<u>1,362,280</u>
Total Liabilities	<u>\$ 62,310,857</u>	<u>\$ 7,536,496</u>	<u>\$ (12,626,659)</u>	<u>\$ 57,220,694</u>	<u>\$ 2,824,125</u>

*The change in the compensated absences liability is presented as a net change.

\$33,330,000 Public Improvement Bond

During fiscal year 2023, the Village entered into a public private partnership (PPP) with Wellington Athletics, LLC for the development, construction, operation and maintenance of a recreation facility. Wellington Athletics will design build and operate the facility for 30 years. Wellington Athletics, LLC will set, collect and retain all revenue during the period. The facility will be owned by the Village throughout the term.

Per the PPP, the Village issued \$33,330,000 of Taxable Public Improvement Revenue Bonds for the purpose of financing the cost of constructing a recreational facility. Interest on the term bonds is 4.550% to 5.550% and is paid semi-annually in January and July. The principal is payable in annual installments of \$545,000 to \$2,260,000 with the final payment due January 1, 2053. There are no specific related pledges of specific taxes, fees or other revenues related to this debt. At September 30, 2025, the outstanding balance was \$33,330,000.

Future debt service requirements to maturity are:

Public Improvement Revenue Bond, Series 2023			
	Principal	Interest	Total
Year Ending September 30:			
2026	\$ 545,000	\$ 1,778,068	\$ 2,323,068
2027	575,000	1,752,315	2,327,315
2028	600,000	1,725,494	2,325,494
2029	625,000	1,697,379	2,322,379
2030	660,000	1,667,230	2,327,230
2031-2035	3,820,000	7,802,694	11,622,694
2036-2040	4,970,000	6,648,636	11,618,636
2041-2045	6,515,000	5,103,463	11,618,463
2046-2050	8,595,000	3,028,219	11,623,219
2051-2053	6,425,000	547,924	6,972,924
	<u>\$ 33,330,000</u>	<u>\$ 31,751,421</u>	<u>\$ 65,081,421</u>

\$3,235,000 Special Assessment Bond

In May 2016, Wellington issued \$3,235,000 of Special Assessment Bond, Series 2016 for the Saddle Trail Park (South) Neighborhood Improvement Project. Interest at a rate of 2.94% is payable semi-annually on May 1 and November 1. The principal is payable in annual installments of \$175,000 to \$260,000 with the final payment due November 1, 2031. The bonds will be repaid from amounts levied against property owners benefited by this construction. In the event that a deficiency exists, the Village must provide resources to cover the deficiency until other resources are received. At September 30, 2025, the outstanding balance was \$1,685,000.

Future debt service requirements to maturity are:

	Special Assessment Bond, Series 2016		
	Principal	Interest	Total
Year Ending September 30:			
2026	\$ 220,000	\$ 46,305	\$ 266,305
2027	225,000	39,764	264,764
2028	235,000	33,002	268,002
2029	240,000	26,019	266,019
2030	250,000	18,816	268,816
2031-2032	515,000	15,215	530,215
	<u>\$ 1,685,000</u>	<u>\$ 179,121</u>	<u>\$1,864,121</u>

Additional information on leases and subscriptions can be found in Note 6 and Note 7.

Business-type Activities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds, Notes and Other Payables:					
Utility loans, direct borrowings	\$13,453,831	\$ -	\$(1,270,030)	\$12,183,801	\$1,309,768
Subscriptions payable	36,369	148,509	(147,559)	37,319	37,319
Total Bonds, Notes and Other Payables	13,490,200	148,509	(1,417,589)	12,221,120	1,347,087
Other Liabilities:					
Compensated absences payable*	716,934	31,706	-	748,640	326,723
Net pension liability	4,662,490	1,582,285	(2,625,608)	3,619,167	-
Total Other Liabilities	5,379,424	1,613,991	(2,625,608)	4,367,807	326,723
Total Liabilities	<u>\$18,869,624</u>	<u>\$ 1,762,500</u>	<u>\$(4,043,197)</u>	<u>\$16,588,927</u>	<u>\$1,673,810</u>

*The change in the compensated absences liability is presented as a net change.

Loans Payable

In December 2018, the Village borrowed \$10 million for the purpose of financing capital expenditures relating to the water and wastewater system. Payments, including principal and interest, are to be made in equal monthly installments of \$69,443.57 over 15 years. The interest rate of the loan is 3.08% and matures on December 12, 2033.

In January 2019, the Village borrowed \$10 million for the purpose of financing capital expenditures relating to the water and wastewater system. Payments, including principal and interest, are to be made in equal monthly installments of \$69,491.84 over 15 years. The interest rate of the loan is 3.09% and matures on January 4, 2034. The loans are payable pursuant to a covenant to budget and appropriate from legally available non-ad valorem revenues.

Future debt service requirements to maturity are:

	Loans Payable		
	Principal	Interest	Total
Year Ending September 30:			
2026	\$ 1,309,768	\$ 357,457	\$ 1,667,225
2027	1,350,751	316,474	1,667,225
2028	1,393,016	274,209	1,667,225
2029	1,436,603	230,622	1,667,225
2030	1,481,554	185,671	1,667,225
2031-2034	<u>5,212,109</u>	<u>275,863</u>	<u>5,487,972</u>
	<u>\$ 12,183,801</u>	<u>\$ 1,640,296</u>	<u>\$ 13,824,097</u>

Additional information on leases and subscriptions can be found in Note 6 and Note 7.

NOTE 9. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

INTERFUND TRANSFERS

The following is a summary of transfers by fund type for the fiscal year ended September 30, 2025:

	Transfers In	Transfers Out
General	\$ -	\$ 15,736,092
Acme Improvement	-	2,250,000
Capital Projects	8,057,000	-
Surtax	-	300,000
Debt Service	1,790,739	-
Nonmajor governmental funds	7,570,353	-
Solid Waste	<u>868,000</u>	<u>-</u>
Total	<u>\$ 18,286,092</u>	<u>\$ 18,286,092</u>

The principal purpose of interfund transfers is to provide a financing source to various funds that may not have the ability to cover all operating or capital expenditures with revenue generated by the fund or to transfer construction costs between the funds.

NOTE 10. ENCUMBRANCES

Purchase orders are issued throughout the year to encumber budgets in the governmental funds. Encumbrances as of September 30, 2025 are as follows:

Major funds:	
General Fund	\$ 467,840
Acme Improvement	195,888
Capital Projects	8,981,653
Surtax Fund	<u>5,051,315</u>
Total Major Funds	14,696,696
Non-Major Governmental Funds	<u>2,726,909</u>
Total Encumbrances	<u>\$17,423,605</u>

NOTE 11. RETIREMENT PLAN

Florida Retirement System (FRS)

General Information about the 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 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 FRS 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.

Essentially all regular employees of the Village are eligible to enroll as members of the FRS. 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 a 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. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

Aggregate Amount of Net Pension Liability, Deferred Outflow/Inflow and Expense

The aggregate amount of deferred outflows, deferred inflows, and net pension liability reported in the statement of net position and the aggregate total pension expense reported in the statement of activities is as follows:

<u>Description</u>	<u>Net Pension Liability</u>	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>	<u>Pension Expense</u>
Village's proportion of the FRS Pension Plan	\$ 14,395,159	\$ 4,053,975	\$ 3,737,505	\$ 1,248,944
Village's proportion of the HIS Pension Plan	6,948,222	277,013	2,163,389	10,017
Total	<u>\$ 21,343,381</u>	<u>\$ 4,330,988</u>	<u>\$ 5,900,894</u>	<u>\$ 1,258,961</u>

FRS Pension Plan

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

The classes of membership within the Village are as follows:

Regular Class – Member of the FRS who do not qualify for membership in another class.

Elected Local Officers Class – Members who hold specified elective offices in local government.

Senior Management Service Class – Members in senior management level positions.

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. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of service. Members of the Plan may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of 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.

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 (AFC). For members initially enrolled before July 1, 2011, the AFC is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the AFC 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 chart shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
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 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 years of service	1.68
Elected Local Officers	3.00
Senior Management Service Class	2.00

Per 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% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions – The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u> <u>October 1, 2024 to</u> <u>June 30, 2025</u>		<u>Percent of Gross Salary</u> <u>July 1, 2025 to</u> <u>September 30, 2025</u>	
	<u>Employee</u>	<u>Employer (1)</u>	<u>Employee</u>	<u>Employer (1)</u>
	FRS, Regular	3.00	13.63	3.00
FRS, Elected Local Officers	3.00	58.68	3.00	54.57
FRS, Senior Management Service Class	3.00	34.52	3.00	33.24
DROP - Applicable to all members in the above classes	0.00	21.13	0.00	22.02

The Village’s employer contributions to the Plan totaled \$2,769,411 for the fiscal year ended September 30, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2025, the Village reported a liability of \$14,395,159 for its proportionate share of the 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, 2025. The Village’s proportionate share of the net pension liability was based on the Village’s contributions for the year ended June 30, 2025 relative to the contributions of all participating members. At June 30, 2025, the Village’s proportionate share was .046%.

For the fiscal year ended September 30, 2025 the Village recognized pension expense of \$1,248,944 related to the Pension Plan. In addition, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,537,555	\$ -
Change of assumptions	1,671,652	-
Net difference between projected and actual earnings on FRS pension plan investments	-	(2,403,417)
Changes in proportion and differences between Wellington FRS contributions and proportionate share of contributions	160,125	(1,334,088)
Wellington FRS contributions subsequent to the measurement date	684,643	-
Total	<u>\$ 4,053,975</u>	<u>\$ (3,737,505)</u>

The deferred outflows of resources related to pensions, totaling \$684,643, resulting from Village contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The net amount of the remaining deferred outflows of resources and deferred inflows of resources in the amount of \$(368,173) will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Amount</u>
2026	\$ 2,037,846
2027	(828,076)
2028	(955,321)
2029	(622,622)
Total	<u>\$ (368,173)</u>

Actuarial Assumptions – The actuarial assumptions that determined total pension liability were based on certain results of an actuarial experience study of the FRS for the period July 1, 2018- June 30, 2023:

Inflation	2.40 percent
Salary Increase	3.50 percent, average, including inflation
Discount Rate	6.70 percent

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

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

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Arithmetic Return</u>	<u>Geometric Return</u>	<u>Standard Deviation</u>
Cash	1.0%	3.2%	3.2%	1.1%
Fixed income	29.0%	5.5%	5.4%	4.0%
Global Equity	45.0%	8.5%	6.9%	18.3%
Real estate	12.0%	8.4%	7.1%	16.8%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.5%	6.1%	8.7%
Total	<u>100.00%</u>			
Assumed inflation - mean			2.4%	1.5%

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

Discount Rate – The discount rate used to measure the total pension liability was 6.70%. The 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 calculating the total pension liability is equal to the long-term expected rate of return. The discount rate remained the same from the prior year.

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

The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the Village's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1%</u> <u>Decrease</u>	Current Discount Rate <u>6.70%</u>	<u>1%</u> <u>Increase</u>
Village's proportionate share of the net pension liability	\$28,250,277	\$14,395,159	\$2,779,228

Pension Plan Fiduciary Net Position – Detailed information about the Plan's fiduciary net position is available in the FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan – At September 30, 2025, the Village reported a payable of \$277,416 for the outstanding amount of contributions to the Plan.

HIS Pension Plan

Plan Description – The HIS Pension Plan (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 Division of Retirement within the Florida Department of Management Services.

Benefits Provided – For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, 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 contribution rate was 2% of payroll for July 1, 2023 through September 30, 2025 pursuant to section 112.363, Florida Statutes. The Village contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The Village's contributions to the HIS Plan totaled \$484,501 for the fiscal year ended September 30, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2025, the Village reported a net pension liability of \$6,948,222 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 HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program are based on certain results of the most recent experience study for the FRS Pension Plan. At June 30, 2025, the Village's proportionate share was .0542%, For the fiscal year ended September 30, 2025 the Village recognized pension expense of \$10,017 related to the HIS Plan. In addition, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 41,477	\$ (11,021)
Change of assumptions	61,500	(1,680,597)
Net difference between projected and actual earnings on HIS pension plan investments	-	(5,783)
Changes in proportion and differences between Wellington HIS contributions and proportionate share of HIS contributions	57,748	(465,988)
Wellington HIS contributions subsequent to the measurement date	116,288	-
Total	<u>\$ 277,013</u>	<u>\$ (2,163,389)</u>

The deferred outflows of resources related to pensions, totaling \$116,288, resulting from Village contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. The net amount of the remaining deferred outflows of resources and deferred inflows of resources in the amount of (\$2,002,664) will be recognized in pension expense (income) as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Amount</u>
2026	\$ (461,419)
2027	(512,745)
2028	(450,864)
2029	(361,405)
2030	(216,231)
Total	<u>\$ (2,002,664)</u>

Actuarial Assumptions – The actuarial assumptions that determined total pension liability were based on certain results of an actuarial experience study of the FRS for the period July 1, 2018- June 30, 2023:

Inflation	2.40 percent
Salary Increase	3.50 percent, average, including inflation
Discount Rate	5.20 percent

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

Discount Rate – The discount rate used to measure the total pension liability was 5.20%. In general, the discount rate for calculating the total pension liability under GASB 67 is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate. The single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. Since the prior measurement date, the discount rate was increased from 3.93% to 5.20%.

Sensitivity of the Village's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following presents the Village's proportionate share of the net pension liability calculated using the discount rate of 5.2%, as well as what the Village's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>1%</u> <u>Decrease</u>	<u>Current</u> <u>Discount Rate</u> <u>5.20%</u>	<u>1%</u> <u>Increase</u>
Village's proportionate share of the net pension liability	\$7,835,238	\$6,948,222	\$6,204,296

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

Payables to the Pension Plan – At September 30, 2025, the Village reported a payable of \$44,013 for the outstanding amount of contributions to the HIS Plan.

FRS – Defined Contribution Pension Plan

The Village contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA’s annual financial statements and in the State of Florida Annual Comprehensive Financial Report. Service retirement benefits are based upon the value of the member’s account upon retirement. The report can be found at <https://www.myfloridacfo.com/Division/AA/Reports/>.

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. Village employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member’s accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected Local Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

Allocations to the investment member’s accounts during the current fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	8.30%
FRS, Elected Local Officers	13.34%
FRS, Senior Management Service	9.67%

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 FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS 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. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of .06 percent from July 1, 2023 – September 30, 2025 of payroll and by forfeited benefits of Investment Plan members.

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 FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

The Village’s Investment Plan pension expense totaled \$930,884 for the fiscal year ended September 30, 2025.

Payables to the Investment Plan – At September 30, 2025, the Village reported a payable of \$101,342 for the outstanding amount of contributions to the Investment Plan required for the fiscal year ended September 30, 2025.

