

HILLIARD TOWN COUNCIL MEETING

Hilliard Town Hall / Council Chambers
15859 West County Road 108
Post Office Box 249
Hilliard, FL 32046

TOWN COUNCIL MEMBERS

John P. Beasley, Mayor
Kenny Sims, Council President
Lee Pickett, Council Pro Tem
Joe Michaels, Councilman
Jared Wollitz, Councilman
Dallis Hunter, Councilman

ADMINISTRATIVE STAFF

Lisa Purvis, Town Clerk
Cory Hobbs, Public Works Director
Gabe Whittenburg, Parks & Rec Director
Lee Anne Wollitz, Land Use Administrator
TOWN ATTORNEY
Christian Waugh

AGENDA

THURSDAY, AUGUST 20, 2026, 7:00 PM

NOTICE TO PUBLIC

Anyone wishing to address the Town Council regarding any item on this agenda is requested to complete an agenda item sheet in advance and give it to the Town Clerk. The sheets are located next to the printed agendas in the back of the Council Chambers. Speakers are respectfully requested to limit their comments to three (3) minutes. A speaker's time may not be allocated to others.

PLEDGE OF CIVILITY

WE WILL BE RESPECTFUL OF ONE ANOTHER
EVEN WHEN WE DISAGREE.
WE WILL DIRECT ALL COMMENTS TO THE ISSUES.
WE WILL AVOID PERSONAL ATTACKS.
"Politeness costs so little." – ABRAHAM LINCOLN

CALL TO ORDER

PRAYER & PLEDGE OF ALLEGIANCE

ROLL CALL

REGULAR MEETING

ITEM-1 Additions/Deletions to Agenda

ITEM-2 Town Council approval of the Annual Financial Statements, for the fiscal year ending September 30, 2025.
Brad Hough, CPA – Powell & Jones, CPA's

ITEM-3 Town Council approval of a contract with Reliant CPAs, P.A., d/b/a Powel and Jones CPAs, to provide audit and accounting services and prepare the Town's Annual Financial Statements for the fiscal years ending 2026, 2027, and 2028.
Brad Hough, CPA – Powell & Jones, CPA's

ITEM-4 Town Council to set Workshops for the review and discussion of the Fiscal Year 2026-2027 Budget.
Lisa Purvis, MMC – Town Clerk

- ITEM-5** Town Council approval of Capital Budget Expenditure for Sewer Manhole Lining/Repair in the amount of \$21,075.01 to Site Savvy, Inc for repair of manhole numbers 67, 166, 81, 139, and 9B.
Cory Hobbs – Public Works Director
- ITEM-6** Town Council to consider the replacement of Public Works Clerk position title to Public Works Administrative Coordinator, approve updated position description, and allow for advertisement of the position.
Cory Hobbs – Public Works Director
- ITEM-7** Town Council to accept the resignation of Del Miley, Code Enforcement Officer, and terminate the contract related to the position, effective September 30, 2026.
Lee Anne Wollitz – Land Use Administrator
- ITEM-8** Town Council to consider the replacement of the retiring Code Enforcement Officer with a regular part time position, approve the position description and allow for advertisement of the position.
Lee Anne Wollitz – Land Use Administrator
- ITEM-9** Town Council approval of the Minutes for July 9, 2026, Workshop and August 6, 2026, Regular Meeting.
Lisa Purvis, MMC – Town Clerk
- ITEM-10** Town Council approval of AECOM, Payable through July 26, 2026, Project Name: Design & Construct New Box Hangar at the Hilliard Airpark in the amount of \$11,144.10.
FDOT PTGA 100% GRANT FUNDED PROJECT \$391,000; AECOM S.A. NO. 20 LUMP SUM CONTRACT \$111,441
- ITEM-11** Town Council approval of OSPREY I & E, Payable through August 12, 2026, Project Name: Cedar Haven Lift Station in the amount of \$3,900.00
CAPITAL FUNDED PROJECT BUDGETED \$20,000
- ITEM-12** Town Council approval of OSPREY I & E, Payable through August 12, 2026, Project Name: Wetland Effluent Panel Replacement in the amount of \$4,600.00
CAPITAL FUNDED PROJECT BUDGETED \$20,000
- ITEM-13** Town Council approval of PQH Group, Payable through August 14, 2026, Project Name: Hurricane Shelter / Community Center Project in the amount of \$15,000.00.
FDEM 100% GRANT FUNDED PROJECT \$5,890,200; PQH GROUP LUMP SUM CONTRACT \$572,000

ADDED ITEMS

ADDITIONAL COMMENTS

PUBLIC

MAYOR & TOWN COUNCIL

ADMINISTRATIVE STAFF

TOWN ATTORNEY

ADJOURNMENT

The Town may take action on any matter during this meeting, including items that are not set forth within this agenda.

TOWN COUNCIL MEETINGS

The Town Council meets the first and third Thursday of each month beginning at 7:00 p.m., unless otherwise scheduled. Meetings are held in the Town Hall Council Chambers located at 15859 West County Road 108. Video and audio recordings of the meetings are available in the Town Clerk's Office upon request.

PLANNING & ZONING BOARD MEETINGS

The Planning & Zoning Board meets the fourth Thursday of each month beginning at 7:00 p.m., unless otherwise scheduled. Meetings are held in the Town Hall Council Chambers located at 15859 West County Road 108. Video and audio recordings of the meetings are available in the Town Clerk's Office upon request.

MINUTES & TRANSCRIPTS

Minutes of the Town Council meetings can be obtained from the Town Clerk's Office. The Meetings are usually recorded but are not transcribed verbatim for the minutes. Persons requiring a verbatim transcript may make arrangements with the Town Clerk to duplicate the recordings, if available, or arrange to have a court reporter present at the meeting. The cost of duplication and/or court reporter will be at the expense of the requesting party.

TOWN WEBSITE & YOUTUBE MEETING VIDEO

The Town's Website can be access at www.townofhilliard.com.

Live & recorded videos can be accessed at www.youtube.com search - Town of Hilliard, FL.

ADA NOTICE

In accordance with Section 286.26, Florida Statutes, persons with disabilities needing special accommodations to participate in this meeting should contact the Town Clerk's Office at (904) 845-3555 at least seventy-two hours in advance to request such accommodations.

APPEALS

Pursuant to the requirements of Section 286.0105, Florida Statues, the following notification is given: If a person decides to appeal any decision made by the Council with respect to any matter considered at such meeting, he or she may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based.

PUBLIC PARTICIPATION

Pursuant to Section 286.0114, Florida Statutes, effective October 1, 2013, the public is invited to speak on any "proposition" before a board, commission, council, or appointed committee takes official action regardless of whether the issue is on the Agenda. Certain exemptions for emergencies, ministerial acts, etc. apply. This public participation does not affect the right of a person to be heard as otherwise provided by law.

EXPARTE COMMUNICATIONS

Oral or written exchanges (sometimes referred to as lobbying or information gathering) between a Council Member and others, including staff, where there is a substantive discussion regarding a quasi-judicial decision by the Town Council. The exchanges must be disclosed by the Town Council so the public may respond to such exchanges before a vote is taken.

2026 HOLIDAYS

TOWN HALL OFFICES CLOSED

1. Martin Luther King, Jr. Day	Monday, January 19, 2026
2. Memorial Day	Monday, May 25, 2026
3. Independence Day	Friday, July 3, 2026
4. Labor Day	Monday, September 7, 2026
5. Veterans Day	Wednesday, November 11, 2026
6. Thanksgiving Day	Thursday, November 26, 2026
7. Friday after Thanksgiving Day	Friday, November 28, 2026
8. Christmas Eve	Thursday, December 24, 2026
9. Christmas Day	Friday, December 25, 2026
10. New Year's Eve	Thursday, December 31, 2026
11. New Year's Day	Friday, January 1, 2027



AGENDA ITEM REPORT

TOWN OF HILLIARD, FLORIDA

TO: Town Council Joint Workshop Meeting Date: August 20, 2026

FROM: ***Brad Hough, CPA – Powell & Jones, CPA's***

SUBJECT: Town Council approval of the Annual Financial Statements, for the fiscal year ending September 30, 2025.

BACKGROUND:

The Town's Annual Financial Statements and Audit were prepared by Powell & Jones, CPAs. Mr. Brad Hough presented the Town's Annual Financial Statements for the fiscal year ending September 30, 2025, in detail at the Town's Monthly Workshop held on August 13, 2026, at 6:00 p.m.

FINANCIAL IMPACT:

- Annual Financial Statements and Audit (Fiscal Year Ended September 30, 2025):
\$39,000.00
- State Single Audit (required due to State grant expenditures exceeding \$750,000):
\$3,000.00

Total Audit Cost: \$42,000.00

During fiscal year 2025, the Town expended **\$784,747.94** in State grant funds, which required a State Single Audit. The Town also expended **\$339,000.00** in Federal grant funds, which was below the threshold requiring a Federal Single Audit for fiscal year 2025.

Total State and Federal grant funds expended during fiscal year 2025 were **\$1,123,747.94**.

RECOMMENDATION:

Town Council approve the Town's Annual Financial Statements and Audit for the fiscal year ending September 30, 2025.

TOWN OF HILLIARD, FLORIDA
ANNUAL FINANCIAL REPORT
September 30, 2024

TOWN OF HILLIARD, FLORIDA
ANNUAL FINANCIAL REPORT
September 30, 2024
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INTRODUCTORY SECTION

TOWN OF HILLIARD, FLORIDA
LIST OF ELECTED AND APPOINTED OFFICIALS
September 30, 2024

Mayor and Chairman of the Board	John P. Beasley
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Town Council President	Kenny Sims
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Town Council	Dallis Hunter Joe Michaels Lee Pickett Jared Wollitz
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APPOINTED OFFICIALS

Town Clerk	Lisa Purvis
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Town Attorney	Christian W. Waugh
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FINANCIAL STATEMENTS



Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200

INDEPENDENT AUDITOR'S REPORT

April 2, 2025

To the Town Council
Town of Hilliard, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund, and the aggregate remaining fund information of the Town of Hilliard, Florida (the Town) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of September 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter – Prior Period Adjustment

As discussed in Note 15 to the financial statements, it was determined that certain lease related balances during the year ended September 30, 2023 were not properly presented in the financial statements. This resulted in a prior period adjustment to the lease-related balances in the General Fund and Governmental Activities portion of the Government-wide financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for the purposes of additional analysis and is 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 Schedule of Expenditures of Federal Awards and State Financial Assistance have been fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 2, 2025, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



POWELL AND JONES CPA
Lake City, Florida
April 2, 2025

TOWN OF HILLIARD, FLORIDA MANAGEMENT DISCUSSION AND ANALYSIS

The Town of Hilliard, Florida (the Town) offers readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2024. We hope this will assist readers in identifying any significant financial issues and changes in the Town's financial position.

FINANCIAL HIGHLIGHTS

- The assets of the Town exceeded the liabilities at the close of the most recent fiscal year by \$17,312,694 (*net position*).
- The Town's total net position increased by \$1,631,262. An increase of \$1,004,307 was attributable to governmental activities and an increase of \$626,955 for business-type activities.
- As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balances of \$2,589,119, an increase of \$144,753 in comparison with the prior year. Of this amount, \$527,580 is available for spending at the government's discretion (unassigned or assigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$527,580, or more than 15.6% of the total general fund expenditures and transfers out.
- The Town's total debt decreased by \$664,612 during the current fiscal year, due to the net of annual debt service payments, and the changes of actuarially determined balances for the Town's net pension liabilities related to their participation in the Florida Retirement System and Other Post Retirement Benefits.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

The funds used by the Town are as follows:

	Number	Fund Type
Governmental Fund	001	General Fund
Governmental Fund	101	Special Revenue (Local Option Gas Tax)
Governmental Fund	120	Special Revenue (Discretionary Sales Tax)
Proprietary Fund	401	Water and Sewer

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

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

The statement of activities presents information showing how the Town'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 (e. g., uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, transportation, health services, and culture and recreation. The business-type activities of the Town include water and sewer utilities.

The government-wide financial statements can be found on pages 25 - 27 of this report.

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

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

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

The Town maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Local Option Gas Tax and Discretionary Sales Tax Funds, all of which are considered to be major funds.

The Town adopts an annual budget for all its major funds. A budgetary comparison statement has been provided for general and special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 28 - 30 of this report.

Proprietary Funds: The Town maintains only one type of proprietary fund. The enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses the enterprise fund to account for its Water and Sewer Utilities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Water and Sewer Utilities.

The basic proprietary fund financial statements can be found on pages 31 - 34 of this report.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to provide support to the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Town maintains one fiduciary fund type: a custodial fund. The custodial fund reports resources, not in a trust, held by the Town for parties outside the Town's reporting entity. The fiduciary fund financial statements can be found on pages 35 - 36.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37 - of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a Town's financial position. In the case of the Town, assets exceeded liabilities by \$17,312,694 at the close of the most recent fiscal year.

By far, the largest portion of the Town's net position (79.36%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Town of Hilliard, Florida
Statement of Net Position
September 30, 2024

An additional portion of the Town's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position was \$1,635,767. At times in the past, this balance has been reported as a deficit which had been due to the implementation of certain state standards requiring the Town to report its pro rata shares of the pension liabilities from the Florida Retirement System and Other Post-Employment Benefits. Due to the fact that the Town's management does not anticipate being required to directly fund related portions of this deficit, when this condition occurs, it is not considered to be detrimental. The Town anticipates periodic adjustments to current contribution rates to fund the net pension liabilities.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023 (restated)	2024	2023	2024	2023 (restated)
Current assets	\$ 3,174,102	\$ 2,626,792	\$ 2,529,771	\$ 3,063,705	\$ 5,703,873	\$ 5,690,497
Capital assets, net	7,840,026	6,935,579	9,715,010	9,214,544	17,555,036	16,150,123
Lease receivable	209,294	208,692	-	48,679	209,294	257,371
Interfund balances	(499,457)	-	499,457	-	-	-
Total assets	<u>10,723,965</u>	<u>9,771,063</u>	<u>12,744,238</u>	<u>12,326,928</u>	<u>23,468,203</u>	<u>22,097,991</u>
Deferred outflows	<u>384,797</u>	<u>457,771</u>	<u>174,482</u>	<u>229,392</u>	<u>559,279</u>	<u>687,163</u>
Current liabilities	232,693	320,615	591,903	650,123	824,596	970,738
Long-term liabilities	1,043,719	1,390,128	4,185,929	4,516,897	5,229,648	5,907,025
Total liabilities	<u>1,276,412</u>	<u>1,710,743</u>	<u>4,777,832</u>	<u>5,167,020</u>	<u>6,054,244</u>	<u>6,877,763</u>
Deferred inflows	<u>481,978</u>	<u>172,026</u>	<u>178,566</u>	<u>53,933</u>	<u>660,544</u>	<u>225,959</u>
Invested in capital assets, net of related debt	7,840,026	6,935,579	5,899,010	5,258,026	13,739,036	12,193,605
Restricted	2,017,445	1,886,833	599,429	532,363	2,616,874	2,419,196
Unrestricted	(507,099)	(476,347)	1,463,883	1,544,978	956,784	1,068,631
Total net position	<u>\$ 9,350,372</u>	<u>\$ 8,346,065</u>	<u>\$ 7,962,322</u>	<u>\$ 7,335,367</u>	<u>\$ 17,312,694</u>	<u>\$ 15,681,432</u>

Town of Hilliard, Florida
Changes in Net Position
For the Year Ended September 30, 2024

Governmental Activities – Governmental activities increased the Town's net position by \$1,004,307.

Business-Type Activities – Business-type activities increased the Town's net position by \$626,955. This increase was primarily attributable to the receipt of a state grant in the amount of \$597,000 that offset the costs of the Town's Oxford Street Force Main project.

	Governmental Activities		Business-Type Activities		Total	
	2023				2023	
	2024	(Restated)	2024	2023	2024	(Restated)
Revenues						
Charges for service	\$ 374,213	\$ 341,317	\$ 1,380,566	\$ 1,394,109	\$ 1,754,779	\$ 1,735,426
Grants and contributions	1,133,439	2,082,328	597,000	12,000	1,730,439	2,094,328
General revenues	2,546,430	2,432,694	110,084	102,787	2,656,514	2,535,481
Total revenues	4,054,082	4,856,339	2,087,650	1,508,896	6,141,732	6,365,235
Expenses						
General government	886,801	1,112,267	-	-	886,801	1,112,267
Public safety	148,299	131,992	-	-	148,299	131,992
Transportation	673,990	807,299	-	-	673,990	807,299
Health services	42,282	46,915	-	-	42,282	46,915
Parks and Recreation	775,204	668,802	-	-	775,204	668,802
Interest on long-term debt	-	-	118,540	121,643	118,540	121,643
Water and sewer	-	-	1,833,491	2,015,199	1,833,491	2,015,199
Total expenses	2,526,576	2,767,275	1,952,031	2,136,842	4,478,607	4,904,117
Increase (decrease) in						
net position before transfers	1,527,506	2,089,064	135,619	(627,946)	1,663,125	1,461,118
Transfers	(523,199)	(1,909,439)	523,199	1,909,439	-	-
Loss on cancellation of lease agreement	-	-	(31,863)	-	(31,863)	-
Change in net position	1,004,307	179,625	626,955	1,281,493	1,631,262	1,461,118
Net position, beginning of year	8,346,065	8,166,440	7,335,367	6,053,874	15,681,432	14,220,314
Net position, end of year	\$ 9,350,372	\$ 8,346,065	\$ 7,962,322	\$ 7,335,367	\$ 17,312,694	\$ 15,681,432

Financial Analysis of the Town's Funds

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

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

As of the end of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$2,589,119, an increase of \$144,753 in comparison with the prior year. The unassigned fund balance is \$527,580, which is available for spending at the Town's discretion. The remainder of the fund balance is restricted to indicate that it is not available for new spending because it has already been committed 1) to pay debt service, 2) to cover annual contracts, or 3) for a variety of

other restricted purposes. The non-spendable part of fund balance is \$44,094 represents prepaid items at year end.

The general fund is the chief operating fund of the Town, with the streets, recreation, fire and airport departments all reporting within the general fund. The Public Service Tax revenue along with the Communications Service Tax is also reported within this fund and can be spent at the Town's discretion.

The Local Option Gas Tax Fund reflects the balance of the local option gas tax revenues that have been transferred from the General Fund and are yet to be used to cover qualifying transportation-related expenses.

The Discretionary Sales Surtax Fund reflects the balance of the discretionary sales surtax revenues from the General fund that have not been used to cover qualifying capital purchases as budgeted for within the various departments of the Town.

Proprietary Fund - The Town's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Fund at the end of the year amounted to \$1,463,883. Other factors concerning the finances of this fund have already been addressed in the discussion of the Town's business-type activities.

2024 Budgetary Highlights

The following is a summary of the differences between the original and the final amended budget:

- **General Fund Surplus:** At the end of the fiscal year, the General Fund's budget was amended to show a surplus of \$51,864 due to reduced inter-fund transfers.
- **Water & Sewer Fund Deficit:** The fund's amended budget showed an excess of expenditures, requiring a budgeted Cash Carry Forward of \$98,576 to cover fiscal year expenses.
- **State Shared Revenues:** Actual revenues surpassed initial estimates by \$46,481, increasing General Fund revenue at year-end.
- **Local Option Gas Tax Revenue:** Revenue came in \$39,103 lower than expected, decreasing the Special Revenue Fund's income.
- **Discretionary Sales Tax Fund:** A total of \$396,312 in budgeted expenditures for the General & Proprietary Funds was not spent during the fiscal year. Discretionary Sales Tax Fund transfers to other funds was adjusted to reflect actual expenditures.
- **Recreation Department Revenue Growth:**
 - Youth sports, kids' programs, memberships, and rentals generated \$145,256 more than budgeted, prompting an amendment to reflect actual revenue.
 - Town events revenue exceeded projections by \$26,340, reducing the original amount budgeted for transfer to culture by \$18,935.
- **Grant Fund Adjustments:**
 - The General Fund Recreation Department budget was amended to reflect actual expenditures of FDEP FRDAP grant funds, which were uncertain at the time of budgeting.

- Similarly, the General Fund Airpark Department adjusted its budget for FAA and FDOT grant expenditures based on actual year-end figures.
- The Proprietary Fund was amended to align with actual CDBG grant expenditures.
- **Inter-Fund Transfers:** Adjustments based on fiscal year needs resulted in an overall decrease in budgeted amounts of \$72,434 for transferred funds.
- **Salary Adjustments:**
 - General Fund General Government salaries increased by \$42,709 due to a long-term employee's retirement.
 - Recreation Department salaries rose by \$44,839 due to an additional full-time position.
 - Proprietary Fund salaries decreased by \$31,229 due to a full-time vacancy that remained unfilled.
- **Proprietary Fund Expenses:** Certain operational expenses, such as Repairs & Maintenance and Operating Supplies, were underestimated at budget time, requiring year-end adjustments.

Schedules of budget and actual comparisons for the general and special revenue major funds appear on pages 71 - 73 of this report.

Capital Asset and Debt Administration

Capital Assets – The Town's investment in capital assets for its governmental and business type activities as of September 30, 2024, amounts to \$17,555,036 (net of accumulated depreciation). This investment in capital assets includes land, buildings, system, improvements, machinery and equipment and park facilities. The total increase in the Town's net investment in capital assets for the current fiscal year was 8.7% (a 13.0% increase for governmental activities and a 5.4% increase for business-type activities).

2024 major capital asset events during the fiscal year include the following:

General Government Fund

General Government

Machinery and Equipment IT Refresh Project

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the IT Refresh Project which included: purchase of a new copier with attachments, a document scanner with electrical setup, monitors and accessories, monitor arms for ergonomic workspaces, a router for enhanced network performance, and HDMI adapters for connectivity. These upgrades support improved document management, workplace productivity, and overall IT infrastructure reliability.

Capital funds expended for fiscal year 2023-24	\$43,674
Fiscal year project total	\$43,674

General Transportation – Street

*Infrastructure**Ingham Road Drainage Improvement*

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the Ingham Road Drainage Improvements project, which included the installation of dual walls and pipes, concrete work, and the finishing of culvert ends. These improvements enhance stormwater management, reduce flooding risks, and improve roadway durability.

Capital funds expended for fiscal year 2023-24	\$42,502
Fiscal year project total	\$42,502

*Infrastructure**NW Quadrant Street Improvements*

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the NW Quadrant Street Improvements project, which included the rental of a towing road grader and purchase of asphalt millings. These upgrades improve road grading, enhance roadway surfaces, and support long-term infrastructure maintenance.

Capital funds expended for fiscal year 2023-24	\$31,323
Fiscal year project total	\$31,323

*Machinery and Equipment**Franklin Equipment Sales – Maverick Kawasaki Mower*

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the purchase of a Maverick Kawasaki Mower from Franklin Equipment Sales. This mower enhances the town's landscaping capabilities, ensuring efficient and high-quality lawn maintenance.

Capital funds expended for fiscal year 2023-24	\$7,182
Fiscal year project total	\$7,182

*Machinery and Equipment**ADAPCO, LLC – Mosquito Sprayer*

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the purchase of a GUARDIAN Flow Sprayer from ADAPCO, LLC. This equipment will enhance the town's mosquito control efforts, ensuring more effective and efficient spraying for public health and safety.

Capital funds expended for fiscal year 2023-24	\$12,470
Fiscal year project total	\$12,470

Machinery and Equipment
Battle Armor Designs, LLC – Culvert Cleaner

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the purchase of a 3ft Culvert Cleaner Package from Battle Armor Designs, LLC. This equipment will improve the town's ability to maintain and clear culverts, ensuring proper water flow and reducing flooding risks.

Capital funds expended for fiscal year 2023-24	\$5,695
Fiscal year project total	\$5,695

General Culture and Recreation

Buildings
FDEM – Hurricane Shelter (CIP)

The Town of Hilliard received FDEM funding for the Hurricane Shelter project in fiscal year 2024, which included the procurement of architectural and engineering services, as well as administrative services. These services are essential for the planning, design, and management of the hurricane shelter to ensure safety and efficiency in the event of a disaster.

Grant funds expended for fiscal year 2023-24	\$2,607
Fiscal year project total	\$5,890,200

Infrastructure
NC BOCC – Town Hall Improvements (CIP)

The Town of Hilliard received NC BOCC funding for the Town Hall Park Improvements project in fiscal year 2024, which included the removal and replacement of sidewalks, installation of surveillance equipment, computer cables, and power for cameras. Additional improvements included fencing around the retention pond, lighting and IT room buildout, as well as concrete for the sidewalk. The project also featured the purchase of a gigabit transceiver and temporary mounting for certain installations, enhancing both security and functionality at the park.

Grant funds expended for fiscal year 2023-24	\$29,573
Fiscal year project total	\$50,000

Machinery and Equipment
Franklin Equipment Sales – Rebel 72" Kawasaki Mower

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the purchase of a Rebel 72" Kawasaki Mower from Franklin Equipment Sales. This mower will enhance the town's landscaping operations by providing efficient and reliable equipment for large-scale lawn maintenance.

Capital funds expended for fiscal year 2023-24	\$9,463
Fiscal year project total	\$9,463

*Machinery and Equipment***FDEP FRDAP Grant – North Oxford Street Park, Phase II (CIP)**

The Town of Hilliard was awarded FDEP FRDAP Grant Funding in the amount of \$200,000 and the Town of Hilliard approved Capital Funds in the amount of \$22,347 to complete Phase I of the Town Hall Park. Phase I included the following new projects: playground equipment, picnic facility, exercise/bike/nature trails, nature overlook, historical marker, restrooms with water fountain, entrance sign, bike rack, parking lot and security lighting.

Grant funds expended for fiscal year 2023-24	\$4,750
Fiscal year project total	\$200,000

General Public Safety – Fire*Machinery and Equipment***Old Town Hall Generator Replacement Project (CIP)**

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the Old Town Hall Generator Replacement Project, which included the procurement of engineering services. These services are crucial for the planning and design of the new generator system, ensuring reliable power backup for the Town Hall during emergencies.

Capital funds expended for fiscal year 2023-24	\$4,810
Fiscal year project total	\$35,000

General Transportation – Airpark*Land***FDOT and FAA Land Acquisition North**

The Town of Hilliard received FDOT & FAA funding for the Land Acquisition North project in fiscal year 2024, which included various appraisals, review appraisals, legal work, and boundary surveys. The project also involved land purchases and deposits, ensuring the successful acquisition of land for future development and infrastructure improvements. These efforts support the town's long-term planning and growth initiatives.

Grant funds expended for fiscal year 2023-24	\$1,085,452
Fiscal year project total	\$1,613,129

*Land***FDOT – Environmental Assessment (CIP)**

The Town of Hilliard received FDOT funding for the Environmental Assessment project in fiscal year 2024, which included the procurement of cultural resources support services. These services are essential for ensuring compliance with environmental regulations and preserving cultural heritage during the planning and development phases of the project.