NOTE 12. HEALTH INSURANCE

Effective January 1, 2015, Wellington changed health insurance plans from fully insured United Health Care to a minimum premium arrangement with CIGNA. This minimum premium arrangement is a hybrid of fully insured and self-insured arrangements in which the insurance company remains legally liable for all claims. Reserve funding is built into premium rates and amounts paid in excess of the predetermined limit are accumulated into a reserve and refunded to the Village. As of September 30, 2025, the Village reported a payable of \$574,877, which includes a reserve accumulation of \$199,612.

On average the employee bears 15.0% and the Village bears the remaining 85.0% of the total health care premium.

NOTE 13. RISK MANAGEMENT

Wellington is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; cyber threats and natural disasters for which Wellington carries commercial insurance. Specifically, Wellington purchases commercial insurance for property, medical benefits, worker's compensation, general liability, automobile liability, cyber liability, errors and omissions, and director and officer liability; coverage may not extend to all situations. Wellington is also protected by Florida Statutes under the Doctrine of Sovereign Immunity, which effectively limits the amount of liability of municipalities to individual claims of \$200,000/\$300,000 for all claims relating to the same occurrence. There were no significant changes in insurance coverage from the prior year and there were no settlements that exceeded insurance coverage in the last three years.

NOTE 14. CONTINGENCIES

Legal

There are various claims and legal actions pending against Wellington for which no provision has been made in the financial statements. Although the outcome of these lawsuits is not presently determinable, it is the opinion of Wellington's attorneys that resolution of these matters will not have a material adverse effect on the financial condition of Wellington.

NOTE 15. COMMITMENTS

Information Technology

In November 2017, the Village entered into a 7-year Software as a Service Agreement, SAAS, with Tyler Technologies. Renewing our contract on a year-to-year basis. Tyler Technologies is an Enterprise Resource Planning (ERP) system that allows an organization to use integrated applications to manage the business and automate many departmental functions. The amount remitted for licensing and maintenance this fiscal year pursuant to the agreement was \$561,771.

Agreement for Police Services

During 2014, Wellington entered into an agreement with the Palm Beach County Sheriff's Office for the provision of professional police services through September 30, 2021. The contract will automatically renew for subsequent five-year terms, unless either party terminates the agreement. By May 1st of each year, the Palm Beach County Sheriff's Office submits the proposed cost of services and related staffing which is incorporated into Wellington's budget. Pursuant to the agreement, the Sheriff will assign personnel to provide law enforcement coverage within Wellington. Amount remitted this fiscal year pursuant to this agreement was \$11,297,752.

Solid Waste Collection and Recycling

On May 11, 2021, Wellington entered into an exclusive franchise agreement with FCC Environmental Services Florida, LLC. for the collection of solid waste and recyclable materials generated by the Village's residents and businesses. The agreement is for 10 years and expires on September 30, 2031. There is a renewal option in this agreement for an additional 5-year period. Amounts paid this fiscal year pursuant to this agreement total \$5,837,216. The agreement does allow for annual CPI adjustments if the contractor requests them in writing before July 1st of each year.

Construction Commitments

Commitments on major construction contracts consist of the following:

Project	Contract Award Amount	Amount Expended at September 30, 2025	Balance to Complete
Wellington Sports Academy	\$ 23,854,786	\$ 18,456,178	\$ 5,398,608
Section 24 Impoundment Expansion	3,911,351	3,744,042	167,309
Aquatics Facility	21,050,625	16,383,900	4,666,725
Big Blue Landscaping and Irrigation	790,088	-	790,088
Lift Station Rehabilitation	684,720	35,253	649,468
WTP Chemical System Improvement	5,073,478	4,919,858	153,620
WTP Membrane Plant Expansion	4,754,360	268,942	4,485,418
Peaceful Waters Wetland Rehab-	224,375	86,617	137,758
Tennis Expansion	2,034,740	77,728	1,957,012
WTP-Testing & Reporting	161,965	-	161,965
WTP Post Treatment & Process	406,146	55,000	351,146
Wellfield Rehab and Maintenance	500,000	152,772	347,228
South Shore Forcemain	3,583,930	1,284,210	2,299,720
PBSO Substation	1,197,290	-	1,197,290
PBC Traffic Signals	309,850	-	309,850
ADA Transition Plan	138,981	-	138,981
High Pressure Pump	257,678	51,536	206,142
Greenbrier Restroom Facility	703,568	-	703,568
	\$ 69,637,932	\$ 45,516,036	\$ 24,121,896

NOTE 16. OTHER POSTEMPLOYMENT BENEFITS

Pursuant to Section 112.081, Florida Statutes, the Village is required to permit eligible retirees and their eligible dependents to participate in the Village’s health insurance program at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. The Village does not provide retirees with any subsidy for this benefit.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Although the valuation results are based on values the actuarial consultant believes are reasonable assumptions, the valuation result is only an estimate of what future costs may actually be and reflect a long-term perspective. Deviations in any of several factors, such as future interest rate discounts, medical cost inflation, Medicare coverage risk, and changes in marital status, could result in actual costs being greater or less than estimated.

Actuarial Methods and Assumptions: Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

Plan Description: On September 28, 2007, Wellington established the Employee Retirement Healthcare Trust Fund, administered by the League of Cities. Wellington employees are provided with defined benefit OPEB through an agent multiple-employer OPEB plan. The plan assets are pooled for investment purposes, but separate accounts are maintained for each individual employer so that each employer’s share of the pooled assets is legally available to pay the benefits of only its employees. The Village contributed \$879,951 to the Trust in 2007. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses and families. Wellington Council is authorized to establish and amend benefit levels, subject to the minimum requirements set forth by Florida Statutes, and to approve the actuarial assumptions used in the determination of contribution levels. The Plan does

not issue stand-alone financial statements. There were 16 retirees eligible to receive benefits as of September 30, 2025.

Benefits Provided: Village of Wellington provides healthcare, vision, and dental for retirees and their dependents. Benefits are provided through a third-party insurer, and the full cost of the benefits are covered by the retiree.

Employees covered by the benefit terms: At September 30, 2025, the following employees were covered by benefit terms:

Inactive employees or beneficiaries currently receiving benefits	16
Inactive employees entitled to but not yet receiving benefits	0
Active employees	<u>313</u>
	329

Contributions: Village of Wellington authorizes the Village Council to establish benefit levels. Wellington Council also establishes the contribution requirements of plan members and Wellington. These contributions are neither mandated nor guaranteed. The retiree contributes the premium cost each month. Spouses and other dependents are also eligible for coverage, although the retiree pays the full cost of the premium. Wellington does not subsidize member premiums. Plan members contribute 100% of the monthly premium ranging from a minimum of \$1,045 to a maximum of \$3,136.

Net OPEB Asset: The Village's net OPEB asset was measured as of September 30, 2025, and the total OPEB liability was determined by an actuarial valuation as of October 1, 2024.

Actuarial Assumptions: The significant actuarial assumptions applied in the October 1, 2024 actuarial valuation are as follows:

Inflation	2.76 percent
Healthcare cost trend rates	7.5 percent for FY 2024, decreasing 0.5 percent per year to 5.0 percent for the years FY 2029 and later.
Salary increases	3.0 percent per annum
Investment rate of return	7.5 percent, including inflation
Retirement age	With respect to employees hired prior to July 1, 2011, retirement is assumed to occur at the earlier of age 62 with six years of service or any age with 30 years of service; with respect to all other employees, retirement is assumed to occur at the earlier of age 65 with six years of service or any age with 33 years of service.
Age-related morbidity	Healthcare costs are assumed to increase for each year of age according to the Society of Actuaries report "Health Care Costs - From Death to Birth" prepared by Dale H. Yamamoto (June 2013).
Implied Subsidy	Because the insurance carrier charges the same monthly rate for health insurance regardless of age, an implied monthly subsidy has been assumed for FY 2024 based on the age related morbidity assumption and, for other fiscal years, the implied subsidy was increased in accordance with the health care costs and trend rates.
Other Decrements	Assumed employment termination is based on the Scale 155 table; assumed disability is based on the Wyatt 1985 Disability Study (Class 1).
Coverage election	5.0 percent of eligible employees (other than the Village Manager) are assumed to elect medical coverage until age 65 upon retirement or disability. Village Manager is assumed to elect medical coverage until 65; all retirees (current and future) have been assumed to continue their current health plan coverage election.
Spouses and dependents	Husbands are assumed to be three years older than their wives; retirees are not assumed to have any dependent children.
COBRA	Future healthcare coverage provided solely pursuant to COBRA was not included in the OPEB valuation.
Changes	No assumptions were changed since the prior measurement date.

Mortality rates are based on the PUB-2010 Mortality Table with full generational improvements in mortality using Scale MP-2020.

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

The target allocation and the best estimates of the arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap equity	30.0%	4.6%
Non-U.S. equity	24.0%	6.7%
U.S. small cap equity	16.0%	5.5%
Core plus	10.0%	2.1%
Core bonds	10.0%	1.6%
Core real estate	10.0%	5.0%
Total	100.00%	
Weighted Arithmetic average		4.7%

Discount Rate: The discount rate used to measure the net OPEB asset was 7.5%. The projection of cash flows used to determine the discount rate assumed that Village contributions will be made at rates equal to actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the net OPEB asset.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Asset (a) + (b)
Balances at 9/30/2024	\$ 776,619	\$ (2,531,272)	\$(1,754,653)
Changes for the year:			
Service cost	28,254	-	28,254
Expected interest growth	57,237	(189,402)	(132,165)
Demographic Experience	-	-	-
Unexpected investment growth	-	(41,470)	(41,470)
Benefit payments & refunds	(84,969)	-	(84,969)
Administrative expense	-	12,040	12,040
Net Changes	522	(218,832)	(218,310)
Balance at 9/30/2025	\$ 777,141	\$ (2,750,104)	\$(1,972,963)

Sensitivity of the net OPEB asset to changes in the discount rate and health-care cost trend rates- The following presents the net OPEB asset of the Village, as well as what the Village’s net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	Discount Rate		
	<u>1% Decrease</u>	<u>(7.5%)</u>	<u>1% Increase</u>
Net OPEB asset	\$ 1,917,617	\$ 1,972,963	\$ 2,022,722

Sensitivity of the net OPEB asset to the changes in the healthcare cost trend rates- The following presents the net OPEB asset of the Village, as well as what the Village’s net OPEB asset would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Healthcare Cost Trend Rates (7.5%)		
	<u>Trend Rate minus 1%</u>	<u>decreasing to 5.0%</u>	<u>Trend Rate plus 1%</u>
Net OPEB asset	\$ 2,047,430	\$ 1,972,963	\$ 1,886,324

OPEB Expense (Income) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2025, the Village recognized OPEB expense(income) of (\$157,442). At September 30, 2025, the Village reported deferred inflows and deferred outflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Unexpected Investment Income	\$ -	\$ (137,174)
Demographic experience	176,348	(89,555)
Assumption changes	217,705	(11,170)
Total	<u>\$ 394,053</u>	<u>\$ (237,899)</u>

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

<u>Year Ending September 30:</u>	<u>Amount</u>
2026	\$ 72,292
2027	(25,283)
2028	(13,951)
2029	47,734
2030	49,922
Thereafter	25,440
Total	<u><u>\$ 156,154</u></u>

Budgetary Comparison Schedules:

General Fund

Special Revenue Funds:

Building

Acme Improvement

VILLAGE OF WELLINGTON, FLORIDA

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues:				
Ad valorem taxes	\$ 29,416,786	\$ 29,416,786	\$ 29,575,122	\$ 158,336
Utility services taxes	6,302,280	6,302,280	6,780,565	478,285
Communication services taxes	2,116,305	2,116,305	2,142,711	26,406
Local business tax receipts	870,000	870,000	977,673	107,673
Other permit and fees	1,665,000	1,665,000	1,506,880	(158,120)
Franchise fees	5,117,680	5,117,680	5,154,377	36,697
Grants	289,226	688,729	708,859	20,130
State revenue sharing	8,511,000	8,511,000	8,463,648	(47,352)
Charges for services	5,653,060	5,763,060	4,912,530	(850,530)
Fines and forfeitures	261,000	9,561,000	9,770,589	209,589
Investment income (net)	1,254,000	1,254,000	2,360,768	1,106,768
Interest income- PPP	-	-	1,673,673	1,673,673
Contributions	-	-	9,800	9,800
Miscellaneous	487,641	542,541	482,198	(60,343)
Total revenues	<u>61,943,978</u>	<u>71,808,381</u>	<u>74,519,393</u>	<u>2,711,012</u>
Expenditures:				
Current:				
General government	19,538,514	20,447,951	16,942,498	3,505,453
Public safety	12,803,718	12,828,418	12,710,489	117,929
Physical environment	1,402,207	1,568,257	1,541,395	26,862
Economic environment	1,276,962	1,401,370	1,321,591	79,779
Culture and recreation	14,410,685	15,059,303	14,257,667	801,636
Capital outlay	943,800	1,192,977	1,776,031	(583,054)
Debt service:				
Principal	-	-	804,107	(804,107)
Interest	-	-	25,414	(25,414)
Total expenditures	<u>50,375,886</u>	<u>52,498,276</u>	<u>49,379,192</u>	<u>3,119,084</u>
Excess (deficiency) of revenues over expenditures	<u>11,568,092</u>	<u>19,310,105</u>	<u>25,140,201</u>	<u>5,830,096</u>
Other financing sources (uses):				
Transfers out	(11,568,092)	(15,736,092)	(15,736,092)	-
Initiation of SBITA's	-	-	632,735	632,735
Proceeds from sale of capital assets	-	-	89,084	89,084
Total other financing sources (uses)	<u>(11,568,092)</u>	<u>(15,736,092)</u>	<u>(15,014,273)</u>	<u>721,819</u>
Net change in fund balances	-	3,574,013	10,125,928	6,551,915
Fund balances, beginning of year	<u>43,858,258</u>	<u>43,858,258</u>	<u>43,858,258</u>	<u>-</u>
Fund balances, end of year	<u>\$ 43,858,258</u>	<u>\$ 47,432,271</u>	<u>\$ 53,984,186</u>	<u>\$ 6,551,915</u>

VILLAGE OF WELLINGTON, FLORIDA

BUDGETARY COMPARISON SCHEDULE

BUILDING - SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues:				
Building permits and fees	\$ 6,375,000	\$ 6,375,000	\$ 5,051,057	\$(1,323,943)
Investment income (net)	147,000	147,000	475,002	328,002
Miscellaneous	<u>5,800</u>	<u>5,800</u>	<u>46,728</u>	<u>40,928</u>
Total revenues	<u>6,527,800</u>	<u>6,527,800</u>	<u>5,572,787</u>	<u>(955,013)</u>
Expenditures:				
Current:				
Public safety	6,242,783	6,590,739	4,929,166	1,661,573
Capital outlay	84,000	84,000	237,852	(153,852)
Debt service:				
Principal	-	-	295,449	(295,449)
Interest	<u>-</u>	<u>-</u>	<u>12,908</u>	<u>(12,908)</u>
Total expenditures	<u>6,326,783</u>	<u>6,674,739</u>	<u>5,475,375</u>	<u>1,199,364</u>
Excess (deficiency) of revenues over expenditures	<u>201,017</u>	<u>(146,939)</u>	<u>97,412</u>	<u>244,351</u>
Other financing sources (uses):				
Initiation of SBITA's	<u>-</u>	<u>-</u>	<u>159,932</u>	<u>159,932</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>159,932</u>	<u>159,932</u>
Net change in fund balances	201,017	(146,939)	257,344	404,283
Fund balances, beginning of year	<u>10,306,675</u>	<u>10,306,675</u>	<u>10,306,675</u>	<u>-</u>
Fund balances, end of year	<u>\$ 10,507,692</u>	<u>\$ 10,159,736</u>	<u>\$ 10,564,019</u>	<u>\$ 404,283</u>

VILLAGE OF WELLINGTON, FLORIDA

BUDGETARY COMPARISON SCHEDULE

ACME IMPROVEMENT - SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues:				
Special assessments	\$ 6,412,617	\$ 6,412,617	\$ 6,498,929	\$ 86,312
Charges for services	282,000	282,000	290,266	8,266
Investment income (net)	46,000	46,000	204,655	158,655
Miscellaneous	<u>48,500</u>	<u>48,500</u>	<u>48,862</u>	<u>362</u>
Total revenues	<u>6,789,117</u>	<u>6,789,117</u>	<u>7,042,712</u>	<u>253,595</u>
Expenditures:				
Current:				
General government	49,400	49,400	53,111	(3,711)
Physical environment	4,479,502	4,609,584	4,094,404	515,180
Culture and recreation	564,141	550,703	526,127	24,576
Capital outlay	88,000	87,000	98,837	(11,837)
Debt service:				
Principal	-	-	11,351	(11,351)
Interest	<u>-</u>	<u>-</u>	<u>151</u>	<u>(151)</u>
Total expenditures	<u>5,181,043</u>	<u>5,296,687</u>	<u>4,783,981</u>	<u>512,706</u>
Excess (deficiency) of revenues over expenditures	<u>1,608,074</u>	<u>1,492,430</u>	<u>2,258,731</u>	<u>766,301</u>
Other financing uses:				
Transfers out	<u>(2,250,000)</u>	<u>(2,250,000)</u>	<u>(2,250,000)</u>	<u>-</u>
Total other financing uses	<u>(2,250,000)</u>	<u>(2,250,000)</u>	<u>(2,238,576)</u>	<u>11,424</u>
Net change in fund balances	(641,926)	(757,570)	20,155	777,725
Fund balances, beginning of year	<u>3,640,162</u>	<u>3,640,162</u>	<u>3,640,162</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,998,236</u>	<u>\$ 2,882,592</u>	<u>\$ 3,660,317</u>	<u>\$ 777,725</u>

NOTE 1. NOTE TO BUDGETARY COMPARISON SCHEDULES

State of Florida Statutes requires that all municipal governments establish budgetary systems and approve annual operating budgets. The Council annually adopts an operating budget and appropriates funds for the general, special revenue, capital projects and debt service funds. The procedures for establishing the budgetary data are as follows:

Prior to September 1, Wellington Manager submits a proposed operating budget to the Council for the next fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain taxpayer comments.

Wellington advises the County Property Appraiser of the proposed millage rate, special assessment levies, and the date, time and place of the public hearing for budget acceptance.

The budget and related millage rate and special assessment levies are legally enacted by resolution.

Changes or amendments to the total budget of a fund must be approved by the Council. Changes within a fund which do not affect total fund expenditures may be approved at the administrative level. Accordingly, the legal level of control is at the fund level.

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Wellington also adopts a non- appropriated operating budget for the enterprise funds substantially on a basis consistent with U.S. generally accepted accounting principles. All appropriations lapse at fiscal year-end; however, encumbrances and amounts specifically designated to be carried forward to the subsequent year are re-appropriated in the following year.

As required by GASB Statement No. 34, budgetary comparison schedules are presented for the general fund and major special revenue funds.



VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

SEPTEMBER 30, 2025

Florida Retirement System Pension Plan

Last Ten Measurement Years ⁽¹⁾

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Village's proportion of the FRS net pension liability	0.0420%	0.0483%	0.0513%	0.0496%	0.0503%	0.0529%	0.0537%	0.0510%	0.0479%	0.0464%
Village's proportionate share of the FRS net pension liability	\$ 10,615,415	\$ 14,276,459	\$ 15,440,590	\$ 17,074,811	\$ 21,803,503	\$ 3,992,707	\$ 19,976,264	\$ 20,338,116	\$ 18,547,786	\$ 14,395,159
Village's covered payroll	\$ 17,448,015	\$ 18,900,403	\$ 19,786,378	\$ 19,687,857	\$ 20,450,352	\$ 20,372,638	\$ 21,448,831	\$ 22,431,568	\$ 23,359,436	\$ 24,219,527
Village's proportionate share of the FRS net pension liability as a percentage of its covered payroll	60.84%	75.54%	78.04%	86.73%	106.62%	19.60%	93.13%	90.67%	79.41%	59.44%
FRS plan fiduciary net position as a percentage of the total pension liability	84.88%	83.89%	84.26%	82.61%	78.85%	96.40%	82.89%	82.38%	83.70%	87.26%

Health Insurance Subsidy Pension Plan

Last Ten Measurement Years ⁽¹⁾

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Village's proportion of the HIS net pension liability	0.0565%	0.0593%	0.0606%	0.0588%	0.0589%	0.0576%	0.0589%	0.0566%	0.0551%	0.0542%
Village's proportionate share of the HIS net pension liability	\$ 6,585,785	\$ 6,339,281	\$ 6,411,831	\$ 6,580,765	\$ 7,195,583	\$ 7,059,723	\$ 6,233,758	\$ 8,989,905	\$ 8,278,111	\$ 6,948,222
Village's covered payroll	\$ 17,448,015	\$ 18,900,403	\$ 19,786,378	\$ 19,687,857	\$ 20,450,352	\$ 20,372,638	\$ 21,448,831	\$ 22,431,568	\$ 23,359,436	\$ 24,219,527
Village's proportionate share of the HIS net pension liability as a percentage of its covered payroll	37.75%	33.54%	32.41%	33.43%	35.19%	34.65%	29.06%	40.08%	35.44%	28.69%
HIS plan fiduciary net position as a percentage of the total pension liability	0.97%	1.64%	2.15%	2.63%	3.00%	3.56%	4.81%	4.12%	4.80%	6.36%

(1) The amounts presented for each measurement year were determined as of June 30.

VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF THE VILLAGE CONTRIBUTIONS

SEPTEMBER 30, 2025

Florida Retirement System Pension Plan

Last Ten Fiscal Years ⁽¹⁾

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Contractually required FRS contribution	\$ 1,025,240	\$ 1,256,456	\$ 1,460,946	\$ 1,537,351	\$ 1,671,456	\$ 2,013,604	\$ 2,290,966	\$ 2,455,388	\$ 2,715,009	\$ 2,769,411
FRS contributions in relation to the contractually required contribution	<u>\$ (1,025,240)</u>	<u>\$ (1,256,456)</u>	<u>\$ (1,460,946)</u>	<u>\$ (1,537,351)</u>	<u>\$ (1,671,456)</u>	<u>\$ (2,013,604)</u>	<u>\$ (2,290,966)</u>	<u>\$ (2,455,388)</u>	<u>\$ (2,715,009)</u>	<u>\$ (2,769,411)</u>
FRS contribution deficiency (excess)	<u>\$ -</u>									
Village's covered payroll	\$ 18,354,726	\$ 19,478,310	\$ 19,500,893	\$ 19,909,643	\$ 20,596,488	\$ 20,219,891	\$ 21,070,939	\$ 22,750,152	\$ 23,564,525	\$ 24,267,176
FRS contributions as a percentage of covered payroll	5.59%	6.45%	7.49%	7.72%	8.12%	9.96%	10.87%	10.79%	11.52%	11.41%

Health Insurance Subsidy Pension Plan

Last Ten Fiscal Years ⁽¹⁾

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Contractually required HIS contribution	\$ 289,640	\$ 313,766	\$ 328,526	\$ 326,592	\$ 339,601	\$ 338,296	\$ 356,126	\$ 372,369	\$ 467,202	\$ 484,501
HIS contributions in relation to the contractually required contribution	<u>\$ (289,640)</u>	<u>\$ (313,766)</u>	<u>\$ (323,715)</u>	<u>\$ (326,592)</u>	<u>\$ (339,601)</u>	<u>\$ (338,296)</u>	<u>\$ (356,126)</u>	<u>\$ (372,369)</u>	<u>\$ (467,202)</u>	<u>\$ (484,501)</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,811</u>	<u>\$ -</u>						
Village's covered payroll	\$ 18,354,726	\$ 19,478,310	\$ 19,500,893	\$ 19,909,643	\$ 20,596,488	\$ 20,219,891	\$ 21,070,939	\$ 22,750,152	\$ 23,564,525	\$ 24,267,176
HIS contributions as a percentage of covered payroll	1.58%	1.61%	1.68%	1.64%	1.65%	1.67%	1.69%	1.64%	1.98%	2.00%

(1) The amounts presented for each fiscal year were determined as of 09/30.

VILLAGE OF WELLINGTON, FLORIDA

OPEB LIABILITY SCHEDULES
SEPTEMBER 30, 2025

**Schedule of Changes in the Village's Net OPEB Asset and Related Ratios -
Last Ten Fiscal Years ⁽¹⁾**

	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total OPEB Liability									
Service Cost	\$ 8,343	\$ 11,276	\$ 11,552	\$ 22,570	\$ 22,590	\$ 25,726	\$ 26,118	\$ 28,254	\$ 28,254
Expected interest growth	25,067	24,839	21,223	20,498	56,551	54,174	52,920	51,418	57,237
Demographic experience	-	(34,071)	60,600	168,621	(34,139)	(24,840)	(62,633)	95,322	-
Changes of assumptions	-	-	(30,336)	383,618	19,517	-	-	-	-
Benefit payments	(34,743)	(44,188)	(57,111)	(111,316)	(118,065)	(79,939)	(64,121)	(109,408)	(84,969)
Assumption Changes	-	-	-	-	-	-	47,788	-	-
Net change in total OPEB Liability	(1,333)	(42,144)	5,928	483,991	(53,546)	(24,879)	72	65,586	522
Total OPEB liability - beginning	342,944	341,611	299,467	305,395	789,386	735,840	710,961	711,033	776,619
Total OPEB liability - ending (a)	\$ 341,611	\$ 299,467	\$ 305,395	\$ 789,386	\$ 735,840	\$ 710,961	\$ 711,033	\$ 776,619	\$ 777,141
Plan fiduciary net position									
Expected interest growth	\$ 100,494	\$ 114,781	\$ 123,986	\$ 129,116	\$ 137,702	\$ 167,107	\$ 142,177	\$ 156,216	\$ 189,402
Unexpected investment income/(loss)	97,942	19,063	(44,426)	(4,724)	264,469	(487,881)	56,668	298,180	41,470
Administrative expense	(4,907)	(11,080)	(11,131)	(11,198)	(8,577)	(11,699)	(11,542)	(11,787)	(12,040)
Net change in plan fiduciary net position	193,529	122,764	68,429	113,194	393,594	(332,473)	187,303	442,609	218,832
Plan fiduciary net position - beginning	1,342,323	1,535,852	1,658,616	1,727,045	1,840,239	2,233,833	1,901,360	2,088,663	2,531,272
Plan fiduciary net position - ending (b)	\$ 1,535,852	\$ 1,658,616	\$ 1,727,045	\$ 1,840,239	\$ 2,233,833	\$ 1,901,360	\$ 2,088,663	\$ 2,531,272	\$ 2,750,104
Village's net OPEB asset - ending (b) - (a)	\$ 1,194,241	\$ 1,359,149	\$ 1,421,650	\$ 1,050,853	\$ 1,497,993	\$ 1,190,399	\$ 1,377,630	\$ 1,754,653	\$ 1,972,963
Plan fiduciary net position as a percentage of the total OPEB asset	449.59%	553.86%	565.51%	233.12%	303.58%	267.44%	293.75%	325.93%	353.87%
Covered payroll	\$ 16,763,480	\$ 17,593,811	\$ 18,149,435	\$ 18,647,506	\$ 18,308,570	\$ 18,062,317	\$ 20,156,915	\$ 21,268,972	\$ 21,268,972
Village's net OPEB asset as a percentage of covered-payroll	N/A								

(1) GASB75 requires information for 10 years. However, until a full ten-year trend is compiled, information will be presented for only those years which information is available.

CONDITION RATING OF STREET SYSTEM SEPTEMBER 30, 2025

The condition of street pavement is measured using the Asphalt Pavement Rating Form as developed by the Asphalt Institute. The Asphalt Pavement Rating Form is based on a weighted average of thirteen defects found in pavement surfaces. The form uses a measurement scale that is based on a condition index rating from zero for failed pavement to 100 for pavement in perfect condition. The condition index is used to classify roads in seven categories: excellent (100-85), very good (84-70), good (69-55), fair (54-40), poor (39-25), very poor (24-10), failed (9-0). It is Wellington's policy to maintain at least 100% of its street system at a good or better condition. Needed maintenance is calculated based upon inspections and the condition assessment index.

In accordance with GASB Statement No. 34, Wellington is required to report at least one complete condition assessment at transition using the modified approach. The condition assessment was completed and documented that the eligible infrastructure assets are being preserved at or above the condition level established. Future assessments will be completed on a cyclical basis (one-third of all the streets in the network every year for three years).

Wellington calculates needed maintenance of its street system annually. However, the scheduling of these road projects often crosses fiscal years. Therefore, actual maintenance may be less than the calculated needed maintenance in one fiscal year and greater than the calculated needed maintenance in the subsequent fiscal year.

CONDITION RATING OF THE VILLAGE'S STREET SYSTEM

Percentage of lane miles in good or better condition

Overall System:

2023	100%
2024	100%
2025	100%

Percentage of lane miles in substandard condition

Overall System:

2023	0%
2024	0%
2025	0%

COMPARISON OF ESTIMATED-TO-ACTUAL MAINTENANCE/PRESERVATION

	<u>Estimated</u>	<u>Actual</u>
Overall System:		
2021	2,312,936	2,209,638
2022	2,682,843	2,322,873
2023	2,459,097	1,744,015
2024	4,194,871	2,923,915
2025	4,039,692	3,844,222

VILLAGE OF WELLINGTON, FLORIDA

Schedule of Investment Returns - OPEB

<u>September 30,</u>	<u>Annual money-weighted rate of return, net of investment expense</u>
2016	9.26%
2017	14.68%
2018	8.67%
2019	4.94%
2020	7.25%
2021	21.82%
2022	-14.46%
2023	10.47%
2024	21.77%
2025	9.14%

Combining and Individual Fund Statements and Schedules

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are maintained to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

Gas Tax Maintenance Fund – Accounts for gas tax revenues and expenditures related to road maintenance projects.