Grant funds expended for fiscal year 2023-24	\$13,750
Fiscal year project total	\$55,000

Buildings***FDOT – New Hangar Box (CIP)***

The Town of Hilliard received FDOT funding for the New Box Hangar project in fiscal year 2024. This addition will enhance the town's aviation infrastructure, providing additional storage and operational space for aircraft.

Grant funds expended for fiscal year 2023-24	\$44,576
Fiscal year project total	\$391,000

Infrastructure***FDOT – Obstruction Removal***

The Town of Hilliard received FDOT funding for the Obstruction Removal project in fiscal year 2024, which included RPZ clearing. This work is vital for ensuring the safety and compliance of the airport's approach and departure zones by removing obstacles that could interfere with aircraft operations.

Grant funds expended for fiscal year 2023-24	\$9,391
Fiscal year project total	\$300,000

Proprietary Fund**Water and Sewer*****Infrastructure******FDEP – Oxford St FM Reroute***

The Town of Hilliard received FDEP funding for the Oxford Street Force Main Reroute project in fiscal year 2024, which included engineering services and multiple pay requests for the ongoing work. These services are vital for the successful rerouting of the force main, improving the town's wastewater infrastructure and system reliability.

Grant funds expended for fiscal year 2022-23	\$12,000
Grant funds expended for fiscal year 2023-24	\$597,000
Capital funds expended for fiscal year 2023-24	\$38,670
Fiscal year project total	\$647,670

Infrastructure***ER Manhole Sewer Rehabilitation***

The Town of Hilliard approved Capital Funds in fiscal year 2024 for manhole repair work by Site Savvy Inc. and TB Landmark. These repairs are essential for maintaining the integrity and functionality of the town's wastewater system.

Capital funds expended for fiscal year 2023-24	\$264,635
Fiscal year project total	\$264,635

Infrastructure
CDBG Match (CIP)

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the CDBG Match project, which included the procurement of RFP administrative and engineering services. These services are crucial for the successful management and execution of the project, ensuring compliance and efficient use of funds.

Capital funds expended for fiscal year 2023-24	\$2,796
Fiscal year project total	\$750,000

Infrastructure
Well 5 ER Repair

The Town of Hilliard approved Capital Funds in fiscal year 2024 for manhole repair work by Complete Services Well Drilling, INC. These repairs are essential for maintaining the integrity and functionality of the town's wastewater system.

Capital funds expended for fiscal year 2023-24	\$46,540
Fiscal year project total	\$46,540

Infrastructure
WWTP Permit renewal – Engineering Costs

The Town of Hilliard approved Capital Funds for the purchase of the WWTP permit renewal.

Capital funds expended for fiscal year 2023-24	\$11,000
Fiscal year project total	\$11,000

Infrastructure
ER R and M WWTP S/B Generator

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the ER R&M WWTP S/B Generator project, which included the rental of a diesel generator, generator maintenance, and the repair and replacement of light fixtures. These upgrades ensure reliable power for the wastewater treatment plant and maintain safety and efficiency at the facility.

Capital funds expended for fiscal year 2023-24	\$17,033
Fiscal year project total	\$17,033

Infrastructure
ER R and M WWTP Main LS S/B Generator Repair

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the ER R&M WWTP Main LS S/B Generator Repair project, which included the replacement of the battery charger and control panel. These repairs ensure the continued operation and reliability of the generator at the wastewater treatment plant.

Capital funds expended for fiscal year 2023-24	\$7,713
Fiscal year project total	\$7,713

Machinery and Equipment
UEMSI/HTV – Jet Rig Camera

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the purchase of a Jet Rig Camera from UEMSI/HTV. This equipment will enhance the town's ability to inspect and maintain the sewer system, improving the efficiency and effectiveness of its wastewater management.

Capital funds expended for fiscal year 2023-24	\$9,780
Fiscal year project total	\$9,780

Machinery and Equipment
Teledyne Instruments, Inc. – GLS Sewer Sampler

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the purchase of a GLS Sewer Sampler from Teledyne Instruments, Inc. This equipment will assist in monitoring and analyzing the town's wastewater system, ensuring compliance with environmental standards and improving overall water quality management.

Capital funds expended for fiscal year 2023-24	\$7,173
Fiscal year project total	\$7,173

Machinery and Equipment
WWTP Panel View SCADA

The Town of Hilliard approved Capital Funds in fiscal year 2024 for the WWTP Panel View SCADA – LS project, which included the purchase and installation of panels. These upgrades improve the monitoring and control capabilities of the wastewater treatment plant's lift station, enhancing operational efficiency and system reliability.

Capital funds expended for fiscal year 2023-24	\$8,305
Fiscal year project total	\$8,305

Town of Hilliard, Florida Capital Assets (Net of Depreciation)						
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 1,968,902	\$ 883,450	\$ 27,500	\$ 27,500	\$ 1,996,402	\$ 910,950
Construction in progress	338,241	228,784	3,813	13,017	342,054	241,801
Buildings	1,982,878	2,092,938	9,383,954	8,858,908	11,366,832	10,951,846
Infrastructure	2,590,302	2,700,305	-	-	2,590,302	2,700,305
Machinery and equipment	893,342	939,359	299,743	315,117	1,193,085	1,254,476
Other depreciable	66,361	90,743	-	-	66,361	90,743
Capital assets, net	<u>\$ 7,840,026</u>	<u>\$ 6,935,579</u>	<u>\$ 9,715,010</u>	<u>\$ 9,214,542</u>	<u>\$ 17,555,036</u>	<u>\$ 16,150,121</u>

Long-Term Debt – At the end of the current fiscal year, the Town had total outstanding bonds and compensated absences in the amount of \$3,992,401. The bond balance is not pledged by any specific tax revenue and is only secured by revenues earned in the proprietary fund.

At present the Town's debt other than compensated absences is a 1996 Series Water and Sewer Revenue Bond that is financed through USDA Rural Development with a 38-year term at 4.5% interest rate and the 2010 Series Water and Sewer Revenue Bond that is also financed through USDA Rural Development with a 38-year term at 2.75% interest rate.

Town of Hilliard, Florida Outstanding Debt General Obligation and Revenue Bonds						
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Bonds payable	\$ -	\$ -	\$ 3,816,000	\$ 3,916,000	\$ 3,816,000	\$ 3,916,000
Compensated absences	121,676	105,796	54,725	51,543	176,401	157,339
Net pension liability	816,735	1,190,482	370,341	596,964	1,187,076	1,787,446
Other post-employment benefits	135,727	120,299	61,544	60,276	197,271	180,575
Total	\$ 1,074,138	\$ 1,416,577	\$ 4,302,610	\$ 4,624,783	\$ 5,376,748	\$ 6,041,360

The Town's outstanding debt decreased by \$664,612 during the current fiscal year due to scheduled payments and changes in the net pension liabilities related to post-employment benefits and the Town's proportionate share of their participation in the Florida Retirement System.

Additional information on the Town's long-term debt can be found in the notes to the financial statements on pages 55 – 57 of this report.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances and to demonstrate the Town's accountability. If you have questions concerning any of the information provided in this report or requests for additional financial information, contact the Office of the Town Clerk at 15859 West CR 108, Hilliard, Florida 32046 or (904) 845-3555.

BASIC FINANCIAL STATEMENTS

TOWN OF HILLIARD, FLORIDA
STATEMENT OF NET POSITION
September 30, 2024

	Governmental Activities	Business - type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,920,688	\$ 1,496,611	\$ 3,417,299
Accounts receivable, net	54,549	145,973	200,522
Due from other governmental units	1,111,289	-	1,111,289
Internal balances	(499,457)	499,457	-
Inventory	-	118,589	118,589
Prepaid items	44,094	10,044	54,138
Total current assets	2,631,163	2,270,674	4,901,837
Restricted cash and cash equivalents:			
Educational impact fees	43,482	-	43,482
Bond interest and sinking	-	18,048	18,048
System development	-	327,325	327,325
Reserve fund	-	254,056	254,056
Customer deposits	-	159,125	159,125
Total restricted assets	43,482	758,554	802,036
Non-current assets:			
Capital assets not being depreciated	2,307,143	31,313	2,338,456
Capital assets, net of accumulated depreciation	5,532,883	9,683,697	15,216,580
Lease receivable	209,294	-	209,294
Total non-current assets	8,049,320	9,715,010	17,764,330
Total assets	10,723,965	12,744,238	23,468,203
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions and OPEB	384,797	174,482	559,279
LIABILITIES			
Current liabilities (payable from current assets):			
Accounts payable	73,890	293,244	367,134
Accrued liabilities	53,559	12,968	66,527
Unearned revenue	32,660	-	32,660
Compensated absences, current	30,419	13,681	44,100
Total current liabilities (payable from current assets)	190,528	319,893	510,421
Current liabilities (payable from restricted assets):			
Accrued interest payable	-	9,885	9,885
Customer deposits	-	159,125	159,125
Revenue bonds payable, current	-	103,000	103,000
Due to other governmental units	42,165	-	42,165
Total current liabilities (payable from restricted assets)	42,165	272,010	314,175
Total current liabilities	232,693	591,903	824,596
(continued)			

See notes to the financial statements.

TOWN OF HILLIARD, FLORIDA
STATEMENT OF NET POSITION
September 30, 2024 (concluded)

	Governmental Activities	Business - type Activities	Total
Long-term liabilities			
Revenue bond payable, net of current	\$ -	\$ 3,713,000	\$ 3,713,000
Accrued compensated absences, net of current	91,257	41,044	132,301
Other post-employment benefits	135,727	61,544	197,271
Net pension liability	816,735	370,341	1,187,076
Total long-term liabilities	1,043,719	4,185,929	5,229,648
Total liabilities	1,276,412	4,777,832	6,054,244
DEFERRED INFLOWS			
Related to pensions and OPEB	389,432	178,566	567,998
Related to leases	92,546	-	92,546
	481,978	178,566	660,544
NET POSITION			
Invested in capital assets, net of related debt	7,840,026	5,899,010	13,739,036
Restricted for:			
Debt service	-	272,104	272,104
System development	-	327,325	327,325
Transportation	1,215,708	-	1,215,708
Infrastructure and capital outlay	790,844		
Educational impact fee	1,317	-	1,317
Voluntary fire department	9,576	-	9,576
Unrestricted	(507,099)	1,463,883	956,784
Total net position	\$ 9,350,372	\$ 7,962,322	\$ 17,312,694

See notes to the financial statements.

TOWN OF HILLIARD, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2024

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<u>Functions/Programs</u>	<u>Expenses</u>						
Governmental activities							
General government	\$ 886,801	\$ 4,620	\$ -	\$ -	\$ (882,181)	\$ -	\$ (882,181)
Public safety	148,299	-	-	-	(148,299)	-	(148,299)
Transportation	673,990	-	-	1,068,169	394,179	-	394,179
Health services	42,282	-	-	-	(42,282)	-	(42,282)
Culture and recreation	775,204	369,593	28,340	36,930	(340,341)	-	(340,341)
Total governmental activities	2,526,576	374,213	28,340	1,105,099	(1,018,924)	-	(1,018,924)
Business-type activities							
Water and sewer services	1,833,491	1,380,566	-	597,000	-	144,075	144,075
Interest on long-term debt	118,540	-	-	-	-	(118,540)	(118,540)
Total business-type activities	1,952,031	1,380,566	-	597,000	-	25,535	25,535
Total government	\$ 4,478,607	\$ 1,754,779	\$ 28,340	\$ 1,702,099	(1,018,924)	25,535	(993,389)
General revenues							
					592,906	-	592,906
Taxes						-	
Intergovernmental					1,391,880	-	1,391,880
Licenses and permits					126,213	-	126,213
Franchise fees					223,134	-	223,134
Fines and forfeitures					1,212	-	1,212
Rents and leases					4,408	3,148	7,556
Interest					138,760	90,584	229,344
Other fees and miscellaneous					67,917	16,352	84,269
Loss on lease termination					-	(31,863)	(31,863)
Interfund transfers					(523,199)	523,199	-
Total general revenues					2,023,231	601,420	2,624,651
Change in net position					1,004,307	626,955	1,631,262
Net position - beginning (restated)					8,346,065	7,335,367	15,681,432
Net position - ending					\$ 9,350,372	\$ 7,962,322	\$ 17,312,694

See notes to the financial statements.

TOWN OF HILLIARD, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
September 30, 2024

	General Fund	Local Option Gas Tax Fund	Discretionary Sales Tax Fund	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ -	\$ 1,195,880	\$ 724,808	\$ 1,920,688
Accounts receivable	54,549	-	-	54,549
Due from other governmental units	1,025,425	19,828	66,036	1,111,289
Lease receivable	209,294	-	-	209,294
Prepaid items	44,094	-	-	44,094
Total assets	1,333,362	1,215,708	790,844	3,339,914
Restricted assets				
Restricted cash and cash equivalents	43,482	-	-	43,482
	1,376,844	1,215,708	790,844	3,383,396
LIABILITIES				
Accounts payable	73,890	-	-	73,890
Accrued liabilities	53,559	-	-	53,559
Unearned revenue	32,660	-	-	32,660
Due to other governmental units	42,165	-	-	42,165
Due to other funds	499,457	-	-	499,457
Total liabilities	701,731	-	-	701,731
DEFERRED INFLOWS OF RESOURCES				
Related to leases	92,546	-	-	92,546
FUND BALANCES				
Nonspendable - prepaid items	44,094	-	-	44,094
Restricted	10,893	1,215,708	790,844	2,017,445
Unassigned	527,580	-	-	527,580
Total fund balances	\$ 582,567	\$ 1,215,708	\$ 790,844	2,589,119
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.				7,840,026
Deferred outflows of resources represent a consumption of fund equity that will be reported as an outflow of resources in a future period and therefore are not reported in the governmental funds.				384,797
Deferred inflows of resources represent an acquisition of fund equity that will be recognized as an inflow of resources in a future period and therefore are not reported in the governmental funds.				(389,432)
Long-term liabilities are not due in the current period and, therefore, are not reported in governmental funds				(1,074,138)
Net assets of governmental activities				<u>\$ 9,350,372</u>

See notes to the financial statements.

TOWN OF HILLIARD, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended September 30, 2024

	General Fund	Local Option Gas Tax Fund	Discretionary Sales Tax Fund	Total Governmental Funds
REVENUES				
Property taxes	\$ 457,925	\$ -	\$ -	\$ 457,925
Other taxes	134,981	-	-	134,981
Intergovernmental	585,932	209,283	596,665	1,391,880
Licenses and permits	126,213	-	-	126,213
Franchise fees	223,134	-	-	223,134
Fines and forfeitures	1,212	-	-	1,212
Charges for service	374,213	-	-	374,213
Rents and leases	4,408	-	-	4,408
Other fees and miscellaneous	96,257	-	-	96,257
Total revenues	<u>2,004,275</u>	<u>209,283</u>	<u>596,665</u>	<u>2,810,223</u>
EXPENDITURES				
General government	793,947	-	-	793,947
Public safety	130,007	-	-	130,007
Transportation	484,690	-	-	484,690
Health services	19,071	-	-	19,071
Culture and recreation	611,197	-	-	611,197
Capital outlay	1,347,218	-	-	1,347,218
Total expenditures	<u>3,386,130</u>	<u>-</u>	<u>-</u>	<u>3,386,130</u>
Excess (deficit) of revenues over expenditures	(1,381,855)	209,283	596,665	(575,907)
OTHER FINANCING SOURCES (USES)				
Interest income	106,778	-	31,982	138,760
Capital grants	1,105,099	-	-	1,105,099
Interfund transfers in	184,119	-	-	184,119
Interfund transfers out	-	-	(707,318)	(707,318)
Total other financing sources (uses)	<u>1,395,996</u>	<u>-</u>	<u>(675,336)</u>	<u>720,660</u>
Net change in fund balance	14,141	209,283	(78,671)	144,753
Fund balance at beginning of year (restated)	568,426	1,006,425	869,515	2,444,366
Fund balance at end of year	<u>\$ 582,567</u>	<u>\$ 1,215,708</u>	<u>\$ 790,844</u>	<u>\$ 2,589,119</u>

See notes to the financial statements.

TOWN OF HILLIARD, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2024

Net change in fund balance - total governmental funds \$ 144,753

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

Governmental funds report capital outlay as expenditures

However, in the statement of activities, the cost of those
assets is allocated over their estimated useful lives as
depreciation expense.

Expenditures for capital assets	1,347,218	
Less current year depreciation	<u>(442,771)</u>	904,447

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. Also
recognition of certain obligations related to prior and subsequent
periods are not recognized in governmental funds but are
recognized in the statement of activities.

Increase in compensated absences	(15,880)	
Increase in other post-employment benefits	(15,428)	
Decrease in net pension liability	373,747	
Net of changes in pension/OPEB deferred inflows and outflows	<u>(387,332)</u>	(44,893)

Change in net position of governmental activities \$ 1,004,307

See notes to the financial statements.

TOWN OF HILLIARD, FLORIDA
PROPRIETARY FUND
STATEMENT OF NET POSITION
September 30, 2024

	Water and Sewer Fund
ASSETS	
Current assets	
Cash and cash equivalents	\$ 1,496,611
Accounts receivable, net	145,973
Due from other funds	499,457
Inventory	118,589
Prepaid expenses	10,044
Total current assets	<u>2,270,674</u>
Restricted cash and cash equivalents	
Bond interest and sinking	18,048
System development	327,325
Reserve fund	254,056
Customer deposits	159,125
Total restricted cash and cash equivalents	<u>758,554</u>
Noncurrent assets	
Fixed assets	
Land	27,500
Construction in progress	3,813
Property, plant and equipment	18,994,582
Allowance for depreciation	(9,310,885)
Total noncurrent assets	<u>9,715,010</u>
Total assets	<u>12,744,238</u>
DEFERRED OUTFLOWS OF RESOURCES	
Related to pensions and OPEB	<u>174,482</u>
LIABILITIES AND NET POSITION	
LIABILITIES	
Current liabilities	
Accounts payable	293,244
Accrued liabilities	12,968
Accrued interest	9,885
Compensated absences	13,681
Customer deposits	159,125
Revenue bonds payable, current	103,000
Total current liabilities	<u>591,903</u>
(continued)	

TOWN OF HILLIARD, FLORIDA
PROPRIETARY FUND
STATEMENT OF NET POSITION
September 30, 2024 (concluded)

	Water and Sewer Fund
Long-term liabilities	
Revenue bonds payable, net of current	\$ 3,713,000
Accrued compensated absences, net of current	41,044
Other post-employment benefits	61,544
Net pension liability	370,341
Total long-term liabilities	4,185,929
Total liabilities	4,777,832
 DEFERRED INFLOWS OF RESOURCES	
Related to pensions and OPEB	178,566
 NET POSITION	
Invested in capital assets, net of related debt	5,899,010
Restricted for:	
Debt service	272,104
System development	327,325
Unrestricted	1,463,883
Total net position	\$ 7,962,322

TOWN OF HILLIARD, FLORIDA
PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Fiscal Year Ended September 30, 2024

	Water and Sewer Fund
OPERATING REVENUES	
Water sales	\$ 591,589
Sewer sales	603,456
Fees and penalties	185,521
Total operating revenues	<u>1,380,566</u>
OPERATING EXPENSES	
Water utility	
Personnel services	386,192
General expenses	407,796
Sewer utility	
Personnel services	257,462
General expenses	271,864
Depreciation expense	510,177
Total operating expenses	<u>1,833,491</u>
Total operating (loss)	<u>(452,925)</u>
NONOPERATING REVENUES (EXPENSES)	
Grant revenue	597,000
Rentals and leases	3,148
Interest earnings	90,584
Miscellaneous income	16,352
Interest expense	(118,540)
Interfund transfers in	523,199
Loss on cancellation of lease agreement	(31,863)
Total nonoperating revenues	<u>1,079,880</u>
Change in net position	626,955
Net position at beginning of year	7,335,367
Net position at end of year	<u>\$ 7,962,322</u>

See notes to the financial statements.

TOWN OF HILLIARD, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended September 30, 2024

	<u>Water and Sewer Fund</u>
Cash flows from operating activities:	
Cash received from customers	\$ 1,372,356
Cash paid to suppliers	(618,433)
Cash paid to employees	(820,266)
Net cash used by operating activities	<u>(66,343)</u>
Cash flows from non-capital related financing activities:	
Miscellaneous revenues	16,352
Transfers from other funds	23,742
Net cash provided by non-capital related financing activities	<u>40,094</u>
Cash flows from capital and related financing activities:	
Grant receipts	597,000
Principal payments	(100,000)
Interest payments	(118,540)
Acquisition and construction of capital assets	(1,010,643)
Net cash used for capital and related financing activities	<u>(632,183)</u>
Cash flows from investing activities:	
Investment income	90,584
Net cash provided by investing activities	<u>90,584</u>
Net change in cash	(567,848)
Cash at beginning of year	2,823,013
Cash at end of year	<u>\$ 2,255,165</u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (452,925)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	510,177
Changes in assets decrease (increase) and liabilities (decrease) increase:	
Accounts receivable, net	(16,785)
Inventory	(41,793)
Prepaid items	24,664
Deferred outflows	54,910
Accounts payable	(71,978)
Accrued liabilities	(464)
Compensated absences	3,182
Customer deposits	8,575
Other post-employment benefits	1,268
Deferred inflows	141,449
Net pension liability	(226,623)
Total adjustments	<u>386,582</u>
Net cash provided by operating activities	<u>\$ (66,343)</u>

TOWN OF HILLIARD, FLORIDA
FUDICIARY FUND
STATEMENT OF NET POSITION
September 30, 2024

	Custodial Fund
ASSETS	
Cash and cash equivalents	\$ 1,317
Due from other governments	42,165
Total assets	<u>\$ 43,482</u>
LIABILITIES	
Due to other governments	\$ 43,482
Total liabilities	<u>43,482</u>
NET POSITION	
Total net position	<u><u>\$ -</u></u>

See notes to the financial statements

TOWN OF HILLIARD, FLORIDA
FIDUCIARY FUND
STATEMENT OF CHANGES IN NET POSITION
For the Fiscal Year Ended September 30, 2024

	Custodial Fund
ADDITIONS:	
Fees collected on behalf of other governments	\$ 148,027
Total additions	<u>148,027</u>
DEDUCTIONS:	
Remittances of fees to other governments	<u>148,027</u>
Total deductions	<u>148,027</u>
 Change in net position	 -
 Net position at beginning of year	 <u>-</u>
Net position at end of year	<u><u>\$ -</u></u>

See notes to the financial statements.

TOWN OF HILLIARD, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Hilliard, Florida (the Town) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting principles. Pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989, are not applied in the preparation of the financial statements of the proprietary fund type in accordance with GASB Statement 20. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

In June, 1999, the GASB unanimously approved Statement 34-Basic Financial Statement and Management's Discussion and Analysis - for State and Local Governments. As provided by GASB 34, the Town did not elect to report retroactive infrastructure improvements in its financial statements due to the fact that its annual revenues are less than \$10 million. The Town has implemented all other applicable provisions of this Statement.

A. Reporting Entity – The Town is a political subdivision of the State of Florida. The Town was established in Nassau County pursuant to Chapter 24561, Laws of Florida, Special Acts of 1947, as amended. It is governed by elected Town Council Members (the Council) and an elected Mayor, who are governed by federal and state statutes, regulations, and Town ordinances. The Town Clerk, who is an appointed official, is the Clerk and Chief Accountant of the Town.

The Town maintains its accounts in accordance with the uniform classification of accounts as prescribed by the Florida Department of Financial Services, pursuant to Section 218.33, *Florida Statutes*.

The basic financial statements of the Town for the year ended September 30, 2024, were prepared in accordance with accounting principles generally accepted in the United States of America.

There are no entities that are classified as component units who are financially accountable to the Town.

B. Adoption of New Accounting Pronouncements – In June 2022, the Governmental Accounting Standards Board issued Statement of Governmental Accounting Standards (SGAS) No. 101, *Compensated Absences*. Under SGAS No. 101, compensated absences must be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through non-cash means. Unused leave includes leave for services already rendered, leave that accumulates, and leave that more likely than not will be used for time off or paid to the employee at some point in the future. Additionally, governments are now able to report year-over-year increases and decreases in compensated absences net of each other and disclose them in one lump sum in the notes to the financial statements. The Town adopted the provisions of SGAS No. 101 as of October 1, 2023. Due to the immaterial impact on net positions from prior periods, the Town has decided to implement this standard prospectively.

C. Measurement Focus and Basis of Accounting - The basic financial statements of the Town are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

1. Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the proprietary fund. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement 33 - Accounting and Financial Reporting for Nonexchange Transactions.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. As applicable, the Town also chooses to eliminate the indirect costs between governmental activities to avoid the "doubling up" effect.

2. Fund Financial Statements

The underlying accounting system of the Town is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Governmental Funds - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town 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. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest 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 are considered to be measurable only when cash is received by the Town.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be the measure of "available spendable resources." Governmental funds operating statements present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Any non-current portions of long-term receivables (special assessments) due to governmental funds are reported on their balance sheets in spite of their spending measurement focus.

Non-current portions of other long-term receivables are offset by fund balance reserve accounts. Because of their spending measurement focus, expenditure recognition for governmental fund types exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary Funds - The Town's Water and Sewer Enterprise Fund is a proprietary fund. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when the related goods and services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position. The Town applies all GASB pronouncements as well as all FASB Statements and Interpretations, APB Opinions and Accounting Research Bulletins, issued on or before November 30, 1989, which do not conflict with or contradict GASB pronouncements.

Proprietary fund operation revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies, taxes, and investment earnings, result from nonexchange transactions or ancillary activities.

Amounts paid to acquire capital assets are capitalized as assets in the fund financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the fund financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than as an expense.

Fiduciary Funds – The Town also reports one fiduciary fund; a custodial fund, which is used to account for impact fees collected on behalf of Nassau County School Board. These funds are collected on behalf of the School Board and remitted soon after being collected.

D. Basis of Accounting - GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures, expenses of either fund category and the governmental and enterprise combined) for the determination of major funds. The Town has used GASB 34 minimum criteria for major fund determination. The Town has four major funds and no nonmajor funds.

1. Governmental Major Funds:

The **General Fund** is the principal operating fund used to account for most of the Town's general activities (Fire, Transportation, Health Services, Culture and Recreation, etc.)

The **Discretionary Sales Tax Fund** is used for recording the discretionary sales taxes received from the State of Florida. In accordance with Nassau County ordinances, these funds are restricted for operational expenses of infrastructure projects or other purposes, excluding debt, as determined by the Town Council.

The **Local Option Gas Tax Fund** is used to record local option fuel tax revenues distributed by the State of Florida. In accordance with Chapter 336, *Florida Statutes*, these funds are restricted for transportation expenditures, including debt service and current expenditures for transportation capital projects, as determined by the Town Council.

2. Proprietary Major Fund:

The **Water and Sewer Fund** is used to account for operations either (1) that are financed, and operated in a manner similar to business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management, control, accountability, or other purposes.