State Housing Initiative Partnership (SHIP) Fund – Accounts for grant revenues and expenditures related to the State Affordable Housing Initiative Program.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are maintained to account for the proceeds of specific revenue sources that are legally restricted for capital expenditures.

Recreation Impact Fees Fund – Accounts for impact fee revenues and expenditures for recreation construction projects.

Gas Tax Capital Fund – Accounts for gas tax revenues and expenditures related to road construction.

Road Impact Fees Fund – Accounts for impact fee revenues and expenditures for road construction projects.

Public Facilities Fund – Accounts for the impact fee revenues and expenditures for construction of new or expansion of public facilities to meet the needs of a growing population.

VILLAGE OF WELLINGTON, FLORIDA

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2025

	Special Revenue Fund		Capital Project Funds				Total Nonmajor Funds
	Gas Tax Maintenance	SHIP Grant	Recreation Impact Fees	Gas Tax Capital	Road Impact Fees	Public Facilities Impact Fees	
ASSETS							
Cash	\$ 46,096	\$ 303,101	\$ 2,705,312	\$ 1,460,491	\$ 1,368	\$ 18,740	\$ 4,535,108
Investments	4,951,653	-	-	6,313,825	1,648,528	-	12,914,006
Receivables:							
Accrued interest receivable	33,385	-	-	26,980	9,436	-	69,801
Prepaid expenditures	4,895	-	-	-	-	-	4,895
Due from other governments	184,392	-	44,551	82,346	232,956	-	544,245
Total assets	<u>\$ 5,220,421</u>	<u>\$ 303,101</u>	<u>\$ 2,749,863</u>	<u>\$ 7,883,642</u>	<u>\$ 1,892,288</u>	<u>\$ 18,740</u>	<u>\$ 18,068,055</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ 369,549	\$ 126,669	\$ 73,843	\$ 55,241	\$ 2,250	\$ -	\$ 627,552
Unearned revenue	-	-	-	1,351,282	20,571	-	1,371,853
Total liabilities	<u>369,549</u>	<u>126,669</u>	<u>77,729</u>	<u>1,406,523</u>	<u>22,821</u>	<u>-</u>	<u>2,003,291</u>
Deferred inflows of resources:							
Unavailable revenue	-	-	44,551	-	232,956	-	277,507
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>44,551</u>	<u>-</u>	<u>232,956</u>	<u>-</u>	<u>277,507</u>
Fund balances:							
Nonspendable:							
Prepaid expenditures	4,895	-	-	-	-	-	4,895
Restricted for:							
Capital projects	-	-	2,627,583	6,477,119	1,636,511	18,740	10,759,953
Road capital and maintenance	4,845,977	-	-	-	-	-	4,845,977
Economic development	-	176,432	-	-	-	-	176,432
Total fund balances	<u>4,850,872</u>	<u>176,432</u>	<u>2,627,583</u>	<u>6,477,119</u>	<u>1,636,511</u>	<u>18,740</u>	<u>15,787,257</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,220,421</u>	<u>\$ 303,101</u>	<u>\$ 2,749,863</u>	<u>\$ 7,883,642</u>	<u>\$ 1,892,288</u>	<u>\$ 18,740</u>	<u>\$ 18,068,055</u>

VILLAGE OF WELLINGTON, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Fund		Capital Project Funds				Total Nonmajor Funds
	Gas Tax Maintenance	SHIP Grant	Recreation Impact Fees	Gas Tax Capital	Road Impact Fees	Public Facilities Impact Fees	
Revenues:							
Impact fees	\$ -	\$ -	\$ 173,857	\$ -	\$ 266,476	\$ 18,740	\$ 459,073
Grants	-	471,808	-	-	-	-	471,808
Local option taxes	1,135,385	-	-	517,988	-	-	1,653,373
State revenue sharing	522,205	-	-	-	-	-	522,205
Charges for services	35,286	-	-	-	-	-	35,286
Investment income (net)	296,198	-	62,824	236,709	72,457	-	668,188
Miscellaneous	31,033	-	-	-	-	-	31,033
Total revenues	<u>2,020,107</u>	<u>471,808</u>	<u>236,681</u>	<u>754,697</u>	<u>338,933</u>	<u>18,740</u>	<u>3,840,966</u>
Expenditures:							
Current:							
Economic Environment	-	1,138,997	-	-	-	-	1,138,997
Physical Environment	151,208	-	-	-	-	-	151,208
Transportation	5,346,542	-	-	-	-	-	5,346,542
Capital outlay	64,861	-	92,988	354,998	441,067	-	953,914
Total expenditures	<u>5,562,611</u>	<u>1,138,997</u>	<u>92,988</u>	<u>354,998</u>	<u>441,067</u>	<u>-</u>	<u>7,590,661</u>
Excess (deficiency) of revenues over expenditures	<u>(3,542,504)</u>	<u>(667,189)</u>	<u>143,693</u>	<u>399,699</u>	<u>(102,134)</u>	<u>18,740</u>	<u>(3,749,695)</u>
Other financing sources (uses):							
Transfers in	4,330,728	-	-	3,239,625	-	-	7,570,353
Proceeds from sale of capital assets	14,031	-	-	-	-	-	14,031
Total other financing sources (uses)	<u>4,344,759</u>	<u>-</u>	<u>-</u>	<u>3,239,625</u>	<u>-</u>	<u>-</u>	<u>7,584,384</u>
Net change in fund balances	802,255	(667,189)	143,693	3,639,324	(102,134)	18,740	3,834,689
Fund balances, beginning of year	<u>4,048,617</u>	<u>843,621</u>	<u>2,483,890</u>	<u>2,837,795</u>	<u>1,738,645</u>	<u>-</u>	<u>11,952,568</u>
Fund balances, end of year	<u>\$ 4,850,872</u>	<u>\$ 176,432</u>	<u>\$ 2,627,583</u>	<u>\$ 6,477,119</u>	<u>\$ 1,636,511</u>	<u>\$ 18,740</u>	<u>\$ 15,787,257</u>

VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GAS TAX MAINTENANCE - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Local option taxes	\$ 1,100,000	\$ 1,100,000	\$ 1,135,385	\$ 35,385
Charges for services	-	-	35,286	35,286
State revenue sharing	506,100	506,100	522,205	16,105
Investment income (net)	38,000	38,000	296,198	258,198
Miscellaneous	<u>30,000</u>	<u>30,000</u>	<u>31,033</u>	<u>1,033</u>
Total revenues	<u>1,674,100</u>	<u>1,674,100</u>	<u>2,020,107</u>	<u>346,007</u>
Expenditures:				
Current:				
General government	20,500	20,500	-	20,500
Physical Environment	183,970	175,670	151,208	24,462
Transportation	5,777,758	5,635,501	5,346,542	288,959
Capital outlay	<u>22,600</u>	<u>64,865</u>	<u>64,861</u>	<u>4</u>
Total expenditures	<u>6,004,828</u>	<u>5,896,536</u>	<u>5,562,611</u>	<u>333,925</u>
Excess (deficiency) of revenues over expenditures	<u>(4,330,728)</u>	<u>(4,222,436)</u>	<u>(3,542,504)</u>	<u>679,932</u>
Other financing sources (uses):				
Transfers in	4,330,728	4,330,728	4,330,728	-
Proceeds from sale of capital assets	<u>-</u>	<u>-</u>	<u>14,031</u>	<u>14,031</u>
Total other financing sources	<u>4,330,728</u>	<u>4,330,728</u>	<u>4,344,759</u>	<u>14,031</u>
Net change in fund balances	-	108,292	802,255	693,963
Fund balances, beginning of year	<u>4,048,617</u>	<u>4,048,617</u>	<u>4,048,617</u>	<u>-</u>
Fund balances, end of year	<u>\$ 4,048,617</u>	<u>\$ 4,156,909</u>	<u>\$ 4,850,872</u>	<u>\$ 693,963</u>

VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SHIP GRANT - SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Grants	\$ 468,223	\$ 481,904	\$ 471,808	\$ (10,096)
Miscellaneous	-	30,000	-	(30,000)
Total revenues	<u>468,223</u>	<u>511,904</u>	<u>471,808</u>	<u>(40,096)</u>
Expenditures:				
Current:				
Economic Environment	<u>468,223</u>	<u>1,297,854</u>	<u>1,138,997</u>	<u>158,857</u>
Total expenditures	<u>468,223</u>	<u>1,297,854</u>	<u>1,138,997</u>	<u>158,857</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(785,950)</u>	<u>(667,189)</u>	<u>118,761</u>
Net change in fund balances	-	(785,950)	(667,189)	118,761
Fund balances, beginning of year	<u>843,621</u>	<u>843,621</u>	<u>843,621</u>	<u>-</u>
Fund balances, end of year	<u>\$ 843,621</u>	<u>\$ 57,671</u>	<u>\$ 176,432</u>	<u>\$ 118,761</u>

VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RECREATION IMPACT FEES - CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Impact fees	\$ 500,000	\$ 500,000	\$ 173,857	\$ (326,143)
Investment income (net)	<u>-</u>	<u>-</u>	<u>62,824</u>	<u>62,824</u>
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>236,681</u>	<u>(263,319)</u>
Expenditures:				
Capital outlay	<u>1,200,000</u>	<u>2,050,000</u>	<u>92,988</u>	<u>1,957,012</u>
Total expenditures	<u>1,200,000</u>	<u>2,050,000</u>	<u>92,988</u>	<u>1,957,012</u>
Excess (deficiency) of revenues over expenditures	<u>(700,000)</u>	<u>(1,550,000)</u>	<u>143,693</u>	<u>1,693,693</u>
Net change in fund balances	(700,000)	(1,550,000)	143,693	1,693,693
Fund balances, beginning of year	<u>2,483,890</u>	<u>2,483,890</u>	<u>2,483,890</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,783,890</u>	<u>\$ 933,890</u>	<u>\$ 2,627,583</u>	<u>\$ 1,693,693</u>

VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 GAS TAX - CAPITAL PROJECTS FUND
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues:				
Local option taxes	\$ 510,000	\$ 510,000	\$ 517,988	\$ 7,988
Grants	-	-	-	-
Investment income (net)	<u>49,000</u>	<u>49,000</u>	<u>236,709</u>	<u>187,709</u>
Total revenues	<u>559,000</u>	<u>559,000</u>	<u>754,697</u>	<u>195,697</u>
Expenditures:				
Capital outlay	<u>3,498,625</u>	<u>716,340</u>	<u>354,998</u>	<u>361,342</u>
Total expenditures	<u>3,498,625</u>	<u>716,340</u>	<u>354,998</u>	<u>361,342</u>
Excess (deficiency) of revenues over expenditures	<u>(2,939,625)</u>	<u>(157,340)</u>	<u>399,699</u>	<u>557,039</u>
Net change in fund balances	-	3,082,285	3,639,324	557,039
Fund balances, beginning of year	<u>2,837,795</u>	<u>2,837,795</u>	<u>2,837,795</u>	-
Fund balances, end of year	<u>\$ 2,837,795</u>	<u>\$ 5,920,080</u>	<u>\$ 6,477,119</u>	<u>\$ 557,039</u>

VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ROAD IMPACT FEES - CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Impact fees	\$ 200,000	\$ 200,000	\$ 266,476	\$ 66,476
Investment income (net)	26,000	26,000	72,457	46,457
Total revenues	226,000	226,000	338,933	112,933
Expenditures:				
Capital outlay	-	501,577	441,067	60,510
Total expenditures	-	501,577	441,067	60,510
Excess (deficiency) of revenues over expenditures	226,000	(275,577)	(102,134)	173,443
Net change in fund balances	226,000	(275,577)	(102,134)	173,443
Fund balances, beginning of year	1,738,645	1,738,645	1,738,645	-
Fund balances, end of year	\$ 1,964,645	\$ 1,463,068	\$ 1,636,511	\$ 173,443

VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PUBLIC FACILITIES IMPACT FEES - CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Impact fees	\$ -	\$ -	\$ 18,740	\$ 18,740
Investment income (net)	-	-	-	-
Total revenues	-	-	18,740	18,740
Expenditures:				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	18,740	18,740
Net change in fund balances	-	-	18,740	18,740
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ 18,740	\$ 18,740

MAJOR CAPITAL PROJECTS FUND AND DEBT SERVICE FUND

Capital Project Fund – This fund is used to segregate all financial activity applicable to governmental capital expenditures from governmental operating expenditures. These expenditures are funded through transfers and grant proceeds.

Surtax Fund – Accounts for the voter approved one-cent sales surtax program.

Debt Service Fund – Maintained to account for the payment of interest and principal requirements on long-term debt. Wellington maintains one debt service fund for the repayment of revenue bonds.

VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

CAPITAL PROJECTS FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues:				
Investment income (net)	\$ 263,000	\$ 756,630	\$ 1,919,779	\$ 1,163,149
Grants	-	<u>1,217,652</u>	<u>470,152</u>	<u>(747,500)</u>
Total revenues	<u>263,000</u>	<u>1,974,282</u>	<u>2,389,931</u>	<u>415,649</u>
Expenditures:				
Capital outlay:				
General government	100,000	169,471	169,471	-
Surface water management	3,325,000	9,381,772	7,502,515	1,879,257
Transportation	250,000	534,133	479,375	54,758
Parks and recreation	<u>345,000</u>	<u>30,802,324</u>	<u>24,204,469</u>	<u>6,597,855</u>
Total expenditures	<u>5,020,000</u>	<u>42,108,914</u>	<u>32,379,754</u>	<u>9,729,160</u>
Excess (deficiency) of revenues over expenditures	(4,757,000)	(40,134,632)	(29,989,823)	10,144,809
Other financing sources (uses):				
Transfers in	<u>4,757,000</u>	<u>8,057,000</u>	<u>8,057,000</u>	-
Total other financing sources (uses)	<u>4,757,000</u>	<u>8,057,000</u>	<u>8,057,000</u>	-
Net change in fund balances	-	(32,077,632)	(21,932,823)	10,144,809
Fund balances, beginning of year	<u>52,505,141</u>	<u>52,505,141</u>	<u>52,505,141</u>	-
Fund balances, end of year	<u>\$ 52,505,141</u>	<u>\$ 20,427,509</u>	<u>\$ 30,572,318</u>	<u>\$ 10,144,809</u>

VILLAGE OF WELLINGTON, FLORIDA

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

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Local option taxes	\$ 550,000	\$ 5,050,000	\$ 6,334,252	\$ 1,284,252
Investment income (net)	<u>177,000</u>	<u>177,000</u>	<u>1,301,443</u>	<u>1,124,443</u>
Total revenues	<u>727,000</u>	<u>5,227,000</u>	<u>7,635,695</u>	<u>2,408,695</u>
Expenditures:				
Current:				
Capital outlay:				
Parks and recreation	<u>550,000</u>	<u>26,453,999</u>	<u>22,439,811</u>	<u>4,014,188</u>
Total expenditures	<u>550,000</u>	<u>26,453,999</u>	<u>22,439,811</u>	<u>4,014,188</u>
Excess (deficiency) of revenues over expenditures	177,000	(21,226,999)	(14,804,116)	6,422,883
Other financing sources (uses):				
Transfers out	<u>-</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>
Net change in fund balances	177,000	(21,526,999)	(15,104,116)	6,422,883
Fund balances, beginning of year	<u>31,470,376</u>	<u>31,470,376</u>	<u>31,470,376</u>	<u>-</u>
Fund balances, end of year	<u>\$ 31,647,376</u>	<u>\$ 9,943,377</u>	<u>\$ 16,366,260</u>	<u>\$ 6,422,883</u>

VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Special Assessments	\$ 267,700	\$ 267,700	\$ 271,906	\$ 4,206
Investment income (net)	-	-	238	238
Total revenues	<u>267,700</u>	<u>267,700</u>	<u>272,144</u>	<u>4,444</u>
Expenditures:				
General government	-	-	587	(587)
Debt service:				
Principal	215,000	215,000	215,000	-
Interest and other fiscal charges	<u>1,843,439</u>	<u>1,843,439</u>	<u>1,843,439</u>	-
Total expenditures	<u>2,058,439</u>	<u>2,058,439</u>	<u>2,059,026</u>	<u>(587)</u>
Excess (deficiency) of revenues over expenditures	(1,790,739)	(1,790,739)	(1,786,882)	3,857
Other financing sources (uses):				
Transfers in	<u>1,790,739</u>	<u>1,790,739</u>	<u>1,790,739</u>	-
Total other financing sources (uses)	<u>1,790,739</u>	<u>1,790,739</u>	<u>1,790,739</u>	-
Net change in fund balances	-	-	3,857	3,857
Fund balances, beginning of year	<u>317,543</u>	<u>317,543</u>	<u>317,543</u>	-
Fund balances, end of year	<u><u>\$ 317,543</u></u>	<u><u>\$ 317,543</u></u>	<u><u>\$ 321,400</u></u>	<u><u>\$ 3,857</u></u>

OTHER INFORMATION

VILLAGE OF WELLINGTON, FLORIDA
 DATA ELEMENTS REQUIRED BY FLORIDA STATUTE 218.39 (3) (c)
 ACME IMPROVEMENT DISTRICT
 (UNAUDITED)

Number of district employees compensated at 9/30/2025	14
Number of independent contractors compensated in September 2025	6
Employee compensation for FYE 9/30/2025	\$ 1,491,055
Independent contractor compensation for FYE 9/30/2025	\$ 92,743

Construction projects in excess of \$65,000 to begin on or after October 1;

	Total Amount Authorized	Total Expended through September 30, 2025
Swale Maintenance	\$ 271,350	\$ 271,350
Pump Station Rehabilitation	433,802	384,013
Culvert & Pipelining Improvements	920,787	130,698
	\$1,625,939	\$ 786,061

Budget variance report See page 85 of
annual financial
report

Ad Valorem taxes;
 Millage rate FYE 9/30/2025 Not Applicable
 Ad valorem taxes collected FYE 9/30/2025 Not Applicable
 Outstanding Bonds: Not Applicable

Non ad valorem special assessments;
 Special assessment rate FYE 9/30/2025 \$ 255
 Special assessments collected FYE 9/30/2025 \$ 6,498,929
 Outstanding Bonds: Not Applicable

STATISTICAL SECTION

STATISTICAL SECTION

This part of Wellington's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Wellington's overall financial health.

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Source: Unless other wise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year

VILLAGE OF WELLINGTON, FLORIDA

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities:										
Net investment in capital assets	\$ 156,477,844	\$ 154,637,467	\$ 152,677,755	\$ 151,803,103	\$ 156,470,856	\$ 151,228,741	\$ 157,817,064	\$ 164,495,480	\$ 175,743,390	\$ 202,512,927
Restricted	12,878,989	17,654,628	21,227,099	26,716,506	27,193,033	30,947,521	34,411,046	36,631,854	59,291,718	47,982,603
Unrestricted	<u>31,647,938</u>	<u>28,892,221</u>	<u>32,947,080</u>	<u>37,059,717</u>	<u>33,875,099</u>	<u>36,768,266</u>	<u>41,842,152</u>	<u>48,758,535</u>	<u>41,518,454</u>	<u>55,253,241</u>
Total governmental activities net position	<u>201,004,771</u>	<u>201,184,316</u>	<u>206,851,933</u>	<u>215,579,326</u>	<u>217,538,988</u>	<u>218,944,528</u>	<u>234,070,262</u>	<u>249,885,869</u>	<u>276,553,562</u>	<u>305,748,771</u>
Business-type activities:										
Net investment in capital assets	117,260,300	112,584,261	110,518,031	96,986,412	125,555,240	139,110,413	142,621,375	142,093,315	145,586,989	149,292,653
Restricted	26,253,113	31,999,595	49,900,680	55,622,834	28,706,804	20,184,884	28,884,808	32,873,739	27,030,536	24,638,412
Unrestricted	<u>32,608,255</u>	<u>31,719,596</u>	<u>14,971,159</u>	<u>27,218,416</u>	<u>29,970,580</u>	<u>23,384,118</u>	<u>13,067,369</u>	<u>6,939,563</u>	<u>10,600,543</u>	<u>19,310,313</u>
Total business-type activities net position	<u>176,121,668</u>	<u>176,303,452</u>	<u>175,389,870</u>	<u>179,827,662</u>	<u>184,232,624</u>	<u>182,679,415</u>	<u>184,573,552</u>	<u>181,906,617</u>	<u>183,218,068</u>	<u>193,241,378</u>
Total government:										
Net investment in capital assets	273,738,144	267,221,728	267,221,728	248,789,515	282,026,096	290,339,154	300,438,439	306,588,795	321,330,379	351,805,580
Restricted	39,132,102	49,654,223	49,654,223	82,339,340	55,899,837	51,132,405	63,295,854	69,505,593	86,322,254	72,621,015
Unrestricted	<u>64,256,193</u>	<u>60,611,817</u>	<u>60,611,817</u>	<u>64,278,133</u>	<u>63,845,679</u>	<u>60,152,384</u>	<u>54,909,521</u>	<u>55,698,098</u>	<u>52,118,997</u>	<u>74,563,554</u>
Total government net position	<u>\$ 377,126,439</u>	<u>\$ 377,487,768</u>	<u>\$ 377,487,768</u>	<u>\$ 395,406,988</u>	<u>\$ 401,771,612</u>	<u>\$ 401,623,943</u>	<u>\$ 418,643,814</u>	<u>\$ 431,792,486</u>	<u>\$ 459,771,630</u>	<u>\$ 498,990,149</u>

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VILLAGE OF WELLINGTON, FLORIDA

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

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses:										
Governmental activities:										
General government	\$ 17,619,102	\$ 14,009,092	\$ 19,678,060	\$ 21,067,869	\$ 22,076,325	\$ 18,647,057	\$ 21,289,380	\$ 18,494,657	\$ 19,307,685	\$ 17,694,682
Public safety	11,722,878	12,456,166	13,542,866	13,870,291	15,213,948	14,377,870	15,220,864	16,734,914	17,335,521	17,541,210
Physical environment	14,091,443	15,542,944	11,277,213	10,275,909	9,950,155	7,495,122	7,285,614	8,113,075	8,190,611	8,477,418
Economic environment	1,132,293	1,202,739	1,403,022	1,597,316	1,719,540	1,568,258	1,642,910	1,947,959	2,103,462	2,456,646
Transportation	3,340,822	4,033,291	4,630,376	4,926,862	4,779,912	4,926,166	5,280,264	5,191,043	5,958,439	6,637,456
Culture and recreation	8,569,180	9,952,368	10,343,571	10,679,529	10,449,625	10,513,776	12,147,524	15,421,897	15,793,924	17,175,441
Contributions	-	-	-	-	-	13,058,530	93,947	-	-	-
Interest on long-term debt	98,941	140,924	114,164	85,113	79,686	74,113	68,391	503,073	1,845,306	1,873,467
	<u>56,574,659</u>	<u>57,337,524</u>	<u>60,989,273</u>	<u>62,502,889</u>	<u>64,269,191</u>	<u>70,660,892</u>	<u>63,028,894</u>	<u>66,406,618</u>	<u>70,534,948</u>	<u>71,856,320</u>
Indirect expense allocation	(2,601,695)	(2,351,344)	-	-	-	-	-	-	-	-
Total governmental activities	<u>53,972,964</u>	<u>54,986,180</u>	<u>60,989,273</u>	<u>62,502,889</u>	<u>64,269,191</u>	<u>70,660,892</u>	<u>63,028,894</u>	<u>66,406,618</u>	<u>70,534,948</u>	<u>71,856,320</u>
Business-type activities:										
Utility system	15,335,041	17,087,678	17,672,912	18,583,539	21,083,740	20,948,966	22,924,292	29,321,656	28,844,979	30,204,078
Solid waste	3,577,209	4,378,318	4,948,498	3,843,547	4,050,260	4,487,765	5,566,395	6,593,848	6,855,544	7,854,159
Lake wellington professional centre	629,998	635,818	635,366	634,000	643,475	667,407	746,626	757,758	2,699,089	-
	<u>19,542,248</u>	<u>22,101,814</u>	<u>23,256,776</u>	<u>23,061,086</u>	<u>25,777,475</u>	<u>26,104,138</u>	<u>29,237,313</u>	<u>36,673,262</u>	<u>38,399,612</u>	<u>38,058,237</u>
Indirect expense allocation	2,601,695	2,351,344	-	-	-	-	-	-	-	-
Total business-type activities	<u>22,143,943</u>	<u>24,453,158</u>	<u>23,256,776</u>	<u>23,061,086</u>	<u>25,777,475</u>	<u>26,104,138</u>	<u>29,237,313</u>	<u>36,673,262</u>	<u>38,399,612</u>	<u>38,058,237</u>
Total government expenses	<u>\$ 76,116,907</u>	<u>\$ 79,439,338</u>	<u>\$ 84,246,048</u>	<u>\$ 85,563,975</u>	<u>\$ 90,046,666</u>	<u>\$ 96,765,030</u>	<u>\$ 92,266,207</u>	<u>\$ 103,079,880</u>	<u>\$ 108,934,560</u>	<u>\$ 109,914,557</u>
Program revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 1,450,142	\$ 1,467,585	\$ 948,776	\$ 933,235	\$ 864,066	\$ 814,890	\$ 918,666	\$ 857,650	\$ 1,001,245	\$ 977,673
Public safety	3,298,614	2,706,456	6,573,485	5,727,408	6,568,657	6,800,544	8,494,950	8,317,552	10,195,321	16,328,526
Physical environment	7,189,694	7,023,620	5,761,643	6,022,430	6,159,597	6,084,246	6,136,266	6,141,617	6,794,869	6,770,835
Economic environment	340,805	273,142	-	-	-	-	-	-	-	-
Transportation	400,174	210,737	246,063	40,911	117,466	121,915	55,641	113,634	205,417	266,476
Culture and recreation	3,375,561	2,948,080	3,326,856	3,332,894	2,771,345	2,890,769	3,919,523	5,046,903	5,356,392	5,430,679
Operating grants and contributions	1,745,869	1,905,383	1,881,640	1,793,226	1,481,179	5,535,810	6,174,069	2,620,587	2,973,606	2,839,708
Capital grants and contributions	6,112,810	281,700	472,113	2,682,118	866,210	1,159,345	3,896,952	321,155	1,116,886	1,018,038
Total governmental activities program revenues:	<u>23,913,669</u>	<u>16,816,703</u>	<u>19,210,575</u>	<u>20,532,222</u>	<u>18,828,520</u>	<u>23,407,519</u>	<u>29,596,067</u>	<u>23,419,098</u>	<u>27,643,736</u>	<u>33,631,935</u>
Business-type activities:										
Charges for services:										
Utility system	19,023,000	19,418,288	19,583,648	20,568,832	22,023,862	22,708,810	24,041,199	25,012,531	27,815,750	31,104,459
Solid waste	3,443,604	3,432,818	3,409,943	3,459,505	3,481,911	3,372,805	4,268,056	5,498,998	7,228,109	7,718,581
Lake wellington professional centre	-	-	-	-	-	-	-	-	56,713	-
Operating grants and contributions	34,804	61,437	15,599	5,513	-	9,709	34,111	-	2,911	-
Capital grants and contributions	574,503	565,628	2,308,590	2,874,513	4,427,046	575,190	7,428,443	2,515,412	3,240,223	2,463,566
Total business-type activities program revenues	<u>23,075,911</u>	<u>23,478,171</u>	<u>25,317,780</u>	<u>26,908,363</u>	<u>29,932,819</u>	<u>26,666,514</u>	<u>35,771,809</u>	<u>33,026,941</u>	<u>38,343,706</u>	<u>41,286,606</u>
Total program revenues	<u>\$ 46,989,580</u>	<u>\$ 40,294,874</u>	<u>\$ 44,528,355</u>	<u>\$ 47,440,585</u>	<u>\$ 48,761,339</u>	<u>\$ 50,074,033</u>	<u>\$ 65,367,876</u>	<u>\$ 56,446,039</u>	<u>\$ 65,987,442</u>	<u>\$ 74,918,541</u>

VILLAGE OF WELLINGTON, FLORIDA

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

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (expense) revenue:										
Governmental activities	\$ (30,059,295)	\$ (38,169,477)	\$ (41,778,698)	\$ (40,010,155)	\$ (45,440,671)	\$ (47,253,373)	\$ (33,432,827)	\$ (42,987,520)	\$ (42,891,212)	\$ (38,224,385)
Business-type activities	<u>931,968</u>	<u>(974,987)</u>	<u>2,061,005</u>	<u>1,886,765</u>	<u>4,155,344</u>	<u>562,376</u>	<u>6,534,496</u>	<u>(3,646,321)</u>	<u>(55,906)</u>	<u>3,228,369</u>
Total net (expense) revenue	<u>\$ (29,127,327)</u>	<u>\$ (39,144,464)</u>	<u>\$ (39,717,693)</u>	<u>\$ (38,123,390)</u>	<u>\$ (41,285,327)</u>	<u>\$ (46,690,997)</u>	<u>\$ (26,898,331)</u>	<u>\$ (46,633,841)</u>	<u>\$ (42,947,118)</u>	<u>\$ (34,996,016)</u>
General revenues:										
Governmental activities:										
Property taxes	\$ 16,517,935	\$ 17,599,037	\$ 18,600,500	\$ 19,953,779	\$ 20,628,009	\$ 21,021,227	\$ 22,013,977	\$ 24,611,194	\$ 27,425,030	\$ 29,575,122
Franchise fees on gross receipts	3,462,576	3,557,576	3,521,919	3,606,319	3,472,827	3,620,987	4,159,242	4,702,401	4,458,663	5,154,377
Communications services taxes	2,288,128	2,162,326	2,253,094	2,254,246	1,939,209	1,883,191	2,002,104	2,227,689	2,201,478	2,142,711
Utility service taxes	4,759,925	4,818,284	4,963,800	5,091,125	5,150,422	5,228,864	5,511,957	6,372,519	6,476,181	6,780,565
Discretionary tax	-	4,685,596	4,362,375	4,547,232	4,308,476	5,044,586	5,997,236	6,055,955	6,178,018	6,334,252
State shared revenue	6,442,134	4,856,430	7,026,410	7,223,035	6,694,737	7,880,643	9,343,476	9,440,706	9,048,893	8,985,853
Investment income/(loss)	512,059	372,218	695,797	2,463,616	2,324,881	111,468	(4,000,524)	3,693,788	9,859,203	6,930,073
Interest income (PPP)	-	-	-	-	-	-	-	-	-	1,673,673
Gain on sale of capital asset	-	-	-	-	-	-	-	41,944	-	75,058
Other	609,004	437,403	1,466,898	2,961,994	206,353	966,296	694,667	656,931	650,413	626,110
Contributions and donated assets	-	-	-	-	-	-	-	-	1,988,562	9,800
Transfers	-	-	4,555,522	2,596,725	2,675,419	2,901,651	2,836,426	1,000,000	1,272,464	(868,000)
Total governmental activities	<u>34,591,761</u>	<u>38,488,870</u>	<u>47,446,315</u>	<u>50,698,071</u>	<u>47,400,333</u>	<u>48,658,913</u>	<u>48,558,561</u>	<u>58,803,127</u>	<u>69,558,905</u>	<u>67,419,594</u>
Business-type activities:										
Investment income/(loss)	456,863	343,924	626,843	2,250,016	2,037,253	(28,479)	(2,014,479)	1,255,220	2,382,073	1,405,354
Other	828,167	839,620	954,081	937,224	887,784	814,545	210,546	724,166	257,748	4,521,587
Transfers	-	-	(4,555,522)	(2,596,725)	(2,675,419)	(2,901,651)	(2,836,426)	(1,000,000)	(1,272,464)	868,000
Total business-type activities	<u>1,285,030</u>	<u>1,183,544</u>	<u>(2,974,598)</u>	<u>590,515</u>	<u>249,618</u>	<u>(2,115,585)</u>	<u>(4,640,359)</u>	<u>979,386</u>	<u>1,367,357</u>	<u>6,794,941</u>
Total general revenues	<u>\$ 35,876,791</u>	<u>\$ 39,672,414</u>	<u>\$ 44,471,717</u>	<u>\$ 51,288,586</u>	<u>\$ 47,649,951</u>	<u>\$ 46,543,328</u>	<u>\$ 43,918,202</u>	<u>\$ 59,782,513</u>	<u>\$ 70,926,262</u>	<u>\$ 74,214,535</u>
Change in net position:										
Governmental activities	\$ 4,532,466	\$ 319,393	\$ 5,667,618	\$ 10,687,916	\$ 1,959,662	\$ 1,405,540	\$ 15,125,734	\$ 15,815,607	\$ 26,667,693	\$ 29,195,209
Business-type activities	<u>2,216,998</u>	<u>208,557</u>	<u>(913,594)</u>	<u>2,477,280</u>	<u>4,404,962</u>	<u>(1,553,209)</u>	<u>1,894,137</u>	<u>(2,666,935)</u>	<u>1,311,451</u>	<u>10,023,310</u>
Total change in net position	<u>\$ 6,749,464</u>	<u>\$ 527,950</u>	<u>\$ 4,754,024</u>	<u>\$ 13,165,196</u>	<u>\$ 6,364,624</u>	<u>\$ (147,669)</u>	<u>\$ 17,019,871</u>	<u>\$ 13,148,672</u>	<u>\$ 27,979,144</u>	<u>\$ 39,218,519</u>

VILLAGE OF WELLINGTON, FLORIDA

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

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General fund:										
Nonspendable:										
Prepaid expenditures	\$ 412,495	\$ 408,886	\$ 369,234	\$ 528,219	\$ 685,513	\$ 621,704	\$ 254,795	\$ 422,864	\$ 379,089	\$ 645,889
Inventory	15,348	16,395	17,174	17,322	11,011	9,521	12,973	13,357	7,371	7,262
Deposits	214,752	136,140	124,008	88,222	211,399	51,989	-	240,373	324,521	465,626
Long-term receivables	812,208	696,178	580,149	464,119	348,089	232,059	811,461	760,884	55,850	76,154
PPP	-	-	-	-	-	-	-	-	-	290,831
Restricted for:										
Coronavirus relief funds	-	-	-	-	-	3,688,289	-	-	-	-
Committed for:										
Rate stabilization	2,785,000	2,785,000	2,785,000	2,785,000	2,785,000	2,785,000	2,785,000	2,785,000	2,785,000	2,785,000
Insurance	1,150,000	1,150,000	1,530,000	1,530,000	1,530,000	1,530,000	1,530,000	1,530,000	1,530,000	1,530,000
Infrastructure	-	1,000,000	1,546,000	2,646,000	4,556,000	5,596,000	2,539,554	4,729,554	489,554	2,799,554
Emergency	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	2,132,000
Resilience	-	-	-	-	-	-	-	-	-	6,000,000
Assigned for:										
Contracts	683,463	509,803	2,469,527	2,991,215	3,746,546	3,546,141	3,618,464	3,558,475	3,398,078	467,840
Capital projects	500,000	124,734	117,493	103,000	226,824	492,865	521,752	515,651	191,336	2,798,613
Subsequent year operating expenditures	-	5,637,362	3,359,268	1,462,782	1,213,686	5,789,378	2,878,296	2,177,002	-	2,303,863
Unassigned	21,238,612	16,632,532	19,161,838	23,738,364	19,473,356	16,533,247	27,083,965	33,389,984	31,697,458	31,681,554
Total general fund	<u>30,811,878</u>	<u>32,097,030</u>	<u>35,059,691</u>	<u>39,354,243</u>	<u>37,787,424</u>	<u>43,876,193</u>	<u>45,036,260</u>	<u>53,123,144</u>	<u>43,858,258</u>	<u>53,984,186</u>
All other governmental funds:										
Nonspendable:										
Prepaid expenditures	37,993	30,277	47,597	43,836	40,463	39,106	45,421	121,008	16,312	32,028
Restricted for:										
Capital projects	1,773,572	4,969,198	8,628,678	15,374,933	15,296,556	12,502,421	19,390,638	20,564,429	72,348,175	27,126,213
Building	4,769,737	5,523,326	7,863,830	7,169,435	7,443,723	8,986,932	9,957,284	7,982,957	10,290,363	10,544,100
Road capital and maintenance	3,469,594	4,363,582	3,968,286	1,829,146	1,876,305	2,690,550	2,253,863	3,267,998	4,048,617	4,845,977
Surface water management	-	2,526,534	2,113,501	2,042,095	2,273,138	2,770,371	2,162,866	2,859,145	3,640,162	3,653,103
Economic development	-	-	-	-	-	-	323,029	701,417	843,621	176,432
Debt service	50,063	284,190	288,806	292,341	295,862	300,539	306,243	313,499	317,543	321,400
Assigned for:										
Surface water management	2,326,887	-	-	-	-	-	-	-	-	-
Contracts	3,912,825	312,480	746,818	640,645	11,485,420	10,952,851	9,436,833	49,581,505	15,014,564	8,981,653
Capital projects	1,370,353	4,898,212	5,556,402	8,375,734	406,899	-	-	659,462	3,673,108	21,590,665
Subsequent year operating expenditures	2,664,839	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>20,375,863</u>	<u>22,907,799</u>	<u>29,213,918</u>	<u>35,768,165</u>	<u>39,118,366</u>	<u>38,242,770</u>	<u>43,876,177</u>	<u>86,051,420</u>	<u>110,192,465</u>	<u>77,271,571</u>

VILLAGE OF WELLINGTON, FLORIDA

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

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Ad valorem taxes	\$ 16,517,936	\$ 17,599,037	\$ 18,600,500	\$ 19,953,779	\$ 20,628,009	\$ 21,021,227	\$ 22,013,977	\$ 24,611,194	\$ 27,425,030	\$ 29,575,122
Local option taxes	1,633,448	4,685,596	6,036,900	6,340,458	5,789,655	6,605,940	7,616,052	7,707,980	7,794,893	7,987,625
Utility services taxes	4,759,925	4,818,284	4,963,800	5,091,125	5,150,422	5,228,864	5,511,957	6,372,519	6,476,181	6,780,565
Special assessments	6,876,876	6,056,741	6,033,756	6,022,430	6,159,597	6,084,246	6,136,266	6,141,617	6,794,869	6,770,835
Impact fees	1,923,074	407,227	508,798	221,461	742,991	365,265	263,666	1,211,795	342,739	459,073
Communication services taxes	2,288,128	2,162,326	2,253,094	2,254,246	1,939,209	1,883,191	2,002,104	2,227,689	2,201,478	2,142,711
Local business tax receipts	945,538	944,494	948,776	933,235	864,066	814,890	918,666	857,648	1,001,245	977,673
Permits and fees	4,353,618	3,912,080	6,384,902	5,370,296	6,326,994	6,663,206	8,171,044	8,076,840	8,885,839	6,557,937
Franchise fees	3,462,576	3,557,576	3,521,919	3,606,319	3,472,827	3,620,987	4,159,242	4,702,401	4,458,663	5,154,377
Grants	1,767,105	209,414	407,115	1,090,372	2,211,123	5,036,698	5,337,244	4,424,602	1,442,448	1,650,819
State revenue sharing	6,566,783	6,697,363	7,026,410	7,223,035	6,694,737	7,880,643	9,343,476	9,440,706	9,048,893	8,985,853
Charges for services	2,213,611	3,107,111	3,064,121	3,152,344	2,145,820	2,647,419	3,711,498	3,948,742	5,219,070	5,238,082
Fines and forfeitures	841,333	339,603	188,584	357,112	241,663	137,338	323,906	240,712	1,309,482	9,770,589
Investment income/(loss)	511,474	371,319	695,797	2,463,616	2,324,881	111,468	(4,000,524)	3,693,788	9,859,203	6,930,073
Interest income (PPP)	-	-	-	-	-	-	-	-	-	1,673,673
Contributions	-	-	-	-	-	-	-	-	909,970	9,800
Miscellaneous	772,473	769,099	1,182,783	866,865	522,483	661,643	1,115,337	566,865	866,079	608,821
Total revenues	<u>55,433,898</u>	<u>55,637,269</u>	<u>61,817,253</u>	<u>64,946,693</u>	<u>65,214,477</u>	<u>68,763,025</u>	<u>72,623,911</u>	<u>84,225,098</u>	<u>94,036,082</u>	<u>101,273,628</u>
Expenditures:										
Current:										
General government	12,349,978	13,853,152	18,880,572	19,460,568	19,628,647	19,163,947	20,612,037	14,863,265	16,908,048	16,996,196
Public safety	11,541,197	12,256,563	13,358,951	13,522,222	14,776,695	14,548,590	14,980,033	16,036,153	17,075,992	17,639,655
Physical environment	8,257,011	8,828,134	4,690,122	4,806,612	4,644,086	4,260,489	4,472,759	4,898,948	5,256,729	5,787,007
Economic environment	1,098,172	1,126,265	1,337,009	1,489,461	1,546,594	1,546,239	1,563,025	1,826,551	2,077,622	2,460,588
Transportation	2,897,195	3,029,636	3,527,134	3,784,840	3,598,398	3,661,576	3,883,098	3,395,838	4,461,786	5,346,542
Culture and recreation	7,338,176	8,700,609	8,939,294	9,169,586	8,792,528	9,146,203	10,294,274	12,269,575	13,042,356	14,783,794
Capital outlay	17,197,640	5,343,270	4,546,264	4,274,866	12,868,181	14,005,867	12,750,918	15,610,502	18,838,675	57,886,199
Debt service:										
Principal retirement	1,070,015	1,086,670	2,399,044	180,000	185,000	190,000	195,000	939,210	1,259,048	1,325,907
Bond issuance costs	83,997	-	-	-	-	-	-	-	-	-
Interest and other fiscal charges	63,741	139,288	119,158	87,318	81,952	76,440	70,780	385,775	1,799,292	1,881,912
Total expenditures	<u>61,897,122</u>	<u>54,363,587</u>	<u>57,797,548</u>	<u>56,775,473</u>	<u>66,122,081</u>	<u>66,599,351</u>	<u>68,821,924</u>	<u>70,225,817</u>	<u>80,719,548</u>	<u>124,107,800</u>
Excess (deficiency) of revenues over expenditures	<u>(6,463,224)</u>	<u>1,273,682</u>	<u>4,019,705</u>	<u>8,171,220</u>	<u>(907,604)</u>	<u>2,163,674</u>	<u>3,801,987</u>	<u>13,999,281</u>	<u>13,316,534</u>	<u>(22,834,172)</u>
Other financing sources (uses):										
Transfers in	12,087,413	10,769,267	15,640,516	10,145,613	14,749,733	9,840,336	30,495,243	11,722,504	30,231,903	17,418,092
Transfers out	(9,485,718)	(8,417,923)	(11,084,994)	(7,548,888)	(12,074,314)	(6,938,685)	(27,658,817)	(10,722,504)	(30,065,424)	(18,286,092)
Transfer of remaining balance	(5,983)	-	-	-	-	-	-	-	-	-
Bond proceeds	3,235,000	-	-	-	-	-	-	33,330,000	-	-
Lease (right-to-use assets) acquired	-	-	-	-	-	-	-	31,273	-	-
Initiation of SBITA's	-	-	-	-	-	-	-	1,859,629	1,173,861	804,091
Proceeds from sale of capital assets	104,855	192,061	693,552	80,833	15,567	147,848	155,061	41,944	219,285	103,115
Total other financing sources (uses)	<u>5,935,567</u>	<u>2,543,405</u>	<u>5,249,074</u>	<u>2,677,558</u>	<u>2,690,986</u>	<u>3,049,499</u>	<u>2,991,487</u>	<u>36,262,846</u>	<u>1,559,625</u>	<u>39,206</u>
Net change in fund balances	<u>\$ (527,657)</u>	<u>\$ 3,817,087</u>	<u>\$ 9,268,779</u>	<u>\$ 10,848,778</u>	<u>\$ 1,783,382</u>	<u>\$ 5,213,173</u>	<u>\$ 6,793,474</u>	<u>\$ 50,262,127</u>	<u>\$ 14,876,159</u>	<u>\$(22,794,966)</u>
Debt service as a percentage of non-capital expenditures	2.72%	2.50%	4.73%	0.53%	0.49%	0.50%	0.47%	2.39%	4.88%	4.83%

VILLAGE OF WELLINGTON, FLORIDA
NET ASSESSED VALUE AND TAXABLE VALUE OF PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Real Property Taxable Values					Total	Personal Property	Total Taxable Value	Direct Tax Rate	Total Assessed Value	Taxable Value as Percentage of Assessed Value
	Residential Property	Commercial Property	Industrial Property	Other Property							
2016	\$ 5,215,829,223	\$ 715,026,267	\$ 67,061,804	\$ 685,894,075	\$6,683,811,369	\$ 238,955,239	\$ 6,922,766,608	2.45	\$ 7,986,321,299	86.68%	
2017	5,540,943,649	794,310,872	73,172,941	799,509,683	7,207,937,145	252,460,806	7,460,397,951	2.44	8,587,909,729	86.87%	
2018	5,873,938,822	824,685,403	81,079,131	919,404,092	7,699,107,448	224,714,343	7,923,821,791	2.43	9,056,210,265	87.50%	
2019	6,177,481,532	821,349,050	86,355,908	1,015,389,954	8,100,576,444	222,840,264	8,323,416,708	2.48	9,476,736,190	87.83%	
2020	6,386,437,533	797,333,434	95,609,678	1,148,360,302	8,427,740,947	211,723,394	8,639,464,341	2.48	9,804,129,595	88.12%	
2021	6,497,816,837	764,488,336	103,208,397	1,249,447,857	8,614,961,427	213,933,467	8,828,894,894	2.47	10,051,571,123	87.84%	
2022	6,854,159,340	741,336,726	107,393,608	1,318,829,813	9,021,719,487	211,429,565	9,233,149,052	2.47	10,462,865,011	88.25%	
2023	7,669,593,172	799,538,570	119,825,198	1,499,866,957	10,088,823,897	232,957,647	10,321,781,544	2.47	11,615,799,106	88.86%	
2024	8,652,567,982	863,206,164	131,949,156	1,584,891,654	11,232,614,956	271,409,161	11,504,024,117	2.47	12,854,984,820	89.49%	
2025	9,359,428,425	866,658,385	142,410,801	1,759,397,611	12,127,895,222	272,502,976	12,400,398,198	2.47	13,778,975,652	90.00%	

Source: Palm Beach County Property Appraiser's Office

Note 1: Assessed values are established by the Palm Beach County Property Appraiser's Office as of January 1, each year.