E. Assets, Liabilities, Deferred Outflows/Inflows and Net Position or Equity

1. **Cash and Investments** - Cash includes amounts in demand deposits as well as short-term money market investment accounts. Investments, when utilized, consist of certificates of deposit, and are stated at cost which approximates market value. All such deposits and investments are insured and collateralized as required by state law.
2. **Cash Equivalents** - For purposes of the statement of cash flows, the Town considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents. As of September 30, 2024, the Town's cash consisted solely of checking accounts and money market accounts; it has no other cash equivalents.

3. **Allowance for Doubtful Accounts** - The Town provides an allowance for Water and Sewer Fund accounts receivable that may become uncollectible. At September 30, 2024, this allowance account totaled \$30,923 based upon prior collection history. No other allowances for doubtful accounts are maintained since other fund accounts receivable are considered to be fully collectible as reported at September 30, 2024.
4. **Receivables and Payables** - Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to 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."
5. **Inventories** - The costs of governmental inventories are recorded as expenditures when purchased rather than when consumed. The actual amounts of any such inventory type goods on hand at year end would not be material.
6. **Restricted Assets** - As applicable, year to year, certain proceeds of enterprise fund debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

The customer deposits account is used to accept and refund deposits paid by customers for utility services.

The system development account retains impact fees and is restricted for expansion of the town's water and sewer plant.

The education impact fee account is used to accept money and is collected for the Nassau County School Board (the "Board"). These funds are remitted quarterly to the Board and the Town retains a three percent administration fee. The funds retained by the Town through the administration fee are not subject to any use restrictions.

The voluntary fire department account is used to accept donations on behalf of the Town's voluntary fire department. These funds are used in accordance with the department's direction based upon their operational needs.

7. **Encumbrances** - Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not utilized by the Town.
8. **Capital Assets** - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., streets, bridges, rights-of-way, 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 the Town as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to October 1, 1981, assets are recorded at historical cost. Roads and bridges constructed prior to October 1, 1981 are generally not reported. Donated capital assets are recorded at estimated fair market value at the date of donations.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

Assets	Years
Buildings	39 - 40
Infrastructure	10 - 30
Machinery and equipment	5 - 20
Plant	45
Improvements	15 - 25
Computer equipment	5

9. **Capitalization of Interest** - Interest related to borrowings are capitalized during the construction period. These costs are netted against applicable interest earnings on construction fund investments. During the current period, the Town did not have any capitalized interest.
10. **Unearned Revenues** - Unearned revenues reported in government-wide financial statements represent revenues received that have not been earned. The deferred revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. At September 30, 2024, the Town reported \$32,660 in unearned revenues.
11. **Accrued Compensated Absences** - The Town accrues accumulated unpaid vacation and sick leave when earned by the employee. The current portion is the amount estimated to be used in the following year. The non-current portion is the amount estimated to be used in subsequent fiscal years. Both the current and non-current estimated accrued compensated absence amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide presentation.
12. **Capital Contributions** - Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

- 13. Deferred Outflows/Inflows of Resources** – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualify for reporting in this category. They are deferred charges on pensions and other post-employment benefits (OPEB) in the government-wide statement of net position. Deferred outflows on pensions are recorded when actual earnings on pension plan investments exceed projected earnings and are amortized to pension expense using a systematic and rational method over a closed five-year period. Deferred outflows on pensions also include the difference between expected and actual experience with regard to economic or demographic factors; changes of assumptions about future economic, demographic, or other input factors; or changes in the Town's proportionate share of net pension liability and are amortized over the average expected remaining service lives of all employees that are provided with pensions through each pension plan. Contributions to pension plans made subsequent to the measurement date are also deferred and reduce net pension liability in the subsequent year. Deferred outflows related to OPEB are recorded when changes of assumptions are made about future economic, demographic, or other input factors. These are amortized over the average expected life of OPEB plan participants.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows or resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has three items which qualify for reporting in this category. These are deferred charges on pensions, OPEB, and leases receivable under the SGAS 87, *Leases*, accounting standard. Deferred inflows on pension plan investments exceed actual earnings and are amortized to pension expense using a systematic and rational method over a closed five-year period. Deferred inflows on pensions also include the difference between expected and actual experience with regard to economic or demographic factors; changes of assumptions about future economic, demographic, or other input factors; or changes in the Town's proportionate share of net pension liability. These are amortized over the average expected remaining service lives of all employees that are provided with pensions through each pension plan. Deferred inflows on OPEB are recorded when changes of assumptions about future economic, demographic, or other factors are made. These outflows are amortized over the average expected life of the OPEB participants. Deferred inflows on the lease receivable are recorded at the net present value of the future lease receipts for leases on which the Town is the lessor. The deferred amount is amortized to lease income on a straight-line basis over the life of the lease.

14. Fund Balances -

A. Governmental Funds

As of September 30, 2024, fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Town Council. The Town Council is the highest level of decision-making authority for the Town. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Town Council.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Town's adopted policy, only the Town Council may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

As of September 30, 2024, fund balances are composed of the following:

	General Fund	Local Option Gas Tax Fund	Sales Tax Fund	Total
Nonspendable	\$ 44,094	\$ -	\$ -	\$ 44,094
Restricted	10,893	1,215,708	790,844	2,017,445
Unassigned	527,580	-	-	527,580
	<u>\$ 582,567</u>	<u>\$ 1,215,708</u>	<u>\$ 790,844</u>	<u>\$ 2,589,119</u>

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town Council has provided otherwise in its commitment or assignment actions.

B. Proprietary Funds

Restrictions of net position are amounts that are not appropriated for expenditure or are legally restricted for specific uses.

As of September 30, 2024, net position balances are composed of the following:

	Water and Sewer Fund
Invested in capital assets	\$ 5,899,010
Restricted	599,429
Unrestricted	1,463,883
	<u>\$ 7,962,322</u>

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**A. Explanation of Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position.**

“Total fund balances” of the Town’s governmental funds \$2,589,119 differs from “net position” of governmental activities \$9,350,372 reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental funds balance sheet.

Capital related items

When capital assets (property, plant, equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets are reported as expenditures in governmental funds. However, the statement of net position included those capital assets among the assets of the Town as a whole.

Cost of capital assets	\$ 13,993,373
Accumulated depreciation	(6,153,347)
Total	<u>\$ 7,840,026</u>

Long-term debt transactions

Long-term liabilities applicable to the Town’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net position. Balances at September 30, 2024, were:

Compensated absences	\$ (121,676)
Other post-employment benefits	(135,727)
Net pension liability	(816,735)
	<u>\$ (1,074,138)</u>

Deferred outflows/inflows of resources

Deferred outflows of resources represent a consumption of net position in a future period while deferred inflows of resources represent an acquisition of net position in a future period and accordingly, are not reported in the governmental fund statements. However, the statement of net position included those deferred outflows/inflows of resources.

Deferred outflows	\$ 384,797
Deferred inflows	(389,432)
	<u>\$ (4,635)</u>

TOWN OF HILLIARD, FLORIDA

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Differences Between the Governmental Fund Balance and the Government-wide Statement of Net Position

	Total Governmental Funds	Capital Related Items	Deferred Inflows/Outflows	Long - Term Debt Transactions	Eliminations	Statement of Net Position
ASSETS						
Current assets						
Cash and cash equivalents	\$ 1,920,688	\$ -	\$ -	\$ -	\$ -	\$ 1,920,688
Accounts receivable	54,549	-	-	-	-	54,549
Due from other governmental units	1,111,289	-	-	-	-	1,111,289
Prepaid items	44,094	-	-	-	-	44,094
Lease receivable	209,294	-	-	-	-	209,294
	<u>3,339,914</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,339,914</u>
Restricted assets						
Restricted cash and cash equivalents	43,482	-	-	-	-	43,482
Capital assets, net	-	7,840,026	-	-	-	7,840,026
Total assets	<u>3,383,396</u>	<u>7,840,026</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,223,422</u>
DEFERRED OUTFLOWS	<u>-</u>	<u>-</u>	<u>384,797</u>	<u>-</u>	<u>-</u>	<u>384,797</u>
LIABILITIES						
Accounts payable	73,890	-	-	-	-	73,890
Accrued liabilities	53,559	-	-	-	-	53,559
Unearned revenue	32,660	-	-	-	-	32,660
Due to other governmental units	42,165	-	-	-	-	42,165
Due to other funds	499,457	-	-	-	-	499,457
Compensated absences	-	-	-	121,676	-	121,676
Other post-employment benefits	-	-	-	135,727	-	135,727
Net pension liability	-	-	-	816,735	-	816,735
Total liabilities	<u>701,731</u>	<u>-</u>	<u>-</u>	<u>1,074,138</u>	<u>-</u>	<u>1,775,869</u>
DEFERRED INFLOWS	<u>92,546</u>	<u>-</u>	<u>389,432</u>	<u>-</u>	<u>-</u>	<u>481,978</u>
FUND BALANCES/NET POSITION						
Invested in capital assets	-	7,840,026	-	-	-	7,840,026
Nonspendable - prepaid items	44,094	-	-	-	(44,094)	-
Restricted	2,017,445	-	-	-	-	2,017,445
Unassigned	527,580	-	(4,635)	(1,074,138)	44,094	(507,099)
Total fund balances/net position	<u>\$ 2,589,119</u>	<u>\$ 7,840,026</u>	<u>\$ (4,635)</u>	<u>\$ (1,074,138)</u>	<u>\$ -</u>	<u>\$ 9,350,372</u>

B. Explanation of Differences Between Governmental Fund Operating Statements and the Statement of Activities

The “net change in fund balances” for governmental funds was a reduction of \$144,753 and differs from the “change in net position” for governmental activities of \$1,004,307 reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital related items

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended, whereas net position decrease by the amount of depreciation expense charges for the year. In addition, any gains or losses from the disposal of capital assets are reported on the government-wide statement of net position as increases or decreases in net position, respectively.

Capital outlay	\$ 1,347,218
Depreciation expense	(442,771)
Difference	<u>\$ 904,447</u>

Long-term debt related items

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.

Net increase in compensated absences	\$ (15,880)
Net decrease in other post-employment benefits	(15,428)
Net increase in net pension liability	373,747
	<u>\$ 342,439</u>

Deferred outflows/inflows of resources

Certain obligations related to prior and subsequent periods are not recognized in governmental funds.

Net increase in Pension/OPEB deferred outflows	\$ (72,974)
Net increase in Pension/OPEB deferred inflows	(314,358)
	<u>\$ (387,332)</u>

TOWN OF HILLIARD, FLORIDA

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

B. Explanation of Differences Between Governmental Funds Operating Statement and the Statement of Activities

	Total Governmental Funds	Capital Related Items	Deferred Inflows/Outflows	Long - Term Debt Transactions	Eliminations	Statement of Activities
REVENUES						
Property taxes	\$ 457,925	\$ -	\$ -	\$ -	\$ -	\$ 457,925
Other taxes	134,981	-	-	-	-	134,981
Intergovernmental	1,391,880	-	-	-	-	1,391,880
Licenses and permits	126,213	-	-	-	-	126,213
Franchise fees	223,134	-	-	-	-	223,134
Fines and forfeitures	1,212	-	-	-	-	1,212
Charges for service	374,213	-	-	-	-	374,213
Rents and leases	4,408	-	-	-	-	4,408
Other fees and miscellaneous	96,257	-	-	-	-	96,257
Total revenues	<u>2,810,223</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,810,223</u>
EXPENDITURES						
Current expenditures						
General government	793,947	64,913	241,075	(213,134)	-	886,801
Public safety	130,007	18,292	-	-	-	148,299
Transportation	484,690	181,910	63,755	(56,365)	-	673,990
Health services	19,071	23,211	-	-	-	42,282
Culture and recreation	611,197	154,445	82,502	(72,940)	-	775,204
Capital outlay	1,347,218	(1,347,218)	-	-	-	-
Total expenditures	<u>3,386,130</u>	<u>(904,447)</u>	<u>387,332</u>	<u>(342,439)</u>	<u>-</u>	<u>2,526,576</u>
Excess (deficit) of revenues over expenditures	(575,907)	904,447	(387,332)	342,439	-	283,647
OTHER FINANCING SOURCES (USES)						
Interest income	138,760	-	-	-	-	138,760
Capital grants	1,105,099	-	-	-	-	1,105,099
Interfund transfers in	184,119	-	-	-	(184,119)	-
Interfund transfers out	(707,318)	-	-	-	184,119	(523,199)
Total other financing sources (uses)	<u>720,660</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>720,660</u>
Net change in fund balance	144,753	904,447	(387,332)	342,439	-	1,004,307
Fund balance at beginning of year (restated)	2,444,366	6,935,579	382,697	(1,416,577)	-	8,346,065
Fund balance at end of year	<u>\$ 2,589,119</u>	<u>\$ 7,840,026</u>	<u>\$ (4,635)</u>	<u>\$ (1,074,138)</u>	<u>\$ -</u>	<u>\$ 9,350,372</u>

NOTE 3. LEGAL COMPLIANCE–BUDGETS

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

1. Prior to September 1, the Town Clerk develops a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted by the Town Council through passage of an ordinance.
4. Any revision that alters the total expenditures of any fund or transfers budgeted amounts between departments within any fund must be approved by the Town Council.
5. Budgets for all Town funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended by the Town Council.

NOTE 4. DEPOSITS AND INVESTMENTS

Deposits. The bank balances of the Town deposits totaling \$773,535 were insured by federal depository insurance or pledged collateral under state law. Other Town funds totaling \$3,452,090 were invested in Local Government Surplus Funds Trust (Florida PRIME) and are included as cash equivalents in the Statement of Net Position due to their short maturities. Funds in the amount of \$700 remained uninvested for use as petty cash in the Town's daily operations.

Investments. The Town's investment in Florida PRIME is administered by the Florida State Board of Administration (SBA). Florida PRIME is an external investment pool that is not a registrant with the SEC; however, the SBA has adopted operating procedures consistent with the requirements for a SEC Rule 2a-7 fund. Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the SBA. These rules provide guidance and establish the general operating procedures for the administration of Florida PRIME. Additionally, the State of Florida, Office of the Auditor General performs the operational audit of the activities and investments of the SBA. Throughout the year and as of September 30, 2024, Florida PRIME contained certain floating rate and adjustable-rate securities that were indexed based on the prime rate and/or one- and three-month LIBOR. These floating rate and adjustable-rate securities are used to hedge against interest risk and provide diversification to the portfolio. Exposure to a single issuer is limited to 5% of the portfolio's amortized cost. Investments in Florida PRIME are not evidenced by securities that exist in physical or book entry form. The current rating for the Florida PRIME is AAAm by Standard and Poors. The weighted average of days to maturity of the Florida PRIME at September 30, 2024 is 39 days. The fair value of the Town's position in the pool approximates the value of the pool shares. At September 30, 2024, the Town had \$3,452,090 invested in Florida PRIME. Florida PRIME's most recent financial statements can be found at <https://prime.sbafla.com/monthly-summary-reports>.

Credit Risk. Investments in the Florida State Board of Administration Pools (SBA) consist of the Local Government Surplus Funds Trust (Florida PRIME). The Florida PRIME is rated by Standard and Poors. The current rating is AAAM. The Investment Manager of the Florida PRIME manages credit risk by purchasing only high quality securities, performing a credit analysis to develop a database of issuers and securities that meet the Investment Manager's minimum standard and by regularly reviewing the portfolio's securities financial data, issuer news and developments, and ratings of the nationally recognized statistical rating organizations.

Interest Rate Risk. The weighted average days to maturity (WAM) of the Florida PRIME at September 30, 2024 was 39 days. The next interest rate reset dates for floating rate securities are used in the calculation of the WAM.

Fair Value Measurements

In February 2015, GASB issued GASB Statement No. 72. GASB 72 applicability related to the application of fair value is limited to assets and liabilities that are currently measured at fair value and certain investments that are not currently measured at fair value.

Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the participant account balance is considered the fair value of the investment. Florida PRIME investment is exempt from the GASB 72 fair value hierarchy disclosures.

As of September 30, 2024, the Town's investment in the Florida PRIME investment pool is rated AAAM by Standard & Poors.

Investment Objectives

The primary investment objectives for Florida PRIME, in priority order, are safety, liquidity, and competitive returns with minimization of risks. Investment performance of Florida PRIME will be evaluated on a monthly basis against the Standard & Poors U.S. AAA & AA Rated GIP All 30-Day Net Yield Index. While there is no assurance that Florida PRIME will achieve its investment objectives, it endeavors to do so by following the investment strategies described in its policies.

Interest Rate Risk

The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2024, is 39 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME at September 30, 2024, is 74 days.

Foreign Currency Risk

Florida PRIME was not exposed to any foreign currency risk during the period from October 1, 2023 through September 30, 2024.

Securities Lending

Florida PRIME did not participate in a securities lending program in the period October 1, 2023 through September 30, 2024.

Fair Value Hierarchy

Florida PRIME currently meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost; therefore, participant account balances should be also reported at amortized cost.

NOTE 5. PROPERTY TAX REVENUES

All real and tangible personal property taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified by the County Property Appraiser. The County Tax Collector mails to each property owner on the assessment roll a notice of taxes levied by the Town and other governmental entities in the County. Taxes may be paid upon receipt of such notice with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount. All unpaid taxes on real and tangible personal property become delinquent taxes, and are collected through applicable tax certificate sales, tax deed sales, and tangible personal property seizure and sales as provided for by the laws of Florida. Due to those collection procedures, no material amounts of delinquent taxes were due the Town at year end. Collections of Town taxes and remittances are accounted for in the County Tax Collector's office.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024, was as follows:

	Beginning				Ending
	Balance	Reclasses	Additions	Deletions	Balance
Governmental activities:					
Non-depreciable capital assets					
Land	\$ 883,450	\$ -	\$ 1,085,452	\$ -	\$ 1,968,902
Construction in progress	228,784	-	109,457	-	338,241
Total non-depreciable capital assets	1,112,234	-	1,194,909	-	2,307,143
Depreciable capital assets:					
Buildings	4,745,987	-	-	-	4,745,987
Infrastructure	4,212,103	-	73,825	-	4,285,928
Machinery and equipment	2,307,872	-	78,484	-	2,386,356
Other depreciable assets	267,959	-	-	-	267,959
Total depreciable capital assets	11,533,921	-	152,309	-	11,686,230
Less accumulated depreciation					
Buildings	(2,653,049)	-	(110,060)	-	(2,763,109)
Infrastructure	(1,511,798)	-	(183,828)	-	(1,695,626)
Machinery and equipment	(1,368,513)	-	(124,501)	-	(1,493,014)
Other depreciable assets	(177,216)	-	(24,382)	-	(201,598)
Total accumulated depreciation	(5,710,576)	-	(442,771)	-	(6,153,347)
Total depreciable capital assets, net	5,823,345	-	(290,462)	-	5,532,883
Governmental activities capital assets, net	\$ 6,935,579	\$ -	\$ 904,447	\$ -	\$ 7,840,026
Business-type activities:					
Non-depreciable capital assets					
Land	\$ 27,500	\$ -	\$ -	\$ -	\$ 27,500
Construction in progress	13,017	-	638,466	(647,670)	3,813
Total Non-depreciable capital assets	40,517	-	638,466	(647,670)	31,313
Depreciable capital assets:					
Buildings and improvements	17,200,465	-	346,921	647,670	18,195,056
Machinery and equipment	774,268	-	25,258	-	799,526
Total depreciable capital assets	17,974,733	-	372,179	647,670	18,994,582
Less accumulated depreciation					
Buildings and improvements	(8,341,557)	-	(469,545)	-	(8,811,102)
Machinery and equipment	(459,151)	-	(40,632)	-	(499,783)
Total accumulated depreciation	(8,800,708)	-	(510,177)	-	(9,310,885)
Business-type activities capital assets, net	\$ 9,214,542	\$ -	\$ 500,468	\$ -	\$ 9,715,010

Depreciation expense was charged to functions/programs of the Town as follows:

Governmental activities:	
General Government	\$ 64,913
Public Safety	18,292
Transportation	181,910
Health services	23,211
Parks and recreation	154,445
Total depreciation expense - governmental entities	\$ 442,771
Business-type activities:	
Water and sewer utility	\$ 510,177

NOTE 7. INTERFUND ACITIVITY

Interfund transfers for the year ended September 30, 2024, consisted of the following:

<u>Fund</u>	<u>Transfers in</u>	<u>Transfers out</u>
General	\$ 184,119	\$ -
Discretionary Sales Tax	-	707,318
Water and Sewer	523,199	-
	<u>\$ 707,318</u>	<u>\$ 707,318</u>

Transfers were used for grant matching fund reimbursements, payment of long-term debt, and capital projects.

Interfund receivables/payables represent loans to fund expenditures of other funds, as of September 30, 2024, interfund loan balances consisted of the following:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$ 499,457	\$ -
Water and Sewer Fund		499,457
	<u>\$ 499,457</u>	<u>\$ 499,457</u>

NOTE 8. RECEIVABLE AND PAYABLE BALANCES**Accounts Receivable and Amounts Due From Other Governmental Units**

Accounts receivable and amounts due from other governmental units, net of any allowances, at September 30, 2024, were as follows:

	<u>Accounts</u>	<u>Due from Others/ Governmental Units</u>	<u>Total Receivables</u>
Governmental activities:	\$ 54,549	\$ 1,111,289	\$ 1,165,838
Business-type activities:	145,973	-	145,973
	<u>\$ 200,522</u>	<u>\$ 1,111,289</u>	<u>\$ 1,311,811</u>

Based upon collection history, the Town has included a reserve for doubtful accounts for its Enterprise Fund accounts receivable of \$30,923 .

Payables

Payables at September 30, 2024, were as follows:

	<u>Vendors</u>
Governmental activities:	73,890
Business-type activities:	293,244
	<u>\$ 367,134</u>

NOTE 9. LEASES

Governmental Funds – The Town is the lessor on a long-term agreement whereby it leases a piece of land to a mobile network provider for a cellular tower. The original agreement was entered into in 2007 and is set to expire in 2045, with the potential for future 5-year extensions. Rent, which increases by 3% each year, is paid on a monthly basis and recorded in the governmental fund financial statements. As a result of the implementation of SGAS No. 87, *Leases*, the Town records on its governmental fund financial statements a lease receivable and an offsetting deferred inflow of resources. A portion of the Lease receipts are recognized as interest revenue with the remaining balance reducing the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the projected life of the lease, and lease revenue is recognized as the deferred inflow of resources is amortized. For the year ending September 30, 2024, the Town has reported a lease receivable and deferred inflow of resources related to leases of \$209,294 and \$92,545 respectively, on its governmental funds' balance sheet.

In October 2023, the Town terminated the lease agreement. As a result of the reduced term remaining on the lease, no receivable or deferred inflow of resources has been recognized on the government-wide financial statements, and a loss in the amount of \$103,212 was shown in accordance with the termination of the agreement. As shown below, lease income and interest revenue were still applicable for payments received in year ending September 30, 2023.

Proprietary Fund – In 2001, the Town entered into an agreement to lease a portion of its water tower to a mobile network provider for use as a cellular antenna. This lease had an initial term of five years with the option to renew for five additional five-year periods, all of which have been exercised. Annual rent was increased by 15% upon each renewal. As a result of the implementation of SGAS No. 87, *Leases*, the Town has reported a lease receivable and an offsetting deferred inflow of resources on its proprietary fund balance sheet. In October 2023, the Town terminated the lease agreement. As a result of the reduced term remaining on the lease, no receivable or deferred inflow of resources has been recognized on the business activities financial statements, and a loss in the amount of \$31,863 was shown in accordance with the termination of the agreement.

Interest revenue and lease revenue for the year ending September 30, 2024 is as follows:

	Governmental Funds
Interest Revenue	16,195
Lease Revenue	4,407

NOTE 10. LONG-TERM LIABILITIES**Governmental Activities****Summary of changes in governmental activities long-term liabilities**

The following summarizes the changes in the Town's governmental long-term liabilities during the year ended September 30, 2024:

	Balance October 1, 2023	Increases	Decreases	Balance September 30, 2024	Due Within One Year
Compensated absences	\$ 105,796	\$ 15,880	\$ -	\$ 121,676	\$ 30,419
Other post-employment benefits	120,299	15,428	-	135,727	-
Net pension liability	1,190,482	-	(373,747)	816,735	-
Total	<u>\$ 1,416,577</u>	<u>\$ 31,308</u>	<u>\$ (373,747)</u>	<u>\$ 1,074,138</u>	<u>\$ 30,419</u>

Business-type Activities

A summary of proprietary fund debt as of September 30, 2024, follows:

Water and Sewer Revenue Bonds 1996 – The Town issued Water and Sewer Revenue Bonds, Series 1996 to finance the costs of acquisition, construction of additions, extensions and improvements to the Town's water and sewer system. The bonds are secured by and paid from gross revenues of the Town's water and sewer system. The bonds covenants specify that the Town must fund and maintain a sinking fund by depositing one-twelfth of the yearly principal and interest payments in a sinking fund. The bonds covenants also require that a reserve fund be established by depositing a monthly amount of \$481 in a reserve fund until a balance of \$57,671 is achieved. Funds in the Reserve Account may be used to (1) pay the cost of repairing or replacing any damage to the system which shall be caused by an unforeseen catastrophe, (2) constructing improvements or extensions to the system which shall increase its net revenues and which shall be approved by the consulting engineers, and (3) paying the principal of and interest on the bonds in the event that the moneys in the sinking fund shall ever be insufficient to meet such payments. The bonds bear interest at a rate of 4.5% per annum. Such bonds are payable annually on September 1st of each year through 2038.

In the event of default, the bond holder has the right to take whatever action necessary to collect the amounts due and may, at their option, declare the outstanding principal and accrued interest to be due and payable immediately and may take possession of the water and wastewater system to repair, maintain, operate or rent the facilities as may be necessary to cure the default.

Water and Sewer Revenue Bonds 2010 – The Town issued Water and Sewer Revenue Bonds, Series 2010 to refund the Tax Anticipation Notes, Series 2011, in the amount of \$3,873,000. The Tax Anticipation Notes, Series 2011 were issued for interim financing to acquire and construct additions, extensions and improvements to the Town's water and sewer system. The bonds are secured by and paid from gross revenues of the Town's water and sewer system. The bonds covenants specify that the Town must fund and maintain a sinking fund by depositing one-twelfth of the yearly principal and interest payments in a sinking fund. The bonds covenants also require that a reserve fund be established, not expected to remain in excess of \$247,070 for any great length of time, to (1) pay the cost of repairing or replacing any damage to the system which shall be caused by an unforeseen catastrophe, and (2) paying operating expenses and debt service expenditures on the bonds in the event that the moneys in the sinking fund shall ever be insufficient to meet such payments. The bonds bear interest at a rate of 2.75% per annum. Such bonds are payable annually on September 1st of each year through 2051.

In the event of default, the bond holder has the right to take whatever action necessary to collect the amounts due and may, at their option, declare the outstanding principal and accrued interest to be due and payable immediately and may take possession of the water and wastewater system to repair, maintain, operate or rent the facilities as may be necessary to cure the default.

Revenue bonds outstanding at year end are as follows:

Purpose	Interest Rates	Amount
Water and sewer system improvements	4.50%	590,000
Water and sewer system improvements	2.75%	3,226,000
		<u>\$ 3,816,000</u>

Future principal and interest payments for these bonds are as follows:

Fiscal Year Ending September	Principal	Interest	Total
2025	103,000	115,265	218,265
2026	108,000	111,890	219,890
2027	112,000	108,343	220,343
2028	117,000	104,668	221,668
2029	120,000	100,820	220,820
2030-2034	678,000	441,298	1,119,298
2035-2039	762,000	320,392	1,082,392
2040-2044	664,000	214,418	878,418
2045-2049	793,000	116,297	909,297
2050-2051	359,000	14,905	373,905
	<u>\$ 3,816,000</u>	<u>\$ 1,648,296</u>	<u>\$ 5,464,296</u>

A schedule of changes in proprietary fund debt follows:

	Balance October 1, 2021	Increases	Decreases	Balance September 30, 2022	Due Within One Year
Bonds payable	\$ 3,916,000	\$ -	\$ (100,000)	\$ 3,816,000	\$ 103,000
Other post-employment benefits	60,276	1,268	-	61,544	-
Compensated absences	51,543	3,182	-	54,725	13,681
Net pension liability	596,964	-	(226,623)	370,341	-
	<u>\$ 4,624,783</u>	<u>\$ 4,450</u>	<u>\$ (326,623)</u>	<u>\$ 4,302,610</u>	<u>\$ 116,681</u>

NOTE 11. COST-SHARING MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLANS - FLORIDA RETIREMENT SYSTEM PENSION PLAN AND THE RETIREE HEALTH INSURANCE SUBSIDY PROGRAM

Florida Retirement System

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

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

Pension Plan

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

Benefits Provided - Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. This amount increases with every year of additional service up to a maximum of 1.68% of the final average compensation of their five highest years for each year of credited service at age 65 with 33 or more years of service. Vested members with less than 30 years of service may retire

before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service (age 52 if credited service includes at least four years of wartime military service) or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, beginning at 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service and increasing to a maximum of 1.68% of each year up to age 58 (55 with wartime service) and 28 years of special risk service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 (age 52 with wartime experience) with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

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

As provided in Section 121.101, *Florida Statutes*, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before August 1, 2011, the annual cost-of-living adjustment is three percent per year. The cost-of-living adjustment for participants with a retirement date or DROP participation date after August 1, 2011 is determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement and multiplying by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with an FRS employer for a period not to exceed 96 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2023 through June 30, 2024 and from July 1, 2024 through September 30, 2024, respectively, were as follows:

Class	October 1 2023 - June 30, 2024	July 1, 2024 - September 30, 2024
Regular Class	13.57%	13.63%
Special Risk Class	32.67%	32.79%
Special Risk Administrative Support	39.82%	39.82%
Elected Officers Class	58.68%	58.68%
Senior Management Class	34.52%	34.52%
Deferred Retirement Option Program (DROP)	21.13%	21.13%

The Town's contributions, including employee contributions, to the Pension Plan totaled \$180,775 for the fiscal year ended September 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2024, the Town reported a liability of \$833,327 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2024. The Town's proportionate share of the net pension liability was based on the Town's 2023-2024 fiscal year contributions relative to the 2022-2023 fiscal year contributions of all participating members. At June 30, 2024, the Town's proportionate share was 0.002154151 percent, which was an decrease of 28.29 percent from its proportionate share measured as of June 30, 2024.

For the fiscal year ended September 30, 2024, the Town recognized a pension expense of \$153,802. In addition, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 84,188	\$ -
Changes in assumptions	114,215	-
Net difference between projected and actual earnings on Pension Plan investments	-	55,387
Changes in proportion and differences between Town Pension Plan contributions and proportionate share of contributions	137,085	219,570
Town Pension Plan contributions subsequent to the measurement date	34,306	-
Total	<u>\$ 369,794</u>	<u>\$ 274,957</u>

The deferred outflows of resources related to the Pension Plan, totaling \$60,531 resulting from Town contributions to the Plan subsequent to the measurement date, will be recognized as a change in the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2025	\$ (5,362)
2026	58,248
2027	4,246
2028	201
2029	3,198
Thereafter	-
	<u>\$ 60,531</u>

Actuarial Assumptions – The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumption, applied to all period included in the measurement:

Inflation	3.50%
Salary increases	3.50%, average, including inflation
Investment rate of return	6.70%, net of pension plan investment expense, including inflation
Discount rate	6.70%

Mortality rates were based on the PUB-2010 base table, generationally mortality using the gender specific MP 2018 mortality improvement projection scale.

The actuarial assumptions used in the July 1, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.1%
Fixed Income	29.0%	5.7%	5.6%	3.9%
Global Equity	45.0%	8.6%	7.0%	18.2%
Real Estate	12.0%	8.1%	6.8%	16.6%
Private Equity	11.0%	12.4%	8.8%	28.4%
Strategic Investments	2.0%	6.6%	6.2%	8.7%
Total	<u>100.0%</u>			
Assumed Inflation - Mean			2.4%	1.5%

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

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

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

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
Town's proportionate share of the net pension liability	\$ 1,465,793	\$ 833,327	\$ 303,503

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

Payables to the Pension Plan - The Town had no material payable for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2024.

HIS Plan

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

Benefits Provided - For the fiscal year ended September 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions - The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2024, the HIS contribution for the period October 1, 2023 through June 30, 2024 and from July 1, 2024 through September 30, 2024 was 2.00% and 2.00%, respectively. The Town contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The Town's contributions, including employee contributions to the HIS Plan totaled \$29,588 for the fiscal year ended September 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2024, the Town reported a liability of \$353,749 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Town's proportionate share of the net pension liability was based on the Town's 2023-2024 fiscal year contributions relative to the 2022-2023 fiscal year contributions of all participating members. At June 30, 2024, the Town's proportionate share was 0.002358174 percent, which was an decrease of 36.57 percent from its proportionate share measured as of June 30, 2023.

For the fiscal year ended September 30, 2024, the Town recognized pension expense of \$258,184. In addition, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,416	\$ 679
Changes in assumptions	6,261	41,879
Net difference between projected and actual earnings on HIS Plan investments	-	128
Changes in proportion and differences between Town HIS Plan contributions and proportionate share of contributions	120,579	190,293
Town HIS Plan contributions subsequent to the measurement date	5,593	-
Total	<u>\$ 135,849</u>	<u>\$ 232,979</u>

The deferred outflows of resources related to the HIS Plan, totaling \$102,723 resulting from Town contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30	Amount
2025	\$ (13,028)
2026	(16,074)
2027	(23,416)
2028	(16,372)
2029	(8,921)
Thereafter	(24,912)
	<u>\$ (102,723)</u>

Actuarial Assumptions – The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.50%
Salary increases	3.25%, average, including inflation
Municipal bond rate	3.93%

Mortality rates were based on the PUB-2010 base table, generational mortality using the gender specific MP 2018 mortality improvement projection scale.

The actuarial valuations were prepared as of July 1, 2024 valuation was based on the results of an actuarial experience study, completed in 2024, for the period July 1, 2018 through June 30, 2023.

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

Sensitivity of the Town's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the Town's proportionate share of the net pension liability calculated using the discount rate of 3.93%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.93%) or one percentage point higher (4.93%) than the current rate:

	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Town's proportionate share of the net pension liability	\$ 402,698	\$ 353,749	\$ 313,114

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

Payables to the Pension Plan - The Town had no payable for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2024.

Investment Plan

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

As provided in Section 121.4501, *Florida Statutes*, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the

ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts at the end of the 2023 fiscal year, as established by Section 121.72, *Florida Statutes*, are based on a percentage of gross compensation, by class, as follows: Regular class 11.51%, Special Risk Administrative Support class 37.76%, Special Risk class 30.61%, Senior Management Service class 32.46% and Elected Officers class 56.62%.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Town.

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

The Town had 8 participants in the Investment Plan for the fiscal year ended September 30, 2024.

NOTE 12. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

The Town has previously established and maintains an employee group health insurance plan (the Plan) that it makes available to eligible retirees in accordance with the State of Florida law and Town ordinance. The Plan is a single employer, experience rated insurance plan that provides medical, dental and vision benefits to eligible retirees and their eligible dependents. The postretirement benefit portion of the Plan refers to the medical, dental and vision benefits applicable to current and future retirees and their eligible dependents. The Plan does not issue a stand-alone report and is not included in the report of a Public Employee Retirement System or another entity.

Membership of each plan consisted of the following:

Date of Actuarial Valuation:	<u>9/30/2024</u>
Retirees and Beneficiaries Receiving Benefits	-
Active Plan Members	<u>6</u>
Total	<u><u>6</u></u>

Funding Policy

In prior years, the Town has followed a pay-as-you-go funding policy, contributing only those amounts necessary to provide for its portion of current year benefit cost and expenses. The contribution requirements of plan members, if any, are established by the Town. Eligible retirees pay the full cost of blended rate premiums associated with the medical plan elected; no direct Town subsidy is currently applicable. However, there are implicit costs of the medical plan for retirees, as their claims experience is higher than the blended rate premiums. State of Florida Law prohibits the Town from separately rating retirees and active employees specifically for medical plan benefits. The Town, therefore, assigns eligible active employees and eligible retirees equal, blended-rate premiums and makes available to both groups the same plan options. Although both groups are assigned the same blended rate premiums, generally accepted auditing principles (GAAP) requires the actuarial liabilities presented below to be calculated using age-adjusted premiums approximating claim costs for eligible retirees separate from active eligible members. The use of age-adjusted premiums results in the full expected retiree obligation recognized in this disclosure.

Basis of Accounting

The OPEB is recorded in the government-wide financial statements, and the enterprise fund only on the accrual basis of accounting.

Annual OPEB Costs and Net OPEB Obligation

The Annual OPEB Cost is the amount that was expensed for the fiscal year. For the year ended September 30, 2024, the Town recognized an OPEB expense of \$16,696. Since the Town's OPEB plan is currently unfunded, the offset to that expense comes from subsidies paid on behalf of the current retirees and their dependents for the current year. This offset is called the Employer Contribution, and equals the total age-adjusted premiums paid by the Town for coverage for the retirees and their dependents for the year (net of the retiree's own payments for the year). The cumulative difference between the Annual OPEB Cost for the year and the Employer Contribution for the year is called the Net OPEB Obligation. The Net OPEB Obligation is reflected as a liability in the statement of net position.

Total OPEB Liability – The Town’s total OPEB liability as of September 30, 2024 was determined by an actuarial valuation as of October 1, 2023 using September 30, 2024 as the measurement date. The actuarial assumptions used in the October 1, 2020 valuation were as follows:

Inflation	3.00%
Salary Increases	3.00%
Discount Rate	4.06%
Initial Trend Rate	7.00% for 2024
Ultimate Trend Rate	4.50%
Year to Ultimate Trend Rate	10

Mortality assumptions are based upon the PUB-2010 mortality table with an MP-2021 projection.

The discount rate used to discount all future benefit payments is 4.06% per annum and is based on the return of the S&P Municipal Bond 20-year High Grade Index as of the measurement date.

Changes in the Total OPEB Liability:

	Total OPEB Liability
Reporting period ending September 30, 2023	\$ 180,575
Changes for the year:	
Service Cost	4,827
Interest	8,794
Difference between expected and actual experience	(7,599)
Changes in assumptions	10,674
Net changes	16,696
Reporting period ending September 30, 2024	<u>\$ 197,271</u>

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

	1% Decrease 3.06%	Current Discount Rate 4.06%	1% Increase 5.06%
Total other postemployment benefits liability	<u>\$ 209,234</u>	<u>\$ 197,271</u>	<u>\$ 185,992</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following table presents the total OPEB liability of the Town, as well as what the Town’s total OPEB liability would be if it were calculated using a healthcare cost trend rates that are 1-percentage-point lower (3.50% to 6.00%) or 1-percentage-point higher (5.50% to 8.00%) than the current healthcare cost trend rates:

	1% Decrease (3.50% to 6.00%)	Current Discount Rate (4.50% to 7.00%)	1% Increase (5.50% to 8.00%)
Total other postemployment benefits liability	\$ 183,462	\$ 197,271	\$ 212,853

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2024, the Town reported an amount of \$197,271 for its OPEB liability.

For the fiscal year ended September 30, 2024, the Town recognized an OPEB expense of OPEB of \$16,696. In addition, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 31,430	\$ 37,237
Changes in assumptions	22,207	20,844
Net difference between projected and actual earnings on OPEB Plan investments	-	-
Total	\$ 53,637	\$ 58,081

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB Plan will be recognized in OPEB expense as follows:

Fiscal Year Ending September 30	Amount
2025	\$ (2,322)
2026	(2,322)
2027	(2,326)
2028	(1,724)
2029	(2,858)
Thereafter	7,108
	\$ (4,444)

NOTE 13. RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance. Insurance against losses is provided for the following types of risk:

- Workers' Compensation and Employer's Liability
- General and Automobile Liability
- Real and Personal Property Damage
- Public Officials' Liability
- Employee Dishonesty Bond

NOTE 14. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State and Federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

NOTE 15. PRIOR PERIOD ADJUSTMENT

During the fiscal year 2024 audit, it was determined that certain lease related balances from the year ended September 30, 2023 were not properly presented in the financial statements. The financial statements for the prior year have been restated accordingly.

The Town is the owner and lessor of a cell phone tower in the General Fund. This lease was prematurely treated as terminated in the prior year's financial statements. This resulted in the early removal of the associated lease receivable and deferred inflow of resources from the books, resulting in a loss which was recognized in the government-wide financial statements. In reality, the lease remained in effect, so these lease assets and deferred inflows should not have been derecognized at that time.

The impact of this restatement is as follows:

<u>Governmental Activities</u>	2023	2023 (Restated)
Statement of Financial Position		
Lease receivable	\$ -	\$ 208,692
Deferred inflow of resources	75,074	172,026
Unrestricted net position	(588,087)	(476,347)
Statement of Activities		
Loss on cancellation of lease agreement	(111,740)	-
Net position, end of year	8,234,325	8,328,397

General Fund

	<u>2023</u>	<u>2023 (Restated)</u>
Balance Sheet		
Lease receivable	\$ -	\$ 208,692
Deferred inflow of resources	-	96,952
Unassigned fund balances	380,934	492,674
Statement of Revenue, Expenses, and Changes in Fund Balance		
Fund balance at end of year	456,686	568,426

NOTE 16. SUBSEQUENT EVENT

The Town of Hilliard has evaluated events and transactions for potential recognition or disclosure in the financial statements through April 2, 2025, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF HILLIARD, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2024

	Budgeted Original	Budgeted Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 471,951	\$ 457,925	\$ 457,925	\$ -
Other taxes	108,500	134,714	134,981	267
Intergovernmental	539,450	585,931	585,932	1
Licenses and permits	115,100	126,212	126,213	1
Franchise fees	200,000	223,134	223,134	-
Fines and forfeitures	5,000	1,212	1,212	-
Charges for service	238,350	374,213	374,213	-
Rents and leases	15,128	15,594	4,408	(11,186)
Other fees and miscellaneous	43,145	139,260	96,257	(43,003)
Total revenues	1,736,624	2,058,195	2,004,275	(53,920)
EXPENDITURES				
Current				
General government				
Legislative	59,984	62,695	62,692	3
Executive	147,660	144,169	144,169	-
Finance and administration	489,360	548,305	548,305	-
Comprehensive planning	45,000	38,781	38,781	-
Public safety	122,722	130,007	130,007	-
Transportation	475,612	484,690	484,690	-
Health Services	28,000	19,071	19,071	-
Culture and recreation	482,866	611,196	611,197	(1)
Capital outlay	3,264,728	1,347,219	1,347,218	1
Total expenditures	5,115,932	3,386,133	3,386,130	3
Excess (deficit) of revenues over expenditures	(3,379,308)	(1,327,938)	(1,381,855)	(53,917)
OTHER FINANCING SOURCES (USES)				
Interfund transfers in	553,630	184,119	184,119	-
Interest income	85,250	90,584	106,778	16,194
Capital grants	2,283,228	1,105,099	1,105,099	-
Total other financing sources (uses)	2,922,108	1,379,802	1,395,996	16,194
Net change in fund balance	(457,200)	51,864	14,141	(37,723)
Fund balance at beginning of year (restated)	568,426	568,426	568,426	-
Fund balance at end of year	\$ 111,226	\$ 620,290	\$ 582,567	\$ (37,723)

See notes to the financial statements.

TOWN OF HILLIARD, FLORIDA
SPECIAL REVENUE FUND
LOCAL OPTION GAS TAX FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2024

	Budgeted Original	Budgeted Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 248,386	\$ 209,283	\$ 209,283	\$ -
Total revenues	248,386	209,283	209,283	-
EXPENDITURES	-	-	-	-
Net change in fund balance	248,386	209,283	209,283	-
Fund balance at beginning of year	1,006,425	1,006,425	1,006,425	-
Fund balance at end of year	<u>\$ 1,254,811</u>	<u>\$ 1,215,708</u>	<u>\$ 1,215,708</u>	<u>\$ -</u>

See notes to the financial statements.

TOWN OF HILLIARD, FLORIDA
SPECIAL REVENUE FUND
DISCRETIONARY SALES TAX FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2024

	Budgeted Original	Budgeted Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 576,857	\$ 596,665	\$ 596,665	\$ -
Total revenues	576,857	596,665	596,665	-
EXPENDITURES	-	-	-	-
Excess of revenues over expenditures	576,857	596,665	596,665	-
OTHER FINANCING SOURCES (USES)				
Interest income	25,000	31,982	31,982	-
Interfund transfers out	(1,103,630)	(707,318)	(707,318)	-
Total other financing sources (uses)	(1,078,630)	(675,336)	(675,336)	-
Net change in fund balance	(501,773)	(78,671)	(78,671)	-
Fund balance at beginning of year	869,515	869,515	869,515	-
Fund balance at end of year	\$ 367,742	\$ 790,844	\$ 790,844	\$ -

See notes to the financial statements.

TOWN OF HILLIARD, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2024

I. Stewardship, Compliance, and Accountability

A. Budgetary information. The Town, in establishing its budgetary data reflected in the financial statements follows the procedures set out in Chapters 166 and 200, *Florida Statutes*. The Town prepares a tentative budget, which is used by the Town at a public workshop to prepare the budgets for the coming year. Public hearings are conducted to obtain taxpayer comments. Subsequently, these budgets are legally adopted through the passage of a resolution at an advertised public session. Such actions are recorded in the town's minutes.

The budget is adopted on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America (GAAP). The only exception to the GAAP basis is the Enterprise Fund, where depreciation is not budgeted for capital assets, while capital outlay expenditures are budgeted and are reclassified into fixed assets. These are then eliminated from the results of operations for financial reporting purposes in the Enterprise Fund. Estimated beginning fund balances are considered in the budgetary process, but are not included in the financial statements as budgeted revenues.

The annual budget serves as the legal authorization for expenditures. All budget amendments, which change the legally adopted total appropriation for a fund, are approved by the Town Council.

If during the fiscal year, additional revenue becomes available for appropriations in excess of those estimated in the budget, the Town Council, by resolution, may make supplemental appropriations for the year up to the amount of such excess.

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

1. Prior to September 1, the Town Clerk submits to the Town Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted in August and September to obtain taxpayer comments.
3. Prior to November 1, the budget is legally enacted through passage of an ordinance.
4. The legal level of budgetary control is the department level; however, the Town Council may, by formal motion, transfer appropriations between departments and may use surplus revenues not appropriated in the budget for any municipal purpose.
5. Budgets are prepared in accordance with accounting principles generally accepted in the United States of America for governmental fund types.

TOWN OF HILLIARD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFIT PLAN
SEPTEMBER 30, 2024

The Town obtains an actuarial report every year. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the actuarial valuation follows:

Valuation date	October 1, 2024
Actuarial cost method	Entry Age Normal
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	4.06%
Projected salary increases	3.00%
Cost-of-living adjustments	None
Healthcare inflation rates	7.00%

As of September 30, 2024, the most recent actuarial valuation date, the Plan was unfunded. The actuarial accrued liability for benefits was \$197,271 and the actuarial value of assets was \$0.

The following Schedule of Funding Progress presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Accrued Liability (AAL) EAN (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a% of Covered Payroll ((b-1)/c)
10/01/2011	\$ -	\$ 100,000	\$ 100,000	0.0%	\$ 490,000	20.4%
10/01/2014	-	130,000	130,000	0.0%	560,000	23.2%
10/01/2017	-	119,744	119,744	0.0%	653,981	18.3%
10/01/2018	-	125,215	125,215	0.0%	732,477	17.1%
10/01/2019	-	148,211	148,211	0.0%	762,479	19.4%
10/01/2020	-	146,545	146,545	0.0%	893,088	16.4%
10/01/2021	-	190,872	190,872	0.0%	896,968	21.3%
10/01/2022	-	176,562	176,562	0.0%	890,133	19.8%
10/01/2023	-	180,575	180,575	0.0%	890,133	20.3%
10/01/2024	-	197,271	197,271	100.0%	965,363	20.4%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ending	Annual OPEB Cost	Deferred Inflows/Outflows	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
9/30/2015	20,000	-	0%	80,000
9/30/2016	20,000	-	0%	100,000
9/30/2017	20,000	-	0%	120,000
9/30/2018	10,637	(5,422)	0%	125,215
9/30/2019	12,192	5,382	0%	148,211
9/30/2020	12,687	(8,971)	0%	146,545
9/30/2021	12,239	23,117	0%	190,872
9/30/2022	11,958	(13,151)	0%	176,562
9/30/2023	10,703	(9,841)	0%	180,575
9/30/2024	16,696	(4,444)	0%	197,271

TOWN OF HILLIARD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PROPORTIONATE SHARE OF NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM
LAST 10 FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's proportion of the FRS net pension liability (asset)	0.002154151%	0.003004022%	0.002322179%	0.002285661%	0.002176129%	0.002149189%	0.002094049%	0.002017062%	0.002102171%	0.002091187%
Town's proportionate share of the FRS net pension liability (asset)	\$ 833,327	\$ 1,197,008	\$ 864,038	\$ 172,656	\$ 943,166	\$ 740,151	\$ 630,739	\$ 596,633	\$ 530,800	\$ 275,574
Town's proportion of the HIS net pension liability (asset)	0.002358174%	0.003717812%	0.002333802%	0.002234101%	0.002139214%	0.002084895%	0.001990617%	0.001942035%	0.001970390%	0.002005955%
Town's proportionate share of the HIS net pension liability (asset)	353,749	590,438	247,187	274,046	261,194	233,279	210,689	207,651	229,641	204,576
Town's proportionate share of the total net pension liability (asset)	<u>\$ 1,187,076</u>	<u>\$ 1,787,446</u>	<u>\$ 1,111,225</u>	<u>\$ 446,702</u>	<u>\$ 1,204,359</u>	<u>\$ 973,430</u>	<u>\$ 841,428</u>	<u>\$ 804,284</u>	<u>\$ 760,441</u>	<u>\$ 480,150</u>
Town's covered-employee payroll	\$ 1,105,420	\$ 1,372,901	\$ 854,795	\$ 754,680	\$ 748,053	\$ 708,884	\$ 699,740	\$ 626,425	\$ 606,433	\$ 611,101
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	107.39%	130.19%	130.00%	56.01%	157.94%	138.16%	116.57%	126.96%	125.40%	78.57%
Plan fiduciary net position as a percentage of the total pension liability	78.79%	78.79%	79.09%	91.09%	74.46%	78.22%	79.86%	79.30%	79.36%	86.53%

Note 1) The amounts presented for each year were determined as of the June 30 year end of the Florida Retirement System

TOWN OF HILLIARD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM
LAST 10 FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required FRS contribution	\$ 180,775	\$ 207,686	\$ 132,274	\$ 93,683	\$ 80,140	\$ 71,541	\$ 80,142	\$ 73,631	\$ 68,901	\$ 70,234
Contractually required HIS contribution	29,588	35,147	18,850	14,129	13,663	12,428	82,160	14,412	13,575	10,495
Total Contractually Required Contributions	<u>210,363</u>	<u>242,833</u>	<u>151,124</u>	<u>107,812</u>	<u>93,803</u>	<u>83,969</u>	<u>162,302</u>	<u>88,043</u>	<u>82,476</u>	<u>80,729</u>
Contribution in relation to the contractually required contribution	(210,363)	(242,833)	(151,124)	(107,812)	(93,803)	(83,969)	(94,638)	(88,043)	(82,476)	(80,729)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,664</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered-employee payroll	\$ 1,041,756	\$ 1,539,245	\$ 873,868	\$ 797,577	\$ 762,548	\$ 704,569	\$ 721,827	\$ 633,480	\$ 605,259	\$ 609,954
Contributions as a percentage of covered-employee payroll	20.19%	15.78%	17.29%	13.52%	12.30%	11.92%	13.11%	13.90%	13.63%	13.24%

TOWN OF HILLIARD, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND REQUIRED CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PROGRAM
For the Fiscal Year End September 30, 2024

Net Pension Liability

The components of the collective net pension liability of the participating employers for each defined benefit plan for the measurement date of September 30, 2024, are shown below (in thousands):

	FRS	HIS
Total pension liability	\$237,370,289,000	\$ 15,757,751,902
Plan fiduciary net position	(198,685,586,034)	(756,775,056)
	\$ 38,684,702,966	\$ 15,000,976,846
Plan fiduciary net position as a percentage of the total pension liability	83.70%	4.80%

The total pension liability for each plan was determined by the plans' actuary and reported in the plans' valuations dated July 1, 2024. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The HIS actuarial valuation was prepared as of July 1, 2024. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the Plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements.

Basis for Allocation

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the System's fiscal years ending June 30, 2015 through 2024, respectively, for employers that were members of the FRS and HIS during those fiscal years. For fiscal year 2024, in addition to contributions from employers the required accrued contributions for the Division (paid on behalf of the Division's employees who administer the Plans) were allocated to each employer on a proportionate basis. The Division administers the Plans, and therefore, cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's ACFR for that fiscal year.

The proportion calculated based on contributions for each of the fiscal years presented in the pension allocation schedules was applied to the net pension liability and other pension amounts applicable for that fiscal year to determine each employer's proportionate share of the liability, deferred outflows of resources, deferred inflow of resources and associated pension expense.

For the purposes of the pension allocation schedules, pension amounts are allocated to reporting employers. The pension amounts of participating employers whose payrolls are reported, and contributions are remitted by another entity are included in the reporting employer's amounts and will be allocated to the participating employer by the reporting employer.

Actuarial Methods and Assumptions

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2024 for the period July 1, 2018 through June 30, 2023. 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 were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both Plans is assumed at 2.40%. Payroll growth, including inflation, for both Plans is assumed at 3.50%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 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.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.93% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both Plans were based on the Pub-2010 base table.