Note 2: Property in the Village is reassessed each year. Property is assessed at actual value, therefore, the assessed values are equal to actual value. Tax rates are per \$1,000 of assessed value.

VILLAGE OF WELLINGTON, FLORIDA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year	Tax Roll Year	Village Direct Rates		Overlapping Rates (1)							Total Direct and Overlapping Rates
		General Operations	Total Direct	Palm Beach County School Board	Palm Beach County	Palm Beach County Health Care District	Palm Beach County Library System	South Florida Water Management District	Children's Services Council	Florida Inland Navigation District	
2016	2015	2.45	2.45	7.51	8.39	1.04	0.60	0.36	0.67	0.03	21.04
2017	2016	2.44	2.44	7.07	8.37	0.90	0.59	0.33	0.68	0.03	20.42
2018	2017	2.43	2.43	6.77	8.36	0.78	0.59	0.31	0.66	0.03	19.93
2019	2018	2.48	2.48	6.57	8.25	0.73	0.59	0.29	0.64	0.03	19.58
2020	2019	2.47	2.47	7.16	8.32	0.73	0.59	0.28	0.65	0.03	20.22
2021	2020	2.47	2.47	7.01	8.27	0.73	0.58	0.27	0.65	0.03	20.01
2022	2021	2.47	2.47	6.88	8.27	0.73	0.58	0.26	0.62	0.03	19.84
2023	2022	2.47	2.47	6.52	8.20	0.73	0.58	0.23	0.55	0.03	19.31
2024	2023	2.47	2.47	6.46	7.98	0.68	0.56	0.23	0.49	0.03	18.89
2025	2024	2.47	2.47	6.31	8.00	0.66	0.56	0.23	0.49	0.03	18.75

Source: Wellington's Office of Financial Management and Budget and Palm Beach County Property Appraiser's Office

Note: Millage rates are based on \$1 for every \$1,000 of assessed value. Wellington has a 5 mill limit as specified in its Charter.

- (1) Overlapping rates are those of local and county governments that apply to property owners within Wellington. Not all overlapping rates apply to all Wellington property owners (i.e. the rates for special districts apply only to the proportion of the government's property owners)

VILLAGE OF WELLINGTON, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total Taxable Assessed Value
Florida Power & Light Co	\$ 147,137,930	1	15.91%	\$ 104,960,397	2	14.59%
Tdc FL Wellington LLC	117,362,172	2	12.69%	60,073,335	3	8.35%
SCG Atlas Wellington Holdings LLC	99,412,177	3	10.75%			
Px Shs Wellington Owner LLC	95,955,894	4	10.38%			
Universal Health Realty Income	91,821,379	5	9.93%	58,740,058	5	8.17%
Polo Lakes Apartments LLC	88,221,691	6	9.54%	55,842,959	4	7.76%
Tm Wellington Green Mall LP	85,030,730	7	9.19%	245,991,193	1	34.19%
Camden Court LLC	72,377,971	8	7.83%	46,970,232	6	6.53%
Wellington Residential LLC &	71,193,244	9	7.70%	47,442,933	7	6.59%
Wellington Land Dev	56,257,122	10	6.08%			
Real Sub LLC				33,129,938	8	4.61%
Aerc Wellington, LLC.				34,354,736	9	4.78%
Centre at Wellington Green				31,889,223	10	4.43%
	<u>\$ 924,770,310</u>		<u>100.00%</u>	<u>\$ 719,395,004</u>		<u>100.00%</u>

Source: Tax roll provided by Palm Beach County Property Appraiser's Office

VILLAGE OF WELLINGTON, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Original Taxes Levied for Fiscal Year	Levy Adjustments (1)	Adjusted Taxes Levied for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections	
				Amount	Percent of Original Levy		Amount	Percent of Adjusted Levy
2016	\$ 17,011,047	\$ (50,269)	\$ 16,960,778	\$ 16,385,496	96.32%	\$ 47,800	\$ 16,433,296	96.89%
2017	18,287,501	(84,130)	18,203,371	17,541,705	95.92%	57,332	17,599,037	96.68%
2018	19,524,188	(269,301)	19,254,887	18,565,023	95.09%	25,944	18,590,967	96.55%
2019	20,680,913	(38,839)	20,642,073	19,872,486	96.09%	55,349	19,927,835	96.54%
2020	21,540,824	(114,952)	21,425,872	20,548,000	95.39%	24,660	20,572,660	96.02%
2021	21,962,400	(155,029)	21,807,370	20,957,126	95.42%	39,441	20,996,567	96.28%
2022	22,970,508	(164,630)	22,805,878	21,953,266	95.57%	21,270	21,974,536	96.35%
2023	25,707,852	(213,052)	25,494,800	24,562,198	95.54%	27,726	24,589,924	96.45%
2024	28,590,328	(175,389)	28,414,940	27,370,275	95.73%	27,029	27,397,304	96.42%
2025	30,965,038	(336,055)	30,628,984	29,548,093	95.42%	-	29,548,093	96.47%

Sources: Wellington's Office of Financial Management and Budget and Palm Beach County Tax Collector's Office

¹ The change in total amount levied due to property value adjustments from the Value Adjustment Board

² Represents delinquent taxes for all prior years collected in the subsequent year, including proceeds from tax sales

VILLAGE OF WELLINGTON, FLORIDA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,	Governmental Activities				Business-Type Activities			Total	Percent of Personal Income (1)	Per Capita (1)
	Special Assessments	Notes & Bonds	Leases	Subscriptions	Notes & Bonds	Leases	Subscriptions			
2016	\$ 6,545,714	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$6,545,714	n/a	108
2017	5,459,044	-	-	-	-	-	-	5,459,044	n/a	90
2018	3,060,000	-	-	-	-	-	-	3,060,000	n/a	50
2019	2,880,000	-	-	-	19,248,833	-	-	22,128,833	n/a	352
2020	2,695,000	-	-	-	18,160,130	-	-	20,855,130	n/a	328
2021	2,505,000	-	-	-	17,037,360	-	-	19,542,360	n/a	316
2022	1,900,000	-	-	-	13,453,831	-	-	15,353,831	n/a	294
2023	2,110,000	33,330,000	25,447	1,126,245	14,685,327	16,971	227,274	51,521,264	n/a	834
2024	1,900,000	33,330,000	14,288	1,309,428	13,453,831	-	36,369	50,043,916	n/a	810
2025	1,685,000	33,330,000	4,609	1,013,292	12,183,801	-	37,319	48,254,021	n/a	780

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data. Additional debt issued in 2023.

n/a Information not available

VILLAGE OF WELLINGTON, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

SEPTEMBER 30, 2025

	Net Debt Outstanding	Percentage Applicable to the Village of Wellington (1)	Amount Applicable to the Village of Wellington
Overlapping:			
Debt repaid with property taxes:			
Palm Beach County	\$ 95,565,000	4.29%	\$ 4,098,699
Other debt:			
Palm Beach County	811,992,374	4.29%	34,825,645
Palm Beach County School Board	1,278,696,000	3.74%	47,833,606
Subtotal, Overlapping Debt	\$ 2,186,253,374		86,757,950
Village of Wellington Direct Debt	36,032,901	100.00%	36,032,901
Total Direct and Overlapping Debt			\$ 122,790,851

Sources: Data provided by the Palm Beach County Finance Department, Palm Beach County Property Appraiser and the Palm Beach County School Board.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Village of Wellington. This process recognizes that, when considering the Village's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values by taking the value that is within the Village's boundaries and dividing it by the County's and School Board's total taxable assessed value.

VILLAGE OF WELLINGTON, FLORIDA

PLEGGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year Ended	Utility System Note			
	Available Revenue (1)	Debt Service		Coverage
		Principal	Interest	
Sept. 30				
2016	\$ -	\$ -	\$ -	-
2017	-	-	-	-
2018	-	-	-	-
2019	20,238,919	751,167	479,246	16.45
2020	19,103,412	1,088,703	575,722	11.48
2021	19,186,856	1,122,770	541,569	11.53
2022	19,547,368	1,157,901	506,347	11.75
2023	25,061,973	1,194,132	470,023	15.06
2024	26,968,189	1,231,496	432,563	16.21
2025	27,700,987	1,270,030	393,931	16.65

Fiscal Year Ended	Special Assessment Bond				Public Service Tax Bond (3)			
	Special Assessment Collections	Debt Service		Coverage	Public Service Taxes (2)	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
Sept. 30								
2016	\$ -	\$ -	\$ -	-	\$ 8,222,500	\$ 1,070,015	\$ 63,741	7.25
2017	281,700	-	92,203	3.06	7,611,334	1,086,670	47,085	6.71
2018	272,113	175,000	92,537	1.02	8,485,721	2,224,044	26,622	3.77
2019	271,386	180,000	87,318	1.02	-	-	-	-
2020	271,041	185,000	81,953	1.02	-	-	-	-
2021	273,505	190,000	76,440	1.03	-	-	-	-
2022	271,726	195,000	70,781	1.02	-	-	-	-
2023	272,074	200,000	64,974	1.03	-	-	-	-
2024	272,114	210,000	58,947	1.01	-	-	-	-
2025	271,906	215,000	52,700	1.02	-	-	-	-

(continued)

Source: Wellington's Office of Financial Management and Budget

(1) Net available revenue includes all revenues which are lawfully available to be used to pay obligations, other than special assessments & non ad valorem.

(2) Public service taxes include utility service taxes and franchise fees.

(3) Public service tax bond was paid in full in 2018.

(4) Year of issuance was 2023. No principal or interest payments were scheduled.

VILLAGE OF WELLINGTON, FLORIDA

PLEDGED REVENUE COVERAGE

LAST TEN FISCAL YEARS

Fiscal Year Ended	Public Improvement Revenue Bond (4)			
	Available	Debt Service		
		Revenue	Principal	Interest
Sept. 30				
2016	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A
2019	\$ 22,108,010	N/A	N/A	N/A
2020	20,050,598	N/A	N/A	N/A
2021	20,488,194	N/A	N/A	N/A
2022	21,650,895	N/A	N/A	N/A
2023	27,383,365	\$ -	\$ -	N/A
2024	30,601,262	-	1,711,151	N/A
2025	31,315,348	-	1,799,831	N/A

Available Revenue Sources for Public Improvement Revenue Bond

Fiscal Year Ended									Total
	Half-Cent	Public Service		Charges for		Revenue	Business Tax	Investment	Available
		Tax	Franchise Fees	Services	CST	Sharing	Receipt	Earnings	Revenue
Sept. 30									
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2019	\$ 5,016,039	\$ 5,091,125	\$ 3,606,319	\$ 2,837,110	\$ 2,254,246	\$ 943,000	\$ 933,235	\$ 1,426,936	\$ 22,108,010
2020	4,687,839	5,150,422	3,472,826	1,836,565	1,939,209	865,528	864,066	1,234,143	20,050,598
2021	5,519,797	5,228,864	3,620,987	2,341,077	1,883,191	1,000,789	814,890	78,599	20,488,194
2022	6,381,351	5,511,957	4,159,242	3,397,693	2,002,104	1,257,515	918,666	(1,977,633)	21,650,895
2023	6,398,218	6,372,519	4,702,401	3,648,220	2,227,689	1,306,105	857,648	1,870,565	27,383,365
2024	6,103,103	6,476,181	4,458,663	4,937,756	2,201,478	1,280,616	1,001,245	4,142,220	30,601,262
2025	6,026,149	6,780,565	5,154,377	4,912,530	2,142,711	1,286,902	977,673	4,034,441	31,315,348

VILLAGE OF WELLINGTON, FLORIDA
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

Year	Village Population (1)	Village School Enrollment (2)	Palm Beach County Per Capita Income (3)	Village Unemployment Rate (4)	Palm Beach County Unemployment Rate (4)
2016	60,308	13,624	\$ 71,682	n/a	5.2%
2017	61,775	13,859	77,543	n/a	4.4%
2018	62,304	14,456	82,076	n/a	3.1%
2019	62,373	14,765	85,213	n/a	3.2%
2020	61,637	14,876	87,478	6.0%	7.7%
2021	61,768	14,351	100,627	3.7%	4.7%
2022	61,807	14,455	n/a	2.2%	2.8%
2023	61,788	14,680	109,055	2.6%	2.9%
2024	62,580	14,674	117,322	3.1%	3.6%
2025	61,836	14,404	117,322	3.7%	3.6%

Sources: (1) University of Florida, Bureau of Economic Research;
 (2) Palm Beach County School Board Budget Office;
 (3) US DOC Bureau of Economic Development and (4) the U.S. Department of Labor, Bureau of Labor Statistics.