The following changes in actuarial assumptions occurred in 2024:

- All demographic assumptions and methods were reviewed as part of the 2024 Experience Study. Changes were adopted by the 2024 FRS Actuarial Assumption Conference during its meetings in October 2024.
- The coverage election assumptions were updated to reflect the recent and anticipated future experience of HIS program participants. Changes were adopted by the 2024 FRS Actuarial Assumption Conference during its October 2024 meeting.
- The discount rate was modified to reflect the change in the value of the municipal bond index between GASB measurement dates.

COMPLIANCE SECTION

TOWN OF HILLIARD, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2024

<u>GRANTOR/PROGRAM TITLE</u>	Assistance Listing #/ CSFA #	Contract Number	Award Amount	Reported in Prior Years	Revenue	Expenditures
Federal Awards						
<i>US Department of Transportation - Federal Aviation Administration</i>						
Airport Improvement Program**	20.106	3-12-0099-017-2024	\$ 600,000	\$ -	\$ 600,000	\$ 600,000
Airport Improvement Program**	20.106	3-12-0099-019-2025	615,790	-	246,000	246,000
Total US DOT Federal Aviation Administration			<u>1,215,790</u>	<u>-</u>	<u>846,000</u>	<u>846,000</u>
Total federal awards			<u>\$ 1,215,790</u>	<u>\$ -</u>	<u>\$ 846,000</u>	<u>\$ 846,000</u>
State Financial Assistance						
<i>Florida Department of Environmental Protection</i>						
FRDAP - North Oxford Street Park Phase II	37.017	A21009	\$ 200,000	\$ -	\$ 4,750	\$ 4,750
Statewide Water Quality Restoration Project**	37.039	LP0302	609,000	12,000	597,000	597,000
Total Florida Department of Environmental Protection			<u>809,000</u>	<u>12,000</u>	<u>601,750</u>	<u>601,750</u>
<i>Florida Department of Transportation</i>						
Aviation Grant Program - Land purchase	55.004	G2791	464,000	32,060	60,452	60,452
Aviation Grant Program - Environmental assessment	55.004	G1Z49	55,000	-	13,750	13,750
Aviation Grant Program - New box hangar	55.004	G2B73	391,000	-	44,576	44,576
Aviation Grant Program - Obstruction removal	55.004	G2W38	300,000	-	9,391	9,391
Aviation Grant Program - Land purchase	55.004	G2T24	116,444	-	94,000	94,000
Total Florida Department of Transportation			<u>1,326,444</u>	<u>32,060</u>	<u>222,169</u>	<u>222,169</u>
<i>Executive Office of the Governor</i>						
Local Emergency Management and Mitigation Initiatives - Community Center/Hurricane Shelter	31.064	F0122	5,890,200	-	2,607	2,607
Total state financial assistance			<u>8,025,644</u>	<u>44,060</u>	<u>826,526</u>	<u>826,526</u>
Total federal awards and state financial assistance			<u>\$ 9,241,434</u>	<u>\$ 44,060</u>	<u>\$ 1,672,526</u>	<u>\$ 1,672,526</u>

**Selected as a major project/program for single audit testing

See notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance

TOWN OF HILLIARD, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation of the Schedule of Expenditures of Federal Awards and State Financial Assistance of the Town of Hilliard, Florida (the "Town") have been designed to conform to generally accepted accounting principles as applicable to governmental units, including the reporting and compliance requirements of the Audits of States, Local Governments, and Non-Profit Organizations and Office of Management and Budget *Uniform Guidance*.

A. Reporting Entity

This reporting entity consists of the Town, and each of its component units. The Town includes a Schedule of Expenditures of Federal Awards and State Financial Assistance in the Compliance Section for the purpose of additional analysis.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus.

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, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

C. Grant Awards

As required by OMB *Uniform Guidance*, federal grant awards drawn and expended during the year are included in the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. INDIRECT COST RATE

The Town of Hilliard did not elect to use the 10 percent de minimis indirect cost rate.

NOTE 3. SUBRECIPIENTS

The Town of Hilliard did not pass any of the State or Federal funding received through to subrecipients.



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

April 2, 2025

To the Town Council
Town of Hilliard, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Hilliard, Florida (the Town) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated April 2, 2025.

Internal Control Over Financial Reporting

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

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

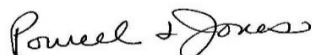
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency that we consider to be significant, which is identified in the Statement of Findings and Questioned Costs as item 2024-1, which we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Powell and Jones CPA
Lake City, Florida
April 2, 2025



Powell and Jones CPA

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE *UNIFORM GUIDANCE*

April 2, 2025

To the Town Council
Town of Hilliard, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Town of Hilliard, Florida's (the Town) compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the Town's major federal programs for the year ended September 30, 2024. The Town's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

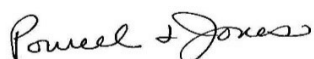
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

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

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



Powell & Jones CPA
Lake City, Florida
April 2, 2025



Powell and Jones CPA

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Lake City, FL 32025
Phone 386.755.4200

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH CHAPTER 10.550, RULES OF THE AUDITOR GENERAL, OFFICE OF THE AUDITOR GENERAL

April 2, 2025

To the Town Council
Town of Hilliard, Florida

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited Town of Hilliard, Florida's (the Town) compliance with the types of compliance requirements in the State of Florida, Department of Financial Services State Projects Compliance and Supplement that could have a direct and material effect on each of the Town's major state projects for the year ended September 30, 2024. The Town's major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended September 30, 2024.

Basis for Opinion on Each Major State Project

We conducted our audit of compliance in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state projects.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, we:

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

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

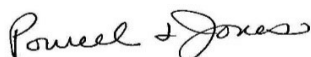
Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program 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 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 state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Pursuant to Chapter 119, *Florida Statutes*, this report is a public record, and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this report is intended solely for the information and use of the Town's management, State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Powell & Jones CPA
Lake City, Florida
April 2, 2025

TOWN OF HILLIARD, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended September 30, 2024

Section I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified None reported
- Significant deficiencies identified that are not considered to be material weaknesses Yes

Noncompliance material to financial statements noted None reported

Federal Awards Programs

Internal control over major programs:

- Material weakness identified None reported
- Significant deficiencies identified None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a) None reported

Identification of major programs:

Assistance Listing Number
20.106

Name of Program
Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? No

TOWN OF HILLIARD, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended September 30, 2024

State Financial Assistance

Internal control over major projects:

- Material weakness identified? No
- Reportable condition identified, not considered to be material weaknesses? None reported

Type of auditor's report issued on compliance for major projects

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Rule 10.557
Rules of the Auditor General ?

None reported

CSFA Number

37.039

Name of Program

Statewide Water Quality Restoration Project

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

\$300,000

TOWN OF HILLIARD, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended September 30, 2024

SECTION 2. FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS

Findings for Material Weaknesses

None reported in the current year.

Findings for Significant Deficiencies

Significant Deficiency 2024-1: Financial Statement Preparation

A system of internal control over financial reporting includes controls over financial statement preparation, including footnote disclosures. While your auditor can assist with the preparation of your financial statements and related footnotes, the financial statements are the responsibility of management. A deficiency in internal control exists when the Town does not have the expertise necessary to prevent, detect, and correct misstatements. A deficiency in internal control exists in instances where the Town is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. Possessing suitable skill, knowledge or experience to oversee service an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures.

The response provided by management was not subjected to auditing procedures in the audit, and therefore, we express no opinion on it.

MANAGEMENT'S RESPONSE

We agree with this finding. We are a very small government and have used our available resources to employ a competent bookkeeper who maintains excellent accounting records and provides accurate monthly financial reports prepared generally on the cash basis. We likewise have confidence in our audit firm to utilize these records and prepare annual financial statements in the required formats and with all associated note disclosures. Both staff and the Town Council review the annual financial reports and have the opportunity to ask the auditor any questions regarding the report prior to its formal presentation. The report is formally presented by the auditor at a scheduled meeting of the Town Council.

At this time, we do not believe it would be a justifiable expense to employ another accountant on either a part-time or full-time basis to prepare the annual financial statements. We thus accept this required disclosure finding and will continue to monitor this situation in the future.

The response provided by management was not subjected to auditing procedures in the audit, and therefore, we express no opinion on it.

TOWN OF HILLIARD, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended September 30, 2024

SECTION 3. FEDERAL AWARD AND STATE PROGRAM FINDINGS AND QUESTIONED COSTS

Findings for Material Weaknesses

None reported in the current year.

Findings for Significant Deficiencies

None reported in the current year.

SECTION 4. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Significant Deficiency 2009-1: Financial Statement Preparation (Excess of third preceding year)

A system of internal control over financial reporting includes controls over financial statement preparation, including footnote disclosures. While your auditor can assist with the preparation of your financial statements and related footnotes, the financial statements are the responsibility of management. A deficiency in internal control exists when the Town does not have the expertise necessary to prevent, detect, and correct misstatements. A deficiency in internal control exists in instances where the Town is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. Possessing suitable skill, knowledge or experience to oversee service an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures.

The circumstances surrounding this finding are substantially the same, and this finding has been continued as finding 2024-1.



Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200

MANAGEMENT LETTER

To the Town Council
Town of Hilliard, Florida

Report on the Financial Statements

We have audited the financial statements of the Town of Hilliard, Florida (the Town), for the year ended September 30, 2024, and have issued our report thereon dated April 2, 2025

Auditor's Responsibility

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to the 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 Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards; Independent Auditor's Reports on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated April 2, 2025, 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. The following finding was included in the preceding reports:

Tabulation of Uncorrected Audit Findings		
Current Year Finding No.	2022-23 FY Finding No.	2021-22 FY Finding No.
2024-1	2009-1	2009-1

AUDITOR GENERAL COMPLIANCE MATTERS

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 has been disclosed in Note 1 of the financial statements.

Financial Condition and Management – Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Town met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the Town did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Additionally, section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. Below are significant results of our review as well as any recommendations.

Deteriorating Financial Conditions – From our audit procedures in the current and prior years, we found the following conditions which together comprised “deteriorating financial conditions” as defined by Chapter 10.550 Rules of the Auditor General:

The Enterprise Fund showed the following trends:

	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019
Operating Income/(Loss)	\$ (452,925)	\$ (621,090)	\$ (689,253)	\$ (463,294)	\$ (384,628)	\$ (385,158)
Unrestricted Net Position	1,463,883	1,544,978	40,983	810,021	957,090	1,050,047
Unrestricted Cash Balance	1,496,611	2,140,100	816,894	1,151,084	1,269,934	1,388,637
Cash Flow	\$ (567,848)	\$ 1,438,590	\$ (295,868)	\$ (104,288)	\$ (78,648)	\$ 44,562

In the current year, the Enterprise Fund showed a decrease in Unrestricted Net Position of \$81,095. Contributing factors were increased spending on capital projects, which tied up more of the liquid assets and reduced the unrestricted net position. This reduction was netted against the overall increase in net position that was driven by grant awards and incoming transfers from other funds.

To correct these deteriorating financial conditions, we recommend that the Town continue to implement strict measures during the budget cycle to ensure that revenues are sufficient to fund expenditures and replenish the needed fiscal reserves in the Enterprise Fund. Additionally, we would recommend that beyond what the Town already does with MCI to assess rates, that it do what is necessary to bring billing rates in line with amounts that will provide sufficient revenue to meet the annual costs of providing utility services to its constituency.

Property Assessed Clean Energy Programs (PACE)

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

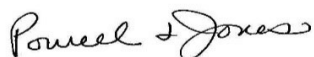
Additional Matters - Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material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

Rural Economic and Community Redevelopment Requirements - We are providing the following information relative to our examination of the financial statements of the Town, for the year ended September 30, 2024, as provided in the audit requirements for the USDA-Rural Development borrowers.

1. Generally accepted auditing procedures were performed in this audit.
2. Internal control was evaluated and discussed in the prior sections of this audit report.
3. Accounting records and physical control over assets were adequate.
4. The accounting records of the Town have been adjusted to agree with the audited financial statements.
5. The Town's funds are in institutions insured by the Federal government and are authorized depositories of Florida public funds.
6. A summary of the Town's insurance coverage is shown in the annual report to the USDA-Rural Development.
7. The Town is exempt from Federal Income Tax.
8. We found nothing to indicate that financial compliance with the loan agreements had not occurred.

Purpose of This Letter

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



Powell and Jones CPA
Lake City, Florida
April 2, 2025



Powell and Jones CPA

1359 S.W. Main Blvd.
Lake City, FL 32025
Phone 386.755.4200

INDEPENDENT ACCOUNTANT'S REPORT

To the Town Council
Town of Hilliard, Florida

We have examined the Town of Hilliard, Florida's (the Town's) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2024. Management is responsible for the Town's compliance with those requirements. Our responsibility is to express an opinion on the Town's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Town's compliance with specified requirements.

In our opinion, the Town complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

This report is intended solely for the information and use of the Town and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Powell and Jones CPA
Lake City, Florida
April 2, 2025



Powell and Jones CPA

1359 S.W. Main Blvd.
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Communication with Those Charged with Governance

To the Town Council
Town of Hilliard, Florida

We have audited the financial statements of the Town of Hilliard, Florida (the Town) for the year ended September 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town are described in Note 1 to the financial statements. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus.

All significant transactions have been recognized in the financial statements in the proper period.

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

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

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

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 2, 2025

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

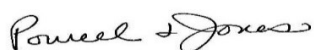
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses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

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or the financial statements themselves.

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

Very truly yours,



Powell and Jones CPA
Lake City, Florida
April 20, 2025

SYSTEM DEVELOPMENT CHARGE - IMPACT FEES AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Lisa Purvis, Town Clerk for the Town of Hilliard, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the Town of Hilliard which is a municipal corporation of the State of Florida.
2. The governing body of the Town of Hilliard adopted Ordinance No. 2005-02 on the 3rd day of March 2005; implementing an impact fee by establishing water and sewer system development charges, to provide new definitions; to establish a formula for assessing the system development charges, to provide for time of payment; to provide for use of proceeds; to provide for annual review; to provide for severability; repeal of ordinances in conflict and establish an effective date.
3. The Town of Hilliard has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

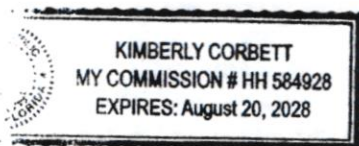
FURTHER AFFIANT SAYETH NAUGHT.



Lisa Purvis, Hilliard Town Clerk

STATE OF FLORIDA
COUNTY OF NASSAU

SWORN TO AND SUBSCRIBED before me this 6th day of February, 2005




NOTARY PUBLIC

Print Name Kimberly Corbett

Personally known ☒ or produced identification _____

Type of identification produced: _____

My Commission Expires:

08/20/2028



AGENDA ITEM REPORT

TOWN OF HILLIARD, FLORIDA

TO: Town Council Joint Workshop Meeting Date: August 20, 2026

FROM: **Brad Hough, CPA – Powell & Jones, CPA's**

SUBJECT: Town Council approval of a contract with Reliant CPAs, P.A., d/b/a Powell and Jones CPAs, to provide audit and accounting services and prepare the Town's Annual Financial Statements for the fiscal years ending 2026, 2027, and 2028.

BACKGROUND:

Powell and Jones CPAs have prepared the Town's Annual Financial Statements and performed the annual audit since September 2014. The Town has renewed its audit and accounting services contract on a three-year basis as follows:

- **2014:** \$33,500 | **2015:** \$34,500 | **2016:** \$35,500, plus \$2,500 if a Single Audit was required
- **2017:** \$33,000 | **2018:** \$34,000 | **2019:** \$34,500, plus \$2,500 if a Single Audit was required
- **2020:** \$34,000 | **2021:** \$35,000 | **2022:** \$36,000, plus \$2,500 if a Single Audit was required
- **2023:** \$37,000 | **2024:** \$38,000 | **2025:** \$39,000, plus \$3,000 if a Single Audit was required

The proposed three-year contract continues the Town's longstanding relationship with the firm and provides for annual audit and accounting services for fiscal years 2026 through 2028.

FINANCIAL IMPACT:

The proposed contract amounts are:

- **2026:** \$40,000
- **2027:** \$41,000
- **2028:** \$42,000
- **Additional Single Audit, if required:** \$3,500 per year

The total base contract amount for the three-year period is **\$123,000**, excluding any additional Single Audit fees.

RECOMMENDATION:

Town Council approve the contract with Reliant CPAs, P.A., d/b/a Powell and Jones CPAs, for

audit and accounting services and preparation of the Town's Annual Financial Statements for the fiscal years ending 2026, 2027, and 2028, in accordance with the proposed contract terms.

CONTRACT FOR AUDIT AND ACCOUNTING SERVICES

A. NAME OF CONTRACTING PARTIES

This Contract is entered this ____ day of _____, 2026, between the Town of Hilliard, State of Florida, hereafter referred to as the "Client," and Reliant CPAs, P.A. dba Powell and Jones CPA of 204 N. Marion Ave., Lake City, FL 32055, hereinafter referred to as the "Auditor."

B. AUDIT SCHEDULE AND SEPARATE ANNUAL ENGAGEMENTS

The Auditor shall conduct an examination of the records, accounts, and procedures of the Client for the fiscal years covered by this Contract and any written renewal, amendment, or annual engagement letter executed by the Client and the Auditor.

Each annual audit shall constitute a separate and distinct professional engagement governed by a separate written engagement letter for that fiscal year. The annual engagement letter shall identify the fiscal year being audited, the applicable fee, the scope of services, and any fiscal-year-specific terms. In the event of a conflict between this Contract and an annual engagement letter, the annual engagement letter shall control for that fiscal year.

Provided that the Client timely provides the requested audit documentation and information, the Auditor shall complete the audit and submit the audit report to the governing body of the Client no later than March 15 following the close of the fiscal year being audited. If delays occur in receiving requested audit documentation or other information necessary to complete the audit, the March 15 deadline shall be extended by the amount of time reasonably necessary for the Auditor to complete the audit after receiving such documentation or information.

Any required management letter or written communication regarding internal control matters shall be submitted with, or prior to, issuance of the final audit report.

No annual audit engagement shall be construed as extending, continuing, reopening, or modifying any prior fiscal year audit engagement.

C. SCOPE OF AUDIT AND CLIENT RESPONSIBILITIES

1. The audit shall include an examination of the funds and account groups of the Client, as applicable, for the purpose of issuing an audit report on the Client's financial statements for the applicable fiscal year.
2. By January 15 following the close of each fiscal year under audit, the Client shall have closed and balanced all accounts and shall provide, upload, or otherwise make available to the Auditor all records, schedules, reconciliations, reports, supporting documentation, and other information requested by the Auditor for purposes of conducting the audit, in compliance with Section 218.32(1)(a), Florida Statutes.
3. The Auditor shall prepare the financial statements, notes to the financial statements, and management's discussion and analysis with assistance from the Client, as applicable.
4. The Client shall provide adequate workspace and access to records, personnel, and information reasonably necessary for the Auditor to efficiently conduct the audit. The Auditor may perform audit procedures on the Client's premises or remotely, as determined by the Auditor.
5. The Auditor shall consider the Client's system of internal control as required by applicable professional standards. Any material weaknesses, significant deficiencies, or other internal control matters required to be communicated shall be reviewed with the appropriate Client official and reported as required by applicable professional standards.

D. AUDITING STANDARDS

The audit shall be conducted in accordance with the professional standards and requirements identified in the applicable annual engagement letter. Such standards may include, as applicable, auditing standards generally accepted in the United States of America, Government Auditing Standards, the Rules of the Auditor General, Chapter 10.550, Florida Administrative Code, the Single Audit Act, Title 2 U.S. Code of Federal Regulations Part 200, the OMB Compliance Supplement, the State of Florida Single Audit Act, and any other applicable federal, state, or local laws, regulations, professional standards, or professional guidance.

In the event of a conflict between this Contract and the applicable annual engagement letter regarding audit scope, audit objectives, reporting, professional standards, management responsibilities, or auditor responsibilities, the annual engagement letter shall control for that fiscal year.

E. OTHER SERVICES INCLUDED

During the term of this Contract and subject to the applicable annual engagement letter, the Auditor shall provide the following additional services as part of the annual audit engagement, unless otherwise stated in the applicable engagement letter:

1. Routine telephone consultation to the Client's governing body, management, and financial staff regarding matters directly related to the annual audit.
2. Preparation or assistance with the following reports, as applicable:
 - a. Florida Auditor General Submittal Checklist with electronic and paper submissions of the audited financial statements;
 - b. Florida DFS AFR submittal in LoggerX with audited financial statements;
 - c. USDA Form RD 442-2, if required;
 - d. Federal Audit Clearinghouse submission, if required; and
 - e. Other reports specifically identified in the applicable annual engagement letter.
3. Presentation and delivery of the audit report at a scheduled meeting of the Client's governing body either remotely or in person, unless otherwise stated in the applicable annual engagement letter.

Any services outside the scope of the annual audit engagement shall be governed by Section G of this Contract or by a separate written agreement.

F. COMPENSATION AND TERMS OF PAYMENT

1. The Client shall pay the Auditor the following fees for the annual audits covered by this Contract, subject to the terms of the separate annual engagement letter executed for each fiscal year. Each fiscal year audit shall constitute a separate and distinct engagement, and the fee listed for each year applies only to the audit of that fiscal year.

	Year Ended September 30		
	2023	2024	2025
A. Basic audit services	40,000	41,000	42,000
B. Additional for each Federal or State Single Audit	3,500	3,500	3,500

The annual engagement letter shall confirm the fee for the applicable fiscal year and may include additional fees for Single Audit, additional reports, additional procedures, or other services, if applicable. The listing of fees for multiple fiscal years is intended to establish the agreed compensation for the annual audits covered by this Contract and shall not be construed to combine the annual audits into a single continuing engagement or to extend, continue, reopen, or modify any prior fiscal year audit engagement.

2. Periodic progress billings may be submitted as work is completed on any of the annual audits, but no more often than monthly. Progress billings shall be submitted in such form as to provide the Client with sufficient information to ascertain that total billings do not exceed the proportional fee earned for the applicable fiscal year audit.

3. If significant new activities are entered into by the Client, or if changes in law, reporting requirements, grant activity, federal or state audit requirements, accounting standards, internal control conditions, or other circumstances create a need for significant additional auditing services in any year, the Auditor and Client shall negotiate a fee basis for those additional services prior to the Auditor performing the additional services, when practicable. If such services are expected to be repetitive in nature, the increase may be added to the fee for the applicable fiscal year or future fiscal years by annual engagement letter or written amendment.
4. The Auditor may invoice the Client monthly for work performed in the manner set forth in Paragraph F.2, but in no event more than the applicable fee for that fiscal year, except for increases caused by the Client's request for extra services, changes in scope, unforeseen conditions, or other services authorized under this Contract or the applicable annual engagement letter. All payments for these services will be made payable to the Auditor.

In the event that unforeseen conditions are encountered which might necessitate the extension of audit work beyond the scope of normal auditing procedures, the Auditor agrees to advise the Client in writing of the circumstances and to request an increase in the fee before significant additional time is incurred, when practicable.

Any such request for additional fees shall contain an explanation of the conditions or circumstances giving rise to the additional fees. The Client will then determine whether to authorize the additional expense.

5. Unless otherwise stated in the applicable annual engagement letter, all mileage, per diem, and other incidental expenses related to the provision of audit services are included in the annual audit fee and will not be billed separately.

G. OTHER SERVICES

As specifically authorized in writing from time to time during the Contract period, and as allowed by professional standards, the Auditor may provide consulting, accounting, management advisory, or other non-audit services to the Client at the following hourly rates, unless otherwise agreed in writing:

Firm partner: \$200 per hour

Other CPA/Supervisor: \$175 per hour

Accountant: \$150 per hour

Technician: \$100 per hour

Mileage, per diem expenses, and other incidental expenses related to the provision of additional services will be billed at the current State of Florida rates.

Non-audit services shall be performed only as specifically authorized in writing and as allowed by professional standards, and shall be subject to applicable independence, ethics, and professional standards. Depending on the nature and extent of the services, the Auditor may require a separate engagement letter, written addendum, work order, or other written authorization before performing such services.

H. TERM, RENEWAL, CPI-U ADJUSTMENT, AND TERMINATION

This Contract establishes general contractual terms and a pricing framework for the fiscal year audits identified herein and for any subsequent fiscal year audit agreed to in writing. This Contract does not, by itself, obligate the Client to retain the Auditor, or the Auditor to perform audit services, for any particular or future fiscal year. A professional audit engagement for a particular fiscal year shall arise only upon execution by the Client and Auditor of a separate annual engagement letter for that fiscal year. Each annual audit engagement shall constitute a separate and independent engagement. The existence, continuation, renewal, amendment, or termination of this Contract shall not extend, continue, reopen, or modify any completed annual audit engagement.

The parties may elect to enter into a separate audit engagement for any subsequent fiscal year. Any such engagement shall be documented by a written annual engagement letter, written renewal, or written amendment executed by both parties. No annual audit engagement shall renew automatically. The fees for any subsequent fiscal year shall be determined in accordance with the CPI-U adjustment provisions below unless otherwise agreed in writing.

For each renewal year, unless otherwise agreed in the applicable annual engagement letter or written amendment, the annual audit fee shall be increased by the percentage increase, if any, in the Consumer Price Index for All Urban Consumers, U.S. City Average, All Items, Not Seasonally Adjusted, commonly referred to as CPI-U, as published by the U.S. Bureau of Labor Statistics. The CPI-U adjustment shall be measured using the twelve-month percentage increase ending June 30 of the fiscal year to be audited and shall be applied to the fee charged for the immediately preceding fiscal year audit.

The parties may agree in an annual engagement letter to a fee different from the CPI-U adjusted amount, including changes related to audit scope, reporting requirements, federal or state audit requirements, grant activity, changes in Client operations, additional services, or other circumstances affecting the level of work required.

The parties intend that any renewal or extension of this Contract comply with Section 218.391, Florida Statutes. The Client may terminate this Contract at the end of any audit year. The Auditor

may decline to perform services for any future fiscal year by declining to execute an annual engagement letter for that fiscal year. Termination shall not affect the Client's obligation to pay the Auditor for services performed through the effective date of termination.

I. COMPLETION OF ANNUAL ENGAGEMENTS AND CLAIMS

The Auditor's services for each fiscal year shall end upon issuance of the final audit report and any required written communications for that fiscal year, unless the parties execute a separate written agreement for additional services.

Any claim, dispute, or cause of action arising out of or relating to audit services performed for a particular fiscal year shall be deemed to arise from the separate annual engagement for that fiscal year and not from any other fiscal year engagement or from the existence of this Contract as a whole. The issuance date of the final audit report for the applicable fiscal year shall be the completion date of the Auditor's services for that annual engagement, except for services separately agreed to in writing.

J. NONBINDING MEDIATION

Before filing any lawsuit arising out of or relating to this Contract, any annual engagement letter, or any services performed by the Auditor, the parties shall first attempt in good faith to resolve the dispute through nonbinding mediation.

A party seeking mediation shall provide written notice to the other party describing the dispute. Unless otherwise agreed, the mediation shall be conducted in the county where venue would otherwise be proper under this Contract. The parties shall mutually select a mediator. If the parties cannot agree on a mediator within thirty (30) days after written notice of the dispute, either party may request appointment of a mediator by a court of competent jurisdiction.

The parties shall share the mediator's fees and administrative costs equally, unless otherwise agreed in writing. Each party shall be responsible for its own attorneys' fees, expert fees, and other costs incurred in connection with the mediation.

Mediation shall be a condition precedent to litigation, except that either party may seek temporary, emergency, or injunctive relief from a court of competent jurisdiction when necessary to preserve rights or prevent irreparable harm.

K. APPLICABLE LAW AND VENUE

This Contract shall be interpreted under Florida law, and venue of any litigation shall be exclusively in Nassau County, Florida.

L. WAIVER OF JURY TRIAL

Each party hereby knowingly, voluntarily, and intentionally waives the right to a trial by jury with respect to any litigation, including but not limited to any counterclaims, cross claims, or third-party claims, whether now existing or hereafter arising, and whether sounding in contract, tort, equity, or otherwise, regardless of the cause or causes of action, defenses, counterclaims, or relief sought by any party, and regardless of whether such causes of action, defenses, or counterclaims are based on, arise out of, under, or are in connection with this Contract, its subject matter, any alleged conduct, course of conduct, course of dealing, statement, whether verbal or written, or otherwise. Any party hereto may file a copy of this Contract with any court as conclusive evidence of the consent of the parties hereto to the waiver of any right they may have to trial by jury.

M. OTHER PROVISIONS

1. Changes in Laws

In the event that the laws, regulations, professional standards, or reporting requirements applicable to the audit are amended, this Contract or the applicable annual engagement letter may be amended to the extent required by such change.

2. Public Records

To the extent applicable under Chapter 119, Florida Statutes, the Client shall remain responsible for maintaining its public records. The Auditor shall provide public records relating to this Contract only upon the Client's specific written request and subject to payment of any applicable fees, costs, or charges permitted by law.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT:

Telephone: 904.675.9513

Email: lpurvis@townofhilliard.com

Mailing Address: P.O. Box 249, Hilliard, FL 32046

3. Indemnification

The Auditor shall indemnify and hold harmless the Client from third-party claims, damages, and expenses, including reasonable attorneys' fees, but only to the extent finally determined to have been caused by the Auditor's negligent acts or omissions in the performance of services under this Contract. The terms of this paragraph shall survive termination of this Contract.

Nothing in this Contract shall be interpreted as a waiver of the Client's sovereign immunity under Section 768.28, Florida Statutes, if applicable.

4. Insurance

Without limiting its liability hereunder, the Auditor shall maintain proof of compliance with applicable rules of the Florida Board of Accountancy or other applicable regulatory authority regarding minimum capitalization or adequate public liability insurance for public accounting firms.

5. Audit Documentation and Workpapers

The books, records, schedules, and documents provided by the Client remain the property of the Client. Audit documentation, workpapers, analyses, and other materials prepared by the Auditor in connection with the engagement are the property of the Auditor, subject to applicable professional standards, laws, regulations, peer review requirements, and lawful requests from regulatory or oversight authorities.

6. Assignment

The Auditor may assign this Contract and delegate its rights and obligations hereunder, without the prior consent of the Client, to a successor accounting firm in connection with a merger, acquisition, sale, transfer, reorganization, or other disposition of all or substantially all of the Auditor's practice, or the portion of the Auditor's practice serving the Client. Any such successor must be duly licensed and professionally qualified to perform the services contemplated by this Contract and must assume the Auditor's obligations hereunder. The Auditor or its successor shall provide the Client with written notice of the assignment before the successor commences

performing services for the Client. Following notice of an assignment, the Client may terminate this Contract in accordance with the termination provisions of this Contract.

7. Relationship to Annual Engagement Letters

For each fiscal year audit, the Client and Auditor shall execute a separate annual engagement letter. Each annual engagement letter shall apply only to the fiscal year identified in that letter and shall not modify, extend, reopen, or continue any prior fiscal year engagement unless expressly stated in writing.

In the event of a conflict between this Contract and an annual engagement letter regarding audit scope, audit objectives, reporting, professional standards, management responsibilities, auditor responsibilities, or engagement administration, the annual engagement letter shall control for the fiscal year covered by that engagement letter. In the event of a conflict regarding renewal, mediation, venue, jury waiver, indemnification, insurance, assignment, public records, or other general contract terms, this Contract shall control unless the annual engagement letter expressly states otherwise.

The annual engagement letter may include terms required by applicable professional standards, peer review requirements, independence standards, or firm policies.

8. Entire Agreement

This Contract, together with any applicable annual engagement letter, written renewal, written amendment, or written authorization executed by the parties, constitutes the entire agreement between the parties with respect to the subject matter hereof. No modification or amendment of this Contract shall be binding upon either party unless the same is in writing and signed by the respective parties hereto.

9. Electronic Signatures and Counterparts

This Contract, any annual engagement letter, and any written amendment, renewal, authorization, or addendum may be executed in counterparts and by electronic signature. Electronic signatures and copies of signatures shall have the same force and effect as original signatures.

10. Notices

Any notice of cancellation, termination, breach, or other formal notice under this Contract shall be in writing and may be delivered by email, personal delivery, nationally recognized overnight delivery service, or United States mail to the contact information most recently provided by the receiving party. Notice shall be effective upon receipt by the receiving party

IN WITNESS WHEREOF

The parties have executed this Contract as of the day and year first above written.

Representative of the Town of Hilliard, Florida

Name: _____

Title: _____

Signature: _____

Date: _____

Representative of Reliant CPAs, P.A. dba Powell and Jones CPA

Name: _____

Title: _____

Signature: _____

Date: _____



AGENDA ITEM REPORT

TOWN OF HILLIARD, FLORIDA

TO: Town Council Regular Meeting Meeting Date: August 20, 2026

FROM: ***Lisa Purvis, MMC – Town Clerk***

SUBJECT: Town Council to set Workshops for the review and discussion of the Fiscal Year 2026-2027 Budget.

BACKGROUND:

Workshop to be scheduled to discuss the 2026/2027 budget.

FINANCIAL IMPACT:

NA

RECOMMENDATION:

Town Council to set Workshops for the review and discussion of the Fiscal Year 2026-2027 Budget.



AGENDA ITEM REPORT

TOWN OF HILLIARD, FLORIDA

TO: Town Council Regular Meeting Meeting Date: August 20, 2026

FROM: **Cory Hobbs – Public Works Director**

SUBJECT: Town Council approval of Capital Budget Expenditure for Sewer Manhole Lining/Repair in the amount of \$21,075.01 to Site Savvy, Inc for repair of manhole numbers 67, 166, 81, 139, and 9B.

BACKGROUND:

The five manholes identified in this repair request have been field-verified and confirmed to exhibit ongoing infiltration and inflow (I/I) issues requiring corrective action.

See supporting documents for information on additional bidders.

FINANCIAL IMPACT:

Capital Budget \$50,000.00

Remaining Balance \$37,799.08

Capital Budget Expenditure \$21,075.01

RECOMMENDATION:

Town Council approval of Capital Budget Expenditure of Sewer MH Lining/Repair at the cost of \$21,075.01 from Site Savvy Inc for repairing manhole numbers 67, 166, 81, 139, and 9B.

Cory Hobbs

From: Jimmy Cunningham <jgc625@gmail.com>
Sent: Friday, August 14, 2026 7:54 AM
To: Cory Hobbs
Subject: Re: Manhole repair

Cory:

Thank you for the invitation to bid. Unfortunately we're unable to take on any more projects at this time. Please keep us in mind on future projects.

Thanks:

Jimmy Cunningham

On Thu, Aug 13, 2026 at 11:14 AM Cory Hobbs <chobbs@townofhilliard.com> wrote:

Hey Jimmy, I have manholes that need repair on the inside, can you give me a quote on these manholes? The locations and MH #'s are 1st ave / Kentucky Street MH # 67, 3rd ave / Michigan Street MH # 9B, Pecan Street / Cr 108 MH # 139, Montana Street / New Front Street MH # 81, and Mill Street / Alma Street MH # 166.

Thank You so much,

Cory Hobbs

Public Works Director

Public Works Department

TOWN OF HILLIARD

904-719-1012

"Under Florida law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing." This email and any files transmitted with it may contain privileged or confidential information and may be read or used only by the intended recipient. If you are not the intended recipient of the email or any of its attachments, please be advised that you have received this email in error and that any use, dissemination, distribution, forwarding, printing or copying of this email or any attached files is strictly prohibited. If you have received this email in error, please immediately purge it and all attachments and notify the sender by reply mail. "This institution is an equal opportunity provider and employer" If you wish to file a Civil Rights program complaint of

discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov."

"Under Florida law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing." This email and any files transmitted with it may contain privileged or confidential information and may be read or used only by the intended recipient. If you are not the intended recipient of the email or any of its attachments, please be advised that you have received this email in error and that any use, dissemination, distribution, forwarding, printing or copying of this email or any attached files is strictly prohibited. If you have received this email in error, please immediately purge it and all attachments and notify the sender by reply mail. "This institution is an equal opportunity provider and employer" If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov."



1420 Martin Luther King Jr Blvd
Sanford, FL 32771
(407) 792-1360
info@atlanticpipe.us

ITEM-5

FLORIDA'S COMMERCIAL PIPELINE CLEANING, INSPECTION AND REHAB SPECIALIST

PROPOSAL

14327

CUSTOMER: TOWN OF HILLIARD	PHONE: 904-719-1012	DATE: 08/13/2026
STREET: 15859 West County Road 108	JOB NAME: Hilliard Sewer CCTV	
CITY/STATE/ZIP: Hilliard, FL, 32046	JOB LOCATION: , Hilliard, FL,	
ATTN: Cory Hobbs	E-MAIL: chobbs@townofhilliard.com	

QUANTITY	DESCRIPTION	UOM	RATE	TOTAL
Seq: Sewer Standard Services				
8.00	Cleaning of 6"-12" Sewer Mains	HRS	300.00	2,400.00
8.00	CCTV Inspection of 6"-12" Sewer Mains	HRS	215.00	1,720.00
TOTAL				4,120.00

ANY UNFORSEEN OR ABNORMAL PIPELINE OR SITE CONDITIONS WILL BE SUBJECT TO RENEGOTIATION WITHOUT
PENALTY TO APS



1420 Martin Luther King Jr Blvd
Sanford, FL 32771
(407) 792-1360
info@atlanticpipe.us

PROPOSED RATES MAY CHANGE BASED UPON THE FOLLOWING CONDITIONS:

- 1) Calls Outs of less than 1000 LF of readily available pipeline may be billed at the hourly rate, with a 4 hour minimum. Any time on site beyond the minimum may be billed at the hourly rate
- 2) Emergency Call Outs will be subject to increased rates.
- 3) Heavy Cleaning encountered will be performed at an hourly rate, unless otherwise specified
- 4) Travel Time charges are assessed on a job by job basis
- 5) Atlantic Pipe Services provides, free cloud downloads for videos and reports. Hard Copy Reports with DVD or USB may be purchased at \$75.00 per set.
- 6) Safety Training / Orientation required for projects will be charged at the hourly rate per unit on site
- 7) Due to rising costs of fuel and overall expenses, additional fees must be assessed. These pass-through costs are assessed through daily charges, per piece of equipment on site.

Atlantic Pipe Services is comitted to providing the same responsiveness, turn around time and quality of work that our valued customers have become accustomed to. APS has invested in technologies that allow us to be more efficient with operations and save on costs, however the extreme volatility within the fuel market is something we cannot control. This additional charge helps APS cover increased costs, as well as maintain the same level of service.

We propose to hereby furnish the following:

Work to be performed per terms of Volusia County Master Agreement No. 780 12439-1 (Solicitation #22-B-112LS) between Atlantic Pipe Services and Volusia County.

Heavy Cleaning Rates	Heavy Cleaning determined by percentage of debris in pipeline			
	12" Diameter	25.00%	3"	Debris
	15" Diameter	25.00%	4"	Debris
	18" Diameter	20.00%	4"	Debris
	24" Diameter	20.00%	5"	Debris
	30" Diameter	20.00%	6"	Debris
	36" Diameter	20.00%	7"	Debris
	42" Diameter	15.00%	6"	Debris
	48" Diameter	15.00%	7"	Debris
	54" Diameter	10.00%	5"	Debris
	60" Diameter	10.00%	6"	Debris
	In the event the required cleaning is beyond normal Heavy Cleaning, the cleaning will be performed under an hourly rate. Subject to prior client notification and approval.			

CUSTOMER RESPONSIBILITIES

- ☒ Local Dump-Site for safe disposal of debris / waste material removed from Project Location
- ☒ Local Metered Water Source
- ☒ Exposure of structures and access to all work areas without delay
- ☒ Stabilized Access to Work Areas - Two Wheel Drive Accessible
- ☐ Access to secure site for equipment storage
- ☒ Maintenance of Traffic - If Applicable

CUSTOMER RESPONSIBILITIES

Delays experienced outside of APS's direct control will be subject to an hourly charge for each unit on site

Weekend and Night Work may be subject to increase rates

Any unforeseen or abnormal pipe / site conditions will be subject to renegotiation without penalty to APS

Payment terms are NET 30 days of invoice date. APS does not agree to "Pay when paid" terms

APS Proposals are valid for 30 days from date of submission.

ATLANTIC PIPE SERVICES, LLC			
PRINT NAME / TITLE	Erin Hans - Lead Estimator	DATE	8/13/2026
SIGNATURE	Erin Hans Digitally signed by Erin Hans DN: cn=Erin Hans, o=APS, c=US, email=erin.hans@atlanticpipe.us Reason: I am the author of this document Location: Sanford, FL Date: 2025.08.13 09:40:04-00		

Acceptance of Proposal : The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to perform the work specified. Payment will be made as outlined.

CUSTOMER			
PRINT NAME / TITLE		DATE	
SIGNATURE			

COMPANY: Atlantic Pipe Services, LLC, a Florida Limited Liability Company, whose address 1420 Martin Luther King Jr. Blvd, Sanford, Florida, 32809 (Hereinafter referred to as "APS")

CUSTOMER: Any corporation, company, organization, agent or individual entering into a written agreement with APS for the provision of services or materials or any other business dealing, for which payment is agreed with or becomes due and payable to APS (hereinafter referred to as "Customer")

PROPOSAL & QUOTATION: All proposals or quotations provided by APS must be in writing and signed by an authorized representative of the company to be valid and any such proposal or quotation is valid for acceptance within 30 days of the respective proposal date, unless agreed otherwise in writing.

PAYMENT TERMS: Payment of all invoices is due within 30 days from the invoice date, unless terms are agreed otherwise, in writing from APS. Any Dispute or query regarding the invoiced amount must be communicated in writing within 10 days (objection period) from the invoice date and customer will be deemed to have accepted the invoice as delivered and all services / work standards relating thereto, unless objected to in writing within the objection period. Customer agrees that no retainage will held for all services performed.

REMEDIES FOR NON-PAYMENT: All sums not paid when due will bear interest at the rate of 1.5% per month from due date until paid or the maximum legal rate permitted by law, whichever is less. In the event of legal action being deemed necessary to enforce payment, APS shall be entitled to all costs of collection including a reasonable attorney's fee. In addition, if the customer fails to make payment to APS as herein provided, then APS may stop work without prejudice to any other remedy it may have. The parties further agree that in the event of any controversy arising between them, then in such event, the State Courts of Seminole County, Florida, shall be the forum in which the parties agree to try and have heard any matters of litigation arising out of such controversies.

WARRANTIES: All workmanship and materials are guaranteed against defects in workmanship for a period of one year from the date of substantial completion of the project. This warranty is in lieu of all other warranties, expressed or implied, including any warranties of merchantability of fitness for a particular purpose. APS will not be responsible for damage to its work by other parties or normal wear and tear. Any repair work necessitated by caused damage will be considered as an order for extra work.

INDEPENDENT CONTRACTOR: Both APS and the customer agree that APS will act as an independent contractor in the performance of its duties under this contract. Accordingly, APS shall be responsible for payment of all taxes, including Federal, State, and local taxes arising out of APS's activities, including by way of illustration but not limitation, Federal and State income tax, social security tax, Unemployment Insurance taxes, and any other taxes.

UNFORESEEN OCCURRENCE: In the event that any unforeseen occurrences or conditions are encountered after the work has commenced and which APS judge, at their sole discretion, to significantly affect or may affect the services, the risk involved in providing the services or there being a material change to the proposed or quoted scope of services, APS may a) Immediately cease work without liability to the customer, or b) renegotiate with customer to change the scope of work with price adjustment or change order, or c) Apply downtime /hourly or day rates until occurrence or condition is resolved to the satisfaction of APS.

DOWNTIME/STOPPAGES/ADDITIONAL WORK: In the event that APS is unable to work or encounter stoppages due to circumstances beyond their control or unforeseen circumstances or occurrences, particularly any underground structure problems causing delay or stoppage of work or in the event of any work being required beyond the quoted scope of work, then an hourly or daily rate will be charged, subject to prior customer notification in writing from APS.

PROJECT ESTIMATES: APS may from time to time provide written estimates of projected timescale or hours for a particular project at customer request, however, this in no way binds APS to a final timescale for the services to be provided. The actual hours will be determined by specific site requirements and operational demands, which cannot be wholly determined due to the nature of the services provided by APS.

CUSTOMER PURCHASE ORDERS: In the event that the customer chooses to issue a purchase order, whether verbal or in writing, such purchase order shall be governed by APS Standard Terms & Conditions of Business as detailed herein and any such client agreement cannot change the payment terms under any circumstances unless specifically agreed to in writing APS and such agreement being authorized and signed by the owner or director of APS. In the event of any inconsistency between the APS terms and conditions as detailed herein and the terms of a service order, the APS terms and conditions shall prevail. In any event, settlement of all APS correctly submitted invoices must be made within 30 days from invoice date, irrespective of customer having received payment from their respective customer.

CONTRACT ACCEPTANCE: In the event that the client fails to sign acceptance of an APS proposal or quotation, due to oversight by either or both parties or any other reason and the services are commenced or completed on the clients written or verbal instruction due to emergency, urgency or some other reason, then these terms and conditions will be deemed to have been accepted by the client as if such proposal or quotation had been signed.

DISCLAIMER: APS shall perform any and all repairs (e.g sag removal, rerounding, grouting, sectional CIPP, internal joint seals, mechanical repair sleeves, CIPP, coatings,) services on a best-effort basis and makes no representations or warranties, express or implied, regarding the success or effectiveness of such services. Billing shall be due and payable regardless of the outcome of the sag removal process. APS shall not be held liable or responsible for any damage, deformation, failure, or other adverse effects that may occur to the pipeline as a result of the sag removal attempt. Furthermore, APS shall bear no responsibility or liability for any costs, damages, or liabilities arising from dig-ups, excavations, or other activities outside of APS's control. The client agrees to indemnify, defend, and hold harmless APS, its officers, employees, and subcontractors from and against any and all claims, damages, losses, or expenses (including attorney's fees) arising out of or related to the sag removal work, except to the extent caused by APS's sole gross negligence or willful misconduct.

CUSTOMER RESPONSIBILITIES: The customer will normally provide the following services, at no cost to APS for the duration of the project, unless agreed otherwise in writing by APS, a) Approved dumpsite and disposal for all materials to be removed from site of work, b) Access and exposure of all structures for APS personnel and equipment without delay, c) All temporary site facilities including suitable storage space for equipment, d) Any special permits and/or licenses, without delay, e) Supply and access to all water required for the project with meter if applicable. f) Work areas prepared and accessible, without delay, to enable the services to be provided, g) Authorized representative of the customer at the site of work, at all times services are being performed and with authority to accept the services as completed and / or hours worked and h) Location and exposure of all manholes in the project area.

Tammy Geiger

36287 Acorn Pl, Hilliard, FL 32046

+19046525362

27526 W. 3rd St. Manhole Restoration

Estimate Number: EST-10079

Date: Aug 10, 2026

For

Town Of Hilliard

chobbs@townofhilliard.com

(904) 719-1012

15859 W Co Rd 108, Hilliard, FL 32046, USA

Estimate

Equipment	\$283.25
Epoxy Pump (DAY) 1 x \$283.25	\$283.25
Epoxy Resin	\$2,124.40
High-Strength Epoxy Resin Injection System (GAL) 15 x \$113.30	\$1,699.50
Hot Shot Quick Setting Cartridge (EA) 4 x \$54.75	\$219.02
Patch n Plug Hydraulic Cement (EA) 4 x \$51.47	\$205.88
Safety Equipment	\$540.75
4-Gas Monitor Rental (DAY) 1 x \$128.75	\$128.75
Ventilation Fan & Ducting Rental (DAY) 1 x \$180.25	\$180.25
Tripod & Harness System Rental (DAY) 1 x \$231.75	\$231.75
Labor	\$1,112.40
Foreman (HRS) 8 x \$77.25	\$618.00

Laborer (HRS) 8 x \$30.90		\$247.20	ITEM-5
Flagger (HRS) 8 x \$30.90		\$247.20	
Total		\$4,060.80	

Tammy Geiger

36287 Acorn Pl, Hilliard, FL 32046

+19046525362

Manhole Restoration 27126 First Ave & Kentucky St.

Estimate Number: EST-10078

Date: Aug 10, 2026

For

Town Of Hilliard

chobbs@townofhilliard.com

(904) 719-1012

15859 W Co Rd 108, Hilliard, FL 32046, USA

Estimate

Equipment	\$283.25
Epoxy Pump (DAY) 1 x \$283.25	\$283.25
Epoxy Resin	\$929.97
High-Strength Epoxy Resin Injection System (GAL) 5 x \$113.30	\$566.50
Hot Shot Quick Setting Cartridge (EA) 2 x \$54.02	\$108.05
Patch n Plug Hydraulic Cement (EA) 2 x \$127.71	\$255.42
Safety Equipment	\$993.95
4-Gas Monitor Rental (DAY) 1 x \$128.75	\$128.75
Ventilation Fan & Ducting Rental (DAY) 1 x \$180.25	\$180.25
Tripod & Harness System Rental (DAY) 1 x \$231.75	\$231.75
Confined Space Entry Supervisor (HRS) 8 x \$56.65	\$453.20
Labor	\$494.40

General Laborer (HRS) 8 x \$30.90	\$247.20	ITEM-5
Flagger (HRS) 8 x \$30.90	\$247.20	
Total	\$2,701.57	

Tammy Geiger

36287 Acorn Pl, Hilliard, FL 32046

+19046525362

ITEM-5

27077 Montana St. & New Front St.

Estimate Number: EST-10075

Date: Aug 10, 2026

For

Town Of Hilliard

chobbs@townofhilliard.com

(904) 719-1012

15859 W Co Rd 108, Hilliard, FL 32046, USA

Estimate

Site Prep	\$0.00
Call in Utility Locates (EA) 1 x \$0.00	\$0.00
Demolition	\$271.92
Demo Existing Asphalt (20' x 12') (HRS) 4 x \$67.98	\$271.92
Excavation & Equipment	\$1,246.30
E50 Bobcat Rental / Usage (DAY) 2 x \$314.15	\$628.30
Excavate to 7 ft Deep to Expose 8-inch Tee (HRS) 8 x \$77.25	\$618.00
Dewatering	\$381.10
Dewatering Equipment & Setup (DAY) 2 x \$190.55	\$381.10
Repiping	\$618.00
Repipe Main Line at 8-inch Tee (HRS) 8 x \$77.25	\$618.00
Labor	\$2,101.20

Foreman / Operator (HRS) 24 x \$56.65	\$1,359	ITEM-5
Laborers (2) (HRS) 24 x \$30.90	\$741.60	
Client-Provided Materials	\$0.00	
Hydraulic Cement - 5 Gallon Bucket (EA) 2 x \$0.00	\$0.00	
Provided and paid for by Town of Hilliard		
Redi Mix Concrete - 60lb Bag (EA) 10 x \$0.00	\$0.00	
Provided and paid for by Town of Hilliard		
Road Base (LS) 1 x \$0.00	\$0.00	
Provided and paid for by Town of Hilliard		
Pipe & Repair Materials (LS) 1 x \$0.00	\$0.00	
Provided and paid for by Town of Hilliard		
Contractor-Provided Materials	\$370.80	
Asphalt Material (TON) 3 x \$123.60	\$370.80	
Terms & Conditions	\$0.00	
Estimate Validity (LS) 1 x \$0.00	\$0.00	
Excavation Contingency (LS) 1 x \$0.00	\$0.00	
Town of Hilliard Approval for Additional Charges (LS) 1 x \$0.00	\$0.00	
Client Material Responsibility (LS) 1 x \$0.00	\$0.00	
Total	\$4,989.32	

Site Savvy Inc.
36287 Acorn Pl, Hilliard, FL 32046

(904) 652-5362

Pecan St. Manhole Repair 15879 CR 108

Estimate Number: EST-10080
Date: Aug 11, 2026

For
Town Of Hilliard
chobbs@townofhilliard.com
(904) 719-1012
15859 W Co Rd 108, Hilliard, FL 32046, USA

We are delighted to work with you on turning your project dreams into reality. Our goal is to make this process as smooth and transparent as possible for you.

We have prepared an estimate for the **Pecan St. Manhole Repair at 15879 CR 108**. This project covers all necessary work to complete the manhole repair, broken down across the following key phases:

- **Site Prep** – Initial preparation of the work area to ensure a safe and organized job site.
- **Demolition** – Removal of existing materials and structures as needed to access and address the repair area.
- **Excavation & Equipment** – Excavation work and the necessary equipment to expose the manhole and surrounding infrastructure.
- **Dewatering** – Management and removal of water from the excavation area to allow safe and effective repairs.
- **Repiping** – Replacement or repair of the associated piping as part of the manhole restoration.
- **Labor** – All additional skilled labor required to complete the repair work to the highest standard.

Please take your time to review the estimate and let us know if you have any questions or need further clarification. Our goal is to ensure that you feel confident and comfortable with every aspect of the project. We value your trust and are committed to delivering the highest quality of work.

Looking forward to starting this exciting project together.

Estimate

Site Prep	\$0.00
Call in Utility Locates (EA) 1 x \$0.00` (DAY) 1 x \$0.00	\$0.00

Demolition	\$200	ITEM-5
Demo Existing Asphalt(10' x 12') (HRS) 3 x \$66.95	\$200.85	
Excavation & Equipment	\$1,236.00	
E50 Bobcat (DY) 2 x \$309.00	\$618.00	
Excavate 5ft. 8" Pipe (HRS) 8 x \$77.25	\$618.00	
Dewatering	\$381.10	
Dewatering Equipment & Setup (DY) 2 x \$190.55	\$381.10	
Repiping	\$618.00	
Re-Pipe 8" pipe (HRS) 8 x \$77.25	\$618.00	
Labor	\$2,101.20	
Foreman / Operator 24 x \$56.65	\$1,359.60	
Laborers (2) 24 x \$30.90	\$741.60	
Notes: Town of Hilliard is Responsible for all Material including the base for Roadway. Site Savvy will be responsible for Asphalt material. If future work is required once excavating and see future damage the contractor will stop and contact the Town of Hilliard to update and decide what additional charges will be applied and agree upon between the client and contractor.	\$0.00	
Total	\$4,537.15	

Terms and Conditions

Estimate is good for 30 days. Site Savvy Inc. will warranty this job for 1 year after completion date.