Note 1: Per Capita Income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

Note 2: Where indicated, Palm Beach County data was used as a more relevant source.

n/a Information not available

VILLAGE OF WELLINGTON, FLORIDA
PRINCIPAL EMPLOYERS - PALM BEACH COUNTY
CURRENT YEAR AND NINE YEARS AGO

Employer	2025			2016		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Palm Beach County School District	22,801	1	35.29%	21,656	1	42.20%
Baptist Health South Florida	6,773	2	10.48%			0.00%
Florida Atlantic University	6,335	3	9.81%	2,529	7	4.93%
Next Era Energy (FP&L)	6,139	4	9.50%	4,005	4	7.81%
Palm Beach County BOCC	6,130	5	9.49%	5,507	2	10.73%
Tenet Coastal Division Palm Beach County	5,734	6	8.88%	4,595	3	8.95%
Veterans Health Administration	2,948	7	4.56%	2,700	6	5.26%
HCA Florida Healthcare	2,850	8	4.41%	3,476	5	6.77%
Jupiter Medical Center	2,495	9	3.86%	2,195	9	4.28%
The Breakers	2,400	10	3.71%			0.00%
Boca Raton Regional Hospital				2,500	8	4.87%
Bethesda Memorial Hospital				2,150	10	4.19%
	64,605		100.00%	51,313		100.00%

Source: Business Development Board of Palm Beach County- Service Industry

Note: Wellington is not a significant area for employment but rather a residential community. Therefore, Palm Beach County statistics were used.

VILLAGE OF WELLINGTON, FLORIDA
FULL-TIME VILLAGE GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Number of Employees:										
General govt	73.0	80.0	79.0	72.0	71.0	66.0	68.0	70.0	71.0	72.0
Public safety	14.0	14.0	15.0	15.0	15.0	15.0	15.0	13.0	14.0	15.0
Physical environment	63.0	65.0	63.0	59.0	59.0	59.0	61.0	60.0	60.0	61.0
Transportation	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Economic environment	35.0	36.0	34.0	34.0	34.0	32.0	32.0	38.0	37.0	39.0
culture and rec	48.0	49.0	49.0	49.0	49.0	51.0	50.0	52.0	53.0	54.0
Professional Centre	3.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0	-	-
Utility system	51.0	52.0	55.0	56.0	57.0	60.0	59.0	60.0	62.0	62.0
Solid waste	<u>4.0</u>									
Total Number of Employees	<u>302.0</u>	<u>314.0</u>	<u>313.0</u>	<u>303.0</u>	<u>303.0</u>	<u>300.0</u>	<u>302.0</u>	<u>310.0</u>	<u>312.0</u>	<u>318.0</u>

Source: Wellington's Office of Financial Management and Budget

VILLAGE OF WELLINGTON, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government:										
Bids, contracts awarded & administered	29	20	25	25	39	24	15	32	17	25
Purchase orders processed	1,229	973	1,018	1,141	1,302	1,126	1,098	1,062	1,111	1,155
Payroll transactions	10,046	10,634	10,157	10,364	9,792	10,024	9,977	10,655	10,473	10,957
Public safety:										
Police personnel and officers	141	144	145	147	148	147	151	151	151	152
Fire personnel	71	71	71	71	76	76	76	76	76	76
Calls for service	45,482	42,628	45,008	43,537	42,519	32,174	37,587	40,670	44,590	40,360
Physical environment - Surface water:										
Canal right-of-way miles maintained	300	300	300	300	300	300	300	300	300	300
Physical environment - Engineering & public works:										
Work orders performed	1,200	795	770	865	526	656	770	750	825	770
Inspections performed	1,045	755	720	780	683	720	780	720	720	720
Planning and development:										
Building inspections	31,348	28,384	29,189	28,309	40,265	43,848	45,105	43,061	51,904	60,764
New residential building permits issued	134	118	170	85	42	50	18	19	21	27
Transportation:										
Miles of roads resurfaced	10	2	25	17	20	20	14	11	7	32
Miles of streets cleaned/swept	3,493	4,855	4,310	4,570	10,259	10,397	9,975	7,380	7,444	7,788
Signs repaired/replaced	1,145	2,225	1,715	1,958	1,514	1,912	3,737	5,936	5,530	2,779
Culture and recreation:										
Participants registered:										
Athletics	8,856	8,183	7,940	8,110	5,335	4,395	11,664	10,520	10,797	11,033
Community programs (1)	648	1,667	2,160	2,181	1,764	1,321	2,644	4,194	8,105	9,251
Pool	3,474	2,840	2,812	3,195	1,670	2,284	3,631	3,823	4,802	3,354
Number of program sessions	1,070	1,433	1,467	1,400	1,247	965	1,366	1,209	1,306	1,228
Utility system:										
Active accounts - water	20,375	20,398	20,458	20,557	20,675	20,696	20,735	20,755	20,777	20,827
Water production (millions of gallons)	2,070	2,107	2,129	1,909	2,090	1,885	2,046	2,073	2,101	2,256
Total water produced (avg daily MGD per employee)	n/a	n/a	n/a	n/a	0.61	0.63	0.68	0.60	0.63	0.69
Solid waste:										
Residential accounts	20,902	20,931	20,961	21,017	20,694	22,466	22,603	22,672	22,703	22,739

Source: Various Village Departments

(1) Community Programs increase in Fiscal year 2024 is due to additional senior programming and events

VILLAGE OF WELLINGTON, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government:										
Number of general government buildings	1	1	1	1	1	1	1	1	1	1
Public safety:										
Police:										
Sheriff substations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire stations	4	4	4	4	4	4	4	4	4	4
Suppression units	9	9	9	9	9	7	7	7	7	7
Early response stabilization units	4	4	4	4	4	4	4	4	4	4
Physical environment:										
Acreage of lakes (1)	553	553	553	553	523	523	523	527	527	527
Canal miles	89	89	89	89	89	89	89	89	89	89
Transportation:										
Miles of streets (asphalted)	152	152	151	150	151	151	151	151	170	172
Number of street lights	2,465	2,465	2,493	2,493	2,481	2,481	2,481	2,481	2,579	2,579
Miles of bike paths	45	45	39	39	43	44	44	44	46	46
Miles of sidewalks	198	198	198	198	206	207	208	205	205	205
Culture and recreation:										
Parks acreage	271	285	271	271	282	238	238	238	238	238
Open space preserves/passive recreation	436	422	437	437	437	468	468	468	468	468
Community center	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	21	21	21	21	21	21	21	21	21	21
Baseball/softball fields	18	17	17	17	17	21	21	21	21	15
Utility system:										
Fire hydrants	2,115	2,338	2,329	2,344	2,317	2,331	2,316	2,323	2,324	2,324
Potable water mains (miles)	n/a	n/a	n/a	312	312	311	310	310	311	311
Raw water mains (miles)	n/a	n/a	n/a	17	17	17	17	17	17	17
Sewer force mains (miles)	n/a	n/a	n/a	60	60	59	59	59	61	61
Sewer gravity mains (miles) (2)	n/a	n/a	n/a	197	194	194	194	173	174	174
Lift stations	n/a	n/a	n/a	105	105	106	106	106	106	106

Source: Various Wellington Departments

Note: Indicators are not available for the solid waste function

(1) Acreage of lakes prior to FY2016 were for public acres. FY16 and beyond will include total acres, public and private.

(2) Review of gravity main lines in FY2023 identified potential duplicate data in previous years.

(3) South Shore park redeveloped. Reduced number of fields.

COMPLIANCE SECTION

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

To the Honorable Mayor and Village Council
Village of Wellington, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Wellington, Florida (the "Village") as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated March 2, 2026.

Report on Internal Control Over Financial Reporting

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

CBIZ CPAs P.C.

Boca Raton, Florida
March 2, 2026

**Independent Auditors' Report on Compliance for the Major Federal Program
and State Project and Report on Internal Control over Compliance Required by
the Uniform Guidance and Chapter 10.550, Rules of the Auditor General**

To the Honorable Mayor and Village Council
Village of Wellington, Florida

Report on Compliance for the Major Federal Program and State Project

Opinion on the Major Federal Program and State Project

We have audited the Village of Wellington, Florida (the "Village")'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the requirements described in the *State of Florida Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on the Village's major federal program and state project for the fiscal year ended September 30, 2025. The Village's major federal program and state project are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on the Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States ("*Government Auditing Standards*"); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200 , Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and Chapter 10.550, Rules of the Auditor General (Chapter 10.550). Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550, are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Village's federal programs and state projects.

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Village's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Village's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such

that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses and significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

CBIZ CPAs P.C.

Boca Raton, Florida
March 2, 2026

Village of Wellington, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2025

<u>Federal/State Grantor/Pass-Through Program/State Project or Cluster Title</u>	<u>Assistance Listing Number/CSFA Number</u>	<u>Contract/Grant Number</u>	<u>Total Expenditures</u>
Federal Awards:			
<u>U.S. Department of Housing and Urban Development:</u>			
<i>Direct Programs:</i>			
CDBG-Entitlement/Special Purpose Grants Cluster:			
Community Development Block Grants/CDBG	14.218	B23MC120061	\$ 162,081
Community Development Block Grants/CDBG	14.218	B24MC120061	269,458
Total CDBG-Entitlement/Special Purpose Grants Cluster			<u>431,539</u>
Total U.S. Department of Housing and Urban Development:			431,539
<u>U.S. Department of Agriculture</u>			
<i>Direct Programs:</i>			
Farmers Market and Local Food Promotion Program	10.175	AM22FMPPFL1117-00	8,307
Total U.S. Department of Agriculture			8,307
<u>U.S. Department of Homeland Security</u>			
<i>Pass-through Florida Department of Emergency Management</i>			
Hazard Mitigation Grant Program	97.039	H0948	161,421
Total U.S. Department of Homeland Security			161,421
<u>U.S. Department of Justice (DOJ)</u>			
<i>Pass-through Florida Department of Law Enforcement</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	6N056	5,739
Total U.S. Department of Homeland Security			5,739
<u>U.S. Department of the Treasury</u>			
<i>Pass-through State of Florida Department of Environmental Protection</i>			
Coronavirus State and Local Fiscal Recovery Funds	21.027	22FRP77	1,011,189
Total U.S. Department of the Treasury			1,011,189
Total Federal Awards			\$ 1,618,195
State Awards:			
<u>Florida Department of Environmental Protection</u>			
<i>Direct Programs:</i>			
Resilient Florida Program	37.098	24PLN01	\$ 108,804
Florida Recreation Development Assistance Program	37.017	P5090	50,000
Florida Recreation Development Assistance Program	37.017	P5067	44,551
Total Florida Department of Environmental Protection			203,355
<u>Florida Housing Finance Corporation</u>			
<i>Direct Programs:</i>			
State Housing Initiatives Partnership Program 2022-2023	40.901		83,946
State Housing Initiatives Partnership Program 2023-2024	40.901		709,520
State Housing Initiatives Partnership Program 2024-2025	40.901		345,531
			<u>1,138,997</u>
Total State Awards			1,342,352
Total Expenditures of Federal and State Awards			\$ 2,960,547

Note: No amounts provided to subrecipients

VILLAGE OF WELLINGTON, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the “Schedule”) presents the expenditures activity of all federal awards and state awards of the Village of Wellington, Florida (the “Village”) for the fiscal year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”), and Chapter 10.550, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the Village, it is not intended to and does not present the financial position, changes in net position/fund balance or cash flows of the Village.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 – INDIRECT COST RATE

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

VILLAGE OF WELLINGTON, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

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

Internal control over financial reporting:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified? Yes None reported

Non-compliance material to financial statements noted? Yes No

Federal Awards and State Financial Assistance

Internal control over the major federal program and state project:

Material weakness(es) identified? Yes No

Significant deficiency(ies) identified? Yes None reported

Type of auditors’ report issued on compliance for the major federal program and state project: *Unmodified Opinion*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or Chapter 10.557, Rules of the Auditor General? Yes No

Identification of Major Federal Program and State Project:

ALN Federal Programs:
21.027 Coronavirus State and Local Fiscal Recovery Funds

CSFA No. State Project
40.901 State Housing Initiatives Partnership Program

Dollar threshold used to distinguish between Type A and Type B federal programs: \$1,000,000

Dollar threshold used to distinguish between Type A and Type B state projects: \$402,706

Auditee qualified as low-risk auditee pursuant to the Uniform Guidance? Yes No

VILLAGE OF WELLINGTON, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS

None.

**SECTION III – FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FINDINGS AND QUESTIONED COSTS**

None.

SECTION IV – SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

There were no findings reported in the prior fiscal year.

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

To the Honorable Mayor and Village Council
Village of Wellington, Florida

Report on the Financial Statements

We have audited the financial statements of the Village of Wellington, Florida (the “Village”), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 2, 2026.

Auditors’ Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors’ Report on Compliance for the Major Federal Program and State Project and Report on Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; Summary Schedule of Prior Audit Findings; and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 2, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

Section 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 Village 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 Village 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 Village. It is management's responsibility to monitor the Village's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. The financial condition assessment was performed as of the fiscal year end.

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

Property Assessed Clean Energy (PACE) Program

Section 10.554(1)(i)6.a., Rules of the Auditor General, requires a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the Village's geographical boundaries during the fiscal year under audit. There was no PACE Program operating within the Village's geographical boundaries during the fiscal year ended September 30, 2025.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component unit that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information for Special Districts

As required by Section 218.39(3)(c), Florida Statutes, and Sections 10.554(1)(i)7. and 10.554(1)(i)9., Rules of the Auditor General, the Village reported the required information in the Other Information Section found on page 108.

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 did not note any such findings.

Purpose of this Letter

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

CBIZ CPAs P.C.

Boca Raton, Florida
March 2, 2026



CBIZ CPAs P.C.

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

P: 561.994.5050

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

To The Honorable Mayor and Village Council
Village of Wellington, Florida

We have examined the Village of Wellington, Florida (the "Village") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the fiscal year ended September 30, 2025. Management of the Village is responsible for the Village's compliance with the specified requirements. Our responsibility is to express an opinion on the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Village complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Village 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 Village's compliance with specified requirements.

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

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

CBIZ CPAs P.C.

Boca Raton, Florida
March 2, 2026

Council

Michael J. Napoleone, Mayor
Tanya Siskind, Vice Mayor
John T. McGovern, Councilman
Maria Antuña, Councilwoman
Amanda Silvestri, Councilwoman

Manager
Jim Barnes

IMPACT FEE AFFIDAVIT

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

1. I am the Chief Financial Officer of the Village of Wellington which is a local governmental entity of the State of Florida;
2. The governing body of the Village of Wellington adopted Ordinance No. 2022-25 and Resolution No. 2018-35 implementing impact fees; and
3. The Village of Wellington has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

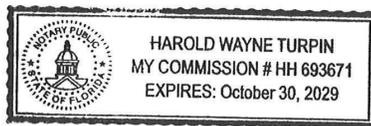
FURTHER AFFIANT SAYETH NAUGHT.



Ana Acevedo

STATE OF FLORIDA COUNTY OF PALM BEACH

SWORN TO AND SUBSCRIBED before me this 4 day of February, 2026.


NOTARY PUBLIC

Print Name Harold Wayne Turpin

Personally known ✓ or produced identification _____

Type of identification produced: N/A

My Commission Expires: 10-30-29

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An aerial photograph of a large community center and park area. The center features a large white building with a fountain in front, surrounded by palm trees and a parking lot. A winding path leads to a colorful playground with various equipment and shaded areas. In the background, a large body of water is visible, with residential houses along the shore. The logo for The Village of Wellington is overlaid at the top.

THE VILLAGE OF
WELLINGTON



Wellingtonfl.gov | 561-791-4000