Signature

ITEM-5

Tammy Geiger

Tammy Geiger
Site Savvy Inc.

Aug 11, 2026

Sign here
Client

Aug 11, 2026

Tammy Geiger

36287 Acorn Pl, Hilliard, FL 32046

+19046525362

Manhole Restoration 37207 Mill St & Alma St.

Estimate Number: EST-10076

Date: Aug 10, 2026

For

Town Of Hilliard

chobbs@townofhilliard.com

(904) 719-1012

15859 W Co Rd 108, Hilliard, FL 32046, USA

Estimate

Equipment	\$283.25
Epoxy Pump (DAY) 1 x \$283.25	\$283.25
Epoxy Resin	\$3,143.32
Epoxy Injection Labor (HRS) 6 x \$66.95	\$401.70
Epoxy Injection Labor (HRS) 6 x \$66.95	\$401.70
High-Strength Epoxy Resin Injection System (GAL) 13 x \$113.30	\$1,472.90
Hot Shot Quick Setting Cartridge (EA) 4 x \$54.02	\$216.09
Patch n Plug Hydraulic Cement (EA) 3 x \$127.71	\$383.13
Patch n Plug Application Labor (HRS) 2 x \$66.95	\$133.90
Hot Shot Cartridge Installation Labor (HRS) 2 x \$66.95	\$133.90
Safety Equipment	\$1,359.60
4-Gas Monitor Rental (DAY) 2 x \$128.75	\$257.50

Ventilation Fan & Ducting Rental (DAY) 2 x \$180.25	\$360	ITEM-5
Tripod & Harness System Rental (DAY) 2 x \$231.75	\$463.50	
Confined Space Entry Supervisor (HRS) 6 x \$46.35	\$278.10	
Total	\$4,786.17	



AGENDA ITEM REPORT

TOWN OF HILLIARD, FLORIDA

TO: Town Council Regular Meeting Meeting Date: August 20, 2026

FROM: **Cory Hobbs – Public Works Director**

SUBJECT: Town Council to consider the replacement of Public Works Clerk position title to Public Works Administrative Coordinator, approve updated position description, and allow for advertisement of the position.

BACKGROUND: The Public Works Administrative Assistant (Public Works Administrative Coordinator) position is an essential component of the Town's Public Works Department and provides critical support to the administration, operation, and regulatory compliance of the Town's water, wastewater, streets, and drainage systems. This position performs much more than traditional clerical duties by coordinating regulatory reporting, assisting with Florida Department of Environmental Protection compliance, managing utility records, supporting emergency response activities, coordinating contractors, tracking Sunshine 811 locate requests, maintaining inventory, and assisting with budgeting and purchasing.

In addition to administrative responsibilities, the position routinely performs field duties including assisting with water sampling, laboratory deliveries, hydrant flow testing, water meter activities, contractor inspections, wastewater treatment plant support, boil water notifications, and other operational projects. These responsibilities allow licensed operators and maintenance personnel to remain focused on specialized technical work while ensuring regulatory deadlines, documentation, and customer service obligations are consistently met.

For the Town of Hilliard's utility customers, this position improves operational efficiency, strengthens regulatory compliance, enhances emergency preparedness, and reduces administrative burdens on supervisory staff. Replacing this position preserves institutional knowledge, supports uninterrupted utility operations, and provides a cost-effective means of maintaining the high level of service expected by the Town Council and the community.

FINANCIAL IMPACT:

Grade 4 \$18.89 - \$28.34 per hour (\$39,299.35-\$58,949.02 annually)

RECOMMENDATION: Town Council approval of the replacement of Public Works Clerk position title to Public Works Administrative Coordinator, approve updated position description, and allow for advertisement of the position.



Position Description

To perform this job successfully, an individual must be able to perform the essential job functions satisfactorily. Reasonable accommodations may be made to enable individuals with disabilities to perform the primary job functions herein described. Since every duty associated with this position may not be described herein, employees may be required to perform duties not specifically spelled out in the job description, but which may be reasonably considered to be incidental in the performing of their duties just as though they were actually written out in this job description.

Public Works Administrative Coordinator

Department: Public Works

Pay Grade: 4

FLSA Status: Non-Exempt

JOB SUMMARY

The purpose of this classification is to perform a variety of administrative and clerical work for the Public Works Department.

ESSENTIAL JOB FUNCTIONS:

- Assist with computer training. Assist in working on various computer issues with the Public Works Director and the Assistant Public Works Director.
- Assist with the Public Works Director and the Assistant Public Works Director on FEMA and Nassau County Emergency Operation.
- Assist Public Works Director and the Assistant Public Works Director on reports for Florida DEP and Florida Rural Water.
- Call in excavation locations and track the locate status through My Sunshine 811.
- Contact contractors in placing bids for work and tracking job status.
- Helps to maintain water and wastewater inventory from various vendors.
- Assist in daily operations at the Wastewater Treatment Plant.
- Maintain accurate records of all duties performed.
- Record monthly Influent/Effluent averages on excel spreadsheet.
- Assist in the maintenance of water meters within the Town.
- Assist in the collection of samples in accordance with the FL Department of Environmental Protection guidelines.
- Works as a liaison with various contractors.
- Maintaining a clean and organized work environment.
- Assist in trips to labs for monthly & biweekly sampling.

- Organizing lab results for reports needed. Assist with biweekly and weekly gathering of potable water and wastewater samples.
- Notifying customers of boiled water situations, including lab trips, printing door hangers, and placing hangers at customer residents.
- Maintain street signs and placing order from vendors.
- Maintain paper and office supplies for the public works department.
- Assist in budgetary matters including invoicing.
- Prepare or follow up on request from the Mayor & Town Council Members.
- Assist with special projects as directed by the Public Works Director and or the Assistant Public Works Director.
- Assist with after-hour emergencies
- Assist with Oversight and Inspection for mowing contract.
- Assist with Organization and Maintenance of As Build Maps for Public Works Department.
- Start and continue Backflow inventory throughout the Town.
- Assist with Backflow testing program.
- Under the guidance of the Public Works Director, develops standard operating procedures and department policies.
- Assists with records management activities including file maintenance with adherence to records retention schedule.
- Assist with Hydrant Flow testing and hydrant paint updates every 5 years.
- Performs other related duties as assigned.

These examples are intended only as illustrations of various types of work performed and are not necessarily all-inclusive. The job description is subject to change as the needs of the employer and requirements of the job change.

MINIMUM REQUIREMENTS TO PERFORM WORK:

- High school diploma or equivalent;
- Associate's Degree in Business preferred;
- Two (2) years' experience in the public sector or related field;
- Or any equivalent combination of education, training, and experience which provides the requisite knowledge, skills, and abilities for this job.

LICENSES, CERTIFICATIONS OR REGISTRATIONS:

- Valid State of Florida Driver's License

KNOWLEDGE, SKILLS AND ABILITIES:

- Knowledge of Florida Statutes.
- Knowledge of computer data entry systems and word processing applications; Windows OS, Microsoft Office Suite, or other related programs deemed necessary
- Knowledge of basic arithmetic operations.
- Skill in dealing with community groups and individuals.
- Skill in starting, stopping, operating and monitoring the functioning of equipment, machinery, tools, and/or materials used in performing essential functions.
- Skill in verbal and written communication.
- Ability to perform addition, subtraction, multiplication and division; ability to calculate decimals and percentages; may include ability to perform mathematical operations with fractions.
- Ability to work independently with minimal supervision.
- Ability to deal courteously with the general public; establish and maintain effective

- relationships with employees, supervisors, administrators, and other Town personnel.
- Ability to organize and accomplish work responsibilities and tasks.

PHYSICAL DEMANDS:

Most Work consists of sedentary work, which requires exerting up to 10 pounds of force occasionally and/or negligible amount of force frequently or constantly to lift, carry, push, pull or otherwise move objects, including the human body. Tasks may involve extended periods of sitting, including time at a keyboard or work station. Some tasks require the ability to perceive and discriminate visual cues or signals. Some tasks require the ability to communicate orally. A portion of the work consists of heavy work, which requires exerting up to 100 pounds of force occasionally, and/or up to 50 pounds of force frequently, and/or up to 20 pounds of force constantly to move objects. Some tasks may require the ability to do work at heights above 20 feet.

WORK ENVIRONMENT:

Portions of the work is performed in a normal office environment. Essential functions are regularly performed without exposure to adverse environmental conditions.

While other portions of Work is performed in a dynamic environment in all weather conditions on Town streets, rights-of-way, in close proximity to roadway traffic, noxious fumes, heavy equipment and occasionally in confined spaces. Performance of essential functions may require exposure to adverse environmental conditions, such as dirt, dust, pollen, odors, wetness, humidity, temperature and noise extremes, bright/dim light, toxic agents, disease, pathogenic substances, animal/wildlife attacks, animal/human bites, or rude/hostile citizens.

CONDITIONS OF EMPLOYMENT:

Offer of employment is contingent upon the following: an interview of references and previous employers; satisfactory results of a background investigations and/or medical examination or inquiry, including a drug screen test.

The Town of Hilliard has the right to revise this position description at any time, and does not represent in any way a contract of employment.

Employee Signature

Date

Supervisor (or HR) Signature

Date

The Town of Hilliard, Florida commits to a policy of equal employment opportunity for applicants and employees, complying with local, state and federal laws. The Town's policy is to employ qualified persons without discrimination regarding race, creed, color, religion, age, sex, country of national origin, marital status, disability, sexual orientation, gender identity, genetic information, political affiliation, ethnicity, or status in any other group protected by federal/state/local law.

Public Works Leadership is looking to update the position description, this is **not a traditional administrative assistant**. It is really a **Public Works Administrative Coordinator** that bridges the office and field operations.

Estimated Time Allocation

Responsibility	Estimated Time
Administrative support to Director/Assistant Director	15%
Reporting (DEP, Rural Water, FEMA, records, spreadsheets)	10%
Water & wastewater regulatory support (sampling, labs, reports)	15%
Inventory, purchasing, bids, vendors, invoices	10%
811 locate management & contractor coordination	8%
Records management, SOP development, as-built maps	7%
Budget support & Council/Mayor requests	5%
Office supplies and departmental administration	3%
Field assistance with water meters, hydrants, signs, backflow	12%
Wastewater plant operational assistance	5%
Boil water notices, emergencies, after-hours response	5%
Mowing inspections & miscellaneous field projects	5%

Overall Breakdown

Office / Administrative: 63%

Includes:

- reporting
- purchasing
- invoices
- regulatory paperwork
- records
- contractor coordination
- budgeting
- computer support
- policy development

Field Operations: 37%

Includes:

- sampling
- laboratory trips
- water meters
- hydrants
- signs
- wastewater plant assistance
- inspections
- contractor coordination in the field
- emergency response



AGENDA ITEM REPORT

TOWN OF HILLIARD, FLORIDA

TO: Town Council Regular Meeting Meeting Date: August 20, 2026

FROM: ***Lee Anne Wollitz – Land Use Administrator***

SUBJECT: Town Council to accept the resignation of Del Miley, Code Enforcement Officer, and terminate the contract related to the position, effective September 30, 2026.

BACKGROUND:

Resignation letter to be provided separately.

FINANCIAL IMPACT:

NA

RECOMMENDATION:

Town Council to accept the resignation of Del Miley, Code Enforcement Officer, and terminate the contract related to the position, effective September 30, 2026.



AGENDA ITEM REPORT

TOWN OF HILLIARD, FLORIDA

TO: Town Council Regular Meeting Meeting Date: August 20, 2026

FROM: **Lee Anne Wollitz – Land Use Administrator**

SUBJECT: Town Council to consider the replacement of the retiring Code Enforcement Officer with a regular part time position, approve the position description and allow for advertisement of the position.

BACKGROUND:

The Town's current Code Enforcement Officer has announced his retirement, creating the need to replace the position. The current position has been performed on a part-time contractual basis for approximately 10 hours per week at a monthly cost of \$1,100. During the past several years, development activity, permitting, customer service demands, and code compliance responsibilities have continued to increase. As the Town continues to grow, staff should consider whether replacing the existing position at its current level is sufficient or whether additional administrative support should be incorporated to improve customer service and operational efficiency. The following option is presented for Council consideration.

Part-Time Code Enforcement Officer: Replace the retiring officer with a part-time Code Enforcement Officer working approximately 10–20 hours per week. This option maintains current service levels while providing additional flexibility to meet increasing workload demands.

FINANCIAL IMPACT:

The position description, Grade 5, carries a pay scale of \$21.98 - \$32.97.

RECOMMENDATION:

Town Council approval of the replacement of the retiring Code Enforcement Officer with a regular part time position, approve the position description and allow for advertisement of the position.



Position Description

To perform this job successfully, an individual must be able to perform the essential job functions satisfactorily. Reasonable accommodation may be made to enable individuals with disabilities to perform the primary job functions herein described. Since every duty associated with this position may not be described herein, employees may be required to perform duties not specifically spelled out in the job description, but which may be reasonably considered to be incidental in the performing of their duties just as though they were actually written out in this job description.

Code Enforcement Officer

Department: Land Use
Pay Grade: 5
FLSA Status: Non-Exempt

JOB SUMMARY

Perform professional field and office work involving the enforcement of the Town of Hilliard Code of Ordinances, Land Development Regulations, nuisance regulations, and other applicable municipal ordinances to protect the public health, safety, welfare, and appearance of the community. Conduct investigations, perform inspections, document violations, work with property owners to obtain voluntary compliance, issue notices and citations, and present cases before the Nassau County Code Enforcement Special Magistrate. The Code Enforcement Officer exercises independent judgment while maintaining fairness, consistency, and professionalism in accordance with Chapter 162, Florida Statutes, Town ordinances, and adopted administrative policies.

ESSENTIAL JOB FUNCTIONS:

Code Enforcement:

- Investigate complaints regarding violations of Town ordinances.
- Conduct routine patrols and proactive inspections throughout the Town.
- Identifies violations of the Town Code, Land Development Regulations, nuisance ordinances, sign regulations, unsafe structures, abandoned property regulations, and other applicable municipal codes.
- Document violations through written reports, photographs, field notes, maps, and other evidence.
- Research property ownership, zoning classifications, permits, prior violations, and applicable regulations.
- Meet with property owners, tenants, contractors, businesses, and residents to explain code requirements and compliance options.
- Issue Courtesy Notices, Notices of Violation, Notices of Hearing, Citations, and other enforcement documents authorized by law.
- Perform follow-up inspections to determine compliance.
- Coordinate Voluntary compliance whenever practical before initiating formal enforcement.

Enforcement Proceedings:

- Prepare complete case files for Special Magistrate hearings.
- Attend hearings and present testimony and evidence.
- Coordinate with the Town Attorney regarding enforcement actions when necessary.
- Maintain accurate enforcement records in accordance with Florida Public Records Law.
- Monitor compliance with Special Magistrate orders and coordinates additional enforcement when required.

Interdepartmental Coordination:

Works closely with:

- Land Use Administrator
- Building Official
- Fire Marshal
- Public Works Director
- Nassau County Health Department
- Nassau County Sheriff's Office
- Florida Department of Environmental Protection
- Other governmental agencies as required.

Public Assistance:

- Explain Town codes and ordinances to the public.
- Respond to citizen inquiries regarding zoning, property maintenance, signage, nuisances, and code compliance.
- Provide educational information to encourage voluntary compliance.
- Maintain courteous and professional relationships with residents and businesses.

Administrative Duties:

- Maintain computerized case files and inspection records.
- Prepare reports, correspondence, and statistical summaries.
- Assists with preparation of ordinance amendments and administrative procedures.
- Attend departmental meetings, training programs, and professional development courses.
- Perform related duties as assigned.

These examples are intended only as illustrations of various types of work performed and are not necessarily all-inclusive. The job description is subject to change as the needs of the employer and the requirements of the job change.

MINIMUM REQUIREMENTS TO PERFORM WORK:

Education: High School Diploma or GED required.

Experience: One of the following:

Two (2) years of municipal code enforcement experience; or

Two (2) years of building inspection, zoning administration, planning, law enforcement, property management, construction, or closely related experience; or

An equivalent combination of education, training, and experience.

Preferred Qualifications:

Florida Association of Code Enforcement (F.A.C.E.) Level I Certification.

Florida Association of Code Enforcement Level II Certification.

Experience with municipal permitting software.

Experience presenting cases before a Code Enforcement Board or Special Magistrate.

LICENSES, CERTIFICATIONS OR REGISTRATIONS:

Required:

Valid Florida Driver License.

Ability to obtain Florida Association of Code Enforcement Level I Certification within one (1) year of employment.

Preferred:

Florida Association of Code Enforcement Manager Certification.

FEMA Incident Command System training.

KNOWLEDGE, SKILLS AND ABILITIES:

- Florida Statutes relating to Code Enforcement, including Chapter 162.
- Municipal code enforcement practices.
- Property maintenance principles.
- Zoning and land development regulations.
- Investigative techniques.
- Rules of evidence and documentation.
- Public records requirements.
- Customer service principles.
- Interpret and apply municipal ordinances.
- Read site plans, surveys, and legal descriptions.
- Prepare accurate written reports.
- Communicate effectively both orally and in writing.
- Resolve conflicts professionally.
- Testify effectively before the Special Magistrate.
- Operate computers and mobile inspection software.
- Work independently with minimal supervision.
- Maintain confidentiality when appropriate.

PHYSICAL DEMANDS:

- Frequent walking over uneven terrain.
- Standing for extended periods.
- Driving throughout the Town.
- Lifting up to 30 pounds.
- Climbing stairs and entering undeveloped properties.
- Working outdoors in varying weather conditions.
- Occasionally working evenings for hearings or inspections.

WORK ENVIRONMENT:

Work is performed in both office and field environments. Duties involve exposure to

construction sites, undeveloped property, traffic, weather extremes, insects, animals, and occasionally confrontational situations requiring diplomacy and sound judgment.

AUTHORITY:

The Code Enforcement Officer is authorized, pursuant to Town ordinances and Chapter 162, Florida Statutes, to:

Conduct investigations.

Enter property as authorized by law.

Issue notice of violation.

Issue citations.

Recommend cases for Special Magistrate hearings.

Testify before the Special Magistrate.

Coordinate compliance efforts with other governmental agencies.

CONDITIONS OF EMPLOYMENT:

Offer of employment is contingent upon the following: an interview of references and previous employers; satisfactory results of a background investigation and/or medical examination or inquiry, including a drug screen test.

The Town of Hilliard has the right to revise this position description at any time and does not represent in any way a contract of employment.

Employee Signature

Date

Supervisor (or HR) Signature

Date

The Town of Hilliard, Florida commits to a policy of equal employment opportunity for applicants and employees, complying with local, state, and federal laws. The Town's policy is to employ qualified persons without discrimination regarding race, creed, color, religion, age, sex, country of national origin, marital status, disability, sexual orientation, gender identity, genetic information, political affiliation, ethnicity, or status in any other group protected by federal/state/local law.

Lee Anne Wollitz

From: Wendy Prather
Sent: Friday, August 14, 2026 11:55 AM
To: Lee Anne Wollitz
Subject: Financial data related to Code Enforcement

Using a mid-range salary consideration within Step 5 - financial impact:

Compensation:

\$27.45 per hour x 20 hours per week = **\$549.00**

\$549 per week = **\$28,548.00** annual

FRS employer paid @13.59% = **\$3,879.68**

Annual cost for on staff- \$32,427.68

Annual cost currently as contracted - \$ 13,200

In review of 2025 data collected and provided to the Florida Public Human Resources Association, in towns the size of Hilliard we see very few still in a 'contracted services' due to heavy administrative requirements, response time and year-round capacity.

Code Enforcement- 1 FTE - not part-time- and this data is not factoring FRS

	Minimum	Midpoint	Maximum
Average:	\$49,544	\$63,711	\$77,878
3rd Quartile:	\$53,529	\$68,888	\$84,484
1st Quartile:	\$46,199	\$59,623	\$72,333
Median:	\$50,642	\$63,308	\$76,654

Actual Salary Results

3rd Quartile:	\$63,311	Simple Average:	\$58,783
1st Quartile:	\$53,756	Weighted Average:	\$61,034

Using a 1st Quartile comparison 25th ((and lowest)) percentile ranking we would be coming higher \$32,427.68 (us) vs \$30,530.72 (them)

This proposal would put us closer to a 2nd Quartile -50th percentile at \$32,427.68 (us) vs \$33,244.11 (them).

~~~~~

## **PRIMARY AREAS OF ENFORCEMENT**

The Code Enforcement Officer is responsible for administering and enforcing applicable provisions of the Town of Hilliard Code of Ordinances, the Land Development Regulations (LDRs), and applicable provisions of Florida Statutes. The areas of responsibility include, but are not limited to, the following:

### **Property Maintenance and Nuisances**

- Exterior property maintenance
- Overgrown vegetation and weeds
- Junk, trash, debris, and abandoned materials
- Inoperative or abandoned vehicles
- Illegal outdoor storage
- Public nuisances
- Unsafe or unsanitary conditions
- Accumulation of refuse
- Graffiti and related property maintenance violations

### **Zoning and Land Development**

- Permitted land uses
- Unauthorized uses of property
- Home occupations
- Temporary uses
- Accessory structures
- Setback and dimensional requirements
- Site development without required approvals
- Compliance with approved site plans, conditional uses, special exceptions, variances, and Planned Unit Developments (PUDs)

### **Building and Development Compliance**

- Construction activities occurring without required permits
- Expired permits when referred by the Building Official
- Compliance with conditions of development approvals
- Site clearing activities
- Tree protection and mitigation requirements
- Floodplain development compliance when applicable
- Demolition activities requiring Town approval

### **Signs**

- Temporary signs
- Permanent signs
- Political signs
- Prohibited signs
- Illegal placement within rights-of-way
- Sign maintenance and compliance with Town sign regulations

### **Rights-of-Way and Public Property**

- Encroachments into public rights-of-way
- Obstructions within sidewalks and streets
- Unauthorized work within Town rights-of-way
- Illegal dumping on public property
- Damage to Town property
- Unauthorized use of Town-owned property

### **Unsafe Structures and Dangerous Conditions**

- Unsafe buildings
- Dangerous structures
- Dilapidated buildings
- Structures determined to be hazardous to public safety
- Emergency conditions requiring coordination with the Building Official or Fire Department

### **Environmental Compliance**

- Illegal dumping
- Drainage violations
- Stormwater violations as authorized by Town ordinances
- Environmental nuisance conditions
- Coordination with the Florida Department of Environmental Protection, St. Johns River Water Management District, Nassau County Health Department, and other regulatory agencies when appropriate

### **Business and Occupational Compliance**

- Business Tax Receipt compliance
- Compliance with conditions of zoning approvals
- Outdoor display regulations
- Outdoor storage regulations
- Temporary vendor requirements
- Special event compliance

### **Animal-Related Violations**

When authorized by Town ordinance or interlocal agreement, investigate and coordinate violations involving:

- Livestock and agricultural animals
- Animal nuisances
- Coordination with Nassau County Animal Services

**Enforcement Authority**

The Code Enforcement Officer performs duties consistent with:

- Chapter 162, Florida Statutes (Code Enforcement)
- Applicable provisions of the Florida Building Code, when authorized
- The Town of Hilliard Code of Ordinances
- Town Land Development Regulations
- Policies and procedures adopted by the Town Council
- Lawful directives of the Land Use Administrator

The Code Enforcement Officer shall coordinate enforcement activities with the Building Official, Public Works Director, Fire Department, Nassau County Sheriff's Office, Nassau County Health Department, and other governmental agencies as necessary to achieve voluntary compliance and protect the public health, safety, and welfare.

# HILLIARD TOWN COUNCIL MEETING

Hilliard Town Hall / Council Chambers  
15859 West County Road 108  
Post Office Box 249  
Hilliard, FL 32046

## TOWN COUNCIL MEMBERS

John P. Beasley, Mayor  
Kenny Sims, Council President  
Lee Pickett, Council Pro Tem  
Joe Michaels, Councilman  
Jared Wollitz, Councilman  
Dallis Hunter, Councilman

## ADMINISTRATIVE STAFF

Lisa Purvis, Town Clerk  
Cory Hobbs, Public Works Director  
Gabe Whittenburg, Parks & Rec Director  
Lee Anne Wollitz, Land Use Administrator  
**TOWN ATTORNEY**  
Christian Waugh

## MINUTES

THURSDAY, JULY 09, 2026, 6:00 PM

### CALL TO ORDER

### PRAYER & PLEDGE OF ALLEGIANCE

### ROLL CALL

#### PRESENT

Mayor John Beasley  
Council President Kenny Sims  
Council Pro Tem Lee Pickett  
Councilman Jared Wollitz

#### ABSENT

Councilman Dallis Hunter  
Councilman Joe Michaels

### WORKSHOP

ITEM-1 Town Council to review and discuss the Hurricane Shelter / Community Center Project Status and Updates.

***Lisa Purvis, MMC – Town Clerk***

Lisa Purvis Town Clerk provided an overview of the PQH Group's work regarding bid process, including the following:

1. Bid schedule and Procurement Process.
2. Design changes: Civil & Architectural Design
3. Value Engineering scope and design alternatives.

The Council then considered a proposal from Baxter & Woodman for Owner's Representative Services for the Town's Hurricane Shelter Project.

**Don Ramdass of Baxter & Woodman** explained the role and responsibilities of an Owner's Representative and how these services would assist the Town in overseeing and managing the project.

**Mike Cornell of Baxter & Woodman** provided additional information regarding his experience and expertise and discussed how his background could benefit the Town throughout the project.

During the discussion, Councilman Wollitz suggested considering a sole-source procurement for the Owner's Representative services.

ITEM-2 Town Council to receive Report from Dustin Winnon based on his involvement with Nassau Health.

***Dustin Winnon – Planning & Zoning Board Member***  
***Clara Cluck – Nassau County Health Officer***

Town of Hilliard & Nassau County Florida Department of Health Rural Community Health Assessment Review meeting was held on June 22, 2026, provides an overview of the following top three (3) areas of focus.

1. Transportation resources
2. Health Fairs and Back-to-School Events
3. Mobile Unit services

ITEM-3 Town Council discussion related to Councilman Wollitz standing meeting with County Manager on the third Friday of each month.

***Lee Anne Wollitz – Land Use Administrator***

1. Public Transportation
2. Data Centers / Fact Finding Meetings – An update was provided regarding seven (7) fact finding meetings held to gather information concerning Data Centers. The Town currently has two Data Center, Nassau County School Board and Federal Aviation Administration. The Town will have the moratorium first reading on July 16, 2026, agenda.
3. 2050 Vision Plan Agreement on July 16, 2026, agenda
4. School Concurrency
5. 2026 Fireworks there was no communication. We are asking that Nassau County take them over and the Town of Hilliard will contribute funds.
6. Nassau County and Municipalities have two (2) Health Departments. Water & sewer for Health Department.

ITEM-4 Town Council to review and discuss updates to Permits Processes and Land Development Regulations that require changes based on legislative changes effective July 1, 2026.

***Lee Anne Wollitz – Land Use Administrator***

We have several laws that went into effect.

1. August 14, 2026, Regular Meeting amended Unified Fee Schedule. Building permit fees will no longer be charged for the International Code Council (ICC). Bryan Higginbotham, Building Official, advised that he will provide input regarding the other entities.
2. Discussion on building permit below the value of \$7500.00
3. The permitting process will allow five (5) days to issue building permits for projects valued below \$15,000.
4. Town Land Development Regulations Code now allows mobile & manufactured homes in Residential Districts R-1 & R-2. Others residential districts require a special exception. They are now allowed in all residential districts for single family use.
5. Private Provider registration list was approved. The list must be maintained

and available.

6. Standardized building permit will be implemented.

ITEM-5 Town Council to review and discuss Nassau County Certificate of Taxable Values from the Nassau County Property Appraisers Office for the Fiscal Year 2026-2027.

***Lisa Purvis, MMC – Town Clerk***

The Town Council reviewed and discussed the Nassau County Certificate of Taxable Values for Fiscal Year 2026–2027 as provided by the Nassau County Property Appraiser’s Office. Town Clerk Lisa Purvis, reviewed the statutory timeline and requirements for establishing the Town’s millage rate, including the deadline to notify the Property Appraiser’s Office of the proposed millage rate no later than August 4, 2026.

The Clerk advised that the Council’s initial consideration of the proposed millage rate was scheduled for the July 16, 2026, regular meeting, unless the Council elected to hold a special meeting. The Council was provided with various millage rate options, beginning with the rollback rate and increasing to 4.0000 mills, along with the estimated property-tax revenue associated with each rate.

ITEM-6 Town Council to review and discuss the Fiscal Year Budget Process.

***Lisa Purvis, MMC – Town Clerk***

Town Clerk Lisa Purvis, advised the Town Council that she has been working with Erin West to bring the Town’s financial records up to date. Once the financial records are current, the Clerk will provide the department directors with the necessary information and request their proposed budget figures for the upcoming fiscal year.

## **ADDITIONAL COMMENTS**

Dustin Bishop, Senior Project Manager with Meyer-Najem Construction, stated that he reached out to the Flagler County EOC regarding its procurement policy. He further stated that Meyer-Najem Construction is currently working on a design-build project for Flagler County’s emergency shelter.

## **ADJOURNMENT**

Motion to adjourn was made at 8:02 p.m.

Motion made by Council Pro Tem Pickett, Seconded by Council President Sims.

Voting Yea: Mayor Beasley, Council President Sims, Council Pro Tem Pickett, Councilman Wollitz

Approved this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by the Hilliard Town Council, Hilliard, Florida.

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Kenneth A. Sims, Sr.  
Council President

ATTEST:

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Lisa Purvis  
Town Clerk

APPROVED:

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John P. Beasley  
Mayor

# HILLIARD TOWN COUNCIL MEETING

Hilliard Town Hall / Council Chambers  
15859 West County Road 108  
Post Office Box 249  
Hilliard, FL 32046

## TOWN COUNCIL MEMBERS

John P. Beasley, Mayor  
Kenny Sims, Council President  
Lee Pickett, Council Pro Tem  
Joe Michaels, Councilman  
Jared Wollitz, Councilman  
Dallis Hunter, Councilman

## ADMINISTRATIVE STAFF

Lisa Purvis, Town Clerk  
Cory Hobbs, Public Works Director  
Gabe Whittenburg, Parks & Rec Director  
Lee Anne Wollitz, Land Use Administrator  
**TOWN ATTORNEY**  
Christian Waugh

## MINUTES

**THURSDAY, AUGUST 06, 2026, 7:00 PM**

### NOTICE TO PUBLIC

*Anyone wishing to address the Town Council regarding any item on this agenda is requested to complete an agenda item sheet in advance and give it to the Town Clerk. The sheets are located next to the printed agendas in the back of the Council Chambers. Speakers are respectfully requested to limit their comments to three (3) minutes. A speaker's time may not be allocated to others.*

### PLEDGE OF CIVILITY

WE WILL BE RESPECTFUL OF ONE ANOTHER  
EVEN WHEN WE DISAGREE.  
WE WILL DIRECT ALL COMMENTS TO THE ISSUES.  
WE WILL AVOID PERSONAL ATTACKS.  
***"Politeness costs so little." – ABRAHAM LINCOLN***

## CALL TO ORDER

## PRAYER & PLEDGE OF ALLEGIANCE

## ROLL CALL

### PRESENT

Mayor John Beasley  
Council President Kenny Sims  
Councilman Jared Wollitz  
Councilman Dallis Hunter  
Councilman Joe Michaels

### ABSENT

Council Pro Tem Lee Pickett

## PUBLIC HEARING

ITEM-1 Ordinance No. 2026-04 – Establishing procedures for the review and approval of Certified Recovery Residences pursuant to section 397.487, Florida Statutes.  
**Mayor Beasley**

Open Public Hearing  
Call for Public Comments  
Close Public Hearing on Ordinance No. 2026-04

Following no public comments, motion to close Public Hearing at 7:01 p.m.

Motion made by Councilman Michaels, Seconded by Council President Sims.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter,  
Councilman Michaels

#### **TOWN COUNCIL ACTION**

Town Council to consider adopting Ordinance No. 2026-04, on Second & Final Reading.

Motion made by Councilman Michaels, Seconded by Council President Sims.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter,  
Councilman Michaels

ITEM-2

Ordinance No 2026-05 – Imposing a temporary moratorium on the acceptance, review, or approval of applications for development permits, development orders, rezoning, or site plans related to data centers, data processing facilities, data mining or cryptocurrency mining operations (referenced herein collectively as data center facilities) within town limits of the Town of Hilliard.

***Mayor Beasley***

Open Public Hearing  
Call for Public Comments

**Chadd Charland, 3746B First Ave, Fernandina Beach, FL** speaks against Data Centers being built in Nassau County and the surrounding areas.

**Tory Adams, St Marys Riverkeeper, 6943 E William Ave, Kingsland, GA** speaks against Data Centers being built in Nassau County and the surrounding areas.

**Andy Whittaker 27589 Georgia St, Hilliard, FL** speaks against Data Centers being built in Nassau County and surrounding areas and advises that he has questions. The Town Clerk advises that he will be able to ask those question prior to the vote being taken on this ordinance.

Close Public Hearing on Ordinance No. 2026-05

Motion to close Public Hearing at 7:12 p.m.

Motion made by Council President Sims, Seconded by Councilman Wollitz.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter,  
Councilman Michaels

#### **TOWN COUNCIL ACTION**

Town Council to consider adopting Ordinance No. 2026-05, on Second & Final Reading.

**Councilman Wollitz** advised that he and Lee Anne Wollitz have had discussions with Nassau County Manager Taco Pope. They have provided a substantial amount of information and continue to conduct research to gather additional information for all community partners. They will continue to share their knowledge and findings with the Town.

**Land Use Administrator Lee Anne Wollitz** clarified that the moratorium is for a period of six (6) months, with the ability to extend it for an additional six (6) months. She provided information regarding the moratorium and advised the Council of the steps and requirements the Town needs to complete.

**Andrew Whittaker 27589 Georgia St, Hilliard FL**, addressed the Council and asked questions regarding the moratorium and related matters.

**Town Attorney Christian Waugh** advised that the Town may continue adopting the moratorium in additional six (6) month periods, as permitted.

Motion made by Council President Sims, Seconded by Councilman Wollitz.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels

## PROCLAMATIONS

ITEM-3      The Town of Hilliard to Recognize the 200th Anniversary of Nassau County Sheriff's Department  
***John P. Beasley – Mayor***

The proclamation was read in its entirety, and the Town hereby proclaims the year 2027 as the 200th Anniversary of the Nassau County Sheriff's Department.

## REGULAR MEETING

ITEM-4      Additions/Deletions to Agenda

No items are added or deleted from the agenda.

ITEM-5      Town Council adoption of Resolution No. 2026-09, Amending Resolution No. 2026-06, Unified Fee Schedule; Water & Sewer; Culverts; Planning & Land Use; Building Permitting; and Parks & Recreation.  
***Lisa Purvis, MMC – Town Clerk***

**Land Use Administrator Lee Anne Wollitz** addressed the Town Council and advised that the proposed Unified Fee Schedule incorporates all changes discussed during the July 9, 2026, workshop, at which she provided an explanation of the proposed amendments to the Unified Fee Schedule.

Motion made by Council President Sims, Seconded by Councilman Wollitz.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels

ITEM-6      Town Council approval of Change Order No. 1, to increase the contract price by \$2,826.00, for the FDOT funded project to construct a new box hangar building at the Hilliard Airpark.  
***Lisa Purvis, MMC – Town Clerk***

Motion made by Councilman Wollitz, Seconded by Councilman Michaels.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels

- ITEM-7 Town Council to accept the resignation of David Pender, Program Manager, effective July 24, 2026. **Gabe Whittenburg – Parks and Rec Director**
- Motion made by Councilman Michaels, Seconded by Council President Sims.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels
- ITEM-8 Town Council approval of Capital Budget Expenditure of Major Purchase for Road Millings from Masters Road Clean Concrete Recycling.  
**Cory Hobbs – Public Works Director**
- Motion made by Councilman Wollitz, Seconded by Councilman Michaels.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels
- ITEM-9 Town Council approval of the Minutes for June 4, 2026, June 18, 2026, July 2, 2026, and July 16, 2026, Regular Meetings.  
**Lisa Purvis, MMC – Town Clerk**
- Motion made by Councilman Michaels, Seconded by Council President Sims.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels
- ITEM-10 Town Council approval of CPH Consulting, LLC, Payable through July 10, 2026, Project Name: 8" Parallel Water Main Extension to FAA Facility in the amount of \$2,400.00.  
**CAPITAL FUNDED PROJECT LUMP SUM CONTRACT \$199,680.**
- Motion made by Council President Sims, Seconded by Councilman Michaels.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels
- ITEM-11 Town Council approval of CPH, Payable through July 10, 2026, Project Name: FY 24/25 Resilient Florida Planning Grant, in the amount of \$110,000.00.  
**FDEP COMPREHENSIVE VULNERABILITY ASSESSMENT GRANT FUNDED PROJECT IN THE AMOUNT OF \$180,000; LUMP SUM CONTRACT \$180,000.**
- Motion made by Councilman Wollitz, Seconded by Council President Sims.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels
- ITEM-12 Town Council approval of Lylam, LLC dba Facility's Constructors, Payable through July 14, 2026, Project Name: Construct Box Hangar Building at the Hilliard Airpark in the amount of \$90,967.54.  
**FDOT PTGA 100% GRANT FUNDED PROJECT \$391,000; LYLAM, LLC DBA FACILITY'S CONSTRUCTORS LUMP SUM CONTRACT \$269,989.60**
- Motion made by Council President Sims, Seconded by Councilman Wollitz.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels

- ITEM-13 Town Council approval of Partridge Well Drilling, Inc., Payable through July 17, 2026, Project Name: Well No. 2 Rehabilitation in the amount of \$8,400.00.  
**CAPITAL FUNDED PROJECT BUDGETED \$50,000**

Motion made by Council President Sims, Seconded by Councilman Michaels.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels

- ITEM-14 Town Council approval of PQH Group, Payable through July 17, 2026, Project Name: Hurricane Shelter / Community Center Project in the amount of \$3,200.00.  
**FDEM 100% GRANT FUNDED PROJECT \$5,890,200; PQH GROUP LUMP SUM 572,000**

Motion made by Councilman Michaels, Seconded by Councilman Wollitz.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels

- ITEM-15 Town Council approval of Site Savvy, Inc., Payable through July 8, 2026, Project Name: Gravity Sewer Replacement/Lining MH 33 Michigan & West Fifth in the amount of \$3,620.46. Total approved Gravity Sewer Replacement/Lining \$12,200.92.  
**CAPITAL FUNDED PROJECT BUDGETED \$50,000**

Motion made by Council President Sims, Seconded by Councilman Wollitz.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels

- ITEM-16 Town Council approval of Site Savvy, Inc., Payable through July 29, 2026, Project Name: Gravity Sewer Replacement/Lining MH 92 New Front St. & Illinois in the amount of \$4,960.00. Total approved Gravity Sewer Replacement/Lining \$12,200.92.  
**CAPITAL FUNDED PROJECT BUDGETED \$50,000**

Motion made by Councilman Wollitz, Seconded by Councilman Michaels.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels

- ITEM-17 Town Council approval of TB Landmark Construction, Payable through May 15, 2026, Project Name: MH 167 and MH 170 Repairs, Pay Request No. 3 in the amount of \$50,530.50.  
**CAPITAL FUNDED PROJECT BUDGETED \$300,000; TB LANDMARK CONSTRUCTION LUMP SUM CONTRACT \$323,267.52**

Motion made by Council President Sims, Seconded by Councilman Michaels.  
Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels

## ADDITIONAL COMMENTS

### PUBLIC

No comments.

### MAYOR & TOWN COUNCIL

**Councilman Hunter** advised that the Hilliard Airpark is planning a Fly-In/Camp-In event on August 29 and 30, 2026. He also advised that a cleanup is scheduled for Saturday, August 22, 2026, and encouraged anyone who is available to participate.

**Council President Sims** reported that McDonald's had a successful opening.

**Mayor Beasley** advised that City Government Week will be observed October 19 through October 26, 2026. He also commented that the HMSHS football field looks good and noted that the first home football game is scheduled for August 28, 2026. An alumni dinner is scheduled for August 15, 2026 and if anyone is interest they should contact Gabe Whittenburg.

### ADMINISTRATIVE STAFF

#### PRESENT:

Town Clerk Lisa Purvis

Public Works Director Cory Hobbs

Land Use Administrator Lee Anne Wollitz

#### ABSENT:

Parks & Recreation Director Gabe Whittenburg

**Mayor Beasley, on behalf of Parks and Recreation Director Gabe Whittenburg,** advised that tackle football season is beginning soon.

**Land Use Administrator Lee Anne Wollitz** advised that she began the Leadership Nassau program today and thanked the Town Council for sponsoring her participation in the program. She also advised that the Nassau County Chamber of Commerce has scheduled a ribbon-cutting ceremony with McDonald's on August 25, 2026, at 11:00 a.m..

**Town Clerk Lisa Purvis** advised that the Hurricane Shelter/Community Center project has been re-advertised and that the advertisement went out today. The project includes a budget with numerous alternate items that may be considered in order to bring the project closer to the State grant amount. The bid opening will be conducted publicly on September 9, 2026, at 2:00 p.m. at Town Hall.

Ms. Purvis also reported that she and Land Use Administrator Lee Anne Wollitz attended the Nassau County Chamber of Commerce luncheon, where Representative Dean Black and Senator Clay Yarbrough spoke. Ms. Purvis stated that she was able to thank them for the allocation of funding for the sewer rehabilitation project. She also advised that they discussed the property tax referendum and that she was assured that funding consideration would be given to rural areas. Small municipalities would also be given consideration for potential loss of revenue.

### TOWN ATTORNEY

**Christian Waugh** discussed the property tax referendum and expressed his confidence that there will be options available to offset potential lost revenue. He advised that the

Town could consider creating special districts or implementing special assessments as possible alternatives. Mr. Waugh stated that there is no need for concern at this time. The Town had an insurance policy on Hilliard Volunteer Fire Department Member Mr. Kevin Crews, and it was originally denied. Attorney Waugh's office appealed and was successful.

## ADJOURNMENT

Motion to adjourn at 7:40 p.m.

Motion made by Council President Sims, Seconded by Councilman Wollitz.

Voting Yea: Council President Sims, Councilman Wollitz, Councilman Hunter, Councilman Michaels

Approved this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by the Hilliard Town Council, Hilliard, Florida.

\_\_\_\_\_  
Kenneth A. Sims, Sr.  
Council President

ATTEST:

\_\_\_\_\_  
Lisa Purvis  
Town Clerk

APPROVED:

\_\_\_\_\_  
John P. Beasley  
Mayor

## IMPORTANT REMITTANCE INFORMATION

**Please include the AECOM invoice number when sending payment**

**INVOICE NUMBER: 2001172775**  
**Invoice Date: 11-AUG-26**  
**Invoice Due Date: 10-SEP-26**  
**Amount Due: \$11,144.10 USD**  
**Project Number: 60732142**

To process your payment timely and ensure credit is given, please include the AECOM invoice number when sending payment. Including this invoice number will allow AECOM to promptly apply your payment without delay or additional information requests placed upon your organization.

Failure to reference the AECOM invoice number when sending payment may result in delay of your account being credited.

To expedite payment processing, AECOM is asking its clients to submit payments electronically by ACH (Automated Clearing House) if possible.

ACH payments provide an alternative to paper checks, affording you the following advantages:

- Certainty of delivery
- Reduced operating costs through the elimination of paper check mailing

Regards,

AECOM Cash Application Department  
[CashAppsRemittance@aecom.com](mailto:CashAppsRemittance@aecom.com)

Check Payment to:  
AECOM Technical Services, Inc.  
An AECOM Company  
1178 Paysphere Circle  
Chicago, IL 60674

ACH Payment to:  
AECOM Technical Services, Inc.  
An AECOM Company  
Bank of America  
Account Number 5800937020  
ABA Number 071000039

Wire Transfer Payment to:  
AECOM Technical Services, Inc.  
An AECOM Company  
Bank of America  
New York, NY 10001  
Account Number 5800937020  
ABA Number 026009593  
SWIFT CODE BOFAUS3N



7650 West Courtney Campbell Causeway, Tampa, FL 33607-1462

Tel: 813-286-1711

Fax: 813-287-8591

Federal Tax ID No. 95-2661922

ATTN : Lisa Purvis  
TOWN OF HILLIARD  
15859 West County Road 108  
Hilliard, FL 32046  
United States

Invoice Date: 11-AUG-26  
Invoice Number: 2001172775

Agreement Number: 60732142  
Agreement Description:

Payment Term: 30 DAYS

*Please reference Invoice Number and Project Number with Remittance*

Project Number : 60732142  
Bill Through Date : 30-MAY-26 - 31-JUL-26  
Bil Prange

Project Name : 01J\_Hilliard Airpark-Hangar Building - SA No. 20

| Phase Lump Sum                                                   |                                  |            |                  |           |           |
|------------------------------------------------------------------|----------------------------------|------------|------------------|-----------|-----------|
| Project Number                                                   | Description                      | Fee        | Percent Complete | Earned    | Previous  |
| 60732142                                                         | 01J_Hilliard Airpark-Hangar Buil | 111,441.00 | 85.00%           | 94,724.85 | 83,580.75 |
| Total Phase Lump Sum:                                            |                                  |            |                  |           | 11,144.10 |
| Project Total : 01J_Hilliard Airpark-Hangar Building - SA No. 20 |                                  |            |                  |           | 11,144.10 |

#### Invoice Summaries

|                        |           |
|------------------------|-----------|
| Total Current Amount : | 11,144.10 |
| Retention Amount :     | 0.00      |
| Pre-Tax Amount :       | 11,144.10 |
| Tax Amount :           | 0.00      |
| Total Invoice Amount : | 11,144.10 |

#### Billing Summaries

| Billing Summary | Current   | Prior     | Total     | Total Fee  | Percent Complete |
|-----------------|-----------|-----------|-----------|------------|------------------|
| Billings        | 11,144.10 | 83,580.75 | 94,724.85 | 111,441.00 | 85.00            |
| Tax             | 0.00      | 0.00      | 0.00      |            |                  |
| Billing Total : | 11,144.10 | 83,580.75 | 94,724.85 |            |                  |



Osprey I & E Incorporated  
PO Box 193  
Hilliard, FL  
+19047593432  
Ospreybcr@gmail.com

ITEM-11  
**Invoice**

**BILL TO**

Town of Hilliard

| INVOICE # | DATE       | TOTAL DUE  | DUE DATE   | TERMS          | ENCLOSED |
|-----------|------------|------------|------------|----------------|----------|
| 2026-118  | 08/12/2026 | \$3,900.00 | 08/12/2026 | Due on receipt |          |

**JOB NUMBER**  
044

**PO AND/OR RMA #**  
Cory Hobbs

**JOB NAME**  
Ceder Haven

| DATE | DESCRIPTION                                                                                         | QTY | RATE     | AMOUNT   |
|------|-----------------------------------------------------------------------------------------------------|-----|----------|----------|
|      | <b>Services</b><br>Replace lift station control panel At Cedar<br>Haven confirm new panel operation | 1   | 0.00     | 0.00     |
|      | <b>Services</b><br>Control panel supplied by others                                                 | 1   | 3,900.00 | 3,900.00 |

Thank You for allowing our company to serve you.

**BALANCE DUE**

**\$3,900.00**

**\*\*Please note that any Invoice not paid by due date will be  
charged a late fee\*\***



Osprey I & E Incorporated  
PO Box 193  
Hilliard, FL  
+19047593432  
Ospreybcr@gmail.com

ITEM-12  
**Invoice**

**BILL TO**

Town of Hilliard

| INVOICE # | DATE       | TOTAL DUE  | DUE DATE   | TERMS          | ENCLOSED |
|-----------|------------|------------|------------|----------------|----------|
| 2026-119  | 08/12/2026 | \$4,600.00 | 08/12/2026 | Due on receipt |          |

**JOB NUMBER**  
45

**PO AND/OR RMA #**  
Cory Hobbs

**JOB NAME**  
Effluent panel Replacement

| DATE | DESCRIPTION                                                                                                                                                                                                                      | QTY | RATE     | AMOUNT   |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----------|----------|
|      | <b>Services</b><br>Replace control panel demo remaining transducer system at control panel add 4 floats connect both pumps to new control panel confirm operation<br>control panel and rack to hang floats on supplied by others |     | 4,600.00 | 4,600.00 |

Thank You for allowing our company to serve you.

**\*\*Please note that any Invoice not paid by due date will be charged a late fee\*\***

**BALANCE DUE**

**\$4,600.00**

**INVOICE FOR PROFESSIONAL SERVICES**

ITEM-13

PROJECT: Town of Hilliard Hurricane Shelter  
Hilliard, FL

DATE: 08/14/26

INVOICE NO. 24022-15

TO: Lisa Purvis  
Town of Hilliard  
PO Box 249  
Hilliard, FL 32046

PROJECT NO. 24022

[lpurvis@townofhilliard.com](mailto:lpurvis@townofhilliard.com)  
[payables@townofhilliard.com](mailto:payables@townofhilliard.com)

IN ACCORDANCE WITH THE AGREEMENT DATED

11/7/24

THERE IS DUE AT THIS TIME FOR PROFESSIONAL SERVICES AND REIMBURSABLE ITEMS ON THE ABOVE PROJECT, FOR THE PERIOD ENDING

08/14/26

THE SUM OF

DOLLARS \$ 15,000.00

THE ABOVE AMOUNT SHALL BECOME DUE AND PAYABLE

30

DAYS FROM THE DATE HEREOF.

**INTEREST ON OVERDUE ACCOUNTS SHALL ACCRUE AT****1.5% PERCENT****PER****Month**

THE PRESENT STATUS OF THE ACCOUNT IS AS FOLLOWS:

|               |                     |
|---------------|---------------------|
| Fee           | \$572,000.00        |
| Reimbursables | \$376.02            |
| Total Fee     | <u>\$572,376.02</u> |

|                  |              |
|------------------|--------------|
| Fee Earned       | \$426,376.02 |
| Invoiced to Date | \$411,376.02 |

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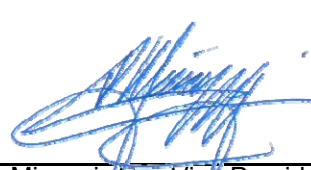
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|                                      |                    |
|--------------------------------------|--------------------|
| <b>Total Amount Due this Invoice</b> | <b>\$15,000.00</b> |
|--------------------------------------|--------------------|

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Invoice Reviewed and Approved by:

  
Aldo Minozzi, AIA, Vice President

**PQH Group Design Inc.**  
4141 Southpoint Drive East, Suite 200  
Jacksonville, FL 32216  
T 904-224-0001  
info@pqh.com  
[www.pqh.com](http://www.pqh.com)

## INVOICE FOR PROFESSIONAL SERVICES

ITEM-13

Project: Town of Hilliard Hurricane Shelter  
Hilliard, FL

To:  
Town of Hilliard  
PO Box 249  
Hilliard, FL 32046

Invoice Date: 08/14/26  
Invoice Number: 24022-15  
Project Number: 24022

TOTAL AMOUNT DUE  
THIS INVOICE: \$15,000.00

| SERVICE RENDERED                     | TOTAL FEE           | % COMPLETE | TOTAL DUE TO DATE   | PREVIOUSLY INVOICED | AMOUNT DUE         |
|--------------------------------------|---------------------|------------|---------------------|---------------------|--------------------|
| Site Assess & Prelim Design          | 22,000.00           | 100%       | 22,000.00           | 22,000.00           | 0.00               |
| Schematic Design                     | 30,000.00           | 100%       | 30,000.00           | 30,000.00           | 0.00               |
| Design Development 30%               | 60,000.00           | 100%       | 60,000.00           | 60,000.00           | 0.00               |
| Const. Documents 60%                 | 76,000.00           | 100%       | 76,000.00           | 76,000.00           | 0.00               |
| Const. Documents 90%                 | 76,000.00           | 100%       | 76,000.00           | 76,000.00           | 0.00               |
| Const. Documents 100%                | 40,000.00           | 100%       | 40,000.00           | 40,000.00           | 0.00               |
| Bidding/Permitting                   | 16,000.00           | 100%       | 16,000.00           | 16,000.00           | 0.00               |
| Construction Observation             | 48,000.00           | 0%         | 0.00                | 0.00                | 0.00               |
| Project Punch & Closeout             | 8,000.00            | 0%         | 0.00                | 0.00                | 0.00               |
| Interior Design; Finish Selection    | 15,000.00           | 0%         | 0.00                | 0.00                | 0.00               |
| Topo/Boundary Survey                 | 8,000.00            | 100%       | 8,000.00            | 8,000.00            | 0.00               |
| Geotechnical Engineering Rpt         | 8,000.00            | 100%       | 8,000.00            | 8,000.00            | 0.00               |
| Civil Engineering                    | 75,000.00           | 100%       | 75,000.00           | 67,500.00           | 7,500.00           |
| Landscaping                          | 15,000.00           | 100%       | 15,000.00           | 7,500.00            | 7,500.00           |
| Design Contingency Allowance         | 75,000.00           | 0%         | 0.00                | 0.00                | 0.00               |
| Previous Reimbursables               | 376.02              | 100%       | 376.02              | 376.02              | 0.00               |
| Reimbursables this invoice<br>x 1.15 | 0.00                | 0%         | 0.00                | 0.00                | 0.00               |
| <b>TOTAL</b>                         | <b>\$572,376.02</b> | <b>74%</b> | <b>\$426,376.02</b> | <b>\$411,376.02</b> | <b>\$15,000.00</b> |